State of Florida

# Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

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|---|---|
| **DATE:** | February 19, 2018 |
| **TO:** | Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk |
| **FROM:** | Emily Knoblauch, Engineering Specialist, Division of Engineering EK ES |
| **RE:** | Docket No. 20170215-EU- Review of electric utility hurricane preparedness and restoration actions - |

Please file the attached FPUC's response to OPC's 1st set of interrogatories (Nos. 1-43) in the above mentioned docket file.

Thank you

GUNSTER
FLORIDA'S LAW FIRM FOR BUSINESS

Writer's Direct Dial Number: (850) 521-1706
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January 31, 2018

**E-PORTAL FILING**

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

**Re: Docket No. 20170215-EU – In re: Review of electric utility hurricane preparedness and restoration actions.**

**Dear Ms. Stauffer:**

Attached for filing, please find the Notice of Service of Responses of Florida Public Utilities Company to Citizen's First Set of Interrogatories (Nos. 1-43) to the Company.

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

Kind regards,

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

MEK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| | |
|---|---|
| In re: Review of electric utility hurricane preparedness and restoration actions. | DOCKET NO. 20170215-EU<br><br>Filed: January 31, 2018 |

NOTICE OF SERVICE OF FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES AND OBJECTIONS TO CITIZEN'S FIRST SET OF INTERROGATORIES (NOS. 1-43)

NOTICE IS HEREBY GIVEN that Florida Public Utilities Company ("FPUC"), by and through its undersigned counsel, has served its Responses to Citizens' First Set of Interrogatories (Nos. 1-43) by Electronic Mail to Erik L. Sayler, Esquire, Office of the Public Counsel, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, at Sayler.Erik@leg.state.fl.us, this January 31, 2018.

Beth Keating
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215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706
*Attorneys for Florida Public Utilities Company*

Docket No. 20170215-EU

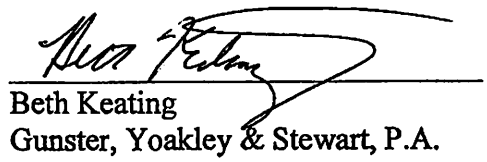
## CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing Notice of Service of Responses of Florida Public Utilities to Citizen's First Set of Interrogatories to the Company in the referenced docket have been served by Electronic Mail this 31st day of January, 2018, upon the following:

| | |
|---|---|
| Wesley Taylor<br>Florida Public Service Commission<br>2540 Shumard Oak Boulevard<br>Tallahassee, FL 32399-0850<br>wtaylor@psc.state.fl.us | James D. Beasley/J. Jeffry Wahlen<br>Ausley Law Firm<br>Post Office Box 391<br>Tallahassee, FL 32302<br>jbeasley@ausley.com<br>jwahlen@ausley.com |
| Russell Badders/Steven Griffin<br>Beggs & Lane<br>P.O. Box 12950<br>Pensacola, FL 32591-2950<br>srg@beggslane.com | J.R. Kelly/E. Sayler<br>Office of Public Counsel<br>c/o The Florida Legislature<br>111 W. Madison Street, Room 812<br>Tallahassee, FL 32399-1400<br>kelly.jr@leg.state.fl.us<br>Sayler.Eric@leg.state.fl.us |
| Ken Rubin<br>Kevin Donaldson<br>Florida Power & Light Company<br>700 Universe Boulevard<br>Juno Beach, FL 33408-0420<br>John.Butler@fpl.com | Kenneth Hoffman<br>Florida Power & Light Company<br>215 South Monroe Street, Suite 810<br>Tallahassee, FL 32301<br>Ken.Hoffman@fpl.com |
| Ms. Paula K. Brown<br>Tampa Electric Company<br>Regulatory Affairs<br>P.O. Box 111<br>Tampa, FL 33601-0111<br>Regdept@tecoenergy.com | Jeffrey A. Stone<br>General Counsel<br>Gulf Power Company<br>One Energy Place<br>Pensacola, FL 32520-0780<br>jastone@southernco.com |
| Mike Cassel<br>Florida Public Utilities Company<br>1750 SW 14th Street, Suite 200<br>Fernandina Beach, FL 32034<br>mcassel@fpuc.com | Dianne M. Triplett<br>Duke Energy<br>299 First Avenue North<br>St. Petersburg, FL 33701<br>Dianne.Triplett@duke-energy.com |

Docket No. 20170215-EU

| | |
|---|---|
| Rhonda J. Alexander<br>Gulf Power Company<br>One Energy Place<br>Pensacola, FL 32520-0780<br>rjalexad@southernco.com | Matthew Bernier<br>Duke Energy<br>106 East College Avenue, Suite 800<br>Tallahassee, FL 32301<br>Matthew.Bernier@duke-energy.com |

By: 

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| | |
|---|---|
| In re: Review of electric utility hurricane preparedness and restoration actions. | DOCKET NO. 20170215-EU |

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES AND OBJECTIONS TO CITIZEN'S FIRST SET OF INTERROGATORIES (NOS. 1-43)

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.280 and 1.340 of the Florida Rules of Civil Procedure, hereby submits its Responses and Objections to the First Set of Interrogatories (Nos. 1-43) served on the Company on December 14, 2017, by the Office of Public Counsel ("OPC"). The individual responses and objections follow this cover sheet.

Respectfully submitted this 31st day of January, 2018, by:

Beth Keating, Esquire
Florida Bar No. 0022756

Gunster Law Firm
215 South Monroe Street
Suite 601
Tallahassee, FL 32301
(850) 521-1706
***Attorneys for Florida Public Utilities Company***

GENERAL OBJECTIONS

1. FPUC objects to OPC's First Set of Interrogatories ('requests") to the extent that any of the OPC's requests seek information, data, or documents that are protected by the attorney-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law.

2. On the grounds that such requests are irrelevant, overly broad or vague, unduly burdensome, and oppressive, FPUC objects to each and every request seeking information from time periods prior to the historic test year as being outside the scope of this proceeding and not likely to lead to the discovery of admissible evidence in this proceeding.

3. FPUC objects to OPC's requests to the extent that any requested information and documents constitute "proprietary confidential business information" as that term is defined in Chapter 366, Florida Statutes.

4. To the extent that any of the "Definitions and Instructions" in the OPC's requests are inconsistent with FPUC's discovery obligations under the applicable rules, the Company objects. Furthermore, FPUC objects to any request that would require FPUC to create data or information that it otherwise does not have because there is no such requirement under the applicable rules and law.

5. The Company also objects to any requests that seek information that is irrelevant and immaterial to this proceeding. Likewise, the Company objects to the extent that certain requests are unnecessarily broad, and would impose an undue burden and cost upon FPUC in order to comply.

6. FPUC also objects to any definition or request that seeks information with regard to any persons or entities that are not parties to this proceeding and not subject to discovery under the applicable rules.

7. FPUC is responding to these requests based upon its good faith review of the relevant information and materials pertinent to the OPC's Requests. However, at this very early stage of the proceeding, it is possible that new information may come to light that may necessitate that FPUC amend responses provided herein. As such, FPUC reserves the right to amend or update these responses should new or previously undiscovered information become available.

## SPECIFIC OBJECTIONS

The General Objections set forth above are adopted and incorporated by reference in each specific objection included in the responses outlined below.

Interrogatory No. 1

INTERROGATORIES

**Storm hardening and vegetation management activities**

1. Please describe the Company's storm hardening activities on an annual basis from 2006 through 2017 to date excluding vegetation management and tree trimming activities.

**Company Response:**

The National Electric Safety Code (NESC) serves as a basis for the design and construction of new and replacement FPUC facilities. Pursuant to subsection 25-6.0345 (2), F.A.C., all FPUC facilities were installed in accordance with NESC requirements in effect at the time of their installation. To enhance FPUC's storm hardening efforts, more stringent Grade 'B' construction, as described in Section 24 of the 2012 edition of the NESC, has been adopted as the standard for the design and installation of all future new and replacement poles in each FPUC Electric Division (NE & NW).

Extreme Wind Loading:

Extreme wind loading, as specified in rule 250C and figure 250-2(d) of the 2012 edition of the NESC, has been adopted, as follows: 130 mph wind speed for wind loading in NE Division (Fernandina), and 120 mph wind speed for wind loading in NW Division (Marianna).

