

<u>Docket No. 20180061-EI</u> Comprehensive Exhibit List for Entry into Hearing Record December 11, 2018					
EXH #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
STAFF					
1		Exhibit List	Comprehensive Exhibit List		
FLORIDA PUBLIC UTILITIES COMPANY (FPUC) (DIRECT)					
2	Michael Cassel	MC-1 ¹	Storm Cost Recovery	1-19	
OFFICE OF PUBLIC COUNSEL (OPC) (DIRECT)					
3	Helmuth W. Schultz, III	HWS-1	Qualifications of Helmuth W. Schultz, III	1-20	
4	Helmuth W. Schultz, III	HWS-2 ²	Storm Restoration Costs Summary	1-20	
5	Helmuth W. Schultz, III	HWS-3	Florida Public Utilities Company's summary provided in response to Staff Interrogatory No. 2-6	1-20	
STAFF OF THE FLORIDA PUBLIC SERVICE COMMISSION (PSC) (DIRECT)					
6	Debra M. Dobiac	DMD-1	Auditor's Report – Limited Scope	17	

¹ MC-1 was revised on December 7, 2018.

² Exhibit HWS-2 was revised by OPC on December 6, 2018. The supplemental testimony filed by OPC on December 6, 2018 contains an identical copy of the revised HWS-2.

STAFF – HEARING EXHIBITS					
7	Michael Cassel		<p>FPUC’s response to OPC’s First Set of Interrogatories Nos. 1-7, 9-28, 31-38</p> <p>Additional files contained on Staff’s Hearing Exhibits CD for Nos. 14, 17, 21, 23 32, 34, and 37.</p> <p><i>[Bates Nos. 00001-00022]</i></p>	2,7,9,11,13,14	
8	P. Mark Cutshaw		<p>FPUC’S response to Staff’s First Set of Production of Documents No. 1</p> <p>Additional files contained on Staff’s Hearing Exhibits CD for No. 1.</p> <p><i>[Bates Nos. 00023-00025]</i></p>	9	
9	Michael Cassel		<p>FPUC’s response to OPC’s First set of Production of Documents Nos. 1-2, 5-7, 10</p> <p>Additional files contained on Staff’s Hearing Exhibits CD for Nos. 2, and 6.</p> <p><i>[Bates Nos. 00026-00030]</i></p>	8, 9, 11, 13	
10	Michael Cassel (42-52, 58-60) Buddy Shelley (42, 61-62)		<p>FPUC’s response to OPC’s Second Set of Interrogatories Nos. 42-52, 58-62</p> <p>Additional files contained on Staff’s Hearing Exhibits CD for Nos. 58, and 61.</p> <p><i>[Bates Nos. 00031-00050]</i></p>	2,6,7,11,13,14	

11	P. Mark Cutshaw		<p>FPUC's response to OPC's Second set of Production of Documents Nos. 11-12</p> <p>Additional files contained on Staff's Hearing Exhibits CD for Nos. 11, and 12.</p> <p><i>[Bates Nos. 00051-00054]</i></p>	8, 9	
12	Michael Cassel		<p>FPUC's response to OPC's Third Set of Interrogatories Nos. 63</p> <p><i>[Bates Nos. 00055-00058]</i></p>	8,9,11,13,14	
13	Michael Cassel		<p>FPUC's response to Staff's Second Set of Interrogatories Nos. 3-9</p> <p><i>[Bates Nos. 00059-00070]</i></p>	8, 9,11,13,14	
14	<p>Michael Cassel (64-65, 67, 69-70, 72-74)</p> <p>Buddy Shelley (66, 68, 71)</p>		<p>FPUC's response to OPC's Fourth Set of Interrogatories Nos. 64-71, 73-74</p> <p>Additional files contained on Staff's Hearing Exhibits CD for Nos. 64-65, 70 and 73.</p> <p><i>[Bates Nos. 00071-00084]</i></p>	2,8, 9, 11,13,14,15	
15	<p>Michael Cassel (75-80, 86)</p> <p>Buddy Shelley (83, 85)</p>		<p>FPUC's response to OPC's Fifth Set of Interrogatories Nos. 75-80, 83, 85-86</p> <p>Additional files contained on Staff's Hearing Exhibits CD for Nos. 77 and 79.</p> <p><i>[Bates Nos. 00085-00098]</i></p>	2, 8, 9,11,13,14,15	
16	<p>Michael Dewey (87-88)</p> <p>Buddy Shelley (89-91)</p>		<p>FPUC's response to OPC's Sixth Set of Interrogatories Nos. 87-91</p> <p>Additional files contained on Staff's Hearing Exhibits CD for No. 90.</p> <p><i>[Bates Nos. 00099-00107]</i></p>	11,14	

COMPREHENSIVE EXHIBIT LIST

DOCKET NO. 20180061-EI

PAGE 4

17	P. Mark Cutshaw		<p>FPUC's response to OPC's Third set of Production of Documents Nos. 13-14</p> <p>Additional files contained on Staff's Hearing Exhibits CD for Nos. 13 and 14.</p> <p><i>[Bates Nos. 00108-00110]</i></p>	9	
18	Helmuth Schultz		<p>OPC's response to Staff's First Set of Interrogatories Nos. 1-4</p> <p><i>[Bates Nos. 00111-00118]</i></p>	2, 9, 11	
19	Michael Cassel		<p>FPUC'S response to Staff's Second Set of Interrogatories Nos. 3-4</p> <p><i>[Bates Nos. 00119-00123]</i></p>	16,	
20	P. Mark Cutshaw		<p>FPUC's response to Staff's Third Set of Interrogatories Nos. 10-11</p> <p>Additional files contained on Staff's Hearing Exhibits CD for No. 11</p> <p><i>[Bates Nos. 00124-00128]</i></p>	8, 9	
21	Michael Cassel		<p>FPUC's response to Staff's Fourth Set of Interrogatories No. 12</p> <p><i>[Bates Nos. 00129-00132]</i></p>	2	
22	Michael Cassel		<p>FPUC's Supplemental Response to Nos. 20-23 for OPC's First Set of Interrogatories</p> <p>Additional files contained on Staff's Hearing Exhibits CD for Nos. 21 and 23.</p> <p><i>[Bates Nos. 00133-00141]</i></p>		

<i>OTHER HEARING EXHIBITS</i>					
LIVE Exhibit Number	Witness	Party	Description		Moved In/Due Date of Late Filed
23		All	Proposed Stipulations for Issues 1, 2, 5 and 6		
24	Cassel	FPUC	Errata Sheet for Direct of Michael Cassel		
25	Cassel	FPUC	Errata Sheet for Rebuttal of Michael Cassel		
26	Schultz	FPUC	PAR Invoice 10.24.17		
27	Cassel	OPC	3.29.07 Staff Rule Proposal		
28	Cassel	OPC	FPUC Policies and Procedures Contractor Invoice Requirement and Guidelines		Objected by FPUC
29	Cassel	OPC	Company response to OPC's Interrogatory No. 1		
30	Cassel	OPC	PAR Storm Crew Invoice		
31	Cassel	OPC	OPC's Hourly Rate Comparison and DH Elliot Rate Sheet		Not moved
32	Cutshaw	OPC	Company response to OPC's Interrogatory Nos. 4-68		
33	Cutshaw	FPUC	So Electric Exchange 2016 Manual Assistance Procedure & Guidelines		

Florida Public Utilities Company
Storm Cost Recovery
Account 228 Storm Reserve Summary

EXHIBIT: MC-1- revised
PAGE 1

Line Number		Account 228.100 Storm Reserve
1	Reserve Balance September 2015 (Credit)	\$ 2,142,805
2	Monthly Accruals to Reserve (Note A)	\$ 141,890
3	Tropical Storm Cindy (2017)	\$ (3,381)
4	Tropical Storm Julia (2016) Adjusted for Audit Report	\$ (11,898)
5	Hurricane Hermine (2016) Adjusted for Audit Report	\$ (20,767)
6	Hurricane Matthew (2016)	\$ (539,177)
7	Hurricane Irma (2017) Adjusted for Audit Report	\$ (2,086,174)
8	Other Minor Storms - Adjusted for Audit Report	\$ (121,264)
9	Reserve Balance Underfunded at December 31, 2017	\$ (497,967)
10	Reserve Balance	\$ 1,500,000
11	Revenue Needed to Fund Reserve to \$1.5M Level	<u>\$ 1,997,967</u>
12	Regulatory Assessment Fee Multiplier	1.00072
13	Total System Storm Losses to Be Recovered From Customers	<u>\$ 1,999,405</u>
14	Jurisdictional Factor	100%
15	Jurisdictional Total System Storm Losses to Be Recovered From Customers	<u>\$ 1,999,405</u>
16	Total 2017 kWh	\$ 628,069,401
17	Rate Per kWh per year	\$ 0.003183
18	Rate Per 1,000 kWh Over 1 Year	\$ 3.18
19	Rate Per 1,000 kWh Over 2 Years	\$ 1.59
20	Note A: Per 2015 Rate Case Settlement Reserve funding was stopped until October 2016 to fund tree trimming.	

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 2
PARTY: FLORIDA PUBLIC UTILITIES
COMPANY (FPUC)(DIRECT)
DESCRIPTION: Michael Cassel MC-1

Florida Public Utilities Company
Summary of Rate Base Components and Expense (A)

Revised

EXHIBIT: MC-1

PAGE 2

Line No.	FERC		(1)	(2)
	Account	Description	Total System Note (B)	Retail Jurisdictional
1	<u>Rate Base Components</u>			
2	182.3	Extraordinary Property Losses-Unrecovered Eligible Restoration Costs	\$ 497,967	\$ 497,967
3	228.1	Accumulated Provision for Property Insurance	\$ 1,500,000	\$ 1,500,000
4	<u>Expense Components</u>			
5	407.3	Regulatory Debits-Amortization of Unrecovered Eligible Restoration Costs	\$ 497,967	\$ 497,967
6	924.0	Property Insurance Expense-Replenishment of Accumulated Provision for Property Insurance	\$ 1,500,000	\$ 1,500,000

Notes:

(A) Items reflected on this schedule are provided in compliance with parts (3) and (4) of Rule No. 25-6.0431, Petition for a Limited Proceeding.

(B) Amounts will be removed for retail base ratemaking since these items will be reflected in the storm recovery mechanism.

Florida Public Utilities Company
Storm Reserve Limited Proceeding Electric
Distribution of Revenue Requirement

Revised

EXHIBIT: MC-1

PAGE 3

<u>LINE NO.</u>	<u>RATE SCHEDULE</u>	(1)	(2)	(3)
		2017 kWh SALES	PERCENT OF TOTAL	ESTIMATE CHARGE PER RATE CLASS
1	RESIDENTIAL	291,510,499	46.41%	\$ 927,999
2	COMMERCIAL SMALL	59,742,607	9.51%	\$ 190,185
3	COMMERCIAL	156,761,471	24.96%	\$ 499,037
4	COMMERCIAL LARGE	85,163,496	13.56%	\$ 271,111
5	INDUSTRIAL	27,380,000	4.36%	\$ 87,162
6	OUTDOOR LIGHTS	7,511,328	1.20%	\$ 23,912
		628,069,401	100.00%	\$ 1,999,405
	COSTS TO BE RECOVERED	\$ 1,999,405		
	RATE PER kWh 1 YEAR RECOVERY	\$ 0.003183		
	RATE PER kWh 2 YEAR RECOVERY	\$ 0.001592		

Notes:

(A) Items reflected on this schedule are provided in compliance with part (5) of Rule No. 25-6.0431, Petition for a Limited Proceeding.

QUALIFICATIONS OF HELMUTH W. SCHULTZ, III

Mr. Schultz received a Bachelor of Science in Accounting from Ferris State College in 1975. He maintains extensive continuing professional education in accounting, auditing, and taxation. Mr. Schultz is a member of the Michigan Association of Certified Public Accountants

Mr. Schultz was employed with the firm of Larkin, Chapski & Co., C.P.A.s, as a Junior Accountant, in 1975. He was promoted to Senior Accountant in 1976. As such, he assisted in the supervision and performance of audits and accounting duties of various types of businesses. He has assisted in the implementation and revision of accounting systems for various businesses, including manufacturing, service and sales companies, credit unions and railroads.

In 1978, Mr. Schultz became the audit manager for Larkin, Chapski & Co. His duties included supervision of all audit work done by the firm. Mr. Schultz also represents clients before various state and IRS auditors. He has advised clients on the sale of their businesses and has analyzed the profitability of product lines and made recommendations based upon his analysis. Mr. Schultz has supervised the audit procedures performed in connection with a wide variety of inventories, including railroads, a publications distributor and warehouser for Ford and GM, and various retail establishments.

Mr. Schultz has performed work in the field of utility regulation on behalf of public service commission staffs, state attorney generals and consumer groups concerning regulatory matters before regulatory agencies in Alaska, Arizona, California, Connecticut, Delaware, District of Columbia, Florida, Georgia, Kentucky, Kansas, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, Nevada, North Dakota, Ohio, Pennsylvania, Rhode Island, Texas, Utah, Vermont and Virginia. He has presented expert testimony in regulatory hearings on behalf of utility commission staffs and intervenors on numerous occasions.

Partial list of utility cases participated in:

U-5331	Consumers Power Co. Michigan Public Service Commission
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Docket No. 770491-TP	Winter Park Telephone Co.
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FLORIDA PUBLIC SERVICE COMMISSION DOCKET: 20180061-EI EXHIBIT: 3 PARTY: OFFICE OF PUBLIC COUNSEL (OPC)(DIRECT) DESCRIPTION: Helmuth W. Schultz, III

	Florida Public Service Commission
Case Nos. U-5125 and U-5125(R)	Michigan Bell Telephone Co. Michigan Public Service Commission
Case No. 77-554-EL-AIR	Ohio Edison Company Public Utility Commission of Ohio
Case No. 79-231-EL-FAC	Cleveland Electric Illuminating Public Utility Commission of Ohio
Case No. U-6794	Michigan Consolidated Gas Refunds Michigan Public Service Commission
Docket No. 820294-TP	Southern Bell Telephone and Telegraph Co. Florida Public Service Commission
Case No. 8738	Columbia Gas of Kentucky, Inc. Kentucky Public Service Commission
82-165-EL-EFC	Toledo Edison Company Public Utility Commission of Ohio
Case No. 82-168-EL-EFC	Cleveland Electric Illuminating Company, Public Utility Commission of Ohio
Case No. U-6794	Michigan Consolidated Gas Company Phase II, Michigan Public Service Commission
Docket No. 830012-EU	Tampa Electric Company, Florida Public Service Commission
Case No. ER-83-206	Arkansas Power & Light Company, Missouri Public Service Commission
Case No. U-4758	The Detroit Edison Company - (Refunds), Michigan Public Service Commission
Case No. 8836	Kentucky American Water Company,

Kentucky Public Service Commission

Case No. 8839	Western Kentucky Gas Company, Kentucky Public Service Commission
Case No. U-7650	Consumers Power Company - Partial and Immediate Michigan Public Service Commission
Case No. U-7650	Consumers Power Company - Final Michigan Public Service Commission
U-4620	Mississippi Power & Light Company Mississippi Public Service Commission
Docket No. R-850021	Duquesne Light Company Pennsylvania Public Utility Commission
Docket No. R-860378	Duquesne Light Company Pennsylvania Public Utility Commission
Docket No. 87-01-03	Connecticut Natural Gas State of Connecticut Department of Public Utility Control
Docket No. 87-01-02	Southern New England Telephone State of Connecticut Department of Public Utility Control
Docket No. 3673-U	Georgia Power Company Georgia Public Service Commission
Docket No. U-8747	Anchorage Water and Wastewater Utility Alaska Public Utilities Commission
Docket No. 8363	El Paso Electric Company The Public Utility Commission of Texas

Docket No. 881167-EI	Gulf Power Company Florida Public Service Commission
Docket No. R-891364	Philadelphia Electric Company Pennsylvania Office of the Consumer Advocate
Docket No. 89-08-11	The United Illuminating Company The Office of Consumer Counsel and the Attorney General of the State of Connecticut
Docket No. 9165	El Paso Electric Company The Public Utility Commission of Texas
Case No. U-9372	Consumers Power Company Before the Michigan Public Service Commission
Docket No. 891345-EI	Gulf Power Company Florida Public Service Commission
ER89110912J	Jersey Central Power & Light Company Board of Public Utilities Commissioners
Docket No. 890509-WU	Florida Cities Water Company, Golden Gate Division Florida Public Service Commission
Case No. 90-041	Union Light, Heat and Power Company Kentucky Public Service Commission
Docket No. R-901595	Equitable Gas Company Pennsylvania Consumer Counsel
Docket No. 5428	Green Mountain Power Corporation Vermont Department of Public Service
Docket No. 90-10	Artesian Water Company Delaware Public Service Commission
Docket No. 900329-WS	Southern States Utilities, Inc.

	Florida Public Service Commission
Case No. PUE900034	Commonwealth Gas Services, Inc. Virginia Public Service Commission
Docket No. 90-1037* (DEAA Phase)	Nevada Power Company - Fuel Public Service Commission of Nevada
Docket No. 5491**	Central Vermont Public Service Corporation Vermont Department of Public Service
Docket No. U-1551-89-102	Southwest Gas Corporation - Fuel Before the Arizona Corporation Commission Southwest Gas Corporation - Audit of Gas Procurement Practices and Purchased Gas Costs
Docket No. U-1551-90-322	Southwest Gas Corporation Before the Arizona Corporation Commission
Docket No. 176-717-U	United Cities Gas Company Kansas Corporation Commission
Docket No. 5532	Green Mountain Power Corporation Vermont Department of Public Service
Docket No. 910890-EI	Florida Power Corporation Florida Public Service Commission
Docket No. 920324-EI	Tampa Electric Company Florida Public Service Commission
Docket No. 92-06-05	United Illuminating Company The Office of Consumer Counsel and the Attorney General of the State of Connecticut
Docket No. C-913540	Philadelphia Electric Co. Before the Pennsylvania Public Utility Commission

Docket No. 92-47	The Diamond State Telephone Company Before the Public Service Commission of the State of Delaware
Docket No. 92-11-11	Connecticut Light & Power Company State of Connecticut Department of Public Utility Control
Docket No. 93-02-04	Connecticut Natural Gas Corporation State of Connecticut Department of Public Utility Control
Docket No. 93-02-04	Connecticut Natural Gas Corporation (Supplemental) State of Connecticut Department of Public Utility Control
Docket No. 93-08-06	SNET America, Inc. State of Connecticut Department of Public Utility Control
Docket No. 93-057-01**	Mountain Fuel Supply Company Before the Public Service Commission of Utah
Docket No. 94-105-EL-EFC	Dayton Power & Light Company Before the Public Utilities Commission of Ohio
Case No. 399-94-297**	Montana-Dakota Utilities Before the North Dakota Public Service Commission
Docket No. G008/C-91-942	Minnegasco Minnesota Department of Public Service
Docket No. R-00932670	Pennsylvania American Water Company Before the Pennsylvania Public Utility Commission
Docket No. 12700	El Paso Electric Company

Public Utility Commission of Texas

Case No. 94-E-0334	Consolidated Edison Company Before the New York Department of Public Service
Docket No. 2216	Narragansett Bay Commission On Behalf of the Division of Public Utilities and Carriers, Before the Rhode Island Public Utilities Commission
Case No. PU-314-94-688	U.S. West Application for Transfer of Local Exchanges Before the North Dakota Public Service Commission
Docket No. 95-02-07	Connecticut Natural Gas Corporation State of Connecticut Department of Public Utility Control
Docket No. 95-03-01	Southern New England Telephone Company State of Connecticut Department of Public Utility Control
Docket No. U-1933-95-317	Tucson Electric Power Before the Arizona Corporation Commission
Docket No. 5863*	Central Vermont Public Service Corporation Before the Vermont Public Service Board
Docket No. 96-01-26**	Bridgeport Hydraulic Company State of Connecticut Department of Public Utility Control
Docket Nos. 5841/ 5859	Citizens Utilities Company Before Vermont Public Service Board

Docket No. 5983	Green Mountain Power Corporation Before Vermont Public Service Board
Case No. PUE960296**	Virginia Electric and Power Company Before the Commonwealth of Virginia State Corporation Commission
Docket No. 97-12-21	Southern Connecticut Gas Company State of Connecticut Department of Public Utility Control
Docket No. 97-035-01	PacifiCorp, dba Utah Power & Light Company Before the Public Service Commission of Utah
Docket No. G-03493A-98-0705*	Black Mountain Gas Division of Northern States Power Company, Page Operations Before the Arizona Corporation Commission
Docket No. 98-10-07	United Illuminating Company State of Connecticut Department of Public Utility Control
Docket No. 99-01-05	Connecticut Light & Power Company State of Connecticut Department of Public Utility Control
Docket No. 99-04-18	Southern Connecticut Gas Company State of Connecticut Department of Public Utility Control
Docket No. 99-09-03	Connecticut Natural Gas Corporation State of Connecticut Department of Public Utility Control
Docket No. 980007-0013-003	Intercoastal Utilities, Inc. St. John County - Florida
Docket No. 99-035-10	PacifiCorp dba Utah Power & Light Company Before the Public Service Commission of Utah

Docket No. 6332 **	Citizens Utilities Company - Vermont Electric Division Before the Vermont Public Service Board
Docket No. G-01551A-00-0309	Southwest Gas Corporation Before the Arizona Corporation Commission
Docket No. 6460**	Central Vermont Public Service Corporation Before the Vermont Public Service Board
Docket No. 01-035-01*	PacifiCorp dba Utah Power & Light Company Before the Public Service Commission of Utah
Docket No. 01-05-19 Phase I	Yankee Gas Services Company State of Connecticut Department of Public Utility Control
Docket No. 010949-EI	Gulf Power Company Before the Florida Office of the Public Counsel
Docket No. 2001-0007-0023	Intercoastal Utilities, Inc. St. Johns County - Florida
Docket No. 6596	Citizens Utilities Company - Vermont Electric Division Before the Vermont Public Service Board
Docket Nos. R. 01-09-001 I. 01-09-002	Verizon California Incorporated Before the California Public Utilities Commission
Docket No. 99-02-05	Connecticut Light & Power Company State of Connecticut Department of Public Utility Control
Docket No. 99-03-04	United Illuminating Company State of Connecticut Department of Public Utility Control

Docket Nos. 5841/ 5859	Citizens Utilities Company Probation Compliance Before Vermont Public Service Board
Docket No. 6120/6460	Central Vermont Public Service Corporation Before the Vermont Public Service Board
Docket No. 020384-GU	Tampa Electric Company d/b/a/ Peoples Gas System Before the Florida Public Service Commission
Docket No. 03-07-02	Connecticut Light & Power Company State of Connecticut Department of Public Utility Control
Docket No. 6914	Shoreham Telephone Company Before the Vermont Public Service Board
Docket No. 04-06-01	Yankee Gas Services Company State of Connecticut Department of Public Utility Control
Docket Nos. 6946/6988	Central Vermont Public Service Corporation Before the Vermont Public Service Board
Docket No. 04-035-42**	PacifiCorp dba Utah Power & Light Company Before the Public Service Commission of Utah
Docket No. 050045-EI**	Florida Power & Light Company Before the Florida Public Service Commission
Docket No. 050078-EI**	Progress Energy Florida, Inc. Before the Florida Public Service Commission
Docket No. 05-03-17	The Southern Connecticut Gas Company State of Connecticut Department of Public Utility Control

Docket No. 05-06-04	United Illuminating Company State of Connecticut Department of Public Utility Control
Docket No. A.05-08-021	San Gabriel Valley Water Company, Fontana Water Division Before the California Public Utilities Commission
Docket NO. 7120 **	Vermont Electric Cooperative Before the Vermont Public Service Board
Docket No. 7191 **	Central Vermont Public Service Corporation Before the Vermont Public Service Board
Docket No. 06-035-21 **	PacifiCorp Before the Public Service Commission of Utah
Docket No. 7160	Vermont Gas Systems Before the Vermont Public Service Board
Docket No. 6850/6853 **	Vermont Electric Cooperative/Citizens Communications Company Before the Vermont Public Service Board
Docket No. 06-03-04** Phase 1	Connecticut Natural Gas Corporation Connecticut Department of Public Utility Control
Application 06-05-025	Request for Order Authorizing the Sale by Thames GmbH of up to 100% of the Common Stock of American Water Works Company, Inc., Resulting in Change of Control of California- American Water Company Before the California Public Utilities Commission
Docket No. 06-12-02PH01**	Yankee Gas Company State of Connecticut Department of Public Utility Control

Case 06-G-1332**	Consolidated Edison Company of New York, Inc. Before the NYS Public Service Commission
Case 07-E-0523	Consolidated Edison Company of New York, Inc. Before the NYS Public Service Commission
Docket No. 07-07-01	Connecticut Light & Power Company Connecticut Department of Public Utility Control
Docket No. 07-035-93	Rocky Mountain Power Company Before the Public Service Commission of Utah
Docket No. 07-057-13	Questar Before the Public Service Commission of Utah
Docket No. 08-07-04	United Illuminating Company Connecticut Department of Public Utility Control
Case 08-E-0539	Consolidated Edison Company of New York, Inc. Before the NYS Public Service Commission
Docket No. 080317-EI	Tampa Electric Company Before the Florida Public Service Commission
Docket No. 7488**	Vermont Electric Cooperative, Inc. Before the Vermont Public Service Board
Docket No. 080318-GU	Peoples Gas System Before the Florida Public Service Commission
Docket No. 08-12-07***	Southern Connecticut Gas Company Connecticut Department of Utility Control
Docket No. 08-12-06***	Connecticut National Gas Company Connecticut Department of Utility Control
Docket No. 090079-EI	Progress Energy Florida, Inc. Before the Florida Public Service Commission

Docket No. 7529 **	Burlington Electric Company Before the Vermont Public Service Board
Docket No. 7585****	Green Mountain Power Corporation Alternative Regulation Before the Vermont Public Service Board
Docket No. 7336****	Central Vermont Public Service Company Alternative Regulation Before the Vermont Public Service Board
Docket No. 09-12-05	Connecticut Light & Power Company Connecticut Department of Utility Control
Docket No. 10-02-13	Aquarion Water Company of Connecticut Connecticut Department of Utility Control
Docket No. 10-70	Western Massachusetts Electric Company Massachusetts Department of Public Utilities
Docket No. 10-12-02	Yankee Gas Services Company Connecticut Department of Utility Control
Docket No. 11-01	Fitchburg Gas & Electric Light Company Massachusetts Department of Public Utilities
Case No.9267	Washington Gas Light Company Maryland Public Service Commission
Docket No. 110138-EI	Gulf Power Company Before the Florida Public Service Commission
Case No.9286	Potomac Electric Power Company Maryland Public Service Commission
Docket No. 120015-EI	Florida Power & Light Company Before the Florida Public Service Commission

Docket No. 11-102***	Western Massachusetts Electric Company Massachusetts Department of Public Utilities
Docket No. 8373****	Green Mountain Power Company Alternative Regulation Before the Vermont Public Service Board
Docket No. 110200-WU	Water Management Services, Inc. Before the Florida Public Service Commission
Docket No. 11-102/11-102A	Western Massachusetts Electric Company Massachusetts Department of Public Utilities
Case No.9311	Potomac Electric Power Company Maryland Public Service Commission
Case No.9316	Columbia Gas of Maryland, Inc. Maryland Public Service Commission
Docket No. 130040-EI**	Tampa Electric Company Before the Florida Public Service Commission
Case No.1103	Potomac Electric Power Company Public Service Commission of the District of Columbia
Docket No. 13-03-23	Connecticut Light & Power Company Connecticut Public Utility Regulatory Authority
Docket No. 13-06-08	Connecticut Natural Gas Corporation Connecticut Public Utility Regulatory Authority
Docket No. 13-90	Fitchburg Gas & Electric Light Company Massachusetts Department of Public Utilities
Docket No. 8190**	Green Mountain Power Company Before the Vermont Public Service Board

Docket No. 8191**	Green Mountain Power Company Alternative Regulation Before the Vermont Public Service Board
Case No.9354**	Columbia Gas of Maryland, Inc. Maryland Public Service Commission
Docket No.2014-UN-132**	Entergy Mississippi Inc. Mississippi Public Service Commission
Docket No. 13-135	Western Massachusetts Electric Company Massachusetts Department of Public Utilities
Docket No. 14-05-26	Connecticut Light & Power Company Connecticut Public Utility Regulatory Authority
Docket No. 13-85	Massachusetts Electric Company and Nantucket Electric Company D/B/A/ as National Grid Massachusetts Department of Public Utilities
Docket No. 14-05-26RE01***	Connecticut Light & Power Company Connecticut Public Utility Regulatory Authority
Docket No.2015-UN-049**	Atmos Energy Corporation Mississippi Public Service Commission
Case No.9390	Columbia Gas of Maryland, Inc. Maryland Public Service Commission
Docket No. 15-03-01***	Connecticut Light & Power Company Connecticut Public Utility Regulatory Authority
Docket No. 15-03-02***	United Illuminating Company Connecticut Department of Public Utility Control
Case No.9418***	Potomac Electric Power Company Maryland Public Service Commission

Case No.1135*** Docket No. 15-03-01***	Washington Gas Connecticut Light & Power Company Connecticut Public Utility Regulatory Authority
Case No.1137	Washington Gas Public Service Commission of the District of Columbia
Docket No. 160021-EI	Florida Power & Light Company Before the Florida Public Service Commission
Docket No. 160062-EI	Florida Power & Light Company Before the Florida Public Service Commission
Docket No. 15-149	Western Massachusetts Electric Company Massachusetts Department of Public Utilities
Docket No. 8710	Vermont Gas Systems Inc. Before the Vermont Public Service Board
Docket No. 8698	Vermont Gas Systems Inc. Alternative Regulation Before the Vermont Public Service Board
Docket No. 16-06-042	United Illuminating Company Connecticut Department of Public Utility Control
Docket No. A.16-09-001	Southern California Edison Before the California Public Utilities Commission
Case No. 17-1238-INV**	Vermont Gas Systems Inc. Before the Vermont Public Utility Commission
Case No. 17-3112-INV**	Green Mountain Power Company Before the Vermont Public Utility Commission
Docket No. 17-10-46**	Connecticut Light & Power Company Connecticut Public Utility Regulatory Authority

Docket No. 20170141-SU	KW Resort Utilities Corp. Before the Florida Public Service Commission
Docket No. 2017-0105	The Hawaii Gas Company Before the Hawaii Public Utility Commission
Docket No. 20160251-EI**	Florida Power & Light. Company Before the Florida Public Service Commission
Case No. 18-0409-TF**	Vermont Gas Systems Inc. Before the Vermont Public Utility Commission
Docket No. 2018-00008	Maine Water Company Before the Maine Public Utility Commission
Docket No. 18-05-16**	Connecticut Natural Gas Company Connecticut Public Utility Regulatory Authority
Docket No. 18-05-10**	Yankee Gas Services Company Connecticut Public Utility Regulatory Authority

* Certain issues stipulated, portion of testimony withdrawn.

** Case settled.

*** Assisted in case and hearings, no testimony presented

**** Annual filings reviewed and reports filed with Board.

Florida Public Utilities Company
Storm Restoration Costs
Summary

Docket No. 20180061-EI
Exhibit No. HWS-2 - Revised
Schedule A

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
<u>Company Requested</u>								
1	Payroll & Related Costs	1,936	3,387	3,953	56,157	79,969	47,088	192,489
2	Benefits	566	1,516	3,574	14,439	707	17,623	38,425
	Overheads	67	2,707	5,828	1,157	83	13,014	22,856
3	Contractors	0	953	0	312,717	1,661,100	3,520	1,978,291
4	Line Clearing	0	0	1,642	37,698	219,276	2,816	261,431
5	Vehicle & Fuel	812	2,345	4,989	2,711	2,425	20,949	34,231
6	Materials & Supplies	0	991	645	17,153	54,452	16,053	89,294
7	Logistics	0	0	0	73,455	172,250	0	245,705
8	Other	0	0	136	45,409	37,898	200	83,643
9	Incremental Storm Costs Per Co.	3,381	11,899	20,767	560,896	2,228,160	121,264	2,946,365
10	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
11	Requested Recoverable Retail Costs	3,381	11,898	20,767	560,896	2,228,160	121,264	2,946,364
<u>Per OPC</u>								
12	Payroll & Related Costs	1,936	3,387	3,953	30,525	35,969	47,088	122,857
13	Benefits	566	1,516	3,574	14,439	707	17,623	38,425
	Overheads	67	2,707	5,828	1,157	83	13,014	22,856
14	Contractors	0	953	0	265,046	868,992	3,520	1,138,511
15	Line Clearing	0	0	1,642	15,978	77,289	2,816	97,724
16	Vehicle & Fuel	812	2,345	4,989	2,711	2,425	20,949	34,231
17	Materials & Supplies	0	991	645	17,154	21,652	16,053	56,495
18	Logistics	0	0	0	73,455	172,250	0	245,705
19	Other	0	0	136	2,040	13,720	200	16,096
20	Incremental Storm Costs Per OPC.	3,381	11,899	20,767	422,504	1,193,086	121,264	1,772,900
21	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
22	Recommended Recoverable Retail Costs	3,381	11,899	20,767	422,504	1,193,086	121,264	1,772,900
23	OPC Retail Adjustment (L.22 - L.11)	0	1	0	(138,391)	(1,035,074)	0	(1,173,464)

Note: Line 11 reflects the requested amount per Company Exhibit MC-1 and the response to Staff Interrogatory No. 2-6.

Attachment A	3381	13177	27359	560897	2332934	126120	
Difference	(0)	(1,279)	(6,592)	(1)	(104,774)	(4,856)	(117,504)

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 4
PARTY: OFFICE OF PUBLIC COUNSEL (OPC)(DIRECT)
DESCRIPTION: Helmuth W. Schultz, III HWS-2

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Regular Payroll & Related Costs		1,279	6,592	5,315	32,696	3,044	48,926
2	Added Compensation				25,632	44,000		69,632
3	Overtime Payroll & Related Costs	1,936	3,387	3,952	53,641	89,580	40,379	192,876
4	Attachment 17 Correction		(1,279)	(6,592)			3,665	(4,206)
5	Company Revised Payroll Costs	1,936	3,387	3,953	84,588	166,277	47,088	307,228
6	Less: Non-Incremental Costs							0
7	Less : Capitalized Costs				28,431	86,308		114,739
8	Company Requested Payroll	1,936	3,387	3,953	56,157	79,969	47,088	192,489
9	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
10	Retail Recoverable Cost Per Co.	1,936	3,387	3,953	56,157	79,969	47,088	192,489
11	Co. PR & Related Costs	1,936	3,387	3,953	84,588	166,277	47,088	307,228
12	Non-Incremental Costs	0	0	0	0	0	0	0
13	Bonus Compensation	0	0	0	(25,632)	(44,000)	0	(69,632)
14	Capitalized Costs				(28,431)	(86,308)		(114,739)
15	Payroll & Related Costs	1,936	3,387	3,953	30,525	35,969	47,088	122,857
16	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
17	Retail Costs Per OPC	1,936	3,387	3,953	30,525	35,969	47,088	122,857
18	OPC Retail Adjustment (L.15 - L. 9)	0	0	0	(25,632)	(44,000)	0	(69,632)
19	Capitalization Assigned to Contractors				0	0	0	0
20	Total Payroll Cost Adjustment							(69,632)

Source: Lines 1, 2, 3 and 7 are from response to Citizens IR No. 1-17 attachment.
Line 4 is from correction to Attachment 17 from response to Staff Interrogatory No. 2-6

Florida Public Utilities Company
Storm Restoration Costs
Overtime Payroll

Docket No. 20180061-EI
Exhibit No. HWS-2 - Revised
Schedule B
Page 2 of 2

Line No.	Description	Amounts	Amounts	Source
1	Capitalized Labor		114,739	Schedule K
2	Hourly Labor Rate (LVM)		37.34	Citizens' IR No. 2-44
3	Capitalized Hours		3,073	Line 1 / Line 2
4	Overtime Hourly Rate	\$75		
5	Overhead Rate 75%	1.75		Citizens' IR No. 2-44
6	Labor and Overhead	131		Line 4 x Line 5
7	FPUC Employees	1		
8	Calculated Labor & Payroll Overhead Rate	131	131	
9	Estimated Labor & Overhead Cost @ Double Time		401,585	Line 3 x Line 8
10	Capitalized Labor		114,739	
11	Capitalized Benefits		41,299	
12	Capitalized Overhead		13,981	
13	FPUC Capitalized		170,019	
14	Minimum Understated Capital Cost		231,567	

Florida Public Utilities Company
Storm Restoration Costs
Benefits

Docket No. 20180061-EI
Exhibit No. HWS-2 - Revised
Revised Schedule C

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Benefit & Payroll Taxes	566	1,516	3,574	24,672	31,773	14,845	76,946
2	Attachment 17 Correction						2,778	2,778
3	Co. Rev. Benefit Costs	566	1,516	3,574	24,672	31,773	17,623	79,724
4	Less: Non-Incremental Costs							0
5	Less : Benefit Capitalized Costs				10,233	31,066		41,299
6	Company Requested Benefits & P/R Taxes	566	1,516	3,574	14,439	707	17,623	38,425
7	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
8	Co. Rev. Benefit Costs	566	1,516	3,574	14,439	707	17,623	38,425
9	Co. Rev. Benefit Costs	566	1,516	3,574	24,672	31,773	17,623	79,724
10	Capitalized Costs	0	0	0	(10,233)	(31,066)		(41,299)
11	Benefits on Bonuses	0	0	0	0	0	0	0
12	Benefit & Payroll Taxes	566	1,516	3,574	14,439	707	17,623	38,425
13	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
14	Retail Costs Per OPC	566	1,516	3,574	14,439	707	17,623	38,425
15	OPC Retail Adjustment (L.14 - L. 8)	0	0	0	0	0	0	0
16	Capitalization Assigned to Overtime	0	0	0	0	0	0	0
17	Total Benefit Adjustment							0

Source: Lines 1 and 5 are from response to Citizens IR No. 1-17 attachment.
Line 2 is from correction to Attachment 17 from response to Staff Interrogatory No. 2-6

Florida Public Utilities Company
Storm Restoration Costs
Department Internal Expenses (Overheads)

Docket No. 20180061-EI
Exhibit No. HWS-2 - Revised
Schedule D

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Expenses	879	5,052	10,817	14,956	32,636	22,859	87,199
2	Attachment 17 Correction	(812)	(2,345)	(4,989)	(10,473)	(21,898)	(9,845)	(50,362)
3	Department Expenses (Overheads)	67	2,707	5,828	4,483	10,738	13,014	36,837
4	Less: Non-Incremental Costs							0
5	Less : Capitalized Costs				11,088	32,288		43,376
6	Attachment 17 Correction				(7,762)	(21,633)		(29,395)
7	Company Requested	67	2,707	5,828	1,157	83	13,014	22,856
8	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
9	Retail Recoverable Cost Per Co.	67	2,707	5,828	1,157	83	13,014	22,856
10	Department Expenses (Overheads)	67	2,707	5,828	4,483	10,738	13,014	36,837
11	Non-Incremental Costs	0	0	0	(3,326)	(10,655)	0	(13,981)
12	O/H on Non-Electric Division P/R	0	0	0			0	0
13	Retail Recoverable Cost	67	2,707	5,828	1,157	83	13,014	22,856
14	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
15	Retail Costs Per OPC	67	2,707	5,828	1,157	83	13,014	22,856
16	OPC Retail Adjustment (L.15 - L. 9)	0	0	0	0	0	0	0
17	Capitalization Assigned to Overheads	0	0	0	0	0	0	0
18	Total Overhead Adjustment							0

Source: Lines 1 and 7 are from response to Citizens IR No. 1-17 attachment.
Lines 2 and 6 are from correction to Attachment 17 from response to Staff Interrogatory No. 2-6

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Contractors	0		0	322,854	1,821,416	0	2,144,270
2	Staff Requested Detail		953				3,520	4,473
3	Staff Requested Reclassification				(4,337)	(3,764)		(8,101)
4	Capitalized Costs				(5,800)	(18,978)		(24,778)
5	Staff Capitalization- Materials					(137,573)		(137,573)
6	Co. Revised Contractor Costs	0	953	0	312,717	1,661,100	3,520	1,978,291
7	Less: Non-Incremental Costs	0	0	0	0	0	0	0
8	Less : Capitalized Costs					0	0	0
9	Company Requested for Contractors	0	953	0	312,717	1,661,100	3,520	1,978,291
10	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
11	Retail Recoverable Cost Per Co.	0	953	0	312,717	1,661,100	3,520	1,978,291
12	Co. Revised Contractor Costs	0	953	0	312,717	1,661,100	3,520	1,978,291
	Excessive Rate Adjustment					(185,093)		(185,093)
	Excessive Standby Adjustment					(353,795)		(353,795)
13	Co. Capitalization Reclassified	0	0	0	0	0	0	0
14	OPC Capitalization Adjustment	0	0	0	(47,671)	(253,220)	0	(300,891)
15	OPC Contractor Costs	0	953	0	265,046	868,992	3,520	1,138,511
16	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
17	Retail Costs Per OPC	0	953	0	265,046	868,992	3,520	1,138,511
18	OPC Retail Adjustment (L.15 - L. 9)	0	0	0	(47,671)	(792,109)	0	(839,780)

Source: Line 1 is from response to Citizens IR No. 1-37 attachment.
Lines 2-5 are from response to Staff IR No. 2-6.

