

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for limited proceeding to include reliability and modernization projects in rate base, by Florida Public Utilities Company.	DOCKET NO. 20170150-EI ORDER NO. PSC-2017-0488-PAA-EI ISSUED: December 26, 2017
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The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman  
ART GRAHAM  
RONALD A. BRISÉ  
DONALD J. POLMANN  
GARY F. CLARK

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING STIPULATION AND SETTLEMENT AGREEMENT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

CASE BACKGROUND

Florida Public Utility Company (FPUC or Utility) serves more than 32,000 customers located in North Florida. FPUC's Northwest Division serves Jackson, Calhoun and Liberty counties, and is commonly called the "Marianna Division." The Utility's Northeast Division is located in the Fernandina Beach area, and serves Nassau County. FPUC does not generate any of the power it sells, but meets the needs of its customers through contracts for purchased power.

FPUC's last request for an increase in base rates was filed on April 28, 2014. On August 29, 2014, a Joint Motion for Approval of Stipulation and Settlement (Settlement) was filed. The Commission approved the Settlement, which included a \$3.75 million revenue increase, by Order No. PSC-14-0517-S-EI, issued on September 29, 2014.<sup>1</sup>

On July 3, 2017, FPUC filed a petition for a limited proceeding to include in its rate base certain capital projects. The Utility has requested an increase in its total revenue requirement of \$1,823,869 representing total capital expenditures of \$15,241,515. The capital investments fall under one of three types of projects: (1) grid modernization and safety; (2) storm hardening; and (3) an interconnection with Florida Power & Light Company. FPUC states that the projects have been designed to enhance the capability of its grid and improve the safety and reliability of its

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<sup>1</sup> Order No. PSC-14-0517-S-EI, issued on September 29, 2014, in Docket No. 20140025-EI, In re: Application for rate increase by Florida Public Utility Company.

system. Further, the Utility asserts that these projects will benefit both FPUC and its customers, and should be allowed to be recovered through base rates.

On July 21, 2017, a Joint Motion Requesting Commission Approval of Procedure for Conducting Limited Proceedings and for Subsequent Tariff Filing was filed on behalf of FPUC and OPC.<sup>2</sup> On September 21, 2017, the Office of Public Counsel (OPC) filed its Notice of Intervention, which was acknowledged on September 25, 2017.<sup>3</sup>

On November 28, 2017, a Joint Motion for Approval of Stipulation and Settlement Agreement (Joint Motion) was filed by FPUC and OPC requesting approval of a Stipulation and Settlement Agreement (2017 Agreement) which resolves all issues in this proceeding.

This Commission has jurisdiction over this request for a limited proceeding under Sections 366.076 (1) and 366.041, Florida Statutes (F.S.).

### Settlement Agreement

The major elements of the 2017 Agreement are as follows:

- The effective date of the 2017 Agreement is the date of the Commission vote with new rates implemented in the first billing cycle of January 2018 and ending with the last billing cycle of December 2019. New rates are designed in accord with the methodology used in FPUC's last base rate proceeding (Docket No. 140025-EI).
- Revenue requirements increase by \$1,558,050 representing total capital expenditures of \$13,520,303 for 12 projects outlined in Attachment 1 to the 2017 Agreement.
- FPUC can petition the Commission to seek recovery of costs associated with named tropical systems or other catastrophic storms that occur after the approval of the 2017 Agreement up to \$4.00/1,000 kWh for a 12-month recovery period. If the costs incurred exceed the revenues generated by the \$4.00/1,000 kWh charge, those costs shall be recovered in subsequent years as determined by the Commission. Upon complete depletion of its storm reserve, FPUC may replenish the storm reserve up to \$1.5 million.
- FPUC may file for a new LED lighting rate schedule structured in the same manner as that in Docket No. 20170199-EI, In re: Petition for approval of conservation street and outdoor lighting conversion program, by Tampa Electric Company.
- FPUC shall be entitled to seek rate relief if FPUC's reported return on equity is below the bottom of the existing range (9.25% to 11.25%) and FPUC experiences an unanticipated

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<sup>2</sup>Document No. 06137-2017, in Docket No. 20170150-EI, In re: Petition for limited proceeding to include reliability and modernization projects in rate base, by Florida Public Utilities Company.

<sup>3</sup>Order No. PSC-2017-0360-PCO-EI, issued September 25, 2017, in Docket No. 20170150-EI, In re: Petition for limited proceeding to include reliability and modernization projects in rate base, by Florida Public Utilities Company.

and unforeseen event that impacts the annual revenue requirement in excess of \$800,000 (either loss of revenues or increase in expenses) within any contiguous 4 month period.

- Within 120 days of any federal tax reform, FPUC will calculate a one-time base rate adjustment which shall be credited to customers through the ECCR clause. If the tax reform results in an increase, FPUC will utilize deferral accounting to result in a net zero impact to operating income. FPUC shall defer the revenue requirement impacts to a regulatory asset to be considered for prospective recovery to be addressed in FPUC's next base rate proceeding.
- All excess deferred taxes shall be deferred to a regulatory asset or liability, which shall be included in FPUC's adjusted capital structure and flowed back to customers over a term consistent with current laws. FPUC reserves the right to demonstrate that the flow back period is not in the best interest of its customers and should be increased to no more than 50 percent of the remaining life of the assets associated with the excess deferred taxes.
- The \$1,558,050 increase represents a 8.01% increase to base rates and would be allocated to the rate classes at a uniform percentage. The base rate portion of a 1,000 kWh residential bill would increase from \$33.60 to \$36.29 (\$2.69 increase) as a result of the 2017 Agreement. Due to a decrease in the fuel and purchased power cost, the total residential 1,000 kWh bill including Gross Receipts Tax would decrease from \$138.97 to \$133.86, a \$5.11 decrease effective January 2018.
- The parties have agreed that this docket should be processed as a Proposed Agency Action (PAA) and that neither OPC nor FPUC will file a protest of the 2017 Agreement rates. Further, if a protest is filed by any substantially affected person other than FPUC or OPC, the rates approved by the Commission shall be placed into effect in the first billing cycle of 2018 subject to refund with interest pending issuance of a final order in the docket.

### DECISION

The standard for approval of a settlement agreement is whether it is in the public interest.<sup>4</sup> A determination of public interest requires a case-specific analysis based on

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<sup>4</sup> Order No. PSC-13-0023-S-EI, issued on January 14, 2013, in Docket No. 120015-EI, In re: Petition for increase in rates by Florida Power & Light Company; Order No. PSC-11-0089-S-EI, issued February 1, 2011, in Docket Nos. 080677 and 090130, In re: Petition for increase in rates by Florida Power & Light Company and In re: 2009 depreciation and dismantlement study by Florida Power & Light Company; Order No. PSC-13-0023-S-EIPSC-10-0398-S-EI, issued June 18, 2010, in Docket Nos. 090079-EI, 090144-EI, 090145-EI, 100136-EI, In re: Petition for increase in rates by Progress Energy Florida, Inc., In re: Petition for limited proceeding to include Bartow repowering project in base rates, by Progress Energy Florida, Inc., In re: Petition for expedited approval of the deferral of pension expenses, authorization to charge storm hardening expenses to the storm damage reserve, and variance from or waiver of Rule 25-6.0143(1)(c), (d), and (f), F.A.C., by Progress Energy Florida, Inc., and In re: Petition for approval of an accounting order to record a depreciation expense credit, by Progress Energy Florida, Inc.; Order No. PSC-05-0945-S-EI, issued September 28, 2005, in Docket No. 050078-EI, In re: Petition for rate increase by Progress Energy Florida, Inc.

