GUNSTER
FLORIDA'S LAW FIRM FOR BUSINESS

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

March 11, 2020

VIA E-PORTAL

Mr. Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20190156-EI - Petition for a limited proceeding to recover incremental storm restoration costs, capital costs, revenue reduction for permanently lost customers, and regulatory assets related to Hurricane Michael, by Florida Public Utilities Company.

Dear Mr. Teitzman:

Attached for electronic filing, please find Florida Public Utilities Company's Request for Leave to File Revised Petition and its Revised Petition for Limited Proceeding to Address Impact of Hurricanes Michael and Dorian. Also included for filing are the Revised Direct Testimonies of Witnesses Michael Cassel, Mark Cutshaw, and Michelle Napier, as well as the exhibits of Witness Napier. Mr. Cassel's Revised Exhibit MC-1 is being provided under separate cover letter by hand delivery due to its format (DVD).

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

Sincerely,

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: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs, Capital Costs, Revenue Reduction for Permanently Lost Customers, and Regulatory Assets related to Hurricane Michael by Florida Public Utilities Company.	DOCKET NO. 20190156-EI DATED: March 11, 2020

REQUEST FOR LEAVE TO FILE REVISED PETITION AND REVISED PETITION OF FLORIDA PUBLIC UTILITIES COMPANY FOR LIMITED PROCEEDING TO ADDRESS IMPACT OF HURRICANES MICHAEL AND DORIAN

Florida Public Utilities Company, (herein "FPUC" or "Company"), by and through its undersigned counsel, hereby files this Revised Petition, pursuant to Sections 366.076(1), 366.041, and 366.06, Florida Statutes ("F.S."), and Rules 25-6.0143 and 25-6.0431, Florida Administrative Code ("F.A.C."), and in accordance with Rule 28-106.201, F.A.C., requests that the Florida Public Service Commission ("Commission") conduct a limited proceeding to authorize commencement of recovery of costs associated with Hurricane Michael and Hurricane Dorian ("Revised Petition for Limited Proceeding").

The Company respectfully requests leave to submit this Revised Petition to reflect finalized numbers for Hurricane Michael, to include costs associated with Hurricane Dorian, to reflect an adjustment made necessary by a change in the state income tax rate that was publicized subsequent to the Company's August 2019 filing, to make an additional correction to the number of customer accounts deemed permanently "lost" and to correct an identified accounting error. Accepting this revised filing will not unduly prejudice Commission staff or any party to this proceeding, will appropriately adjust the Company's request for the finalized numbers and identified changes, will amend an identified error, and will facilitate addressing Hurricane

Dorian costs, which were incurred shortly after the August 2019 initial filing, in a timely and administratively efficient manner.

In October 2018, Hurricane Michael battered FPUC's Northwest Division, which serves 47% of FPUC's Electric customers. FPUC incurred extraordinary and significant costs on the removal of damaged equipment on its system and debris followed by costs associated with the extensive capital projects necessary to rebuild its system serving the Northwest Division. The costs incurred have far exceeded the amount available in the Company's storm reserve account. Costs in the revised filing have been updated for actual invoices received, and the Company has reasonably estimated additional costs that will be incurred. FPUC estimates that, in total, it has incurred approximately $69.9 million in costs alone associated with Hurricane Michael.

As will be further explained herein, the extensive damage wrought by Hurricane Michael, particularly when viewed in the context of the service area impacted, has resulted in additional significant losses to the Company, as well as to the customers FPUC serves. As such, the Company is proposing with this request, as well as in its August 2019 filings that initiated Docket No. 20190155-EI, a mechanism to provide the Company with full relief from the long-term impact of Hurricane Michael. Approval of the proposed mechanism will lessen the immediate impact on customers in an area still struggling to rebuild.

As for Hurricane Dorian, its impact was significantly less than that resulting from Hurricane Michael. Nonetheless, given the devasting potential of the storm's projections, FPUC was required to mobilize resources to prepare for the storm and expected restoration efforts. Ultimately, the storm's impact on FPUC's Northeast Division was fairly minimal, but the Company did sustain damage, outages, and incurred costs associated with outside resources that were incremental to expenses recovered in base rates. As such, given the proximate timing of

Hurricane Dorian with the Company's initial filing, and the opportunity presented by the necessity to make an updated, revised filing for Hurricane Michael, the Company respectfully asks that the Commission also consider the additional Hurricane Dorian costs that are included herein for purposes of administrative efficiency.