Florida Public Utilities Company
Storm Restoration Costs
Contractors

Docket No. 20180061-EI
Exhibit No. HWS-2-Revised
Schedule E
Page 2 of 3

Line No.	Description	Amounts	Amounts	Source
1	Payroll & Related Costs Capitalized		170,019	Schedule K
2	Hourly Labor Rate + Overheads		75.15	Citizens' IR No. 2-44
3	Capitalized Hours		2,262	Line 1 / Line 2
4	Average Contractor Rate	221		Schedule C, Page 3
5	Contractor Employees	1		
6	Calculated Labor & Payroll Overhead Rate	221	221	Line 4 x Line 5
7	Estimated Contractor Labor & Overhead Cost		500,305	Line 3 x Line 6
8	Payroll Capitalized	114,739		
9	Benefits Capitalized	41,299		
10	Overhead Capitalized	13,981		
11	Vehicle Cost Capitalized	29,395		
12	Company Capitalized Labor & Related Cost	199,414	199,414	
13	Adjustment for Contractor Capitalization		(300,891)	Line 12-Line 7
14	Mobilization	608	229,313	
15	Mobilization	608	309,575	
16		1,216	538,889	
17	Highest Normal Working Rate @ \$290.95	1,216	353,795	
18	Excessive Rate Adjustment		(185,093)	Line 17-Line 16
19	Excessive Standby Days 2 of 4 days	1,216	(353,795)	
20	Total Adjustment		(839,780)	

Note: The total mobilization/standby labor is \$892,685 - the rate adjustment of \$185,093 = \$707,591

Line No.	Invoice Reference	Vendor	Hours	Average Rate	Labor/ Fringe	Corp. A&G	Materials	Equip./Tr ans.	Exp. / Misc.	Total	Comment	Description	MOB/ DEMOB	Standby
<u>Matthew</u>														
1	20162070	ARMSTRONG FENCE CO			2,410					2,410				
2	20162069	ARMSTRONG FENCE CO			5,591					5,591				
3	325562	DAVIS H ELLIOTT CONST	1,604	106	170,659			55,772	1,785	228,216	X	No TR		
4	52836463.003	ELECTRIC SUPPLY			1,404					1,404				
5	52836239.003	ELECTRIC SUPPLY			3,083					3,083				
6	A23211	FLORIDA AIR SERVICE AND ENGINEERING			85					85				
7	17-009	GULF POWER COMPAN	586	71	41,525	5,594		3,010	483	50,611	X	No TR	MUA	
8	532921	GUNSTER YOAKLEY & STEWART PA			188					188				
9	556808	GUNSTER YOAKLEY & STEWART PA			569					569				
10	15177	JOHNNY'S ELECTRIC INC			130					130				
11	595217	KATHY L WELCH			86					86				
12	523415	KATHY L WELCH			158					158				
13	509835	KATHY L WELCH			420					420				
14	529059	KATHY L WELCH			450					450				
15	516320	KATHY L WELCH			653					653				
16	588630	KATHY L WELCH			1,800					1,800				
17	7863	NORTH AMERICAN SUBSTATION SVS LLC			5,000					5,000				
18	STORM FUNDS 0916	PATRICIA THORNTON			3,000					3,000				
19	258753-0	SOUTHWEST ELECTRIC CO			17,033					17,033				
20	12751A	STEPPS HEAVY TRANSPORT INC			355					355				
21	12484A	STEPPS HEAVY TRANSPORT INC			355					355				
22	532921	GUNSTER YOAKLEY & STEWART PA			188					188				
23	509835	KATHY L WELCH			420					420				
24	516320	KATHY L WELCH			653					653				
25										0				
26										<u>322,854</u>				
<u>Irma</u>														
27	3680647-00	ANIXTER INC			3,799					3,799				Y
28	930734584	COOPER POWER SYSTEMS					25,423			25,423	X	Switchgear		Y
29	930720934	COOPER POWER SYSTEMS					25,423			25,423	X	Switchgear		Y
30	52944432.001	ELECTRIC SUPPLY			329					329				
31	52942985.001	ELECTRIC SUPPLY			771					771				
32	52942806.001	ELECTRIC SUPPLY			4,734					4,734				Y
33	901710009	PAR ELECTRICAL CONTR	3,062	254	776,235				1,247	777,482	X	WE 9/17/17		
34	901710008	PAR ELECTRICAL CONTR	2,432	367	892,684				12,390	905,074	X	No Work	WE 9/10/17	538,888 353,795
35	6023317005165	PRESIDIO HOLDINGS INC			401					401				
36	6023317004399	PRESIDIO HOLDINGS INC			653					653				
37	6023317004398	PRESIDIO HOLDINGS INC			1,255					1,255				
38	56864	SERVICE ELECTRIC COMPANY			6,045					6,045				Y
39	57647	SERVICE ELECTRIC COMPANY			13,942					13,942				Y
40	HH30663	STEPPS HEAVY TRANSPORT INC			358					358				
41	HH31040	STEPPS HEAVY TRANSPORT INC			425					425				
42	1135786	THE L E MYERS COMPANY			52,310					52,310	X	No detail	Rep arrestors	Y
43	D17090192	FASTENER SERVICE INC			227					227				
44	6023318000073	PRESIDIO HOLDINGS INC			152					152				
45	6023317004678	PRESIDIO HOLDINGS INC			304					304				
46	6023317005165	PRESIDIO HOLDINGS INC			401					401				
47	6023317004399	PRESIDIO HOLDINGS INC			653					653				
48	6023317004398	PRESIDIO HOLDINGS INC			1,255					1,255				
49										0				
50	PAR Electric Rate Adjustment				(185,093)					<u>1,821,415</u>				
51	PAR Electric Adjustment				(1,216)					<u>(353,795)</u>				
52					<u>5,882</u>	221.13				<u>2,144,270</u>				
53							Costs Verified			<u>1,961,383</u>				
54							Cost Not Verified			<u>182,887</u>				

X Reference number and amount match listing in Citizens POD No. 1-6 and Citizens Interrogatory No. 2-61.

Y Staff audit capitalized costs.

Sources: Company response to Citizens Interrogatory No. 37.

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Line Clearing	0	0		37,698	219,276	0	256,974
2	Staff Requested Detail	0	0	1,642		0	2,816	4,458
3	Staff Requested Reclassification	0	0	0		0	0	0
4	Co. Revised Line Clearing Costs	0	0	1,642	37,698	219,276	2,816	261,431
5	Less: Non-Incremental Costs	0	0	0		0	0	0
6	Less : Capitalized Costs	0	0	0	0	0	0	0
7	Company Requested Line Clearing	0	0	1,642	37,698	219,276	2,816	261,431
8	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
9	Retail Recoverable Cost Per Co.	0	0	1,642	37,698	219,276	2,816	261,431
10	Co. Rev. Line Clearing Costs	0	0	1,642	37,698	219,276	2,816	261,431
11	Non-Incremental Costs	0	0	0	(21,720)	(141,987)	0	(163,707)
12	Capitalized Costs	0	0	0	0	0	0	0
13	Line Clearing	0	0	1,642	15,978	77,289	2,816	97,724
14	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
15	Retail Costs Per OPC	0	0	1,642	15,978	77,289	2,816	97,724
16	OPC Retail Adjustment (L.15 - L. 9)	0	0	0	(21,720)	(141,987)	0	(163,707)

Source: Lines 1 is from response to Citizens IR No. 1-32 attachment.

Line No.	Invoice Reference	Vendor	Hours	Average Rate	Labor/ Fringe	Corp. A&G	Materials	Expenses	Trans.	Misc.	Total	Duplicates	Description	Earliest and Last Dates	MOB/ DEMOB	Standby
<u>Matthew</u>																
1	910656968	The Davey Tree			1,808						1,808					
2	910656967	The Davey Tree			2,443						2,443					
3	910656970	The Davey Tree			3,961						3,961					
4	910656966	The Davey Tree			10,593						10,593					
5	910680237	The Davey Tree			2,194						2,194					
6	910656971	The Davey Tree			4,726						4,726					
7	910656972	The Davey Tree			5,164						5,164					
8	910680236	The Davey Tree			2,907						2,907					
9	910656969	The Davey Tree			3,903						3,903					
10																
11											<u>37,688</u>					
<u>Irma</u>																
12	911719077	THE DAVEY TREE			2,468						2,468					
13	911773335	THE DAVEY TREE			3,225						3,225					
14	911773336	THE DAVEY TREE			3,331						3,331					
15	911897842	THE DAVEY TREE			2,194						2,194					
16	911897761	THE DAVEY TREE			2,194						2,194					
17	911799773	THE DAVEY TREE			2,194						2,194					
18	911897843	THE DAVEY TREE			2,276						2,276					
19	911868424	THE DAVEY TREE			2,578						2,578					
20	911868425	THE DAVEY TREE			2,742						2,742					
21	911841416	THE DAVEY TREE			2,742						2,742					
22	911841418	THE DAVEY TREE			2,742						2,742					
23	911799771	THE DAVEY TREE			2,742						2,742					
24	911897763	THE DAVEY TREE			2,934						2,934					
25	78W70317	ASPLUNDH TREE			1,146						1,146					
26	78W70717	ASPLUNDH TREE			4,681						4,681					
27	78W70917	ASPLUNDH TREE			6,355						6,355					
28	78W70617	ASPLUNDH TREE			24,328						24,328					
29	911814230	THE DAVEY TREE			5,946						5,946					
30	911814231	THE DAVEY TREE			6,949						6,949					
31	911868468	THE DAVEY TREE			9,963						9,963					
32	911719085	THE DAVEY TREE			2,992						2,992					
33	911745716	THE DAVEY TREE			3,134						3,134					
34	911719083	THE DAVEY TREE			4,960						4,960					
35	911773313	THE DAVEY TREE			2,391						2,391					
36	911773312	THE DAVEY TREE			7,948						7,948					
37	911799785	THE DAVEY TREE			2,816						2,816					
38	911799784	THE DAVEY TREE			6,777						6,777					
39	911852113	THE DAVEY TREE			704						704					
40	911868443	THE DAVEY TREE			2,610						2,610					
41	911897756	THE DAVEY TREE			2,816						2,816					
42	911897754	THE DAVEY TREE			2,816						2,816					
43	911841420	THE DAVEY TREE			2,816						2,816					
44	911852111	THE DAVEY TREE			3,338						3,338					
45	911868440	THE DAVEY TREE			5,254						5,254					
46	911897755	THE DAVEY TREE			5,951						5,951					
47	911852112	THE DAVEY TREE			6,553						6,553					
48	911841419	THE DAVEY TREE			8,927						8,927					
49	911814225	THE DAVEY TREE	525	58	30,583				7,083		37,666	x				
50	911868466	THE DAVEY TREE			1,106						1,106					
51	911868469	THE DAVEY TREE			2,101						2,101					
52	911868464	THE DAVEY TREE			2,405						2,405					
53	911897845	THE DAVEY TREE			2,816						2,816					
54	911897846	THE DAVEY TREE			2,816						2,816					
55	911868460	THE DAVEY TREE			3,831						3,831					
56											0					
57																
58											<u>219,276</u>					
59											256,974	0				
60											<u>37,666</u>					
61											<u>219,308</u>					

X Reference number and amount match Invoices Citizens POD No. 1-6.
Sources: Company response to Citizens Interrogatory Nos. 1-32 and 1-37

Costs Verified
Cost Not Verified

Florida Public Utilities Company
Storm Restoration Costs
Vehicle & Fuel Costs

Docket No. 20180061-EI
Exhibit No. HWS-2 - Revised
Schedule G

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Vehicle & Fuel	812	2,345	4,989	10,473	24,058	13,543	56,220
2	Citizens No. 1-39 Correction						7,406	7,406
3	Company Update 3/15/18							0
4	Co. Revised Vehicle & Fuel	812	2,345	4,989	10,473	24,058	20,949	63,626
5	Less: Non-Incremental Costs							0
6	Less : Capitalized Costs	0	0	0	7,762	21,633	0	29,395
7	Co. Requested Vehicle & Fuel	812	2,345	4,989	2,711	2,425	20,949	34,231
8	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
9	Retail Recoverable Cost Per Co.	812	2,345	4,989	2,711	2,425	20,949	34,231
10	Co. Rev. Vehicle & Fuel Costs	812	2,345	4,989	10,473	24,058	20,949	63,626
11	Non-Incremental Costs	0	0	0	0	0	0	0
12	Capitalized Costs	0	0	0	(7,762)	(21,633)	0	(29,395)
13	Vehicle & Fuel Costs	812	2,345	4,989	2,711	2,425	20,949	34,231
14	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
15	Retail Costs Per OPC	812	2,345	4,989	2,711	2,425	20,949	34,231
16	OPC Retail Adjustment (L.15 - L. 9)	0	0	0	0	0	0	0

Source: Line 1 and 6 are from response to Citizens Interrogatory No. 1-39.
Line 2 is from correction from response to Staff Interrogatory No. 2-6

Florida Public Utilities Company
Storm Restoration Costs
Materials & Supplies

Docket No. 20180061-EI
Exhibit No. HWS-2 - Revised
Schedule H

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Materials & Supplies	0	991	645	17,154	21,652	16,053	56,495
2	Staff Requested Reclassification				11,779	57,251		69,030
3	Audit Adjustment					32,800		32,800
4	Co. Revised Materials & Supplies	0	991	645	28,933	111,703	16,053	158,325
5	Less: Non-Incremental Costs	0	0	0	0	0	0	0
6	Less : Capitalized Costs	0	0		11,779	57,251	0	69,030
7	Co. Requested Mat. & Supplies	0	991	645	17,154	54,452	16,053	89,295
8	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
9	Retail Recoverable Cost Per Co.	0	991	645	17,154	54,452	16,053	89,295
10	Co. Rev. Materials & Supplies	0	991	645	28,933	111,703	16,053	158,325
11	Non-Incremental Costs	0	0	0	0	(32,800)	0	(32,800)
12	Capitalized Costs	0	0	0	(11,779)	(57,251)	0	(69,030)
13	Materials & Supplies	0	991	645	17,154	21,652	16,053	56,495
14	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
15	Retail Costs Per OPC	0	991	645	17,154	21,652	16,053	56,495
16	OPC Retail Adjustment (L.15 - L. 9)	0	0	0	0	(32,800)	0	(32,800)

Source: Line 1 is from response to Citizens Interrogatory No. 1-38.

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Logistics				73,455	172,250		245,705
2	Company Update 2/20/18							0
3	Company Update 3/15/18							0
4	Co. Revised Logistics	0	0	0	73,455	172,250	0	245,705
5	Less: Non-Incremental Costs	0	0	0	0	0	0	0
6	Less : Capitalized Costs	0	0	0	0	0	0	0
7	Company Requested Logistics	0	0	0	73,455	172,250	0	245,705
8	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
9	Retail Recoverable Cost Per Co.	0	0	0	73,455	172,250	0	245,705
10	Co. Rev. Logistics	0	0	0	73,455	172,250	0	245,705
11	Unjustified	0	0	0		0	0	0
12	Capitalized Costs	0	0	0	0	0	0	0
13	Logistics Cost	0	0	0	73,455	172,250	0	245,705
14	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
15	Retail Costs Per OPC	0	0	0	73,455	172,250	0	245,705
16	OPC Retail Adjustment (L.15 - L. 9)	0	0	0	0	0	0	0

Source: Line 1 is from response to Citizens Interrogatory No. 1-40.

Line No.	Invoice Reference	Vendor	Lodging	Meals / Catering	Staging	Other	Total	Comment
<u>Matthew</u>								
1	JRNLO0418339			155			155	
2	JRNLO0419450	Marriot - Amelia Island	3,526				3,526	
3	Various			444			444	
4	Various	Householder Meals		1,395			1,395	
5	Various	Marroit - Amelia Island	11,967				11,967	
6	Various	Z Capital				896	896	
7	JRNLO0420270	Fairfield Inn	(2,922)				(2,922)	
8	JRNLO0418260	Best Western	9,365				9,365	
9	JRNLO0418260	Country Caterers		40,000			40,000	Y No Detail
10	JRNLO0418260	Various Stores		6,333			6,333	
11	JRNLO0419450	Marroit - Amelia Island	1,148				1,148	
12	JRNLO0418330	Rizo-Patron		316			316	
13	JRNLO0418350	Socarras/ZCapital				498	498	
14	JRNLO0418339	Wagner				20	20	
15	Various	Webber/Meal		162			162	
16	JRNLO0419582	J. STANLEY - ADVANCE				150	150	
17			<u>23,085</u>	<u>48,806</u>		<u>1,564</u>	<u>73,455</u>	
<u>Irma</u>								
18	JRNLO0445047	Sep BOA Pcard-Meals		1,809			1,809	
19	JRNLO0445047	Sep BOA Pcard-COMFORT INN OF YU	530				530	
20	JRNLO0445047	Sep BOA Pcard-THE PIG		111			111	
21	JRNLO0445047	Sep BOA Pcard-BEST WESTERN PLUS	507				507	
22	JRNLO0445047	Sep BOA Pcard-FAIRFIELD INN & SUI	403				403	
23	JRNLO0445047	Sep BOA Pcard-Meals		408			408	
24	JRNLO0445047	Sep BOA Pcard-HAMPTON INN BONI	716				716	
25	JRNLO0445047	Sep BOA Pcard-THE OAKS		143			143	
26	JRNLO0445047	Sep BOA Pcard-FAIRFIELD INN & SUI	447				447	
27	JRNLO0445047	Sep BOA Pcard-COMFORT INN & SUI	2,426				2,426	
28	JRNLO0445047	Sep BOA Pcard-WAFFLE HOUSE		154			154	
29	JRNLO0446708	FPU LODGING DURING HURRICANE I	154				154	
30	JRNLO0445047	Sep BOA Pcard-SPRINGHILL SUITES	1,099				1,099	
31	JRNLO0445047	Sep BOA Pcard-FAIRFIELD INN & SUI	481				481	
32	JRNLO0445047	Sep BOA Pcard-WINN-DIXIE #0084		370			370	
33	JRNLO0446090	LODGING FOR CONTRACT WORKER F	1,501				1,501	
34	JRNLO0445047	Sep BOA Pcard-SPRINGHILL SUITES	381				381	
35	JRNLO0446090	LODGING FOR CONTRACT WORKER F	420				420	
36	JRNLO0445047	Sep BOA Pcard-Various	14,659				14,659	
37	JRNLO0446708	FPU LODGING DURING HURRICANE I	3,542				3,542	
38	Various	Sep BOA Pcard-Various	12,480				12,480	
39	Various	LODGING Marriot Island	6,835				6,835	
40	JRNLO0445047	Sep BOA Pcard-HOLIDAY INN EXPRES	6,553				6,553	
41	Various	LODGING Marriot Island	29,918				29,918	
42	JRNLO0445047	Sep BOA Pcard-PUBLIX #322		779			779	
43	Various	LODGING Marriot Island	13,753				13,753	
44	JRNLO0445843	LODGING FOR HURRICANE IRMA 201	11,884				11,884	
45	JRNLO044541	Country Caterers		59,786			59,786	X
46			<u>108,689</u>	<u>63,560</u>		<u>0</u>	<u>172,249</u>	

X Reference number and amount match listing in Citizens POD No. 1-6.

Y Company provided invoice for \$82,390.

Sources: Company response to Citizens Interrogatory No. 70.

Florida Public Utilities Company
Storm Restoration Costs
Other

Docket No. 20180061-EI
Exhibit No. HWS-2 - Revised
Schedule J

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Other	0		136	45,235	37,899	200	83,470
2	Employee Expenses	0	852	20	3,719	6,147	610	11,348
3	Exclude Employee Expense		(852)	(20)	(3,719)	(6,147)	(610)	(11,348)
4	Company Adjustment				174			174
5	Co. Revised Other	0	0	136	45,409	37,899	200	83,644
6	Less: Non-Incremental Costs	0	0	0	0		0	0
7	Less : Capitalized Costs	0	0			0	0	0
8	Company Requested Other	0	0	136	45,409	37,899	200	83,644
9	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
10	Retail Recoverable Cost Per Co.	0	0	136	45,409	37,899	200	83,644
11	Co. Revised Other	0	0	136	45,409	37,899	200	83,644
12	Unsupported Costs	0	0	0	(43,369)	(24,179)	0	(67,548)
13	Capitalized Costs	0	0	0	0	0	0	0
14	Other Costs	0	0	136	2,040	13,720	200	16,096
15	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
16	Retail Costs Per OPC	0	0	136	2,040	13,720	200	16,096
17	OPC Retail Adjustment (L.15 - L. 9)	0	0	0	(43,369)	(24,179)	0	(67,548)

Source: Line 1 is from response to Citizens Interrogatory No. 1-40.
Line 2 is from response to Citizens Interrogatory No. 1-41.
Lines 3 & 4 are from Sraff IR 2-6

Florida Public Utilities Company
Storm Restoration Costs
Capitalizable Costs

Docket No. 20180061-EI
Exhibit No. HWS-2 - Revised
Schedule K

Line No.	Description	Cindy	Julia	Hermine	Matthew	Irma	Other	Total
1	Payroll	0	0	0	28,431	86,308	0	114,739
2	Benefits	0	0	0	10,233	31,066	0	41,299
3	Overhead	0	0	0	3,326	10,655	0	13,981
4	Contractors - Materials	0	0	0	0	137,573	0	137,573
5	Vehicles & Fuel	0	0	0	7,762	21,633	0	29,395
6	Materials & Supplies	0	0	0	11,779	57,251	0	69,030
7	Logistics	0	0	0	0	0	0	0
8	Other	0	0	0	0	0	0	0
9	Co. Revised Capital Costs	0	0	0	61,531	344,486	0	406,017
10	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
11	Retail Capital Cost Per Co.	0	0	0	61,531	344,486	0	406,017
12	Co. Revised Capital Costs	0	0	0	61,531	344,486	0	406,017
13	Payroll Adjustment							
14	Contractor Adjustment	0	0	0	47,671	253,220	0	300,891
15								
16	OPC Revised Capital Costs	0	0	0	109,202	597,706	0	706,908
17	Total Capital Cost Adjustment	0	0	0	47,671	253,220	0	300,891
18	Jurisdictional Factor	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	
19	Retail Capital Cost Per OPC.	0	0	0	47,671	253,220	0	300,891

Source: Staff Interrogatory 2-6.
Line 4 is based on Staff Audit Finding 1.

DOCKET NO. 20180061-GU
9 | Page

Interrogatory No. 6

6. Please refer to exhibit MC-1, page 1. For each storm, please provide costs associated with the categories listed below. Also, if applicable, please explain any differences in the costs provided in this response, when compared to FPUC's responses to Office of Public Counsel (OPC) Interrogatories identified below.

- a. Regular Payroll – OPC Interrogatory No. 17
- b. Overtime Payroll - OPC Interrogatory No. 17
- c. Contractors - OPC Interrogatory No. 34
- d. Line Clearing - OPC Interrogatory No. 32
- e. Vehicles & Fuels - OPC Interrogatory No. 39
- f. Materials & Supplies - OPC Interrogatory No. 38
- g. Logistics - OPC Interrogatory No. 40

Other - OPC Interrogatory No. 40

Company Response:

Please refer to the Company's attached file labeled "Question 6". The difference between the response to the Citizen's interrogatories and the attached file are that the Citizen's interrogatory inadvertently left out the Blountstown Bristol Storm from Interrogatory Nos. 17 and 39. In addition, since the Company's response was made, two adjustments were processed to the storm reserve. These two adjustments are the difference between Attachment A in the original filing and MC-1 in the testimony filed by Mike Cassel. The first removes the regular payroll identified in Citizen's Interrogatory 17 from the storm reserve. See the adjustment to "a. Regular Payroll" on the attachment. The second removes certain contractor costs which the Company determined were related to capital additions. See adjustment to "c. Contractor Costs" on the attachment. This interrogatory also asks for comparison of contractor costs to Citizen's Interrogatory No. 34. However, Citizen's Interrogatory No. 34 only discussed line clearing contractors and the Company's response to this question includes all contractor costs. Additional rows have been added to the file since this information was provided in Staff's Third Data Request, Question 6, in order to facilitate the comparison to Citizen's ROG 65.

Respondent: *Mike Cassel*

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 5
PARTY: OFFICE OF PUBLIC COUNSEL (OPC)(DIRECT)
DESCRIPTION: Helmuth W. Schultz, III HWS-3

Staff Interrogatory 2, Question 6

Line		Hermine	Irma	Marianna Storm	Matthew	NW Storm 1/22/17	NW Storm 2/7/17	Bloustone Bristol	TS Cindy	TS Julia	Total
1	Salaries:										
2 a.	Salaries that should have been capitalized	\$ 6,592.17		\$ 3,043.53				\$ 1,812.31		\$ 1,278.78	\$ 12,726.79
3	Removed from storm reserve in June 2018	\$ (6,592.17)		\$ (3,043.53)				\$ (1,812.31)		\$ (1,278.78)	\$ (12,726.79)
4	Total Regular Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5											
6 b.	Additional Compensation for Excess Hours		\$ 44,000.00		\$ 25,632.20						\$ 69,632.20
7	Salaries for Non-Electric Division Employees		\$ 32,696.32		\$ 5,314.77						\$ 38,011.09
8	Less Capitalized Wages		\$ (86,308.00)		\$ (28,430.67)						\$ (114,738.67)
9	Overtime/Comp Time/On Call	\$ 3,952.42	\$ 89,580.33	\$ 12,466.54	\$ 53,640.84	\$ 11,140.23	\$ 16,772.31	\$ 6,708.89	\$ 1,936.00	\$ 3,387.34	\$ 199,584.90
10	Total Overtime Payroll and Payroll for Non-Electric Employees	\$ 3,952.42	\$ 79,968.65	\$ 12,466.54	\$ 56,157.14	\$ 11,140.23	\$ 16,772.31	\$ 6,708.89	\$ 1,936.00	\$ 3,387.34	\$ 192,489.52
11											
12											
13 c.	Contractor Costs		\$ 1,821,415.72	\$ 2,466.24	\$ 322,853.92	\$ 297.95	\$ 756.14			\$ 952.95	\$ 2,148,742.92
14	Contractor Costs Included in Other (h. Below and OPC 40)		\$ 6,095.00		\$ 150.00						\$ 6,245.00
15	Contractor Costs Included In M & S (f. below and OPC 38)		\$ (9,859.37)		\$ (4,486.84)						\$ (14,346.21)
16	Adjustment for Portion of Capitalized Costs		\$ (18,978.00)		\$ (5,799.59)						\$ (24,777.59)
17	Audit Adj. Removed invoices capitalized in June 2018		\$ (137,572.95)								\$ (137,572.95)
18	Total Contractor Costs	\$ -	\$ 1,661,100.40	\$ 2,466.24	\$ 312,717.49	\$ 297.95	\$ 756.14	\$ -	\$ -	\$ 952.95	\$ 1,978,291.17
19											
20 d.	Line Clearing	\$ 1,641.50	\$ 219,275.83	\$ 2,816.00	\$ 37,697.74						\$ 261,431.07
21											
22 e.	Vehicles & Fuels	\$ 4,989.00	\$ 24,058.00	\$ 6,244.00	\$ 10,473.00	\$ 2,787.00	\$ 4,512.00	\$ 7,406.26	\$ 812.00	\$ 2,345.00	\$ 63,626.26
23	Less Capitalized Costs		\$ (21,633.00)		\$ (7,762.00)						\$ (29,395.00)
24	Total Vehicle & Fuel Costs	\$ 4,989.00	\$ 2,425.00	\$ 6,244.00	\$ 2,711.00	\$ 2,787.00	\$ 4,512.00	\$ 7,406.26	\$ 812.00	\$ 2,345.00	\$ 34,231.26
25											
26 f.	Materials & Supplies	\$ 645.00	\$ 79,173.30	\$ 6,718.00	\$ 28,932.41	\$ 3,147.00	\$ 4,726.00	\$ 1,462.00		\$ 991.00	\$ 125,794.71
27	Less Capitalized Inventory		\$ (57,521.00)		\$ (11,778.90)						\$ (69,299.90)
28	Provided in Data Request 3 Question 6	\$ 645.00	\$ 21,652.30	\$ 6,718.00	\$ 17,153.51	\$ 3,147.00	\$ 4,726.00	\$ 1,462.00	\$ -	\$ 991.00	\$ 56,494.81
29	Audit Adjustment Capitalized Inventory		\$ 32,800.00								\$ 32,800.00
30	Total Materials & Supplies	\$ 645.00	\$ 54,452.30	\$ 6,718.00	\$ 17,153.51	\$ 3,147.00	\$ 4,726.00	\$ 1,462.00	\$ -	\$ 991.00	\$ 89,294.81
31											
32 g.	Logistics		\$ 172,250.00		\$ 73,455.00						\$ 245,705.00
33											
34 h.	Other	\$ 136.00	\$ 37,899.00		\$ 45,409.00	\$ 100.00	\$ 100.00				\$ 83,644.00
35											
36	Other Items on OPC 17 Not Listed in this request:										
37	Benefits:										
38	Benefits	\$ 2,466.93	\$ 21,989.59	\$ 3,547.90	\$ 17,457.87	\$ 3,042.15	\$ 3,677.44	\$ 1,933.71	\$ 391.25	\$ 1,018.47	\$ 55,525.31
39	Payroll Taxes	\$ 1,107.19	\$ 9,783.43	\$ 1,501.00	\$ 7,213.74	\$ 1,460.75	\$ 1,615.60	\$ 844.31	\$ 174.96	\$ 497.25	\$ 24,198.23
40	Less Capitalized Overhead Benefits		\$ (31,066.00)		\$ (10,233.22)						\$ (41,299.22)
41	Total Benefits	\$ 3,574.12	\$ 707.02	\$ 5,048.90	\$ 14,438.39	\$ 4,502.90	\$ 5,293.04	\$ 2,778.02	\$ 566.21	\$ 1,515.72	\$ 38,424.32
42											
43	Department Expenses:										
44	Expenses	\$ 10,817.42	\$ 32,636.13	\$ 12,742.97	\$ 14,955.81	\$ 3,897.50	\$ 6,218.85	\$ 11,104.42	\$ 878.55	\$ 5,051.80	\$ 98,303.45
45	Less Vehicle and Fuel Costs (Line 22 less \$2,160 actual direct)	\$ (4,989.00)	\$ (21,898.00)	\$ (6,244.00)	\$ (10,473.00)	\$ (2,787.00)	\$ (4,512.00)	\$ (7,406.26)	\$ (812.00)	\$ (2,345.00)	\$ (61,466.26)
46	Less Capitalized Overhead Department Expenses (Excl. Fuel line 23)		\$ (10,655.00)		\$ (3,325.96)						\$ (13,980.96)
47	Department Expenses	\$ 5,828.42	\$ 83.13	\$ 6,498.97	\$ 1,156.85	\$ 1,110.50	\$ 1,706.85	\$ 3,698.16	\$ 66.55	\$ 2,706.80	\$ 22,856.23
48											
49	TOTAL COSTS	\$ 20,766.46	\$ 2,228,161.33	\$ 42,258.65	\$ 560,896.12	\$ 23,085.58	\$ 33,866.34	\$ 22,053.33	\$ 3,380.76	\$ 11,898.81	\$ 2,946,367.38
50											
51	MC-1	\$ 20,767	\$ 2,228,161	\$ 42,259	\$ 560,897	\$ 23,085	\$ 33,866	\$ 22,053	\$ 3,381	\$ 11,898	\$ 2,946,368.18
52											
53	Difference	\$ (0.54)	\$ 0.33	\$ (0.44)	\$ (0.88)	\$ 0.14	\$ 0.17	\$ (0.15)	\$ (0.24)	\$ 0.81	\$ (0.80)

State of Florida



Public Service Commission

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

Auditor's Report

Florida Public Utilities Company
Storm Recovery Cost Audit

As of December 31, 2017

Docket No. 20180061-EI
Audit Control No. 2018-067-1-1
May 31, 2018

A handwritten signature in black ink, appearing to read "Debra M. Dobiak", written over a horizontal line.

Debra Dobiak
Audit Manager

A handwritten signature in blue ink, appearing to read "Marisa N. Glover", written over a horizontal line.

Marisa N. Glover
Reviewer

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 6
PARTY: STAFF OF THE FLORIDA PUBLIC
SERVICE COMMISSION (PSC)(DIRECT)
DESCRIPTION: Debra M. Dobiak DMD-1

Table of Contents

Purpose..... 1

Objectives and Procedures 2

Audit Findings

 1: Capitalizable Costs – Hurricane Irma 6

 2: Non-Incremental Costs – Other Storms 7

Exhibits

 1: FPUC’s Storm Cost Summary 8

Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting and Finance in its audit service request dated March 7, 2018. We have applied these procedures to the attached schedules prepared by Florida Public Utilities Company in support of its filing for storm recovery costs in Docket No. 20180061-EI.

This audit was performed following General Standards and Fieldwork Standards found in the AICPA Statements on Standards for Attestation Engagements. The report is intended only for internal Commission use.

Objectives and Procedures

General

Definitions

FPUC or Utility refers to Florida Public Utilities Company.

Background

In Order No. PSC-2014-0517-S-EI, issued September 29, 2014, the storm reserve accrual of \$121,620 per year was diverted to tree trimming and an underground feasibility study for two years. The order was effective starting in November 2014. The Utility began re-accruing by November 2016 and continued to accrue \$10,135 per month through December 31, 2017. On that date, the storm reserve balance would have been \$2,284,694.

On February 28, 2018, the Utility filed a petition for a limited proceeding seeking recovery of incremental storm restoration costs related to several hurricanes and tropical storms and to replenish the storm reserve. This audit's focus was on FPUC's request for incurred costs related to the following storms.

- Hurricane Irma - \$2,332,934,
- Hurricane Matthew - \$560,897,
- Hurricane Hermine - \$27,359,
- Tropical Storm Julia - \$13,177,
- Tropical Storm Cindy - \$3,381, and
- Other Minor Storms - \$126,120.

These storms total \$3,063,868, which left the reserve balance underfunded by \$779,174 (\$2,284,694 - \$3,063,868) as of December 31, 2017. At that time, the Utility transferred the debit balance of \$779,174 from Account 228.1 – Storm Reserve to Account 182.3 – Extraordinary Property Losses as a regulatory asset.

The Utility requested recovery for 1) \$779,174, which is the regulatory asset discussed above; 2) \$1,500,000, which is the reserve balance allowed by Order No. PSC-2017-0488-PAA-EI, issued December 26, 2017; and 3) \$1,641, which is the amount applicable to the regulatory assessment fee gross-up. This totals \$2,280,815 (\$779,174 + \$1,500,000 + \$1,641), which FPUC is requesting to recover from customers over a two year period beginning with the first billing cycle of May 2018.

It should be noted that the Utility continued the storm reserve accrual of \$10,135 per month as amortization expense for the regulatory asset beginning in January 2018. As time goes on, the regulatory asset amount requested for recovery in the Utility's petition continues to decrease.

Utility Books and Records

Objectives: The objective was to determine whether all the storm costs incurred are supported by the Utility's books and records.

Procedures: Audit staff scheduled total storm costs from Account 228.1 – Storm Reserve by storm from December 31, 2015 through February 28, 2018 and reconciled it to Attachment A, page 1 of 3, from the Utility's petition. No exceptions were noted.

Expense

Payroll, Overhead, and Related Costs

Objectives: The objectives were to determine whether payroll, overtime, and related costs were properly stated, storm related, and recoverable under this docket.

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

Vehicle and Fuel

Objectives: The objectives were to determine whether vehicle and fuel costs were properly stated, storm related, and recoverable under this docket.

Procedures: We scheduled vehicle and fuel costs by storm. We selected a judgmental sample of costs for detail testing and traced the amounts to the payroll allocation schedules. No exceptions were noted.

Contractors and Line Clearing

Objectives: The objectives were to determine whether contractors and line clearing costs were properly stated, storm related, and recoverable under this docket.

Procedures: We scheduled contractors and line clearing costs by storm. We selected a judgmental sample of costs for detail testing and traced the amounts to the supporting invoices. No exceptions were noted.

Materials and Supplies

Objectives: The objectives were to determine whether materials and supplies were properly stated, storm related, and recoverable under this docket.

