

November 15, 2024

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**BY E-FILING**

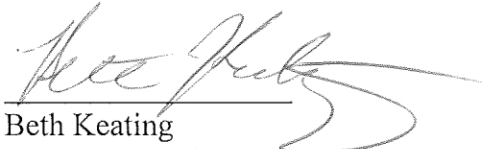
Mr. Adam Teitzman, Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**Re: Docket No. 20240099-EI - Petition for rate increase by Florida Public Utilities Company**

Dear Mr. Teitzman:

Attached, for electronic filing, on behalf of Florida Public Utilities Company, please find the Company's Responses to Staff's Twelfth Set of Data Requests.

Sincerely,

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

Cc: (Service List)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company. | DOCKET NO. 20240099-EI

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FPUC’S RESPONSES TO STAFF’S TWELFTH SET OF DATA REQUESTS

1. Referring to FPUC’s responses in staff’s third data request, please provide a response to question #2 regarding the term of the TCRR (e.g.: 2025-2030, 2025-2035 etc.) and its intended implementation date.

**Company Response:**

**The Company expects the first use of the TCRR would be in late 2026 or 2027 and continue until the Company’s next rate case when the investment and costs would be incorporated into base rates.**

2. Referring to FPUC’s response in staff’s third data request #4, please expand upon the statement that “the technology being implemented is ultimately necessary and will provide well-defined benefits to customers.”

**Company Response:**

**As noted in the third set of data requests, question #1, the Company anticipates utilizing the TCRR to recover an investment in an Enterprise Resource Planning System (ERP) which will be integrated with the Customer Information System that was placed into service during 2024. The Company currently executes its financial processes (including treasury management), supply chain processes, asset management processes and human resources processes using a number of manual processes. As a result, the Company has implemented a number of manual processes to transfer data between applications, facilitate data**

reporting and analytics and ensure that the appropriate level of internal controls are in place. Additionally, with multiple technology applications the effort to ensure the appropriate level of cyber security is maintained is increased to ensure that the appropriate level of security is maintained for each application.

With the implementation of the CIS application, the Company has begun to transition its technology to a single platform that utilizes a consistent process across all of its business units, streamlines internal controls, and centralizes cyber-security processes that currently are executed across multiple business units using multiple applications. In connection with this initiative, the Company has selected SAP as the ERP platform. Implementation of an ERP is intended to eliminate manual processes, integrate processing and data processing and increase efficiency of internal controls across multiple operating cycles, including: human resources, supply chain, enterprise asset management, revenue and finance. The Company expects that the implementation of this technology will streamline operations, improve reporting and analytics, and increase the level of controls within its operations. This will result in an improved level of control and cost sharing across CUC's business units which will benefit its customers.

3. Referring to the First Revised Sheet No. 23 (legislative version)/proposed Sheet No. 6.012 (clean version), regarding deposits for binding cost estimates for undergrounding facilities, please provide reasons for the proposed revisions to deposit amounts for new construction and for conversions.

**Company Response:**

The new deposit amounts have been updated to reflect the changes in labor and transportation costs since 2014 when the existing deposits were developed. The detail was

**provided as Exhibit “WH-4” to Witness Haffecke’s testimony, which is reattached here for convenience.**

4. Referring to Sheet No. 6.023 regarding temporary service charges, please explain why FPUC is proposing a Temporary Service charge of \$135.00 when Schedule E-7, page 6 of 6 calculations indicates the actual cost to be \$128.57.


**Company Response:**

**After review, it was determined that the Administrative labor was input at .2 hours instead of the actual .25 hour. With this correction, the actual total cost would be \$132.74 which we rounded up to \$135.**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 15th day of November, 2024:

<p>Suzanne Brownless Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 <a href="mailto:sbrownle@psc.state.fl.us">sbrownle@psc.state.fl.us</a> <a href="mailto:discovery-gcl@psc.state.fl.us">discovery-gcl@psc.state.fl.us</a></p>	<p>Walt Trierweiler/P. Christensen / Charles Rehwinkel/Mary Wessling/Octavio Ponce/Austin Watrous Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 <a href="mailto:Trierweiler.Walt@leg.state.fl.us">Trierweiler.Walt@leg.state.fl.us</a> <a href="mailto:Wessling.Mary@leg.state.fl.us">Wessling.Mary@leg.state.fl.us</a> <a href="mailto:Rehwinkel.Charles@leg.state.fl.us">Rehwinkel.Charles@leg.state.fl.us</a> <a href="mailto:Christensen.patty@leg.state.fl.us">Christensen.patty@leg.state.fl.us</a> <a href="mailto:Ponce.octavio@leg.state.fl.us">Ponce.octavio@leg.state.fl.us</a> <a href="mailto:Watrous.austin@leg.state.fl.us">Watrous.austin@leg.state.fl.us</a></p>
<p>Michelle Napier Florida Public Utilities Company 1635 Meathe Drive West Palm Beach FL 33411 <a href="mailto:mnapier@fpuc.com">mnapier@fpuc.com</a></p>	

By:   
Beth Keating  
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NEW CONSTRUCTION DEPOSITS

Exhibit: "WH-4"  
 Docket #20240099-EI  
 William Haffecke  
 Page 1 of 3

Per Hour Labor Cost:	\$ 60.57	*Average Lineworker cost (\$37.16) plus Overhead of 63%*
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Engineering Rate:	15% of Total Labor Costs
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Materials (OH 1 Mile - Urban Commercial) *Assumes 3PH Line Extension to Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1.5	28	Per Pole	42	45/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	2.5	27	Per Span	52	Wire Only
Insulator	0.5	28	Per Pole	14	3 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	3	1	Per Pole	3	Assumes one 3PH customer 150 kVA Bank
Total Hours:				125	
Total Lineworkers:				4	
Total Cost:				\$ 30,285.00	
Engineering:				\$ 4,542.75	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	28	Per Pole	28	40/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	1.5	27	Per Span	52	Wire Only
Insulator	0.1	28	Per Pole	2.8	1 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
Total Hours:				97.8	
Total Lineworkers:				4	
Total Cost:				\$ 23,694.98	
Engineering:				\$ 3,554.25	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	23	Per Pole	23	40/1 Poles and Standard Fixtures (1 pole per 250')
OH Wire and Devices	1.5	22	Per Span	52	Wire Only
Insulator	0.1	23	Per Pole	2.3	1 Insulators per pole
Grounding	0.5	23	Per Pole	11.5	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
Total Hours:				89.8	
Total Lineworkers:				4	
Total Cost:				\$ 21,756.74	
Engineering:				\$ 3,263.51	

CONVERSION DEPOSITS

Exhibit: "WH-4"  
 Docket #20240099-EI  
 William Haffecke  
 Page 2 of 3

Per Hour Labor Cost:	\$ 60.57	*Average Lineworker cost (\$37.16) plus Overhead of 63%*
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Engineering Rate:	15% of Total Labor Costs
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Materials (OH 1 Mile - Urban Commercial) *Assumes 3PH Line Conversion for Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1.5	28	Per Pole	42	45/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	2.5	27	Per Span	52	Wire Only
Insulator	0.5	28	Per Pole	14	3 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	3	1	Per Pole	3	Assumes one 3PH customer 150 kVA Bank
			Total Hours:	125	
			Removal Hour:	62.5	*Estimated at 1/2 the Installation Estimate
			Total Lineworkers:	4	
			Total Labor Cost:	\$ 45,427.50	
			Engineering:	\$ 6,814.13	

Materials (OH 1 Mile - Urban Residential) *Assumes 1PH Line Extension to Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	28	Per Pole	28	40/1 Poles and Standard Fixtures (1 pole per 200')
OH Wire and Devices	1.5	27	Per Span	52	Wire Only
Insulator	0.1	28	Per Pole	2.8	1 Insulators per pole
Grounding	0.5	28	Per Pole	14	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
			Total Hours:	97.8	
			Removal Hour:	48.9	*Estimated at 1/2 the Installation Estimate
			Total Lineworkers:	4	
			Total Cost:	\$ 35,542.48	
			Engineering:	\$ 5,331.37	

Materials (OH 1 Mile - Rural Residential) *Assumes 1PH Line Conversion for Single Customer*					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	23	Per Pole	23	40/1 Poles and Standard Fixtures (1 pole per 250')
OH Wire and Devices	1.5	22	Per Span	52	Wire Only
Insulator	0.1	23	Per Pole	2.3	1 Insulators per pole
Grounding	0.5	23	Per Pole	11.5	Grounding and Rod
OH Transformer Bank	1	1	Per Pole	1	Assumes one transformer 50kVA or less
			Total Hours:	89.8	
			Removal Hours:	44.9	*Estimated at 1/2 the Installation Estimate
			Total Lineworkers:	4	
			Total Cost:	\$ 32,635.12	
			Engineering:	\$ 4,895.27	

Low Density per Lot Estimate (assumes service to ≈ 100 Lots - 4 services per Transformer)					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	25	Per Pole	25	Assumes 1 40/1 pole per 4 lots
OH Wire and Devices	1.5	24	Per Span	52	Wire Only
Insulator	0.1	25	Per Pole	2.5	1 Insulators per pole
Grounding	0.5	25	Per Pole	12.5	Grounding and Rod
OH Transformer Bank	25	1	Per Service	25	Assumes one transformer 50kVA or less per lot
		Total Hours:		117	
		Removal Hour:		58.5	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		\$ 42,520.14	
		Engineering:		\$ 6,378.02	
		ENG PER LOT:		\$ 63.78	Assuming 100 Lots

High Density per Lot Estimate (assumes service to 150 Lots - 6 services per transformer)					
Item	Hours/Unit	Amount	Unit Type	Total Hours	Note and assumptions
Poles and Fixtures	1	25	Per Pole	25	Assumes 1 40/1 pole per 6 lots
OH Wire and Devices	1.5	24	Per Span	52	Wire Only
Insulator	0.1	25	Per Pole	2.5	1 Insulators per pole
Grounding	0.5	25	Per Pole	12.5	Grounding and Rod
OH Transformer Bank	25	1	Per Pole	25	Assumes one transformer 50kVA or less per lot
		Total Hours:		117	
		Removal Hour:		58.5	*Estimated at 1/2 the Installation Estimate
		Total Lineworkers:		4	
		Total Cost:		\$ 42,520.14	
		Engineering:		\$ 6,378.02	
		ENG PER LOT:		\$ 42.52	Assuming 150 Lots

Lot Calculation

One side of a 1 acre square lot ≈ 210'  
 Acres in one straight mile ≈ 25 (5280/210)  
 High Density 6 Dwellings per Acre  
 Low Density 4 Dwellings per Acre  
 \*Assume 1 Lot per Dwelling\*