consideration of the proposed settlement taken as a whole.<sup>5</sup> We first note that OPC, the statutory representative for all Florida ratepayers, negotiated and is a signatory to this 2017 Agreement. FPUC has stated that its purpose in filing this limited proceeding is to recover the revenues associated with the large capital improvements listed on Attachment 1 to the 2017 Agreement and thereby postpone filing for a base rate increase until 2020. These capital improvements will increase FPUC's reliability, and, in the case of the Florida Power & Light Company interconnect, have allowed FPUC to purchase electric capacity at a substantially lower price. Additionally, many of the terms found in the 2017 Agreement proposed by the signatories are consistent with terms found in Florida Power & Light Company's, Gulf Power Company's, Duke Energy Florida, LLC's and Tampa Electric Company's most recent rate case settlements,<sup>6</sup> e.g., implementation of a storm damage recovery mechanism, base rate freeze period, and federal income tax reform provisions. Based on these factors, we find that taken as a whole the 2017 Agreement provides a reasonable resolution of all the issues addressed. We find, therefore, that the 2017 Agreement, Attachment A hereto, establishes rates that are fair, just, and reasonable and is in the public interest, and hereby approve it.

Since the 2017 Agreement provides a procedural mechanism for processing this docket and for the collection subject to refund of 2017 Agreement tariff rates if timely protested by a substantially affected party, the Joint Motion Requesting Commission Approval of Procedure for Conducting Limited Proceedings and for Subsequent Tariff Filing filed on July 21, 2017, is now moot.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Joint Motion of Florida Public Utilities Company and the Office of Public Counsel for Approval of Stipulation and Settlement filed on November 28, 2017, is hereby granted. It is further

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

ORDERED that the tariff sheets contained in Attachment 4 to the Stipulation and Settlement are hereby approved with an effective date of the first billing cycle in January 2018. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, F.A.C., is received by the Office of

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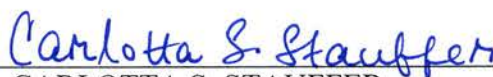
<sup>5</sup> Order No. PSC-13-0023-S-EI, at p. 7.

<sup>6</sup> Order No. PSC-16-0560-AS-EI, issued on December 15, 2016, in Docket No. 160021-EI, In re: Petition for rate increase by Florida Power & Light Company; Order No. PSC-17-0178-S-EI, issued on May 16, 2017, in Docket No. 20160186-EI, In re: Petition for rate increase by Gulf Power Company; Order No. PSC-2017-0451-AS-EI, issued on November 20, 2017, in Docket No. 20170183-EI, In re: Application for limited proceeding to approve 2017 second revised and restated settlement agreement including certain rate adjustments by Duke Energy Florida LLC; Order No. PSC-2017-0456-S-EI, issued on November 27, 2017, in Docket No. 20170210-EI, In re: Petition for limited proceeding to approve 2017 amended and restated stipulation and settlement agreement, by Tampa Electric Company.

Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice Of Further Proceedings" attached hereto. It is further

ORDERED that, if a protest is filed within 21 days of the issuance of this Order, Florida Public Utilities Company's tariffs shall remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 26th day of December, 2017.



CARLOTTA S. STAUFFER

Commission Clerk

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413-6770

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

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 16, 2018.

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In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for limited proceeding to include  
reliability and modernization projects in rate base,  
by Florida Public Utilities Company.

Docket No. 20170150-EI

Filed:

**STIPULATION AND SETTLEMENT**

**WHEREAS**, Florida Public Utilities Company (“FPUC” or “Company”) and the Office of Public Counsel (“OPC”) have signed this Stipulation and Settlement (“2017 Agreement”); and

**WHEREAS**, unless the context clearly intends otherwise, the term “Party” or “Parties” shall mean a signatory or signatories to this 2017 Agreement; and

**WHEREAS**, on July 3, 2017, FPUC petitioned the Florida Public Service Commission (“the Commission”) for a limited proceeding to include \$15,241,515 in capital projects in rate base and increase its rates and charges by the amount necessary to recover the revenue requirement of \$1,823,869 on those projects with the effective day of such rate increase to be January 1, 2018; and

**WHEREAS**, the Parties and Commission Staff have conducted extensive discovery in this proceeding; and

**WHEREAS**, the Parties have endeavored in good faith to resolve the issues in this docket in order to provide regulatory certainty with regard to FPUC’s rates and to avoid the uncertainty associated with further litigation; and

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

**WHEREAS**, the Parties to this 2017 Agreement, individually and collectively, agree that this 2017 Agreement, taken as a whole, is in the public interest; and

**WHEREAS**, the Parties have entered into this 2017 Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 366 and 120, Florida Statutes, as applicable, and as part of a negotiated exchange of consideration among the Parties to this 2017 Agreement, each Party has agreed to concessions to the others with the expectation, intent, and understanding such that all provisions of this 2017 Agreement, upon approval by the Commission, will be enforced by the Commission as to all matters addressed herein with respect to all Parties; and

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**WHEREAS**, the Parties filed a Clarification of Procedure for Conducting the Limited Proceeding and Subsequent Tariff Filing ("Procedural Clarification Agreement") on August 1, 2017, wherein the Parties agreed that FPUC will file a tariff in a separate docket based upon the Commission's Proposed Agency Action vote within 15 days of the PAA vote and the PAA order will be issued on or before 20 days after the PAA vote, and that, further, 21 days following the issuance of the PAA order shall be deemed the filing deadline for any and all objections to FPUC's tariff, as well as the PAA Order ("Filing Deadline"); and

**WHEREAS**, notwithstanding the Procedural Clarification Agreement to file conforming tariffs in a separate docket, the Parties herein agree to file these 2017 Agreement conforming tariffs in this docket; and

**WHEREAS**, by entering into this 2017 Agreement, the Parties waive all rights to protest the PAA Order and the tariff filing(s) made in compliance with the terms and conditions of this 2017 Agreement, and agree that tariffs reflecting rates consistent with this 2017 Agreement shall be filed promptly following the Commission's vote on this 2017 Agreement, but no later than one (1) day following such Commission vote; and

**WHEREAS**, the Parties further agree, as set forth herein, that the tariffed rates shall go into effect with the first billing cycle of January 2018; and

**WHEREAS**, the Parties agree that, if any substantially affected person, other than OPC or FPUC, files a timely protest of the Commission's Order approving this 2017 Agreement and requests a hearing on the Company's tariff filing reflecting the PAA Vote Rates, they must file a protest in the PAA docket for hearing on or before the Filing Deadline, where upon the tariffed rates will remain in effect subject to refund pending the issuance of a final order of the Commission.

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

**I. Term**

a. This 2017 Agreement will take effect upon Commission approval ("Effective Date") and shall be implemented on the date of the meter reading for the first billing cycle of January 2018 ("Implementation Date") and continue at least until the last billing cycle of December 2019. The base rates, charges and related tariff term sheet terms and conditions established as a result of this 2017 Agreement will continue beyond December 2019, except as otherwise contemplated herein, unless and until changed by Commission Order. The period from the Implementation Date through the last billing cycle in December 2019 may be referred to herein as the "Minimum Term".

b. The Parties agree that no increase or reduction in base rates shall be sought by the Parties that would take effect before the end of the Minimum Term unless other terms of this 2017 Agreement allow, nor will FPUC seek to implement interim rates with an effective date prior to January 1, 2020.



