

Writer's E-Mail Address: bkeating@gunster.com

August 29, 2014

BY E-PORTAL FILING

Ms. Carlotta Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 140025-EI -Application for rate increase by Florida Public Utilities Company.

Dear Ms. Stauffer:

Attached for electronic filing in the referenced docket, please find the Joint Motion of Florida Public Utilities Company and the Office of Public Counsel for Approval of Stipulation and Settlement, along with the attached Stipulation and Settlement.

Please do not hesitate to contact me if you have any questions whatsoever regarding this filing.

Sincerely,



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

Cc:/Service List (Docket 140025-EI)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Rate Increase by Florida
Public Utilities Company.

DOCKET NO. 140025-EI

DATED: August 29, 2014

**JOINT MOTION OF FLORIDA PUBLIC UTILITIES COMPANY
AND THE OFFICE OF PUBLIC COUNSEL FOR APPROVAL OF
STIPULATION AND SETTLEMENT**

Florida Public Utilities Company (“FPUC” or “Company”) and the Office of Public Counsel (“OPC”) (collectively, “Joint Movants”) by and through their undersigned attorneys, respectfully move the Florida Public Service Commission (“Commission”) to approve the Stipulation and Settlement agreement (“Agreement”) attached hereto as Attachment “A”, which the Joint Movants have entered into in order to resolve issues in this proceeding. In support hereof, the Joint Movants state as follows:

1. On April 28, 2014, FPUC petitioned the Florida Public Service Commission (“the Commission”) for an increase in its base rates and miscellaneous service charges of approximately \$5.85 million to be effective 30 days from the date of the Commission’s vote on the Company’s request, based upon a projected test year ended September 30, 2015.

2. OPC filed a notice of its intervention on February 4, 2014.

3. The Joint Movants have filed substantial amounts of testimony and exhibits and have conducted extensive discovery in this proceeding in preparation for the evidentiary hearing scheduled in this proceeding to begin on September 15, 2014.

4. In recent weeks, the Joint Movants have engaged in negotiations to resolve the issues in this proceeding in an effort to avoid any further expensive and time-consuming litigation before the Commission. These efforts have been successful and resulted in the Agreement attached hereto as Attachment A.

5. The Agreement is the result of good faith efforts to address the issues in this proceeding in a manner that will provide regulatory certainty with regard to FPUC's rates and to avoid the expense and uncertainty associated with further litigation. The Agreement results in rates and charges that are fair, just and reasonable for the duration of the Agreement. It provides planning and rate certainty for a period through December 2016, prior to which FPUC will be prohibited from seeking a base rate increase except in certain specified circumstances.

6. The Agreement also addresses the Company's requests to establish certain regulatory assets, as well as its request to establish an insurance reserve, in a manner that is fair for both the Company and its customers. The Agreement provides additional regulatory certainty by addressing storm cost recovery and other cost recovery mechanisms.

7. Of particular note, the Agreement includes two components that will ensure continued improvements in the Company's reliability and service to its customers. Specifically,

the Agreement provides that the Company will continue to pursue projects outlined in Exhibit A to the Agreement, which are designed to enhance the reliability and safety of the Company's system. The Agreement also provides that the Company will suspend its accrual to the storm reserve for a two (2)-year period and use the accrual amount to accelerate its tree trimming cycles for both divisions, as well as to fund a study of the feasibility of undergrounding facilities in both divisions.

8. The Agreement also addresses the Company's Economic Development Rider tariff in a manner that will promote economic development activities in the both of the Company's divisions, which have been hard-hit by the economic downturn.

9. The Joint Movants respectfully urge the Commission to consider this Joint Motion for Approval of Stipulation and Settlement at the beginning of the hearing, which has been noticed to begin on September 15, 2014, and issue a bench decision approving the Agreement. Consideration of this Joint Motion in advance of the hearing process provides an opportunity to avoid significant additional legal costs, if the Commission does, ultimately, approve the Joint Movants' request. If the Joint Motion is not taken up at the beginning of the hearing, and approved, the Joint Movants will incur substantial additional costs associated with completing outstanding discovery, as well as costs associated with the Joint Movants' and their witnesses attending and participating in the evidentiary hearing, which is scheduled to last for four days.

10. Moreover, a critical term in the Agreement is that the rates resulting from the Agreement shall go into effect by November 1, 2014. In order to provide the appropriate noticing period for the new rates, it is imperative that this Joint Motion be considered and addressed on September 15, 2014.

11. The Joint Movants submit that consideration of this Joint Motion at the beginning of the hearing and issuance of a bench decision will comply with all notice requirements set forth in Section 120.569, Florida Statutes. Moreover, the Joint Movants have stipulated and agree that: (1) all documents filed in this proceeding shall be available for Commission review for purposes of making its determination with regard to this Joint Motion; and (2) that if the Agreement is approved, the Company's Petition and Minimum Filing Requirements ("MFRs"), the prefiled testimony and exhibits of all witnesses, and the Agreement, including all Exhibits attached thereto, shall become a part of the hearing record as if admitted into evidence. Thereafter, to the extent that the Commission determines that outstanding issues, if any, must be further addressed at the hearing, the record thus established will be available. In any event, the Joint Movants urge the Commission to issue a bench decision on September 15, 2014, approving the Agreement and resolving this proceeding, so that new rates can be implemented on November 1, 2014, as contemplated by the Agreement.

12. To date, no other parties have intervened in this proceeding. As the only two parties to the proceeding have executed the Agreement, no party will be prejudiced by the proposed procedure or the Commission's approval of the Agreement. Should any new party

seek to intervene at any point in the future, in accordance with Commission rules, such party would then take the case as they find it.

13. In furtherance of this Joint Motion and approval of the Agreement, the Joint Movants waive any right to seek reconsideration of a final order of the Commission approving the Agreement in its entirety.

14. For reference purposes only, the following is an overview of the key provisions of the Agreement:

- (a) The Agreement will become effective with the first billing cycle of November 2014 and continue in effect through, at least, December 2016, unless certain circumstances specified in the Agreement arise. The base rates, charges and conditions set forth in the Agreement will continue beyond December 2016 unless otherwise changed by Commission order.
- (b) FPUC will be entitled to increase its base rates and service charges to generate an additional \$3,750,000 of annual revenues, based on the projected test year September 2015 billing determinants ("New Rates"). The New Rates presented in Exhibit B to the Agreement are to be designed in accordance with methodology of the Cost of Service and Rate Design set forth in the Company's MFRs, as well as the Testimony and Exhibits of Panel Witnesses P. Mark Cutshaw and Drane A. (Buddy)

Shelley, submitted with the Company's Petition. The calculated base rates will be spread across the rate classes consistent with MFR E-8.

- (c) FPUC's authorized ROE shall be within a range of 9.25% to 11.25%, with a mid-point of 10.25%. FPUC's equity ratio and capital structure shall be based on the actual capital structure recorded on its books and its pro rata share of its corporate parent, Chesapeake Utilities Corporation's ("Chesapeake"), capital structure for equity and debt. Customer deposits, investment tax credits, and deferred income taxes shall be the balances recorded on FPUC's books. This authorized ROE, ROE range, and actual capital structure will be used for all regulatory purposes including, but not limited to, cost recovery clauses, earnings surveillance reporting, the calculation of the Company's Allowance for Funds Used During Construction ("AFUDC") rate and associated amounts of AFUDC in accordance with Rule 25-6.0141, Florida Administrative Code, and the implementation and operation of the Agreement.
- (d) Rate increases will be implemented on November 1, 2014 ("Implementation Date").
- (e) FPUC will use all reasonable and prudent efforts to continue implementing infrastructure projects, consistent with those outlined in demonstrative Exhibit A, attached to the Agreement, in order to maintain the reliability of its electrical system.
- (f) The Company will be allowed to implement its new economic development rider ("Rider") as described in the Testimony of Witness

Aleida Socarras, and reflected in Exhibit AS-2, on behalf of the Company.

The Rider will also become effective on the Implementation Date.

- (g) The Company may continue to seek recovery of costs through recovery clauses, but cannot seek recovery of costs that the Company has traditionally and historically recovered through base rates.
- (h) FPUC may petition for recovery of storm restoration costs arising from named storms.
- (i) FPUC will not file for a base rate increase prior to December 2016, unless its earned ROE falls below the authorized range. Likewise, should the Company's ROE exceed the authorized range, the OPC will have the right to seek a rate decrease for the Company.
- (j) FPUC will be allowed to amortize rate case expense over a 5-year period.
- (k) The Company will also be entitled to establish a regulatory asset to address the income tax rate "step up" that occurred when Chesapeake acquired the Company. The amortization period for this tax asset will be 26 years, which represents the remaining life of the assets as of the date that Chesapeake acquired FPUC in 2009. The annual amortization will be set at \$9,876. The amortization of the asset will be deemed effective as of November 2009. Therefore, the amortization expense that would have been incurred for the 59-month period beginning November 2009 through September 2014, which is the amount of \$48,557, will be written off to income as a prior period adjustment. The remaining balance of the Tax

Asset of \$208,220 will continue to be amortized and recovered through rates until fully amortized.

