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May 31, 2017

E-PORTAL FILING

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

Re: Docket No. 170070-EI – Petition for approval of revised standard offer for energy purchase from cogenerators and renewable generating facilities and standard offer contract for purchases of firm capacity and energy, by Florida Public Utilities Company.

Dear Ms. Stauffer:

Attached for filing on behalf of Florida Public Utilities Company, please find the Company's redacted responses to Commission Staff's First Data Requests to the Company regarding the Company's revised standard offer contract. Confidential versions of these responses are being submitted under a Request for Confidential Classification.

As always, please don't hesitate to let me know if you have any questions. Thank you for your assistance with this filing.

Kind regards,



Beth Keating
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215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Cc: (Division of Engineering: Thompson, Matthews)
(Office of General Counsel: Lherisson)

Re: Docket No. 170070-EI – Petition for approval of revised standard offer for energy purchase from cogenerators and renewable generating facilities and standard offer contract for purchases of firm capacity and energy, by Florida Public Utilities Company.

The responses of Florida Public Utilities Company to Staff's First Data Requests are set forth below:

1. Please complete the following table describing payments to a renewable provider based on the proposed tariffs included in the Utility's revised standard offer contract. Please assume a renewable generator with a 10 MW output providing firm capacity with an in-service date of January 1, 2018, operating at the minimum capacity factor required for full capacity payments and a contract duration of 20 years. Please state the capacity factor assumed for the calculations. Please calculate the total Net Present Value (NPV) of all payments in 2018 dollars, and also provide an explanation of the method and rate used to calculate the NPV.

Company Response: Attached hereto is "Exhibit A," which includes the details of the methods and rates used for the four scenarios listed below. The explanation for each scenario is set forth below.

Please provide the completed table for each of the following four scenarios:

- Inside Northeast Florida Division

Company Response:

- The annual energy MWH amount is calculated based on a 10 MW renewable energy generator with an 80 % capacity factor.
- Annual Capacity Rate is based on the FPL Load Following capacity rate provided in the PPA.
- Energy Rate is based on the combined energy rate from the FPL Block and Load Following energy rates provided in the PPA.
- Total Capacity Payment is calculated on the 10 MW renewable energy generator and the Annual Capacity Rate plus avoided transmission line losses.
- Total Energy Rate is based on the Annual Energy MWH amount and the Energy Rate plus avoided transmission line losses.
- There is no avoided payment included for transmission charges.
- NPV for 2018 is shown using a 2% rate.

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080					
2019	70,080					
2020	70,080					
2021	70,080					
2022	70,080					
2023	70,080					
2024	70,080					
2025	70,080					
2026	70,080					
2027	70,080					
2028	70,080					
2029	70,080					
2030	70,080					
2031	70,080					
2032	70,080					
2033	70,080					
2034	70,080					
2035	70,080					
2036	70,080					
2037	70,080					
Total	1,401,600					
NPV (2018\$)						
Rate	2%					

- Delivering to interconnection for Northeast Florida Division

Company Response:

- The annual energy MWH amount is calculated based on a 10 MW renewable energy generator with an 80 % capacity factor.
- Annual Capacity Rate is based on the FPL Load Following capacity rate provided in the PPA.
- Energy Rate is based on the average as available energy rate from FPL who is the wholesale energy provider in the PPA.
- Total Capacity Payment is calculated on the 10 MW renewable energy generator and the Annual Capacity Rate.
- Total Energy Rate is based on the Annual Energy MWH amount and the average as available energy rate.
- There is no avoided payment included for transmission charges.
- NPV for 2018 is shown using a 2% rate.