Mitigation of Damage Due to Storm Surge and Flooding:

FPUC continues to develop specifications for mitigating damage to underground and overhead distribution and transmission facilities caused by flooding and storm surges. Additionally, FPUC is participating along with other investor owned, cooperative, and municipal electric utilities in the Public Utility Research Center (PURC) research regarding hurricane winds and storm surge within the state. The resultant PURC report is distributed annually in the first quarter. FPUC historically includes the results of this research in its annual reliability and storm hardening report.

FPUC transmission facilities are located in the Northeast Division only. Transmission

lines constructed near and across coastal waterways were originally designed to meet, at a minimum, NESC requirements for those applications. Where necessary, foundations and casings were used to stabilize the structures due to the soil conditions.

Some overhead distribution lines in both divisions are subject to storm surges and flooding. Lines located near the coast or inland waterways that are subject to storm surges or flooding are continually evaluated. Additional supporting mechanisms are installed when practicable. This includes storm guys or pole bracing, as needed. Storm guys or bracing are being placed so that additional support is achieved perpendicular to the distribution line. Potentially affected lines that have reclosers, capacitors, or regulators that require electronic controls have associated controls mounted above maximum anticipated surge or flood levels.

Underground distribution lines subject to potential storm surges and flooding are mainly located in Northeast Florida Division. Storm hardening specifications include the use of reinforced concrete pads with legs on each corner that are poured approximately two feet into the ground to provide additional stability. Equipment is securely attached to the pad. Underground distribution lines are placed in conduit but are not typically encased in concrete. Future installations of underground distribution feeders will be evaluated based upon potential exposure to storm surges and flooding. Additional information and conclusions from research performed by the PURC will be included in the evaluation. If it is determined that storm surges could cause excessive damage, the installation may be encased in concrete ducts if feasible and validated by research.

Placement of New and Replacement Facilities:

Accessible locations are necessary for the efficient and safe installation and maintenance of FPUC facilities. Therefore, facilities are placed along public rights of way or located on private easements that are readily accessible from public streets. Placement of facilities along rear lot lines will not occur except in certain commercial applications were easily accessible concrete or asphalt driveways are located at the rear of the

development or in residential neighborhoods with alleyways designed specifically for the purpose of installing utility services behind the homes.

Deployment Strategy:

FPUC has a fully implemented storm hardening strategy. Significant areas of note include:

1. In 2015, the Company ended the first eight-year cycle of the inspection program. Each division completed the first year of the second eight-year cycle wood pole inspection program in 2016.
2. Pole loading inspections and follow up are performed annually in both divisions as part of the Wood Pole Inspection Program.
3. The Company's owned transmission poles are only located in NE Division. Transmission inspections will be completed on all transmission facilities and will include climbing patrols of the 138 KV and 69 KV transmission lines owned by FPUC. This inspection will ensure that all structures have a detailed inspection performed at a minimum of every six years. The inspection will include ninety five (95) 138 KV structures and two hundred seventeen (217) 69 KV structures. The inspections will ensure that all transmission towers and other transmission line supporting equipment such as insulators, guying, grounding, conductor splicing, cross-braces, cross-arms, bolts, etc. structurally sound and firmly attached. In addition to the six year climbing inspections mentioned above, wood transmission poles are also included in the 8 year wood pole ground-line condition inspection and treatment program. The 69 KV transmission system consists of a total of 217 poles of which 105 are concrete, seven are wood span guys and 105 are wood structures. All installations met the NESC code requirements in effect at the time of construction. A policy of replacing existing wood poles with concrete structures has been in place for some time. This policy requires that when it becomes necessary to replace a wood pole, due to construction requirements or concerns with the integrity of the pole, a concrete pole that meets current NESC codes and storm hardening requirements will be utilized.

Interrogatory No. 1, cont.

4. New underground facilities are designed to mitigate damage from storm surges and flooding.
5. FPUC will continue to place facilities on public rights of way and, if this is not possible, will secure private easements to make sure facilities are easily accessible.

Communities and Areas Affected by Electric Infrastructure Improvements:

The majority of the items listed in the deployment strategy affect all areas of the FPUC electric service territory. The intent is to make sure both divisions benefit from these strategies. Transmission inspection and transmission storm hardening programs only affect the Northeast Florida Division since there are no FPUC-owned transmission facilities in the Northwest Florida Division at this time. Constructing distribution lines to comply with the NESC extreme wind loading standards is beneficial to both divisions and the communities they serve.

Upgrading of Joint Use Facilities

Both the NE and NW Divisions have continued to replace reject poles. Many of these reject poles have joint use attachments. New replacement poles were designed to accommodate joint use facilities and were installed in accordance with criteria found in the current addition of NESC guidelines for extreme wind loading conditions. The new installations were coordinated with joint users. During 2016, 12 reject poles were replaced in the NE Division, and 242 reject poles were replaced in the NW Division.

***Respondent: Buddy Shelley***

Interrogatory No. 2

2. How much did the Company spend (capital and O&M expenditures) on storm hardening activities on an annual basis from 2006 through 2017 to date excluding vegetation management and tree trimming activities?

**Company Response:**
The Company has had the following annual expenditures for storm hardening O&M and capital, excluding vegetation:

| Year | Total O & M and Capital | |
|---|---|---|
| 2006 | $ | - |
| 2007 | $ | 347,414 |
| 2008 | $ | 312,444 |
| 2009 | $ | 376,846 |
| 2010 | $ | 1,122,181 |
| 2011 | $ | 874,642 |
| 2012 | $ | 1,108,483 |
| 2013 | $ | 1,445,932 |
| 2014 | $ | 4,080,477 |
| 2015 | $ | 745,322 |
| 2016 | $ | 7,628,014 |
| 2017 Est. | $ | 1,477,428 |
| **TOTALS** | $ | 19,519,184 |

***Respondents: Jorge Puentes and Mike Cassel***

Interrogatory No. 3

3. For storm hardening activities 2006 through 2017 to date,

   a. How much did the Company budget annually for storm hardening activities? Please provide a break-out for transmission, distribution, pole replacement, line replacement, and other storm hardening activities.

   b. How much did the Company spend annually on storm hardening activities? Please provide a break-out for transmission, distribution, pole replacement, line replacement, and other storm hardening activities.

   c. Please explain the year-by-year variances between the budgeted amount and actual amount, and why the variances occurred.

   d. How much of the hardening costs were capitalized to rate base and how much was expensed?

   e. Were those cost recovered through base rates or some other mechanism?

**Company Response:**

a. Please refer to Attachment No. 1 included with the Company's response.

b. Please refer to Attachment No. 2 included with the Company's response.

c. Please refer to Attachment No. 3 included with the Company's response. The reliability program was not formally started and tracked until 2007. Variances in O & M expenses are similar for all years and are explained below. Capital variances are explained by year on page 3 of Attachment 3.

Pole Inspections-The Osmose distribution and wood pole inspection contractor is provided with an annual list of poles to be inspected by feeder. Given that each feeder has a different number of poles, this results in variances in the number of actual poles inspected annually to fully complete the eight year inspection cycle.

Joint Use Audit-The joint use audit was actually performed in 2016 but the cost was allocated over a number of years in the reliability reports.

Vegetation Management-The Vegetation Management Program has been managed to increase the overall reliability based on the local needs of each distribution feeder and lateral. As a result, most of the expenditures reflect additional tree trimming requirements as the program matures.

Transmission Climbing Inspections- Climbing inspections are done every six years and were done in 2012. However, the reliability reports average the cost over six years. The total cost will be incurred again in 2018 and offset the prior five years.

Other O & M-Government coordination costs and collaborative research costs with PURC, NERC, and the Florida Electric Coordination Counsel have not been tracked and separately identified in the ledger. Software costs for the GIS and OMS systems have increased and were under-estimated.

d. The amount expensed was $10,441,869 and the amount capitalized was $17,912,405.83.

e. Base rates were established on projected September 30, 2015 test year. Therefore, most of the expenses and capital added thru September 30, 2015 were included in base rates. Some of the additions after September 2015 were included in the limited proceeding and will be included in base rates beginning in January 2018.

***Respondents: Jorge Puentes and Mike Cassel***

Interrogatory No. 4

4. Please describe the Company's vegetation management and tree trimming activities (tree trimming) on an annual basis from 2006 through 2017 to date. Please include if there is a long-range plan, how the process is staffed (whether through employees or outside contractors, or a mix of both), the cyclical time frames, any geographical considerations, and other priorities.

**Company Response:**

The Company continues to work towards the accomplishment of a three year vegetation management cycle on main feeders and a six year vegetation management cycle on laterals on the system. The program is managed by FPUC and utilizes contractors for trimming.