- (l) If the Company incurs an item that would otherwise qualify as a regulatory asset or liability, or if the Company incurs or realizes any loss or gain on the sale of any property that was previously included in base rates or any clause recovery, those amounts will be deferred until the next rate case proceeding.
- (m) The Company will be entitled to establish a general liability reserve, which will be funded by FPUC at \$25,000 per year, until a cap of \$250,000 is reached. Other provisions of the Agreement address situations in which the cap is reached and when the amount in the reserve falls below the cap.
- (n) In addition, the Company will be entitled to establish a regulatory asset to address the one-time \$250,000 general liability claim addressed in the testimony of FPUC's witness Kim. Once established, \$50,000 per year of the Regulatory Asset will be amortized over a 5-year period. Upon expiration of this Regulatory Asset, the \$50,000 amortization amount will then be credited to the General Liability Reserve, in accordance with the Agreement.
- (o) The Company will suspend its accrual to the storm reserve for a 2-year period. The amount of accrual will be used to accelerate tree trimming for both divisions, as well as to fund a study on undergrounding facilities in both divisions.

(15) The Joint Movants represent that the Agreement provides an equitable and just balance of the positions of the parties on the issues in this proceeding. Approval of the Agreement is in the best interest of both the Company and its customers, and as such, it is in the public interest.

(16) Commission approval of this Joint Motion is consistent with the Commission's long-standing policy to encourage settlements that provide benefits to the ratepayers and avoid unnecessary additional litigation expense. For this reason, the Joint Movants therefore respectfully request that the Commission approve the Agreement, which is attached hereto as Attachment "A".

WHEREFORE, the Joint Movants hereby respectfully request that the Commission grant this Joint Motion and approve the Agreement attached hereto as Attachment "A".

Respectfully submitted this 29th day of August 2014, by:



Patricia A. Christensen, Esquire
Bar No. 989789
Office of the Public Counsel
c/o The Florida Legislature
111 West Madison St., Rm 812
Tallahassee, FL 32399-1400
Office of Public Counsel



Beth Keating, Esquire
Bar No. 0022756
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for Florida Public Utilities Company

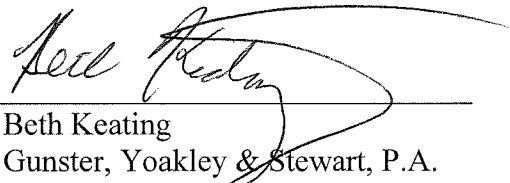
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Joint Motion has been furnished by Electronic Mail to the following parties of record this 29th day of August, 2014:

Suzanne Brownless, Esquire/Martha Barrera,
Esquire
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Patricia A. Christensen, Esquire
Office of the Public Counsel
c/o The Florida Legislature
111 West Madison St., Rm 812
Tallahassee, FL 32399-1400

By: _____



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

Docket No. 140025-EI

ATTACHMENT "A"

Stipulation and Settlement

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Rate Increase by)
Florida Public Utilities Company)
_____)

DOCKET NO. 140025-EI
Filed: AUGUST 29, 2014

STIPULATION AND SETTLEMENT

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

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

WHEREAS, on April 28, 2014, FPUC petitioned the Florida Public Service Commission (“the Commission”) for an increase in its base rates and miscellaneous service charges of approximately \$5.85 million to be effective 30 days from the date of the Commission’s vote on the Company’s request, based upon a projected test year ended September 30, 2015; and

WHEREAS, OPC filed a notice of its intervention on February 4, 2014; and

WHEREAS, the Parties have filed substantial amounts of testimony and exhibits and 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, favor settlement of disputes, for a variety of reasons, including that they are in the public interest; and

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

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 Agreement will take effect upon Commission approval and shall be implemented on the date of the meter reading for the first billing cycle of November 2014

("Implementation Date") and continue at least until the last billing cycle of December 2016. The base rates, charges and related tariff term sheet terms and conditions established as a result of this Agreement will continue beyond December 2016 unless and until changed by Commission Order. The period from the Implementation Date through the last billing cycle in December 2016 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 during the Minimum Term unless other terms of this Agreement allow.

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

II. Return on Equity and Equity Ratio

a. For purposes of this Agreement, the phrase "authorized ROE" shall mean the midpoint authorized return on common equity ("ROE") and the phrase "authorized ROE range" shall mean the range that starts at 100 basis points below the midpoint and extends to 100 basis points above the midpoint as determined in this Agreement. Consistent with this understanding, FPUC's authorized ROE shall be within a range of 9.25% to 11.25%, with a mid-point of 10.25%. FPUC's equity ratio and capital structure shall be based on the actual capital structure recorded on its books and its pro rata share of the Parent Company's capital structure for equity and debt. Customer deposits, investment tax credits, and deferred income taxes shall be the balances recorded on FPUC's books. FPUC's authorized ROE, ROE range, and actual capital structure shall be used for all regulatory purposes including, but not limited to, cost recovery clauses, earnings surveillance reporting, the calculation of the Company's Allowance for Funds Used During Construction ("AFUDC") rate and associated amounts of AFUDC in accordance with Rule 25-6.0141, Florida Administrative Code, and the implementation and operation of this Agreement.

b. The authorized ROE and authorize ROE ranges shall continue in effect until the return on equity is next reset by the Commission.

III. Capital Projects

The Parties agree that FPUC shall use all reasonable and prudent efforts to continue implementing infrastructure projects, consistent with those outlined in the attached demonstrative Exhibit A, in order to maintain the reliability of its electrical system. The Parties further agree and acknowledge that this Paragraph III is in no way intended to constrain or otherwise restrict FPUC's ability to undertake other capital projects that it deems necessary and prudent for purposes of ensuring reliable service to its customers.

IV. Revenue Requirement

a. Upon the Implementation Date and effective with the date of the first meter reading for the first billing cycle of November 2014, FPUC shall be authorized to increase its base rates and service charges ("New Rates") to generate an additional \$3,750,000 of annual revenues, based on the projected test year September 2015 billing determinants reflected in the Minimum Filing Requirements ("MFRs") filed with the Company's Petition in this docket.

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

V. Economic Development Rider

The Parties agree that the Company shall be authorized to implement a new economic development rider ("Rider") as described in the Testimony of Witness Aleida Socarras, and reflected in Exhibit AS-2, on behalf of the Company. The Rider shall become effective on the Implementation Date. The Tariff Sheets reflecting the Economic Development Rider are included within Exhibit C, which is further addressed in Paragraph XIX-New Rates, and are consistent with those submitted in Docket No. 140025-EI as Exhibit AS-2.

VI. Other Cost Recovery

Nothing in this agreement shall preclude the Company from requesting the Commission to approve the recovery of costs that are: (a) of a type which traditionally and 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 or Commission determines are clause recoverable subsequent to the approval of this settlement. Except as provided in this Agreement, it is the intent of the Parties in this Paragraph VI that FPUC not be allowed to recover through cost recovery clauses increases in the magnitude of costs, incurred after implementation of the new base rates, of types or categories (including but not limited to, for example, investment in and maintenance of transmission assets) that have been traditionally and historically recovered through FPUC's base rates.

VII. Storm Damage Recovery

a. Nothing in this agreement shall preclude FPUC from petitioning the Commission to seek recovery of costs associated with any tropical systems named by the National Hurricane Center or its successor without the application of any form of earnings test or measure and irrespective of previous or current base rate earnings. All storm related costs shall be calculated and disposed of pursuant to Commission 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, (ii) the estimate of incremental costs above the level of storm reserve prior to the storm and (iii) the replenishment of the storm reserve to the level as of October 31, 2014. The Parties to this Agreement are not precluded from participating in any such proceedings and opposing the amount of FPUC's claimed costs or whether the proposed recovery is consistent with this Paragraph VII, but not the mechanism agreed to herein.

b. 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.

c. The provisions of this Paragraph VII shall remain in effect during the Term except as otherwise permitted or provided for in this Agreement and shall continue in effect until the Company's base rates are next reset by the Commission.