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c. The parties reserve all rights, unless such rights are expressly waived or released, under the terms of this 2017 Agreement.

## **II. Revenue Requirement**

a. Upon the Implementation Date and effective with the date of the first meter reading for the first billing cycle of January 2018, FPUC shall be authorized to increase its base rates and service charges ("New Rates") to generate an additional \$1,558,050 of annual revenues for purposes of recovering the revenue requirement on the projects identified in Attachment "1" hereto.

b. The Parties acknowledge that exclusion of any project from Attachment "1" that may have been identified in the Company's July 3, 2017, Petition shall not be construed as an agreement or determination by the Parties that any such project is imprudent or should otherwise be disallowed for purposes of calculation of the Company's revenue requirement in the Company's next authorized rate proceeding.

c. The base rates, charges, and related tariff sheet terms and conditions set in accordance with this 2017 Agreement shall not be changed during the Term except as otherwise permitted or provided for in this 2017 Agreement, and shall continue in effect until next reset by the Commission.

## **III. Other Cost Recovery**

Nothing in this 2017 Agreement shall preclude the Company from requesting the Commission to approve the recovery of costs that are: (a) of a type which traditionally or historically would be, have been, or are presently recovered through cost recovery clauses or surcharges, or (b) incremental costs not currently recovered in base rates which the Legislature expressly requires shall be clause recoverable subsequent to the approval of this 2017 Agreement. It is the intent of the Parties that the Company shall not seek to recover, nor shall the Company be allowed to recover, through any cost recovery clause or charge, or through the functional equivalent of such cost recovery clauses and charges, costs of any type or category that have historically or traditionally been recovered in base rates, unless such costs are: (i) the direct and unavoidable result of new governmental impositions or requirements; or (ii) new or atypical costs that were unforeseeable and could not have been contemplated by the Parties resulting from significantly changed industry-wide circumstances directly affecting the Company's operations. As a part of the base rate freeze agreed to herein, the Company will not seek Commission approval to defer for later recovery in rates, any costs incurred or reasonably expected to be incurred from the Effective Date through and including December 31, 2019, which are of the type which historically or traditionally have been or would be recovered in base rates, unless such deferral and subsequent recovery is expressly authorized herein or otherwise agreed to by each of the Parties. The Parties are not precluded from participating in any proceedings pursuant to this Paragraph III, nor is any Party precluded from raising any issues pertinent to any such proceedings.

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**IV. Storm Damage Recovery**

a. Nothing in this 2017 Agreement shall preclude FPUC from petitioning the Commission to seek recovery of costs associated with (1) any tropical systems named by the National Hurricane Center or its successor, or (2) other catastrophic storm events causing damage to FPUC's generation, transmission or distribution system in the aggregate dollar amount of at least \$1,000,000, without the application of any form of earnings test or measure and irrespective of previous or current base rate earnings. Consistent with this 2017 Agreement, the Parties agree that recovery of storm costs from customers will begin, on an interim basis (subject to refund following a hearing or a full opportunity for a formal proceeding), sixty days following the filing of a cost recovery petition and tariff with the Commission and will be based on a 12-month recovery period if the storm costs do not exceed \$4.00/1,000 kWh on monthly residential customer bills. In the event the Company's reasonable and prudent storm costs exceed that level, any additional costs in excess of \$4.00/1,000 kWh shall be recovered in a subsequent year or years as determined by the Commission, after hearing or after the opportunity for a formal proceeding has been afforded to all substantially affected persons or parties. All storm related costs shall be calculated and disposed of pursuant to Rule 25-6.0143, F.A.C., and shall be limited to (i) costs resulting from a tropical system named by the National Hurricane Center or its successor or other catastrophic storms creating significant damage to FPUC's generation, transmission or distribution systems such as tornados or ice storms in the aggregate dollar amount of at least \$1,000,000, (ii) the estimate of incremental storm restoration costs above the level of the storm reserve prior to the storm, and (iii) the replenishment of the storm reserve to \$1.5 million. The Parties to this 2017 Agreement are not precluded from participating in any such proceedings and opposing the amount of FPUC's claimed costs (for example, and without limitation, on grounds that such claimed costs were not reasonable or were not prudently incurred) or whether the proposed recovery is consistent with this Paragraph IV, but not the mechanism agreed to herein.

(b) The Parties agree that the \$4.00/1,000 kWh cap in this Paragraph IV shall apply in aggregate for a calendar year; provided, however, that FPUC may petition the Commission to allow FPUC to increase the initial 12-month recovery at rates greater than \$4.00/1,000 kWh or for a period longer than 12 months if FPUC incurs in excess of \$3 million of storm recovery costs that qualify for recovery in a given calendar year, inclusive of the amount needed to replenish the storm reserve to \$1.5 million. The Office of Public Counsel reserves its right to oppose such a petition.

(c) The Parties expressly agree that any proceeding to recover costs associated with any storm shall not be a vehicle for a "rate case" type inquiry concerning the expenses, investment, or financial results of operations of FPUC and shall not apply any form of earnings test or measure or consider previous or current base rate earnings. Such issues may be fully addressed in any subsequent FPUC base rate case.

(d) The provisions of this Paragraph IV shall remain in effect during the Term except as otherwise permitted or provided for in this 2017 Agreement and shall continue in effect until the Company's base rates are next reset by the Commission. For clarity, this means that if this 2017 Agreement is terminated prior to the end of the Term, the Company's rights regarding storm cost recovery under this 2017 Agreement are terminated at the same time, except that any Commission-approved surcharge then in effect shall remain in effect until the costs subject to that surcharge are fully recovered. A storm

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surcharge in effect without approval of the Commission shall be terminated at the time this 2017 Agreement is terminated.

(e) The provisions of this Paragraph IV shall have no bearing upon FPUC's ability to seek recovery of storm-related costs incurred prior to the Effective Date of this 2017 Agreement and in accordance with Rule 25-6.0143, F.A.C.

**V. Lighting Tariff**

Nothing shall preclude FPUC from filing for approval of a new tariffed rate schedule for LED lighting, which the Parties acknowledge may have some impact on base rates, but which would also be designed to have an offsetting impact in Fuel. The Parties further acknowledge that any such LED lighting tariff filed by the Company shall be structured substantially similar to that considered by the Commission in Docket No. 20170199-EI, and shall be consistent with Paragraph IX.

**VI. Earnings**

a. Notwithstanding Paragraph I(b), the Parties agree and acknowledge that if the Company is earning below the bottom of the existing range and experiences an unanticipated and unforeseen event, not otherwise addressed by Paragraph IV, that has an adverse annual revenue requirement impact in excess of \$800,000 (loss of revenues or an increase in expenses), which may be the result of a single event or may be the aggregate impact of multiple, related events occurring within any contiguous four (4) month period, then FPUC shall be entitled to seek rate relief before the Commission either as a general proceeding under Sections 366.06 and 366.07, Florida Statutes, and/or as a limited proceeding under Section 366.076, Florida Statutes.

b. FPUC acknowledges that the OPC shall be entitled to participate and oppose any request initiated by FPUC to increase its rates.

