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November 1, 2018

E-PORTAL FILING

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

Re:

DOCKET NO.

In re: Petition of Florida Public Utilities Company
for Approval of Temporary Electric Restoration
Program on Expedited Basis.

Dear Ms. Stauffer:

Attached, for electronic filing in the above referenced docket, please find the Florida Public Utilities Company's **PETITION FOR APPROVAL OF TEMPORARY ELECTRIC RESTORATION PAYMENT PROGRAM ON EXPEDITED BASIS.**

Should you have any questions whatsoever, please do not hesitate to contact me. Thank you for your assistance in this matter.

Respectfully,

A handwritten signature in black ink, appearing to read 'Beth Keating', written over a horizontal line.

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

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Public Utilities
Company for Approval of Temporary Electric
Restoration Program on Expedited Basis.

Docket No.
Filed: November 1, 2018

**PETITION FOR APPROVAL OF TEMPORARY ELECTRIC RESTORATION
PAYMENT PROGRAM ON EXPEDITED BASIS**

Florida Public Utilities Company (“FPUC” or “Company”), by and through its undersigned counsel, hereby files this Petition, in accordance with Sections 366.04(1) and 366.05, Florida Statutes, and Rule 25-6.033, Florida Administrative Code, seeking expedited approval by the Florida Public Service Commission (“Commission”) of a temporary program that will allow the Company to assist customers in its Northwest Division with efforts to restore electric service to their homes. In support of this request, the Company states:

- 1) FPUC is an electric utility subject to the Commission's jurisdiction under Chapter 366, Florida Statutes. Its principal business address is:

Florida Public Utilities Company
1750 S 14th Street, Suite 200
Fernandina Beach, FL 32034

- 2) The name and mailing address of the persons authorized to receive notices are:

Beth Keating, Esq
Gunster, Yoakley & Stewart, P.A.
215 South Monroe Street, Suite 601
Tallahassee, Florida 32301-1839
(850) 521-1706
bkeating@gunster.com

Mike Cassel
Director, Regulatory and Governmental Affairs
Florida Public Utilities Company/Chesapeake
1750 S 14th Street, Suite 200
Fernandina Beach, FL 32034
mcassel@fpuc.com

- 3) The Commission has broad jurisdiction, including jurisdiction to grant the relief requested herein, under Sections 366.04 and 366.05, Florida Statutes, pursuant to which the

Commission is authorized to establish rates and charges for public utilities, and in doing so, to consider, among other things, whether the rules, regulations and practices of the utility are fair and reasonable and whether the propriety of the Company's assumption of any debt or liability as guarantor, endorser, or surety. Furthermore, as plainly stated in Section 366.01, Florida Statutes, the Commission's jurisdiction under Chapter 366 is to be liberally construed and deemed an exercise of police power of the state for the protection of the public welfare. The Company is unaware of any material facts in dispute with regard to the Company's request herein. This is a Petition representing an initial request to the Commission, which is the affected agency located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399.

I. **BACKGROUND**

4) FPUC's electric division serves a total of approximately 32,000 customers, across two entirely separate divisions – one located on Amelia Island (NE Division) and the other serving a largely rural service territory in the north central Panhandle (NW Division). FPUC serves approximately 13,000 in the NW Division in the counties of Jackson, Calhoun, and Liberty Counties, and in the communities of Marianna, Blountstown, Altha, Bristol, Greenwood, Malone, Cottondale, and Alford.

5) On October 10, 2018, Hurricane Michael made landfall in the Florida Panhandle near Mexico Beach at just below Category 5. The storm then proceeded north through the central Panhandle with the eye carving a path of destruction from south to north directly through the inland communities served by FPUC and very little weakening of the storm until it was well into Georgia. As a result of the extensive damage caused by the storm, 100% of FPUC's customers in the NW division experienced power outages. As of the date of this filing, FPUC has made

substantial gains in rebuilding its system and restoring service to its customers. The Company continues its efforts to fully restore service to these hard-hit communities with the significant assistance of its many mutual aid partners.

6) Many of the homes and businesses served by FPUC have, however, been so severely damaged that even as power lines and facilities are re-energized, these premises cannot receive power due to the damage they have sustained. As of the date of this filing, FPUC's system has been restored to approximately 97% of the customers that are able to take power in the Northwest Division. However, the Company estimates that up to 9% of customers' homes in these areas cannot be reconnected to FPUC's system due to damage to the electric facilities owned by the customer.

7) FPUC is aware that the damage to customers' homes and associated electric equipment is, in many cases, significant and widespread. Due to the rural nature of this service territory, there is a limited number of local electricians able to provide assistance.

8) Moreover, given the scope of damage to the area and the economic impact that this will have on these communities both in the short and long term, many customers will likely find paying for the electrical repairs necessary to restore service to their home exceedingly challenging.