VIII. Earnings

a. Notwithstanding Paragraph II-Return on Equity and Equity Ratio, the Parties agree that, in the event that the Company's earned return on common equity falls below 9.25% during the Term on an FPUC earnings surveillance report stated on a thirteen-month average actual Commission adjusted basis, the Company may file a Petition for Rate Increase with the Commission either as a general proceeding under Section 366.06 and 366.07, Florida Statutes, and/or as a limited proceeding under Section 366.076, Florida Statutes. Nothing herein shall be construed as an agreement by the OPC that a limited proceeding would be appropriate, and FPUC acknowledges and agrees that the OPC reserves and retains all rights to challenge the propriety of any limited proceeding or to assert that any request for base rate changes should be properly addressed through a general rate case, as well as challenge any substantive proposals to change the Company's rates in any such future proceeding. Throughout this Agreement, "actual Commission adjusted basis" and "actual adjusted earned return" shall mean results reflecting all adjustments to FPUC's books required by the Commission by rule or order, but excluding pro forma weather adjustments. FPUC acknowledges that the OPC shall be entitled to participate and oppose any request initiated by FPUC to increase its rates.

b. Likewise, notwithstanding Paragraph II-Return on Equity and Equity Ratio, the Parties agree that if the Company's earned return on common equity exceeds 11.25% on an FPUC earning surveillance report on a thirteen-month average actual Commission-adjusted basis, OPC may file a petition with the Commission seeking a review of the Company's rates. In any case initiated by the OPC, all Parties will have full rights conferred by law.

IX. General Liability Reserve

a. The Parties agree that FPUC shall be authorized to establish a General Liability Reserve ("Reserve") subject to the following terms and conditions:

i. \$25,000 per year shall be credited to the reserve by FPUC.

- ii. Only general liability insurance claims and deductibles on behalf of FPUC processed through an insurance company may be charged against the reserve.
- iii. The balance of the reserve shall be capped at \$250,000.
- iv. In the event the cap is reached, should the reserve subsequently fall below the cap level of \$250,000, FPUC shall reinstitute the mandatory annual credit to the reserve in the full annual amount or, portion thereof, necessary to replenish the reserve to the capped level.
- v. The Company shall report the annual balance of the general liability reserve in its annual report to the Commission, and the credit balance shall be used to offset working capital in rate base.
- vi. The reasonableness of continuing the general liability reserve shall be reviewed upon the filing of FPUC's next rate case.
- vii. The establishment of this reserve shall in no way be considered as precedent for the next FPUC rate case.

X. General Liability Claim Asset

The Parties agree that FPUC shall establish a Regulatory Asset in the amount of \$250,000 in order to address a General Liability claim, as described in the Testimony of Matthew Kim, which was submitted along with the Company's Petition in this proceeding. Once established, \$50,000 per year of the Regulatory Asset shall be amortized over a 5-year period. Upon expiration of this Regulatory Asset, the \$50,000 amortization amount shall then be credited to the General Liability Reserve described in Paragraph IX-General Liability Reserve, above, unless the Reserve has reached its cap of \$250,000. Should the Reserve fall below the cap level of \$250,000, FPUC shall reinstate the annual \$50,000 credit to the Reserve or, portion thereof, necessary to replenish the reserve to the capped level. To clarify, the \$50,000 amount which is the subject of this Paragraph X is in addition to the \$25,000 credit to the General Liability Reserve, which is the subject of Paragraph IX-General Liability Reserve, above.

XI. Rate Case Expense

Rate case expense shall be amortized over a 5-year period.

XII. Tax “Step Up” Regulatory Asset

The Parties agree that FPUC shall be authorized to establish a regulatory asset associated with the initial step-up for the Accumulated Deferred Income Tax (ADIT) balance, which was required to be booked after Chesapeake Utilities Corporation (“CUC”) acquired FPUC (“Tax Asset”). The Tax Asset shall be established in the amount of \$256,777. The amortization period for the Tax Asset shall be 26 years, which represents the remaining life of the assets as of the date that CUC acquired FPUC in 2009. The annual amortization shall be \$9,876. The amortization of the Tax Asset shall be deemed effective as of November 2009. Therefore, the amortization expense that would have been incurred for the 59-month period beginning November 2009 through September 2014, which is the amount of \$48,557, shall be written off to income as a prior period adjustment. The remaining balance of the Tax Asset of \$208,220 shall continue to be amortized and recovered through rates until fully amortized.

XIII. Deferral of Regulatory Assets or Liabilities

The Parties agree that, if the Company incurs an item that would otherwise qualify as a regulatory asset or liability, or if the Company incurs or realizes any loss or gain on the sale of any property that was previously included in base rates or any clause recovery, those amounts will be deferred until the next rate case proceeding. This provision shall remain in effect from the date this Agreement is approved by the Commission until the next Commission-approved change in base rates for FPUC. OPC reserves all rights to contest any request by FPUC to establish any regulatory asset or liability during the period this provision remains in effect.

XIV. Suspension of Storm Accrual

Upon the implementation date of this agreement, the Company shall suspend its annual accrual of \$121,620 to its Storm Reserve for a two-year period. During this two-year period, FPUC shall use these funds to expedite its tree trimming cycles and to conduct a study of the feasibility of undergrounding its facilities for both its Northeast and Northwest Electric divisions. The Parties contemplate that the amounts allocated for such projects shall be in the approximate amount of \$182,430 to expedite the tree trimming cycles for both divisions, with approximately \$60,810 allocated to conduct a study of the feasibility of undergrounding distribution facilities for both divisions.

XV. Effective Date

Consistent with the Term set forth in Paragraph I-Term, the Parties agree that it is appropriate for the rates to be implemented as a result of this Agreement to go into effect on November 1, 2014.

XVI. Commission Approval

a. The provisions of this Agreement are contingent upon Commission approval of this Agreement in its entirety without modification. It is the desire of the Parties that this Agreement be noticed for consideration at the beginning of the Hearing scheduled in this matter to begin on September 15, 2014. The Parties agree that:

- i. Consideration by the Commission of this Agreement at the beginning of the hearing in a manner in which all interested persons are allowed to speak to address the Agreement satisfies the requirements for conducting a hearing on the approval of the Agreement;
- ii. The following documents on file in this proceeding shall be available for the Commission during its consideration of this Agreement- the Company's Petition, the MFRs, the prefiled testimony and exhibits of all witnesses, and this Agreement;
- iii. Upon approval of this Agreement by the Commission, such documents shall become a part of the record as if admitted into evidence at final hearing; and
- iv. Commission decision approving this Agreement may be issued as a final order.

b. The Parties agree that there is good cause to expedite approval of this Agreement, in that approval of the Agreement will avoid additional litigation costs for all Parties. To the extent necessary, the Parties agree to waive:

- i. All notice requirements for a hearing as set forth in Section 120.569(2)(b), Florida Statutes, or other applicable law;
- ii. Their right to require a hearing on the merits;

- iii. Their respective rights to seek reconsideration of any Final Order that approves this Agreement in its entirety without change; and
- iv. Their respective right to judicial review of any such final agency action approving this Agreement afforded by Section 120.68, Florida Statutes.

c. The Parties further agree they will support this Agreement and affirmatively assert that this Agreement is in the public interest and should be approved. The Parties likewise agree and acknowledge that:

- i. The revenue increase and resulting rates and charges developed from and in accordance with this Agreement are fair, just and reasonable; and
- ii. Approval of this Agreement promotes planning and regulatory certainty for both FPUC and its customers.

d. The Parties further agree that this Agreement shall have no precedential value in any proceeding before the Commission nor shall any Party assert same. The Parties agree that the terms of this Agreement shall be without prejudice to either Party's ability to assert a different position in future proceedings not involving this Agreement. It is the Parties' desire and intent that the Commission's approval of this Agreement recognizes that no individual term or condition set forth herein represents an opinion or position of either Party when considered in isolation.

XVII. 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.

XVIII. Resolution of Issues

Approval of this Agreement resolves all issues in this proceeding, with the exception of issues regarding Cost of Service and Rate Design. OPC takes no position on the Cost of Service and Rate Design issues, consistent with its Prehearing Statement filed on August 15, 2014.