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080					
2019	70,080					
2020	70,080					
2021	70,080					
2022	70,080					
2023	70,080					
2024	70,080					
2025	70,080					
2026	70,080					
2027	70,080					
2028	70,080					
2029	70,080					
2030	70,080					
2031	70,080					
2032	70,080					
2033	70,080					
2034	70,080					
2035	70,080					
2036	70,080					
2037	70,080					
Total	1,401,600					
NPV (2018\$)						
Rate	2%					

- Inside Northwest Florida Division

Company Response:

- The annual energy MWH amount is calculated based on a 10 MW renewable energy generator with an 80 % capacity factor.
- Annual Capacity Rate is based on the Gulf Power PPA which includes a minimum capacity rate calculation each month. Based on this agreement, the capacity cannot be avoided and is shown a “zero” the calculation.
- Energy Rate is based on the combined environmental and fuel components included in the Gulf Power PPA.
- Total Capacity Payment is calculated on the 10 MW renewable energy generator and the Annual Capacity Rate plus avoided transmission line losses.
- Total Energy Rate is based on the Annual Energy MWH amount and the Energy Rate plus avoided transmission line losses.
- There is no avoided payment included for transmission charges.
- NPV for 2018 is shown using a 2% rate.

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080	\$0.00	\$0			
2019	70,080	\$0.00	\$0			
2020	70,080	\$0.00	\$0			
2021	70,080	\$0.00	\$0			
2022	70,080	\$0.00	\$0			
2023	70,080	\$0.00	\$0			
2024	70,080	\$0.00	\$0			
2025	70,080	\$0.00	\$0			
2026	70,080	\$0.00	\$0			
2027	70,080	\$0.00	\$0			
2028	70,080	\$0.00	\$0			
2029	70,080	\$0.00	\$0			
2030	70,080	\$0.00	\$0			
2031	70,080	\$0.00	\$0			
2032	70,080	\$0.00	\$0			
2033	70,080	\$0.00	\$0			
2034	70,080	\$0.00	\$0			
2035	70,080	\$0.00	\$0			
2036	70,080	\$0.00	\$0			
2037	70,080	\$0.00	\$0			
Total	1,401,600		\$0			
NPV (2018\$)			\$0			
Rate	2%					

- Delivering to interconnection for Northwest Florida Division

Company Response:

- The annual energy MWH amount is calculated based on a 10 MW renewable energy generator with an 80 % capacity factor.
- Annual Capacity Rate is based on the Gulf Power PPA which includes a minimum capacity rate calculation each month. Based on this agreement, the capacity cannot be avoided and is shown a “zero” the calculation.
- Energy Rate is based on the combined environmental and fuel components included in the Gulf Power PPA.
- Total Capacity Payment is calculated on the 10 MW renewable energy generator and the Annual Capacity Rate.
- Total Energy Rate is based on the Annual Energy MWH amount and the average as available energy rate.
- There is no avoided payment included for transmission charges.
- NPV for 2018 is shown using a 2% rate.

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080	\$0.00	\$0			
2019	70,080	\$0.00	\$0			
2020	70,080	\$0.00	\$0			
2021	70,080	\$0.00	\$0			
2022	70,080	\$0.00	\$0			
2023	70,080	\$0.00	\$0			
2024	70,080	\$0.00	\$0			
2025	70,080	\$0.00	\$0			
2026	70,080	\$0.00	\$0			
2027	70,080	\$0.00	\$0			
2028	70,080	\$0.00	\$0			
2029	70,080	\$0.00	\$0			
2030	70,080	\$0.00	\$0			
2031	70,080	\$0.00	\$0			
2032	70,080	\$0.00	\$0			
2033	70,080	\$0.00	\$0			
2034	70,080	\$0.00	\$0			
2035	70,080	\$0.00	\$0			
2036	70,080	\$0.00	\$0			
2037	70,080	\$0.00	\$0			
Total	1,401,600		\$0			
NPV (2018\$)			\$0			
Rate	2%					

Currently Approved Standard Offer Contract (provider located inside the Northeast Florida Division Service Territory)
 Effective January 1, 2018

Firm Capacity Amount (MW)	10
Capacity Factor	80%
Resulting Energy (MWH)	70,080

FPL Full Requirements Supplier	
Avoided Transmission Losses	1.5%

	Capacity (\$/KW-Mo.)	Fuel/Energy (\$/MWH)	Transmission (\$/KW-Mo.)
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080					
2019	70,080					
2020	70,080					
2021	70,080					
2022	70,080					
2023	70,080					
2024	70,080					
2025	70,080					
2026	70,080					
2027	70,080					
2028	70,080					
2029	70,080					
2030	70,080					
2031	70,080					
2032	70,080					
2033	70,080					
2034	70,080					
2035	70,080					
2036	70,080					
2037	70,080					
Total	1,401,600					
NPV (2018\$)						
Rate	2%					