**VII. Federal Income Tax Reform**

a. Changes in the rate of taxation of corporate income by federal or state taxing authorities ("Tax Reform") could impact the effective tax rate recognized by the Company in FPSC adjusted reported net operating income and the measurement of existing and prospective deferred federal income tax assets and liabilities reflected in the FPSC adjusted capital structure. When Congress last reduced the maximum federal corporate income tax rate in the Tax Reform Act of 1986, it included a transition rule that, as an eligibility requirement for using accelerated depreciation with respect to public utility property, provided guidance regarding returning to customers the portion of the resulting excess deferred income taxes attributable to the use of accelerated depreciation. To the extent Tax Reform includes a transition rule applicable to excess deferred federal income tax assets and liabilities ("Excess Deferred Taxes"), defined as those that arise from the re-

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measurement of those deferred federal income tax assets and liabilities at the new applicable corporate tax rate(s), those Excess Deferred Taxes will be governed by the Tax Reform transition rule, as applied to most promptly and effectively reduce FPUC's rates consistent with the Tax Reform rules and normalization rules.

b. If Tax Reform is enacted before the Company's next general base rate proceeding, the Company will quantify the impact of Tax Reform on its Florida retail jurisdictional net operating income thereby neutralizing the FPSC adjusted net operating income of the Tax Reform to a net zero. The Company's forecasted earnings surveillance report for the calendar year that includes the period in which Tax Reform is effective will be the basis for determination of the impact of Tax Reform. The impacts of Tax Reform on base revenue requirements will be flowed back to retail customers within 120 days of when the Tax Reform becomes law, through a one-time adjustment to base rates upon a thorough review of the effects of the Tax Reform on base revenue requirements. This adjustment shall be accomplished through a uniform percentage decrease to customer, demand and energy base rate charges for all retail customer classes. Any effects of Tax Reform on retail revenue requirements from the Implementation Date through the date of the one-time base rate adjustment shall be flowed-back to customers through the ECCR Clause on the same basis as used in any base rate adjustment. An illustration is included as Attachment "2". If Tax Reform results in an increase in base revenue requirements, the Company will utilize deferral accounting as permitted by the Commission, thereby neutralizing the FPSC adjusted net operating income impact of the Tax Reform to a net zero, through the Term. In this situation, the Company shall defer the revenue requirement impacts to a regulatory asset to be considered for prospective recovery in a change to base rates to be addressed in the Company's next base rate proceeding or in a limited scope proceeding before the Commission no sooner than the end of the Minimum Term.

c. All Excess Deferred Taxes shall be deferred to a regulatory asset or liability which shall be included in FPSC adjusted capital structure and flowed back to customers over a term consistent with law. If the same Average Rate Assumption Method ("ARAM") used in the Tax Reform Act of 1986 is prescribed, then the regulatory asset or liability will be flowed back to customers over the remaining life of the assets associated with the Excess Deferred Taxes subject to the provisions related to FPSC adjusted operating income impacts of Tax Reform noted above. If Tax Reform Law identifies a different method of determining flow back to customers other than ARAM, the method defined in the Tax Reform Law shall be utilized, or any alternative method contemplated by the Tax Reform Law that is applicable to the Company. If the Tax Reform law or act is silent on the flow-back period, and there are no other statutes or rules that govern the flow-back period, then there shall be a rebuttable presumption that the following flow-back period(s) will apply:

<b>Cumulative Net Regulatory Position</b>	<b>Flow-Back Period</b>
Liability Less Than \$800k	5 years
Liability Greater Than \$800k	10 years
Asset Greater than \$800k	5 years
Asset Less than \$800k	10 years

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The Company reserves the right to demonstrate by clear and convincing evidence that such five or ten-year maximum period (as applicable) is not in the best interest of the Company's customers and should be increased to no greater than 50 percent of the remaining life of the assets associated with the Excess Deferred Taxes ("50 Percent Period"). The relevant factors to support the Company's demonstration include, but are not limited to, the impact the flow-back period would have on the Company's cash flow and credit metrics or the optimal capitalization of the Company's jurisdictional operations in Florida. If the Company can demonstrate, by clear and convincing evidence, that limiting the flow-back period to the 50 Percent Period, in conjunction with the other Tax Reform provisions related to deferred taxes within this 2017 Agreement, will be the sole basis for causing a full notch credit downgrade, it may file to seek a longer flow-back period. Such credit downgrade would be reflected in a publicly available report of any of the rating agencies which is rating the Company at that time (i.e., Moody's, S&P or Fitch) or if not publicly rated, by the National Association of Insurance Commissioners who currently rates the parent company's, Chesapeake Utilities Corporation's, unsecured senior debt.

**VIII. Commission Approval**

a. The provisions of this 2017 Agreement are contingent upon Commission approval of this 2017 Agreement in its entirety without modification. The Parties further agree that this 2017 Agreement is in the public interest, that they will support this 2017 Agreement and will not request or support any order, relief, outcome, or result in conflict with the terms of this 2017 Agreement in any administrative or judicial proceeding relating to, reviewing, or challenging the establishment, approval, adoption, or implementation of this 2017 Agreement or the subject matter hereof.

b. No Party will assert in any proceeding before the Commission that this 2017 Agreement or any of the terms in this 2017 Agreement shall have any precedential value. The Parties' agreement to the terms in this 2017 Agreement shall be without prejudice to any Party's ability to advocate a different position in future proceedings not involving this 2017 Agreement. The Parties further expressly agree that no individual provision, by itself, necessarily represents a position of any Party in any future proceeding, and the Parties further agree that no Party shall assert or represent in any future proceeding in any forum that another Party endorses any specific provision of this 2017 Agreement by virtue of that Party's signature on, or participation in, this 2017 Agreement. It is the intent of the Parties to this 2017 Agreement that the Commission's approval of all the terms and provisions of this 2017 Agreement is an express recognition that no individual term or provision, by itself, necessarily represents a position, in isolation, of any Party or that a Party to this 2017 Agreement endorses a specific provision, in isolation, of this 2017 Agreement by virtue of that Party's signature on, or participation in, this 2017 Agreement.

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**IX. New Tariffs.**

Nothing in this 2017 Agreement shall preclude FPUC from filing and the Commission from approving any new or revised tariff provisions or rate schedules requested by FPUC, provided that any such tariff request does not increase any existing base rate component of a tariff or rate schedule, or any other charge imposed on customers during the Term unless the application of such new or revised tariff, rate schedule, or charge is optional to FPUC's customers.

**X. Disputes**

Should any disagreement arise or any differing interpretation of any provision hereof, the Parties agree to meet and confer in a good-faith effort to resolve the dispute. To the extent that the Parties are unable to resolve any such dispute, the matter may be submitted to the Commission for resolution.

**XI. Resolution of Issues**

Approval of this 2017 Agreement resolves all issues in this proceeding.

**XII. New Rates**

a. The New Rates, which are attached and incorporated herein as Attachment "3", shall be designed to accurately reflect the terms as presented in this 2017 Agreement. In addition, the New Rates presented in Attachment "3" shall be designed in accordance with methodology of the Cost of Service and Rate Design approved by the Commission in the Company's last rate case, Docket No. 20140025-EI.

b. Attached hereto as Attachment "4" are the appropriate tariff sheets reflecting these rate changes, which, upon Commission approval, shall become effective on January 1, 2018.

Docket No. 20170150-EI  
Stipulation and Settlement

**XIII. Execution**

This 2017 Agreement is dated as of November \_\_, 2017. It may be executed in one (1) or more counterparts, all of which will be considered one and the same Agreement and each of which will be deemed an original.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2017 Agreement by their signature(s).

Dated this 28<sup>th</sup> day of November 2017.