XIX. New Rates

a. The New Rates, which are attached and incorporated herein as Exhibit B, shall be designed to accurately reflect the terms as presented in the Agreement. In addition, the New Rates presented in Exhibit B shall be designed in accordance with methodology of the Cost of Service and Rate Design set forth in the MFRs, as well as the Testimony and Exhibits of Panel Witnesses P. Mark Cutshaw and Drane A. (Buddy) Shelley, submitted with the Company's Petition on April 28, 2014. The calculated base rates shall be spread across the rate classes consistent with MFR E-8. OPC takes no position with regard to the design of the rates and new service charges reflected therein, consistent with Paragraph XVIII-Resolution of Issues, above.

b. Attached hereto as Exhibit C are the appropriate tariff sheets reflecting these rate changes, which, upon Commission approval, shall become effective on November 1, 2014.

c. The Parties agree that, after the Commission vote upon the Parties' Agreement, the remaining issues identified in Paragraph XVIII-Resolution of Issues, relating to Cost of Service and Rate Design should be decided by the Commission as expeditiously as possible in order to effectuate the agreed effective date of November 1, 2014.

XX. Execution

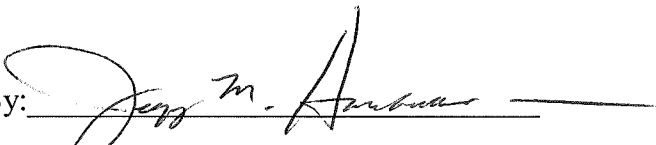
This Agreement is dated as of August 29, 2014. It may be executed in one (1) or more counterparts, all of which will be considered one and the same Agreement and each of which will be deemed an original.

[SIGNATURE PAGES FOLLOW]

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

Dated this 26th day of August 2014.

Florida Public Utilities Company

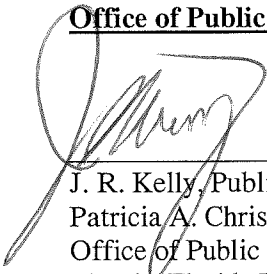
By: 

Jeffrey M. Householder
President, Florida Public Utilities Company

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

Dated this th 29 day of August 2014.

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

Docket No. 140025-EI

EXHIBIT A

Reliability Improvement Plan
(Demonstrative)

Florida Public Utilities Company
Consolidated Electric Divisions
Reliability Improvement Plan 2016 - 2019
Planned Capital Improvements

ITEM	Cost Estimate
Decayed Pole Replacements (from Osmose Inspections) Both Divisions	\$1,400,000
Substation Voltage Regulators NW Division	\$200,000
Purchase and Install Electronic Recloser NW Division	\$125,000
Remove Load From Feeders 310 and 311 transfer to 312 NE Division	\$150,000
Install 69KV Lightning Arrestors, Insulators and Grounding NE Division	\$300,000
Convert Overhead to Underground Marsh Cove & Gateway to Amelia NE Division	\$77,000
Overhead Reconductor along South Fletcher (Atlantic to Sadler) NE Division	\$125,000
Overhead Reconductor along South Fletcher (Sadler to Al Parkway) NE Division	\$220,000
Miscellaneous Underground Cable Replacement Both Divisions	\$300,000
Storm Harden the Hospital Feeder from Marianna Sub to Railroad Trestle NW Division	\$200,000
Storm Harden Prison Feeder from Substation to High School NW Division	\$150,000
Move Line From Woods to Rd ROW- Lawrenceville Rd NW Division	\$40,000
Move Line From Woods to Rd ROW - Obert Rd NW Division	\$20,000
Extend Underground Feeder #312 Airport to S. Fletcher - Cond./Sw. NE Division	\$810,000
Relocate the Railroad Feeder to Hwy 90 from Orange St. to Wynn St. NW Division	\$400,000
Underground Feeder to Airport NE Division	\$180,000
Install 69KV Lightning Arrestors, Insulators and Grounding (along S. Fletcher) NE	\$300,000
Replace Conduit/Cable - Forrest Ridge Condos NE Division	\$400,000
Loop Underground Feed in Amelia Park Subdivision NE Division	\$100,000
Replace 69KV CKT BKR (305, 304 & 309) & Switches at Stepdown Sub. NE Division	\$270,000
Overhead Reconductor on S. Fletcher (Simmons - Amelia Island Pky)	\$125,000
Replace 69KV pole with concrete NE Division	\$900,000
Storm Hardening - Feeder #215 Upgrade - Baptist Hospital NE Division	\$213,500
Storm Harden Jackson County Hospital Feeder NW Division	\$120,000
Relocate Altha Feeder from Jackson Co. Line to Fuqua Cir. NW Division	\$190,000
Add Second phase Mt Olive Cemetery Rd to Red Level Rd NW Division	\$70,000
Replace UG Cable Feeding Cottondale Village Apartments NW Division	\$50,000
Move Line From Woods Bellamy Bridge Rd NW Division	\$60,000
Rebuild Caverns Rd Substation NW Division	\$150,000
Purchase & Install New Capacitor Controls NW Division	\$50,000
Convert OH to UG on Buccaneer Trail NE Division	\$320,000
Replace 138 KV Circuit Switchers (406, 405, 404) at Step-down Sub. NE Division	\$345,000
OH Feeder Reconductor for SHN (Self Healing Network) NE Division	\$300,000
SHN Reclosers NE Division	\$100,000
RE-Build AIP Substation NE Division	\$1,600,000
Backup feed to Marianna Industrial Park from Chipola Substation NW Division	\$200,000
TOTAL	\$10,560,500

Docket No. 140025-EI

EXHIBIT B

New Rates

Proposed Final Rates

Customer Charge(s)

	<u>Present Rates</u>	<u>Interim Rates</u>	<u>Proposed Final Rates</u>
Residential (RS)	\$12.00	\$13.63	\$14.00
General Service (GS)	\$18.00	\$20.45	\$23.00
General Service Demand (GSD)	\$52.00	\$59.08	\$68.00
General Service Large Demand (GSLD)	\$100.00	\$113.61	\$130.00
General Service Large Demand (GSLD1)	\$600.00	\$681.66	\$805.00
Standby (SB) <500 kw	\$126.47	\$143.68	\$100.00
Standby (SB) ≥500 kw	\$626.47	\$711.73	\$805.00

Energy Charge \$/kwh

	<u>Present Rates</u>	<u>Interim Rates</u>	<u>Proposed Final Rates</u>
Residential (RS)	\$0.01958	\$0.02224	≤1,000 - \$0.01960 >1,000 - \$0.03210
General Service (GS)	\$0.01927	\$0.02189	\$0.02397
General Service Demand (GSD)	\$0.00340	\$0.00386	\$0.00452
General Service Large Demand (GSLD)	\$0.00145	\$0.00165	\$0.00209
General Service Large Demand (GSLD1)	\$0.00000	\$0.00000	\$0.00000
Standby (SB) <500 kw	\$0.00000	\$0.00000	\$0.00000
Standby (SB) ≥500 kw	\$0.00000	\$0.00000	\$0.00000

Demand Charge \$/kw

	<u>Present Rates</u>	<u>Interim Rates</u>	<u>Proposed Final Rates</u>
Residential (RS)	\$0.00	\$0.00	\$0.00
General Service (GS)	\$0.00	\$0.00	\$0.00
General Service Demand (GSD)	\$2.80	\$3.18	\$3.70
General Service Large Demand (GSLD)	\$4.00	\$4.54	\$5.30
General Service Large Demand (GSLD1)	\$1.12	\$1.27	\$1.50
General Service Large Demand (GSLD1)	\$ 0.24 kVAR	\$ 0.27 kVAR	\$ 0.36 kVAR
Standby (SB) <500 kw	\$2.00	\$2.27	\$2.60
Standby (SB) ≥500 kw	\$0.53	\$0.60	\$0.65

Service Charge(s)

	<u>Present Rates</u>	<u>Interim Rates</u>	<u>Proposed Final Rates</u>
Initial Entitlement of Service	\$53.00	\$53.00	\$61.00
Re-establish Service or Account Changes	\$23.00	\$23.00	\$26.00
Customer Request Temp Disconnect/Reconn	\$33.00	\$33.00	\$65.00
Reconnect After Disconnect (Normal Hrs)	\$44.00	\$44.00	\$52.00
Reconnect After Disconnect (After Hours)	\$95.00	\$95.00	\$178.00
Temporary Service	\$51.00	\$51.00	\$85.00
Collection Charge	\$14.00	\$14.00	\$16.00
Returned Check Charge	Per Statute	Per Statute	Per Statute
Credit Card Fees	-----	\$3.50 RS and 3.5% other classes	-----
Late Fees	-----	Greater of 1.5% or \$5.00	-----