Procedures: We scheduled material and supplies by storm. We selected a judgmental sample of costs for detail testing and traced the items to the inventory system printouts or supporting invoices. Finding 1 discusses our recommended adjustment to capitalizable costs.

Logistics

Objectives: The objectives were to determine whether logistics costs were properly stated, storm related, and recoverable under this docket.

Procedures: We scheduled logistics costs by storm. We selected a judgmental sample of costs for detail testing and traced the items to the supporting invoices. No exceptions were noted.

Other Costs

Objectives: The objectives were to determine whether other costs were properly stated, storm related, and recoverable under this docket.

Procedures: We scheduled other costs by storm. We selected a judgmental sample of costs for detail testing and traced the items to the supporting invoices or the lost revenue calculation worksheets. No exceptions were noted.

Non-Incremental Costs

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

Procedures: We requested a detailed description of non-incremental costs as well as the policies and procedures for recording these costs. We scheduled payroll and overhead by storm and cost type. We traced the amounts to each storm's payroll schedule, supporting documentation, and removed the capitalized payroll costs. We reviewed the Utility provided schedule comparing base rate payroll per the last rate case with 2016 and 2017 payroll costs. Finding 2 discusses our recommended adjustment to payroll.

Third-Party Reimbursements

Objectives: The objective was to determine whether third-party reimbursement costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143 (1)(b), F.A.C.

Procedures: We requested a detail listing of any third-party reimbursements or insurance claims. We noted that there were no third-party reimbursements.

Capitalizable Costs

Objectives: The objectives were to determine whether the capitalizable costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143(1)(d), F.A.C. This rule states that the utility will be allowed to charge to Account No. 228.1, costs that are incremental to costs normally charged to non-cost recovery clause operating expenses in the absence of a storm. In addition, capital expenditures for the removal, retirement and replacement of damaged facilities charged to cover storm-related damages shall exclude the normal cost for the removal, retirement and replacement of those facilities in the absence of a storm.

Procedures: We requested a detailed description of the capitalizable costs as well as the policies and procedures for recording these costs. We tested the capitalizable costs to determine if the Utility included for recovery only those costs that are allowed by the applicable Rule. Finding 1 discusses our recommended adjustment to capitalizable costs.

Other

Jurisdictional Factors

Objectives: The objective was to determine whether the Utility used the appropriate jurisdictional factors for the filing.

Procedures: We reviewed Order No. PSC-2014-0517-S-EI and the last rate case exhibit from Docket No. 20140025-EI, Schedule B-6 – Jurisdictional Separation Factors-Rate Base. We determined that FPUC was authorized to use the jurisdictional factors of 100 percent. No further work performed.

Audit Findings

Finding 1: Capitalizable Costs – Hurricane Irma

Audit Analysis: According to the Utility's petition, recoverable storm costs for Hurricane Irma were \$2,332,934. We determined that the recoverable storm costs for Hurricane Irma should be \$2,228,161.

On December 31, 2017, a journal entry in the amount of \$226,161 was recorded to remove Hurricane Irma's capitalizable costs from Account 228.1 – Storm Reserve and record this to the appropriate plant and cost of removal accounts. This removal included \$32,800 for 24 transformers. The Utility determined that the transformers, when placed in service during the storm, was capitalized and never recorded to the storm reserve. Therefore, this journal entry removed costs from the storm reserve, which should not have been removed. Our adjustment to increase storm costs by \$32,800 corrects this error.

Audit staff also noted that the items listed in Table 1-1 had been expensed to the storm reserve. It was determined that these items are not recoverable under this docket per Rule 25-6.0143(1)(d), F.A.C., because they would have been capitalized.

Table 1-1

Description	Amount
200-4/0 AUTO SPLICES	\$ 3,799
1-MOST 9B SWITCHGEAR	25,423
1-MOST 9B SWITCHGEAR	25,423
397 AND 477 FULL TENSION SPLICE	4,734
SUB AUTO TX TESTING & TROUBLESH	6,045
AUTO TX BUSHING/ARRESTOR CHANGE	13,942
CONNECTORS /SPLICES	5,897
REPLACE ENERGIZED ARRESTORS	52,310
	\$ 137,573

Effect on the General Ledger: The Utility should determine the effect on the general ledger.

Effect on the Filing: Hurricane Irma's recoverable storm costs should be decreased by \$104,773 (\$32,800 - \$137,573).

Finding 2: Non-Incremental Costs – Other Storms

Audit Analysis: According to the Utility's petition, total recoverable storm costs for Hurricane Hermine were \$27,359, Tropical Storm Julia was \$13,177, and Other Minor Storms were \$126,120. We determined that the recoverable storm costs for Hurricane Hermine should be \$20,767, Tropical Storm Julia should be \$11,898, and Other Minor Storms should be \$121,264.

During the testing of the payroll, overhead, and associated costs, we noted that regular time payroll was included for recovery as shown in Table 2-1.

Table 2-1

Storm	Utility Balance	Audit Adjustments	Audit Balance
Hurricane Hermine	\$ 27,359	\$ (6,592)	\$ 20,767
Tropical Storm Julia	13,177	(1,279)	11,898
Other Minor Storms	126,120	(4,856)	121,264
Total	\$ 166,656	\$ (12,727)	\$ 153,929

Since regular time payroll and its associated costs are considered to be recoverable through base rates, we are removing \$12,727 of regular time payroll, which is not recoverable under this docket as per Rule 25-6.0143, F.A.C.

Effect on the General Ledger: The Utility should determine the effect on the general ledger.

Effect on the Filing: Hurricane Hermine's recoverable storm costs should be decreased by \$6,592. Tropical Storm Julia's recoverable storm costs should be decreased by \$1,279. Other Minor Storms' recoverable storm costs should be decreased by \$4,856.

Exhibits

Exhibit 1: FPUC's Storm Cost Summary

Florida Public Utilities Company Storm Cost Recovery Account 228 Storm Reserve Summary		ATTACHMENT A PAGE 1
Line Number		Account 228.100 Storm Reserve
1	Reserve Balance September 2015 (Credit)	\$ 2,142,805
2	Monthly Accruals to Reserve (Note A)	\$ 141,890
3	Tropical Storm Cindy (2017)	\$ (3,381)
4	Tropical Storm Julia (2016)	\$ (13,177)
5	Hurricane Hermine (2016)	\$ (27,359)
6	Hurricane Matthew (2016)	\$ (560,897)
7	Hurricane Irma (2017)	\$ (2,332,934)
8	Other Minor Storms	\$ (126,120)
9	Reserve Balance Underfunded nt December 31, 2017	<u>\$ (779,174)</u>
10	Reserve Balance Allowed Per Commission Order No. PSC-2017-0488-PAA-EI	\$ 1,500,000
11	Revenue Needed to Fund Reserve to \$1.5M Level	<u>\$ 2,279,174</u>
12	Regulatory Assessment Fee Multiplier	1.00072
13	Total System Storm Losses to Be Recovered From Customers	<u>\$ 2,280,815</u>
14	Jurisdictional Factor	100%
15	Jurisdictional Total System Storm Losses to Be Recovered From Customers	<u>\$ 2,280,815</u>
16	Total 2017 kWh	\$ 628,069,401
17	Rate Per kWh per year	\$ 0.003631
18	Rate Per 1,000 kWh Over 1 Year	\$ 3.63
19	Rate Per 1,000 kWh Over 2 Years	\$ 1.82
20	Note A: Per 2015 Rate Case Settlement Reserve funding was stopped until October 2016 to fund tree trimming.	

7

FPUC's response to OPC's First Set of Interrogatories Nos. 1- 7, 9-28, 31-38

Additional files contained on Staff's Hearing Exhibits CD for Nos. 14, 17, 21, 23, 32, 34, and 37.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 7
PARTY: Staff
DESCRIPTION: FPUC's response to OPC's First Set of Interrogatories Nos. 1-7, 9-28, 31-38Additional files contained in Staff's CD

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs by Florida Public Utilities Company. || DOCKET NO. 20180061-EI

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES AND OBJECTIONS TO
OFFICE OF PUBLIC COUNSEL'S FIRST SET OF INTERROGATORIES (NOS. 1-41)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Office of Public Counsel's ("OPC") First Set of Interrogatories (Nos. 1-41) served on the Company on March 29, 2018. The individual responses and objections follow this cover sheet.

Respectfully submitted this 10th day of May, 2018, by:



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Attorneys for Florida Public Utilities Company

under the applicable rules.

7. FPUC is responding to these interrogatories based upon its good faith review of the relevant information and materials pertinent to the OPC's Interrogatories. However, at this very early stage of the proceeding, it is possible that new information may come to light that may necessitate that FPUC amend responses provided herein. As such, FPUC reserves the right to amend or update these responses should new or previously undiscovered information become available.

INTERROGATORY RESPONSES AND SPECIFIC OBJECTIONS

1. Storm Timeline. Please refer to the Company's February 28, 2018, Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs by Florida Public Utilities Company (Petition). For each storm listed on Attachment A, please provide a summary indicating when the first costs were incurred, when the majority of the mobilization began, when the storm began, the peak storm time, when the storm ended, when demobilization started, when the majority of final costs were incurred and when the final cost was incurred (i.e. when follow-up work was completed).

Company Response:

Tropical Storm Cindy

First Costs 7/28/17

Mobilization Began 6/19/17 approximately 0700 hrs.

Storm Began 6/19/17 approximately 1600 hrs.

Peak Storm Time 6/21/17 approximately 1400 hrs.

Storm Ended approximately 6/22/17 approximately 0100 hrs.

Demobilization Started 6/22/17 approximately 0200 hrs.

Last Costs 7/31/17

Tropical Storm Julia

First Costs 9/19/2016

Mobilization Began 9/13/16 approximately 0700 hrs.

Storm Began 9/13/16 approximately 2200 hrs.

Peak Storm Time 9/14/16 approximately 1300 hrs.

Storm Ended approximately 9/14/16 approximately 1000 hrs.

Demobilization Started 9/15/16 approximately 0700 hrs.

Last Costs 10/17/2016

Hurricane Hermine

First Costs 9/8/2016

Mobilization Began 9/1/16 approximately 0700 hrs.

Storm Began 9/1/16 approximately 2200 hrs.

Peak Storm Time 9/2/16 approximately 0200 hrs.

Storm Ended approximately 9/2/16 approximately 0500 hrs.

Demobilization Started 9/3/16 approximately 0700 hrs.

Last Costs 9/30/2016

Hurricane Matthew

First Costs 10/6/2016

Mobilization Began 10/6/16 approximately 1700 hrs.

Storm Began 10/7/16 approximately 1100 hrs.

Peak Storm Time 10/7/16 approximately 2235 hrs.

Storm Ended approximately 10/8/16 approximately 0800 hrs.

Demobilization Started 10/11/16 approximately 0700 hrs.

Last Costs 1/13/2017

Hurricane Irma

First Costs 9/19/2017

Mobilization Began 9/9/17 approximately 0700 hrs.

Storm Began 9/10/17 approximately 1200 hrs.

Peak Storm Time 9/11/17 approximately 0400 hrs.

Storm Ended approximately 9/11/17 approximately 1600 hrs.

Demobilization Started 9/16/17 approximately 0700 hrs.

Last Costs 1/11/2018

Blountstown/Bristol Storm

First Costs 7/10/2015

Mobilization Began 6/30/2015 approximately 930 hrs.

Storm Began 6/30/2015 approximately 900 hrs.

Peak Storm Time 6/30/2015 approximately 1530 hrs.

Storm Ended approximately 6/30/2015 approximately 1800 hrs.

Demobilization Started 7/2/2015 approximately 1300 hrs.

Last Costs 7/31/2015

Marianna Storm

First Costs 2/9/2016

Mobilization Began 2/3/2016 approximately 1230 hrs.

Storm Began 2/3/2016 approximately 1200 hrs.

Peak Storm Time 2/3/2016 approximately 1330 hrs.

Storm Ended approximately 2/3/2016 approximately 1600 hrs.

Demobilization Started 2/4/2016 approximately 1100 hrs.

Last Costs 3/31/2016

NW Storm 1/22/17

First Costs 2/1/2017

Mobilization Began 1/22/2017 approximately 1330 hrs.

Storm Began 1/22/2017 approximately 1300 hrs.

Peak Storm Time 1/22/2017 approximately 1330 hrs.

Storm Ended approximately 1/22/2017 approximately 1600 hrs.

Demobilization Started 1/25/2017 approximately 1700 hrs.

Last Costs 2/28/2017

NW Storm 2/7/17

First Costs 2/16/2017

Mobilization Began 2/7/2017 approximately 1530 hrs.

Storm Began 2/7/2017 approximately 1500 hrs.

Peak Storm Time 2/7/2017 approximately 1630 hrs.

Storm Ended approximately 2/7/2017 approximately 1930 hrs.

Demobilization Started 2/10/2017 approximately 1930 hrs.

Last Costs 3/31/2017

2. Storm Costs. Does the Company distinguish between functions and what costs are subject to recovery (i.e. distribution, transmission, etc.)? If so, please provide a summary of cost by function.

Company Response:

The Company distinguishes costs subject to recovery by establishing separate work orders but does not distinguish between functions such as distribution and transmission during a storm.

3. System. Please provide, by year, for 2015-2017, a summary of distribution miles that identifies the number of miles, the number of poles, the amount of conductor and the number of transformers by district.

Company Response:

Historically, FPUC has not kept a count of poles and transformer at each year end. As such the 2015 and 2016 numbers are estimated.

2015 Northwest District

651.3 Distribution Miles

Estimated 21,526 Poles

5,789,119 Conductor (feet)

Estimated 7,817 Transformers

2016 Northwest District
651.5 Distribution Miles
Estimated 21,569 Poles
5,800,697 Conductor (feet)
Estimated 7,840 Transformers

2017 Northwest District
653.2 Distribution Miles
21,612 Poles
5,806,007 Conductor (feet)
7,864 Transformers

2015 Northeast District
233.0 Distribution Miles
Estimated 6,193 Poles
2,162,041 Conductor (feet)
Estimated 3,706 Transformers

2016 Northeast District
238.2 Distribution Miles
Estimated 6,206 Poles
2,162,668 Conductor (feet)
Estimated 3,728 Transformers

2017 Northeast District
243.2 Distribution Miles
6,218 Poles
2,203,694 Conductor (feet)
3,729 Transformers

4. System. For each storm listed on Attachment A of the Petition, please provide the number of miles, the number of poles, the amount of conductor and the number of transformers that were impacted by each of the respective storms.

Company Response:

Tropical Storm Cindy

Poles 0

Conductors 0

Transformers 0

Miles < 1

Tropical Storm Julia

Poles 0

Conductors 0

Transformers 4

Miles < 1

Hurricane Hermine

Poles 0

Conductors 0

Transformers 1

Miles < 1

Hurricane Matthew

Poles 11 Northeast installed late October and early November 2016

Conductors 3,095 ft. or .59 miles Northeast installed late October and early November 2016

Transformers 11

Miles Approximately 1

Hurricane Irma

Poles 5 Northwest 23 Northeast installed late September and early October

Conductor 1,500 ft. or .28 miles Northwest 19,564 ft. or 3.7 miles Northeast September and early October

Transformers 24 Northeast 8 Northwest September and early October

Miles – Approximately 2.5

Blounstown/Bristol Storm

Poles 2 Northwest installed July 2015

Conductors 700 feet or .13 mile Northwest installed July 2015

Transformers 3

Miles < 1

Marianna Storm

Poles 10 Northwest installed March 2016

Conductors 1,450 ft. or .27 mile Northwest installed March 2016

Transformers 5

Miles < 1

NW Storm 1/22/17

Poles 2 Northwest installed February 2017

Conductors 400 ft. or .08 mile Northwest installed February 2017

Transformers 4

Miles < 1

NW Storm 2/7/17

Poles 6 Northwest installed March 2017

Conductors 3,135 ft. or .59 mile Northwest installed March 2017

Transformers 6

Miles < 1

5. Storm Accounting Policies and Procedures. Please provide a detailed explanation how the storm costs were accounted for (i.e. by cost code or other designation), including the following:
- the designation used;
 - how the costs were charged to specific functions;
 - how materials and supplies were accounted for (i.e. withdrawn from inventory and charged to the storm)
 - how vehicle and fuel costs were tracked or assigned; and
 - how contractors and vendors were instructed to account for capital work.

Company Response:

- a. The designation used was a work order number assigned to each storm.

Reference Code	Storm
FE16904621	Marianna Storm
FE17904651S	NW Storm 2/7/17
FE16904640S	Hurricane Matthew Marianna
FE16905622S	Hurricane Matthew Fernandina
FE16904634	Hermine Marinna
FE16905620	Tropical Storm Julia
FE16905619	Hermine Fernandina
FE17904650S	NW Storm 1/22/17
FE15904602	Blountstown/Bristol Storm
FE17904665S	Hurricane Irma Marianna
FE17904622S	Tropical Storm Cindy
FE17905636S	Hurricane Irma Fernandina
FE16905622S	Hurricane Matthew Fernandina

- b. Costs are not separated into functions such as transmission and distribution.
- c. Stock slips are completed when the inventory is provided to the field employees. The stock slips are then entered into the accounting system to the work order provided for on the stock slip using an average cost methodology.

- d. Vehicle costs are allocated based on the employee's payroll.**
- e. Currently, the Company's contractors don't separately bill for capital work**

6. Contractors. Please explain what measures are taken to determine that contractors' rates are reasonable and comparable from contractor to contractor.

Company Response:

All contractor work other than for emergency/urgent assistance needs is competitively bid, and rates are evaluated to determine the successful bidder. For emergency/urgent assistance needs, the Company evaluates bids for reasonability.

7. Standby. Does the Company have any information that would identify what costs were incurred for standby of contractors and mutual assistance? If not, explain why the Company does not analyze this cost, how the Company mitigates standby and how the Company can assert that all the cost requested are reasonable

Company Response:

FPUC did not incur any costs for standby of Contractors for any of the storms in this Petition. All mutual assistance resources utilized for these storms were directly assigned to FPUC through the Southeastern Electric Exchange (S.E.E.).

8. Recovery. Please refer to the Petition. Does the Company plan to file testimony? If so, please provide the expected date the Company will file documentation and testimony.

Company Response:

The Company does not currently plan to file testimony unless otherwise directed by the Commission.

9. Replacement Costs. For each storm referenced in Attachment A to the Petition, please provide a summary of the number of poles replaced, by either Company crews or contractors, by month and location, identifying whether the replacement was capitalized and if capitalized, the cost capitalized.

Company Response:

Hurricane Matthew

Eleven poles replaced by Company crews in the Northeast Division in October 2016.

The \$26,006 cost for pole replacement was capitalized.

Hurricane Irma

In the Northeast Division in October 2016, 23 poles were replaced, 7 by Company crews and 16 by Contract crews. The cost of \$4,480 was capitalized.

In the Northwest Division in October 2016 5 poles replaced by Company Crews. The cost of \$43,809 was capitalized.

Blountstown/Bristol Storm

Two Poles were replaced by Company crews in June 2015 in the Northwest Division. The \$601 cost was capitalized.

Northwest Storm

Ten poles were replaced by Company crews in the Northwest Division in February 2016. The cost of \$2,921 was capitalized.

Northwest Storm 1/22/17

Two poles were replaced by Company crews in the Northwest Division in January 2017. The \$3,280 cost was capitalized.

Northwest Storm 2/7/17

Six poles replaced by Company crews in February 2017. The cost of \$2,853 was capitalized.

10. Replacement Costs. For each storm referenced in Attachment A to the Petition, please provide a summary of the number of miles of conductor replaced, by Company crews or contractors, by month and location, identifying whether the replacement was capitalized and if capitalized, the cost capitalized.

Company Response:

Please see the Company's response to question number 4 of this interrogatory for the number of miles of conductor replaced by location by month.

Hurricane Matthew

For NE, \$39,811 was capitalized.

Hurricane Irma

For NW, \$14,465 was capitalized.

For NE, \$108,637 was capitalized.

Blounstown/Bristol Storm

For NW, \$809 was capitalized.

NW Storm 1/22/17

For NW \$781 was capitalized.

11. Replacement Costs. For each storm referenced in Attachment A to the Petition, provide for each storm, a summary of the number of cross arms replaced, by Company crews or by contractors, by month and location, identifying whether the replacement was capitalized and if capitalized, the cost capitalized.

Company Response:

No cross arms were replaced for the storms listed in Attachment A to the Petition.

12. Replacement Costs. For each storm referenced in Attachment A to the Petition, please provide a summary of the number of cross transformers replaced, by Company crews or by contractors, by month and location, identifying whether the replacement was capitalized and if capitalized, the cost capitalized.

Company Response:

Transformers are capitalized as part of the normal capitalization process. The Company removed \$32,800 for the inventory of transformers from Hurricane Irma costs. However, the amount removed was in error. All of the transformer inventory of \$32,800 was capitalized during the regular capitalization process and therefore, were never charged to the storm work order and should not have been removed. Therefore, the storm work order for Irma was understated by \$32,800.

TS Julia: Four transformers were replaced by Company crews on Amelia Island in September 2016, and the \$4,800 was capitalized.

Hurricane Hermine: One transformer was replaced by a Company crew in the NW Division in September, 2016, and the \$607 cost was capitalized.

Hurricane Matthew: Eleven transformers were replaced by Company crews on Amelia Island in October 2016, and the \$10,800 was capitalized.

Hurricane Irma: Twenty-eight transformers on Amelia Island were replaced, 20 by Company crews and 8 by Contract crews in October 2016, and the \$59,077 cost was capitalized.

Blountstown/Bristol Storm: Three transformers were replaced by Company crews in Bristol in June 2015, and the \$3,051 of costs were capitalized.

Marianna Storm: Five transformers were replaced by Company crews in the NW Division in February 2016, and the cost of \$3,140 was capitalized.

NW Storm 1/22/17: Four transformers were replaced by Company crews in the NW Division in January of 2017, and the cost of \$3,502 was capitalized.

NW Storm 2/7/17: Six transformers were replaced by Company Crews in the NW Division in February 2017, and the cost of \$3,625 was capitalized.

13. Mobilization/Demobilization. Please refer to Attachment A to the Petition. For Hurricane Matthew and Hurricane Irma, please provide a summary of the costs, by function, identifying what amount of contractor costs and what amount of line clearing costs included in their respective totals were for mobilization and demobilization.

Company Response:

The only costs identified as mobilization/demobilization were by PAR electric during Hurricane Irma for \$538,889.

14. Capitalized Cost. For each storm referenced in Attachment A to the Petition, please provide a detailed summary, by function, that shows an itemization of plant costs by type (i.e. poles, conductor, cross arms, transformers, etc.) that were capitalized and the associated quantities.

Company Response:

Please refer to Attachment 14 Capitalized Summary and the Company's response to Question 12 regarding transformers.

15. Capitalized Cost. For each storm referenced in Attachment A to the Petition, please provide a detailed summary, by function, that shows an itemization of costs by type (i.e. payroll separate between regular and overtime; contractors; line clearing; etc.).

Company Response:

STORM	INVENTORY	LABOR	OVERHEAD	ENGINEERING
Hurricane Matthew	\$ 22,579	\$ 28,430	\$ 21,323	\$ 5,798
Hurricane Irma	\$ 62,676	\$ 86,308	\$ 64,726	\$ 17,607
Hurricane Hermine	\$ 607			
Tropical Storm Julia	\$ 4,800			
Blounstown/Bristol Storm	\$ 2,161	\$ 1,190	\$ 1,004	\$ 106
Marianna Storm	\$ 3,140	\$ 2,245	\$ 676	
NW Storm 1/22/17	\$ 3,179	\$ 2,909	\$ 1,450	\$ 25
NW Storm 2/7/17	\$ 3,625	\$ 1,783	\$ 1,070	

16. Capital Costs/Non-Incremental Costs/Third Party Billings. For each storm referenced in Attachment A to the Petition, please provide a cost summary for each storm that shows the total storm costs incurred, the amount of costs excluded from the request because the costs were capitalized, third party billings and/or non-incremental (i.e. the net cost should equal the amounts shown on Attachment A).

Company Response:

As discussed in the response to question 27, costs for third party billing, which only occurred for hurricane Irma, were identified in a separate work order and never included in the costs below.

Storm	All Costs	Capitalized Costs	Net Costs
Tropical Storm Cindy	\$ 3,381		\$ 3,381
Tropical Storm Julia	\$ 17,977	\$ (4,800)	\$ 13,177
Hurricane Hermine	\$ 27,966	\$ (607)	\$ 27,359
Hurricane Matthew	\$ 639,027	\$ (78,130)	\$ 560,897
Hurricane Irma	\$ 2,564,251	\$ (231,316)	\$ 2,332,934
Blountstown/Bristol Storm	\$ 28,327	\$ (4,461)	\$ 23,866
Marianna Storm	\$ 51,364	\$ (6,061)	\$ 45,303
NW Storm 1/22/17	\$ 30,648	\$ (7,563)	\$ 23,085
Nw Storm 2/7/17	\$ 40,344	\$ (6,478)	\$ 33,866
	\$ 3,403,285	\$ (339,417)	\$ 3,063,868

17. Payroll. For each storm referenced in Attachment A to the Petition, please provide an explanation of what related costs, if any, are included in the regular and/or overtime payroll amounts initially charged to the storm work order, identify each type of related costs and the respective amount(s) (i.e. benefits, overheads and payroll taxes).

Company Response:

Please refer to the Company's attached schedule labeled Question 17.

18. Payroll. Please refer to Attachment A to the Petition. If regular payroll was included in the storm costs explain why it was included. If there was regular payroll recorded for each of the storms provide by storm the amount recorded and show how it was excluded from this request (i.e. as non-incremental or as capitalized).

Company Response:

For Hurricane Hermine, Tropical Storm Julia, and the Marianna Storm, the work order was not designated as a storm work order and staff inadvertently included regular wages of \$10,914 in the storm accounts, which will be corrected in the next quarter. For Hurricane Matthew, some regular wages were included which were later removed and capitalized along with their associated overhead. In addition, for Hurricane Irma and Hurricane Matthew, the Company included regular wages if the employees worked for other non-electric divisions that were not included in the base rates of the Electric Division. These employees included Chesapeake employees from out of state companies, propane employees, and other employees who normally charge accounts not included in expense recovered in electric base rates.

19. Payroll. Please refer to Attachment A to the Petition. Identify the amount of any incentive compensation or storm bonus payments included in the recorded costs charged to each of the storms and identify how any of the costs were excluded from this request (i.e. as non- incremental or as capitalized).

Company Response:

We do not pay bonuses or incentive compensation for storm related work. The Company included additional payments to salaried employees for extraordinary work performed well beyond their regular duties. Additional compensation payments were \$25,632 related to Hurricane Matthew and \$44,000 related to Hurricane Irma in accordance with the Company's Inclement Weather Exempt Employee Compensation Policy. Many salaried individuals worked in excess of 16 hour days for an extended period of time. Although employees are salaried and expected to work more than 40 hours, the hours worked before, during and after the storm far exceed the normal hours and job functions normally expected to be worked as a salaried employee.

20. Payroll. For the years 2016 and 2017, please provide the regular payroll, by O&M account, included in base rates identifying the Docket setting rates and the effective date rates when into effect (i.e. if rates went into effect during the year provide a prorate from each docket for that year).

Company Response:

FPUC's last full rate case was in Docket No. 20140025, which was resolved by Commission approval of a settlement agreement. Since then, the Company's rates have been modified through a limited proceeding in Docket No. 20170150, which was also resolved through a settlement and resulted in rate increases effective January 2018. Neither settlement nor the discussions thereon specifically addressed payroll. Per the MFRs submitted in Docket No 20140025, the Company's proposed amount of payroll in base rates was \$4,862,387.

21. Payroll. For the years 2016 and 2017, please provide the actual regular payroll, by O&M account for that year.

Company Response:

The Company objects to this request to the extent that it seeks information beyond the scope of this limited proceeding and not likely to lead to the discovery of admissible evidence. This is a limited proceeding to address storm costs only, and

OPC's request seeks information beyond those costs for which the Company now requests recovery. Notwithstanding and without waiving this objection the Company states that the Attachment labeled Question 21 included with this response details yearly payroll.

22. Payroll. For the years 2016 and 2017, please provide the overtime payroll, by O&M account, included in base rates identifying the Docket setting rates and the effective date rates when into effect (i.e. if rates went into effect during the year provide a prorate from each docket for that year).

Company Response:

The Company objects to this request to the extent that it seeks information beyond the scope of this limited proceeding and not likely to lead to the discovery of admissible evidence. This is a limited proceeding to address storm costs only, and OPC's request seeks information beyond those costs for which the Company now requests recovery. Notwithstanding and without waiving this objection the Company refers OPC to its response to question number 20 above.

23. Payroll. For the years 2016 and 2017, please provide the actual overtime payroll, by O&M account for that year.

Company Response:

The Company objects to this request to the extent that it seeks information beyond the scope of this limited proceeding and not likely to lead to the discovery of admissible evidence. This is a limited proceeding to address storm costs only, and OPC's request seeks information beyond those costs for which the Company now requests recovery. Notwithstanding and without waiving this objection the Company states that the Attachment labeled Question 23 included with this response details yearly payroll.

24. Regular Payroll. Please refer to Attachment A to the Petition. For Hurricane Matthew and Hurricane Irma, please provide a summary of the regular payroll by week charged to restoration work order (i.e. this would be just payroll and excludes overheads and/or other related costs).

Company Response:

No regular time for electric employees was charged to the costs for Hurricane Matthew or Hurricane Irma.

25. Overtime Payroll. Please refer to Attachment A to the Petition. For Hurricane Matthew and Hurricane Irma, please provide a summary of the overtime payroll by week by charged to restoration work order (i.e. this would be just payroll and excludes overheads and/or other related costs).

Company Response:

The overtime payroll by week follows for Hurricane Matthew:

W/E 10/8/2016	\$ 19,222
W/E 10/15/2016	\$ 33,769
W/E 10/22/2016	\$ 100
W/E 10/29/2016	\$ 550
W/E 11/12/2016	\$ 17,550
W/E 11/26/2016	\$ 8,081

The overtime payroll by week follows for Hurricane Irma:

W/E 9/09/2017	\$ 322
W/E 9/16/2017	\$ 77,579
W/E 9/23/2017	\$ 10,140
W/E 9/30/2017	\$ 830
W/E 10/21/2017	\$ 681
W/E 10/28/2017	\$ 28
W/E 11/11/2017	\$ 44,000

26. Third Party Billing. Was the Company billed by any third party pole owners for pole replacements performed by the third party? If so, please provide a summary of costs by third parties.

Company Response:

The Company was not billed by any third party pole owners for pole replacements performed by third parties.

27. Third Party Billing. Did the Company bill any third party for pole replacements performed by the Company? If so, please provide a summary of costs billed the third party.

Company Response:

Yes; the Company provided mutual assistance to Florida Power & Light (FPL) for Hurricane Irma and billed FPL \$80,245.

28. Third-Party Reimbursement. Please provide an explanation of how the costs for third-party reimbursement were tracked and billed and include a summary of poles replaced along with the associated costs.

Company Response:

The costs incurred to provide assistance to FPL were tracked in separate work orders for Northwest and Northeast (FE17904666S and FE17905637S, respectively) FPUC is not seeking recovery for costs incurred to assist FPL. FPUC only provided labor and not materials to FPL and did not record the labor hours into pole replacement vs. other restoration work. The billing was based on time spent restoring service to customers.

29. Overhead Costs. Did the Company use an overhead rate for benefits and other related costs for payroll costs? If so, for the years 2016 and 2017, please provide the respective overhead rates and an explanation of how the rates were determined.

Company Response:

The Company does not use a fixed overhead rate. Actual Overhead costs are allocated using the percent of direct storm payroll to total payroll.

30. Overhead Costs. For 2016 and 2017, please provide storm costs that recorded the respective overhead rates used for recording the normal general operating costs for the Company and explain any difference between the normal rates and the rates used for storm costs.

Company Response:

Please refer to the Company's response to question number 29 above. Although

some of the overhead allocated was not incremental, this is offset by overhead and department expenses that were not allocated using this methodology. The allocation percentages do not take into account incremental overheads or department expenses that were incurred in departments that did not have time tracking employees which we believe would offset any non-incremental costs charged.

31. Outside Contractors. Are all outside contractors time to be approved by a FPUC representative? If yes, what happens if time reports are not approved? If no, explain why not, and how the Company can be confident that the services were performed?

Company Response:

Yes, all Contractor time reports and billing are reviewed and approved by FPUC management before processing. Any discrepancies in time or account coding are reviewed with the Contractor, and any corrections are documented prior to final payment.

32. Line Clearing. For Hurricane Matthew and Hurricane Irma, please provide a summary of costs (listing each invoice), by line clearing contractor.

Company Response:

Please refer to the Company's attached file labeled "Question 32 List of Line Clearing Invoices" included with this response.

33. Line Clearing. For Hurricane Matthew and Hurricane Irma, please provide a summary showing the date and number of crews mobilized and the date and number of crews demobilized.

Company Response:

Hurricane Matthew – All internal Company Crews and 20 Contract Distribution Line resources were mobilized on October 6, 2016. Ten Gulf Power Distribution Line Resources were added on October 9, 2016. All external resources were demobilized on October 9, 2016.

Hurricane Irma - All internal Company Crews, 40 Contract Distribution Line resources and 10 Contract Line Clearing Resources were mobilized on September 9, 2017. An additional 8 Line Clearing Resources were mobilized on September 13, 2017. All external resources were demobilized on October 28, 2017.

34. Line Clearing. To the extent any costs for line clearing were excluded or determined to be not excludable from recovery request based on the formula identified in Rule 25-6.0143, Florida Administrative Code, provide the calculation required to make that determination.

Company Response:

Please refer to the Company's attached schedule labeled Question 34 included with this response.

35. Outside Contractors. Explain in detail what services were performed by function by outside contractors (i.e. pole & wire work, plant repairs, etc.).

Company Response:

FPUC used outside Contractors during Hurricanes Matthew and Irma to restore services, set poles, remove broken poles, repair and re-string broken conductors, replace transformers, insulators, and surge arresters.

36. Outside Contractors. Identify whether contractors set poles and provide for each storm the number of poles set by contractors.

Company Response:

FPUC only used outside contractors for Hurricane's Irma and Matthew. Historically, the Company does not track specific service activity performed by individual outside contract crews. These crews perform all restoration activities as requested by FPUC, which includes the services detailed in the Company's response to question number 35 above.

37. Outside Contractors. For Hurricane Matthew and Hurricane Irma, please provide a summary of costs (listing each invoice) by function, by contractor.

Company Response:

Please refer to the Company's attached file labeled "Question 37 Outside Contractors" included with this response. The Company does not make any distinction of costs by function for outside contractors with the exception of contractors hired solely for the service of line clearing. These contractor costs are separately identified in the Company's response to question 34 above.

38. Materials & Supplies Expense. For each storm, please provide a summary of costs, by type of costs.

Company Response:

The following schedule details the material and supplies charged to the storm. In answering this request, the Company determined that an adjustment to capitalize transformers for Hurricane Irma duplicated direct charges to the transformer plant account during the storm. Therefore, the inventory amount for Hurricane Irma is understated by \$32,800. Please refer to the Company's response to question number 12 above.

	Inventory Issuance	P Card Purchase	Voucher Payment	Total
Blountstown/Bristol Storm	\$ 1,462			\$ 1,462
Hurricane Hermine	\$ 627	\$ 18		\$ 645
Hurricane Irma	\$ 1,181	\$ 2,396	\$ 18,075	\$ 21,652
Marianna Storm	\$ 6,718			\$ 6,718
Hurricane Matthew	\$ 11,105	\$ 43	\$ 6,006	\$ 17,154
NW Storm 1/22/17	\$ 3,147			\$ 3,147
NW Storm 12/7/17	\$ 4,726			\$ 4,726
Tropical Storm Julia	\$ 991			\$ 991
Total	\$ 29,957	\$ 2,457	\$ 24,081	\$ 56,495

39. Vehicle & Fuel. For each storm referenced in Attachment A to the Petition, please provide a summary of costs by type charged to the storm (i.e. overhead charge, invoiced, contractor/vendor charge, other, etc.) and the amount of costs that were excluded from what is being requested on Attachment A.

Company Response:

The following schedule details vehicle and fuel costs by type and shows the amount excluded due to capitalization:

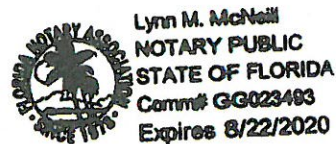
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STATE OF FLORIDA)

COUNTY OF DADE)

I hereby certify that on this 10th day of MAY, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Mike Casse, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) _____ from in CITIZENS FIRST SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NOS. 1-41) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 10th day of MAY, 2018.



Lynn McNeill

Notary Public

State of Florida, at Large

My Commission Expires: 08/22/2020

8

FPUC's response to Staff's First Set of Production of Documents No. 1

Additional files contained on Staff's Hearing Exhibits CD for No. 1

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET: 20180061-EI EXHIBIT: 8

PARTY: Staff

DESCRIPTION: FPUC'S response to Staff's First Set of Production of
Documents No. 1 Additional files contained on Staff's CD


BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to Recovery Incremental Storm Restoration Costs by Florida Public Utilities Company. DOCKET NO. 20180061-EI

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES TO
COMMISSION STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-2) AND FIRST
REQUESTS FOR PRODUCTION (NO. 1)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses to the First Set of Interrogatories (Nos. 1-2) and First Requests for Production (No. 1) served on the Company on August 16, 2018, by the Staff of the Florida Public Service Commission ("Staff"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 5th day of September, 2018, by:


Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706

Attorneys for Florida Public Utilities Company

PRODUCTION OF DOCUMENTS

1. Please provide any and all documents that detail Company procedures or policies for handling invoices from third party contractors.

Company Response:

Please refer to Attachment 1.

9

**FPUC's response to OPC's First set of
Production of Documents Nos. 1-2, 5-7, 10**

**Additional files contained on Staff's
Hearing Exhibits CD for Nos. 2, and 6.**

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 9
PARTY: Staff
DESCRIPTION: FPUC's response to OPC's First set of
Production of Documents Nos. 1-2, 5-7, 10 Additional files
contained in Staff's CD

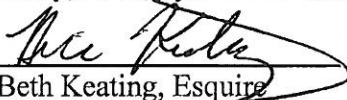
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to DOCKET NO. 20180061-EI
Recovery Incremental Storm Restoration Costs
by Florida Public Utilities Company.

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES AND OBJECTIONS TO
FIRST REQUESTS FOR PRODUCTION (NOS. 1-10)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the First Requests for Production (Nos. 1-10) served on the Company on March 29, 2018, by the Office of Public Counsel ("OPC"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 4th day of May, 2018, by:


Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706

Attorneys for Florida Public Utilities Company

PRODUCTION OF DOCUMENTS

1. Capitalization Policy. Please provide a copy of the Company's capitalization policy.

Company Response:

The Company does not have a formal capitalization policy.