Currently Approved Standard Offer Contract (provider located outside the Northeast Florida Division Service Territory)
 Effective January 1, 2018

Firm Capacity Amount (MW)	10
Capacity Factor	80%
Resulting Energy (MWH)	70,080

FPL Full Requirements Supplier	
Avoided Transmission Losses	1.5%

	As Available Energy (\$/MWH)		As Available Energy (\$/MWH)	Capacity	Transmission
	On Peak	Off Peak	Average (\$/MWH)	\$/KW-MO.	\$/KW-MO.
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080					
2019	70,080					
2020	70,080					
2021	70,080					
2022	70,080					
2023	70,080					
2024	70,080					
2025	70,080					
2026	70,080					
2027	70,080					
2028	70,080					
2029	70,080					
2030	70,080					
2031	70,080					
2032	70,080					
2033	70,080					
2034	70,080					
2035	70,080					
2036	70,080					
2037	70,080					
Total	1,401,600					
NPV (2018\$)						
Rate	2%					

Currently Approved Standard Offer Contract (provider located inside the Northwest Florida Division Service Territory)
 Effective January 1, 2018

Firm Capacity Amount (MW)	10
Capacity Factor	80%
Resulting Energy (MWH)	70,080

Gulf Power Full Requirements Supplier	
Avoided Transmission Losses	1.5%

	Capacity (\$/KW)	Environ. (\$/KWH)	Fuel (\$/KWH)	Transm. (\$/KW)
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080	\$0.00	\$0			
2019	70,080	\$0.00	\$0			
2020	70,080	\$0.00	\$0			
2021	70,080	\$0.00	\$0			
2022	70,080	\$0.00	\$0			
2023	70,080	\$0.00	\$0			
2024	70,080	\$0.00	\$0			
2025	70,080	\$0.00	\$0			
2026	70,080	\$0.00	\$0			
2027	70,080	\$0.00	\$0			
2028	70,080	\$0.00	\$0			
2029	70,080	\$0.00	\$0			
2030	70,080	\$0.00	\$0			
2031	70,080	\$0.00	\$0			
2032	70,080	\$0.00	\$0			
2033	70,080	\$0.00	\$0			
2034	70,080	\$0.00	\$0			
2035	70,080	\$0.00	\$0			
2036	70,080	\$0.00	\$0			
2037	70,080	\$0.00	\$0			
Total	1,401,600		\$0			
NPV (2018\$)			\$0			
Rate	2%					

Currently Approved Standard Offer Contract (provider located outside the Northwest Florida Division Service Territory)
 Effective January 1, 2018

Firm Capacity Amount (MW)	10
Capacity Factor	80%
Resulting Energy (MWH)	70,080

Gulf Power Full Requirements Supplier	
Avoided Transmission Losses	1.5%

			As Available Energy (\$/MWH)	Capacity	Transmission
			Average (\$/MWH)	\$/KW-MO.	\$/KW-MO.
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080	\$0.00	\$0			
2019	70,080	\$0.00	\$0			
2020	70,080	\$0.00	\$0			
2021	70,080	\$0.00	\$0			
2022	70,080	\$0.00	\$0			
2023	70,080	\$0.00	\$0			
2024	70,080	\$0.00	\$0			
2025	70,080	\$0.00	\$0			
2026	70,080	\$0.00	\$0			
2027	70,080	\$0.00	\$0			
2028	70,080	\$0.00	\$0			
2029	70,080	\$0.00	\$0			
2030	70,080	\$0.00	\$0			
2031	70,080	\$0.00	\$0			
2032	70,080	\$0.00	\$0			
2033	70,080	\$0.00	\$0			
2034	70,080	\$0.00	\$0			
2035	70,080	\$0.00	\$0			
2036	70,080	\$0.00	\$0			
2037	70,080	\$0.00	\$0			
Total	1,401,600		\$0			
NPV (2018\$)			\$0			
Rate	2%					