**Florida Public Utilities Company**

By: 

Jeffrey M. Householder  
President, Florida Public Utilities Company

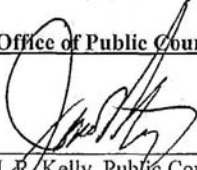
Signature Page to Stipulation and Settlement Agreement in Docket No. 20170150-EI



IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2017 Agreement by their signature(s).

Dated this \_\_\_ day of November 2017.

Office of Public Counsel



---

J. R. Kelly, Public Counsel  
Patricia A. Christensen  
Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, Florida 32399-1400

Signature Page to Stipulation and Settlement Agreement in Docket No. 20170150-EI

**Florida Public Utilities Company  
 Docket No. 20170150-EI  
 Modernization & Storm Hardening Initiatives  
 Attachment 1 - Projects Included in Revenue Increase**

Initiative	Project	Cost Completed As Of Sept. 2017	Remaining 2017	Total	Revenue Requirement
FPL Interconnect	FPL Interconnect	\$ 2,919,411	\$ 1,603,566	\$ 4,522,976	\$ 419,451
Install New SCADA at JLT and SD	Modernization/Safety	\$ 1,058,910		\$ 1,058,910	\$ 135,467
Loop Underground Feed in Amelia Park Subdivision NE Division	Modernization/Safety	\$ 51,508		\$ 51,508	\$ 5,418
Miscellaneous Underground Cable Replacement Northwest Division	Modernization/Safety	\$ 10,867	\$ 100,000	\$ 110,867	\$ 6,588
Replace Conduit/Cable-Forrest Ridge Condos NE Division	Modernization/Safety	\$ 225,929		\$ 225,929	\$ 29,658
Substation Voltage Regulators NW Division	Modernization/Safety	\$ 238,951	\$ 19,232	\$ 258,183	\$ 28,044
Extend Underground Feeder #312 Airport to S. Fletcher -Cond./SW. NE Division	Storm Hardening	\$ 694,592	\$ 4,990	\$ 699,582	\$ 83,187
Overhead Reconductor Along South Fletcher (Atlantic to Sadler) NE Division	Storm Hardening	\$ 795,510		\$ 795,510	\$ 95,046
Phase Down HWY-73	Storm Hardening	\$ 40,939		\$ 40,939	\$ 5,725
RE-Build AIP Substation NE Division	Storm Hardening	\$ 3,124,123		\$ 3,124,123	\$ 402,420
Replace 69KV Pole with Concrete NE Division	Storm Hardening	\$ 2,555,295		\$ 2,555,295	\$ 336,394
Storm Harden Prison Feeder From Substation to High School NW Division	Storm Hardening	\$ 76,481		\$ 76,481	\$ 10,655
<b>Total</b>		<b>\$ 11,792,516</b>	<b>\$ 1,727,787</b>	<b>\$ 13,520,303</b>	<b>\$ 1,558,050</b>

Methodology of Income Tax Change (Illustrative)

Attachment 2

		Scenario A	Scenario B	Scenario C	Scenario D	
1	<b>INCOME TAX INPUTS AND ASSUMPTIONS</b>					
2	New federal statutory tax rate	Input	35%	30%	30%	20%
3	Current federal statutory tax rate	Given	35%	35%	35%	35%
4	Current state statutory tax rate	Given	5.5%	5.5%	5.5%	5.5%
5	New combined federal & state statutory tax rate	Line 2 + Line 4 - (Line 2 * Line 4)	38.6%	33.9%	33.9%	24.4%
6	Current combined federal & state statutory tax rate	Line 3 + Line 4 - (Line 3 * Line 4)	38.6%	38.6%	38.6%	38.6%
7	Disallowed interest (or other) expense deduction	Input		100.0		
8						
9	<b>PARAGRAPH VII - FEDERAL TAX REFORM</b>					
10	<b>Step 1 - Calculate income tax expense BEFORE tax reform</b>					
11	FPSC adjusted NOI before tax (per Forecasted Surveillance)	Input	500	500	500	500
12	Less interest expense	Input	(100)	(100)	(100)	(100)
13	Permanent differences	Input	5	5	5	5
14	FPSC adjusted taxable income	Sum of Lines 11 through 13	405	405	405	405
15	Current combined statutory tax rate	Line 6	38.6%	38.6%	38.6%	38.6%
16	Income tax expense	Line 14 * Line 15	156	156	156	156
17						
18	<b>Step 2 - Calculate income tax expense AFTER tax reform</b>					
19	FPSC adjusted NOI before tax (per Forecasted Surveillance)	Input	500	500	500	500
20	Less interest expense	Input	(100)	-	(100)	(100)
21	Permanent differences	Input	5	5	5	5
22	FPSC adjusted taxable income	Sum of Lines 19 through 21	405	505	405	405
23	Current combined statutory tax rate	Line 5	38.6%	33.9%	33.9%	24.4%
24	Income tax expense	Line 22 * Line 23	156	171	137	99
25						
26	<b>Step 3 - Calculate impact on FPSC Adjusted NOI</b>					
27	Income tax expense BEFORE tax reform - Step 1	Line 16	156	156	156	156
28	Income tax expense AFTER tax reform - Step 2	Line 24	156	171	137	99
29	Difference - FPSC Adjusted NOI increase/(decrease) from tax reform	Line 27 - Line 28	-	(15)	19	57
30						
31	<b>Step 4 - Calculate net favorable/(unfavorable) FPSC adjusted NOI impact</b>					
32	Impact on NOI - Step 3	Line 29	-	(15)	19	57
33	Divide by one minus new combined statutory tax rate	1 - Line 5	61.4%	66.2%	66.2%	75.6%
34	Net favorable/(nonfavorable) FPSC adjusted NOI impact - pretax	Line 32/Line 33	-	(22)	29	76
35						
36	<b>Step 5 - Calculate annual pretax impacts</b>					
37	Annual flow back to customers	If line 34 > 0, then Line 34	-	-	29	76
38	Annual deferral to regulatory asset	If line 34 < 0, then Line 34	-	(22)	-	-
39	Total	Line 37 + Line 38	-	(22)	29	76