2. Storm Accounting Policies and Procedures. Please provide a copy of the Company's storm restoration accounting policies and procedures and a copy of any instructions given to employees and/or contractors during mobilization and/or restoration.

Company Response:

Please refer to "Attachment POD 2-Hurricane Procedures".

3. Studies. Please provide any assessment and/or study performed by the Company and/or for the Company that estimates the amount of storm cost savings the Company was able to achieve because of the storm hardening program work performed prior to each of the respective storms.

Company Response:

The Company did not complete a study, nor was one completed for the Company that estimates the amount of storm cost savings.

4. Studies. Provide any assessment and/or study performed by the Company and/or for the Company that identifies the damage that occurred to infrastructure where storm hardening work had not been performed yet.

Company Response:

No assessment or study was performed by or for the Company that identified damage to non-storm hardened infrastructure.

5. Third Party Billings. For each storm included in the Company's February 28, 2018, Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs (Petition), please provide any third party billings for pole replacement, provide the supporting invoices for those amounts billed and any contracts associated with third party billings to the Company that detail pole replacement.

Company Response:

The contractors did not separately bill for pole replacement. The capital costs were estimated based on inventory used, average hours to install, average costs and overhead rates.

6. Contractors. For each storm identified in the Company's Petition, please provide, by contractor, the supporting invoices (including all supporting detail provided by the vendor) for invoices over \$25,000.

Company Response:

Please refer to Attachment POD 6.

7. Line Clearing. For each storm identified in the Company's Petition, please provide, by line clearing contractor, the supporting invoices (including all supporting detail provided by the vendor) for invoices over \$25,000.

Company Response:

Please see the invoice for Davey Tree Experts in the Company's response to question number 6.

8. Employee Expenses. For each storm identified in the Company's Petition, please provide any invoices for charges over \$5,000.

Company Response:

There were no employee expenses recorded over \$5,000.

9. Other. For each storm identified in the Company's Petition, please provide any invoices for P Card charges over \$5,000.

Company Response:

Please refer to Attachment POD 9.

10. Third-Party Reimbursement. Please provide a copy of the contract with any third party that serves as the support for billing third parties for replacement of poles.

Company Response:

The Company did not have any replacement of poles for third parties.

10

FPUC's response to OPC's Second Set of Interrogatories Nos. 42-52, 58-62

Additional files contained on Staff's Hearing Exhibits CD for Nos. 58, and 61.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 10
PARTY: Staff
DESCRIPTION: FPUC's response to OPC's Second Set of Interrogatories Nos. 42-52, 58-62Additional files contained on Staff's CD.

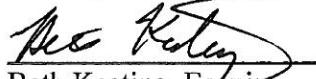
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs by Florida Public Utilities Company. || DOCKET NO. 20180061-EI

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES AND OBJECTIONS TO
OFFICE OF PUBLIC COUNSEL'S FIRST SET OF INTERROGATORIES (NOS. 42-62)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Office of Public Counsel's ("OPC") Second Set of Interrogatories (Nos. 42-62) served on the Company on May 30, 2018. The individual responses and objections follow this cover sheet.

Respectfully submitted this 26th day of June, 2018, by:


Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706

Attorneys for Florida Public Utilities Company

INTERROGATORY 42**INTERROGATORY RESPONSES AND SPECIFIC OBJECTIONS**

42. Replacement Costs. Please refer to the response to OPC Interrogatory 1-9. For each storm, please provide a breakdown of the capital cost for poles between material, labor, overheads and other costs.

Company Response:

Storm	Material	Labor	Overhead	Other	Total
Blounstown NW		\$ 310.12	\$ 290.73		\$ 600.85
Hermine NW					\$ -
Julia NE					\$ -
Marianna Storm NW		\$ 2,245.49	\$ 675.65		\$ 2,921.14
NW Storm 2/7/17		\$ 1,782.67	\$ 1,070.24		\$ 2,852.91
NW Storm 1/22/17		\$ 2,196.22	\$ 1,084.15		\$ 3,280.37
Matthew NE	\$ 4,044.88	\$ 11,239.34	\$ 8,428.78	\$ 2,292.72	\$ 26,005.72
Irma NE	\$ 6,526.47	\$ 19,080.74	\$ 14,309.33	\$ 3,892.29	\$ 43,808.83
Irma NW	\$ 1,050.89	\$ 1,754.98	\$ 1,316.12	\$ 358.00	\$ 4,479.99
Total	\$ 11,622.24	\$ 38,609.56	\$ 27,175.00	\$ 6,543.01	\$ 83,949.81

Respondent: Mike Cassel

INTERROGATORY 43

43. Replacement Costs. Please refer to the response to OPC Interrogatory 1-9. Please explain in detail how the average cost per pole replaced could vary so widely from storm to storm.

Company Response:

FPUC objects to this request to the extent that it improperly characterizes the variations in replacement costs.

Notwithstanding this objection and without waiving, FPUC states that both the material and labor costs vary depending on the size of the pole being replaced. The cost of the poles themselves for the small storms were never capitalized. Capital costs for the poles would increase capital costs by \$423.71 for the Blountstown storm, \$2,479.59 for the Marianna Storm, \$1,749.63 for the NW Storm 2/7/17, and \$365.50 for the NW Storm 1/22/17.

In addition, in estimating the “normal costs” to transfer to capital for Hurricane Irma and Hurricane Matthew, an average for engineering and inspection was removed from the storm reserve. For the smaller storms, engineering and inspection was not included in costs charged to the storm reserve and these costs would not have been material.

Respondent: Mike Cassel

INTERROGATORY 44

44. Replacement Costs. Please refer to the response to OPC Interrogatory 1-9. Provide an explanation as to how the Company determined the capitalized amount for the respective storms and indicate whether a formula was used, or whether the costs are based on actual time and materials as reported. If a formula was used, please provide the formula.

Company Response:

For Hurricane Matthew and Irma, the capital costs were determined based on the actual inventory along with estimates from the Operations Manager on the hours spent to both install the new equipment and remove the old equipment for each item. An average labor rate of \$37.34 was used in the estimates with an estimated overhead rate of 75%. A 15% estimate was used for engineering and inspection. Costs for the other storms were based on actual costs.

Respondent: Mike Cassel

INTERROGATORY 45

45. Replacement Costs. Please refer to the response to OPC Interrogatory 1-10. For each storm, please provide a breakdown of the capital cost for conductor between material, labor, overheads and other costs.

Company Response:

Storm	Material	Labor	Overhead	Other	Total
Blountstown NW		\$ 417.46	\$ 391.37		\$ 808.83
Hermine NW					\$ -
Julia NE					\$ -
Marianna Storm NW					\$ -
NW Storm 2/7/17					\$ -
NW Storm 1/22/17		\$ 523.03	\$ 258.20		\$ 781.23
Matthew NE	\$ 7,242.57	\$ 16,668.58	\$ 12,500.36	\$ 3,400.23	\$ 39,811.74
Irma NE	\$ 15,382.42	\$ 47,726.63	\$ 35,791.91	\$ 9,735.78	\$ 108,636.74
Irma NW	\$ 1,569.80	\$ 6,599.89	\$ 4,949.46	\$ 1,346.30	\$ 14,465.45
Total	\$ 24,194.79	\$ 71,935.59	\$ 53,891.30	\$ 14,482.31	\$ 164,503.99

Respondent: Mike Cassel

INTERROGATORY 46

46. Replacement Costs. Please refer to the response to OPC Interrogatory 1-10. Please explain how the average cost per mile replaced could vary so much from storm to storm.

Company Response:

FPUC objects to this request to the extent that it improperly characterizes the variations in costs per mile.

Notwithstanding this objection and without waiving, FPUC states that conductors costs vary based on whether only wire is being replaced or whether cutouts, switches, or arrestors are also replaced. Different types of wire also have different costs and different installation hours. In addition a higher voltage class is used in the NE division due to the location on an island and the salt spray involved. This results in higher material costs. Material costs for the small storms were never capitalized. Capital costs for the conductor material would increase capital costs by \$904.29 for the Blountstown storm, \$130.08 for Tropical Storm Julia, \$195.12 for Hurricane Hermine, \$1,459.39 for the Marianna Storm, \$1,138 for the NW Storm 2/7/17, and \$1,246.77 for the NW Storm 1/22/17. In addition, in estimating the “normal costs” to transfer to capital for Hurricane Irma and Hurricane Matthew, an average for engineering and inspection was removed from the storm reserve. For the smaller storms, engineering and inspection was not included in costs charged to the storm reserve and these costs would not have been material.

Respondent: Mike Cassel and Buddy Shelley

INTERROGATORY 47

47. Replacement Costs. Please refer to the response to OPC Interrogatory 1-10. Please explain how the Company determined the capitalized amount for the respective storms and indicate whether a formula was used or whether the costs are based on actual time and materials as reported. If a formula is used, please provide the formula.

Company Response:

Please refer to the Company's response to OPC Interrogatory 44.

Respondent: Mike Cassel

INTERROGATORY 48

48. Replacement Costs. Please refer to the response to OPC Interrogatory 1-12. The response indicates the removal of \$32,800 for the inventory of transformers for Hurricane Irma costs was in error because all of the transformer inventory was capitalized during "the regular capitalization process and therefore, were never charged to the storm work order."
- a. Explain in detail when the capitalization of the transformers was performed (at the time of purchase or at some other point of time).
 - b. Explain in detail why the Company determined the removal of the cost of transformers to be in error.
 - c. If the transformers were capitalized at the time of purchase, explain in detail why the replacement of the transformer inventory would not be considered a cost associated with the storm.

Company Response:

- a. Transformers are capitalized at the time of purchase.
- b. Since the transformers were capitalized when purchased, the transformer costs were not charged to the storm work order. Therefore, removing them from the work order duplicated the capital investment and understated the storm reserve.
- c. Capitalized costs were included in total storm costs in the response to the interrogatories but as shown in the response were removed from the storm reserve as required by Rule 25-6.0143 (1) (d), F.A.C. The transformers were capitalized at the time of purchase and not charged to the storm work order which was later charged to the reserve. The effect of removing the \$32,800 from the storm reserve and increasing plant, resulted in a duplication of the \$32,800 in plant in service and removed costs from the storm reserve that had never been charged to the storm reserve.

Respondent: Mike Cassel

INTERROGATORY 49

49. Replacement Costs. Please refer to the response to OPC Interrogatory 1-12. Explain whether the Company considers the labor and overheads associated with the replacement of transformers damaged by the storm as capital costs. If considered as capital costs, please provide, by storm, the capitalized amount of labor, overheads and other costs. If not considered as capital costs, please explain why not.

Company Response:

The Company does consider labor and overhead related to the replacement of transformers to be a capital cost. The chart below shows what was originally capitalized.

Storm	Material	Labor	Overhead	Other	Total
Blounstown NW	\$ 2,161.00	\$ 535.44	\$ 354.92		\$ 3,051.36
Hermine NW	\$ 607.00				\$ 607.00
Julia NE	\$ 4,800.00				\$ 4,800.00
Marianna Storm NW	\$ 3,140.50				\$ 3,140.50
NW Storm 2/7/17	\$ 3,625.00				\$ 3,625.00
NW Storm 1/22/17	\$ 3,179.00	\$ 205.14	\$ 117.75		\$ 3,501.89
Matthew NE	\$10,799.66				\$10,799.66
Irma	\$37,955.00	\$10,809.93	\$8,106.75	\$2,205.12	\$59,076.80
Total	\$66,267.16	\$11,550.51	\$8,579.42	\$2,205.12	\$88,602.21

The Company is in the process of determining where the labor and overhead related to transformer installation for some of the storms was charged. A portion of the regular time discussed in Interrogatory 53 which is being removed from the storm reserve relates to these installations.

Respondent: Mike Cassel

INTERROGATORY 50

50. Replacement Costs. Please refer to the response to OPC Interrogatory 1-12. The response indicates that the transformer inventory of \$32,800 was removed in error from Hurricane Irma costs. Please explain in detail the differences between Hurricane Irma and the other storms where the Company has not identified the capitalization of transformers as an error.

Company Response:

Recordkeeping for storms is a manual process and the inventory store keeper sent documentation for Hurricane Irma to regulatory causing it to be transferred and did not provide the same documentation for other storms.

Respondent: Mike Cassel

INTERROGATORY 51

51. Capital Costs/Non-Incremental Costs/Third Party Billings. Please refer to the response to OPC Interrogatory 1-16. The response identifies certain capital costs. Explain why the capital costs identified were not included in response to OPC Interrogatory 1-14.

Company Response:

The response to OPC Interrogatory 1-14 agrees with the capital costs identified in OPC Interrogatory 1-16.

Respondent: Mike Cassel

INTERROGATORY 52

52. Capital Costs/Non-Incremental Costs/Third Party Billings. Please refer to the response to OPC Interrogatory 1-16. Provide a detailed summary of "All Costs" by storm as follows:

- (a) Regular Payroll
- (b) Overtime Payroll
- (c) Contractor Costs (excluding tree trimming)
- (d) Line Clearing
- (e) Vehicle & Fuel
- (f) Materials & Supplies
- (g) Logistics
- (h) Other

Company Response:

Please see the response to Staff's Data Request, Question 6. (Filing inaccurately showed these as response 5.g.)

Respondent: Mike Cassel

INTERROGATORY 58

58. Line Clearing. Please refer to the schedule labeled “Question 34” provided in response to OPC Interrogatory 1-34. Please explain how the 2015 monthly costs are exactly the same as the 2016 monthly costs in the column entitled “Tree Trimming Booked” and how the adjustment was made for the column entitled “Less Extra Allowed From Storm Accrual Per Settlement Agreement”.

Company Response:

The Company’s response to OPC Interrogatory 1-34 contained an error. Please refer to the attached file “Question 58 Revised Question 34”. The settlement agreement in Docket No. 140025-EI allowed the Company to suspend its accrual to the storm reserve for a 2-year period and use it to accelerate tree trimming for both divisions, as well as to fund a study on undergrounding facilities. Since these costs were not normal tree trimming costs and actually represented the storm reserve accrual costs in base rates, they were removed from the schedule.

Respondent: Mike Cassel

INTERROGATORY 59

59. Line Clearing. Please refer to the schedule labeled "Question 34" provided in response to OPC Interrogatory 1-34 and to the attachment labeled "Question 32 List of Line Clearing Invoices" provided in response to OPC Interrogatory 1-32. Do the amounts in the "Tree Trimming Booked" column, within the Question 34 schedule, include storm related costs as provided in the Question 32 List of Line Clearing Invoices attachment? If yes, explain why.

Company Response:

No, the amounts provided in response to OPC Interrogatory 1-32 are not included in the "Tree Trimming Booked" column in the response to Question 34.

Respondent: Mike Cassel

INTERROGATORY 60

60. Outside Contractors. Please refer to the file the file labeled “Question 37 Outside Contractors” provided in response to OPC Interrogatory 1-37. The response indicates that the “Company does not make any distinction of costs by function for outside contractors with the exception of contractors hired solely for the service of line clearing.” If the Company does not track the specific work for outside contractors or make any distinction of costs by function for outside contractors, explain how outside contractor capital work is capitalized.

Company Response:

FPUC objects to this interrogatory to the extent that it is vague and does not accurately characterize FPUC’s response to the referenced prior interrogatory. Notwithstanding this objection, and without waiving, FPUC states that Rule 25-6.0143 (1) (d) F.A.C., requires that Account 228.1 exclude the “normal” cost for capital expenditures to remove, retire, and replace damaged facilities. Contractor wages during storm restoration were not considered “normal” costs. The Company used contractors for Hurricane Matthew and Hurricane Irma. Therefore, for these storms, capital costs were estimated based on the cost of the inventory used and average hours to replace and remove that inventory as determined by the Operations Manager.

Respondent: Mike Cassel

INTERROGATORY 61

61. Contractors. Please refer to "Attachment POD 6" provided in response to OPC Production of Documents 1-6. Attachment POD 6 includes only one time sheet for Davey Tree Expert Company in support of its \$37,665.99 invoice. Did the Company receive any other time sheets from the other respective contractors? If so, why were the time sheets not provided as requested?

Company Response:

Some invoices provided in the Company's response to POD #6 were for parts only and did not require time sheets. Included with this response are the time reports for PAR Electric – please refer to #61a and b. These were not included in our accounts payable system and therefore not included in the response to POD #6. The LE Myers invoice was based on a purchase order that already pre-determined the labor included. See attached #61c. Country Caterers were paid based on meals provided, not hours worked. For Gulf Power Company and DS Elliot, contractors provided a total number of hours each of their employees worked and the associated labor rate instead of daily time sheets. We verified these hours with the FPU employee that supervised the Contractor's work.

Respondent: Buddy Shelley

INTERROGATORY 62

62. Contractors. Please refer to "Attachment POD 6" provided in response to OPC Production of Documents 1-6. Please explain how the Company was able to verify the time being billed by respective vendors using the information provided in Attachment POD 6?

Company Response:

FPUC assigned an employee to each contractor crew to supervise and monitor their work. That employee verified how many contract employees were working and their hours every day they were on-site during the storm.

Respondent: Buddy Shelley


AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF NASSAU)

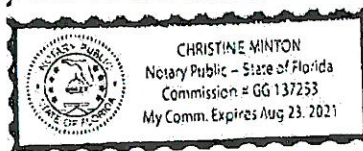
I hereby certify that on this 26 day of JUNE, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Michael Cassa, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 42-60 from in CITIZENS SECOND SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NOS. 42-62) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 26th day of JUNE, 2018.


Notary Public
State of Florida, at Large

My Commission Expires:

August 23, 2021



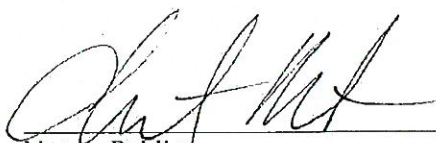
AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF NASSAU)

I hereby certify that on this 26 day of JUNE, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Buddy Shelley, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 42, 61 & 62 from in CITIZENS SECOND SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NOS. 42-62) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

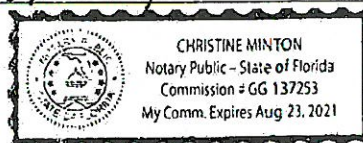
In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 26th day of JUNE, 2018.



Notary Public
State of Florida, at Large

My Commission Expires:

August 23, 2021



11

**FPUC's response to OPC's Second set of
Production of Documents Nos. 11-12**

**Additional files contained on Staff's
Hearing Exhibits CD for Nos. 11, and 12.**

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 11
PARTY: Staff
DESCRIPTION: FPUC's response to OPC's Second set of
Production of Documents Nos. 11-12 Additional files contained
in Staff's CD

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Limited Proceeding to DOCKET NO. 20180061-GU
Recovery Incremental Storm Restoration Costs
by Florida Public Utilities Company DATED: September 10, 2018

FLORIDA PUBLIC UTILITIES COMPANY RESPONSES AND OBJECTIONS TO
CITIZENS' THIRD SET OF INTERROGATORIES (NO. 63) AND SECOND REQUEST TO
PRODUCE DOCUMENTS (NOS. 11-12)

Florida Public Utilities Company ("FPUC" or "the Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Third Set of Interrogatories (No. 63) and Second Request to Produce Documents (Nos. 11-12) served on the Company on August 20, 2018, by the Office of Public Counsel ("OPC"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 10th day of September, 2018, by:



Gregory Munson
Florida Bar No. 188344

Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for FPUC

REQUESTS FOR PRODUCTION

11. Please refer to the Company's response to OPC's First Request for Production Numbers 6 and 7.
 - a. Please provide all correspondence relating to requests for additional information from vendors to facilitate the payment of invoices and correspondence addressing adjustments made by the Company to the invoiced charges.
 - b. Please provide a summary identifying the date and time each vendor was released.
 - c. Please provide a chart identifying in detail the documentation utilized to validate charges by each vendor.

Company Response:

- a. There were no further requests or adjustments for any of the contractors listed in the response to Citizen's POD 6 and 7.

- b. Hurricane Matthew:

Davis H. Elliott-Released 10/11/2016 at 0700 Hours

Gulf Power-Released 10/11/2016 at 0700 Hours

Hurricane Irma

Parr Electrical Contracting-Released 9/16/2017 at 0700 Hours

Davey Tree-Released 9/16/2017 at 1000 Hours

Asplund-Released 9/16/2017 at 0700 Hours

Cooper Power Systems-Purchased parts only

LE Myers Company-Released 12/13/17 at 1600 Hours

Country Caterers-Released 9/17/2017 after equipment and cleanup was complete. The last meal provided was 9/16/2017 for dinner.

- c. Please refer to Attachment 11.c.

12. Please refer to the Company's response to OPC's First Request for Production Number 6. Please provide all receipts and cost support including the lodging receipts associated with the invoice from Davis H. Elliot Construction Company, Inc.

Company Response:

Please refer to Attachment 12.

12

FPUC's response to OPC's Third Set of Interrogatories Nos. 63

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 12
PARTY: Staff
DESCRIPTION: FPUC's response to OPC's
Third Set of Interrogatories Nos. 63 [Bates
Nos. 00055-00058]

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Limited Proceeding to DOCKET NO. 20180061-GU
Recovery Incremental Storm Restoration Costs
by Florida Public Utilities Company DATED: September 10, 2018

FLORIDA PUBLIC UTILITIES COMPANY RESPONSES AND OBJECTIONS TO
CITIZENS' THIRD SET OF INTERROGATORIES (NO. 63) AND SECOND REQUEST TO
PRODUCE DOCUMENTS (NOS. 11-12)

Florida Public Utilities Company ("FPUC" or "the Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Third Set of Interrogatories (No. 63) and Second Request to Produce Documents (Nos. 11-12) served on the Company on August 20, 2018, by the Office of Public Counsel ("OPC"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 10th day of September, 2018, by:



Gregory Munson
Florida Bar No. 188344

Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for FPUC

INTERROGATORIES

63. Please refer to the Company's response to OPC's First Request for Production Numbers 6 and 7. Please state whether the Company's responses included all supporting detail (such as any referenced attachments and/or time sheets) it received from the vendor. If not, please explain why not.

Company Response:

The response to Citizen's First Request for Production of Documents numbers 6 and 7 did not include all attachments. The response only provided documentation scanned into the Company's account payable system. Due to this request, the Company is adding the requirement that all documentation must be scanned to its storm procedures and will be reinforcing this requirement with employees submitting the data.

Respondent: *Mike Cassel*

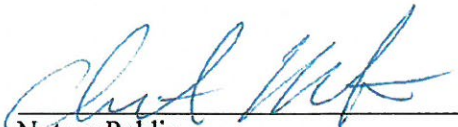
AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF Nassau

I hereby certify that on this 10th day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Michael Cassel, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 63 from in CITIZENS THIRD SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (No. 63) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

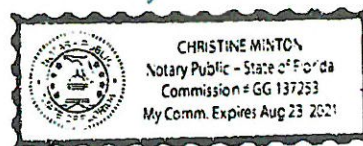
In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 10 day of September, 2018.



Notary Public
State of Florida, at Large

My Commission Expires:

August 23, 2021



13

FPUC's response to Staff's Second Set of Interrogatories Nos. 3-9

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET: 20180061-EI EXHIBIT: 13

PARTY: Staff

DESCRIPTION: FPUC's response to Staff's Second Set of Interrogatories Nos. 3-9[Bates Nos. 00059-00070]

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs
by Florida Public Utilities Company

DOCKET NO. 20180061-GU

DATED: September 13, 2018

FLORIDA PUBLIC UTILITIES COMPANY RESPONSES AND OBJECTIONS TO STAFF'S

SECOND SET OF INTERROGATORIES (NOS. 3-9)

Florida Public Utilities Company ("FPUC" or "the Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Second Set of Interrogatories (Nos. 3-9) served on the Company on August 24, 2018, by the Staff of the Florida Public Service Commission. The individual responses and objections follow this cover sheet.

Respectfully submitted this 13th day of September, 2018, by:



Gregory Munson
Florida Bar No. 188344

Beth Keating, Esquire
Florida Bar No. 0022756

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215 South Monroe Street
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(850) 521-1706
Attorneys for FPUC

INTERROGATORIES

3. Please refer to FPUC witness Cassel's direct testimony, page 7, lines 4 through 9. Witness Cassel testified that FPUC proposed to restore its storm reserve to \$1,500,000, which was the approximate balance prior to Hurricane Irma in 2017. Is this amount reflected in either the 2014 or 2017 settlement agreement? If so, which one.

Company Response:

Section IV of the 2017 Limited Proceeding Settlement Agreement discusses that costs of the storms and replenishment of the storm reserve to \$1.5 million would not be precluded because of the settlement agreement.

Respondent: *Mike Cassel*

Interrogatory No. 4

4. Please refer to FPUC witness Cassel's direct testimony page 8, lines 7 through 16, where he testifies that the 2014 agreement does not impact the request filed in this docket.
 - a. Please explain why FPUC is proposing to recover costs for the Blountstown/Bristol Storm, which occurred in 2015. It appears this storm happened under the 2014 agreement, which included recovery of named storms.
 - b. Please explain why FPUC is proposing to recover costs for the Marianna Storm, which occurred in 2016. It appears this storm happened under the 2014 agreement,

Company Response:

With regard to storm costs, the 2014 Rate Case settlement only speaks in terms of the circumstances under which the Company could petition the Commission for additional relief while the Settlement was in effect. While the Settlement was in effect, the Company would have been allowed to petition the Commission for additional recovery of storm-related costs, but only if the costs were associated with named, tropical storms. As such, FPUC would not have been able to file a petition to establish a cost recovery surcharge for recovery of storm-related costs associated with unnamed storms while the Settlement was in effect. The Settlement terms did not, however, preclude the Company from recovering costs associated with unnamed storms after the Settlement had expired, which it has. Nor did the Settlement preclude the Company from charging appropriate costs associated with unnamed storms to the Company's Storm Reserve. As such, the Company has included these costs in the instant petition.

Respondent: *Mike Cassel*

Interrogatory No. 5

5. Please refer to exhibit MC-1, page 1. For each storm, and for both the NE and NW divisions, please provide total replacement costs (capital and O&M) for the items identified in a. – d. below:

- a. Average pole replacement costs
- b. Average conductor replacement costs per foot
- c. Average transformer replacement costs
- d. Average crossarms replacement costs
- e. If the replacement cost of the items identified above varies by more than 10 percent, from one division to the next, please explain why.

Company Response:

a.

Cost Per Pole:	Cost Per Pole
Blountstown NW	\$ 300.43
Hermine NW	
Julia NE	
Marianna Storm NW	\$ 292.11
NW Storm 2/7/17	\$ 475.49
NW Storm 1/22/17	\$ 1,640.18
Matthew NE	\$ 2,364.16
Irma NE	\$ 1,904.73
Irma NW	\$ 896.00
Average All	\$ 1,422.88

b.

Cost Per foot of conductor:	Cost Per Foot
Blountstown NW	\$ 1.16
Hermine NW	
Julia NE	
Marianna Storm NW	\$ -
NW Storm 2/7/17	\$ -
NW Storm 1/22/17	\$ 1.95
Matthew NE	\$ 12.86
Irma NE	\$ 8.44
Irma NW	\$ 9.64
Average All	\$ 7.44

c.

Cost per Transformer:	Cost Per Transformer
Blountstown NW	\$ 1,017.12
Hermine NW	\$ 607.00
Julia NE	\$ 1,200.00
Marianna Storm NW	\$ 628.10
NW Storm 2/7/17	\$ 604.17
NW Storm 1/22/17	\$ 875.47
Matthew NE	\$ 981.79
Irma NE	\$ 2,246.74
Irma NW	\$ 644.38
Average All	\$ 1,342.46

d. No crossarms were replaced.

e. The cost of poles varied by more than 10% between the NW and NE divisions. For Poles, both the material and labor costs vary depending on the size of the pole being replaced. The cost of the poles themselves for the small storms were never capitalized. Capital costs for the poles cost would increase capital costs by \$423.71 for the Blountstown storm, \$2,479.59 for the Marianna Storm, \$1,749.63 for the NW Storm 2/7/17, and \$365.50 for the NW Storm 1/22/17.

In addition, in estimating the “normal costs” to transfer to capital, for Hurricane Irma and Hurricane Matthew, an average for engineering and inspection was removed from the storm reserve in order to reduce storm costs charged to the reserve to the most conservative estimate possible. For the smaller storms, engineering and inspection was not included in costs charged to the storm reserve and these costs would not have been material.

Conductors costs also varied by more than 10% between the NE and NW divisions. These costs vary based on whether only wire is being replaced or whether cutouts, switches, or arrestors are also replaced. Different types of wire also have different costs and different installation hours. In addition a higher voltage class is used in the NE division due to the location on an island and the salt spray involved. This results in higher material costs. Material costs for the small storms were never capitalized. Capital costs for the conductor material would increase capital costs by \$904.29 for the Blountstown storm, \$195.12 for Hurricane Hermine, \$130.08 for Tropical Storm Julia, \$1,459.39 for the Marianna Storm, \$1,138 for the NW Storm 2/7/17, and \$1,246.77 for the NW Storm 1/22/17. The cost per foot for conductors for Irma for Northeast was increased since the response to Staff’s Data Request 3, question 2, due to the FPSC audit adjustments that were included in MC-1 that related to conductors.

As discussed in the response to Citizen’s Interrogatory No. 12, transformer costs for Irma were overstated by \$32,800 which caused the cost per transformer to be

high. The average cost without this error is \$707 for NW and \$942 for NE. The costs vary per storm due to the different sizes of the transformers being replaced. Costs of the inventory can vary between \$400 and \$1,400 per item and labor to install differs based on the size of the unit.

Respondent: *Mike Cassel*

Interrogatory No. 6

6. Please refer to exhibit MC-1, page 1. For each storm, please provide costs associated with the categories listed below. Also, if applicable, please explain any differences in the costs provided in this response, when compared to FPUC's responses to Office of Public Counsel (OPC) Interrogatories identified below.

- a. Regular Payroll – OPC Interrogatory No. 17
 - b. Overtime Payroll - OPC Interrogatory No. 17
 - c. Contractors - OPC Interrogatory No. 34
 - d. Line Clearing - OPC Interrogatory No. 32
 - e. Vehicles & Fuels - OPC Interrogatory No. 39
 - f. Materials & Supplies - OPC Interrogatory No. 38
 - g. Logistics - OPC Interrogatory No. 40
- Other - OPC Interrogatory No. 40

Company Response:

Please refer to the Company's attached file labeled "Question 6". The difference between the response to the Citizen's interrogatories and the attached file are that the Citizen's interrogatory inadvertently left out the Blountstown Bristol Storm from Interrogatory Nos. 17 and 39. In addition, since the Company's response was made, two adjustments were processed to the storm reserve. These two adjustments are the difference between Attachment A in the original filing and MC-1 in the testimony filed by Mike Cassel. The first removes the regular payroll identified in Citizen's Interrogatory 17 from the storm reserve. See the adjustment to "a. Regular Payroll" on the attachment. The second removes certain contractor costs which the Company determined were related to capital additions. See adjustment to "c. Contractor Costs" on the attachment. This interrogatory also asks for comparison of contractor costs to Citizen's Interrogatory No. 34. However, Citizen's Interrogatory No. 34 only discussed line clearing contractors and the Company's response to this question includes all contractor costs. Additional rows have been added to the file since this information was provided in Staff's Third Data Request, Question 6, in order to facilitate the comparison to Citizen's ROG 65.

Respondent: *Mike Cassel*

Interrogatory No. 7

7. Please refer to FPUC's responses to OPC Interrogatory Nos. 4 and 10. FPUC's response to OPC Interrogatory No. 4 indicates that conductors were replaced for the Marianna Storm and the February 7, 2017 NW Storm; however, the costs of conductor replacements for these storms were not included in FPUC's response to OPC Interrogatory No. 10. Please explain this discrepancy.

Company Response:

The inventory costs related to the conductor for the Marianna Storm of \$1,459 and the NW Storm 2/7/17 of \$1,138 were not capitalized.

Respondent: *Mike Cassel*

Interrogatory No. 8

8. Please refer to FPUC's responses to OPC Interrogatory Nos. 4 and 12. FPUC's response to OPC Interrogatory No. 4 indicates that for Hurricane Irma, 24 transformers were replaced in the NE division and 8 were replaced in the NW division. However, FPUC's response to OPC Interrogatory No. 12 indicates that 28 transformers were replaced in the NE division. Please reconcile the difference in FPUC's responses. Also, please provide the cost to replace the transformers in the NW division for Hurricane Irma.

Company Response:

The number of transformers for Hurricane Irma identified in the Company's response to Citizen's Interrogatory No. 12 was incorrect; however, the amount capitalized in the response was correct. The corrected response follows:

In October 2017, 24 Transformers were replaced in the NE Division, 8 by contractors and 16 by company crews. 8 Transformers were replaced in the NW Division, all replaced by company crews. The total cost capitalized was \$59,077.

Respondent: *Mike Cassel*

Interrogatory No. 9

9. Please refer to FPUC's responses to OPC Interrogatory Nos. 4 and 14. FPUC's response to OPC Interrogatory No. 14 did not provide cost information for the conductors that were replaced during Hurricane Irma, Hurricane Matthew, the Marianna storm, and the February 7, 2017 NW Storm, as indicated in FPUC's response to OPC Interrogatory No. 4. Please provide the costs, or an explanation as to why these costs were not included in this response.

Company Response:

The attachment included with the Company's response to Citizen's Interrogatory No. 14 did include all the information related to items included in the conductor accounts. In accordance with the FERC CFR, Conductors include arrestors, cutouts, switches, and wire which are shown on the attachment. However, please refer to "Attachment 14 Capitalized Summary adjusted for audit". This revision includes the additional costs for the audit adjustment finding 1 of \$127,279 reported in MC-1. \$10,294 of the \$137,573 audit adjustment was not used during the storm and is being transferred to inventory. Therefore, it was not included in Attachment 14.

Respondent: *Mike Cassel*

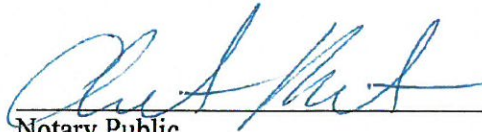
AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF Nassau

I hereby certify that on this 10th day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Michael Cassel, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 3-9 from STAFF'S SECOND SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NOS. 3-9) in Docket No(s). 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

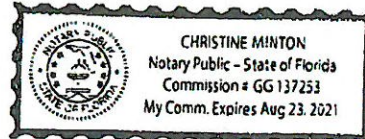
In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 10 day of September, 2018.



Notary Public
State of Florida, at Large

My Commission Expires:

August 23, 2021



14

FPUC's response to OPC's Fourth Set of Interrogatories Nos. 64-71, 73-74

Additional files contained on Staff's Hearing Exhibits CD for Nos. 64-65, 70 and 73.

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET: 20180061-EI EXHIBIT: 14

PARTY: Staff

DESCRIPTION: FPUC's response to OPC's Fourth Set of Interrogatories Nos. 64-71, 73-74 Additional files contained on Staff's CD

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Limited Proceeding to Recovery Incremental Storm Restoration Costs by Florida Public Utilities Company

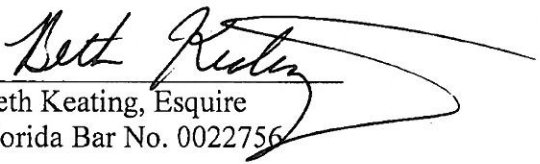
DOCKET NO. 20180061-GU

DATED: September 14, 2018

FLORIDA PUBLIC UTILITIES COMPANY RESPONSES AND OBJECTIONS TO CITIZENS'
FOURTH SET OF INTERROGATORIES (Nos. 64-74)

Florida Public Utilities Company ("FPUC" or "the Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Fourth Set of Interrogatories (Nos. 64-74) served on the Company on August 24, 2018, and supplemented on August 25, by the Office of Public Counsel ("OPC"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 14th day of September, 2018, by:


Beth Keating, Esquire
Florida Bar No. 0022756

Gregory Munson
Florida Bar No. 188344

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for FPUC

INTERROGATORIES

64. Please refer to the Exhibit MC-1, Page 1 and to Attachment A of the Company's Petition. Please provide a reconciliation showing the differences in cost being requested by type of cost for Julia, Hermine, Irma and Other.

Company Response:

FPUC objects to the extent this request is vague with regard to the reference to "differences in cost." Notwithstanding this objection and without waiving, FPUC responds by referring to 20180061 - Attachment Interrogatory 64, which reconciles Attachment A in the petition to MC-1 from Mike Cassel's testimony. As discussed in the testimony, the differences relate to the corrections made for the FPSC audit adjustments.

Respondent: Mike Cassel

Interrogatory No. 65

65. Please refer to Attachment A to the Company's Petition and the attached summary of cost detail ("Cost Summary"). Please provide an explanation for the differences noted for each storm between the Cost Summary and Attachment A.

Company Response:

FPUC objects to this request to the extent that the referenced Cost Summary is unclear and appears to include incorrect references. Notwithstanding this objection and without waiving, FPUC refers to document 20180061 - Attachment Interrogatory 65. As shown on the schedule, there were several reasons for differences.

1. OPC's payroll and benefit costs for Other Storms does not agree with the amounts on the Company's response to OPC Interrogatory 17, as reflected in the referenced Interrogatory Attachment 17.
2. FPU corrected Interrogatory Attachment 17 in its response to Staff Interrogatory 2, Question 6.
3. Line 2 of OPC's schedule included department expenses that were also included in Line 3, which caused a duplication.
4. Line 4 and 5 on OPC's schedule, the IR 37 and 32 that is referenced only requested information for Matthew and Irma and did not request this information for the other storms.
5. Line 6, vehicle costs provided in IR 1-39, except for one fuel purchase, were already included in Line 3-Department Expenses in Interrogatory Attachment 17.
6. For Matthew and Irma, there was an additional reduction to storm costs for items capitalized that were not directly related to items reported in Interrogatory Attachment 17.
7. For Matthew and Irma, there were costs that related to two different requests that were shown in the response to both requests such as payments that were for items classified as materials and supplies that were also on the contractor list or employee expenses that were included as other costs in the petition.

Also, please refer to Staff's Interrogatory 2, Question 6. In this schedule, the Company has identified differences between the two responses and reconciled the responses to the filed amounts.

Respondent: Mike Cassel

66. Please refer to the Company's response to Citizens' POD 1-6. For each of the following vendors, please identify whether the information provided included all supporting detail provided by the vendor as requested, if not please provide the information as requested. If no further documentation was provided, please explain how the Company verified the costs charged.