The program includes the following:

a. Three year vegetation management cycle on all main feeders.

b. Six year vegetation management cycle on all laterals.

c. Increased participation with local governments to address improved overall reliability due to tree related outages.

d. Information made available to customers regarding the maintenance and placement of trees.

***Respondent: Buddy Shelley***

Interrogatory No. 5

5. How much did the Company spend (capital and O&M expenditures) on vegetation management and tree trimming activities on an annual basis from 2006 through 2017 to date?

**Company Response:**

| Year | Vegetation Management O & M | |
|---|---|---|
| 2006 | $ | 555,547.56 |
| 2007 | $ | 527,507.44 |
| 2008 | $ | 622,742.00 |
| 2009 | $ | 614,016.00 |
| 2010 | $ | 729,864.00 |
| 2011 | $ | 749,340.00 |
| 2012 | $ | 686,413.50 |
| 2013 | $ | 801,323.11 |
| 2014 | $ | 900,712.17 |
| 2015 | $ | 959,360.00 |
| 2016 | $ | 957,079.02 |
| 2017 Est. | $ | 731,186.59 |

***Respondents: Jorge Puentes and Mike Cassel***

Interrogatory No. 6

6. For vegetation management and tree trimming activities 2006 through 2017 to date,

a. How much did the Company budget annually for tree trimming activities?

b. How much did the Company spend annually on tree trimming activities?

c. Please explain the year-by-year variances between the budgeted amount and actual amount, and why the variances occurred.

d. How much, if any, of the tree trimming costs were capitalized to rate base and how much was expensed?

e. Were those cost recovered through base rates or some other mechanism?

f. How did the Company decide which areas were to be trimmed each year?

g. Were some areas trimmed more frequently than others, if so, how often, and how did the Company make those decisions?

**Company Response:**

a. See the table below:

| Year | Vegetation Management O & M |
|---|---|
| 2006 | $ 342,000.00 |
| 2007 | $ 352,000.00 |
| 2008 | $ 363,000.00 |
| 2009 | $ 374,000.00 |
| 2010 | $ 625,000.00 |
| 2011 | $ 643,000.00 |
| 2012 | $ 663,000.00 |
| 2013 | $ 869,000.00 |
| 2014 | $ 895,000.00 |
| 2015 | $ 922,000.00 |
| 2016 | $ 970,000.00 |
| 2017 | $ 980,000.00 |
| **TOTALS** | **$ 7,998,000.00** |

Interrogatory No. 6, cont.

b. Please refer to the Company's response to Question No. 5.

c. Please refer to the following table for variances and the Company's response to Question No. 3 (c) for detailed explanations of these variances. Please not that the Company spent less than projected.

| Year | Vegetation Management O & M |
|---|---|
| 2006 | $ (213,547.56) |
| 2007 | $ (175,507.44) |
| 2008 | $ (259,742.00) |
| 2009 | $ (240,016.00) |
| 2010 | $ (104,864.00) |
| 2011 | $ (106,340.00) |
| 2012 | $ (23,413.50) |
| 2013 | $ 67,676.89 |
| 2014 | $ (5,712.17) |
| 2015 | $ (37,360.00) |
| 2016 | $ 12,920.98 |
| 2017 Est. | $ 248,813.41 |
| **TOTALS** | **$ (837,091.39)** |

d. If any tree trimming occurred in conjunction with a capital project, it was not separately identified. Tree trimming shown in this response was expensed.

e. Not applicable.

f. The Company utilizes a three year vegetation management cycle on all main feeders and a six year vegetation management cycle on all laterals. The schedule follows:

**NW TREE TRIM SCHEDULE – MAIN FEEDERS**

| | | | |
|---|---|---|---|
| YR. 1 | 1. | OCB#9942: | HWY 90E Feeder |
| | 2. | OCB#9992: | HWY 90W Feeder |
| | 3. | OCB#9972: | Blountstown Feeder |
| | 4. | OCB#9882: | Bristol Feeder |
| | 5. | OCB# 9952: | Altha Feeder |
| YR. 2 | 1. | OCB#9932: | Indian Springs Feeder |

Interrogatory No. 6, cont.

| | | | |
|---|---|---|---|
| | 2. | OCB#9782: | Family Dollar Feeder |
| | 3. | OCB#9854: | South Street Feeder |
| | 4. | OCB#9512: | Railroad Feeder |
| | 5. | OCB#9872: | Hospital Feeder |
| | 6. | OCB#9752: | Industrial Park Feeder |
| YR. 3 | 1. | OCB#9742: | Greenwood/Malone Feeder |
| | 2. | OCB#9722: | Dogwood Heights Feeder |
| | 3. | OCB#9982: | College Feeder |
| | 4. | OCB#9866: | Cottondale Feeder |
| | 5. | OCB#9732: | Prison Feeder |

**NW TREE TRIM SCHEDULE – LATERALS**

| | | | |
|---|---|---|---|
| YR. 1 | 1. | OCB#9882: | Bristol Feeder |
| | 2. | OCB#9972: | Blountstown Feeder |
| YR. 2 | 1. | OCB#9932: | Indian Springs Feeder |
| | 2. | OCB#9942 | HWY 90W Feeder |
| | 3. | OCB#9872: | Family Dollar Feeder |
| YR. 3 | 1. | OCB#9992: | HWY 90W Feeder |
| | 2. | OCB#9854: | South Street Feeder |
| | 3. | OCB#9732: | Prison Feeder |
| YR. 4 | 1. | OCB#9866: | Cottondale Feeder |
| | 2. | OCB#9952: | Altha Feeder |
| YR. 5 | 1. | OCB#9512: | Railroad Feeder |
| | 2. | OCB#9872: | Hospital Feeder |
| | 3. | OCB#9982: | College Feeder |
| YR. 6 | 1. | OCB#9742: | Greenwood/Malone Feeder |
| | 2. | OCB#9722: | Dogwood Heights Feeder |
| | 3. | OCB#9752: | Industrial Park Feeder |

Interrogatory No. 6, cont.

## NE DIVISION - TREE TRIM SCHEDULE – MAIN FEEDERS

| | | |
|---|---|---|
| YR. 1 | 1. | Feeder #310 |
| | 2. | Feeder #311 |
| | 3. | Feeder #201 (69KV) |
| | 4. | Feeder #202 (69KV) |
| | 5. | Feeder #315 (69KV) |
| YR. 2 | 1. | Feeder #102 |
| | 2. | Feeder #104 |
| | 3. | Feeder #110 |
| | 4. | Feeder #111 |
| | 5. | Feeder #802 (138KV) |
| | 6. | Feeder #803 (138KV) |
| YR. 3 | 1. | Feeder #211 |
| | 2. | Feeder #212 |
| | 3. | Feeder #209 |
| | 4. | Feeder #214 |
| | 5. | Feeder #210 |
| | 6. | Feeder #215 |
| | 7. | Feeder #313 (69KV) |

## NE DIVISION - TREE TRIM SCHEDULE - LATERALS

| | | |
|---|---|---|
| YR. 1 | 1. | Feeder #310 |
| | 2. | Feeder #102 |
| YR. 2 | 1. | Feeder #311 |
| | 2. | Feeder #212 |
| YR. 3 | 1. | Feeder #214 |
| | 2. | Feeder #215 |
| YR. 4 | 1. | Feeder #110 |
| | 2. | Feeder #111 |
| YR. 5 | 1. | Feeder #104 |
| | 2. | Feeder #209 |
| YR. 6 | 1. | Feeder #210 |
| | 2. | Feeder #211 |

Interrogatory No. 6 (g)

g. Areas may get trimmed more frequently if the circuit is experiencing excessive outages associated with preventable tree issues.

***Respondents: Jorge Puentes, Mike Cassel and Buddy Shelley***

Interrogatory No. 7

7. For wooden poles inspected from 2006 through 2017 to date:

a. Please describe the Company's wooden pole inspection cycle.

b. How many wooden poles were planned to be inspected each year

c. How may wooden poles were inspected each year,

d. Please explain the variance between the planned number and actual number inspected each year.

**Company Response:**

a. To comply with FPSC Order No. PSC-06-0144, in 2008 FPCU implemented an eight-year cycle wood pole inspection program. The most current edition of the NESC serves as a basis for the design of replacement poles for wood poles that fail inspection. Grade 'B' construction, as described in Section 24 of the NESC, has been adopted as the standard of construction for designing new pole installations and the replacement of reject poles in each FPUC Electric Division (NE & NW). Extreme wind loading, as specified in rule 250C and figure 250-2(d) of the NESC, has been adopted. Therefore, 130 mph for the NE Division (Fernandina) and 120 mph for NW Division (Marianna) are used for extreme wind loading.