**Florida Public Utilities Company  
 Docket No. 20170150-EI  
 Present and Proposed Rates - Lighting**

**Attachment 3  
 Page 3 of 3**

Lighting:	<u>Present Rates</u>				<u>Proposed Rates</u>			
	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge
1000w HPS Flood	\$18.46	\$17.59	\$2.48	\$38.53	\$19.94	\$19.00	\$2.68	\$41.62
1000w MH Flood	\$17.03	\$17.59	\$2.41	\$37.03	\$18.39	\$19.00	\$2.60	\$39.99
1000w MH Vert Shoebox	\$21.02	\$17.59	\$2.74	\$41.35	\$22.70	\$19.00	\$2.96	\$44.66
100w HPS Amer Rev	\$7.98	\$1.78	\$2.71	\$12.47	\$8.62	\$1.92	\$2.93	\$13.47
100w HPS Cobra Head	\$5.99	\$1.78	\$1.74	\$9.51	\$6.47	\$1.92	\$1.88	\$10.27
100w HPS SP2 Spectra	\$20.49	\$1.78	\$2.56	\$24.83	\$22.13	\$1.92	\$2.77	\$26.82
100w MH SP2 Spectra	\$20.33	\$1.78	\$2.48	\$24.59	\$21.96	\$1.92	\$2.68	\$26.56
150w HPS Acom	\$16.25	\$2.64	\$2.06	\$20.95	\$17.55	\$2.85	\$2.22	\$22.62
150w HPS ALN 440	\$23.18	\$2.64	\$2.74	\$28.56	\$25.04	\$2.85	\$2.96	\$30.85
150w HPS Am Rev	\$7.48	\$2.64	\$2.75	\$12.87	\$8.08	\$2.85	\$2.97	\$13.90
175w MH ALN 440	\$22.18	\$3.10	\$2.16	\$27.44	\$23.96	\$3.35	\$2.33	\$29.64
175w MH Shoebox	\$18.73	\$3.10	\$2.42	\$24.25	\$20.23	\$3.35	\$2.61	\$26.19
200w HPS Cobra Head	\$8.08	\$3.52	\$2.08	\$13.68	\$8.73	\$3.80	\$2.25	\$14.78
250w HPS Cobra Head	\$9.60	\$4.37	\$2.75	\$16.72	\$10.37	\$4.72	\$2.97	\$18.06
250w HPS Flood	\$9.40	\$4.37	\$2.00	\$15.77	\$10.15	\$4.72	\$2.16	\$17.03
250w MH Shoebox	\$19.94	\$4.37	\$2.70	\$27.01	\$21.54	\$4.72	\$2.92	\$29.18
400w HPS Cobra Head	\$8.96	\$7.05	\$2.29	\$18.30	\$9.68	\$7.61	\$2.47	\$19.76
400w HPS Flood	\$14.74	\$7.05	\$1.88	\$23.67	\$15.92	\$7.61	\$2.03	\$25.56
400w MH Flood	\$10.00	\$7.05	\$1.83	\$18.88	\$10.80	\$7.61	\$1.98	\$20.39
10' Alum Deco Base	\$15.33	\$ -	\$ -	\$15.33	\$16.56	\$0.00	\$0.00	\$16.56
13' Decorative Concrete	\$11.68	\$ -	\$ -	\$11.68	\$12.62	\$0.00	\$0.00	\$12.62
18' Fiberglass Round	\$8.24	\$ -	\$ -	\$8.24	\$8.90	\$0.00	\$0.00	\$8.90
20' Decorative Concrete	\$13.55	\$ -	\$ -	\$13.55	\$14.64	\$0.00	\$0.00	\$14.64
30' Wood Pole Std	\$4.42	\$ -	\$ -	\$4.42	\$4.77	\$0.00	\$0.00	\$4.77
35' Concrete Square	\$13.07	\$ -	\$ -	\$13.07	\$14.12	\$0.00	\$0.00	\$14.12
40' Wood Pole Std	\$8.85	\$ -	\$ -	\$8.85	\$9.56	\$0.00	\$0.00	\$9.56
30' Wood pole	\$3.98	\$ -	\$ -	\$3.98	\$4.30	\$0.00	\$0.00	\$4.30
175w MV Cobra Head	\$1.16	\$3.05	\$1.02	\$5.23	\$1.25	\$3.29	\$1.10	\$5.64
400w MV Cobra Head	\$1.27	\$6.56	\$1.09	\$8.92	\$1.37	\$7.09	\$1.18	\$9.64

ATTACHMENT 4  
REVISED TARIFF PAGES  
AND  
LEGISLATIVE TARIFF PAGES

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

First Revised Sheet No. 40  
Cancels Original Sheet No. 40

Attachment 4  
Page 2 of 24

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*RATE SCHEDULE RS  
RESIDENTIAL SERVICE*

---

Availability

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

Applicability

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

Character of Service

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

Limitations of Service

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

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

Monthly Rate

Customer Facilities Charge:

\$15.12 per customer per month

Base Energy Charge:

2.117¢/KWH for usage up to 1000 KWH's/month

3.467 ¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

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

Minimum Bill

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

(Continued on Sheet No. 41)

Issued by: Jeffry M. Householder, President

Effective:

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

First Revised Sheet No. 43  
Cancels Original Sheet No. 43

Attachment 4  
Page 3 of 24

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*RATE SCHEDULE GS*  
*GENERAL SERVICE – NON DEMAND*

---

Availability

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

Applicability

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

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

\$24.84 per customer per month

Base Energy Charge:

All KWH            2.589 ¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

(Continued on Sheet No. 44)

Issued by: Jeffry M. Householder, President

Effective:

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

First Revised Sheet No. 45  
Cancels Original Sheet No. 45

Attachment 4  
Page 4 of 24

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*RATE SCHEDULE GSD  
GENERAL SERVICE – DEMAND*

---

Availability

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

Applicability

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

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

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

Monthly Rate

Customer Facilities Charge:

\$73.45 per customer per month

Demand Charge:

Each KW of Billing Demand      \$4.00/KW

Base Energy Charge

All KWH      0.488¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 46)

Issued by: Jeffrey M. Householder, President

Effective:



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

First Revised Sheet No. 47  
Cancels Original Sheet No. 47

Attachment 4  
Page 5 of 24

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*RATE SCHEDULE GSLD  
GENERAL SERVICE-LARGE DEMAND*

---

Availability

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

Applicability

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

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

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

Monthly Rate

Customer Facilities Charge:

\$140.41 per customer per month

Demand Charge:

Each KW of Billing Demand      \$5.72/KW

Base Energy Charge

All KWH      0.226¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

Purchased Power Costs

See Sheet No. 65 & 66.

(Continued on Sheet No. 48)

Issued by: Jeffry M. Householder, President

Effective:

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

First Revised Sheet No. 49 Attachment 4  
Cancels Original Sheet No. 49 Page 6 of 24

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

---

Availability

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

Applicability

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

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

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

Monthly Rate

Customer Facilities Charge:

\$140.41 per customer per month

Demand Charge:

Each KW of Maximum Billing Demand \$5.72/KW

Base Energy Charge:

All KWH 0.226¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 50)

Issued by: Jeffrey M. Householder, President

Effective:

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

First Revised Sheet No. 50  
Cancels Original Sheet No. 50

Attachment 4  
Page 7 of 24

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*RATE SCHEDULE GSLD 1*  
*GENERAL SERVICE - LARGE DEMAND 1*

---

Availability

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

Applicability

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

Character of Service

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

Monthly Base Rates

Customer Facilities Charge:	\$869.46
Base Transmission Demand Charge:	\$1.62/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	\$0.39/kVar of Excess Reactive Demand

Purchased Power Charges (See Sheet 52 for descriptions)

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

Minimum Bill

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

Terms of Payment

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

Conservation Costs

See Sheet Nos. 65 & 66.

Franchise Fee Adjustment

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

(Continued on Sheet No. 51)

Issued by: Jeffrey M. Householder, President

Effective:

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

First Revised Sheet No. 52 Attachment 4  
Cancels Original Sheet No. 52 Page 8 of 24

*RATE SCHEDULE SB  
STANDBY SERVICE*

Availability

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

Applicability

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

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

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

Monthly Rate

Customer Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW- \$108.01.
- (b) For those customers who have contracted for standby service of 500 KW or greater- \$869.46.

Local Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW- \$2.81/KW.
- (b) For those customers who have contracted for standby service of 500 KW or greater - \$0.70/KW.