With this Revised Petition, the Company is requesting:

a) Permission to record the costs charged to the storm reserve for Hurricane Michael to a regulatory asset, which would be amortized over 10 years, and recovered through working capital and amortization expense. As further explained herein, because the damage was so extreme, recovery of these costs over the typical period of two to five years would put an extreme burden on our customers. The proposed regulatory asset would be comprised of the incremental storm restoration costs related to both Hurricanes Michael and Dorian that would otherwise be consistent with recovery through the storm reserve or a storm surcharge in accordance with Rule 25-6.0143, F.A.C. (the "Storm Reserve Rule")(See Attachment D).

b) Permission to recover a return on the changes in rate base related to capital additions made because of Hurricane Michael along with the associated depreciation and property taxes.

c) Recovery of a revenue reduction to account for the permanent loss in the customer base due to Hurricane Michael, as adjusted for accounts that have since been reactivated.

d) Permission to recover the changes to accumulated depreciation for cost of removal net of salvage, along with unrecovered accumulated depreciation as a regulatory asset to be recovered over 10 years. FPUC is requesting recovery through inclusion in working capital of the regulatory asset and inclusion in net operating income of amortization

expense. As noted, by separate petition in Docket No. 20190155-EI, the Company has asked permission to establish a regulatory asset for these costs pending the Commission's final determination in this proceeding.

e) Permission to recover, through working capital and amortization expense, revenues lost from November 2018 to December 2019 related to customers that have remained disconnected for this extended period and thus are deemed "lost" to the system by the Company. The Company notes that this number has been adjusted since the initial filing to account for customers that have been able to rebuild and consequently reconnect to the system. Given the anticipated timing of this proceeding, the Company has, by separate petition, requested establishment of a regulatory asset for these revenues, and is hereby seeking an appropriate rate adjustment to address this long-term, potentially permanent loss of customers.

f) Authorization to recover, through working capital and amortization expense, Operation and Maintenance ("O&M") expenses for a defined period of time (October for all customers and November 2018 for lighting customers) that have remained largely unrecovered due to the unique and unforeseen circumstances arising from the devastation leveled by Hurricane Michael. While these costs are not eligible to be charged to the Company's storm reserve account, given the unique circumstances involved, the Company has requested, by separate Petition, that the Commission allow the Company to establish a regulatory asset on its books consisting of the O&M expenses not recovered as a result of the suspended billing cycles covering the months of October and November 2018. By this Revised Petition, the Company seeks appropriate recovery of the expenses in the proposed regulatory asset.

g) Authorization to include for recovery in final rates established as a result of this proceeding the additional, incremental storm costs incurred in late August and early September 2019 as a result of Hurricane Dorian.

In further support of this request, the Company hereby 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
208 Wildlight Ave.
Yulee, FL 32097

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

Beth Keating, Esq.
Gregory Munson, Esq.
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215 South Monroe Street, Suite 601
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208 Wildlight Ave.,
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3) The Company is unaware of any material facts in dispute at this time, but the proceeding may involve disputed issues of material fact, including, but not limited to whether FPUC has appropriately calculated the amount to be recovered and the corresponding rates. The Company's request set forth herein does not involve reversal or modification of a Commission decision or proposed agency action. This is a Revised Petition representing an initial request to the Commission, which is the affected agency located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399.

4) As required by Rule 25-6.0431, F.A.C., the appendices attached hereto and incorporated herein include a detailed statement of the reasons why the limited proceeding has been requested,

a revised schedule showing the specific rate base components for which the utility seeks recovery (Revised Attachment A, Revised Schedules B), a detailed description of the expenses requested (Revised Attachment A, Revised Schedule C), and a schedule showing how the utility proposes to allocate any change in revenue to rate classes (See Revised Attachment B included with this filing) for the proposed rates (See Revised Attachment C included with this filing), a summary of Proposed Storm Recovery Regulatory Asset (Revised Attachment D included with this filing), a summary of the proposed regulatory asset related to lost customers (Revised Attachment E included with this filing), a summary of the proposed regulatory asset related to expenses not recovered during hurricane restoration (Revised Attachment F included with this filing), a summary of the proposed regulatory asset for changes to accumulated depreciation (Revised Attachment G) and revised tariff pages (Revised Attachment H).