Wood pole inspections are performed by a qualified wood pole inspection contractor.

The number of inspections may vary from year-to-year based upon a variety of factors. FPUC will complete all required wood pole inspections during the eight year wood pole inspection cycle. In 2016 FPUC began the first year of the second cycle for both divisions.

b. Please refer to the following table:

Interrogatory No. 7, cont.

| Year | Poles Rejected #8b | Poles Replaced #8c | Poles Planned to be Inspected #7b | Poles Inspected #7c | Variance |
|---|---|---|---|---|---|
| 2006 | * | * | * | * | |
| 2007 | * | * | * | * | |
| 2008 | 162 | 47 | 1,849 | 1,849 | - |
| 2009 | 397 | 34 | 3,550 | 3,924 | (374) |
| 2010 | 273 | 215 | 3,499 | 3,944 | (445) |
| 2011 | 168 | 215 | 3,565 | 3,687 | (122) |
| 2012 | 268 | 242 | 3,267 | 3,944 | (677) |
| 2013 | 523 | 135 | 2,989 | 3,887 | (898) |
| 2014 | 376 | 536 | 2,546 | 3,382 | (836) |
| 2015 | 186 | 382 | 1,709 | 1,721 | (12) |
| 2016 | 78 | 254 | 3,286 | 2,478 | 808 |
| 2017 | ** | ** | ** | ** | |

* The inspection program began in 2008.

**2017 data has not been completed at this time.

c. See refer to the table above in response to Question 7(b)

d. The inspections are performed by feeder. For most years, more inspections are completed than planned. Although there are variances, the cycle is completed within the eight years.

***Respondent: Buddy Shelley***

Interrogatory No. 8

8. For wooden poles replaced from 2006 through 2017 to date:

a. Please describe the Company's wooden pole replacement plan.

b. How many wooden poles were planned to be replaced annually?

c. How many wooden poles were replaced annually?

d. Please explain the variance between the planned and replaced number of poles.

e. In each named storm since 2006, how many wooden poles were affected (damaged requiring repair or replacement) during the named storm?

**Company Response:**

a. During the yearly pole inspection, if the pole passes visual inspection, the pole is sound and bore tested to determine the internal condition of the pole. If the sound and bore inspection indicates that the pole is not suited for continued use, the pole is rejected by the contractor and reported to FPUC for follow-up. FPUC policy is to replace all reject poles in lieu of bracing "restorable" reject poles. Poles are prioritized for replacement using the reject severity level awarded by the inspector as the basis. Each pole is analyzed by FPUC engineers. A computer program called "PoleForeman" is used to make sure the new poles meet the storm hardening criteria discussed in the first paragraph of this section.

b. Wood pole replacements vary yearly due to the rejection rates that are determined during the pole inspection program. Please refer to the table provided in the Company's response to Question 7(b).

c. See refer to the table provided in the Company's response to Question 7b.

d. Replaced poles are determine from past inspections and the number that can be engineered and constructed. Resource limitations, storms and customer growth can affect the number of poles replaced within a year.

e. Please refer to the following chart for the Company's response:

Interrogatory No. 8,cont.

| Named Storm | Poles Replaced |
|---|---|
| Hermine | 0 |
| Mathew | 13 |
| Irma | 35 |

***Respondent: Buddy Shelley***

Interrogatory No. 9

9. For poles upgraded to concrete from 2006 through 2017 to date:

a. Please describe the Company's plan to replace poles with concrete poles.

b. How many poles were planned to be replaced with concrete annually?

c. How many wooden poles were replaced with concrete annually?

d. What other types of poles were replaced with concrete and of those how many were replaced annually?

e. Please explain the variance between the planned and replaced number of poles.

f. In each named storm since 2006, how many concrete poles were affected (damaged requiring repair or replacement) during the named storm?

**Company Response:**

a. There was no formal plan to replace Distribution Poles with Concrete. They are replaced when it is not feasible to replace a pole with wood.

For the Transmission System, a policy of replacing existing wood poles with concrete structures has been in place for some time. This policy requires that when it becomes necessary to replace a wood pole, due to construction requirements or concerns with the integrity of the pole, a concrete pole that meets current NESC codes and storm hardening requirements will be utilized.

b. No distribution poles. The Company has planned to change one 69KV wood transmission pole with concrete annually. However, this has changed as a result of pole inspections and/or system needs.

Storm Hardening 69KV Transmission Poles - Plan Vs. Actual (2006 -2017) Wood poles Replacement with Concrete Poles

| Year | Planned | Actual | Variance | Explanation |
|---|---|---|---|---|
| 2006 | 0 | 0 | 0 | No Variance - Storm Hardening Plan Began in 2007 |
| 2007 | 1 | 0 | -1 | Pole changed during the South Fletcher 2010 Project |
| 2008 | 1 | 0 | -1 | Pole changed during the South Fletcher 2010 Project |

| Storm Hardening 69KV Transmission Poles - Plan Vs. Actual (2006 -2017) Wood poles Replacement with Concrete Poles | | | | |
|---|---|---|---|---|
| 2009 | 1 | 0 | -1 | Pole changed during the South Fletcher 2010 Project |
| 2010 | 1 | 14 | 13 | Changed additional Poles During the South Fletcher Project |
| 2011 | 1 | 2 | 1 | Changed an additional pole during the A1A Round About Project |
| 2012 | 1 | 0 | -1 | Pole changed during the South Fletcher 2014 Project |
| 2013 | 1 | 0 | -1 | Pole changed during the South Fletcher 2014 Project |
| 2014 | 1 | 33 | 32 | Changed additional Poles During the (33 Pole Replacement Project) |
| 2015 | 1 | 0 | -1 | Pole changed during the South Fletcher 2016 Project |
| 2016 | 4 | 28 | 24 | Changed additional Poles During the new 69KV Line to Rayonier and Eight Flags Project |
| 2017 | 4 | 8 | 4 | Changed additional Poles During the 2017 (8 Pole Replacement Project) |
| | | | | |
| Totals | 11 | 85 | 68 | |

d. Please refer to the table above, provided in response to Question 9(b), for transmission poles.

For distribution poles, the following number of wood poles were replaced with concrete in the identified years:

2007-15

2008-7

2011-10

d. No distribution or transmission poles.

e. See refer to the Company's response to Question 9(b) for the explanation of the variances for transmission poles.

For the distribution poles, in 2007 the poles were part of Phase 1 of the Prison Feeder in the Northwest Division. In 2008, the poles were part of the Highway 90 Storm Hardening Project where the line crosses the Chipola River in the Northwest Division. And in 2011, the poles were part of Phase 2 of the Prison Feeder in the Northwest Division.

e. No concrete poles were affected by the named storms since 2006.

***Respondents: Buddy Shelley and Jorge Puentes***

Interrogatory No. 10

10. Were any wooden poles replaced with steel for fiberglass reinforced poles from 2006 through 2017 to date? Please give the number of poles replaced by different type each year.

**Company Response:**

No poles were replaced with steel or fiberglass reinforced poles for the time period 2006 through 2017.

***Respondent: Buddy Shelley***

Interrogatory No. 11

11. In each named storm since 2006, how many steel or fiberglass reinforced poles were affected (damaged requiring repair or replacement) during the named storm?

**Company Response:**

Currently FPUC has no steel or fiberglass reinforced poles on its system and, as such, no poles were affected during any named storm since 2006.

***Respondent: Buddy Shelley***

Interrogatory No. 12

12. Please describe the distribution system inspection cycle and hardening efforts.

**Company Response:**
Wood pole inspections are performed by a qualified wood pole inspection contractor. The number of inspections may vary from year-to-year based upon a variety of factors. FPUC will complete all required wood pole inspections during the eight year wood pole inspection cycle.

The first inspection is a visual inspection to determine if there are any defects that require pole replacement. If the visual inspection indicates that the pole is not suited for continued use, it is rejected by the contractor and reported to FPUC for follow-up.

If the pole passes visual inspection, the pole is sound and bore tested to determine the internal condition of the pole. If the sound and bore inspection indicates that the pole is not suited for continued use, the pole is rejected by the contractor and reported to FPUC for follow-up.

If the pole passes the sound and bore test, the pole is excavated a minimum of 18 inches in depth and tested. If this test indicates the pole is suitable for continued service, the pole is treated and backfilled. If this test indicates the pole is not suited for continued use, it is rejected by the contractor and reported to FPUC for follow-up.