1. The L.E. Myers Company
2. Par Electrical 901710009
3. Par Electrical 901710008

Company Response:

- a. Please refer to 20180061 – Attachment Interrogatory 12 to Citizen's 2nd POD. LE Myers was awarded this work after FPU requested quotes from three contractors. LE Myers was the only contractor that had a crew available that could perform this transmission work while still energized. The quote of \$52,309.88 was considered acceptable when compared to our engineer's estimate of \$50,000.
- b. Additional information was provided in the Company's response to Citizen's 2nd ROG, question 61b. All Par time sheets were provided and all charges verified as correct by the FPU employee assigned to the contractor crews. These were then submitted and approved by the Senior Operations Manager that was assigned as the Storm Coordinator.
- c. Additional information was provided in the Company's response to Citizen's 2nd ROG, question 61a. All Par time sheets were provided and all charges verified as correct by the FPU employee assigned to the contractor crews. These were then submitted and approved by the Senior Operations Manager that was assigned as the Storm Coordinator.

Respondent: Drane "Buddy" Shelley

Interrogatory No. 67

67. Please refer to the Company's response to Citizens' POD 1-6. Identify which cost category the Country Caters invoice was included in the response to Citizens Interrogatory 1-40.

Company Response:

The Country Caters invoice was included in Logistics in response to Citizens' Interrogatory 1-40.

Respondent: Mike Cassel

68. Please refer to the Company's response to Citizens' POD 1-6. For the Par Electric invoice number 901710008, please explain the mobilization/demobilization rate differences, whether the rate was agreed to prior to Par Electric being contracted with, and why the rate was considered reasonable.

Company Response:

Par Electric Contracting was allocated to FPUC through the Southeastern Electric Exchange (SEE) mutual assistance process for Hurricane Irma. The SEE process dictates that when the Utility requests outside resources to assist in restoration efforts, the Utility agrees to start paying for the assigned Contractor at that time. This is done to assure there is no delays in getting resources to the affected Utility as quickly as possible. In general, responding SEE Companies and Contractors rely on each other to charge reasonable rates that only cover actual costs. Because speed of deployment is essential, we have not required responding outside resources to provide rates for approval prior to mobilizing.

Par Electric Contracting was originally assigned to Florida Power & Light under existing Contract rates. Only after the Par Crews started traveling to Florida from Des Moines did they get reassigned to FPUC utilizing the same FP&L rates.

Par explained the higher rate during mobilization/demobilization when compared to their standard rate was due to some extreme costs they have incurred while responding to other storm areas and that all the Utilities they assisted after Hurricane Irma were charged these same rates.

Respondent: Drane "Buddy" Shelley

Interrogatory No. 69

69. Please refer to the Company's response to Citizens' POD 1-9. Identify which cost category the Country Caters invoice was included in the response to Citizens Interrogatory 1-40.

Company Response:

The Country Caters invoice was included in Logistics in the Company's response to Citizens' Interrogatory 1-40.

Respondent: Mike Cassel

70. Please refer to the Company's response to Citizens' Interrogatory No. 40. Provide a summary listing the invoices for the "Logistics" amounts and for the "Normal Expenses Not Recovered in Base Rates."

Company Response:

Please refer to the included Interrogatory Attachment 70a for the Irma Logistics and 70b for the Matthew Logistics. Attachment 70c lists the journal entries to record the "Normal Expenses Not Recovered in Base Rates". The entries are consistent with adjustments made by the Commission in Commission Order No. PSC-05-0937-FOF-EI, dated September 21, 2005, regarding FPL's request to recover costs for the 2004 storm season. That order disallowed FPL's lost revenue but acknowledged that, because of the revenue decrease, FPL was unable to cover their normal operation and maintenance costs. Therefore, these costs would be eligible for recovery.

Respondent: Mike Cassel

71. Outside Contractors. Did the Company provide lodging accommodations and meals for outside contractors and, if so, are outside contractors allowed to obtain their own lodging and meals while working on-site?

Company Response:

FPUC did and normally provides accommodations and meals for the outside Contractors while on-site. There are times when Contractors are allowed to obtain outside lodging and meals in instances where it is not feasible for them to return to our staging sites, but the Contractor must get prior approval from our Storm Coordinator.

Respondent: Drane "Buddy" Shelley

Interrogatory No. 73

73. Contractor Costs. Please refer to the Company's response to Citizens' Interrogatory No. 37 and the Company's Question 6 attachment provided in response to Staff Interrogatory 3-5. The sum for contractors for Hurricane Matthew and Hurricane Irma in the response to Citizens Interrogatory No. 37 (after excluding tree trimming on IR 1-32) is \$322,854 and \$1,821,416, respectively. Question 6, the attachment provided in response to Staff Interrogatory 3-5, indicates a cost for Hurricane Matthew and Hurricane Irma to be \$312,717 and \$1,799,824, respectively. Please provide a reconciliation of the line contractors, by invoice, for the differences between the two responses and explain why they are different.

Company Response:

Please refer to the included Interrogatory Attachment 73. FPUC notes that Commission Staff, in its Third Data Request, Question 6, requested information in more categories than was requested in OPC's Interrogatory 37. Since some of the invoices that were paid to outside contractors also related to other categories, the response to Staff's request removed the "materials and supplies" and items considered as "other" from "contractor costs" and included them in the appropriate category. In addition, transfers to capital costs that were in "Contractor Costs" for purposes of the Company's response to Citizen's Interrogatory No. 37 were removed for purposes of the Company's response to Staff's Third Data Request, Question 6.

Respondent: Mike Cassel

Interrogatory No. 74

74. Contractor Costs. Please refer to the Company's attachment Question 6 provided in response to Staff Interrogatory 3-5. Please provide a updated schedule for Question 6 that will reflect additional lines for any other types of expenses not reflected that are included in the Company's request and additional lines that show what amount costs were capitalized, by cost type (i.e. like for contractors), so the total by storm equals the amounts shown by storm on lines 2-8 of Exhibit MC-1.

Company Response:

FPUC objects to this request to the extent that it is vague as to the request for "other types of expenses." Notwithstanding this objection and without waiving, FPUC references the attachment identified as 20180061 - Staff's Second Rogs, Question 6, provided with the Company's responses to Staff's Second Set of Interrogatories on September 13, 2018. In this schedule, the Company has identified differences between the two responses and reconciled the responses to the filed amounts.

Respondent: Mike Cassel


AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF Nassau)

I hereby certify that on this 13 day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Michael Cassel, who is personally known to me, and he/she acknowledged 64, 65, 67, 69 before me that he/she provided the answers to interrogatory number(s) 70, 72 - 74 from in CITIZENS FOURTH SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (Nos. 64-71) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 13th day of September, 2018.


Notary Public
State of Florida, at Large

My Commission Expires:

August 23, 2021



AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF NASSAU)

I hereby certify that on this 13 day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Drane Shelley, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 66,68,71 from in CITIZENS FOURTH SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (Nos. 64-71) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 13th day of September, 2018.



Linda J. Gamble
Notary Public
State of Florida, at Large

My Commission Expires:

January 30, 2019

15

**FPUC's response to OPC's Fifth Set of
Interrogatories Nos. 75-80, 83, 85-86**

**Additional files contained on Staff's
Hearing Exhibits CD for Nos. 77 and 79.**

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 15
PARTY: Staff
DESCRIPTION: FPUC's response to OPC's
Fifth Set of Interrogatories Nos. 75-80, 83,
85-86Additional files contained in Staff's CD


BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Limited Proceeding to DOCKET NO. 20180061-GU
Recovery Incremental Storm Restoration Costs
by Florida Public Utilities Company DATED: October 8, 2018

FLORIDA PUBLIC UTILITIES COMPANY RESPONSES AND OBJECTIONS TO CITIZENS'
FIFTH SET OF INTERROGATORIES (Nos. 75-86)

Florida Public Utilities Company ("FPUC" or "the Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Fifth Set of Interrogatories (Nos. 75-86) served on the Company on September 18, 2018, by the Office of Public Counsel ("OPC"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 8th day of October, 2018, by:



Beth Keating, Esquire
Florida Bar No. 0022756

Gregory Munson
Florida Bar No. 188344

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for FPUC

INTERROGATORIES

75. Please refer to the Company's response to OPC's Interrogatory No. 1-18. Provide a summary, by storm, of the payroll (separate between regular and overtime) for the "non-electric divisions" showing the total incurred, the amount charged to capital and the amount included in the reserve request.

Company Response:

Company	Type	Irma	Matthew
FPUC Conservation Employees Not in Base Rates	Regular	\$ 6,833.43	
Delmarva	Note A	\$ 1,250.00	
Chesapeake Utilities Corp.	Note A	\$ 16,500.00	
Chesapeake Utilities Corp.	Regular	\$ 2,569.71	\$ 2,072.68
Chesapeake Utilities Corp.	OT	\$ 5,676.00	\$ 3,242.09
		<u>\$ 32,829.14</u>	<u>\$ 5,314.77</u>
Note A: Inclement Weather Exempt Employee Compensation			

Respondent: Mike Cassel

Interrogatory No. 76

76. Please refer to the Company's response to OPC's Interrogatory Nos. 1-34 and 2-58. Please explain whether the line clearing storm cost in the request was reduced for the underspending of tree trimming costs determined using the formula. If so, please explain how the costs were excluded (i.e. provide detail showing how). If the cost were not excluded, please explain why not.

Company Response:

The costs were not excluded. These costs should have been excluded.

Respondent: Mike Cassel

Interrogatory No. 77

77. Please refer to the Company's response to OPC's Interrogatory No. 2-44. What was the estimated time used for hours spent to install the new equipment and was the average labor rate of \$37.34 the hourly rate used in the calculation?

Company Response:

Please refer to the Attachment Question 77 for the hours used to estimate both the cost to install and the cost to remove the old equipment. Yes, the average labor rate was used in the calculation along with the estimated overhead rate and engineering and inspection rate included in the response to Citizen's 2nd Interrogatory No. 44.

Respondent: Mike Cassel

Interrogatory No. 78

78. Please refer to the Company's response to OPC's Interrogatory No. 2-44. Please explain why a rate of \$37.34 is considered reasonable for capital projects when, during storms,

Company employees are generally working at overtime rates and contractor hourly rates are significantly more.

Company Response:

According to Rule 25-6.0143(1)(d), F.A.C., capital expenditures incurred during the storm should only include the "normal" cost for the removal, retirement, and replacement of those facilities in the absence of the storm. All abnormal costs related to the capital expenditures are charged to the storm reserve. Therefore, the "normal" costs to install and remove the capital items were determined based on engineer's estimates and average wage rates, in non-storm conditions, and removed from the storm costs that were charged to the reserve.

Respondent: Mike Cassel

79. Please refer to the Company's response to OPC's Interrogatory No. 2-48.

- Please provide evidence that the costs were initially charged to the reserve and then removed from the reserve, resulting in an understatement of the reserve.
- Please explain how the cost, if capital in nature at the time they are purchased, should be reflected as a cost charged to the reserve as shown in the response to Staff Interrogatory No. 2-6.

Company Response:

- a. Please refer to the Attachment to Question 79a (1). This summary shows the detailed of the credits to the Hurricane Irma work orders for the "normal cost" of capital expenditures made. The first column shows the part numbers for the capital expenditures. The total cost to install and to remove of \$226,161 can be tied to Attachment to Question 79a (4) which shows the entries to the work order for the items capitalized. The cost for the transformers, shown on Attachment to Question 79a (2) was provided by the inventory clerk. However, since transformers are capitalized when purchased and not when they are taken out of inventory, the cost of these transformers had never been charged to the storm work orders and, therefore, should never had been removed from the work order. Attachment 79a (3) shows all the inventory charged to the storm work order. The total of \$79,173.30 agrees to Staff's Interrogatory 2, Question 6. The part number is shown under the column titled "Document 2". The inventory items that were determined to relate to capital additions are highlighted and shown in the last column. These items total \$24,721.34. As you will see, the list does not contain any of the transformer parts since they were never charged to the storm work order but capitalized when they were purchased. Therefore, they could have been capitalized in prior years. The difference between the parts capitalized and what was credited to the storm work order for inventory is \$32,800. This is due to the transformers never being charged to the storm work order but being removed in the \$57,521 adjustment for capital.
- b. Please refer to the Attachment to Question 79a (3) which shows that there are no transformers included in the materials and supplies that were charged to the storm

Interrogatory No. 79, cont.

work order. This schedule agrees with the Materials and supplies related to Hurricane Irma on line 26 of \$79,173. The schedule also shows \$24,721 in inventory parts that relate to capital expenditures. Since there were no inventory costs for the transformers charged to the work order, this is the only amount that should have been removed from the \$79,173 in costs, leaving \$54,452. Please refer to line 30 of Staff's interrogatory 2 Question 6 line 30. This shows the total material and supply balance after adding back in the \$32,800 as shown in the FPSC staff's audit report as the \$54,452.

Respondent: Mike Cassel

Interrogatory No. 80

80. Please refer to the Company's response to OPC's Interrogatory Nos. 2-54 and 2-60. Please explain in detail what the Company deems to be "normal costs" with a reference to Rule 25-6.0143(1)(d) and why contractor costs would not be considered costs that would be capitalized.

Company Response:

Normal costs were based on estimates by the electric operations manager by estimating the normal time to install and to remove inventory for capitalized items and multiplying by average labor and overhead rates. On a normal basis, additions and removals would be handled by FPUC personnel and contractors would not be used.

Respondent: Mike Cassel

Interrogatory No. 83

83. Please refer to the Company's response to OPC's Interrogatory Nos. 1-7 and 4-66. Please explain why this response indicates there was no standby time while some time sheets indicate there was standby time.

Company Response:

Our interpretation of question Number 1-7 was for costs associated to a Contractor hired prior to storm season specifically to standby in case we requested their assistance for work such as damage assessment, forensics, etc. The standby time on the mutual assistance Contractor's time sheets referred to the crews waiting for the storm to pass before work could safely commence.

Respondent: Buddy Shelley

Interrogatory No. 85

85. Please refer to the Company's response to OPC's Interrogatory No. 4-71. Please indicate if there were any instances where a Storm Coordinator approved the contractor obtaining separate lodging for any storm? If so, who and when.

Company Response:

The FPU Storm Coordinator, Warren DiNapoli, approved all Contractor's lodging while traveling to our staging location prior to their departure.

Respondent: Buddy Shelley

Interrogatory No. 86

86. Please refer to the Company's response to OPC's Interrogatory No. 4-73. What type of contractor costs were moved to capital?

Company Response:

The estimated "normal" cost for engineering and inspection were reduced from contractor costs.

Respondent: Mike Cassel

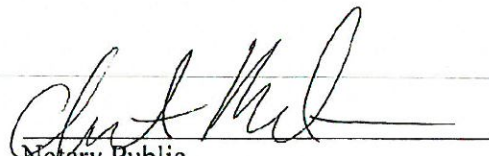
AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF Nassau)

I hereby certify that on this 8th day of October, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Drane Shelley, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 82, 83 and 85 from in CITIZENS FIFTH SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (Nos. 75-85) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

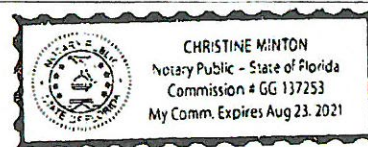
In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 8th day of October, 2018.



Notary Public
State of Florida, at Large

My Commission Expires: August 23, 2021

GG137253



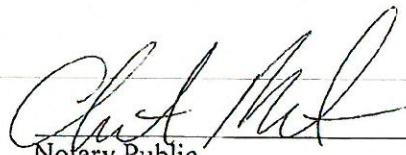
AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF Nassau)

I hereby certify that on this 5th day of October, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Mike Cassel, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 75-81, 84, and 86 from in CITIZENS FIFTH SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (Nos. 75-85) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

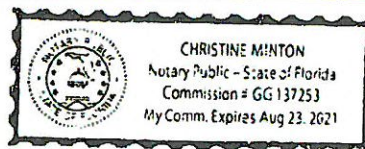
In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 5th day of October, 2018.



Notary Public
State of Florida, at Large

My Commission Expires: August 23, 2021

GG137253



16

FPUC's response to OPC's Sixth Set of
Interrogatories Nos. 87-91

**Additional files contained on Staff's
Hearing Exhibits CD for No. 90.**

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 16
PARTY: Staff
DESCRIPTION: FPUC's response to OPC's Sixth Set of
Interrogatories Nos. 87-91Additional files contained on Staff' CD

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Limited Proceeding to Recovery Incremental Storm Restoration Costs by Florida Public Utilities Company

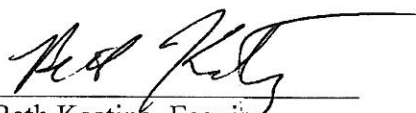
DOCKET NO. 20180061-EI

DATED: October 31, 2018

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES AND OBJECTIONS TO
CITIZENS' SIXTH SET OF INTERROGATORIES (Nos. 87-91) AND THIRD REQUESTS FOR
PRODUCTION (NOS. 13-14)

Florida Public Utilities Company ("FPUC" or "the Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Sixth Set of Interrogatories (Nos. 87-91) and Third Requests for Production (Nos. 13-14) served on the Company on October 5, 2018, by the Office of Public Counsel ("OPC"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 31st day of October, 2018, by:



Beth Keating, Esquire
Florida Bar No. 0022756

Gregory Munson
Florida Bar No. 188344

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for FPUC

INTERROGATORIES

87. Please explain how FPUC determines the rate it charges to other companies for vehicles, employees and meals when it provides mutual assistance?

Company Response:

FPU does not calculate a rate to charge. FPU calculates Vehicle Costs, Workers Comp, Benefits and Payroll Taxes to be applied to all mutual assistance projects based on a percentage of the departments payroll dollars charged to the mutual assistance project compared to the total payroll dollars charged everywhere for the month. Meals and travel are actual costs incurred by the employee.

Respondent: Matt Dewey

88. Please explain how FPUC calculates the administrative overhead for the mutual assistance it provides to other companies?

Company Response:

FPUC does not add administrative overhead to mutual assistance projects.

Respondent: Matt Dewey

Interrogatory No. 89

89. Do the procedures, manuals, and official practices covering FPUC's mutual assistance activities since 2010 differ for utility-owned crews versus private contractors? If yes, please explain and identify the differences.

Company Response:

Procedures, manuals and official practices used by FPUC during mutual assistance activities are the same for utility-owned crews and private contractors. It is understood that, in most cases, there are differences in the billed amounts for companies providing assistance during restoration events.

Respondent: Buddy Shelley

90. Please identify the procedures, manuals, and official practices covering the Company's mutual assistance activities since 2010.

Company Response:

The procedure governing the mutual assistance activities is the "Mutual Assistance Procedures and Guidelines" with the Southeastern Electric Exchange. The Company has also implemented a new procedure in 2018 titled "Contractor Invoice Requirements and Approval Documentation" which will be used in evaluating the activities.

Respondent: Buddy Shelley

Interrogatory No. 91

91. Please identify each time where FPUC rendered mutual assistance to another utility where that utility did not pay the full amount as initially invoiced by FPUC since 2004. In each instance, please state the reason such invoice was not paid in full and identify the applicable mutual assistance agreement.

Company Response:

The only instance where the utility did not pay the entire amount related to some alcoholic beverages on the meal invoices which were denied.

Respondent: Buddy Shelley

AFFIDAVIT

STATE OF DELAWARE)

COUNTY OF KENT)

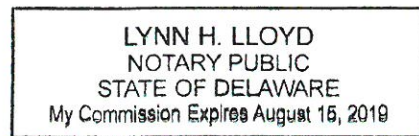
I hereby certify that on this 6th day of December, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Matthew Dewey, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 87,88 from in CITIZENS CORRECTED SIXTH SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (Nos. 86-90) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 6th day of December, 2018.

Lynn H. Lloyd
Notary Public
State of Delaware, at Large

My Commission Expires:

8/15/19



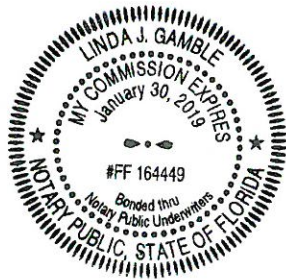
AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF Nassau)

I hereby certify that on this 6th day of December, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Drane Shelley, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 89 - 91 from in CITIZENS CORRECTED SIXTH SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (Nos. 86-90) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 6th day of December, 2018.



Linda J. Gamble
Notary Public
State of Florida, at Large

My Commission Expires:

Jan 30, 2019

17

FPUC's response to OPC's Third set of
Production of Documents Nos. 13-14

**Additional files contained on Staff's
Hearing Exhibits CD for Nos. 13 and 14.**

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 17
PARTY: Staff
DESCRIPTION: FPUC's response to OPC's Third set of
Production of Documents Nos. 13-14 Additional files contained
on Staff's CD

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Limited Proceeding to DOCKET NO. 20180061-EI
Recovery Incremental Storm Restoration Costs
by Florida Public Utilities Company DATED: October 31, 2018

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES AND OBJECTIONS TO
CITIZENS' SIXTH SET OF INTERROGATORIES (Nos. 87-91) AND THIRD REQUESTS FOR
PRODUCTION (NOS. 13-14)

Florida Public Utilities Company ("FPUC" or "the Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Sixth Set of Interrogatories (Nos. 87-91) and Third Requests for Production (Nos. 13-14) served on the Company on October 5, 2018, by the Office of Public Counsel ("OPC"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 31st day of October, 2018, by:


Beth Keating, Esquire
Florida Bar No. 0022756

Gregory Munson
Florida Bar No. 188344

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for FPUC

REQUESTS FOR PRODUCTION

13. Please provide all documents identified in OPC's Sixth Interrogatory Number 89 (90).

Company Response: Please see attached documents Attachment 1 – "Contractor Invoice Approval" and Attachment 2 - "Mutual Assistance Procedures and Guidelines".

14. Please provide all documents related to such denials of payment identified in OPC's Sixth Interrogatories Number 90 (91), including but not limited to, after action reviews, investigation notes and reports (including each different draft) evidence of disciplinary action, and proposed and implemented policy changes, considered or occurring as a result of such denial.

Company Response: Please refer in particular to Attachment 3 – "Disallowed Items". The starred items were what was removed from the payment and total \$176.06. Attachment 4 is the invoice to Entergy. The payment received from them was \$101,554.55 or \$176.06 less than the invoice. (See Redacted Attachment 5 – Entergy Payment.) Supervisors no longer approve any charges for alcoholic beverages.

18

OPC's response to Staff's First Set of Interrogatories Nos. 1-4

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 18
PARTY: Staff
DESCRIPTION: OPC's response to Staff's First Set of Interrogatories Nos. 1-4[Bates Nos. 00111-00118]

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for limited proceeding to recover
incremental storm restoration costs, by Florida
Public Utilities Company.

DOCKET NO. 20180061-EI

DATED: NOVEMBER 19, 2018

OFFICE OF PUBLIC COUNSEL'S RESPONSE TO
STAFF'S FIRST SET OF INTERROGATORIES
(NOS. 1-4)

The Office of Public Counsel, on behalf of the Citizens of the State of Florida (OPC or Citizens), by the requirements set forth in the Commission Order No. PSC-2017-0106-PCO-EI, Rule 28-106-206, Florida Administrative Code, and Rule 1.340, Florida Rules of Civil Procedure, submit the following responses to the First Set of Interrogatories (Nos. 1-4) propounded by the Commission Staff (Staff) on November 1, 2018.

GENERAL OBJECTIONS

- A. With respect to the "Definitions" and "Instructions" in the requests, Citizens object to any definitions or instructions that are inconsistent with Citizens' discovery obligations under applicable rules. If some question arises as to Citizens' discovery obligations, Citizens will comply with applicable rules and not with any of Commission's definitions or instructions that are inconsistent with those rules.
- B. Citizens object to each and every request to the extent it is vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of such discovery requests. Any responses provided by Citizens are provided subject to, and without waiver of, the foregoing objection.
- C. Citizens also object to any request that purports to require Citizens or its experts to prepare studies, analyses, or to do work for Staff that has not been done for Citizens.

D. Citizens generally object to any request that calls for information prepared in anticipation of litigation or hearing, for data or information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law.

E. Citizens reserve the right to supplement any of its responses if Citizens cannot locate the answers immediately due to their magnitude and the work required to aggregate them, or if Citizens later discover additional responsive information in the course of this proceeding.

F. By making these responses herein, Citizens do not concede that any request is relevant to this action or is reasonably calculated to lead to the discovery of admissible evidence. Citizens expressly reserve the right to object to further discovery into the subject matter of any of these requests, to the introduction of evidence of any response or portion thereof, and to supplement its responses should further investigation disclose responsive information.

G. In responding to these discovery request, Citizens have made a reasonable inquiry of those persons likely to possess information responsive thereto and has conducted a reasonable search of those records in Citizens' possession, custody, or control where the requested information would likely be maintained in the ordinary course of business. To the extent that the requests ask Citizens to go to greater lengths, Citizens object because such requests are overly broad, unduly burdensome, and unreasonable.

H. Citizens object to providing information to the extent that such information is already in the public record before the Florida Public Service Commission and available to through normal procedures.

I. Citizens object to any request that purports to require disclosure of the Public Counsel's deliberative process and internal reviews to determine what if any issues to protest in any case.

The Public Counsel is authorized by Section 350.0611, Florida Statutes, to represent the customers before the Commission. The Legislature granted the Public Counsel the following specific power:

To recommend to the commission or the counties, by petition, the commencement of any proceeding or action or to appear, in the name of the state or its citizens, in any proceeding or action before the commission or the counties and urge therein any position which he or she deems to be in the public interest, whether consistent or inconsistent with positions previously adopted by the commission or counties, . . .

The Public Counsel's decision-making and grant of discretion to take any position he deems in the public interest is not subject to review or an issue in this case. Thus, any such request is not relevant nor can it be reasonably calculated to lead to the discovery of admissible evidence.

J. In responding to these requests, Citizens do not waive the foregoing objections, or any specific objections that are set forth in the responses to particular requests.

INTERROGATORIES

For Interrogatory Nos. 1-3, please refer to the Direct Testimony of OPC witness Schultz.

1. On page 9, lines 7-15, the payroll amount of \$4,862,367 is the same number reflected in the Minimum Filing Requirements (MFRs) for Docket No. 20140025-EI. Please explain why the payroll dollars were not adjusted for the reduction in the revenue requirement from the \$5.82 million requested to approximately \$3.75 million in the Commission Approved Settlement Agreement.

RESPONSE: The amount used as a basis for the payroll amount included in rates is based on the Company's response to Citizens' Interrogatory No. 1-20. The Company's response stated "Per the MFRs submitted in Docket No. 20140025, the Company proposed amount of payroll in base rates was \$4,862,387." This response made no indication that the amount of increase agreed to in the settlement was arrived at by reducing the amount of payroll originally requested in base rates. Additionally, in Mr. Schultz' experience in participating in in rate proceedings and in settlements, base payroll is generally not a cost that is adjusted significantly, if at all. This is generally the case since payroll is based on employee levels and expected increases in pay and the Company generally takes the position this is a known amount that is more fixed than other costs. Any reductions will generally be attributed to changes in return on equity, rate base and other expenses (i.e. maintenance, incentive pay, outside services, etc.).

2. On page 27, lines 9-10, please explain the calculations used in approximating the \$221 average contractor hourly rate, and why the average contractor hourly rate used to calculate capitalization costs is appropriate.

RESPONSE: The average contractor hourly rate of approximately \$221 was based on specific external line contractors performing line restoration activities. This average was adjusted to account for the excessive mobilization hourly rate charged and for the excessive costs and hours associated with mobilization. This was done to avoid a duplication of the respective costs adjustments. If the original average were utilized as part of the capitalization adjustment, the amount capitalized would be overstated and the remaining costs recommended for recovery would be understated.

The average contractor hourly rate as calculated is appropriate because it reflects the actual cost of capital work being performed as part of storm restoration activities and it reflects a representative cost of personnel actually performing the restoration. Following the Company methodology of capitalizing costs using the Company hourly rate ignores the fact that outside contractors set poles, replace wire, transformers and other pole attachments. By ignoring the contractors participation and following the Company methodology results in the actual capital costs being understated which is not consistent with Generally Accepted Accounting Principles that require capitalization be based on actual costs.

3. On page 34, lines 9-10, please explain why a utility crew size of 2 or 3 personnel is appropriate in determining contractor costs.

RESPONSE: The referenced testimony is not stating that a utility crew of 2 or 3 personnel is appropriate in determining contractor costs. Rather, the referenced testimony explains why, under the conditions that exist when the capital work is being performed, the norm of using a utility crew of 2 or 3 does not apply since external contractor crews generally have 4 to 5 personnel performing the capital activity. The combination of the increased crew size and the fact that the hourly rate for external crews is significantly higher than Company personnel rates is why the actual capital cost incurred during a storm is significantly higher, as the question on page 34 poses.

4. In Exhibit No. HWS-2, Schedule B, page 2 of 2, please explain why the estimated labor and overhead cost at double time is appropriate (as opposed to time and a half).

RESPONSE: Under storm conditions, the number of hours required by personnel will in most cases result in double time for overtime. Mr. Schultz has seen companies use a double time rate in storm recovery calculations for capital work based on the specific union contracts in effect. The use of time and a half is something that could be applied if in fact that is the overtime rate in effect during the specific storm restoration activity.

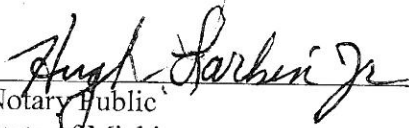
AFFIDAVIT

STATE OF MICHIGAN

COUNTY OF WAYNE

I hereby certify that on this 16TH day of November, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Helmuth Schultz III, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 1-4 from STAFF'S FIRST SET OF INTERROGATORIES TO OFFICE OF PUBLIC COUNSEL (NOS. 1-4) in Docket No(s). 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 16th day of November, 2018.



Notary Public
State of Michigan

My Commission Expires:

HUGH LARKIN JR
NOTARY PUBLIC, STATE OF MI
COUNTY OF WAYNE
MY COMMISSION EXPIRES Sep 13, 2019
ACTING IN COUNTY OF

19

FPUC'S response to Staff's Second Set of Interrogatories Nos. 3-4

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET: 20180061-EI EXHIBIT: 19

PARTY: Staff

DESCRIPTION: FPUC'S response to Staff's Second Set of Interrogatories Nos. 3-4[Bates Nos. 00119-00123]

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs by Florida Public Utilities Company	DOCKET NO. 20180061-GU DATED: September 13, 2018
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FLORIDA PUBLIC UTILITIES COMPANY RESPONSES AND OBJECTIONS TO STAFF'S

SECOND SET OF INTERROGATORIES (NOS. 3-9)

Florida Public Utilities Company ("FPUC" or "the Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the Second Set of Interrogatories (Nos. 3-9) served on the Company on August 24, 2018, by the Staff of the Florida Public Service Commission. The individual responses and objections follow this cover sheet.

Respectfully submitted this 13th day of September, 2018, by:



Gregory Munson
Florida Bar No. 188344

Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for FPUC

INTERROGATORIES

3. Please refer to FPUC witness Cassel's direct testimony, page 7, lines 4 through 9. Witness Cassel testified that FPUC proposed to restore its storm reserve to \$1,500,000, which was the approximate balance prior to Hurricane Irma in 2017. Is this amount reflected in either the 2014 or 2017 settlement agreement? If so, which one.

Company Response:

Section IV of the 2017 Limited Proceeding Settlement Agreement discusses that costs of the storms and replenishment of the storm reserve to \$1.5 million would not be precluded because of the settlement agreement.

Respondent: *Mike Cassel*

Interrogatory No. 4

4. Please refer to FPUC witness Cassel's direct testimony page 8, lines 7 through 16, where he testifies that the 2014 agreement does not impact the request filed in this docket.
 - a. Please explain why FPUC is proposing to recover costs for the Blountstown/Bristol Storm, which occurred in 2015. It appears this storm happened under the 2014 agreement, which included recovery of named storms.
 - b. Please explain why FPUC is proposing to recover costs for the Marianna Storm, which occurred in 2016. It appears this storm happened under the 2014 agreement,

Company Response:

With regard to storm costs, the 2014 Rate Case settlement only speaks in terms of the circumstances under which the Company could petition the Commission for additional relief while the Settlement was in effect. While the Settlement was in effect, the Company would have been allowed to petition the Commission for additional recovery of storm-related costs, but only if the costs were associated with named, tropical storms. As such, FPUC would not have been able to file a petition to establish a cost recovery surcharge for recovery of storm-related costs associated with unnamed storms while the Settlement was in effect. The Settlement terms did not, however, preclude the Company from recovering costs associated with unnamed storms after the Settlement had expired, which it has. Nor did the Settlement preclude the Company from charging appropriate costs associated with unnamed storms to the Company's Storm Reserve. As such, the Company has included these costs in the instant petition.

Respondent: *Mike Cassel*

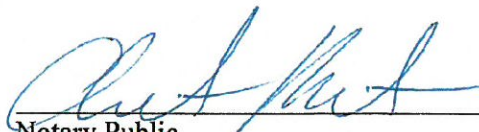
AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF Nassau

I hereby certify that on this 10th day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Michael Cassel, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 3-9 from STAFF'S SECOND SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NOS. 3-9) in Docket No(s). 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 10 day of September, 2018.



Notary Public
State of Florida, at Large

My Commission Expires:

August 23, 2021



FPUC's response to Staff's Third Set of
Interrogatories Nos. 10-11

**Additional files contained on Staff's
Hearing Exhibits CD for No. 11.**

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET: 20180061-EI EXHIBIT: 20

PARTY: Staff

DESCRIPTION: FPUC's response to Staff's Third Set of
Interrogatories Nos. 10-11Additional files contained on Staff's CD

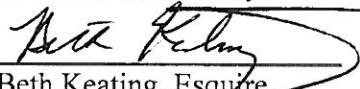
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to DOCKET NO. 20180061-EI
Recovery Incremental Storm Restoration Costs
by Florida Public Utilities Company.

FLORIDA PUBLIC UTILITIES COMPANY'S CORRECTED RESPONSES TO
COMMISSION STAFF'S THIRD SET OF INTERROGATORIES (NOS. 10-11)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Corrected Responses to the Third Set of Interrogatories (Nos. 10-11) served on the Company on November 8, 2018, by the Staff of the Florida Public Service Commission ("Staff"). The original responses were served on November 15th, but were incorrectly numbered 11 and 12. This corrected responses make no changes other than to correct the numbering. The individual responses and objections follow this cover sheet.

Respectfully submitted this 4th day of December, 2018, by:


Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706

Attorneys for Florida Public Utilities Company

INTERROGATORY NO. 10

INTERROGATORIES

10. On page 10, lines 11 through 12, witness Cassel testified that the PAR crews were traveling to FPUC's service area on September 7 and 8. Please describe where the outside contractors were traveling from during this time.

Company Response:

The Par Electric Contract crews were traveling from Des Moines, Iowa with some crews staying in Murfreesboro, TN, some in Antioch, TN and some in Chattanooga, TN on 9/7/2017.

All crews arrived in Jacksonville, FL on 9/8/2017.

Respondent: P. Mark Cutshaw

INTERROGATORY NO. 11

11. On page 10, lines 11 through 25, and page 11, lines 1 through 8, witness Cassel testified as to why it would be necessary to have contractors arrive at the service area in advance of a storm. Aside from waiting for the storm to clear the service area, please advise whether training on the safety of the electric system is included in an outside contractor's standby time.

Company Response:

Yes, safety training, system configurations, reporting requirements, and logistics information was presented to the Contractor crews while waiting for the storm to clear. Attachment 1, included with these responses, is the Safety Orientation and Information Transfer for Incoming Crews during these meetings.

Respondent: P. Mark Cutshaw

AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF NASSAU)

I hereby certify that on this 15th day of November, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared P. Mark Cutshaw, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 10 - 11 from STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NOS. 10-11) in Docket No(s). 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 15th day of November, 2018.

Lynn M. McNeill
Notary Public
State of Florida, at Large



Lynn M. McNeill
NOTARY PUBLIC
STATE OF FLORIDA
Comm# GG023493
Expires 8/22/2020

My Commission Expires:

08/22/2020

21

FPUC's response to Staff's Fourth Set of Interrogatories No. 12

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET: 20180061-EI EXHIBIT: 21

PARTY: Staff

DESCRIPTION: FPUC's response to Staff's Fourth Set of Interrogatories No. 12[Bates Nos. 00129-00132]


BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to DOCKET NO. 20180061-EI
Recovery Incremental Storm Restoration Costs
by Florida Public Utilities Company.

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES TO
COMMISSION STAFF'S FOURTH SET OF INTERROGATORIES (NO. 12)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses to the Fourth Set of Interrogatories (No. 12) served on the Company on November 13, 2018, by the Staff of the Florida Public Service Commission ("Staff"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 26th day of November, 2018, by:


Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706

Attorneys for Florida Public Utilities Company

INTERROGATORY NO. 12INTERROGATORIES

12. With regard to page 4, lines 1-4, of witness Cassel's rebuttal testimony, please provide the amounts associated with commissions, bonuses, and incentive pay that is included in the \$4,862,387 amount.

Company Response:

An analysis of costs included in the rate case follow:

<u>Florida Payroll</u>	<u>Amount</u>
Regular Salaries Historic Test Year	\$ 2,698,155
Overtime Salaries Historic Test Year	\$ 228,117
Bonus Pay Historic Test Year	\$ 524,277
Temporary Services Historic Test Year	\$ 63,890
Severance Historic Test Year	\$ 119,669
	\$ 3,634,108
Requested Payroll Increase for both projected years, new positions, and full staffing	\$ 259,838
	\$ 3,893,946
<u>Corporate Payroll</u>	
Regular Salaries Historic Test Year	\$ 560,840
Overtime Salaries Historic Test Year	\$ 10,175
Bonus Pay Historic Test Year	\$ 214,805
Temporary Services Historic Test Year	\$ 13,715
Severance Historic Test Year	\$ 993
	\$ 800,527
Requested Payroll Increase for both projected years	\$ 167,927
	\$ 968,454
Total Requested Payroll	\$ 4,862,400
Settlement Increase Approved	\$ 3,750,000
Revenue Increase Requested	\$ 5,821,209
Decreased Revenue Requirement	\$ (2,071,209)

Respondent: Mike Cassel

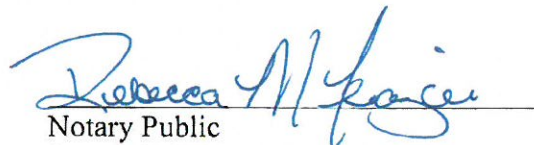
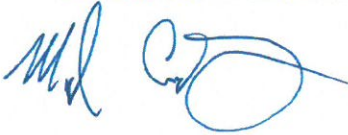
AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF LEON)

I hereby certify that on this 26th day of November, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Michael Cassel, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 12 from STAFF'S FOURTH SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NO. 12) in Docket No(s). 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 26th day of November, 2018.



Notary Public
State of Florida, at Large

My Commission Expires:



22

FPUC's Supplemental Response to Nos. 20-23 for OPC's First Set of Interrogatories

Additional files contained on Staff's Hearing Exhibits CD for Nos. 21 and 23.