	PRESENT RATES				INTERIM RATES				PROPOSED FINAL RATES			
	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge
100w HPS Cobra Head-OL	\$6.13	\$1.55	\$0.96	\$8.64	\$6.93	\$1.80	\$1.09	\$9.82	\$5.99	\$1.78	\$1.74	\$9.51
175w MV Cobra Head-OL	\$1.44	\$2.72	\$0.52	\$4.68	\$1.64	\$3.09	\$0.59	\$5.38	\$1.16	\$3.05	\$1.02	\$5.23
400w MV Cobra Head-OL	\$4.39	\$5.82	\$0.89	\$11.10	\$4.99	\$6.61	\$1.01	\$12.61	\$1.27	\$6.56	\$1.09	\$8.92
1000w HPS Flood-OL2	\$16.38	\$15.61	\$2.19	\$34.18	\$18.61	\$17.73	\$2.49	\$38.83	\$18.46	\$17.59	\$2.48	\$38.53
1000w MH Flood-OL2	\$15.20	\$15.61	\$2.03	\$32.84	\$17.27	\$17.73	\$2.31	\$37.31	\$17.03	\$17.59	\$2.41	\$37.03
1000w MH Vert Shoebox-OL2	\$21.31	\$15.61	\$2.69	\$39.61	\$24.21	\$17.73	\$3.06	\$45.00	\$21.02	\$17.59	\$2.74	\$41.35
100w HPS Amer Rev-OL2	\$8.10	\$1.58	\$1.15	\$10.83	\$9.20	\$1.80	\$1.31	\$12.30	\$7.98	\$1.78	\$2.71	\$12.47
100w HPS Cobra Head-OL2	\$6.13	\$1.55	\$0.96	\$8.64	\$6.93	\$1.80	\$1.09	\$9.82	\$5.99	\$1.78	\$1.74	\$9.51
100w HPS SP2 Spectra-OL2	\$18.18	\$1.58	\$3.16	\$22.92	\$20.65	\$1.80	\$3.59	\$26.04	\$20.49	\$1.78	\$2.56	\$24.83
100w MH SP2 Spectra-OL2	\$18.04	\$1.58	\$2.20	\$21.82	\$20.50	\$1.80	\$2.50	\$24.79	\$20.33	\$1.78	\$2.48	\$24.59
150w HPS Acorn-OL2	\$14.42	\$2.34	\$1.83	\$18.59	\$16.38	\$2.66	\$2.08	\$21.12	\$16.25	\$2.64	\$2.06	\$20.95
150w HPS ALN 440-OL2	\$21.46	\$2.34	\$2.61	\$26.41	\$24.38	\$2.66	\$2.97	\$30.35	\$23.18	\$2.64	\$2.74	\$28.56
150w HPS Am Rev-OL2	\$8.31	\$2.34	\$1.14	\$11.79	\$9.44	\$2.66	\$1.30	\$13.39	\$7.48	\$2.64	\$2.75	\$12.87
175w MH ALN 440-OL2	\$21.60	\$2.75	\$2.66	\$27.01	\$24.54	\$3.12	\$3.02	\$30.69	\$22.18	\$3.10	\$2.16	\$27.44
175w MH Shoebox-OL2	\$16.62	\$2.75	\$2.15	\$21.52	\$18.88	\$3.12	\$2.44	\$24.45	\$18.73	\$3.10	\$2.42	\$24.25
200w HPS Cobra Head-OL2	\$9.32	\$3.13	\$0.42	\$12.87	\$10.59	\$3.56	\$0.48	\$14.62	\$8.08	\$3.52	\$2.08	\$13.68
250w HPS Cobra Head-OL2	\$11.21	\$3.88	\$1.46	\$16.55	\$12.74	\$4.41	\$1.66	\$18.80	\$9.60	\$4.37	\$2.75	\$16.72
250w HPS Flood-OL2	\$8.49	\$3.88	\$1.34	\$13.71	\$9.65	\$4.41	\$1.52	\$15.58	\$9.40	\$4.37	\$2.00	\$15.77
250w MH Shoebox-OL2	\$17.69	\$3.88	\$2.40	\$23.97	\$20.10	\$4.41	\$2.73	\$27.23	\$19.94	\$4.37	\$2.70	\$27.01
400w HPS Cobra Head-OL2	\$8.43	\$6.26	\$1.34	\$16.03	\$9.58	\$7.11	\$1.52	\$18.21	\$8.96	\$7.05	\$2.29	\$18.30
400w HPS Flood-OL2	\$13.08	\$6.26	\$1.66	\$21.00	\$14.86	\$7.11	\$1.89	\$23.86	\$14.74	\$7.05	\$1.88	\$23.67
400w MH Flood-OL2	\$8.81	\$6.26	\$1.39	\$16.46	\$10.01	\$7.11	\$1.58	\$18.70	\$10.00	\$7.05	\$1.83	\$18.88
10' Alum Deco Base-OL2	\$13.50	\$ -	\$ -	\$13.50	\$15.34	\$ -	\$ -	\$15.34	\$15.33	\$ -	\$ -	\$15.33
13' Decorative Concrete-OL2	\$10.36	\$ -	\$ -	\$10.36	\$11.77	\$ -	\$ -	\$11.77	\$11.68	\$ -	\$ -	\$11.68
18' Fiberglass Round-OL2	\$6.86	\$ -	\$ -	\$6.86	\$7.79	\$ -	\$ -	\$7.79	\$8.24	\$ -	\$ -	\$8.24
20' Decorative Concrete-OL2	\$11.75	\$ -	\$ -	\$11.75	\$13.35	\$ -	\$ -	\$13.35	\$13.55	\$ -	\$ -	\$13.55
30' Wood Pole Std-OL2	\$3.95	\$ -	\$ -	\$3.95	\$4.49	\$ -	\$ -	\$4.49	\$4.42	\$ -	\$ -	\$4.42
35' Concrete Square-OL2	\$11.45	\$ -	\$ -	\$11.45	\$13.01	\$ -	\$ -	\$13.01	\$13.07	\$ -	\$ -	\$13.07
40' Wood Pole Std-OL2	\$7.85	\$ -	\$ -	\$7.85	\$8.92	\$ -	\$ -	\$8.92	\$8.85	\$ -	\$ -	\$8.85
30' Wood pole	\$3.53	\$ -	\$ -	\$3.53	\$4.01	\$ -	\$ -	\$4.01	\$3.98	\$ -	\$ -	\$3.98
175w MV Cobra Head-SL1-2	\$0.67	\$2.71	\$1.23	\$4.61	\$0.76	\$3.08	\$1.40	\$5.24	\$1.16	\$3.05	\$1.02	\$5.23
400w MV Cobra Head-SL1-3	\$1.13	\$5.81	\$1.40	\$8.34	\$1.28	\$6.60	\$1.59	\$9.48	\$1.27	\$6.56	\$1.09	\$8.92
175w MV Cobra Head-SL2	\$0.67	\$2.71	\$1.23	\$4.61	\$0.76	\$3.08	\$1.40	\$5.24	\$1.16	\$3.05	\$1.02	\$5.23