Purchased Power Charges

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

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

CP Demand Charge - Each KW of CP Demand	\$14.75/KW
Energy Charge - All	4.709¢

(Continued on Sheet No. 53)

Issued by: Jeffry M. Householder, President

Effective:

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

First Revised Sheet No. 56 Attachment 4  
 Cancels Original Sheet No. 56 Page 9 of 24

*RATE SCHEDULE LS  
 LIGHTING SERVICE*

Availability

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

Applicability

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

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

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

Monthly Rate

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

Type	Lamp	Size	KWH/Mo.	Facilities	Maintenance*	Energy	Total
Facility	Lumens	Watts	Estimate	Charge	Charge	Charge	Charge
<u>High Pressure Sodium Lights</u>							
Acorn	16,000	150	61	\$17.55	\$2.22	\$2.85	\$22.62
ALN 440	16,000	150	61	\$25.04	\$2.96	\$2.85	\$30.85
Amer. Rev.	9,500	100	41	\$8.62	\$2.93	\$1.92	\$13.47
Amer. Rev.	16,000	150	61	\$8.08	\$2.97	\$2.85	\$13.90
Cobra Head	9,500	100	41	\$6.47	\$1.88	\$1.92	\$10.27
Cobra Head	22,000	200	81	\$8.73	\$2.25	\$3.80	\$14.78
Cobra Head	28,500	250	101	\$10.37	\$2.97	\$4.72	\$18.06
Cobra Head	50,000	400	162	\$9.68	\$2.47	\$7.61	\$19.76
Flood	28,500	250	101	\$10.15	\$2.16	\$4.72	\$17.03
Flood	50,000	400	162	\$15.92	\$2.03	\$7.61	\$25.56
Flood	130,000	1,000	405	\$19.94	\$2.68	\$19.00	\$41.62
SP2 Spectra	9,500	100	41	\$22.13	\$2.77	\$1.92	\$26.82
<u>Metal Halide Lights</u>							
ALN 440	16,000	175	71	\$23.96	\$2.33	\$3.35	\$29.64
Flood	50,000	400	162	\$10.80	\$1.98	\$7.61	\$20.39
Flood	130,000	1,000	405	\$18.39	\$2.60	\$19.00	\$39.99
Shoebox	16,000	175	71	\$20.23	\$2.61	\$3.35	\$26.19
Shoebox	28,500	250	101	\$21.54	\$2.92	\$4.72	\$29.18
SP2 Spectra	9,500	100	41	\$21.96	\$2.68	\$1.92	\$26.56
Vertical Shoebox	130,000	1,000	405	\$22.70	\$2.96	\$19.00	\$44.66

(Continued on Sheet No. 57)

Issued by: Jeffry M. Householder, President

Effective:

Florida Public Utilities Company  
F.P.S.C. Electric Tariff  
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*RATE SCHEDULE LS  
LIGHTING SERVICE*

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(Continued from Sheet No. 56)

Charges for other Company-owned facilities:

1)	30' Wood Pole	\$ 4.30
2)	40' Wood Pole Std	\$ 9.56
3)	18' Fiberglass Round	\$ 8.90
4)	13' Decorative Concrete	\$ 12.62
5)	20' Decorative Concrete	\$ 14.64
6)	35' Concrete Square	\$ 14.12
7)	10' Deco Base Aluminum	\$ 16.56
8)	30' Wood Pole Std	\$ 4.77

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

Purchased Power Charges

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

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

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

Purchased Power Costs

See Sheet No. 65 & 66.

Conservation Costs

See Sheet No. 65 & 66.

Franchise Fee Adjustment

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

(Continued on Sheet No. 58)

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Florida Public Utilities Company  
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*RATE SCHEDULE OSL  
 MERCURY VAPOR LIGHTING SERVICE  
 (Closed To New Installations)*

(Continued from Sheet No. 58)

Availability

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

Applicability

Applicable to customer for mercury vapor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

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

Monthly Rate

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

Lamp Size	KWH/Mo.	Facilities	Maintenance*	Energy	Total
<u>Lumens</u>	<u>Estimate</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>
7,000	72	\$1.25	\$1.10	\$3.29	\$5.64
20,000	154	\$1.37	\$1.18	\$7.09	\$9.64

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

Purchased Power Charges

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

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

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

(Continued on Sheet No. 60)

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First Revised Sheet No. 61  
Cancels Original Sheet No. 61

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*RATE SCHEDULE IS-EXP  
INTERRUPTIBLE (EXPERIMENTAL)*

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Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 4 customers. This Rate Schedule shall expire on February 8, 2015.

Applicability

Applicable to customers eligible for Rate Schedule GSLD with a load factor equal to or exceeding 35% and who have executed a Special Contract approved by the Commission. The company reserves the right to limit the total load and type customer served under this rate. Accounts established under this rate will be limited to premises where the interruption will primarily affect the customer, its employees, agents, lessees, tenants and guests and will not significantly affect members of the general public nor interfere with functions performed for the protection of public health or safety.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage. Interruptible service under this rate is subject to interruption during any On-Peak time period that the Company elects to notify customer, with a minimum of two (2) hours notice, that the customer must fully interrupt taking electric power from the Company. The Company is limited to an On-Peak period maximum of 200 hours of required interruption per year per customer.

Monthly Rate

Customer Facilities Charge:  
\$140.41 per customer per month

Demand Charge:  
Each KW of Billing Demand                      \$ 5.72/KW

Base Energy Charge:  
All KWH      0.226¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

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Florida Public Utilities Company  
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First Revised Sheet No. 40  
~~Cancels~~ Original Sheet No. 40

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*RATE SCHEDULE RS  
RESIDENTIAL SERVICE*

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Availability

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

Applicability

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

Character of Service

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

Limitations of Service

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

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

Monthly Rate

Customer Facilities Charge:

~~\$14.00~~ 15.12 per customer per month

Base Energy Charge:

~~1.960~~ 2.117¢/KWH for usage up to 1000 KWH's/month

~~3.210~~ 3.467 ¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

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

Minimum Bill

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

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First Revised Sheet No. 43  
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*RATE SCHEDULE GS  
GENERAL SERVICE – NON DEMAND*

---

Availability

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

Applicability

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

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

~~\$23.00~~ 24.84 per customer per month

Base Energy Charge:

All KWH ~~2.397~~ 2.589

¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

(Continued on Sheet No. 44)

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Florida Public Utilities Company  
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Cancels Original Sheet No. 45

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*RATE SCHEDULE GSD*  
*GENERAL SERVICE - DEMAND*

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Availability

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

Applicability

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

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

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

Monthly Rate

Customer Facilities Charge:

~~\$68.00~~ 73.45 per customer per month

Demand Charge:

Each KW of Billing Demand      \$ ~~3.70~~ 4.00/KW

Base Energy Charge

All KWH      ~~0.452~~ 0.488¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 46)

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Cancels Original Sheet No. 47

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*RATE SCHEDULE GSLD  
GENERAL SERVICE-LARGE DEMAND*

---

Availability

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

Applicability

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

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

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

Monthly Rate

Customer Facilities Charge:

~~\$130.00~~ 140.41 per customer per month

Demand Charge:

Each KW of Billing Demand      \$ ~~5.30~~ 5.72/KW

Base Energy Charge

All KWH      0.209-226¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

Purchased Power Costs

See Sheet No. 65 & 66.

(Continued on Sheet No. 48)

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Florida Public Utilities Company  
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Cancels Original Sheet No. 49

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

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Availability

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

Applicability

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

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

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

Monthly Rate

Customer Facilities Charge:  
\$~~130.00~~ 140.41 per customer per month

Demand Charge:  
Each KW of Maximum Billing Demand      \$~~5.30~~-5.72/KW

Base Energy Charge:  
All KWH    0.209-0.226¢/KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 50)

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Florida Public Utilities Company  
F.P.S.C. Electric Tariff  
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First Revised Sheet No. 50  
Cancels Original Sheet No. 50  
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*RATE SCHEDULE GSLD 1*  
*GENERAL SERVICE - LARGE DEMAND 1*

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Availability

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

Applicability

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

Character of Service

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

Monthly Base Rates

Customer Facilities Charge:	<del>\$805.00</del> <u>\$69.46</u>
Base Transmission Demand Charge:	<del>\$1.50-1.62</del> /KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	<del>\$0.36-0.39</del> /kVar of Excess Reactive Demand

Purchased Power Charges (See Sheet 52 for descriptions)

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

Minimum Bill

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

Terms of Payment

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

Conservation Costs

See Sheet Nos. 65 & 66.