II. TEMPORARY ELECTRIC RESTORATION PAYMENT PROGRAM

9) In an effort to assist customers faced with the prospect of having to repair customer-owned electrical equipment in order to have service restored, FPUC proposes to offer an temporary program that would allow customers the opportunity to have the repairs made as expeditiously as possible, but with payments spread out over a reasonable period of time.

10) FPUC's proposed Electric Restoration Payment Program ("Program") is a proposed optional program that would allow customers to obtain the services of a licensed and bonded electrician as quickly as possible, but FPUC would pay the upfront cost of the work performed by the electrician. Under the program, FPUC would pay for an electrician's materials and labor in an amount up to \$1,500 for the replacement or repair of the following specified equipment:

- Ground Wire and Rod
- Meter Box
- Riser Conduit
- Service Stack
- Attachment Hardware
- Weather Head

FPUC would then bill the customer the amount paid by FPUC for the electrician's services, plus associated administrative fee of \$20.00, over a 12-month billing period.

11) The unpaid balance will be held in Accounts Receivable separate from utility billing accounts. The applied administrative fee will enable the Company mitigate costs associated with administering this program. No interest will be assessed. The facilities installed or repaired will remain the property of the customer. Consequently, the Company will not earn additional returns as a result of this proposed program.

12) Customers would not be at risk of disconnection in the event that they fail to complete payments under the program, but would be subject to other collection mechanisms available to the Company under Florida law. Any unpaid, uncollected amounts would be recorded as bad debt expense for consideration in the Company's next rate proceeding.

13) As part of this program, customers will be able to select their preferred electrician, as long as the electrician is licensed and bonded. Given the limited number of electricians in the area, FPUC has also identified reputable electricians that work in its Northeast territory that would be

willing and able to participate in this program for the Northwest customers; thus, providing an additional supply of electricians to facilitate faster restoration for more customers.

14) FPUC is asking that this temporary program remain in effect for a limited period of 60 days from Commission approval. This should provide sufficient time for those customers interested in the program to be made aware of it and sign up.

15) The Company submits as Attachment A the required new electric tariff sheet (in legislative and clean formats) reflecting the incorporation of language addressing the Company's proposed Temporary Electric Restoration Program. The Company includes an additional Attachment B, which reflects the calculation of the administrative fee. Attachment C reflects the participation form that the Company anticipates utilizing for participating customers and electricians.

16) The proposed revisions are in the public interest, facilitate expedited service restoration in an area severely impacted by Hurricane Michael, and encourage restoration of service for customers safely through the services of a qualified electrician.

17) Given that many customers in the Northwest Division remain without power due to the current state of customer-owned equipment at their premises, FPUC respectfully requests that, to the extent possible, the Commission address this request on an expedited basis and allow the Company to move forward with this program in the interest of the safety and welfare of electric customers in these devastated counties.

WHEREFORE, Florida Public Utilities Company hereby respectfully requests that the Commission consider this request on an expedited basis and approve, effective as of the date of the Commission's vote, Florida Public Utilities Company's proposed Temporary Electric

Restoration Payment Program and associated tariff page, as set forth in Attachment A, which is attached hereto and incorporated herein by reference.

Respectfully submitted this 1st day of November, 2018, by:

A handwritten signature in black ink, appearing to read "Beth Keating", is written over a horizontal line. The signature is fluid and cursive.

Beth Keating

Florida Bar No. 0022756

Gunster, Yoakley & Stewart, P.A

215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

Attorneys for Florida Public Utilities Company

ATTACHMENT A

FPUC Electric

(Clean/Legislative-Tracked Changes)

RESERVED FOR FUTURE USE TEMPORARY ELECTRIC RESTORATION PAYMENT
PROGRAM

Availability:

This optional payment program will be made available, for 60 days starting from the date of Commission approval, to all residential (RS) customers within the territory served by the Company in Jackson, Calhoun and Liberty Counties who are unable to take electric service from the Company as a result of damages sustained by Hurricane Michael.

Applicability:

To support a safe and reliable storm restoration, the Company will offer temporary assistance financing the repair or replacement of customer-owned equipment that was damaged as a result of Hurricane Michael. Repair or replacement of the following customer-owned equipment, including labor, is covered by this program:

Ground Wire and Rod

Meter Box

Riser Conduit

Service Stack

Attachment Hardware

Weather Head

Miscellaneous Terms and Conditions:

The Company will provide a list of contractors, or the customer may choose their own licensed and bonded electrician to complete the work required.

The Company will reimburse the selected electrician up to \$1,500, per Customer of Record, for the service rendered under this temporary tariff.

Each electrician will complete a Temporary Electric Restoration Payment Program request form, including the customer's signature, and supply that form, along with an invoice for the work completed and attributable to Hurricane Michael, to the Company for reimbursement.

Monthly Rate:

The Customer of Record is responsible for repayment of all amounts received under the Temporary Electric Payment Program tariff. The total cost of the restoration job up to \$1,500.00, plus an administrative fee of \$20 to mitigate associated Company expenses, will be divided into monthly payments over a twelve-month period. The monthly payments will be invoiced to the customer separately from the customer's electric bill. After the twelve-month repayment period, all remaining unpaid balances will be subject to debt collection mechanisms available to the Company under Florida law. No interest will be applied to the customer's balance and customers will not be subject to disconnection for any unpaid, past due balance.

TEMPORARY ELECTRIC RESTORATION PAYMENT PROGRAM

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ATTACHMENT B

Calculation of Administrative Fee

**Temporary Electric Restoration Payment Program
Administrative Cost Summary**

ATTACHMENT B

Bill rendering estimate	\$ 0.50
Pay back months of program	<u>12</u>
Total Cost bill rendering	\$ 6.00
Average hourly labor cost	\$ 11.19
Processing time (hours)	<u>1.25</u>
Total processing cost	\$ 13.99
Total Administrative Cost	<u><u>\$ 19.99</u></u>

ATTACHMENT C

Payment Program Participation Form



Temporary Payment Plan

LAST NAME		FIRST NAME - MIDDLE INITIAL	
PHONE #		ADD'L PHONE #	
EMAIL			
ACCOUNT #		PREMISE #	
SERVICE ADDRESS			
CITY		STATE	ZIP
CONTRACTOR			PHONE
ADDRESS			
CITY		STATE	ZIP
INSTALL DATE	ENERGY TYPE	MANUFACTURER	
WORK PERFORMED			

EMERGENCY PAYMENT PLAN (EPP)

1. Customer of Record agrees to pay monthly the EPP and other amounts indicated below and which appear as a line item on the Company statement issued for the residence where the equipment is being installed ("Property") until the amount is paid in full. _____ (initials)

2. Emergency Payment Plan Terms: _____ months at _____ per month. Down Payment Of: _____

INSURANCE: Credit life insurance, casualty insurance and credit disability insurance are not required by the Company to obtain credit, and will not be provided. PREPAYMENT: If you pay off your credit early, you will not have to pay a penalty.

NOTICE TO HOMEOWNER: 1. Do not sign this form before you have read it or if it contains any blank spaces. 2. You are entitled to an exact copy of the form you sign. Keep it to protect your legal rights. By signing this form, Homeowner agrees to the terms set forth herein and acknowledges receiving and reading a completed copy of this form.

PAYMENT OPTIONS AND GENERAL TERMS AND CONDITIONS:

The Emergency Payment Plan ("EPP") offers the Customer of Record the option to pay a fixed monthly amount for qualified equipment purchase and installation subject to the following:

- Customer of Record represents that he/she is the current record owner of the residence where the equipment is being installed ("Property"). If Customer of Record is not the owner, then the Customer of Record must obtain permission as necessary from the property owner, per existing lease agreement.
- If the Property is sold or conveyed prior to full payment of the EPP amount, Customer of Record will pay the total outstanding EPP amount [and other amounts shown above] on or prior to the date the account is closed. In the event the account is disconnected for non-payment, company has the right to collect total outstanding EPP amount (and other amounts shown above).
- Customer of Record agrees that all material and workmanship matters related to the equipment and installation will be addressed exclusively with the authorized Contractor responsible for installing the equipment and that Florida Public Utilities Company (the "Company") has no responsibility or liability with respect to such matters.
- Customer of Record understands that the Company and its affiliates, including its parent, Chesapeake Utilities Corporation and any subsidiaries ("Affiliates"), do not manufacture, produce, or provide any warranty for the equipment/installation identified herein. To the extent assignable, the Company shall assign to Customer of Record any manufacturer's warranties that apply to the equipment.
- This agreement is not assignable or transferable by Customer of Record without prior written consent by the Company.
- Customer of Record waives and releases the Company and its affiliates, and their officers, directors, employees, contractors, agents, representatives, successors and assigns, from any and all claims, demands, actions, causes of action, damages, liabilities and obligations whatsoever arising out of or related to products or services provided by the Contractor named on the reverse hereof.
- In no event shall the company or its affiliates, and their officers, directors, employees, contractors, agents, representatives, successors and assigns be liable for any incidental, indirect, special, consequential, exemplary or punitive damages, including, but not limited to, loss or revenues or loss of profits, even if the company has been advised of the possibility of such damages.
- This agreement may not be amended or modified except by an instrument in writing signed by the Company and Customer of Record.
- This agreement shall be governed by the laws of the State of Florida without regard to principles of conflicts of laws.
- This agreement, and the terms set forth in the Company's Tariff at Sheet No. 67, contain the entire understanding between the parties hereto and supersedes any written or oral, prior or contemporaneous agreement or understanding between the parties.

CONTRACTOR/ELECTRICIAN SIGNATURE _____ DATE _____ COMPANY NAME _____

Customer of Record SIGNATURE _____ DATE _____ FLORIDA PUBLIC UTILITIES REPRESENTATIVE _____

PERMITS CODE	FOR INTERNAL USE ONLY	
	NET CONTRACT AMOUNT	DETAILED FEE CODE
EMPLOYEE #	SERVICE CODES	