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET: 20180061-EI EXHIBIT: 22

PARTY: Staff

DESCRIPTION: FPUC's Supplemental Response to Nos. 20-23 for OPC's First Set of Interrogatories Additional files contained on Staff's CD

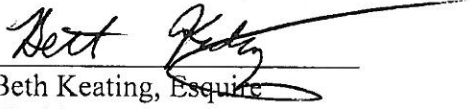
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs by Florida Public Utilities Company. | DOCKET NO. 20180061-EI

FLORIDA PUBLIC UTILITIES COMPANY'S SUPPLEMENTAL RESPONSES AND
OBJECTIONS TO OFFICE OF PUBLIC COUNSEL'S FIRST SET OF INTERROGATORIES
(NOS. 20-23)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Supplemental Responses and Objections to the Office of Public Counsel's ("OPC") First Set of Interrogatories (Nos. 20-23) served on the Company on March 29, 2018. The original responses were submitted on May 10, 2018. The individual responses and objections follow this cover sheet.

Respectfully submitted this 3rd day of December, 2018, by:


Beth Keating, Esquire
Florida Bar No. 0022756

Gregory Munson
Florida Bar No. 188344

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for FPUC

GENERAL OBJECTIONS

1. FPUC objects to OPC's First Set of Interrogatories to the extent that any of the OPC's interrogatories seek information, data, or documents that are protected by the attorney-client privilege, the trade secret privilege, the provisions of 26 U.S.C. § 7525(a), or any other applicable privilege or protection afforded by law.
2. On the grounds that any such interrogatories are irrelevant, overly broad or vague, unduly burdensome, and oppressive, FPUC objects to each and every interrogatory seeking information from time periods prior to the historic test year as being outside the scope of this proceeding and not likely to lead to the discovery of admissible evidence in this proceeding.
3. FPUC objects to OPC's interrogatories to the extent that any requested information and documents constitute "proprietary confidential business information" as that term is defined in Chapter 366, Florida Statutes.
4. To the extent that any of the "Definitions and Instructions" in the OPC's interrogatories are inconsistent with FPUC's discovery obligations under the applicable rules, the Company objects. Furthermore, FPUC objects to any interrogatory that would require FPUC to create data or information that it otherwise does not have because there is no such requirement under the applicable rules and law.
5. The Company also objects to any interrogatories that seek information that is irrelevant and immaterial to this proceeding. Likewise, the Company objects to the extent that certain interrogatories are unnecessarily broad, and would impose an undue burden and cost upon FPUC in order to comply.
6. FPUC also objects to any definition or interrogatories that seeks information with regard to any persons or entity that are not parties to this proceeding and not subject to discovery under

the applicable rules.

7. FPUC does not waive any objections it may have as to admissibility, authenticity, or relevancy of the information provided in response to these Requests.

SPECIFIC OBJECTIONS

The General Objections set forth above are adopted and incorporated by reference in each specific objection included in the responses outlined below.

INTERROGATORIES

20. Payroll. For the years 2016 and 2017, please provide the regular payroll, by O&M account, included in base rates identifying the Docket setting rates and the effective date rates when into effect (i.e. if rates went into effect during the year provide a prorate from each docket for that year).

Company Response:

FPUC's last full rate case was in Docket No. 20140025, which was resolved by Commission approval of a settlement agreement. Since then, the Company's rates have been modified through a limited proceeding in Docket No. 20170150, which was also resolved through a settlement and resulted in rate increases effective January 2018. Neither settlement nor the discussions thereon specifically addressed payroll. Per the MFR's submitted in Docket No 20140025, the Company's proposed amount of payroll in base rates was \$4,862,387. This amount included historic regular time, overtime, bonus pay, temporary services and severance pay. It also included projected payroll increases, new positions, and full staffing requests. The settlement provided revenue which was more than two million dollars less than requested but did not specify which components in the MFR's were adjusted. However, the historic regular payroll included in the MFR's was \$3,258,995.

Respondent: Michael Cassel

Interrogatory No. 21

21. Payroll. For the years 2016 and 2017, please provide the actual regular payroll, by O&M account for that year.

Company Response:

The Company objects to this request to the extent that it seeks information beyond the scope of this limited proceeding and not likely to lead to the discovery of admissible evidence. This is a limited proceeding to address storm costs only, and OPC's request seeks information beyond those costs for which the Company now requests recovery. Notwithstanding and without waiving this objection the Company states that the Attachment labeled Question 21 included with this response details yearly regular payroll. Payroll for each FERC account number are recorded in the general ledger as either 1) Regular Salaries, 2) Overtime/Comp Time/On Call, 3) Commission and Tips, 4) Bonus/Incentive Pay, 5) Temporary Services, or 6) Severance Pay. Attachment 21 contains only the dollars charged to the regular payroll account (Regular Salaries) for each FERC account listed. The amounts reflected on the Attachment 21 do not include bonus, overtime, temporary services, or severance.

Respondent: Michael Cassel

Interrogatory No. 22

22. Payroll. For the years 2016 and 2017, please provide the overtime payroll, by O&M account, included in base rates identifying the Docket setting rates and the effective date rates when into effect (i.e. if rates went into effect during the year provide a prorate from each docket for that year).

Company Response:

The Company objects to this request to the extent that it seeks information beyond the scope of this limited proceeding and not likely to lead to the discovery of admissible evidence. This is a limited proceeding to address storm costs only, and OPC's request seeks information beyond those costs for which the Company now requests recovery. Notwithstanding and without waiving this objection, the Company refers OPC to its supplemental response to Interrogatory No. 20 above, and notes that the historic overtime payroll included in the 2014 MFR's was \$238,292.

Respondent: Michael Cassel

Interrogatory No. 23

23. Payroll. For the years 2016 and 2017, please provide the actual overtime payroll, by O&M account for that year.

Company Response:

The Company objects to this request to the extent that it seeks information beyond the scope of this limited proceeding and not likely to lead to the discovery of admissible evidence. This is a limited proceeding to address storm costs only, and OPC's request seeks information beyond those costs for which the Company now requests recovery. Notwithstanding and without waiving this objection, the Company states that the Attachment labeled Question 23 included with this response details yearly overtime payroll. Payroll for each FERC account number is recorded in the general ledger as either 1) Regular Salaries, 2) Overtime/Comp Time/On Call, 3) Commission and Tips, 4) Bonus/Incentive Pay, 5) Temporary Services, or 6) Severance Pay. Attachment 23 contains only the dollars charged to the overtime payroll account for each FERC account listed.

Respondent: Michael Cassel

AFFIDAVIT

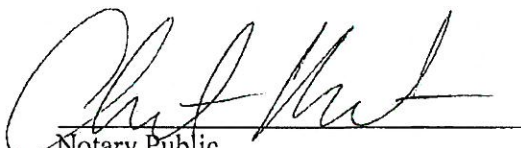
STATE OF FLORIDA)

COUNTY OF Nassau

I hereby certify that on this 3 day of December, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Michael Cassol, who is personally known to me, and he/she acknowledged before me that he/she provided the Supplemental answers to interrogatory number(s) 20-23 from in CITIZENS FIRST SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES

COMPANY (NOS. 1-41) in Docket No. 20180061-EI, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 3 day of December, 2018.



Notary Public
State of Florida, at Large

My Commission Expires:

August 23, 2021

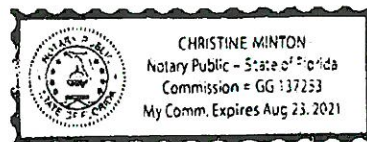


EXHIBIT NO. 23

DOCKET NO: 20180061-EI

WITNESS:

PARTY:

DESCRIPTION: Proposed Stipulations for Issue Nos. 1, 2, 5, and 6

PROFFERED BY: Commission Staff

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 23
PARTY: All
DESCRIPTION: Proposed Stipulations for
Issues 1, 2, 5 and 6

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to DOCKET NO. 20180061-EI
Recovery Incremental Storm Restoration Costs
by Florida Public Utilities Company.

PROPOSED STIPULATIONS

ISSUE 1: What is the appropriate baseline from which incremental costs are derived?

POSITIONS

FPUC: This issue has been rendered moot by the stipulation of Issue 2, 5 and 6.

OPC: This issue has been rendered moot for this particular case by the stipulation of Issue 2, 5 and 6.

ISSUE 2: In undertaking storm-recovery activities, was the payroll expense Florida Public Utilities Company ("FPUC") has requested to include for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

STIPULATED POSITION:

OPC does not object to FPUC's request to recover \$122,857 in incremental payroll costs. The amount identified by FPUC as "extra compensation" in the amount of \$69,632 remains in dispute and is the subject of Issue 3.

ISSUE 5: In undertaking storm-recovery activities, were the benefit costs requested by FPUC for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

STIPULATED POSITION:

OPC does not object to FPUC's request to recover benefit costs in the amount of \$38,424.

ISSUE 6: In undertaking storm-recovery activities, were the overhead costs requested by FPUC for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

STIPULATED POSITION:

OPC does not object to FPUC's request to recover overhead costs in the amount of \$22,856.

EXHIBIT NO. 24

DOCKET NO: 20180061-EI

WITNESS: Michael Cassel - Direct

PARTY: FPUC

DESCRIPTION:

Errata Sheet

PROFFERED BY: FPUC

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 24
PARTY: FPUC
DESCRIPTION: Errata Sheet for Direct of
Michael Cassel

ERRATA SHEET
WITNESS: MICHAEL CASSEL

The following table contains the corrected errata in his prefiled testimony and Exhibit MC-1:

Page	Line	Original	Revision
9	12	\$661,674	\$497,967
9	13	net of the FPSC audit adjustments, at	net of the FPSC audit adjustments and line clearing adjustment, at
9	17	\$661,674	\$497,967
9	19	\$2,163,230	\$1,999,405
9	22	\$1.72	\$1.59

25

EXHIBIT NO. _____

DOCKET NO: 20180061-EI

WITNESS: Michael Cassel - Rebuttal

PARTY: FPUC

DESCRIPTION:

Errata Sheet

PROFFERED BY: FPUC

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 25
PARTY: FPUC
DESCRIPTION: Errata Sheet for Rebuttal of
Michael Cassel

ERRATA SHEET
WITNESS: MICHAEL CASSEL

The following table contains the corrected errata in his prefiled rebuttal testimony:

[illegible]

EXHIBIT NO. 26

DOCKET NO: 20180061-EI

WITNESS: Helmuth Schultz III

PARTY: FPUC

DESCRIPTION:

PAR Invoice, October 24, 2017

PROFFERED BY: FPUC

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 26
PARTY: OPC
DESCRIPTION: PAR Invoice 10.24.17

Contractor Storm Crew Invoice

NON-EMBEDDED

Contractor Name:	PAR ELECTRICAL CONTRACTORS INC
Street Address:	4770 N. BELLEVIEW SUITE 300
City/State/Zip:	KANSAS CITY MO 64116-2188
Storm Contract Number:	4600015260

Invoice Number:	901710008	
Invoice Date:	October 24, 2017	
Storm Name:	HURRICANE IRMA	
Work Order Number:		G/L:
Travel Team ID:		
Week Ending Sunday:	9/10/17	

	Hours/Quantity	X	Rate	Receipt \$ Amount	Product ID	=	Total
Work/Standby Hours Regular	0	X	\$ 215.52		5534	=	\$ -
Work/Standby Hours O.T.	1216	X	\$ 290.95		5026	=	\$ 353,795.20
Mobilize/Demobilize Regular Hours	608	X	\$ 377.16		5045	=	\$ 229,313.28
Mobilize/Demobilize O.T. Hours	608	X	\$ 509.17		5044	=	\$ 309,575.36
Per Diems (DAILY)	0	X	\$ 35.00		5532	=	\$ -
Per Diems (IND Meals)	413	X	\$ 11.66		7043	=	\$ 4,873.88
Fuel	ITEMIZE ON FUEL RECEIPT DETAIL				7045	=	\$ -
Housing	ENTER TOTAL RECEIPTS ATTACHED				7044	=	\$ 6,558.36
MISC	ENTER TOTAL RECEIPTS ATTACHED			\$ 958.00	7057	=	\$ 958.00
Total Invoice							\$ 905,074.08

O.K. TO PAY

Invoice Received By: <u>DF</u> on <u>12-4-17</u>
--

(Initials) (Date)

STINV: YES | NO | NA STPR: YES | NO | NA

Received By:

Scanned Date: 12/4/17 PR# 596015

EXHIBIT NO. 27

DOCKET NO: 20180061-EI

WITNESS: Michael Cassel

PARTY: Florida Public Utilities Company

DESCRIPTION: March 29, 2007 Staff Rule Proposal

PROFFERED BY: Office of Public Counsel

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 27
PARTY: OPC
DESCRIPTION: 3.29.07 Staff Rule Proposal

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: March 29, 2007

TO: Commission Clerk (Cole)

FROM: Office of the General Counsel (Harris, Fleming) *JD*
Division of Economic Regulation (Slemkewicz, Hewitt) *CS*
1988

RE: Docket No. 070011-EI – Proposed amendment of Rule 25-6.0143, F.A.C., Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4.

AGENDA: 04/10/07 – Regular Agenda – Rule Proposal - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All

PREHEARING OFFICER: Pending

RULE STATUS: Proposal May Be Deferred

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\GCL\WP\070011.RCM.DOC

RECEIVED-11:50
7 MAR 29 AM 11:30
COMMISSION CLERK

Case Background

Prior to Hurricane Andrew in 1992, Florida investor-owned electric utilities ("IOUs") were able to purchase commercial insurance for their transmission and distribution facilities at reasonable and affordable prices. Accruals were made to a property insurance reserve to cover items such as insurance deductible amounts. Due to the level of damage caused by Hurricane Andrew, however, the price of commercial insurance for Florida IOU transmission- and distribution facilities became cost prohibitive and uneconomical. As a result, the Commission authorized Florida IOUs to begin operating under a self-insurance program for their transmission and distribution facilities. Each IOU was required to file a study to determine the appropriate

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Docket No. 070011-EI
Date: March 29, 2007

accumulated target level for the property damage reserve¹ and the appropriate annual accrual amount to achieve and maintain that target level over time. The target levels and annual accrual amounts were subject to review in rate change proceedings or whenever changes were sought in the target levels or the annual accrual amounts.

Until the 2004 hurricane season, each of the IOU's self-insurance programs was adequate to cover the costs incurred for storm damage restoration. However, the combined effects of the damages caused by Hurricanes Charley, Frances, Ivan and Jeanne during 2004 far exceeded the amounts that had been accumulated in four of the five IOU's property damage reserves. As a result, Florida Power & Light Company ("FPL") and Progress Energy Florida, Inc. ("PEF") filed petitions seeking to recover storm damage restoration costs that exceeded the amounts in their property damage reserves.² Gulf Power Company ("GULF") sought approval of a stipulation for recovery of storm damage costs between GULF and various parties.³ Tampa Electric Company ("TECO") also filed a petition seeking approval of a stipulation with various parties concerning the accounting treatment of storm damage restoration costs.⁴ TECO, however, did not request that a surcharge be implemented. To date, Florida Public Utilities Company ("FPUC") has not filed a petition for recovery of storm restoration expenses.

The GULF and TECO stipulations were approved as filed.⁵ The FPL and PEF petitions, however, were litigated before the Commission. FPL and PEF were ultimately allowed to implement surcharges to recover the amount of storm damage restoration costs approved by the Commission.⁶ In each of these four cases, each IOU employed a different methodology to determine the amount of storm damage restoration costs that should be charged to the property damage reserve and the amount, if any, to be recovered from ratepayers through a surcharge. **Staff's primary objective for these recommended rule amendments is to establish a single, consistent, and uniform methodology for determining which storm damage restoration costs can appropriately be charged to the property damage reserve by each of the Florida IOUs.**

Staff prepared a preliminary rule, which was published in the Florida Administrative Weekly ("FAW") on February 3, 2006, along with a notice of rule development workshop to be held March 10, 2006. Pre-workshop comments were received from the Edison Electric Institute ("EEI"), Florida Industrial Power User's Group ("FIPUG"), FPL, GULF, PEF, TECO, and the

¹ Account 228.1 is titled "Accumulated Provision for Property Insurance." Throughout this recommendation, this account will be referred to as the "property damage reserve."

² Docket 041291-EI, Petition for authority to recover prudently incurred storm restoration costs related to 2004 storm season that exceed storm reserve balance, by Florida Power & Light Company. Docket 041272-EI, Petition for approval of storm cost recovery clause for recovery of extraordinary expenditures related to Hurricanes Charley, Frances, Jeanne, and Ivan, by Progress Energy Florida, Inc.

³ 050093-EI - Petition for approval of stipulation and settlement for special accounting treatment and recovery of costs associated with Hurricane Ivan's impact on Gulf Power Company.

⁴ 050225-EI - Joint petition of Office of Public Counsel, Florida Industrial Power Users Group, and Tampa Electric Company for approval of stipulation and settlement as full and complete resolution of any and all matters and issues which might be addressed in connection with matters regarding effects of Hurricanes Charley, Frances, and Jeanne on Tampa.

⁵ GULF in Order No. PSC-05-0250-PAA-EI, issued March 4, 2005; TECO in Order No. PSC-05-0675-PAA-EI, issued June 20, 2005.

⁶ FPL in Order No. PSC-05-0937-FOF-EI, issued September 21, 2005; PEF in Order No. PSC-05-0748-FOF-EI, issued July 14, 2005.

Docket No. 070011-EI
Date: March 29, 2007

Office of Public Counsel ("OPC"). Representatives of these entities attended the rule development workshop held March 10, 2006, as well as a representative of the Florida Retail Federation ("FRF").

On February 2, 2007, a second notice of rule development workshop was published in the FAW, with a copy of the rule as revised by staff following the first workshop. To facilitate discussion at the February 21, 2007, workshop, staff requested that interested persons provide comments on staff's revised rule in type-and-strike format. Language was provided by GULF and a joint filing by FPL and PEF. FIPUG and OPC also provided brief comments prior to the workshop. At the February 21, 2007, workshop, representatives of PEF, FPL, GULF, TECO, OPC and FIPUG participated. GULF provided brief post-workshop comments on March 2, 2007. On March 15, 2007, staff conducted a conference call to take final comments and suggestions on the draft rule prior to the preparation of this Recommendation. Staff has made changes to the recommended rule, where appropriate, to reflect the comments and concerns raised by the workshop participants in their written comments and at the workshops and conference call.

This recommendation addresses whether the Commission should propose amendments to Rule 25-6.0143, F.A.C., Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4, included as Attachment A. The Commission has rulemaking jurisdiction pursuant to Sections 120.54 and 366.05(1), Florida Statutes.

Docket No. 070011-EI
Date: March 29, 2007

Discussion of Issues

Issue 1: Should the Commission propose amendments to Rule 25-6.0143, Florida Administrative Code, Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4?

Recommendation: Yes. (Harris, Slemkewicz, Hewett)

Staff Analysis: Staff recommends Rule 25-6.0143 be amended to provide guidance to investor-owned electric utilities for determining the types of storm damage restoration costs that can be charged to Account 228.1, Accumulated Provision for Property Insurance. Staff recommends no changes be made to Account 228.2, Accumulated Provision for Injuries and Damages, and one technical change to Account 228.4, Accumulated Miscellaneous Operating Provisions, to add a cross-reference to three new paragraphs in Account 228.1. Staff's recommended amendments to the rule only address which costs the IOUs can place in ("charge to") Account 228.1. These rule amendments do not affect which costs a utility may choose to include in a petition for cost recovery following a hurricane or other significant property loss. As explained in the background, staff recommends establishment of a standardized accounting methodology that all Florida IOUs will follow. This standardization will provide a benefit to staff, the IOUs, and other parties who participate in IOU cost recovery dockets.

The rule amendments will require the establishment of a separate subaccount for storm related damage expenses and accruals, the "storm damage subaccount." The recommended rule amendments will also require use of the Incremental Cost and Capitalization Approach ("ICCA") methodology and delineate types of expenses that are expressly allowed or prohibited from being charged to the storm damage subaccount.

Summary Of Staff's Recommended Rule Amendments:

25-6.0143(1)(b) [page 13, lines 11-14] adds a reference to new paragraphs (1)(f), (g) and (h), and adds insurance proceeds to the list of credits to the account.

25-6.0143(1)(c) [page 13, lines 15-19] requires the establishment of a separate subaccount for storm-related damages to the utility's property, or property leased from others.

25-6.0143(1)(d) [page 13, line 20 – page 14, line 9] requires the use of an Incremental Cost and Capitalization Approach methodology.

25-6.0143(1)(e) [page 14, line 10 – page 15, line 4] provides a non-exclusive list of the types of costs which are allowed to be charged to the storm damage subaccount.

25-6.0143(1)(f) [page 15, line 5 – page 16, line 1] provides a non-exclusive list of types of costs which are prohibited from being charged to the storm damage subaccount.

25-6.0143(1)(g) [page 16, lines 2-16] allows deferred accounting treatment for storm restoration related costs prior to Commission determination of suitability for inclusion in the storm damage subaccount.

25-6.0143(1)(h) [page 16, lines 17-22] allows the utility the option of expensing storm related costs, rather than charging them to the storm damage subaccount.

25-6.0143(1)(i) [page 16, line 23 – page 17, line 1] specifies that negative storm damage subaccount balances may be treated as a debit balance, without the necessity of petitioning for establishment of a regulatory asset.

Docket No. 070011-EI
Date: March 29, 2007

25-6.0143(1)(j) [page 17, lines 2-4] allows the utility to petition for recovery of a debit balance through a surcharge, securitization, or other cost recovery mechanism.

25-6.0143(1)(k) [page 17, lines 5-6] requires prior Commission approval before a utility changes a property damage reserve target accumulated balance.

25-6.0143(1)(l) [page 17, lines 7-12] establishes the requirement that IOUs file storm damage self-insurance studies by January, 2011, and every 5 years thereafter.

25-6.0143(1)(m) [page 17, lines 13-18] requires an annual report from each utility regarding its efforts to obtain commercial insurance.

25-6.0143(4)(b) [page 18, lines 21-22] is amended to add a reference to new paragraphs (1)(f), (g) and (h).

Incremental Cost and Capitalization Approach [Paragraph (1)(d), page 13, line 20 – page 14, line 9]

Currently, each of Florida's IOUs use different accounting methods for tracking expenses related to damage to its transmission and distribution systems. Also, the IOUs have used different methods for determining the amount of costs to be recovered in their 2004 and 2005 storm cost recovery petitions. This lack of consistency greatly increases the workload of staff and other interested parties seeking to review a utility's storm related costs. It also increases auditing efforts and creates a great deal of discovery.

In the cost recovery proceedings the Commission has decided, the Commission has consistently issued orders approving the ICCA methodology for storm cost recovery. The Commission has not established this policy for the accounting treatment of storm damage restoration costs and the charging of these costs to the property damage reserve. Staff believes that the policy to be established for storm accounting should be consistent with the guidance provided by the storm cost recovery orders, and therefore recommends the ICCA methodology be established for storm restoration cost accounting. Accordingly, staff has drafted new paragraph (1)(d) to Rule 25-6.0143 to require the use of the ICCA methodology for accounting purposes.

The ICCA methodology is designed to prevent double recovery. Under the ICCA, a utility only charges to the storm damage subaccount those storm restoration costs that are not already being recovered through base rates ("incremental" costs). For example, a utility would not be able to charge the normal base salaries of employees working on storm restoration, but would be able to charge overtime costs related to storm restoration activities to the storm damage subaccount.

In their first set of workshop comments, the IOUs disagreed with establishment of the ICCA methodology for accounting purposes. In their second set of pre-workshop comments, the IOUs did not seek to change the ICCA as the basic methodology to be used for storm accounting. At the February 21, 2007, workshop, all participants expressed support for the ICCA methodology. The IOUs expressed the need for the rule amendments to be drafted in such a way as to allow for a "full" ICCA approach: one which allows recovery of all incremental costs above base rates. In order to achieve this full approach, staff has drafted new paragraphs (1)(e), (f) and (g).

Docket No. 070011-EI
Date: March 29, 2007

Items included in the Storm Damage Subaccount [Paragraph (1)(e), page 14, line 10 – page 15, line 4]

As previously discussed, the recommended rule amendments only prescribe a utility's accounting treatment of storm damage restoration costs. The rule amendments have no effect on costs an IOU might choose to include in a storm cost recovery petition. The intent of these rule amendments is to standardize the way all Florida IOUs account for storm damage restoration costs. Staff believes the Commission's previous storm cost recovery orders provide guidance on which costs are eligible for recovery through a storm cost recovery petition. Staff therefore recommends that this guidance be extended to the methodology IOUs use to account for such costs.

In its February 14, 2007, comments, GULF suggested the addition of a new paragraph 25-6.0143(1)(e), which would provide a non-exhaustive list of the types of costs which are allowed to be charged to the storm damage subaccount. GULF suggests that such a list is needed to balance the list of types of costs to be excluded from the storm damage subaccount in paragraph (1)(f), and is necessary to accomplish the purpose of the rule: to provide standardization and guidance to Florida IOUs on the accounting of storm damage restoration costs. At the February 21, 2007, workshop, there appeared to be general support for the inclusion of this paragraph in the rule.

Staff believes that any ICCA compatible cost, not specifically excluded, would be appropriate for inclusion in the storm damage subaccount. Staff agrees with GULF that the addition of a non-exhaustive list of types of costs to be charged to the storm damage subaccount assists in accomplishing the purpose of the rule, and will be helpful in providing guidance to Florida IOUs regarding accounting for storm damage restoration costs. Staff therefore recommends the inclusion of new paragraph (1)(e) in the amendments to Rule 25-6.0143. The specific list of items is taken from prior Commission orders where staff believes the Commission has clearly established the appropriateness of inclusion under the ICCA approach.

Items excluded from the Storm Damage Subaccount [Paragraph (1)(f), page 15, line 5 – page 16, line 1]

New paragraph 25-6.0143(1)(f) contains a non-exhaustive list of types of costs which are prohibited from being charged to the storm damage subaccount. This list of exceptions comes directly from the Commission's decisions in the 2004 and 2005 hurricane cost recovery dockets. In their type-and-strike comments at the second workshop, PEF and FPL propose deletion of this list. GULF proposed adding a new paragraph [(1)(e)] to add a list of items which would be suitable for inclusion in the subaccount, to balance the list of excluded items.

In their type-and-strike comments, PEF and FPL suggest the deletion of the list of types of costs to be excluded from the storm damage subaccount. The IOUs expressed the concern that the list of exclusions is too broad, and that some valid incremental costs will be disallowed based on their categorization as a type of excluded cost. As discussed above, GULF's comments

Docket No. 070011-EI
Date: March 29, 2007

suggested retention of excluded types of costs, but inclusion of a corresponding list of types of costs that would be specifically included in the storm damage subaccount.

Staff does not agree with the type-and-strike comments of PEF and FPL to delete the list of costs which are excluded from the storm damage subaccount. Failure to include specific exclusions in the rule will result in different IOUs seeking to charge different costs, which frustrates the basic intent of the rule and will result in continued litigation. Further, staff does not agree that a list of types of excluded costs would prohibit recovery of a specific, valid incremental expense item. Staff believes the list of excluded types of costs creates the right balance, where the company bears the burden of demonstrating those costs which it seeks to charge to the storm damage subaccount are truly incremental to base rates.

Deferred Accounting Treatment [Paragraph (1)(g), page 16, lines 2-16]

Following the February 21, 2007, workshop, staff became aware of a potential omission in the framework of the draft rule amendments. The draft rule amendments contained provisions for those types of expenses which clearly could or could not be charged to the storm damage subaccount. There was, however, no provision for those types of costs relating to storm damage restoration activities which the Commission has not clearly determined should or should not be chargeable to the storm damage subaccount. Further, due to financial reporting requirements, a company would be required to report these costs on its balance sheet, whether or not a petition for recovery was pending. Staff therefore determined the need for a new paragraph which would allow deferred accounting treatment for this third category of storm restoration costs: those costs which the Commission has not yet established the appropriate disposition or accounting treatment.

Deferred accounting treatment means the company will not be required to report the impact of deferred costs on its income statement until the Commission makes a determination of the disposition of those costs. Once the Commission determines the appropriate treatment, those which are chargeable to the storm damage subaccount are charged to the account, while those that are not are reported on the income statement in some other way.

Paragraph (1)(g) was discussed at the March 15, 2007, conference call, and there is agreement that the concept of deferred accounting treatment for the third category of costs is valid and helps further the intent and purpose of the rule. Staff recommends that new paragraph (1)(g) be included in the amendments to Rule 25-6.0143.

Expensing Storm Costs [Paragraph (1)(h), page 16, lines 17-22]

New paragraph 25-6.0143(1)(h) allows IOUs to expense storm-related costs, rather than charge those costs to a storm damage subaccount and seek recovery through a surcharge or securitization. In 2004, TECO choose this method of recovering storm costs. Staff believes the IOUs should maintain the flexibility to expense storm damage restoration costs in one year, at the utility's discretion.

Docket No. 070011-EI
Date: March 29, 2007

In their type-and-strike comments, PEF and FPL suggested deletion of this provision from the rule amendments. GULF's type-and-strike included this provision, with modifications to the language. OPC and FIPUG supported the inclusion of this paragraph. After review, staff believes the Commission's storm recovery orders clearly establish that a utility should have the option of expensing storm related costs. Staff recommends that this language remain in the rule amendments, with the wording changes suggested by GULF.

Debit Balances, Regulatory Assets, and Cost Recovery [Paragraphs (1)(i) and (j), page 16, line 23 – page 17, line 4]

Charging expenses to the storm damage subaccount, in excess of any accumulated balance, would create a negative balance in that account. New paragraphs 25-6.0143(1)(i) and (j) allow an IOU to create a negative (debit) balance in the storm damage subaccount, without the necessity of petitioning the Commission for creation of a regulatory asset. If the balance is negative, the utility has the option of petitioning the Commission for cost recovery or expensing the costs.

A "regulatory asset" is an accounting concept, whereby a regulated utility may create an account with a negative balance, but the utility is assured of the opportunity to recover that negative balance in the future, usually in the next rate case, by order of the regulatory commission. Regulatory assets are useful in promoting investor confidence, since the creation of a regulatory asset is assurance that the company will have the opportunity to recover the balance in the future, while preventing frequent rate adjustment proceedings.

Under current accounting practices, IOUs are required to petition the Commission to convert a negative balance into a regulatory asset. Staff recommends that the rule establish that such a petition is unnecessary for storm damage restoration costs only. Staff believes the automatic creation of a regulatory asset in the storm damage subaccount is consistent with the intent of these rule amendments: to establish one storm account where storm-related expenses are consolidated, for ease of eventual recovery, in a consistent manner. Paragraph (1)(j) allows a utility to petition the Commission for recovery of a negative balance.

Based on prior Commission orders, staff recommends that a utility be allowed to petition the Commission for recovery of negative storm damage subaccount balances through a surcharge, securitization, or other cost recovery mechanism.

Annual Reports and Target Balances [Paragraphs (1) (k) and (l), page 17, lines 5-12]

New paragraphs 25-6.0143(1)(k) and (l) require IOUs not change their storm reserve target balance without Commission approval and file self-insurance studies every five years. Staff recommends both these provisions are necessary to accomplish the intent of the rule amendments. Staff believes the IOUs should file a study, every five years, regarding their self-insurance programs. Receipt of this study will allow the Commission to determine whether the utility's target balance is appropriate or should be reset, whether the current accrual amounts are appropriate, etc. Staff makes the corresponding recommendation that IOUs not be allowed to change the property damage reserve target balance without prior Commission approval. The

Docket No. 070011-EI
Date: March 29, 2007

storm reserve target balance is the benchmark for whether charges to the storm damage subaccount will create a negative account balance, which determines future cost recovery petitions. Staff believes it appropriate that the balance not be changed without prior Commission review and approval.

The IOU's comments suggested the deletion of the five year reporting requirement. The IOUs state that self-insurance studies are extremely intensive and require significant resources to prepare. The IOUs suggest that rather than a mandatory five year period, utilities only file self-insurance studies when necessary. Other workshop participants agreed with the reporting sections of the recommended rule amendments.

After review, staff believes the reporting sections of the rule are integral to the scheme of Commission oversight and monitoring of IOU storm management, accounting, and cost recovery. Staff therefore continues to recommend that utilities be required to file the self-insurance study at least every five years.

Insurance Studies and Commercial Insurance [Paragraph (m), page 17, lines 13-18]

Recommended new paragraph 25-6.0143(1)(m) requires each utility file an annual report on its ability to obtain commercial transmission and distribution insurance. As discussed in the case background, the Commission only created the self-insurance fund within the property damage reserve after 1992's Hurricane Andrew made commercially available insurance either unavailable or unaffordable. Staff believes that Florida's electric ratepayers should be the insurers of last resort only if commercial insurance cannot be obtained.

To this end, staff recommends that the rule amendments require each IOU report annually on its efforts to obtain commercial insurance. Staff believes IOUs should continue to seek commercial insurance, and if it becomes available, allow the Commission to determine whether purchasing such coverage is in the best interests of Florida's ratepayers, and how the costs of that insurance should be recovered.

During these rulemaking proceedings, FIPUG suggested that the possibility of a risk-management pool for Florida utilities be explored, not necessarily in this proceeding. GULF also brought to staff's attention efforts that it and other Florida IOUs are exploring regarding commercial insurance and the possible creation of some form of risk management pool or capture. Staff believes exploring these opportunities is in the best interests of Florida's ratepayers and that this issue is of great importance. Staff is concerned that mere inclusion of GULF's suggested language that a utility be allowed to charge the costs of subsequently purchased commercial insurance to the storm damage subaccount until the utility's next base rate case fails to give this issue the weight it deserves. Since the rule amendments recommended by staff only address the proper accounting treatment of storm damage restoration costs, staff does not believe language of the type suggested by GULF is suitable for inclusion in these rule amendments at this time.

Staff believes that further proceedings must be conducted to fully explore all options and assure all opportunities are pursued for the benefit of Florida ratepayers. Accordingly, staff

Docket No. 070011-EI
Date: March 29, 2007

recommends that if the Commission votes to propose these rule amendments, once they are adopted and become effective staff conduct a workshop to fully explore the transmission and distribution insurance/risk-management pool issue and the proper method of recovery of insurance premiums or other costs of participation.

Treatment of Reimbursements from Mutual Aid Agreements

In the draft version of the rule amendments, staff included a requirement that the IOUs credit any revenues received from mutual aid agreements, in excess of the utility's incremental costs, to the storm damage subaccount.⁷ All utility comments, as well as those from the Edison Electric Institute, raised concern with staff's treatment of revenues received as reimbursements for Florida utility crews which travel to other utility service territories to assist with storm restoration.

A utility's base rates are designed to recover all of the utility's operating costs, including the costs of its line crews. When a crew is dispatched to another utility as part of a mutual aid agreement, the crew's costs for that period of time are still being recovered in the sending utility's base rates. When the sending utility is reimbursed by the receiving utility for the costs of crews provided under a mutual aid agreement, a portion of the reimbursement constitutes double recovery, since the sending utility bills not only for the incremental costs (gas, travel time, food, etc.) but for the regular salaries of the crew and depreciation of its assigned equipment. In order to maintain consistency with the full ICCA approach, the draft rule amendments required any non-incremental revenues received by the sending utility be credited to the storm damage account, since those non-incremental revenues have already been recovered in base rates.

However, after review of the written comments submitted by the IOUs and the full discussion of this issue conducted at the February 21, 2007, workshop, staff now recommends the rule amendments not contain this provision. While staff still believes there could be some double-recovery of expenses, staff is persuaded that the benefits of mutual aid agreements to Florida ratepayers, combined with the extreme difficulty of the accounting that would be required to implement this provision, significantly outweigh any potential double recovery that may occur. By removing this provision from the recommended rule, staff only intends to continue the current treatment of mutual-aid reimbursements. Staff does not intend that removal of this provision from the recommended rule constitutes in any way a decision on the proper treatment of mutual-aid reimbursements, or a departure from current practices.

Statement of Estimated Regulatory Costs

Staff prepared a Statement of Estimated Regulatory Costs ("SERC") which is included as Attachment B. In summary, IOUs should have no significant additional costs because of these

⁷ Under Mutual Aid Agreements, IOUs pledge to assist one another with restoration of service following severe disruptions. For example, to recover from the 2004 storms, utilities from as far away as Canada traveled to Florida to assist with restoration. Florida crews do likewise, frequently traveling north to assist with restoration following severe winter storms. This mutual aid is intended to be "at-cost;" an IOU is not supposed to make any profit on this service, only being reimbursed by the receiving utility for the actual costs of sending crews.

Docket No. 070011-EI
Date: March 29, 2007

rule amendments, and there should be no significant costs on local governments, small businesses, or ratepayers.

IOUs should see lower overall total costs since the recommended rule amendments will reduce the amount of litigation over which charges to the property damage reserve are appropriate. While there might be higher IOU costs associated with more frequent storm damage study filings, the IOUs currently track and maintain separate records of storm damage costs and restoration activities.

There should be no negative impacts on small businesses, small cities, or small counties. Furthermore, to the extent that this rule reduces overall costs to IOUs, that reduction in costs should provide an indirect benefit to ratepayers.

Docket No. 070011-EI
Date: March 29, 2007

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing or comments are filed, the rule amendments as proposed should be filed for adoption with the Secretary of State and the docket should be closed. (Harris)

Staff Analysis: Unless comments or requests for hearing are filed, the rule as proposed may be filed with the Secretary of State without further Commission action. The docket may then be closed.

1 **25-6.0143 Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4.**

2 (1) Account No. 228.1 Accumulated Provision for Property Insurance.

3 (a) This account may be established to provide for losses through accident, fire, flood,
4 storms, nuclear accidents and similar type hazards to the utility's own property or property
5 leased from others, which is not covered by insurance. This account would also include
6 provision for the deductible amounts contained in property loss insurance policies held by the
7 utility as well as retrospective premium assessments stemming from nuclear accidents under
8 various insurance programs covering nuclear generating plants. A schedule of risks covered
9 shall be maintained, giving a description of the property involved, the character of risks
10 covered and the accrual rates used.

11 (b) Except as provided in paragraphs (1)(f), (1)(g), and (1)(h) Charges to this account
12 shall be made for all occurrences in accordance with the schedule of risks to be covered which
13 are not covered by insurance. Recoveries, insurance proceeds or reimbursements for losses
14 charged to this account shall be credited to the account.

15 (c) A separate subaccount shall be established for that portion of Account No. 228.1
16 which is designated to cover storm-related damages to the utility's own property or property
17 leased from others that is not covered by insurance. The records supporting the entries to this
18 account shall be so kept that the utility can furnish full information as to each storm event
19 included in this account.