	PRESENT RATES				INTERIM RATES				PROPOSED FINAL RATES			
	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge
400w MV Cobra Head-SL2	\$1.13	\$5.81	\$1.40	\$8.34	\$1.28	\$6.60	\$1.59	\$9.48	\$1.27	\$6.56	\$1.09	\$8.92
1000w MH Flood-SL3	\$11.09	\$15.61	\$6.79	\$33.49	\$12.60	\$17.73	\$7.71	\$38.05	\$17.03	\$17.59	\$2.41	\$37.03
100w HPS Amer-SL3	\$5.99	\$1.58	\$3.80	\$11.37	\$6.81	\$1.80	\$4.32	\$12.92	\$7.98	\$1.78	\$2.71	\$12.47
100w HPS Cobra Head-SL3	\$4.37	\$1.58	\$2.78	\$8.73	\$4.96	\$1.80	\$3.16	\$9.92	\$5.99	\$1.78	\$1.74	\$9.51
150w HPS Acorn-SL3	\$10.47	\$2.34	\$6.15	\$18.96	\$11.89	\$2.66	\$6.99	\$21.54	\$16.25	\$2.64	\$2.06	\$20.95
150w HPS Amer Rev-SL3	\$5.85	\$2.34	\$4.28	\$12.47	\$6.65	\$2.66	\$4.86	\$14.17	\$7.48	\$2.64	\$2.75	\$12.87
175w MH ALN 440-SL3	\$22.36	\$2.75	\$1.71	\$26.82	\$25.40	\$3.12	\$1.94	\$30.47	\$22.18	\$3.10	\$2.16	\$27.44
200w HPS Cobra Head-SL3	\$5.61	\$3.13	\$2.88	\$11.62	\$6.37	\$3.56	\$3.27	\$13.20	\$8.08	\$3.52	\$2.08	\$13.68
250w HPS Cobra Head-SL3	\$5.38	\$3.88	\$3.94	\$13.20	\$6.11	\$4.41	\$4.48	\$15.00	\$9.60	\$4.37	\$2.75	\$16.72
250w HPS Flood-SL3	\$9.22	\$3.88	\$5.38	\$18.48	\$10.47	\$4.41	\$6.11	\$21.00	\$9.40	\$4.37	\$2.00	\$15.77
400w HPS Cobra Head-SL3	\$6.28	\$6.26	\$4.41	\$16.95	\$7.13	\$7.11	\$5.01	\$19.26	\$8.96	\$7.05	\$2.29	\$18.30
400w MH Flood-SL3	\$9.63	\$6.26	\$11.58	\$27.47	\$10.94	\$7.11	\$13.16	\$31.21	\$10.00	\$7.05	\$1.83	\$18.88
10' Alum Deco Base-SL3	\$14.92	\$ -	\$ -	\$14.92	\$16.95	\$ -	\$ -	\$16.95	\$15.33	\$ -	\$ -	\$15.33
13' Deco Concrete-SL3	\$10.35	\$ -	\$ -	\$10.35	\$11.76	\$ -	\$ -	\$11.76	\$11.68	\$ -	\$ -	\$11.68
18' Fiberglass Round-SL3	\$7.64	\$ -	\$ -	\$7.64	\$8.68	\$ -	\$ -	\$8.68	\$8.24	\$ -	\$ -	\$8.24
20' Decorative Concrete-SL3	\$11.45	\$ -	\$ -	\$11.45	\$13.01	\$ -	\$ -	\$13.01	\$13.55	\$ -	\$ -	\$13.55
30' Wood Pole Std-SL3	\$3.67	\$ -	\$ -	\$3.67	\$4.17	\$ -	\$ -	\$4.17	\$4.42	\$ -	\$ -	\$4.42
35' Concrete Square-SL3	\$12.81	\$ -	\$ -	\$12.81	\$14.55	\$ -	\$ -	\$14.55	\$13.07	\$ -	\$ -	\$13.07

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
 Consolidated Electric Division
 DOCKET NO.: 140025-EI

Type of Data Shown:
 Projected Test Year 09/30/201

Rate	Present Rates (1) Base Revenue	Proposed Rates (2) Base Revenue	Increase	
			Base	
			(3) (2) - (1)	(4) (3) / (1)
Total Company	16,816,314	20,566,329	3,750,014	22.3%
Residential Service	9,391,544	11,223,718	1,832,174	19.5%
General Service	1,954,685	2,454,998	500,314	25.6%
General Demand	2,497,202	3,290,142	792,940	31.8%
General Demand Large	954,222	1,251,486	297,264	31.2%
General Large Demand	399,528	541,289	141,761	35.5%
Total Outdoor Lighting	1,034,975	1,155,266	120,291	11.6%
OL	364,253	308,093	(56,160)	0.0%
OL-2	670,722	847,174	176,452	26.3%
Total Street Lighting	364,252	398,558	34,307	9.4%
SL-2	65,861	27,050	(38,811)	0.0%
SL-3	298,391	371,509	73,118	24.5%
Service Charges	219,908	250,870	30,962	14.1%

REVENUES BY RATE SCHEDULE - SERVICE CHARGES (ACCOUNT 451)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a schedule of revenues from all service charges (initial connection, etc.) under present and proposed rates.

Type of Data Shown:

Projected Test Year 09/30/2015

COMPANY:FLORIDA PUBLIC UTILITIES

Consolidated Electric Division

DOCKET NO.: 140025-EI

Type of Service Charge*	Division	Number of Transactions	Present Charge	Proposed Charge	Revenues at Present Charges	Revenues at Proposed Charges	Increase	
							Dollars	Percent
1	All	186	53.00	61.00	9,860	11,348	1,488	15.09%
2	All	5,116	23.00	26.00	117,672	133,021	15,349	13.04%
3	All	97	33.00	65.00	3,201	6,305	3,104	96.97%
4	All	1,096	44.00	52.00	48,208	56,973	8,765	18.18%
5	All	1	95.00	178.00	95	178	83	87.37%
6	All	0	51.00	85.00	-	-	-	0.00%
7	All	1,087	14.00	16.00	15,215	17,389	2,174	14.29%
8	All	759	Per Statute	Per Statute	25,657	25,657	-	0.00%
TOTAL		8,342			219,908	250,870	30,962	14.08%

- *1 Initial Establishment of Service
- 2 Re-establish Service or Make Changes to Existing Account
- 3 Temporary Disconnect Then Reconnect Service Due To Customer Request
- 4 Reconnect After Disconnect for Rule Violation(normal hours)
- 5 Reconnect After Disconnect for Rule Violation(after hours)
- 6 Temporary Service - this charge is used in conjunction with the temporary service fee when running a temporary service
- 7 Collection Charge
- 8 Returned Check Charge

BASE REVENUE BY RATE SCHEDULE - CALCULATIONS
NON-LIGHTING CUSTOMERS

FLORIDA PUBLIC SERVICE COMMISSION

Type of Data Shown:
Projected Test Year 09/30/2015

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 140025-EI

Determinants							Proposed Revenue Calculation						
Type of Charge	Customers	kWh	kW	kVar	CP kW	\$/Cust-Mo	\$/kWh	\$/kW	\$/kVar	Purchase Power	Conservation Charge	Production Demand	Base Revenue
Residential													
<1000 KWH	23,840	303,981,978	-	-		14.00	0.01960			0.09358	0.00100		7,986,760
>1000 KWH		203,142,064				-	0.03210			0.10608	0.00100		3,236,958
Consolidated		100,839,814											11,223,718
General Service													
Consolidated	3,743	59,318,375	-	-		23.00	0.02397			0.09004	0.00100		2,454,998
General Service Demand *													
Consolidated	669	159,778,670	548,137	-		68.00	0.00452	3.70		0.08807	0.00100		3,290,142
General Service Large Demand **													
Consolidated	22	87,261,970	200,323	-		130.00	0.00209	5.30		0.08729	0.00100		1,251,486
General Service Large Demand 1 / Standby													
GSLD1	1	17,330,256	202,000	44,913	68,578	805.00	-	1.50	0.36	0.05655	0.00100	14.75	328,829
Standby	1	6,409,820	312,000	-	-	805.00	-	0.65		0.05655	0.00100	14.75	212,460
													541,289
Total	28,277	634,081,070	1,262,460	44,913	68,578								18,761,634
GSD Primary Discount		3,420,075	10,877				(0.000045)	(0.55)					(6136.25)
GSLD Primary Discount		23,819,100	48,042				(0.000021)	(0.55)					(26923.30)

REVENUE BY RATE SCHEDULE - LIGHTING SCHEDULE CALCULATION

FLORIDA PUBLIC SERVICE COMMISSION

Type of Data Shown:
Projected Test Year 09/30/2015

COMPANY:FLORIDA PUBLIC UTILITIES
Consolidated Electric Division
DOCKET NO.: 140025-EI

Proposed Rates - Street Lighting

Type of Facility	Annual Billing Items	Est. Monthly KWH	Annual KWH	Facility Charge	Energy Charge	Maint. Charge	Total Monthly Charge	\$ Total Revenue
175w MV Cobra Head - SL1-2	5,172	72	864	\$1.16	\$3.05	\$1.02	\$5.23	\$27,050
400w MV Cobra Head - SL1-3	48	154	1,848	\$1.27	\$6.56	\$1.09	\$8.92	\$428
175w MV Cobra Head -SL2	0	72	864	\$1.16	\$3.05	\$1.02	\$5.23	\$0
400w MV Cobra Head -SL2	0	154	1,848	\$1.27	\$6.56	\$1.09	\$8.92	\$0
1000w MH Flood -SL3	54	405	4,860	\$17.03	\$17.59	\$2.41	\$37.03	\$2,000
100w HPS Amer -SL3	1,242	41	492	\$7.98	\$1.78	\$2.71	\$12.47	\$15,488
100w HPS Cobra Head- SL3	16,775	41	492	\$5.99	\$1.78	\$1.74	\$9.51	\$159,530
150w HPS Acorn -SL3	0	61	732	\$16.25	\$2.64	\$2.06	\$20.95	\$0
150w HPS Amer Rev -SL3	1,726	61	732	\$7.48	\$2.64	\$2.75	\$12.87	\$22,214
175w MH ALN 440 -SL3	132	71	852	\$22.18	\$3.10	\$2.16	\$27.44	\$3,622
200w HPS Cobra Head -SL3	4,228	81	972	\$8.08	\$3.52	\$2.08	\$13.68	\$57,839
250w HPS Cobra Head -SL3	2,375	101	1,212	\$9.60	\$4.37	\$2.75	\$16.72	\$39,710
250w HPS Flood - SL3	759	101	1,212	\$9.40	\$4.37	\$2.00	\$15.77	\$11,969
400w HPS Cobra Head -SL3	458	162	1,944	\$8.96	\$7.05	\$2.29	\$18.30	\$8,381
400w MH Flood -SL3	455	162	1,944	\$10.00	\$7.05	\$1.83	\$18.88	\$8,590
10' Alum Deco Base-SL3	133			\$15.33			\$15.33	\$2,039
13' Deco Concrete - SL3	0			\$11.68			\$11.68	\$0
18' Fiberglass Round-SL3	2,858			\$8.24			\$8.24	\$23,550
20' Decorative Concrete-SL3	415			\$13.55			\$13.55	\$5,623
30' Wood Pole Std - SL3	1,639			\$4.42			\$4.42	\$7,244
35' Concrete Square-SL3	251			\$13.07			\$13.07	\$3,281
Total Base Revenue Calculated								\$398,558