I. BACKGROUND

5) Prior to Hurricane Michael, FPUC served a total of approximately 32,000 customers across its two separate locations, on Amelia Island and the largely rural counties of the north central Panhandle (Northwest Division). However, on October 10, 2018, the eye of Hurricane Michael traversed the entirety of FPUC's Northwest Division resulting in catastrophic damage not only to FPUC's electric system, but also to the homes and businesses of the Company's approximately 15,355 customers in the Northwest Division. In the wake of Hurricane Michael, 100% of FPUC's customers in the Northwest Division were without power.

6) The National Hurricane Center ("NHC") began monitoring an area of low pressure in the southwestern Caribbean Sea on October 2, 2018. This disturbance strengthened and was named Tropical Storm Michael by the NHC on October 7, 2018 at which time Governor Rick Scott declared a State of Emergency for 26 Florida counties. All of the counties served by FPUC's

Northwest Division were included in the State of Emergency. The storm strengthened to Hurricane status on October 8, 2018.

7) Hurricane Michael made landfall on October 10, 2018 as a Category 5 Hurricane - unprecedented for the Florida Panhandle. The storm made landfall approximately 70 miles south of the Northwest Division, and the central Panhandle took the brunt of the storm, which boasted maximum sustained wind speeds of 155 miles per hour. Michael's intense eyewall caused major structural damage in Northwest Florida, including to FPUC's facilities serving the Northwest Division. Hurricane-force winds extended approximately 45 miles outward from the center of the storm with tropical storm force winds extending up to 175 miles. Hurricane Michael was the strongest storm to ever make landfall in Northwest Florida and the fourth strongest to make landfall in the continental U.S. based on wind speed. As a result, the damage sustained across the Company's Northwest Division necessitated repairs to nearly 100% of the system, including a complete rebuild of approximately 10% - 12% of the Company's system.

8) FPUC's Northwest Division experienced 15,355 outages during Hurricane Michael, which represents 100% of its customers.

9) Throughout the storm and its aftermath, the Company executed its digital communications strategy, which was established in prior storms, to share information and respond to customers online through the Company website, dedicated storm landing page, Facebook and Twitter pages. Our Facebook page, Twitter, and website were all monitored 24/7 until power was restored to all customers. In addition to inbound reporting channels, FPUC made outbound calls to customers requiring assistance due to having no electric service, completed automated calls, conducted personal outreach to all medical alert customers in the path of the storm and contacted customers in the Northwest Division to verify restoration of

power. Furthermore, select FPUC personnel conducted on-site visits to customers in distress as a result of the power outage.

10) The restoration was however extremely difficult. The Company's transmission connection was down. Access to any aspect of the system first necessitated the removal of numerous downed trees and significant debris. The Company's vehicle fuel supply was disrupted because its supplier was incapacitated due to the storm. In addition to addressing the challenge the storm imposed on their personal lives, FPUC's employees had difficulty reporting for storm repair duty due to blocked roads. The Company's efforts were further hampered by a lengthy restoration period of telecommunications systems in the area. Debris hampered line locates which slowed pole installations. In addition, many of the Company's lines were in flooded areas that could only be accessed by using special equipment and boats. Wet, flooded conditions left new pole sets to have to be re-tamped. Large debris piles of trees and home wreckage blocked streets and access to our lines which was compounded by debris trucks damaging poles and wires. FPUC had to obtain security for the staging sites and its office, arrange rolling roadblocks, completely rebuild two feeders, and replaced a failed relay. Yet, in spite of the extensive difficulties, FPUC restored power quickly and efficiently.