20 (d) In determining the costs to be charged to cover storm-related damages, the utility
21 shall use an Incremental Cost and Capitalization Approach methodology (ICCA). Under the
22 ICCA methodology, the costs charged to cover storm-related damages shall exclude those
23 costs that normally would be charged to non-cost recovery clause operating expenses in the
24 absence of a storm. Under the ICCA methodology for determining the allowable costs to be

1 charged to cover storm-related damages, the utility will be allowed to charge to Account No.
2 228.1 costs that are incremental to costs normally charged to non-cost recovery clause
3 operating expenses in the absence of a storm. All costs charged to Account 228.1 are subject
4 to review for prudence and reasonableness by the Commission. In addition, capital
5 expenditures for the removal, retirement and replacement of damaged facilities charged to
6 cover storm-related damages shall exclude the normal cost for the removal, retirement and
7 replacement of those facilities in the absence of a storm. The utility shall notify the Director
8 of the Commission's Division of Economic Regulation in writing for each incident expected
9 to exceed \$10 million.

10 (e) The types of storm related costs allowed to be charged to the reserve under the
11 ICCA methodology include, but are not limited to, the following:

- 12 1. Additional contract labor hired for storm restoration activities;
- 13 2. Logistics costs of providing meals, lodging, and linens for tents and other staging
14 areas;
- 15 3. Transportation of crews for storm restoration;
- 16 4. Vehicle costs for vehicles specifically rented for storm restoration activities;
- 17 5. Waste management costs specifically related to storm restoration activities;
- 18 6. Rental equipment specifically related to storm restoration activities;
- 19 7. Materials and supplies used to repair and restore service and facilities to pre-storm
20 condition, such as poles, transformers, meters, light fixtures, wire, and other electrical
21 equipment, excluding those costs that normally would be charged to non-cost recovery clause
22 operating expenses in the absence of a storm;
- 23 8. Overtime payroll and payroll-related costs for utility personnel included in storm
24 restoration activities;

- 1 9. Fuel cost for company and contractor vehicles used in storm restoration activities;
2 and
3 10. Cost of public service announcements regarding key storm-related issues, such as
4 safety and service restoration estimates.
5 (f) The types of storm related costs prohibited from being charged to the reserve under
6 the ICCA methodology include, but are not limited to, the following:
7 1. Base rate recoverable regular payroll and regular payroll-related costs for utility
8 managerial and non-managerial personnel;
9 2. Bonuses or any other special compensation for utility personnel not eligible for
10 overtime pay;
11 3. Base rate recoverable depreciation expenses, insurance costs and lease expenses for
12 utility-owned or utility-leased vehicles and aircraft;
13 4. Utility employee assistance costs;
14 5. Utility employee training costs incurred prior to 72 hours before the storm event;
15 6. Utility advertising, media relations or public relations costs, except for public
16 service announcements regarding key storm-related issues as listed above in subparagraph
17 (e)10.;
18 7. Utility call center and customer service costs, except for non-budgeted overtime or
19 other non-budgeted incremental costs associated with the storm event;
20 8. Tree trimming expenses, incurred in any month in which storm damage restoration
21 activities are conducted, that are less than the actual monthly average of tree trimming costs
22 charged to operation and maintenance expense for the same month in the three previous
23 calendar years;
24 9. Utility lost revenues from services not provided; and
25

1 10. Replenishment of the utility's materials and supplies inventories.

2 (g) Under the ICCA methodology for determining the allowable costs to be charged to
3 cover storm-related damages, certain costs may be charged to Account 228.1 only after review
4 and approval by the Commission. Prior to the Commission's determination of the
5 appropriateness of including such costs in Account No. 228.1, the costs may be deferred in
6 Account No. 186, Miscellaneous Deferred Debits. The deferred costs must be incurred prior
7 to June 1 of the year following the storm event. By September 30 a utility shall file a petition
8 for the disposition of any costs deferred prior to June 1 of the year following the storm event
9 giving rise to the deferred costs. These costs include, but are not limited to, the following:

10 1. Costs of normal non-storm related activities which must be performed by
11 employees or contractors not assigned to storm damage restoration activities ("back-fill
12 work") or normal non-storm related activities which must be performed following the
13 restoration of service after a storm by an employee or contractor assigned to storm damage
14 restoration activities in addition to the employee's or contractor's regular activities ("catch-up
15 work"); and

16 2. Uncollectible accounts expenses.

17 (h) A utility may, at its own option, charge storm-related costs as operating expenses
18 rather than charging them to Account No. 228.1. The utility shall notify the Director of the
19 Commission's Division of Economic Regulation in writing and provide a schedule of the
20 amounts charged to operating expenses for each incident exceeding \$5 million. The schedule
21 shall be filed annually by February 15 of each year for information pertaining to the previous
22 calendar year.

23 (i) If the charges to Account No. 228.1 exceed the account balance, the excess shall be
24 carried as a debit balance in Account No. 228.1 and no request for a deferral of the excess or

1 for the establishment of a regulatory asset is necessary.

2 (j) A utility may petition the Commission for the recovery of a debit balance in
3 Account No. 228.1 plus an amount to replenish the storm reserve through a surcharge,
4 securitization or other cost recovery mechanism.

5 (k) A utility shall not establish or change an annual accrual amount or a target
6 accumulated balance amount for Account No. 228.1 without prior Commission approval.

7 (l) Each utility shall file a Storm Damage Self-Insurance Reserve Study (Study) with
8 the Commission Clerk by January 15, 2011 and at least once every 5 years thereafter from the
9 submission date of the previously filed study. A Study shall be filed whenever the utility is
10 seeking a change to either the target accumulated balance or the annual accrual amount for
11 Account No. 228.1. At a minimum, the Study shall include data for determining a target
12 balance for, and the annual accrual amount to, Account No. 228.1.

13 (m) Each utility shall file a report with the Director of the Commission's Division of
14 Economic Regulation providing information concerning its efforts to obtain commercial
15 insurance for its transmission and distribution facilities and any other programs or proposals
16 that were considered. The report shall also include a summary of the amounts recorded in
17 Account 228.1. The report shall be filed annually by February 15 of each year for information
18 pertaining to the previous calendar year.

19 (2) Account No. 228.2 Accumulated Provision for Injuries and Damages.

20 (a) This account may be established to meet the probable liability, not covered by
21 insurance, for deaths or injuries to employees or others and for damages to property neither
22 owned nor held under lease by the utility. When liability for any injury or damage is admitted
23 or settled by the utility either voluntarily or because of the decision of a Court or other lawful
24 authority, such as a workman's compensation board, the admitted liability or the amount of the

1 settlement shall be charged to this account.

2 (b) Charges to this account shall be made for all losses covered. Detailed supporting
3 records of charges made to this account shall be maintained in such a way that the year the
4 event occurred which gave rise to the loss can be associated with the settlement. Recoveries
5 or reimbursements for losses charged to the account shall be credited to the account.

6 (3) Account No. 228.4 Accumulated Miscellaneous Operating Provisions.

7 (a) This account may be established for operating provisions which are not covered
8 elsewhere. This account shall be maintained in such a manner as to show the amount of each
9 separate provision established by the utility and the nature and amounts of the debits and
10 credits thereto. Each separate provision shall be identified as to purpose and the specific
11 events to be charged to the account to ensure that all such events and only those events are
12 charged to the provision accounts.

13 (b) Charges to this account shall be made for all costs or losses covered. Recoveries
14 or reimbursements for amounts charged to this account shall be credited hereto.

15 (4)(a) The provision level and annual accrual rate for each account listed in
16 subsections (1) through (3) shall be evaluated at the time of a rate proceeding and adjusted as
17 necessary. However, a utility may petition the Commission for a change in the provision level
18 and accrual outside a rate proceeding.

19 (b) If a utility elects to use any of the above listed accumulated provision accounts,
20 each and every loss or cost which is covered by the account shall be charged to that account
21 and shall not be charged directly to expenses except as provided for in paragraphs (1)(f),
22 (1)(g) and (1)(h). Charges shall be made to accumulated provision accounts regardless of the
23 balance in those accounts.

24 (c) No utility shall fund any account listed in subsections (1) through (3) unless the
25

1 Commission approves such funding. Existing funded provisions which have not been
2 approved by the Commission shall be credited by the amount of the funded balance with a
3 corresponding debit to the appropriate current asset account, resulting in an unfunded
4 provision.

5 Specific Authority 366.05(1) FS.

6 Law Implemented 350.115, 366.04(2)(a) FS.

7 History-New 3-17-88, amended _____.

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State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 31, 2006
TO: Office of General Counsel (Harris)
FROM: Division of Economic Regulation (Hewitt) *CRH KAT*
RE: Statement of Estimated Regulatory Costs for Proposed Amendments to Rule 25-6.0143, F.A.C., Use of Accumulated Prevision Accounts 228.1, 228.2, and 228.4

SUMMARY OF THE RULES

Rule 25-6.0143, F.A.C., Use of Accumulated Prevision Accounts 228.1, 228.2, and 228.4, contains the guidance to investor owned electric utilities (IOUs) for dealing with storm damage accounting issues.

The proposed rule amendments would provide IOUs with a uniform and standardized methodology to identify and charge the costs of storm damage repairs. The proposed rule amendments would also create a separate subaccount to cover storm-related damages to the utility's owned or leased property that is not covered by insurance. An Incremental Cost and Capitalization Approach methodology would be required which would exclude normal costs that would ordinarily be charged elsewhere absent a storm. Included in the proposed rule changes are: the types of storm damage restoration costs that can be charged to Account 228.1, a uniform methodology for placing storm damage costs in a separate account; costs that are expressly prohibited, including base rate recoverable costs, regular payroll, employee training, tree trimming, replenishment of materials and supply inventories, and lost revenues for services not provided; the option of charging storm-related costs as operating expenses; and a requirement for a storm damage study to be filed at least once every five years.

ESTIMATED NUMBER OF ENTITIES REQUIRED TO COMPLY AND
GENERAL DESCRIPTION OF INDIVIDUALS AFFECTED

All five electric investor owned utilities (IOUs) would be affected by the proposed rule changes.

RULE IMPLEMENTATION AND ENFORCEMENT COST AND IMPACT ON REVENUES
FOR THE AGENCY AND OTHER STATE AND LOCAL GOVERNMENT ENTITIES

The Commission would benefit because there should be less time spent litigating storm damage cost recoveries. However, there could be additional staff time required to review storm damage studies if there are more studies filed. The net cost savings is unknown. There should be no impact on agency revenues. There should be no negative impact on other state and local government entities.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES

IOUs could have reduced total costs associated with the rule because there would be fewer reasons for litigation to determine the appropriate charges to the property damage reserve. IOUs could have some additional costs if they file storm damage studies on a more frequent basis than they would without the rule change. The amount of additional costs would be determined by the cost of a study and the number of additional studies. IOUs currently track and maintain separate records of storm damage restoration costs and activities. Therefore, the IOUs should have minimal additional costs to implement the proposed methodology for determining the appropriate costs to be charged to the property damage reserve.

The main benefit would be to establish a single, consistent, and uniform methodology for determining which storm damage costs can be charged to the property damage reserve.

IMPACT ON SMALL BUSINESSES, SMALL CITIES, OR SMALL COUNTIES

The rule applies to large utility businesses but could have an indirect benefit to the unregulated small businesses, small cities, and small counties that are customers of the IOUs if there are fewer litigation costs and more efficiency in booking storm damage costs. There should be no negative impacts on small businesses, cities, or counties.

CH:kb

cc: Mary Andrews Bane
Chuck Hill
John Slemkewicz
Hurd Reeves

Exhibit not moved in the record.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 28
PARTY: OPC
DESCRIPTION: FPUC Policies and
Procedures Contractor Invoice Requirement

EXHIBIT NO. 29

DOCKET NO: 20180061-EI

WITNESS: Michael Cassel

PARTY: Florida Public Utilities Company

DESCRIPTION: Company's Response to OPC's Interrogatory No. 1

PROFFERED BY: Office of Public Counsel

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 29
PARTY: OPC
DESCRIPTION: Company response to OPC's
Interrogatory No. 1

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION


In Re: Petition for Limited Proceeding to
Recover Incremental Storm Restoration
Costs by Florida Public Utilities.

DOCKET NO. 20180061-EI

DATED: May 10, 2018

NOTICE OF SERVICE OF FLORIDA PUBLIC UTILITIES COMPANY'S
RESPONSES TO OFFICE OF PUBLIC COUNSEL'S FIRST SET OF
INTERROGATORIES (NOS. 1-41)

NOTICE IS HEREBY GIVEN that Florida Public Utilities Company ("FPUC"),
by and through its undersigned counsel, has served its Responses to Citizens' First Set of
Interrogatories to J.R. Kelly and Virginia Ponder, Office of the Public Counsel, 111 West
Madison Street, Room 812, Tallahassee, Florida 32399-1400, at Kelly.jr@leg.state.fl.us,
Ponder.Virginia@leg.state.fl.us, this May 10, 2018.



Beth Keating

Gunster, Yoakley &
Stewart, P.A. 215 S.

Monroe Street, Suite 601

Tallahassee, Florida 32301

Telephone: (850) 521-1706

Facsimile: (850) 576-0902

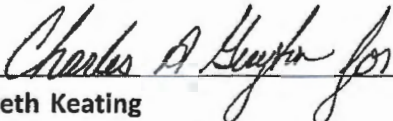
Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Notice of Service of Responses of Florida Public Utilities to Citizen's First Set of Interrogatories to the Company in the referenced docket have been served by Electronic Mail this 10th day of May, 2018, upon the following:

J.R. Kelly/Virginia Ponder
Office of the Public Counsel
c/o The Florida Legislature
111 West Madison St., Rm 812
Tallahassee, FL 32399-1400
Kelly.jr@leg.state.fl.us
Ponder.Virginia@leg.state.fl.us

Jennifer Crawford
Florida Public Service Commission
General Counsel's Office
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
jcrawfor@psc.state.fl.us



Beth Keating
Gunster, Yoakley &
Stewart, P.A. 215 S.
Monroe Street, Suite 601
Tallahassee, Florida 32301
Telephone: (850) 521-1706
Facsimile: (850) 576-0902
Attorneys for Florida Public Utilities Company

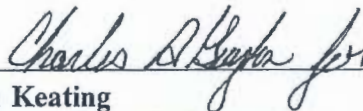
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs by Florida Public Utilities Company. || DOCKET NO. 20180061-EI

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES AND OBJECTIONS TO
OFFICE OF PUBLIC COUNSEL'S FIRST SET OF INTERROGATORIES (NOS. 1-41)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits it's Responses and Objections to the Office of Public Counsel's ("OPC") First Set of Interrogatories (Nos. 1-41) served on the Company on March 29, 2018. The individual responses and objections follow this cover sheet.

Respectfully submitted this 10th day of May, 2018, by:



Beth Keating

Gunster, Yoakley & Stewart, P.A.
215 S. Monroe Street, Suite 601
Tallahassee, Florida 32301
Telephone: (850) 521-1706
Facsimile: (850) 576-0902

Attorneys for Florida Public Utilities Company

GENERAL OBJECTIONS

1. FPUC objects to OPC's First Set of Interrogatories to the extent that any of the OPC's interrogatories seek information, data, or documents that are protected by the attorney-client privilege, the trade secret privilege, the provisions of 26 U.S.C. § 7525(a), or any other applicable privilege or protection afforded by law.
2. On the grounds that any such interrogatories are irrelevant, overly broad or vague, unduly burdensome, and oppressive, FPUC objects to each and every interrogatory seeking information from time periods prior to the historic test year as being outside the scope of this proceeding and not likely to lead to the discovery of admissible evidence in this proceeding.
3. FPUC objects to OPC's interrogatories to the extent that any requested information and documents constitute "proprietary confidential business information" as that term is defined in Chapter 366, Florida Statutes.
4. To the extent that any of the "Definitions and Instructions" in the OPC's interrogatories are inconsistent with FPUC's discovery obligations under the applicable rules, the Company objects. Furthermore, FPUC objects to any interrogatory that would require FPUC to create data or information that it otherwise does not have because there is no such requirement under the applicable rules and law.
5. The Company also objects to any interrogatories that seek information that is irrelevant and immaterial to this proceeding. Likewise, the Company objects to the extent that certain interrogatories are unnecessarily broad, and would impose an undue burden and cost upon FPUC in order to comply.
6. FPUC also objects to any definition or interrogatories that seeks information with regard to any persons or entities that are not parties to this proceeding and not subject to discovery

under the applicable rules.

7. FPUC is responding to these interrogatories based upon its good faith review of the relevant information and materials pertinent to the OPC's Interrogatories. However, at this very early stage of the proceeding, it is possible that new information may come to light that may necessitate that FPUC amend responses provided herein. As such, FPUC reserves the right to amend or update these responses should new or previously undiscovered information become available.

INTERROGATORY RESPONSES AND SPECIFIC OBJECTIONS

1. Storm Timeline. Please refer to the Company's February 28, 2018, Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs by Florida Public Utilities Company (Petition). For each storm listed on Attachment A, please provide a summary indicating when the first costs were incurred, when the majority of the mobilization began, when the storm began, the peak storm time, when the storm ended, when demobilization started, when the majority of final costs were incurred and when the final cost was incurred (i.e. when follow-up work was completed).

Company Response:

Tropical Storm Cindy

First Costs 7/28/17

Mobilization Began 6/19/17 approximately 0700 hrs.

Storm Began 6/19/17 approximately 1600 hrs.

Peak Storm Time 6/21/17 approximately 1400 hrs.

Storm Ended approximately 6/22/17 approximately 0100 hrs.

Demobilization Started 6/22/17 approximately 0200 hrs.

Last Costs 7/31/17

Tropical Storm Julia

First Costs 9/19/2016

Mobilization Began 9/13/16 approximately 0700 hrs.

Storm Began 9/13/16 approximately 2200 hrs.

Peak Storm Time 9/14/16 approximately 1300 hrs.

Storm Ended approximately 9/14/16 approximately 1000 hrs.

Demobilization Started 9/15/16 approximately 0700 hrs.

Last Costs 10/17/2016

Hurricane Hermine

First Costs 9/8/2016

Mobilization Began 9/1/16 approximately 0700 hrs.

Storm Began 9/1/16 approximately 2200 hrs.

Peak Storm Time 9/2/16 approximately 0200 hrs.

Storm Ended approximately 9/2/16 approximately 0500 hrs.

Demobilization Started 9/3/16 approximately 0700 hrs.

Last Costs 9/30/2016

Hurricane Matthew

First Costs 10/6/2016

Mobilization Began 10/6/16 approximately 1700 hrs.

Storm Began 10/7/16 approximately 1100 hrs.

Peak Storm Time 10/7/16 approximately 2235 hrs.

Storm Ended approximately 10/8/16 approximately 0800 hrs.

Demobilization Started 10/11/16 approximately 0700 hrs.

Last Costs 1/13/2017

Hurricane Irma

First Costs 9/19/2017

Mobilization Began 9/9/17 approximately 0700 hrs.

Storm Began 9/10/17 approximately 1200 hrs.

Peak Storm Time 9/11/17 approximately 0400 hrs.

Storm Ended approximately 9/11/17 approximately 1600 hrs.

Demobilization Started 9/16/17 approximately 0700 hrs.

Last Costs 1/11/2018

Blountstown/Bristol Storm

First Costs 7/10/2015

Mobilization Began 6/30/2015 approximately 930 hrs.

Storm Began 6/30/2015 approximately 900 hrs.

Peak Storm Time 6/30/2015 approximately 1530 hrs.

Storm Ended approximately 6/30/2015 approximately 1800 hrs.

Demobilization Started 7/2/2015 approximately 1300 hrs.

Last Costs 7/31/2015

Marianna Storm

First Costs 2/9/2016

Mobilization Began 2/3/2016 approximately 1230 hrs.

Storm Began 2/3/2016 approximately 1200 hrs.

Peak Storm Time 2/3/2016 approximately 1330 hrs.

Storm Ended approximately 2/3/2016 approximately 1600 hrs.

Demobilization Started 2/4/2016 approximately 1100 hrs.

Last Costs 3/31/2016

NW Storm 1/22/17

First Costs 2/1/2017

Mobilization Began 1/22/2017 approximately 1330 hrs.

Storm Began 1/22/2017 approximately 1300 hrs.

Peak Storm Time 1/22/2017 approximately 1330 hrs.

Storm Ended approximately 1/22/2017 approximately 1600 hrs.

Demobilization Started 1/25/2017 approximately 1700 hrs.

Last Costs 2/28/2017

NW Storm 2/7/17

First Costs 2/16/2017

Mobilization Began 2/7/2017 approximately 1530 hrs.

Storm Began 2/7/2017 approximately 1500 hrs.

Peak Storm Time 2/7/2017 approximately 1630 hrs.

Storm Ended approximately 2/7/2017 approximately 1930 hrs.

Demobilization Started 2/10/2017 approximately 1930 hrs.

Last Costs 3/31/2017

2. Storm Costs. Does the Company distinguish between functions and what costs are subject to recovery (i.e. distribution, transmission, etc.)? If so, please provide a summary of cost by function.

Company Response:

The Company distinguishes costs subject to recovery by establishing separate work orders but does not distinguish between functions such as distribution and transmission during a storm.

3. System. Please provide, by year, for 2015-2017, a summary of distribution miles that identifies the number of miles, the number of poles, the amount of conductor and the number of transformers by district.

Company Response:

Historically, FPUC has not kept a count of poles and transformer at each year end. As such the 2015 and 2016 numbers are estimated.

2015 Northwest District

651.3 Distribution Miles

Estimated 21,526 Poles

5,789,119 Conductor (feet)

Estimated 7,817 Transformers

EXHIBIT NO.

30

DOCKET NO: 20180061-EI

WITNESS: Michael Cassel

PARTY: Florida Public Utilities Company

DESCRIPTION: PAR Storm Crew Invoice

PROFFERED BY: Office of Public Counsel

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 30
PARTY: OPC
DESCRIPTION: PAR Storm Crew Invoice

Contractor Storm Crew Invoice

NON-EMBEDDED

Contractor Name:	PAR ELECTRICAL CONTRACTORS INC
Street Address:	4770 N. BELLEVIEW SUITE 300
City/State/Zip:	KANSAS CITY MO 64116-2188
Storm Contract Number:	4600015260

Invoice Number:	901710009
Invoice Date:	October 24, 2017
Storm Name:	HURRICANE IRMA
Work Order Number:	G/L:
Travel Team ID:	
Week Ending Sunday:	9/16/17

	Hours/Quantity	X	Rate	Receipt \$ Amount	Product ID	=	Total
Work/Standby Hours Regular	1520	X	\$ 215.52		5534	=	\$ 327,590.40
Work/Standby Hours O.T.	1542	X	\$ 290.95		5026	=	\$ 448,644.90
Mobilize/Demobilize Regular Hours	0	X	\$ 377.16		5045	=	\$ -
Mobilize/Demobilize O.T. Hours	0	X	\$ 509.17		5044	=	\$ -
Per Diems (DAILY)	0	X	\$ 35.00		5532	=	\$ -
Per Diems (MD Meals)	76	X	\$ 11.66		7043	=	\$ 885.16
Fuel	ITEMIZE ON FUEL RECEIPT DETAIL				7045	=	\$ -
MISC	ENTER TOTAL RECEIPTS ATTACHED			\$ 360.75	7057	=	\$ 360.75
Total Invoice							\$ 777,482.21

O.K. TO PAY

Invoice Received By DF on 12-4-17
(Initials) (Date)

STINV: YES | NO | NA STPR: YES | NO | NA

Received By: [Signature]

Scanned Dated: 12/4/17 PR# 596007

Contractor Storm Crew Invoice

NON-EMBEDDED

Contractor Name:

PAR ELECTRICAL CONTRACTORS INC

Street Address:

4770 N. BELLEVIEW SUITE 300

City/State/Zip:

KANSAS CITY MO 64116-2188

Storm Contract Number:

4600015260

Invoice Number:

901710008

Invoice Date:

October 24, 2017

Storm Name:

HURRICANE IRMA

Work Order Number:

G/L:

Travel Team ID:

Week Ending Sunday:

9/10/17

	Hours/Quantity	X	Rate	Receipt \$ Amount	Product ID	=	Total
Work/Standby Hours Regular	0	X	\$ 215.52		5534	=	\$
Work/Standby Hours O.T.	1216	X	\$ 290.95		5025	=	\$ 353,795.20
Mobilize/ Demobilize Regular Hours	608	X	\$ 377.16		5045	=	\$ 229,313.28
Mobilize/ Demobilize O.T. Hours	608	X	\$ 509.17		5044	=	\$ 309,575.36
Per Diem (DAILY)	0	X	\$ 35.00		5532	=	\$
Per Diem (IND Meals)	418	X	\$ 11.85		7043	=	\$ 4,873.88
Fuel	ITEMIZE ON FUEL RECEIPT DETAIL				7045	=	\$
Housing	ENTER TOTAL RECEIPTS ATTACHED				7044	=	\$ 6,558.36
MISC	ENTER TOTAL RECEIPTS ATTACHED			\$ 958.00	7057	=	\$ 958.00
Total Invoice							\$ 905,074.08

O.K. TO PAY

Invoice Received By: DP on 12-4-17
(Initials) (Date)

STINV: YES | NO | NA STPR: YES | NO | NA

Received By: DP

Scanned Date: 12/4/17 PR# 596015

Storm Crew Weekly Time Report																				Invoice Date: 24-Oct												
Storm Name: HURRICANE IRMA				Contractor: PAR ELECTRICAL CONTRACTORS INC								Work Order No: 0				Invoice Number: 901709027A																
				Storm Contract: 4600015260																												
Employee	Monday				Tuesday				Wednesday				Thursday				Friday				Saturday				Sunday				Total Regular Hours	Total O.T. Hours	Total Reg Hrs/ Overtime Hours	Total O.T. Hrs/ Overtime Hours
	Date: 9/11		Date: 9/12		Date: 9/13		Date: 9/14		Date: 9/15		Date: 9/16		Date: 9/17																			
	Work/Standby Hours	Mobile/ Demobilize	Work/Standby Hours	Mobile/ Demobilize	Work/Standby Hours	Mobile/ Demobilize	Work/Standby Hours	Mobile/ Demobilize	Work/Standby Hours	Mobile/ Demobilize	Work/Standby Hours	Mobile/ Demobilize	Work/Standby Hours	Mobile/ Demobilize																		
	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.																		
1. BERUBE, PAUL	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
2. CESAR, CORY JOHN	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
3. CRIST, OWEN	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
4. EICHHORST, JUSTIN T	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
5. FRANKS, KURT J	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
6. HARGENS, BRANDON JOHN	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
7. LUGGETT, TERRY	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
8. LYON JR, RUSSELL L	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
9. SCHROEDER, JOHN C	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
10. STEINER, JOSHUA MARTIN	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
11. WELLS, WILLIAM MIKE	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	10.00									40	42	0	0		
12.																											0	0	0	0		
13.																											0	0	0	0		
14.																											0	0	0	0		
15.																											0	0	0	0		
16.																											0	0	0	0		
17.																											0	0	0	0		
18.																											0	0	0	0		
19.																											0	0	0	0		
20.																											0	0	0	0		
Daily Total Hours	80.0	80.0	0.0	0.0	80.0	80.0	0.0	0.0	80.0	80.0	0.0	0.0	80.0	80.0	0.0	0.0	80.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	440	462	0	0		
Total DAILY Per Diems (no meals provided)																					Total DAILY				0							
Total INDIVIDUAL Meal Per Diems	22																				Total IND Meals				22							

Storm Crew Weekly Time Report																				Invoice Date: 24-Oct												
Storm Name: HURRICANE IRMA				Contractor: PAR ELECTRICAL CONTRACTORS INC				Work Order No: 0				Invoice Number: 901709027A																				
								Storm Contract: 4500015260																								
Employee	Monday				Tuesday				Wednesday				Thursday				Friday				Saturday				Sunday				Total Regular Hours	Total O.T. Hours	Total Reg. Meal Demos Hours	Total O.T. Meal Demos Hours
	Date: 9/11		Date: 9/12		Date: 9/13		Date: 9/14		Date: 9/15		Date: 9/16		Date: 9/17		Date: 9/18		Date: 9/19															
	Work/Standby Hours	Meal/Demo/Hours	Work/Standby Hours	Meal/Demo/Hours	Work/Standby Hours	Meal/Demo/Hours	Work/Standby Hours	Meal/Demo/Hours	Work/Standby Hours	Meal/Demo/Hours	Work/Standby Hours	Meal/Demo/Hours	Work/Standby Hours	Meal/Demo/Hours	Work/Standby Hours	Meal/Demo/Hours																
Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.	Reg.	O.T.					
1 BLAIR, NICHOLAS LEE	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
2 BOYLE, RONALD J	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
3 BROOKES, RONALD L	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
4 CHRISTIANSON, CHARLES	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
5 FENNEWALD, BRIAN P	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
6 FUNK, NATHAN C	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
7 GRAY, LUCAS L	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
8 GRENKO, JONATHAN BRANDON	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
9 LEYTHAM, GATLINS	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
10 READOUT, MATTHEW D	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
11 SLAMA, TRAVIS RICHARD	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
12 STEWART, LONNIE E.	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
13 WHITNEY, DENNIS A.	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
14 WOOSLEY, BEAU THOMAS	8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			8.00	8.00			40	40	0	0				
15																									0	0	0	0				
16																									0	0	0	0				
17																									0	0	0	0				
18																									0	0	0	0				
19																									0	0	0	0				
20																									0	0	0	0				
Daily Total Hours	112.0	112.0	0.0	0.0	112.0	112.0	0.0	0.0	112.0	112.0	0.0	0.0	112.0	112.0	0.0	0.0	112.0	112.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	560	560	0	0			
Total DAILY Per Diems (no meals provided)																					Total DAILY				0							
Total INDIVIDUAL Meal Per Diems	28																				Total IND Meals				28							

Classification	Symbol
General Foreman	EGF
Foreman	F
Lineman	EL
Apprentice Lineman	APP
Groundsman	G
Operator	OP

JOB TIME REPORT

PAR ELECTRICAL CONTRACTORS, INC.

Job#: 972286 P.O No. _____ Week 9/16/2017
Crew: 4

Job Name: HURRICANE IRMA

Customer's Name: FLORIDA PUBLIC UTILITIES

[illegible]

PAR ELECTRICAL CONTRACTORS, INC.

4770 NORTH BELLEVUE SUITE 300 KANSAS CITY, MO 64116

DAILY WORK REPORT

DAY	Monday	DATE	09/11/17			WORK DONE (REPORT IN DETAIL WORK PERFORMED)			
PROJECT	HURRICANE IRMA	JOB NO.	972286			Stood by until 11:30 waiting for winds to lighten up			
CREW	4			so we could cross over bridge					
WORKMEN					went to Amelia Island started to work on fixing issues on the 69 KV				
NAME	CLASS SYMBOL	HOURS							
		ST	1 1/2	2 1/2					
RON BOYLE	GF		16.0						
LUCAS GRAY	F		16.0						
BRIAN FENNEWELD	JL		16.0						
NICK BLAIR	AP		16.0		WEATHER:				
RON BROOKES	F		16.0		IMPRO:				
BEAU WOOSLY	AP		16.0		NO. OF CAPS USED				
MATT READOUT	JL		16.0		NUMBER	CLASS	HOURS	EQUIPMENT	
BRANDON GRENKO	F		16.0		PU1840	PU4	16.0		
NATE FUNK	JL		16.0		PU2398	PU4	16.0		
TRAVIS SLAMA	AP		16.0		BT514	BT2B	16.0		
CHUCK CHRISTANSON	F		16.0		DD548	DD3	16.0		
DENNIS WHITNEY	JL		16.0		PU 1838	PU4	16.0		
GATLIN LAYTHEM	AP		16.0		BT768	BT2B	16.0		
LONNIE STEWART	SUP		16.0		DD 551	DD3	16.0		
MONTGOMERY PILTLE	OP		16.0		PU2463	PU4	16.0		
			16.0		BT033	BT2B	16.0		
					DD729	DD3	16.0		
					PU 1835	PU4	16.0		
					BT 719	BT2B	16.0		
					DD718	DD3	16.0		
					REMD189		16.0		
TOTAL		0.0	240.0	0.0	RETLR340		16.0		
ACCIDENTS (NAME AND DESCRIPTION)					TLR 1702	TLR06	16.0		
NONE					PU 2629	PU4	16.0		
					PU 2738	PU4	16.0		
					TLR 1172		16.0		
LANDOWNER RELATIONS (REPORT ANY CONVERSATIONS OR COMMENTS MADE)									
NONE									
EMPLOYEES SEPARATED (USE BACK IF NECESSARY)									
NAME:									
<input type="checkbox"/> QUIT <input type="checkbox"/> TERMINATED <input type="checkbox"/> LAID OFF									
WHY:					SIGNED FOREMAN				

PAR ELECTRICAL CONTRACTORS, INC.

4770 NORTH BELLEVUE SUITE 300 KANSAS CITY, MO 64118

9/13/17
09/08/17

DAILY WORK REPORT

DAY	Wednesday	DATE	09/13/17		WORK DONE (REPORT IN DETAIL WORK PERFORMED)			
PROJECT	FLORIDA	JOB NO.	0072262B					
CREW	4	0912286		continued to work on double circuit out of sub				
WORKMEN								
NAME	CLASS SYMBOL	HOURS			crews worked on outages around town			
		ST	1 1/2 T	2 T				
RON BOYLE	GF		16.0					
LUCAS GRAY	F		16.0					
BRIAN FENNEWELD	JL		16.0					
NICK BLAIR	AP		16.0					
RON BROOKES	F		16.0		WEATHER:			
BEAU WOOSLY	AP		16.0		IMPLO: NO. OF CAPS USED			
MATT READOUT	JL		16.0		NUMBER	CLASS	HOURS	EQUIPMENT
BRANDON GRECKO	F		16.0		PU1840	PU4	16.0	
NATE FUNK	JL		16.0		PU2398	PU4	16.0	
TRAVIS SLAMA	AP		16.0		BT514	BT2B	16.0	
CHUCK CHRISTANSON	F		16.0		DD548	DD3	16.0	
DENNIS WHITNEY	JL		16.0		PU 1838	PU4	16.0	
GATLIN LAYTHEM	AP		16.0		BT768	BT2B	16.0	
LONNIE STEWART	SUP		16.0		DD 651	DD3	16.0	
MONTGOMERY PILTLE	OP		16.0		PU2463	PU4	16.0	
					BT033	BT2B	16.0	
					DD729	DD3	16.0	
					PU 1835	PU4	16.0	
					BT 719	BT2B	16.0	
					DD718	DD3	16.0	
					REMD189		16.0	
TOTAL		0.0	240.0	0.0	RETLR340		16.0	
ACCIDENTS (NAME AND DESCRIPTION)					TLR 1702	TLR06	16.0	
					PU 2629	PU4	16.0	
					PU 2738	PU4	16.0	
					TLR 1172		16.0	
LANDOWNER RELATIONS (REPORT ANY CONVERSATIONS OR COMMITMENTS MADE)								
NONE								
EMPLOYEES SEPARATED (USE BACK IF NECESSARY)								
NAME:								
<input type="checkbox"/> QUIT <input type="checkbox"/> TERMINATED <input type="checkbox"/> LAID OFF								
WHY:								
					SIGNED FOREMAN			

Chris [Signature]

4770 NORTH BELLEVIEW SUITE 300 KANSAS CITY, MO 64118

[illegible]

Classification	Symbol
General Foreman	EGF
Foreman	F
Lineman	EL
Apprentice Lineman	APP
Groundsman	G
Operator	OP

PAR ELECTRICAL CONTRACTORS, INC.

Job#: 972286
Crew: 0

P.O No. _____

Week 9/16/2017

Hurricane Irma

FLORIDA PUBLIC UTILITIES

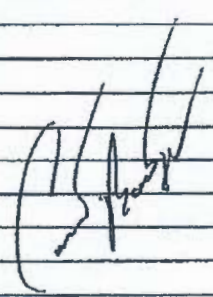
Approved F		Approved GF							Approved Supt			
	EQUIPMENT NUMBER	CLASS CODE	SUN	MON	TUES	WED	THUR	FRI	SAT	Total Hours	Rate	TOTAL
1	PU 2116		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
2	PU 2385		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
3	BT 368		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
4	DD 719		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
5	TLR 1699		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
6	PU 1851		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
7	BT 757		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
8	DD 720		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
9	PU 2252		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
10	BT 033		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
11	DD 275		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
12	TLR 1697		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
13	PU 2379		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
14	BT 760		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
15	DD 731		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
16	ST 109		16.0	16.0	16.0	16.0	16.0	16.0		96.0		
17										0.0		
18										0.0		
19										0.0		
20										0.0		
21										0.0		
22										0.0		
23										0.0		
24										0.0		
25										0.0		
26										0.0		
27										0.0		
28										0.0		
29										0.0		
30										0.0		

PAR ELECTRICAL CONTRACTORS, INC.

4770 NORTH BELLEVUE SUITE 300 KANSAS CITY, MO 64116

DAILY WORK REPORT

DAY	Monday	DATE	09/11/17			WORK DONE (REPORT IN DETAIL WORK PERFORMED)			
PROJECT	Hurricane Irma	JOB NO.	972286			Stood by until 11:30 waiting for winds to lighten up			
CREW	0			so we could cross over bridge					
WORKMEN			went to Amelia Island started to work on fixing issues on the 69 KV						
NAME	CLASS SYMBOL	HOURS							
		ST	1 1/2	2 1/2					
NATE CRIST	GF		16.0						
JEFF DEUEL	F		16.0						
DUSTIN BAUMAN	AP7		16.0						
JUAN AVALOS	AP6		16.0		WEATHER:				
JOSH BRELSFORD	F		16.0		IMPRO:				
DREW STEWART	AP7		16.0		NO. OF CAPS USED				
JOSH GIBBS	AP7		16.0		NUMBER	CLASS	HOURS	EQUIPMENT	
TRAVIS MOOK	F		16.0		PU 2116		16.0		
CALEB MILLER	AP7		16.0		PU 2385		16.0		
JAMES NAY JR.	AP4		16.0		BT 368		16.0		
DUSTIN EICK	F		16.0		DD 719		16.0		
COLLIN TROENDALE	AP7		16.0		TLR 1699		16.0		
MIKE NELSON	AP7		16.0		PU 1851		16.0		
JEFF ADAMS	OP		16.0		BT 757		16.0		
					DD 720		16.0		
					PU 2252		16.0		
					BT 033		16.0		
					DD 275		16.0		
					TLR 1697		16.0		
					PU 2379		16.0		
					BT 760		16.0		
TOTAL		0.0	224.0	0.0	DD 731		16.0		
ACCIDENTS (NAME AND DESCRIPTION)					ST 109				
NONE									
LANDOWNER RELATIONS (REPORT ANY CONVERSATIONS OR COMMITMENTS MADE)									
NONE									
EMPLOYEES SEPARATED (USE BACK IF NECESSARY)									
NAME:									
<input type="checkbox"/> QUIT <input type="checkbox"/> TERMINATED <input type="checkbox"/> LAID OFF									
WHY:									
					SIGNED FOREMAN				



PAR ELECTRICAL CONTRACTORS, INC.