Correction Factor

Total Base Revenue

Supporting Schedules:

Docket No. 140025-EI

EXHIBIT C

Tariff Sheets (Clean/Legislative)

FPUC Electric Tariff
Third Revised Volume No. 1

Sheet No. 34
Sheet No. 38
Sheet No. 40
Sheet No. 43
Sheet No. 45
Sheet No. 47
Sheet No. 49
Sheet No. 50
Sheet No. 52
Sheet No. 56
Sheet No. 57
Sheet No. 59
Sheet No. 61

RULES AND REGULATIONS (Continued)

16. Limitations of Supply

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from non-affiliated companies that may jeopardize service to existing Customers.

17. Temporary Service

The Company upon request will supply temporary service when company's distribution system is nearby the requested location.

When the temporary service is to be later replaced with a permanent service, the Company will install a service drop, meter and other facilities as may be necessary to the customer's temporary service pole and remove same at the termination of temporary service. To recover the cost of installing and removing such temporary service, an advance of \$230.00 per service to the applicant will be applied. For underground temporary service using customer provided wire, an advance of \$200.00 per service will be required. Should the Company be required to install an additional pole, additional charges will apply. A pole with an overhead service will be an additional \$395.00, and a pole with an underground service will be an additional \$560.00.

When the temporary service will not be replaced by a permanent service or when the location is such that multiple temporary poles and/or extensive facilities are required, the Company will estimate the cost of installing and removing the temporary facilities and the advance charge to the applicant will be that cost estimate.

The rate schedule for temporary service shall be that which is applicable to the class of service for that customer.

18. Fees for Initial Connections

In addition to the deposit or suitable guarantee to cover the payment of bills as required by the Rules and Regulations, each Applicant or Customer shall pay an initial turn-on connection fee of \$61.00.

19. Re-establish or Make Change to Account

There shall be a charge to re-establish or change any account to which service is currently rendered under any of the Company's rate schedules in the amount of \$26.00. Should it be necessary, at the customer's request, to disconnect and then reconnect the service to the account, the customer shall pay a temporary disconnect then reconnect fee in the amount of \$65.00.

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RULES AND REGULATIONS (Continued)

~~RULES AND REGULATIONS (Continued)~~

16. Limitations of Supply

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from non-affiliated companies that may jeopardize service to existing Customers.

17. Temporary Service

The Company upon request will supply temporary service when company's distribution system is nearby the requested location.

When the temporary service is to be later replaced with a permanent service, the Company will install a service drop, meter and other facilities as may be necessary to the customer's temporary service pole and remove same at the termination of temporary service. To recover the cost of installing and removing such temporary service, an advance of ~~\$230.00~~ 200.00 per service to the applicant will be applied. For underground temporary service using customer provided wire, an advance of ~~\$200.00~~ 170.00 per service will be required. ~~Should the company be required to install an additional pole, an additional \$200.00 will be added to the advance per service. Should the Company be required to install an additional pole, additional charges will apply. A pole with overhead service will be an additional \$395.00, and a pole with an underground service will be an additional \$560.00.~~

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When the temporary service will not be replaced by a permanent service or when the location is such that multiple temporary poles and/or extensive facilities are required, the Company will estimate the cost of installing and removing the temporary facilities and the advance charge to the applicant will be that cost estimate.

The rate schedule for temporary service shall be that which is applicable to the class of service for that customer.

18. Fees for Initial Connections

In addition to the deposit or suitable guarantee to cover the payment of bills as required by the Rules and Regulations, each Applicant or Customer shall pay an initial turn-on connection fee of ~~\$61.00~~ 53.00.

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19. Re-establish or Make Change to Account

There shall be a charge to re-establish or change any account to which service is currently rendered under any of the Company' rate schedules in the amount of ~~\$26.00~~ 23.00. Should it be necessary, at the customer's request, to disconnect and then reconnect the service to the account, the customer shall pay a temporary disconnect then reconnect fee in the amount of ~~\$65.00~~ 33.00.

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RULES AND REGULATIONS (Continued)

22. Service Charges

A. Initial establishment of service	\$ 61.00
B. Re-establish or Change Account	\$ 26.00
C. Temporary disconnect then reconnect Service	\$ 65.00
D. Re-connect service after being disconnected for rule violation	
Normal Business Hours	\$ 52.00
After Normal Business Hours	\$178.00
E. Connect and then disconnect temporary Service	\$ 85.00
F. Collection Charge	\$ 16.00

Florida Public Utilities Company
F.P.S.C. Electric Tariff
Third Second Revised Volume No. 1

Original Sheet No. 38
Second Revised Sheet No. 22.4
Cancels First Revised Sheet No. 22.4

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RULES AND REGULATIONS (Continued)

RULES AND REGULATIONS (Continued)

22. Service Charges

A. Initial establishment of service \$61.00 ~~53.00~~

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B. Re-establish Or Change Account \$26.00 ~~23.00~~

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C. Temporary disconnect then reconnect Service \$65.00 ~~33.00~~

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D. Re-connect service after being disconnected for rule violation

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Normal Business Hours \$52.00 ~~44.00~~

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After Normal Business Hours \$178.00 ~~95.00~~

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E. Connect and then disconnect temporary Service \$85.00 ~~51.00~~

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F. Collection Charge \$16.00 ~~14.00~~

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Issued by: Jeffrey M. Householder, John T. English, President

Effective: May 22, 2008

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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:

\$14.00 per customer per month

Base Energy Charge:

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

3.210 ¢/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)

*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:

~~\$14.00~~ ~~+6.00~~ per customer per month

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Base Energy Charge:

~~1.960~~ ~~2.470~~¢/KWH for usage up to 1000 KWH's/month

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~~3.210~~ ~~3.420~~¢/KWH for usage above 1000 KWH's/month

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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)

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 per customer per month

Base Energy Charge:
All KWH 2.397 ¢/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)

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. ~~Sports or athletic fields operated by non-profit organizations and having
less than 300 KW of connected load.~~

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~~ 24.00 per customer per month

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Base Energy Charge:

All KWH ~~2.397~~ 2.582¢/KWH

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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)

*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:

\$68.00 per customer per month

Demand Charge:

Each KW of Billing Demand \$ 3.70/KW

Base Energy Charge

All KWH 0.452¢/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)

*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:

~~\$68.00~~ ~~65.00~~ per customer per month

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Demand Charge:

Each KW of Billing Demand \$ ~~3.70~~ ~~4.20~~/KW

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Base Energy Charge

All KWH ~~0.452~~ ~~0.571~~¢/KWH

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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)

*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 per customer per month

Demand Charge:

Each KW of Billing Demand \$ 5.30/KW

Base Energy Charge

All KWH 0.209¢/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)

*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 +50.00 per customer per month

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Demand Charge:

Each KW of Billing Demand \$ 5.30 6.00/KW

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Base Energy Charge

All KWH 0.209 0.218¢/KWH

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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: Jeffrey M. Householder, President

Effective:

*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:

\$130.00 per customer per month

Demand Charge:

Each KW of Maximum Billing Demand \$5.30/KW

Base Energy Charge:

All KWH 0.209¢/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)

*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:
| ~~\$130.00~~ ~~100.00~~ per customer per month

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Demand Charge:
| Each KW of Maximum Billing Demand ~~\$5.30~~ ~~4.00~~/KW

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Base Energy Charge:
| All KWH ~~0.209~~ ~~0.145~~¢/KWH

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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)

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:	\$805.00
Base Transmission Demand Charge:	\$1.50/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	\$0.36/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)

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:	\$805.00 900.00
Base Transmission Demand Charge:	\$1.50 1-68/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	\$0.36/kVar of Excess Reactive Demand

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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)

*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.
- (b) For those customers who have contracted for standby service of 500 KW or greater- \$805.00.