Franchise Fee Adjustment

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

(Continued on Sheet No. 51)

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*RATE SCHEDULE SB  
STANDBY SERVICE*

Availability

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

Applicability

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

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

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

Monthly Rate

Customer Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW-  
~~\$100.00~~ 108.01.
- (b) For those customers who have contracted for standby service of 500 KW or greater-  
~~\$805.00~~ 869.46.

Local Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW- ~~\$2.60~~ 2.81/KW.
- (b) For those customers who have contracted for standby service of 500 KW or greater - ~~\$0.65~~ 0.70/KW.

Purchased Power Charges

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

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

CP Demand Charge - Each KW of CP Demand                   \$8,8414.75/KW  
Energy Charge - All   4.4414.709¢

(Continued on Sheet No. 53)

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*RATE SCHEDULE LS  
 LIGHTING SERVICE*

Availability

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

Applicability

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

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

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

Monthly Rate

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

Type	Lamp	Size	KWH/Mo.	Facilities	Maintenance*	Energy	Total
<u>Facility</u>	<u>Lumens</u>	<u>Watts</u>	<u>Estimate</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>
<u>High Pressure Sodium Lights</u>							
Acorn	16,000	150	61	\$16.25-17.55	\$2.06-2.22	\$2.64-2.85	\$20.95-22.62
ALN 440	16,000	150	61	\$23.18-25.04	\$2.74-2.96	\$2.64-2.85	\$28.56-30.85
Amer. Rev.	9,500	100	41	\$7.98-8.62	\$2.71-2.93	\$1.78-1.92	\$12.47-13.47
Amer. Rev.	16,000	150	61	\$7.48-8.08	\$2.75-2.97	\$2.64-2.85	\$12.87-13.90
Cobra Head	9,500	100	41	\$5.99-6.47	\$1.74-1.88	\$1.78-1.92	\$9.51-10.27
Cobra Head	22,000	200	81	\$8.08-8.73	\$2.08-2.25	\$3.52-3.80	\$13.68-14.78
Cobra Head	28,500	250	101	\$9.60-10.37	\$2.75-2.97	\$4.37-4.72	\$16.72-18.06
Cobra Head	50,000	400	162	\$8.96-9.68	\$2.29-2.47	\$7.05-7.61	\$18.30-19.76
Flood	28,500	250	101	\$9.40-10.15	\$2.00-2.16	\$4.37-4.72	\$15.77-17.03
Flood	50,000	400	162	\$14.74-15.92	\$1.88-2.03	\$7.05-7.61	\$23.67-25.56
Flood	130,000	1,000	405	\$18.46-19.94	\$2.48-2.68	\$17.59-19.00	\$38.53-41.62
SP2 Spectra	9,500	100	41	\$20.49-22.13	\$2.56-2.77	\$1.78-1.92	\$24.83-26.82
<u>Metal Halide Lights</u>							
ALN 440	16,000	175	71	\$22.18-23.96	\$2.16-2.33	\$3.10-3.35	\$27.44-29.64
Flood	50,000	400	162	\$10.00-10.80	\$1.83-1.98	\$7.05-7.61	\$18.88-20.39
Flood	130,000	1,000	405	\$17.03-18.39	\$2.41-2.60	\$17.59-19.00	\$37.03-39.99
Shoobox	16,000	175	71	\$18.73-20.23	\$2.42-2.61	\$3.10-3.35	\$24.25-26.19
Shoobox	28,500	250	101	\$19.94-21.54	\$2.70-2.92	\$4.37-4.72	\$27.01-29.18
SP2 Spectra	9,500	100	41	\$20.33-21.96	\$2.48-2.68	\$1.78-1.92	\$24.59-26.56
Vertical Shoobox	130,000	1,000	405	\$21.02-22.70	\$2.74-2.96	\$17.59-19.00	\$41.35-44.66

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*RATE SCHEDULE LS  
LIGHTING SERVICE*

---

(Continued from Sheet No. 56)

Charges for other Company-owned facilities:

1) 30' Wood Pole	\$ <del>3.98</del> <u>4.30</u>
2) 40' Wood Pole Std	\$ <del>8.85</del> <u>9.56</u>
3) 18' Fiberglass Round	\$ <del>8.24</del> <u>8.90</u>
4) 13' Decorative Concrete	\$ <del>11.68</del> <u>12.62</u>
5) 20' Decorative Concrete	\$ <del>13.55</del> <u>14.64</u>
6) 35' Concrete Square	\$ <del>13.07</del> <u>14.12</u>
7) 10' Deco Base Aluminum	\$ <del>15.33</del> <u>16.56</u>
8) 30' Wood Pole Std	\$ <del>4.42</del> <u>4.77</u>

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

Purchased Power Charges

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

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

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

Purchased Power Costs

See Sheet No. 65 & 66.

Conservation Costs

See Sheet No. 65 & 66.

Franchise Fee Adjustment

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

(Continued on Sheet No. 58)

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

(Continued from Sheet No. 58)

Availability

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

Applicability

Applicable to customer for mercury vapor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

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

Monthly Rate

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

Lamp Size	KWH/Mo.	Facilities	Maintenance*	Energy	Total
<u>Lumens</u>	<u>Estimate</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>
7,000	72	<del>\$1.16-1.25</del>	<del>\$1.02-1.10</del>	<del>\$3.05-3.29</del>	<del>\$5.235.64</del>
20,000	154	<del>\$1.27-1.37</del>	<del>\$1.09-1.18</del>	<del>\$6.56-7.09</del>	<del>\$8.929.64</del>

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

Purchased Power Charges

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

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

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

(Continued on Sheet No. 60)

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*RATE SCHEDULE IS-EXP  
INTERRUPTIBLE (EXPERIMENTAL)*

---

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 4 customers. This Rate Schedule shall expire on February 8, 2015.

Applicability

Applicable to customers eligible for Rate Schedule GSLD with a load factor equal to or exceeding 35% and who have executed a Special Contract approved by the Commission. The company reserves the right to limit the total load and type customer served under this rate. Accounts established under this rate will be limited to premises where the interruption will primarily affect the customer, its employees, agents, lessees, tenants and guests and will not significantly affect members of the general public nor interfere with functions performed for the protection of public health or safety.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage. Interruptible service under this rate is subject to interruption during any On-Peak time period that the Company elects to notify customer, with a minimum of two (2) hours notice, that the customer must fully interrupt taking electric power from the Company. The Company is limited to an On-Peak period maximum of 200 hours of required interruption per year per customer.

Monthly Rate

Customer Facilities Charge:	
	\$ <del>130.00</del> <u>140.41</u> per customer per month
Demand Charge:	
Each KW of Billing Demand	\$ <del>5.30</del> <u>5.72</u> /KW
Base Energy Charge:	
All KWH	<del>0.209</del> <u>0.226¢</u> /KWH

Purchased Power Charges

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

Minimum Bill

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

Terms of Payment

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

Issued by: Jeffrey M. Householder, President

Effective: NOV-01-2014