4770 NORTH BELLEVUE SUITE 300 KANSAS CITY, MO 64116

DAILY WORK REPORT

DAY	Wednesday	DATE	09/13/17			WORK DONE (REPORT IN DETAIL WORK PERFORMED)			
PROJECT	Hurricane Imp	JOB NO.	972286						
CREW	0								
WORKMEN					Continued working on double circuit lines out of sub.				
NAME	CLASS SYMBOL	ST	1 1/2	2	crews started working on areas around town				
NATE CRIST	GF		16.0						
JEFF DEUEL	F		16.0						
DUSTIN BAUMAN	AP7		16.0						
JUAN AVALOS	AP6		16.0		WEATHER:				
JOSH BRELSFORD	F		16.0		IMPLE:				
DREW STEWART	AP7		16.0		NO. OF CAPS USED				
JOSH GIBBS	AP7		16.0		NUMBER	CLASS	HOURS	EQUIPMENT	
TRAVIS MOOK	F		16.0		PU 2116		16.0		
CALEB MILLER	AP7		16.0		PU 2385		16.0		
JAMES NAY JR.	AP4		16.0		BT 368		16.0		
DUSTIN EICK	F		16.0		DD 719		16.0		
COLLIN TROENDALE	AP7		16.0		TLR 1699		16.0		
MIKE NELSON	AP7		16.0		PU 1851		16.0		
JEFF ADAMS	OP		16.0		BT 767		16.0		
					DD 720		16.0		
					PU 2252		16.0		
					BT 033		16.0		
					DD 275		16.0		
					TLR 1697		16.0		
					PU 2378		16.0		
					BT 760		16.0		
TOTAL		0.0	224.0	0.0	DD 731		16.0		
ACCIDENTS (NAME AND DESCRIPTION)					ST 109		16.0		
LANDOWNER RELATIONS (REPORT ANY CONVERSATIONS OR COMMITMENTS MADE)									
NONE									
EMPLOYEES SEPARATED (USE BACK IF NECESSARY)									
NAME:									
<input type="checkbox"/> QUIT <input type="checkbox"/> TERMINATED <input type="checkbox"/> Laid OFF									
WHY:									
					SIGNED FOREMAN				

4770 NORTH BELLEVIEW SUITE 300 KANSAS CITY, MO 64118

DAY	Friday	DATE	09/15/17	WORK DONE (REPORT IN DETAIL WORK PERFORMED)				
PROJECT	Hurricane Irma	JOB NO.	972286	Finished up the last of outages and broken poles and down wires released at the end of shift				
CREW	0							
WORKMEN								
NAME	CLASS SYMBOL	HOURS						
		ST	PT	TOT				
NATE CRIST	GF		16.0					
JEFF DEUEL	F		16.0					
DUSTIN BAUMAN	AP7		16.0					
JUAN AVALOS	AP6		16.0					
JOSH BRELSFORD	F		16.0	WEATHER:				
DREW STEWART	AP7		16.0	IMPLE: NO. OF CAPS USED				
JOSH GIBBS	AP7		16.0	NUMBER	CLASS	HOURS	EQUIPMENT	
TRAVIS MOOK	F		16.0	PU 2116		16.0		
CALEB MILLER	AP7		16.0	PU 2385		16.0		
JAMES NAY JR.	AP4		16.0	BT 368		16.0		
DUSTIN EICK	F		16.0	DD 719		16.0		
COLLIN TROENDALE	AP7		16.0	TLR 1699		16.0		
MIKE NELSON	AP7		16.0	PU 1851		16.0		
JEFF ADAMS	OP		16.0	BT 757		16.0		
				DD 720		16.0		
				PU 2252		16.0		
				BT 033		16.0		
				DD 275		16.0		
				TLR 1697		16.0		
				PU 2379		16.0		
				BT 760		16.0		
TOTAL		0.0	208.0	DD 731		16.0		
ACCIDENTS (NAME AND DESCRIPTION)				ST 109		16.0		
NONE								
LANDOWNER RELATIONS (REPORT ANY CONVERSATIONS OR COMMITMENTS MADE)								
NONE								
EMPLOYEES SEPARATED (USE BACK IF NECESSARY)								
NAME:								
<input type="checkbox"/> QUIT <input type="checkbox"/> TERMINATED <input type="checkbox"/> LAID OFF								
WHY:								
				SIGNED FOREMAN				

Classification	Symbol
General Foreman	EGF
Foreman	F
Lineman	EL
Apprentice Lineman	APP
Groundsman	G
Operator	OP

PAR ELECTRICAL CONTRACTORS, INC.

Operator OP Job#: 972286 P.O No. _____ Week 9/16/2017
Crew: 0

Customer's Name:

FPU

Approved F			Approved GF							Approved Supt		
	EQUIPMENT NUMBER	CLASS CODE	SUN	MON	TUES	WED	THUR	FRI	SAT	Total Hours	Rate	TOTAL
1	PU 2236	PU4	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
2	PU 2144	PU4	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
3	BT 740	BT2B	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
4	DD 730	DD 3	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
5	PU 2196	PU4	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
6	DD 717	DD3	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
7	BT 758	BT2B	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
8	DD 834	DD3	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
9	BT 776	BT2B	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
10	PU 2198	PU4	16.0	16.0	16.0	16.0	16.0	16.0		96.0		
11										0.0		
12										0.0		
13										0.0		
14										0.0		
15										0.0		
16										0.0		
17										0.0		
18										0.0		
19										0.0		
20										0.0		
21										0.0		
22										0.0		
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25										0.0		
26										0.0		
27										0.0		
28										0.0		
29										0.0		
30										0.0		

4770 NORTH BELLEVIEW SUITE 300 KANSAS CITY, MO 64116

DAY	Monday	DATE	09/11/17			WORK DONE (REPORT IN DETAIL WORK PERFORMED)			
PROJECT	Hurricane IRMA		JOB NO.	872286		Stood by until 11:30 waiting for winds to lighten up			
CREW	0				so we could cross over bridge				
WORKMEN						went to Amelia Island started to work on fixing issues on the 69 KV			
NAME	CLASS SYMBOL	HOURS			ST	1 1/2 T	2T		
John Schroeder	GF		16.0						
Paul Berube	FM		16.0						
Mike Wells	JL		16.0						
Cory Ceaser	AP 6		16.0						
Terry Ligget	FM		16.0						
Justin Eichorst	JL		16.0						
Josh Steiner	AP 6		16.0						
Russ Lyon	FM		16.0						
Kurt Franks	JL		16.0						
Owen Christ	AP7		16.0						
Brandon Hargens	AP1		16.0						
TOTAL						0.0	176.0	0.0	
ACCIDENTS (NAME AND DESCRIPTION)									
NONE									
LANDOWNER RELATIONS (REPORT ANY CONVERSATIONS OR COMMENTS MADE)									
NONE									
EMPLOYEES SEPARATED (USE BACK IF NECESSARY)									
NAME:									
<input type="checkbox"/> QUIT <input type="checkbox"/> TERMINATED <input type="checkbox"/> LAID OFF									
WHY:									
SIGNED FOREMAN									

4770 NORTH BELLEVIEW SUITE 300 KANSAS CITY, MO 64116

[illegible]

4770 NORTH BELLEVIEW SUITE 300 KANSAS CITY, MO 64116

DAY	Friday	DATE	09/15/17	
PROJECT		Hurricane IRMA	JOB NO. 972286	
CREW		0		
WORKMEN				
NAME	CLASS SYMBOL	HOURS		
		ST	1 1/2 T	2T
John Schroeder	GF		16.0	2
Paul Berube	FM		16.0	2
Mike Wells	JL		16.0	2
Cory Ceaser	AP 6		16.0	2
Terry Ligget	FM		16.0	2
Justin Eichorst	JL		16.0	2
Josh Steiner	AP 6		16.0	2
Russ Lyon	FM		16.0	2
Kurt Franks	JL		16.0	2
Owen Christ	AP7		16.0	2
Brandon Hargens	AP1		16.0	2
TOTAL		0.0	176.0	22.0 0.0
ACCIDENTS (NAME AND DESCRIPTION)				
NONE				
LANDOWNER RELATIONS (REPORT ANY CONVERSATIONS OR COMMITMENTS MADE)				
NONE				
EMPLOYEES SEPARATED (USE BACK IF NECESSARY)				
NAME:				
<input type="checkbox"/> QUIT <input type="checkbox"/> TERMINATED <input type="checkbox"/> LAID OFF				
WHY:				
SIGNED FOREMAN				

Exhibit not moved in the record.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 31
PARTY: OPC
DESCRIPTION: OPC's Hourly Rate
Comparison and DH Elliot Rate Sheet

EXHIBIT NO.

32

DOCKET NO: 20180061-EI

WITNESS: Mark Cutshaw

PARTY: Florida Public Utilities Company

DESCRIPTION: Company's Response to OPC's Interrogatory 4-68

PROFFERED BY: Office of Public Counsel

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 32
PARTY: OPC
DESCRIPTION: Company response to OPC's
Interrogatory Nos. 4-68

68. Please refer to the Company's response to Citizens' POD 1-6. For the Par Electric invoice number 901710008, please explain the mobilization/demobilization rate differences, whether the rate was agreed to prior to Par Electric being contracted with, and why the rate was considered reasonable.

Company Response:

Par Electric Contracting was allocated to FPUC through the Southeastern Electric Exchange (SEE) mutual assistance process for Hurricane Irma. The SEE process dictates that when the Utility requests outside resources to assist in restoration efforts, the Utility agrees to start paying for the assigned Contractor at that time. This is done to assure there is no delays in getting resources to the affected Utility as quickly as possible. In general, responding SEE Companies and Contractors rely on each other to charge reasonable rates that only cover actual costs. Because speed of deployment is essential, we have not required responding outside resources to provide rates for approval prior to mobilizing.

Par Electric Contracting was originally assigned to Florida Power & Light under existing Contract rates. Only after the Par Crews started traveling to Florida from Des Moines did they get reassigned to FPUC utilizing the same FP&L rates.

Par explained the higher rate during mobilization/demobilization when compared to their standard rate was due to some extreme costs they have incurred while responding to other storm areas and that all the Utilities they assisted after Hurricane Irma were charged these same rates.

Respondent: Drane "Buddy" Shelley

EXHIBIT NO. 33

DOCKET NO: 20180061-EI

WITNESS: Mark Cutshaw

PARTY: FPUC

DESCRIPTION:

Southeastern Electric Exchange – 2016 Mutual Assistance Procedures and Guidelines

PROFFERED BY: FPUC

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20180061-EI EXHIBIT: 33
PARTY: FPUC
DESCRIPTION: So Electric Exchange 2016
Manual Assistance Procedure & Guidelines



Southeastern Electric Exchange

2016 Mutual Assistance Procedures and Guidelines

Reviewed April 2016

As directed by the Board of Directors of Southeastern Electric Exchange, the Mutual Assistance Committee has developed and accepted the following procedures to provide and request assistance to aid in restoring electric service when it has been disrupted and cannot be restored in a safe and timely manner by the affected company or companies alone. In approaching this task, committee members recognized the significant differences between work performed under normal circumstances and emergency restoration, as well as the fact that each member will at some time both require and supply emergency assistance. Therefore, members have reached understanding and agreement to adhere to the procedures and guidelines that follow without the necessity of formal contractual arrangements.

The Mutual Assistance Procedures and Guidelines Subcommittee shall have responsibility for maintenance, annual review and revision of the *Southeastern Electric Exchange Mutual Assistance Procedures and Guidelines*. Final acceptance of this document, as well as any future modifications, must be approved by $\frac{3}{4}$ of the appointed and serving members of the S.E.E. Mutual Assistance Committee, each operating member company having one (1) vote.

Section I

Understanding Among Members Regarding Mutual Assistance

1. Members of Southeastern Electric Exchange understand and agree:

- 1.1 That members will work together to minimize risk to all parties. Responding Companies will provide assistance (personnel and equipment) on a not-for-profit basis, and Requesting Companies will reimburse Responding Companies for all expenses incurred in providing the assistance. ¹
- 1.2 To adhere to and operate in accordance with the procedures contained in this document (the *Southeastern Electric Exchange Mutual Assistance Procedures and Guidelines*).
- 1.3 That should there be any conflict in procedures and guidelines contained in the *S.E.E. Mutual Assistance Procedures and Guidelines* and other regional or national mutual assistance agreements, guidelines, principles, or procedures, S.E.E. members will adhere to the procedures approved by the S.E.E. Mutual Assistance Committee when assisting or requesting assistance from fellow members through the Joint Mobilization Conference Call Procedure outlined in this document.

1. In this document the terms Responding Company and Requesting Company refers to both the company and its employees.

Section II

General Guidelines / Responsibilities

2. Personnel Safety

- 2.1 Whether providing or receiving assistance, personnel safety will be the preeminent objective and responsibility of all participants.
- 2.2 The Requesting Company agrees to make every effort to avoid moving Responding Company personnel into harms way.
- 2.3 Responding Company will follow its own safety rules, except as noted in paragraphs 2.6 and 2.7 below.
- 2.4 Responding Company is responsible for following its own personal protective grounding practices.
- 2.5 Responding Company will immediately report any and all accidents to Requesting Company (both incidence and injury).
- 2.6 Switching procedures will be handled as the Requesting Company designates, provided that the procedures do not violate the safety rules of the Responding Company.
- 2.7 Requesting Company will provide information on their switching and tagging rules. Requesting Company switching/blocking tags will be used.
- 2.8 Security personnel requirements shall be discussed and mutually agreed upon by the Requesting and Responding Companies prior to deployment of armed security personnel.
- 2.9 Any deployment of "Security Personnel" – armed or otherwise – must comply with Federal, State, and Local regulations.

3. Maintenance of Contact Roster

- 3.1 In order to facilitate efficient communication and response, S.E.E. member utilities will share the following information:
 - The names, contact numbers (work phone, home phone, cellular phone, and pager), and e-mail addresses for three (3) individuals authorized to participate in Joint Mobilization Conference Calls.
 - If available, the telephone number for the 24-hour operations / dispatch center for the member company.
 - If available, a satellite telephone number for the 24-hour storm or operations / dispatch center.
 - If available, a corporate storm / emergency center 24-hour telephone number, if different from the 24-hour operations / dispatch telephone number.
- 3.2 The Southeastern Electric Exchange office will be responsible for maintaining and updating the Member Company Contact Roster at least every three months.

4. Code of Conduct

- 4.1 Whether providing or receiving assistance, all personnel will be expected to conduct themselves in a professional and responsible manner.

5. Communication With Contractors

- 5.1 Members understand the need for clear communication with contractors working on their systems and are encouraged to explain the joint mobilization process discussed in this document.

6. Definition of Emergency Assistance Period

- 6.1 Members agree that the emergency assistance period shall commence when personnel and/or equipment expenses are initially incurred by the Responding Company in response to the Requesting Company's needs. This includes any request for the Responding Company to prepare its employees and/or equipment for travel to the Requesting Company's location but to await further instructions before departing. This preparation time should begin when normal work activities for Responding Company stop and preparations dedicated to supporting the off system effort begin. Except as noted in paragraph 6.3, the emergency assistance period shall terminate when such employees and/or equipment have returned to their point of origin and after a reasonable time required preparing the equipment for return to normal activities (e.g. cleaning trucks, restocking minor materials, etc.).
- 6.2 The length of stay by Responding Company personnel will be mutually agreed to by both companies. Generally, this period should not exceed 14 consecutive days, including travel time to the work area and return to the point of origin. When mutual assistance assignments go beyond this time frame, S.E.E. members agree that Responding Company personnel will usually be changed out (rotated) rather than take extended reset periods (days off). Responding and Requesting companies may agree upon exceptions to this procedure.
- 6.3 It is understood and agreed that if Responding Company's or its Holding Company's system is threatened during any time after it has mobilized to provide mutual assistance, any part or all of the Responding Company's native and contract workforce may be recalled. In these instances:
- It is understood and agreed that the decision to terminate assistance and recall employees lies solely with the Responding Company.
 - If recall of Responding Company's workforce becomes necessary, the Requesting Company will be responsible for all expenses incurred by Responding Company until the Responding Company returns home and vehicles are cleaned and stocked for normal work activities.
 - If Responding Company's workforce is recalled to another of the Responding Company's locations other than their original point of origin, the Requesting Company will be responsible for travel costs to the alternate location not to exceed that which would have been incurred had the workforce returned to their original point of origin.

Section III

The Joint Mobilization Conference Call Procedure

7. Purpose and Rationale for Joint Mobilization Call Procedures

- 7.1 The following procedures are intended to enhance and in no way hamper the mobilization goals of member companies during emergencies.
- 7.2 Because response time is critical in emergency situations, the Joint Mobilization Conference Call provides a mechanism that allows members to quickly request assistance and identify the number and status of all available regional resources.
- 7.3 The conference call format should:
 - Provide members with the opportunity to understand the entire scope of the emergency situation, including the number of companies expecting to be impacted and the potential damage to each.
 - Allow members to discuss and evaluate weather forecasts from different sources.
 - Result in the most efficient, effective and equitable allocation of available resources while mitigating the financial risk associated with early mobilization of resources.

8. Agreement / Understanding – Joint Mobilization Procedures

- 8.1 Members agree to adhere to the procedures contained in this section to request, identify and mobilize emergency mutual assistance resources. The understood exception being when an event impacts a single member utility and the impacted utility anticipates a short restoration time requiring assistance from only neighboring (adjacent) utilities. In this instance, the impacted member may contact neighboring utilities directly to arrange assistance after contacting S.E.E., and after determining that other member utilities are not impacted or requesting. However, because emergency events tend to expand and impact more than one utility over time, members are encouraged to use the Joint Mobilization Conference Call procedures described below for all mutual assistance requests.
- 8.2 Members understand and agree that participation on Joint Mobilization Conference Calls is restricted to employees of member companies of Southeastern Electric Exchange, unless otherwise agreed by members of the Mutual Assistance Committee.
- 8.3 Members understand that conversations between member utilities during Joint Mobilization Conference Calls may be confidential and proprietary. Therefore, with the exception of general deployment data / information, members agree not to share or release any information shared between member utilities during Joint Mobilization Conference Calls unless mutually agreed.

9. Initiation of the Joint Mobilization Conference Call

- 9.1 Typically, the member that expects to be impacted first by an event will initiate the conference call.
- 9.2 Members agree to initiate a joint mobilization conference call anytime they experience or are threatened by an event so significant that they anticipate needing resources beyond the capabilities of their neighboring (adjacent) utilities to restore their system and are ready to commit to mobilize and incur expenses for the resources acquired on the call.
- 9.3 Procedure for initiating the conference call:
 - During normal business hours, the initiating member will notify any S.E.E. staff member (phone number 404-233-1188) that they wish to hold a conference call for storm response, give the staff member the toll-free conference call number, date, and time for the call (specifying time zone). S.E.E. will contact all members via e-mail, providing conference call information and confirm all members' participation. After every call, S.E.E. will send out an e-mail providing a summary of the conference call discussion.
 - After normal working hours and on weekends, members initiate the call by contacting the Executive Director of S.E.E. or S.E.E. Coordinator as described in Section 13, at home or on his/her cell phone. The Executive Director will contact members as described above. If the S.E.E. Executive Director cannot be reached, the initiating member will use the S.E.E. Mutual Assistance Contact Roster to contact members directly.

10. Responsibilities of Company Initiating Conference Call

- 10.1 The company initiating the conference call will designate an individual to serve as moderator for the conference call. In most cases, the Executive Director of S.E.E. will serve as moderator. The moderator will:
 - Call the roll of member companies.
 - Present the weather forecast for his / her company service territory. At their discretion, the initiating company may have a weather consultant present the current forecast.
 - Ask other members for input regarding the weather forecast / predictions.
 - Present an estimate of predicted impact / damages and when these are expected to occur. If the event is large enough to impact more than one member's service territory, the moderator will ask other members for their projected damage assessments.
 - Present an estimate of resources needed. If the event is large enough to impact more than one member's service territory, the moderator will ask other members for their projected resource needs.
 - By roll call, ask all non-impacted members to state the numbers of resources available to assist once their territories are no longer threatened.
 - When appropriate, the moderator will lead discussion of staging areas to be used by assisting companies; transportation concerns, such as evacuation orders, fuel availability, DOT exemptions, etc.; and, the availability of non-member resources that may be available to assist impacted members.
 - Keep the call moving and minimize the length of the call as much as possible.
 - If requested, notify non-S.E.E. member companies as appropriate.
 - Set the date and time for future conference calls.

11. Responsibilities of Non-Initiating Members Participating In Conference Calls

- 11.1 Members agree not to release or dispatch ANY resources (contract or native) unless committed to and confirmed by a Requesting Company. It is understood that Responding Companies' territories must be free from significant threat before resources can be committed and dispatched.
- 11.2 On the first Joint Mobilization Conference Call, non-threatened / non-impacted members will be prepared to specify the numbers of their employee and contractor distribution line, transmission line, vegetation management, and damage assessment personnel available to assist impacted companies, including an estimate of when these resources can be dispatched. If Requesting Companies identify needs in other areas (such as IT, safety, etc.), assisting members will be given time (usually 24 hours) to identify available resources in these additional areas.
- 11.3 To enhance safety and flexibility, upon request non-threatened / non-impacted members will be prepared to identify staging areas available in their territories.
- 11.4 Upon request non-threatened / non-impacted members will assist with DOT exemptions for crews traveling through their service territories.

12. Resource Allocation and Mobilization

- 12.1 When more than one company has requested emergency assistance, all members understand and agree that it is the responsibility of the Requesting Companies to agree upon the allocation of available first wave and subsequent member company resources.
- 12.2 Members agree that, in general, resources will be allocated on the basis of severity of need, based on:
 - Predicted impact – percentage / degree of system loss and estimated time customers will have been without power.
 - Storm timing – which company will be first impacted.
 - Travel time.
 - Availability of other non-S.E.E. member controlled resources.
 - The intent will be to allocate available resources to meet all member company needs in the most efficient and equitable manner possible.
- 12.3 Members agree that final dispatch of committed resources is to be coordinated directly between the Requesting Company and the Responding Company (or its contractor(s), where applicable).

13. Responsibilities of S.E.E. Coordinator

- 13.1 The Southeastern Electric Exchange coordinator, (usually the Executive or Assistant Director), will be responsible for notifying members of Joint Mobilization Conference Calls in accordance with paragraph 9.3.

- 13.2 The Southeastern Electric Exchange coordinator will be responsible for producing and distributing conference call summary notes including the S.E.E. Resource Summary spreadsheet after each conference call.
- 13.3 When more than one company has requested emergency assistance, the Southeastern Electric Exchange coordinator will serve as moderator of conference calls between impacted companies on which Requesting Companies will agree upon the allocation of available first wave S.E.E. resources.
- 13.4 As agreed by EEI's EP/MA Executive Committee, Southeastern Electric Exchange Coordinator will be responsible for developing and sending a high-level communication to regional mutual assistance groups informing them that a joint mobilization call was conducted by S.E.E.

Section IV

Requesting Company Responsibilities

14. Requesting Company – Responsibilities Prior to Mobilization

- 14.1 To the extent possible, the Requesting Company is expected to clearly communicate the degree of devastation and working conditions Responding Company personnel should expect to encounter upon arrival at the emergency restoration work area.
- 14.2 The Requesting Company is expected to inform the Responding Company if their requirements for the maintenance of receipts differ from the procedures stated in paragraph 19.5.
- 14.3 To facilitate communications, the Requesting Company may opt to provide a single point of contact (Coordinator) to interact with the Responding Company.
- 14.4 The Requesting Company will provide the Responding Company with the name and contact information for their "company contact" as required on the RESPONDING COMPANY INITIAL INFORMATION SHEET before Responding Company personnel leave their point of origin.
- 14.5 Requesting Company will coordinate with their state DOT officials concerning emergency exemptions and any other transportation issues that will facilitate the Responding Company's trip to and from the Requesting Company.
- 14.6 The Requesting Company is encouraged to communicate general guidelines with Responding Companies. Items covered may include labor contractual issues, safety issues, contact personnel, vehicle fueling arrangements, typical standard construction, meal and lodging arrangements, and other items that will be of benefit to the responding personnel and their supervision.

15. Requesting Company – Responsibilities During Emergency Assistance Period

- 15.1 The Requesting Company will establish expectations for work, including start time and duration.

- 15.2 The Requesting Company will provide materials unless specifically noted otherwise.
- 15.3 When necessary, the Requesting Company will provide a guide with communications capability, portable radios or cellular telephones to assist responding team leaders.
- 15.4 The Requesting Company will authorize Responding Company to use cellular phones as a method of communication. Where cellular service is unavailable, it is understood that satellite phones may be used until such time that cellular service is restored in the Requesting Company's area.
- 15.5 The Requesting Company will provide vehicle security for parking areas unless specifically agreed otherwise.
- 15.6 With the exception of fuel, food and lodging during travel to and from the final work site, the Requesting Company will handle fuel all food, lodging and incidental support needed by Responding Company unless both companies agree for Responding Company to handle these logistics.
- 15.7 Requesting and Responding companies should agree on the provision of laundry services.
- 15.8 Requesting Company understands that the Responding Company will not incur hotel-related expenses other than lodging, unless agreed to by the Requesting Company prior to their occurrence. For example, phone calls made from rooms, room service, in-room movies, mini bar usage, etc. should not be incurred.

16. Requesting Company - Procedures for Releasing Responding Companies

- 16.1 During emergencies impacting more than one member company simultaneously, each Requesting Company will develop and send the S.E.E. coordinator a proposed "Release Schedule" 48-hours before releasing any contract or utility (members & non-member) crews. This release schedule will include: Names of utilities and contractors to be released, the numbers and specialty (distribution line, transmission line, vegetation, etc.) of workers from each utility and / or contractor being released, the on-site contact or the coordinator of the crews being released, and the date and approximate time the crews expect to be released.
- 16.2 During emergencies when Responding Company contract and / or utility resources are already deployed and working to provide restoration help to one member company and another member company (or companies) is impacted by another emergency, or, in the case of hurricanes, a second landfall of the storm, the company that obtained help first agrees to:
 - NOT retain personnel solely to perform maintenance, street lighting work, or clean up type work and will aggressively work to release personnel.
 - Immediately prepare a release schedule which includes details listed in paragraph 16.1 above, including projected release dates.
 - Provide realistic estimated restoration times and release dates to the SEE coordinator for dissemination to the second Requesting Company (or companies). Since this could mean the difference in going days away or waiting on resources closer that may become available, it is essential that release dates be as accurate as possible. **Note: Should the emergency situation described above develop before a Responding**

Company personnel arrive at the initial restoration area, these resources will be reallocated to Requesting Companies in accordance with the provisions of Section 12 and paragraph 17.3 of these procedures and guidelines.

- 16.3 In the emergency situation described in paragraph 16.2 above, the initial and secondarily impacted companies agree to:
- Immediately hold an "impacted companies" conference call to negotiate reallocation of the resources on the release schedule developed by the first impacted company as well as any other resources not already committed.
 - Regarding personnel released by the first impacted company, secondary Requesting Companies will contact the resources (companies) allocated to them to determine if those persons will agree to re-deploy or be changed out (rotated) in accordance with paragraph 6.2.
- 16.4 In all emergency situations, the Requesting Company will make every effort to notify each Responding Company's mutual assistance contact 24-hours in advance of the anticipated final release of their utility personnel.

17. Requesting Company – Responsibility for Reimbursement of Expenses And Indemnification of Responding Company

- 17.1 Members understand and agree that the provision of emergency mutual assistance is a not-for-profit endeavor for Responding Companies. Therefore, the Requesting Company will reimburse all costs and expenses incurred by the Responding Company in the provision of the emergency assistance for the entire emergency assistance period as defined in paragraph 6 above.
- 17.2 If Responding Company resources are released after mobilization but before being utilized, the Requesting Company will reimburse Responding Company for all incurred preparation and travel expenses including reasonable time required to prepare the equipment for return to normal activities after returning to their point of origin.
- 17.3 During emergencies impacting more than one member, Responding Company resources may be re-assigned either: en route to the Requesting Company; at an initial staging area before reaching the Requesting Company; or at the Responding Company's final staging area. Additionally, resources may be assigned to assist a second Requesting Company after completing work for the initial Requesting Company. **Note:** In any of these instances, unless otherwise mutually agreed, the utility that receives the re-assigned Responding Company resources will be responsible for all Responding Company costs from the time of re-assignment.
- 17.4 Requesting Company will reimburse members for expenses incurred in the provision and management of interim staging areas (i.e. labor and miscellaneous expenses provided by the host utility to operate the staging area, but not including any Responding Company crew costs). In emergencies involving more than one Requesting Company, staging costs will be shared by Requesting Companies on a prorated basis based on the resources committed to each entering (logged into) the staging site.

- 17.5 Provided proper supporting documentation is included, the Requesting Company will pay all (preliminary and final) invoice(s) from Responding Company within 60 calendar days after receipt of invoice(s).
- 17.6 Requesting Company shall indemnify and hold Responding Company harmless from and against any and all liability for loss, damage, cost or expense which Responding Company may incur by reason of bodily injury, including death, to any person or persons or by reason of damage to or destruction of any property, including the loss of use thereof, which result from furnishing emergency assistance and whether or not due in whole or in part to any act, omission, or negligence of Responding Company except to the extent that such death or injury to person, or damage to property, is caused by the willful or wanton misconduct and/or gross negligence of the Responding Company. Where payments are made by Responding Company under a worker's compensation or disability benefits law or any similar law for bodily injury or death resulting from furnishing emergency assistance, Requesting Company shall reimburse the Responding Company for such payments, except to the extent that such bodily injury or death is caused by the willful or wanton misconduct and/or gross negligence of the Responding Company.
- 17.7 In the event any claim or demand is made or suit or action is filed against Responding Company alleging liability for which Requesting Company shall indemnify and hold harmless Responding Company under paragraph (17.6) above, Responding Company shall promptly notify Requesting Company thereof, and Requesting Company, at its sole cost and expense, shall settle, compromise or defend the same in such manner as it in its sole discretion deems necessary or prudent.

Section V

Responding Company – Procedures / Responsibilities

18. Responding Company – Responsibilities Prior to Mobilization

- 18.1 To the extent possible, the Responding Company is expected to clearly communicate the degree of devastation and working conditions that their responding employees should expect to encounter upon arrival at the emergency restoration work area.
- 18.2 To facilitate communications, the Responding Company may opt to provide a single point of contact (Coordinator) to interact with the Requesting Company.
- 18.3 Responding Company will complete and forward the *RESPONDING COMPANY INITIAL INFORMATION SHEET* before departing their home location.
- 18.4 If requested, Responding Company will provide a copy of completed *PERSONNEL LISTING FORM* as soon as the information becomes available.
- 18.5 Responding Company's telecommunications personnel shall contact Requesting Company's telecommunications personnel and local FCC authorities to make any temporary telecommunications arrangements.
- 18.6 Responding Company agrees not to load extra emergency stock on trucks unless specifically requested by the Requesting Company.

18.7 When Responding Company's available contractor resources have been allocated to a Requesting Company through the Joint Mobilization Conference Call procedures, the Responding Company will:

- Provide Requesting Company with contact information for their on-site contractors.
- Alert their contractors that their assistance has been requested and that they will be contacted by the Requesting Company.
- Give their contractors the Requesting Company contact information.
- Encourage their contractors to respond to the S.E.E. member's request for help with all contract crews being released from the Responding Company's work site.

19. Responding Company – Responsibilities During Emergency Assistance Period

19.1 Responding Company will handle all communication needs within their teams. This could include acquiring additional communications equipment, such as portable repeaters, to ensure continuous communication capabilities.

19.2 The Responding Company will be responsible for performing normal maintenance on their vehicles and equipment during the emergency assistance period and this work will be covered in their standard hourly/daily rates.

19.3 Responding Company will maintain daily records of time and expenses for personnel and equipment. This documentation will be provided with their preliminary invoice.

19.4 When the Requesting Company has provided specific guidance in advance that differs from that in paragraph 19.5, the Responding Company will maintain and furnish the requested documentation of expenses with their preliminary invoice.

19.5 Unless otherwise agreed prior to mobilization, members agree that Responding companies will maintain and furnish upon request receipts for all individual expenses / purchases made during the emergency assistance period in accordance with the IRS requirements in effect at the time assistance is requested.

20. Responding Company – Responsibilities End Of Emergency Assistance Period

20.1 Responding Company should submit their "preliminary invoice" to Requesting Company within 60 calendar days from date released by the Requesting Company. Responding Company will provide supporting documentation at the time the preliminary invoice is mailed. Requesting Utility should receive final invoice within 90 calendar days from invoice date of preliminary invoice. An *S.E.E. INVOICE COVER SHEET* shall be included with the Responding Company's billing package.

20.2 Responding Companies agree to maintain auditable records of billed expenses for emergency mutual assistance sufficient to satisfy the legal / statutory requirements and obligations incumbent upon the Requesting Company.

Section VI
National Response Event – Procedures and Responsibilities

21. National Response Event and Resource Allocation Management Program for Utility Personnel

21.1 Members understand and have agreed that at the time a National Response Event (NRE) has been activated, that S.E.E.'s available resources will become included in a national pool of resources available, as outlined in the EEI NRE Playbook.

- Members understand that resources may be assigned to a regional group other than S.E.E., even if S.E.E. is engaged in the restoration of an event.

21.2 During a NRE, it is expected that S.E.E. will utilize the Resource Allocation Management Program for Utility Personnel (RAMP-UP) tool developed for EEI members in support of the allocation of resources.

21.3 Responsibilities of Members

- Members will be responsible for establishing and maintaining their own list of company representatives assigned to access RAMP-UP (up to 10 concurrent users per company).
- This responsibility includes: designating the level of access required as designed and defined within RAMP-UP;
- and notifying S.E.E.'s National Mutual Assistance Response Team (NMART) Representatives whenever a change is made to their designated RAMP-UP users.
- As outlined in the RAMP-UP User Guide, members will be responsible for entering their company's resource requests and resources available whenever the use of RAMP-UP is activated in response to a joint mobilization request.

21.4 Responsibilities of Designated NMART Representatives

- Designated NMART Representatives includes: S.E.E.'s Executive Director, Director and two member company representatives.
- Designated NMART Representatives are responsible for maintaining designated S.E.E. member RAMP-UP users in RAMP-UP.
- Designated NMART Representatives are responsible for administering the functional use of RAMP-UP during a joint mobilization event.

Attachments:

Attachment I – Joint Mobilization Conference Call Outline

Attachment II – Responding Company Initial Information Sheet

Attachment III – Emergency Assistance Personnel Listing Form

Attachment IV – S.E.E. Invoice Cover Sheet

Appendix 1: S.E.E. Mutual Assistance Procedures and Guidelines – Revision History

Date	Description	Author
05/31/2016	Page 5: Modified 9.3 to include the addition of “or S.E.E. Coordinator as described in Section 13,” at home or on his”/her.” In addition, added “Executive” to Director in the final two sentences of 9.3. <u>Previous language:</u> After normal working hours and on weekends, members initiate the call by contacting the Executive Director of S.E.E., at home or on his cell phone. The Director will contact members as described above. If the S.E.E. Director cannot be reached, the initiating member will use the S.E.E. Mutual Assistance Contact Roster to contact members directly.	Kevin Hall per Committee Vote
05/31/2016	Page 5: Modified 10.1 to include the addition of “In most cases, the Executive Director of S.E.E. will serve as moderator.” <u>Previous language:</u> The company initiating the conference call will designate an individual to serve as moderator for the conference call. The moderator will:	Kevin Hall per Committee Vote
05/31/2016	Page 5: Modified 10.1(9) with the placement of new language “member companies as appropriate.” <u>Previous language:</u> If requested, notify non-S.E.E. members via the EEI Restore Power list serve.	Guidelines Subcommittee per Committee Vote
05/31/2016	Page 7: Added new language: “13.4 As agreed by EEI’s EP/MA Executive Committee, Southeastern Electric Exchange Coordinator will be responsible for developing and sending a high-level communication to regional mutual assistance groups informing them that a joint mobilization call was conducted by S.E.E.” <u>Previous language:</u> None	Guidelines Subcommittee per Committee Vote
05/31/2016	Page 8: Modified 15.6 to include “fuel” with food, and lodging. <u>Previous language:</u> With the exception of food and lodging during travel to and from the final work site, the Requesting Company will handle all food, lodging and incidental support needed by Responding Company unless both companies agree for Responding Company to handle these logistics.	David Bynum per Committee Vote
05/31/2016	Page 10: Renumbered a duplicated 17.6 to “17.7.” <u>Previous language:</u> 17.6	Scott Smith per Committee Vote
05/31/2016	New Page 11: Added new Section VI, 21.1 to 21.4 as recognition of NRE and RAMP-UP. Covered responsibilities of members and NMART. <u>Previous language:</u> None	Scott Smith per Committee Vote

Appendix 1: S.E.E. Mutual Assistance Procedures and Guidelines – Revision History cont'd

05/29/2015	Page 2: Modified 2.2 to exclude "the initial, first-wave." <u>Previous language:</u> The Requesting Company agrees to make every effort to avoid moving Responding Company personnel into harm's way during the initial, first-wave mobilization.	Dave Callahan per Committee Vote
05/29/2015	Page 4: Modified 8.1 to include "In this instance, the impacted member may contact neighboring utilities directly to arrange assistance after contacting S.E.E., and after determining that other member utilities are not impacted or requesting." <u>Previous language:</u> In this instance, the impacted member may contact neighboring utilities directly to arrange assistance.	Dave Callahan per Committee Vote
05/29/2015	Page 5: Modified 9.2 to include "joint mobilization" and "and are ready to commit to mobilize and incur expenses for the resources acquired on the call." <u>Previous language:</u> Members agree to initiate a conference call anytime they experience or are threatened by an event so significant that they anticipate needing resources beyond the capabilities of their neighboring (adjacent) utilities to restore their system	Dave Callahan per Committee Vote
11/12/2014	Page 1: Preface, 2 nd paragraph, added recognition of Guidelines Subcommittee and function.	Scott Smith per Committee Vote
11/12/2014	Page 8: Section IV, deleted former paragraph 15.8 which required Requesting Company to make provisions for personal long distance telephone calls and provide pre-paid long-distance calling cards.	Scott Smith per Committee Vote
11/12/2014	Page 10: Section V, deleted former paragraph 18.6 which required Requesting Company to make provisions for personal long distance telephone calls and provide pre-paid long-distance calling cards (15.8).	Scott Smith per Committee Vote
11/12/2014	Appendix 1 - Page 12: Added Revision History table to S.E.E. Mutual Assistance Procedures and Guidelines.	Scott Smith per Committee
11/12/2014	Added reviewed date to page 1 and revised date to footer, all pages.	Scott Smith per Committee