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September 19, 2018

**E-PORTAL FILING**

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

**Re: Docket No. 20180048 – EI - In re: Consideration of the tax impacts associated with Tax Cuts and Jobs Act of 2017 for Florida Public Utilities Company –Electric.**

Attached for filing in the above-referenced docket, please find the Joint Motion to Amend Procedural Schedule and to Accept Revised/Supplemental Testimony submitted in this docket on behalf of Florida Public Utilities Company and the Office of Public Counsel.

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,



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MEK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Consideration of the tax impacts associated with Tax Cuts and Jobs Act of 2017 for Florida Public Utilities Company - Electric. | DOCKET NO. 20180048-EI  
FILED: September 19, 2018

JOINT MOTION TO AMEND PROCEDURAL SCHEDULE  
AND TO ACCEPT REVISED/SUPPLEMENTAL TESTIMONY

Florida Public Utilities Company (“FPUC” or “Company”), and the Citizens of the State of Florida, by and through the Office of Public Counsel (“OPC”) (collectively, the “Parties”) hereby request that the Prehearing Officer amend the schedules established in this proceeding to allow FPUC to file supplemental and revised testimony and also to extend the dates currently established for Intervenor Testimony. The Parties agree that the procedure set forth herein will accommodate the interests of all Parties and the Commission in these particular cases, and in support of this Joint Motion state:

1. The Tax Cuts and Jobs Act of 2017<sup>1</sup> (“Act”) was signed into law by President Trump on December 22, 2017, and applies to the taxable year beginning after December 31, 2017. Thereafter, the Commission established generic Docket No. 20180013-PU to address the Office of Public Counsel’s (“OPC”) Petition to Establish Generic Docket to Investigate and Adjust Rates for 2018 Tax Savings. By Order No. PSC-2018-0104-PCO-PU, the Commission asserted jurisdiction over the subject matter of responsive tax adjustments effective on the date of the Commission’s vote, February 6, 2018, as it relates to Florida Public Utilities Company (Electric)(20180048-EI).
2. This docket was opened on February 22, 2018, to provide a vehicle for the Commission to consider the tax impacts associated with the passage of the Act on FPUC.

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<sup>1</sup> HR-1, Pub. L. No. 115-97, December 22, 2017, 131 Stat 2054.

Joint Motion to Amend Procedural Schedule

The Order Establishing Procedure for this proceeding, Order No. PSC-2018-0211-PCO-EI, was issued April 25, 2018. Subsequently, the schedule for this docket was revised by Order No. PSC-2018-0280-PCO-EI, issued June 1, 2018.

3. Consistent with the schedule established for this docket, the Company filed, on May 31, 2018, a Petition asking the Commission for approval of the Company's calculations of the tax benefit amounts (or detriments) arising from the Tax Cuts and Jobs Act of 2017, along with proposed mechanisms for flowing the benefits through to the Company's customers. With the Petition, the Company also submitted the Direct Testimony of witnesses Michael Cassel, Matthew Dewey, and Michael Reno.

4. Currently, the schedule established by the Orders Establishing Procedure in this docket contemplates that Intervenor Testimony shall be filed on October 2, 2018.

5. Recently, however, FPUC was advised by its consultants that they were revising their recommendation to the Company with regard to the classification of certain taxes. This results in a conflict with the Company's testimonies previously submitted in the docket on May 31, 2018, which should be resolved. The revised position pertains to the classification of Accumulated Deferred Income Taxes ("ADIT") associated with the cost of removal/negative net salvage as being within the "protected" class. The Company believes it necessary to amend the testimony and exhibits of Witness Dewey to make this correction, as well as Exhibit MC-1 of Michael Cassel and the corresponding amounts in his prefiled direct testimony.

6. In addition, at the meeting held in Dockets Nos. 20180051, 20180052, 20180053, and 20180054-GU, on August 15, 2018, which pertain to FPUC's Natural Gas business units, certain issues were identified that had not been addressed in those Companies'

Joint Motion to Amend Procedural Schedule

initial filings, nor in the initial pleadings of FPUC-Electric. Specifically, the issue pertaining to whether the Company should seek a Private Letter Ruling from the federal Internal Revenue Service is an issue that was not, and reasonably could not have been contemplated in the Company's initial filing. While such a meeting has not yet been held in this proceeding, nor has such issue been identified, the Company believes it is critical that it be allowed to provide testimony and evidence pertaining to this likely issue in its direct case in order to ensure a full and complete record for the Commission's consideration.

7. The Company and OPC have conferred in this regard and agree that it is appropriate for the Company to be allowed to amend the testimony and exhibits of Witness Dewey to address the identified error. OPC also does not object to FPUC being allowed to submit supplemental testimony to the extent such supplemental testimony is limited to the issues pertaining to a Private Letter Ruling and a mechanism, if any, to recover the costs associated with seeking a Private Letter Ruling.

8. The Parties also agree that, given the current schedule and the approaching due date of Intervenor Testimony, it is necessary and appropriate to amend the remaining testimony schedule to allow sufficient time for each Party to adequately review and respond to the testimony filed. As such, the Parties propose that the remaining schedule for Testimony in these proceedings be amended as follows:

- |     |   |   |
|-----|---|---|
| (1) | Utility Revised/Supplemental Testimony and Exhibits | September 21, 2018  |
| (2) | Intervenor Testimony and Exhibits, if any           | October 19, 2018  |
| (3) | Rebuttal Testimony, if any                          | December 11, 2018 (consistent with current scheduling date) |

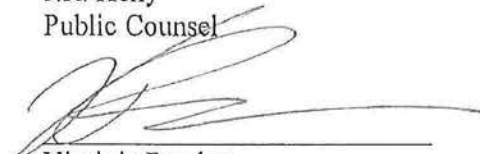
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9. The Parties believe that the above-mentioned changes to the current schedule will not necessitate any change to the remainder of the schedule for these proceedings and will not cause undue hardship to the Parties or the Commission in preparing for the joint hearing in these dockets.

WHEREFORE, that Parties respectfully request that the Prehearing Officer in this docket amend the schedule established by Order No. PSC-2018-0211-PCO-EI and revised by Order No. PSC-2018-0280-PCO-EI, to be further revised to reflect the schedule for testimony as requested herein, thereby allowing FPUC to file supplemental and revised testimony and extending the remaining testimony due dates.

Respectfully submitted this 19<sup>th</sup> day of September 2018 by:

J.R. Kelly  
Public Counsel



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*Attorneys for Florida Public Utilities  
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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct of the foregoing Joint Motion in the referenced docket has been served by Electronic Mail this 19<sup>th</sup> day of September, 2018, upon the following:

Rachael A. Dziechciarz Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 <a href="mailto:RDziehc@psc.state.fl.us">RDziehc@psc.state.fl.us</a>	J.R. Kelly/Virginia Ponder Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 <a href="mailto:Ponder.virginia@leg.state.fl.us">Ponder.virginia@leg.state.fl.us</a>
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