FPUC policy is to replace all reject poles in lieu of bracing "restorable" reject poles. Poles are prioritized for replacement using the reject severity level awarded by the inspector as the basis. Each pole is analyzed by FPUC engineers. A computer program called Pole Foreman is used to make sure the new poles meet the storm hardening criteria.

***Respondent: Buddy Shelley***

Interrogatory No. 13

13. Please describe the transmission structure inspection cycle and the hardening of those structures.

**Company Response:**

Transmission inspections will be completed on all transmission facilities and will include climbing patrols of the 138 KV and 69 KV transmission lines owned by FPUC. This inspection will ensure that all structures have a detailed inspection performed at a minimum of every six years. The inspection will include ninety five (95) 138 KV structures and two hundred seventeen (217) 69 KV structures. The inspections will ensure that all transmission towers and other transmission line supporting equipment such as insulators, guying, grounding, conductor splicing, cross-braces, cross-arms, bolts, etc. structurally sound and firmly attached. In addition to the six year climbing inspections mentioned above, wood transmission poles are also included in the 8 year wood pole ground-line condition inspection and treatment program.

The 69 KV transmission system consists of a total of 217 poles of which 105 are concrete, seven are wood span guys and 105 are wood structures. All installations met the NESC code requirements in effect at the time of construction. A policy of replacing existing wood poles with concrete structures has been in place for some time. This policy requires that when it becomes necessary to replace a wood pole due to construction requirements or concerns with the integrity of the pole, a concrete pole that meets current NESC codes and storm hardening requirements will be utilized.

***Respondent: Buddy Shelley***

Interrogatory No. 14

14. Please describe the tree trimming quality control review performed by the Company on the work of its contract tree trimming crews?

**Company Response:**

The tree trimming program utilizes a qualified contractor that is directly managed by the Company's Assistant Operations Managers. The managers assign the tree trimming cycle work and weekly inspect the progress of the contractors and the quality and effectiveness of their work.

***Respondent: Buddy Shelley***

Interrogatory No. 15

15. Please describe the tree trimming quality control review performed by the Company on the work of its employees performing tree trimming?

**Company Response:**

FPUC utilizes a qualified contractor for all tree trimming activities and the Assistant Operations Managers in both service territories inspect the Contractors work multiple times each week to access quality control.

***Respondent: Buddy Shelley***

Interrogatory No. 16

16. Please describe whether the Company was prohibited or restricted in its tree trimming activities by local governments, ordinances, or franchise agreements, and if so, where and why.

**Company Response:**

Nassau County has the following ordinance in regards to tree removal:

> *The public works director may authorize, without the approval of the board of county commissioners, the removal of trees in the public ROW which pose a safety hazard to pedestrians or other persons, buildings, or other property, or vehicular traffic, or which threatens to cause disruption of public services.*

We have no restrictions in the other communities we serve.

***Respondent: Buddy Shelley***

Interrogatory No. 17

**Communication**

17. Please describe the ways the Company communicates information to its customers prior to, during, and after a named storm since 2015.

**Company Response:**

Prior to storms, Florida Public Utilities shares storm preparedness information, safety tips and other storm related messages through our up front telephony messaging, website, and social media channels. Outbound call campaigns to customers who have notified us of special medical needs are conducted as an additional measure of preparedness with helpful information, emergency management contacts and additional safety tips.

During storms, FPUC provides restoration progress, emergency contact information, safety tips, and other pertinent information through all contact channels (upfront phone messaging, social media channels (Facebook, Twitter), and our website on a special hurricane update landing page. During Hurricane Irma, FPUC also provided area maps showing restoration progress on our landing page and Facebook with a link on our Twitter page.

Social media team members monitor messages and postings on the Company's Facebook page, as well as mentions on other pages, to identify and respond to customer needs and inquiries. During Hurricane Irma FPUC had the ability to leverage internal resources allowing us to coordinate a community effort to deliver food and water to peoples' homes, perform wellness checks on critical care customer in FPUC's electric territory, and deliver face-to-face storm related updates.

FPUC spokespeople interacted with local, trade and national media during the restoration to provide information and restoration progress to be communicated through local media channels, emergency management centers, and online community groups.

During customer phone calls, our customer service call center representatives share information regarding the restoration map on the website, hurricane updates, safety tips,

and other pertinent information in addition to processing the customer inquiry using our Outage Management System if required.

Because of the level of impact encountered after Hurricane Irma, FPUC also sent a letter from its President to provide additional information to our customers regarding restoration progress.

***Respondent: Mike Cassel***

Interrogatory No. 18

18. Please describe the ways customers can communicate information to the Company prior to, during, and after a named storm since 2015.

**Company Response:**

Customers are able to contact the company before, during and after storms through the following channels: telephone, email, Company's Facebook page, Twitter and the company's website (www.fpuc.com) or in person at our Fernandina Beach and Marianna walk-in centers. Since Hurricane Hermine, we offered real-time information on a newly developed Hurricane Update Landing page (www.fpuchurricaneupdates.com).

***Respondent: Mike Cassel***

Interrogatory No. 19

19. Please describe how customers can report power outages.

**Company Response:**

Customers have the ability to report power outages to FPUC before, during, or after storm events by telephone 24/7 and/or in person at our Fernandina Beach, FL and Marianna FL walk-in centers during office hours. In addition, customers may report their power outage through our Company's Facebook page and Twitter.

***Respondent: Mike Cassel***

Interrogatory No. 20

20. Please describe how customers can report maintenance needs such as leaning poles or overgrown lines, both during a storm recovery and in ongoing operations.

**Company Response:**

Customers have the ability to report leaning poles or overgrown lines, before, during and after storm events by telephone 24/7 and/or in person at our Fernandina Beach, and Marianna walk-in centers during office hours. In addition, customers may report a leaning pole or overgrown lines through our Company's Facebook page and Twitter.

***Respondent: Mike Cassel***

Interrogatory No. 21

21. Several customers filed comments stating they were unable to communicate with the Company regarding unsafe conditions such as live downed power lines or trees on wires. Does the Company have a process for these people to report such conditions? Please describe and explain how it functioned after Irma.

**Company Response:**

The Company is not aware of any filed comments by our customers during or after named storms. Customers have the ability to report live downed power lines or trees on wires before, during and after storm events by contacting FPUC by phone 24/7 or in person at our Fernandina Beach and Marianna walk-in centers during office hours. In addition, customers may report unsafe conditions such as live downed power lines, leaning pole or overgrown lines through our Company's Facebook page and Twitter. No changes have been made to these procedures post Hurricane Irma.

***Respondent: Mike Cassel***

Interrogatory No. 22

22. Please describe smart phone apps, website services, social media, and other means of relaying information to customers prior to, during, and after a named storm.

**Company Response:**

Before, during, and after a named storm FPUC utilized multiple technologies to relay information to customers including smart phone applications, Facebook, Twitter, and the company website. We also utilized the digital marketing platform, Hubspot, to create storm landing pages. This technology allowed us to use email blasts and push updates to multiple social media platforms at once.

***Respondent: Mike Cassel***

Interrogatory No. 23

23. How many complaints did the Company receive during and after the named storm?

**Company Response:**

FPUC is not aware of any formal complaint(s) filed with the Commission during or after named storms. However, normal customer comments regarding the services, as discussed in response to Question 18 above, were responded to in the same manner as indicated in the response question 18 above.

***Respondent: Mike Cassel***

Interrogatory No. 24

24. Please provide the number of maintenance requests (e.g., leaning poles, overgrown lines, trees on poles/lines, etc.) per year from 2006-present from customers and how each request was resolved.

**Company Response:**

The Company has not historically tracked these types of maintenance requests nor their resolution, however we are in the process of evaluating the potential of a process to start tracking these maintenance requests.

***Respondent: Buddy Shelley***

Interrogatory No. 25

25. Please describe how customers with medically necessary equipment are identified, how they are communicated with, and if they receive a higher priority for restoration efforts.

**Company Response:**

Customers with medically necessary equipment are identified within the billing system once they have notified us of their medical need with proper supporting documentation. We restore hospitals, local authorities, and other critical infrastructure then prioritize critical customers during the next step of restoration.

Customers with medically necessary equipment are communicated with via normal channels as described in the Company's response to Question 18 above. Additionally, FPUC sends the following automated phone call:

Outbound Call Campaign Message:
"This is an important message from Florida Public Utilities. We continue to monitor the severe weather that may impact our service territory. It is important that customers who use critical medical equipment take necessary steps to prepare for the storm, have appropriate back-up battery support in the event of potential outages. It may be necessary to seek shelter or medical attention. For storm updates and safety information, please visit, and bookmark, F P U C hurricane updates dot com."

In preparation of impending weather and potential impacts to our service territories, FPUC enacts an automatic outbound call campaign to alert customers who have previously notified us of special medical needs. This campaign allows us to communicate with customers and provide important information and helpful guidance to prepare for the event as well as, provides Emergency Management Agency information. The automatic outbound call campaign message is listed below:

IMPORTANT NOTICE FOR THE DISABLED

Interrogatory No. 25,cont.

"If you or a member of your family is disabled and may need assistance during storm evacuation, you must call your Emergency Management Agency (EMA) office. A list of EMA offices can be found here: http://www.Florida disaster.org/County_EM/ASP/county.ASP"

In the aftermath of Hurricane Irma, every resident on the medically necessary equipment list received a home visit from an FPUC employee. In addition, the company was able to leverage available resources to visit customers who reached out to us online with any special request for help.

***Respondent: Mike Cassel***

Interrogatory No. 26

26. Please describe how the Company communicates with customers who do not have access to the internet or phone, both during a storm recovery and in ongoing operations.

**Company Response:**

During a storm, residents reach out through various channels to alert FPUC employees of their neighbors in need. These requests are then relayed to on-the-ground team members to respond. FPUC spokespeople interact with local, trade and national media to capture any additional needs and provide information through local media channels, emergency management centers, and community organizations. FPUC utilizes traditional advertising such as radio and print to communicate general safety information as part of the Company's mandatory messaging communication strategy.

***Respondent: Mike Cassel***

Interrogatory No. 27

27. Please describe how the Company communicates using the radio or postal service.

**Company Response:**

FPUC communicates through bill inserts and emails to ebill customers twice a year regarding storm safety. FPUC utilizes traditional advertising such as radio and print to communicate general safety information as part of the Company's mandatory messaging communication strategy.

***Respondent: Mike Cassel***

Interrogatory No. 28

28. Please describe how the Company communicates with customers whose first language is neither English nor Spanish.

**Company Response:**

Customer service representatives utilize interpreter services for non-English speaking customers. This service allows immediate translation of over 200 languages for customer needs before, during or after a storm event.

***Respondent: Mike Cassel***

Interrogatory No. 29

29. Has the Company reviewed all comments addressing customer communication and power restoration (received by the Company, received during post recovery at the Commission, filed for purposes of this docket, as well as complaints received by governmental units and other entities)? What follow up has the Company initiated with the customer?

**Company Response:**

FPUC responds to all customer communications and/or power restoration requests as quickly as possible. No additional customer communication or power restoration requests have been presented to FPUC at this time.

***Respondent: Mike Cassel***

Interrogatory No. 30

30. What problem areas has the Company identified with customer communication and power restoration based on experience and customer complaints during the recovery period after Hurricane Irma?

**Company Response:**

The Company did not experience any formal customer complaints during the recovery period of Hurricane Irma. However, FPUC continuously looks to build upon our current customer communications and power restoration efforts to meet the needs of our customers.

***Respondent: Mike Cassel***

Interrogatory No. 31

31. How does the Company plan to address these problem areas?

**Company Response:**

Learning from prior storm communication activities, including 2016's Hurricane Matthew restoration communications, FPUC sourced additional out-of-state resources to act as back-up support in the event the Florida team suffered critical damage to their homes and offices; created a list of third-party community influencers who could help share important information; and created alternate communication channels in the event that server or mobile systems became overwhelmed by the volume of activity and failed during the storm communication. FPUC also added a storm restoration map to storm landing page and social media so residents who evacuated the area would know when they could return to their homes and businesses.

***Respondent: Mike Cassel***

Interrogatory No.32

32. Please explain why some customers lost power prior to the storm making landfall (i.e., high winds experienced in the customers' vicinity).

**Company Response:**

While the Company is not aware of any specific cases of customers losing power prior to any of the recent named storms making landfall, it is always possible that as atmospheric conditions deteriorate ahead of a major weather event, service could be interrupted from events such as increased winds, lightning or tornados.

***Respondent: Buddy Shelley***

Interrogatory No. 33

33. Did the Company de-energize the grid in advance of the storm, if so, when, why, and what was communicated to customers prior to the Company's actions?

**Company Response:**

The Company did not de-energize the grid in advance of the storm.

***Respondent: Buddy Shelley***

Interrogatory No. 34

34. How many linear feet of overhead lines does the Company have, and what percentage suffered an outage?

**Company Response:**

The Company has approximately 3,878,688 linear feet of overhead lines. The estimated percent of the feet of lines that incurred an outage were:

Hurricane Hermine 15%
Hurricane Matthew 20%
Hurricane Irma 45%

The Company did not have any outages for Nate or Maria.

***Respondent: Buddy Shelley***

Interrogatory No.356

35. How many linear feet of underground lines does the Company have and what percentage suffered an outage?

**Company Response:**

The Company has approximately 924,528 linear feet of underground lines. The percent of underground facilities that suffered an outage were less than 1%.

The Company did not have any underground facility failure caused outages for Matthew, Hermine, Nate or Maria.

***Respondent: Buddy Shelley***

Interrogatory No.3 6

36. What analysis has the Company performed regarding the outage frequency for overhead versus underground power lines, and please describe the results.

**Company Response:**

The Company has not performed an analysis of outage frequency for overhead versus underground power lines.

***Respondent: Buddy Shelley***

Interrogatory No. 37

37. Please explain what caused power outages in areas that had underground power lines.

**Company Response:**

During the storms the majority of power outages in areas that have underground facilities were due to damaged overhead facilities that are the primary feed (distribution & transmission) for these underground areas.

***Respondent: Buddy Shelley***

Interrogatory No.38

38. How many homes that have underground power lines experience power outages?

**Company Response:**

During Matthew and Irma all homes that had underground power lines in the NE division experienced a power outage because overhead facilities are the primary feed.

***Respondent: Buddy Shelley***

Interrogatory No. 39

39. How many substations does the Company own?

**Company Response:**

The Company owns four substations.

***Respondent: Buddy Shelley***

Interrogatory No. 40

40. How many of the Company's substations had to be de-energized due to flooding?

**Company Response:**

None of the Company's substation had to be de-energized due to flooding.

***Respondent: Buddy Shelley***

Interrogatory No. 41

41. How many of the Company's substations were taken out of service due to tree or debris damage?

**Company Response:**

None of the Company's substation had to be taken out of service due to tree or debris damage.

***Respondent: Buddy Shelley***

Interrogatory No. 42

42. What does the Company plan to do in the future to eliminate flooding and tree/debris damage at the Company's substations?

**Company Response:**

The Company has no future plans for mitigating flooding and tree/debris damage at the Company's substations.

***Respondent: Buddy Shelley***

Interrogatory No. 43

43. If applicable, has the securitization for the prior 2004 and 2005 storms ended? If yes, when; if not, when?

**Company Response:**

Not applicable.

***Respondent: Buddy Shelley***

## CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing Responses of Florida Public Utilities to Citizen's First Set of Interrogatories to the Company in the referenced docket have been served by Electronic Mail this 31st day of January, 2018, upon the following:

| | |
|---|---|
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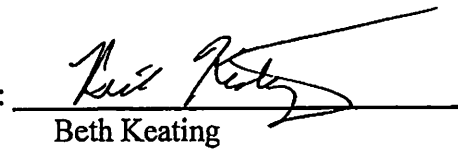
By: 