Local Facilities Charge:

- (a) For those customers who have contracted for standby service capacity of less than 500 KW- \$2.60 /KW.
- (b) For those customers who have contracted for standby service of 500 KW or greater - \$0.65 /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	\$8.84/KW
Energy Charge - All	4.441¢

(Continued on Sheet No. 53)

*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:

<u>Type Facility</u>	<u>Lamp Lumens</u>	<u>Size Watts</u>	<u>KWH/Mo. Estimate</u>	<u>Facilities Charge</u>	<u>Maintenance* Charge</u>	<u>Energy Charge</u>	<u>Total Charge</u>
<u>High Pressure Sodium Lights</u>							
Acorn	16,000	150	61	\$16.25	\$2.06	\$2.64	\$20.95
ALN 440	16,000	150	61	\$23.18	\$2.74	\$2.64	\$28.56
Amer. Rev.	9,500	100	41	\$7.98	\$2.71	\$1.78	\$12.47
Amer. Rev.	16,000	150	61	\$7.48	\$2.75	\$2.64	\$12.87
Cobra Head	9,500	100	41	\$5.99	\$1.74	\$1.78	\$9.51
Cobra Head	22,000	200	81	\$8.08	\$2.08	\$3.52	\$13.68
Cobra Head	28,500	250	101	\$9.60	\$2.75	\$4.37	\$16.72
Cobra Head	50,000	400	162	\$8.96	\$2.29	\$7.05	\$18.30
Flood	28,500	250	101	\$9.40	\$2.00	\$4.37	\$15.77
Flood	50,000	400	162	\$14.74	\$1.88	\$7.05	\$23.67
Flood	130,000	1,000	405	\$18.46	\$2.48	\$17.59	\$38.53
SP2 Spectra	9,500	100	41	\$20.49	\$2.56	\$1.78	\$24.83
<u>Metal Halide Lights</u>							
ALN 440	16,000	175	71	\$22.18	\$2.16	\$3.10	\$27.44
Flood	50,000	400	162	\$10.00	\$1.83	\$7.05	\$18.88
Flood	130,000	1,000	405	\$17.03	\$2.41	\$17.59	\$37.03
Shoebox	16,000	175	71	\$18.73	\$2.42	\$3.10	\$24.25
Shoebox	28,500	250	101	\$19.94	\$2.70	\$4.37	\$27.01
SP2 Spectra	9,500	100	41	\$20.33	\$2.48	\$1.78	\$24.59
Vertical Shoebox	130,000	1,000	405	\$21.02	\$2.74	\$17.59	\$41.35

(Continued on Sheet No. 57)

*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 Facility	Lamp Lumens	Size Watts	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge	
<u>High Pressure Sodium Lights</u>								
Acorn	16,000	150	61	\$16.25 16.72	\$2.06 2.12	\$2.64 2.71	\$20.95 21.55	Formatted ... [1]
ALN 440	16,000	150	61	\$23.18 24.88	\$2.74 3.03	\$2.64 2.71	\$28.56 30.62	Formatted ... [2]
Amer. Rev.	9,500	100	41	\$7.98 8.23	\$2.71 2.78	\$1.78 1.83	\$12.47 12.84	Formatted ... [3]
Amer. Rev.	16,000	150	61	\$7.48 7.70	\$2.75 3.79	\$2.64 2.71	\$12.87 14.20	Formatted ... [4]
Cobra Head	9,500	100	41	\$5.99 6.34	\$1.74 1.88	\$1.78 1.83	\$9.51 10.05	Formatted ... [5]
Cobra Head	22,000	200	81	\$8.08 8.31	\$2.08 2.14	\$3.52 3.63	\$13.68 14.08	Formatted ... [6]
Cobra Head	28,500	250	101	\$9.60 9.07	\$2.75 3.36	\$4.37 4.50	\$16.72 16.93	Formatted ... [7]
Cobra Head	50,000	400	162	\$8.96 9.21	\$2.29 2.35	\$7.05 7.26	\$18.30 18.82	Formatted ... [8]
Flood	28,500	250	101	\$9.40 9.98	\$2.00 2.05	\$4.37 4.50	\$15.77 16.53	Formatted ... [9]
Flood	50,000	400	162	\$14.74 15.16	\$1.88 1.92	\$7.05 7.26	\$23.67 24.34	Formatted ... [10]
Flood	130,000	1,000	405	\$18.46 18.99	\$2.48 2.54	\$17.59 18.09	\$38.53 39.62	Formatted ... [11]
SP2 Spectra	9,500	100	41	\$20.49 21.07	\$2.56 3.66	\$1.78 1.83	\$24.83 26.56	Formatted ... [12]
<u>Metal Halide Lights</u>								
ALN 440	16,000	175	71	\$22.18 25.73	\$2.16 2.22	\$3.10 3.19	\$27.44 31.14	Formatted ... [13]
Flood	50,000	400	162	\$10.00 10.29	\$1.83 1.88	\$7.05 7.26	\$18.88 19.43	Formatted ... [14]
Flood	130,000	1,000	405	\$17.03 17.51	\$2.41 2.48	\$17.59 18.09	\$37.03 38.08	Formatted ... [15]
Shoobox	16,000	175	71	\$18.73 19.27	\$2.42 2.49	\$3.10 3.19	\$24.25 24.95	Formatted ... [16]
Shoobox	28,500	250	101	\$19.94 20.51	\$2.70 2.78	\$4.37 4.50	\$27.01 27.79	Formatted ... [17]
SP2 Spectra	9,500	100	41	\$20.33 20.91	\$2.48 2.55	\$1.78 1.83	\$24.59 25.29	Formatted ... [18]
Vertical Shoobox	130,000	1,000	405	\$21.02 24.70	\$2.74 3.12	\$17.59 18.09	\$41.35 45.91	Formatted ... [19]

(Continued on Sheet No. 57)

Issued by: Jeffrey M. Householder, President

Effective:

RATE SCHEDULE LS
LIGHTING SERVICE

(Continued from Sheet No. 56)

Charges for other Company-owned facilities:

1)	30' Wood Pole	\$ 3.98
2)	40' Wood Pole Std	\$ 8.85
3)	18' Fiberglass Round	\$ 8.24
4)	13' Decorative Concrete	\$ 11.68
5)	20' Decorative Concrete	\$ 13.55
6)	35' Concrete Square	\$ 13.07
7)	10' Deco Base Aluminum	\$ 15.33
8)	30' Wood Pole Std	\$ 4.42

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)

RATE SCHEDULE LS
LIGHTING SERVICE

(Continued from Sheet No. 56)

Charges for other Company-owned facilities:

1)	30' Wood Pole	\$ <u>3.98</u> 4.00	Formatted: Underline
2)	40' Wood Pole Std	\$ <u>8.85</u> 9.10	Formatted: Underline
3)	18' Fiberglass Round	\$ <u>8.24</u> 8.48	Formatted: Underline
4)	13' Decorative Concrete	\$ <u>11.68</u> 12.01	Formatted: Underline
5)	20' Decorative Concrete	\$ <u>13.55</u> 13.59	Formatted: Underline
6)	35' Concrete Square	\$ <u>13.07</u> 13.44	Formatted: Underline
7)	10' Deco Base Aluminum	\$ <u>15.33</u> 15.77	Formatted: Underline
8)	30' Wood Pole Std	\$ <u>4.42</u> 4.55	Formatted: Underline

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)

*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:

<u>Lamp Size</u> <u>Lumens</u>	<u>KWH/Mo.</u> <u>Estimate</u>	<u>Facilities</u> <u>Charge</u>	<u>Maintenance*</u> <u>Charge</u>	<u>Energy</u> <u>Charge</u>	<u>Total</u> <u>Charge</u>
7,000	72	\$1.16	\$1.02	\$3.05	\$5.23
20,000	154	\$1.27	\$1.09	\$6.56	\$8.92

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)

*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 Lumens	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
7,000	72	\$1.16 4-19	\$1.02 4-04	\$3.05 3-15	\$5.23 5-38
20,000	154	\$1.27 4-34	\$1.09 4-12	\$6.56 6-74	\$8.92 9-17

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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)

*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:

~~\$130.00~~ ~~100.00~~ per customer per month

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Demand Charge:

Each KW of Billing Demand \$ ~~5.30~~ ~~4.00~~/KW

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Base Energy Charge:

All KWH ~~0.209~~ ~~0.145~~¢ /KWH

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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: