

State of Florida



Public Service Commission

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

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

DATE: April 24, 2025

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Pope, Barrett, Ward) *CP*
Office of the General Counsel (Crawford) *gsc*

RE: Docket No. 20250057-GU – Petition for approval of tariff modification for equipment financing, by Florida Public Utilities Company.

AGENDA: 05/06/25 – Regular Agenda – Tariff Suspension – Participation is at the Commission’s Discretion

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 06/03/2025 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

On April 4, 2025, Florida Public Utilities Company (FPUC or the utility) filed a petition seeking approval of tariff changes to enable FPUC to provide and finance equipment related to compression, gas conversion, or Renewable Natural Gas (RNG) for its customers.

The requested tariff modifications (First revised Tariff Sheet No. 6.153 and Original Sheet No. 6.154) reflect a similar provision that the Commission approved for Florida City Gas (FCG).¹ FPUC asserts that FCG has successfully utilized this similar provision to help customers manage the costs of converting appliances to natural gas. In its petition, FPUC stated that FCG’s tariff has enabled it to help customers manage the cost of making conversions that might otherwise be

¹ Florida City Gas Tariff, First Revised Sheet No. 26, Paragraph 19. FCG and predecessor companies have had equipment financing tariff provisions for compression and gas conversion equipment since the early 2000’s. Tariff changes to add RNG equipment and make other minor wording changes were approved in subsequent tariff filings.

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cost prohibitive. FPUC states that it would like to implement the proposed tariff language to enable it to assist its own customers in the same way.

In its petition, the utility stated that with this tariff change to implement equipment financing, the utility and a customer will be able to enter into an agreement to recover the costs, plus interest, associated with the compression, gas conversion, or RNG equipment. The financing charge will be reflected on the customer's bill until paid off.

In its petition, FPUC stated that it anticipates a similar level of interest in equipment financing service as FCG has received, along with improved alignment between the two companies' offerings and an enhanced ability to serve its customers.

On April 18, 2025, staff issued a data request to FPUC, for which responses are pending.

This is staff's recommendation to suspend the proposed tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.041, 366.05, and 366.06, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Commission suspend FPUC's proposed tariff revisions (First revised Tariff Sheet No. 6.153 and Original Sheet No. 6.154) to provide and finance compression, gas conversion, or RNG equipment?

Recommendation: Yes. Staff recommends that FPUC's proposed tariff revisions (First revised Tariff Sheet No. 6.153 and Original Sheet No. 6.154) to provide and finance compression, gas conversion, or RNG equipment be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposals. (Pope, Ward)

Staff Analysis: Staff recommends that FPUC's proposed revisions to the tariffs to provide and finance compression, gas conversion, or RNG equipment for its customers be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposals.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change, a reason, or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission decision on the proposed revised tariffs. (Crawford)

Staff Analysis: This docket should remain open pending the Commission decision on the proposed revised tariffs.