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3a. Budgeted O & M in Reliability Reports

| Year | Pole Inspections Distribution* | Joint Use Audits | Vegetation Management O & M | Total Distribution O & M | Transmission Climbing Inspections | Other O & M | Total O & M |
|---|---|---|---|---|---|---|---|
| 2006 | | | $ 342,000.00 | $ 342,000.00 | | | $ 342,000.00 |
| 2007 | $ 220,000.00 | $ 21,500.00 | $ 352,000.00 | $ 593,500.00 | $ 18,000.00 | $ 20,000.00 | $ 631,500.00 |
| 2008 | $ 227,000.00 | $ 22,000.00 | $ 363,000.00 | $ 612,000.00 | $ 18,500.00 | $ 24,000.00 | $ 654,500.00 |
| 2009 | $ 233,000.00 | $ 25,000.00 | $ 374,000.00 | $ 632,000.00 | $ 19,000.00 | $ 24,000.00 | $ 675,000.00 |
| 2010 | $ 152,000.00 | $ 26,000.00 | $ 625,000.00 | $ 803,000.00 | $ 20,600.00 | $ 14,000.00 | $ 837,600.00 |
| 2011 | $ 156,000.00 | $ 27,000.00 | $ 643,000.00 | $ 826,000.00 | $ 21,200.00 | $ 14,000.00 | $ 861,200.00 |
| 2012 | $ 162,000.00 | $ 28,000.00 | $ 663,000.00 | $ 853,000.00 | $ 21,900.00 | $ 14,000.00 | $ 888,900.00 |
| 2013 | $ 150,000.00 | $ 29,000.00 | $ 869,000.00 | $ 1,048,000.00 | $ 25,300.00 | $ 21,000.00 | $ 1,094,300.00 |
| 2014 | $ 155,000.00 | $ 30,000.00 | $ 895,000.00 | $ 1,080,000.00 | $ 26,100.00 | $ 21,600.00 | $ 1,127,700.00 |
| 2015 | $ 160,000.00 | $ 90,000.00 | $ 922,000.00 | $ 1,172,000.00 | $ 26,900.00 | $ 22,200.00 | $ 1,221,100.00 |
| 2016 | $ 130,000.00 | $ - | $ 970,000.00 | $ 1,100,000.00 | $ 28,000.00 | $ 21,000.00 | $ 1,149,000.00 |
| 2017 | $ 135,000.00 | $ - | $ 980,000.00 | $ 1,115,000.00 | $ 28,800.00 | $ 21,600.00 | $ 1,165,400.00 |
| | | | | | | | $ - |
| | | | | | | | |
| TOTALS | $ 1,880,000.00 | $ 298,500.00 | $ 7,998,000.00 | $ 10,176,500.00 | $ 254,300.00 | $ 217,400.00 | $ 10,648,200.00 |

* Not separated into transmission and distribution. Also, in 2006 and 2007, FPUC employees performed inspections and costs were not separated in the books.

3a. Budgeted Capital in Reliability Reports

| Year | Distribution Poles-Per Budget | Distribution Other | Transmission Poles | Other | Total Capital |
|---|---|---|---|---|---|
| 2006 | | | | | $ - |
| 2007 | $ 49,200.00 | $ 62,500.00 | | $ 200,000.00 | $ 311,700.00 |
| 2008 | $ 70,800.00 | $ 296,100.00 | $ 285,950.00 | | $ 652,850.00 |
| 2009 | $ 74,400.00 | $ 503,960.00 | $ 300,000.00 | | $ 878,360.00 |
| 2010 | $ 477,801.00 | $ 150,000.00 | $ 60,000.00 | | $ 687,801.00 |
| 2011 | $ 520,620.31 | $ 386,000.00 | $ 46,000.00 | | $ 952,620.31 |
| 2012 | $ 702,399.00 | $ 237,500.00 | $ 46,000.00 | | $ 985,899.00 |
| 2013 | $ 643,028.00 | $ 275,000.00 | $ 650,000.00 | | $ 1,568,028.00 |
| 2014 | $ 1,137,972.00 | $ 438,500.00 | $ 50,000.00 | | $ 1,626,472.00 |
| 2015 | $ 390,000.00 | $ 370,000.00 | $ 50,000.00 | | $ 810,000.00 |
| 2016 | $ 1,245,000.00 | $ 525,000.00 | $ 650,000.00 | | $ 2,420,000.00 |
| 2017 | $ 990,000.00 | $ 400,000.00 | $ 50,000.00 | | $ 1,440,000.00 |
| | | | | | $ - |
| | | | | | $ - |
| TOTALS | $ 6,301,220.31 | $ 3,644,560.00 | $ 2,187,950.00 | $ 200,000.00 | $ 12,333,730.31 |

3b. Actual O & M Costs

| Year | Pole Inspections Distribution* | Joint Use Audits | Vegetation Management O & M | Total Distribution O & M | Transmission Climbing Inspections | Other O & M | Total O & M |
|---|---|---|---|---|---|---|---|
| 2006 | $ - | | $ 555,547.56 | $ 555,547.56 | | $ - | $ 555,547.56 |
| 2007 | $ - | | $ 527,507.44 | $ 527,507.44 | | | $ 527,507.44 |
| 2008 | $ 52,675.70 | | $ 622,742.00 | $ 675,417.70 | | $ 7,470.00 | $ 682,887.70 |
| 2009 | $ 223,564.84 | | $ 614,016.00 | $ 837,580.84 | | $ 7,564.20 | $ 845,145.04 |
| 2010 | $ 84,362.04 | | $ 729,864.00 | $ 814,226.04 | | $ 7,564.20 | $ 821,790.24 |
| 2011 | $ 148,304.30 | | $ 749,340.00 | $ 897,644.30 | | $ 7,564.20 | $ 905,208.50 |
| 2012 | $ 131,853.00 | | $ 686,413.50 | $ 818,266.50 | $ 151,800.00 | $ 15,128.40 | $ 985,194.90 |
| 2013 | $ 116,738.00 | | $ 801,323.11 | $ 918,061.11 | | $ 15,128.40 | $ 933,189.51 |
| 2014 | $ 95,534.00 | | $ 900,712.17 | $ 996,246.17 | | $ 40,642.50 | $ 1,036,888.67 |
| 2015 | $ 55,601.00 | | $ 959,360.00 | $ 1,014,961.00 | | $ 29,193.50 | $ 1,044,154.50 |
| 2016 | $ 84,452.40 | $ 82,670.00 | $ 957,079.02 | $ 1,124,201.42 | | $ 36,734.61 | $ 1,160,936.03 |
| 2017 Est. | $ 152,567.47 | | $ 731,186.59 | $ 883,754.06 | | $ 59,665.15 | $ 943,419.21 |
| | | | | | | | $ - |
| | | | | | | | |
| TOTALS | $ 1,145,652.75 | $ 82,670.00 | $ 8,835,091.39 | $ 10,063,414.14 | $ 151,800.00 | $ 226,655.16 | $ 10,441,869.30 |

* Not separated into transmission and distribution. Also, in 2006 and 2007, FPUC employees performed inspections and costs were not separated in the books.

3b. Actual Capital Costs

| Year | Distribution Poles | Distribution Other | Transmission Poles | Other | Total Capital |
|---|---|---|---|---|---|
| 2006 | | | | | $ - |
| 2007 | $ 47,555.00 | $ 71,690.00 | | $ 228,169.00 | $ 347,414.00 |
| 2008 | $ 46,954.00 | $ 205,344.00 | | | $ 252,298.00 |
| 2009 | $ 105,437.00 | $ 40,280.00 | | | $ 145,717.00 |
| 2010 | $ 477,964.65 | $ 44,916.00 | $ 507,374.00 | | $ 1,030,254.65 |
| 2011 | $ 592,092.39 | $ 42,467.00 | $ 84,214.00 | | $ 718,773.39 |
| 2012 | $ 809,701.87 | | | | $ 809,701.87 |
| 2013 | $ 832,401.50 | $ 481,664.00 | | | $ 1,314,065.50 |
| 2014 | $ 1,395,600.83 | $ 156,184.00 | $ 2,392,516.00 | | $ 3,944,300.83 |
| 2015 | $ 660,527.63 | | | | $ 660,527.63 |
| 2016 | $ 528,079.02 | $ 4,333,343.43 | $ 558,193.63 | $ 2,004,541.31 | $ 7,424,157.39 |
| 2017 Est. | $ 604,509.00 | $ 650,816.57 | $ 9,870.00 | | $ 1,265,195.57 |
| | | | | | $ - |
| | | | | | $ - |
| TOTALS | $ 6,100,822.89 | $ 6,026,705.00 | $ 3,552,167.63 | $ 2,232,710.31 | $ 17,912,405.83 |

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3c. Variance Budget to Actual O & M

| Year | Pole Inspections Distribution* | Joint Use Audits | Vegetation Management O & M | Total Distribution O & M | Transmission Climbing Inspections | Other O & M | Total O & M |
|---|---|---|---|---|---|---|---|
| 2006 | $ - | $ - | $ (213,547.56) | $ (213,547.56) | $ - | $ - | $ (213,547.56) |
| 2007 | $ 220,000.00 | $ 21,500.00 | $ (175,507.44) | $ 65,992.56 | $ 18,000.00 | $ 20,000.00 | $ 103,992.56 |
| 2008 | $ 174,324.30 | $ 22,000.00 | $ (259,742.00) | $ (63,417.70) | $ 18,500.00 | $ 16,530.00 | $ (28,387.70) |
| 2009 | $ 9,435.16 | $ 25,000.00 | $ (240,016.00) | $ (205,580.84) | $ 19,000.00 | $ 16,435.80 | $ (170,145.04) |
| 2010 | $ 67,637.96 | $ 26,000.00 | $ (104,864.00) | $ (11,226.04) | $ 20,600.00 | $ 6,435.80 | $ 15,809.76 |
| 2011 | $ 7,695.70 | $ 27,000.00 | $ (106,340.00) | $ (71,644.30) | $ 21,200.00 | $ 6,435.80 | $ (44,008.50) |
| 2012 | $ 30,147.00 | $ 28,000.00 | $ (23,413.50) | $ 34,733.50 | $ (129,900.00) | $ (1,128.40) | $ (96,294.90) |
| 2013 | $ 33,262.00 | $ 29,000.00 | $ 67,676.89 | $ 129,938.89 | $ 25,300.00 | $ 5,871.60 | $ 161,110.49 |
| 2014 | $ 59,466.00 | $ 30,000.00 | $ (5,712.17) | $ 83,753.83 | $ 26,100.00 | $ (19,042.50) | $ 90,811.33 |
| 2015 | $ 104,399.00 | $ 90,000.00 | $ (37,360.00) | $ 157,039.00 | $ 26,900.00 | $ (6,993.50) | $ 176,945.50 |
| 2016 | $ 45,547.60 | $ (82,670.00) | $ 12,920.98 | $ (24,201.42) | $ 28,000.00 | $ (15,734.61) | $ (11,936.03) |
| 2017 Est. | $ (17,567.47) | $ - | $ 248,813.41 | $ 231,245.94 | $ 28,800.00 | $ (38,065.15) | $ 221,980.79 |
| | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| | | | | | | | |
| TOTALS | $ 734,347.25 | $ 215,830.00 | $ (837,091.39) | $ 113,085.86 | $ 102,500.00 | $ (9,255.16) | $ 206,330.70 |

* Not separated into transmission and distribution.

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3c. Variance Budget to Actual Capital

| Year | Distribution Poles | Distribution Other | Transmission Poles | Other | Total Capital |
|---|---|---|---|---|---|
| 2006 | $ - | | | | $ - |
| 2007 | $ 1,645.00 | $ (9,190.00) | $ - | $ (28,169.00) | $ (35,714.00) |
| 2008 | $ 23,846.00 | $ 90,756.00 | $ 285,950.00 | $ - | $ 400,552.00 |
| 2009 | $ (31,037.00) | $ 463,680.00 | $ 300,000.00 | $ - | $ 732,643.00 |
| 2010 | $ (163.65) | $ 105,084.00 | $ (447,374.00) | $ - | $ (342,453.65) |
| 2011 | $ (71,472.08) | $ 343,533.00 | $ (38,214.00) | $ - | $ 233,846.92 |
| 2012 | $ (107,302.87) | $ 237,500.00 | $ 46,000.00 | $ - | $ 176,197.13 |
| 2013 | $ (189,373.50) | $ (206,664.00) | $ 650,000.00 | $ - | $ 253,962.50 |
| 2014 | $ (257,628.83) | $ 282,316.00 | $ (2,342,516.00) | $ - | $ (2,317,828.83) |
| 2015 | $ (270,527.63) | $ 370,000.00 | $ 50,000.00 | $ - | $ 149,472.37 |
| 2016 | $ 716,920.98 | $ (3,808,343.43) | $ 91,806.37 | $ (2,004,541.31) | $ (5,004,157.39) |
| 2017 Est. | $ 385,491.00 | $ (250,816.57) | $ 40,130.00 | $ - | $ 174,804.43 |
| | | | | | $ - |
| | | | | | $ - |
| TOTALS | $ 200,397.42 | $ (2,382,145.00) | $ (1,364,217.63) | $ (2,032,710.31) | $ (5,578,675.52) |

3c. Explanation of Variances Capital

| Year | Distribution Poles | Distribution Other | Transmission Poles | Other |
|---|---|---|---|---|
| 2006 | The Storm Hardening program did not begin until 2007 | The Storm Hardening program did not begin until 2007 | The Storm Hardening program did not begin until 2007 | |
| 2007 | Projects were less than originaly estimated | Includes College Feeder project which was not included in the Storm Hardening Plan | No Variance | The new GIS system cost more than projected. |
| 2008 | Projects were less than originaly estimated | Mainly due to completing other projects with higher priorities and including the NE Hospital project as a distribution under-build during the Transmission pole replacements in 2014 | Mainly due to completing the South Fletcher pole replacement in 2010 and including and the NE Hospital project as a distribution under build during the Transmission pole replacements in 2014 | |
| 2009 | Additional poles were changed than originally planned | Mainly due to the HS Shelter project being shifted to another feeder and hardened during the Prison Feeder upgrade projects in 2011 and 2016 | Mainly due to completing the South Fletcher pole replacement in 2010 and including and the NE Hospital project as a distribution under build during the Transmission pole replacements in 2014 | |
| 2010 | Additional poles were changed than originally planned | Clinton St. (City Hall) Project was less than originaly estimated | Mainly due to the South Fletcher Project completion in 2010 (See note above) | |
| 2011 | Additional poles were changed than originally planned | Mainly due to completing higher priority projects such as Osmose pole rejects | A1A Round About project was not included in the Storm Hadening Plan and | |
| 2012 | Additional poles were changed than originally planned | Mainly due to completing higher priority projects such as Osmose pole rejects | 69Kv Pole replacement was completed with the 2014 project | |
| 2013 | Additional poles were changed than originally planned | Malone Project was higher than originally estimated | Pole replacements were completed with the 2014 project | |
| 2014 | Additional poles were changed than originally planned | Mainly due to completing higher priority projects such as Osmose pole rejects | Additional Transmission poles were replaced (see notes above) | |
| 2015 | Additional poles were changed than originally planned | Mainly due to completing higher priority projects such as Osmose pole rejects | Pole replacement was completed with the 2016 project | |
| 2016 | Completed other projects with higher priorities | Mainly due to the rebuild of the AIP Substation which was considered reliability related but not included in the Storm Hardening report. | Additional Transmission poles were replaced (see notes on 2015) | The Rayonier Project was not included in the reliability report. |
| 2017 Est. | Projects to be completed in 2018 | South Fletcher Project was higher that orginaly estimated | Poles were replaced in 2016 project | |
| | | | | |
| | | | | |

**AFFIDAVIT**

STATE OF FLORIDA)

COUNTY OF NASSAU )

I hereby certify that on this 30th day of JANUARY, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Buddy Shelley, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatories served on Florida Public Utilities Company by the Office of Public Counsel on December 14, 2017, in Docket No. 20170215-EU, and that the responses are true and correct based on his/her information and belief.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 30th day of JANUARY, 2018.

Notary Public Christine Minton
State of Florida, at Large

My Commission Expires: August 23 2021

CHRISTINE MINTON
Notary Public - State of Florida
Commission # GG 137253
My Comm. Expires Aug 23, 2021

**AFFIDAVIT**

STATE OF FLORIDA)

COUNTY OF NASSAU )

I hereby certify that on this 30th day of JANUARY, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Jorge Puentes, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatories served on Florida Public Utilities Company by the Office of Public Counsel on December 14, 2017, in Docket No. 20170215-EU, and that the responses are true and correct based on his/her information and belief.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 30th day of JANUARY, 2018.

Notary Public Christine Minton
State of Florida, at Large

My Commission Expires: August 23, 2021

CHRISTINE MINTON
Notary Public - State of Florida
Commission # GG 137253
My Comm. Expires Aug 23, 2021

**AFFIDAVIT**

STATE OF FLORIDA)

COUNTY OF NASSAU )

I hereby certify that on this 29th day of JANUARY, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Michael Cassel, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatories served on Florida Public Utilities Company by the Office of Public Counsel on December 14, 2017, in Docket No. 20170215-EU, and that the responses are true and correct based on his/her information and belief.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 29th day of JANUARY, 2018.

Notary Public Christine Minton
State of Florida, at Large

My Commission Expires: August 23, 2021

CHRISTINE MINTON
Notary Public - State of Florida
Commission # GG 137253
My Comm. Expires Aug 23, 2021