11) FPUC required the assistance of an unprecedented level of outside resources. At one point in time, FPUC had 1,155 additional contract employees working to clear debris and restore power. The sheer number of additional personnel, as compared to the approximately 35 employees normally working in the Northwest Division, caused additional difficulties. The extent of the devastation heightened the challenge of finding accommodations for the additional assistance, because all hotels across an extended area were closed and there was little property available – or in a condition – to host staging sites.

12) Through the extraordinary efforts of its employees and significant assistance from outside resources and other utility partners, the Company was able to rebuild its system such that it was able to serve 97% of its customers in the Northwest Division as of November 1, 2018. At that time, however, 9% of FPUC's customers in the counties of Jackson, Calhoun, and Liberty Counties, and in the communities of Marianna, Blountstown, Altha, Bristol, Greenwood, Malone, Cottondale, and Alford were unable to receive power to their homes and businesses due to the extent of the damage to their property. In an effort to provide its Northwest customers some measure of relief during this stressful time, the Company petitioned for, and received approval from the Commission to temporarily suspend billing and to implement a temporary restoration payment program to assist customers with repairs to their electrical equipment necessary to receive electric service from the Company.[1]

13) Less than a year later, the state was faced with the impending threat of Hurricane Dorian. Hurricane Dorian developed from a tropical wave on August 24, 2019, over the Central Atlantic. Dorian rapidly intensified to reach its peak as a Category 5 hurricane by September 1. Based on the storm's projected trajectory, a mandatory evacuation of some areas of Nassau County, Florida including Amelia Island, was announced that day. Hurricane Dorian skirted the Florida coastline, but ultimately did not make landfall in Florida. FPUC's Northeast Division sustained tropical storm force winds, as a well as a limited number of outages. Although damage was limited, the Company nonetheless incurred incremental storm costs associated with its preparations for the storm and the limited damage caused by the storm for which it seeks recovery.

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[1] See Order No. 2018-0529-PAA-EI, issued in Docket No. 20180195-EI and Order No. PSC-2018-0568-TRF-EI, issued in Docket No. 20180203-EI.

14) This revised petition is based on finalized costs for both Hurricane Michael and Hurricane Dorian.

II. REQUESTED RELIEF

15) As the Commission addressed in Docket No. 20180061-EI, the Company's storm reserve was depleted after Hurricane Matthew and Hurricane Irma. Recovery of the un-recovered storm costs and replenishment of the Company's storm reserve balance to its pre-hurricane level of $1.5 million through a surcharge which began in April 2019 was approved by Order No. PSC-2019-0114-FOF-EI. Additional funding of the storm reserve beyond that approved in Docket No. 20180061-EI is not being requested in this petition. Nonetheless, because the Company's storm reserve was already depleted, there are currently insufficient funds in the storm reserve account to cover the additional incremental storm costs associated with Hurricane Michael and Hurricane Dorian.

16) The damage caused by Hurricane Michael to the Company's system was severe and extensive. Given FPUC's relatively small customer base, utilizing a storm surcharge mechanism over the typical two year period to recover the costs to restore the system would result in a dramatically high surcharge that would be unbearable for the Company's customers, particularly those in FPUC's Northwest Division who are still working towards repairing personal damage. As such, the Company is proposing the regulatory asset approach presented herein in an effort to limit the immediate impact on FPUC's customers.

17) In addition, due to the high costs of capital additions and cost of removal, the Company is entitled to recovery of a reasonable return on its significant investment. As explained herein, this hurricane virtually destroyed FPUC's Northwest Division. The damage to substantial sections of the system was so severe as to necessitate installation of new equipment. For all

intents and purposes, FPUC's entire Northwest Division required repair or rebuilding from the ground up in a matter of 30 days' time. The newly constructed system replaced older, partially depreciated equipment with new, more expensive equipment at a higher cost of installation. While this is certainly not the preferred approach from either a regulatory perspective or the perspectives of the Company and its customers, the capital additions were made out of necessity and at a higher installation cost reflecting the emergency situation confronting the region. These additions are now in the Company's rate base, but not earning a return for the Company. The impact of this is readily apparent. In its most recent Rate of Return Report (September 2019), the Company was earning a 1.13% year-end return on equity compared to an allowed range of return on equity of 9.25% to 11.25%.

18) For comparative purposes only, the Company analyzed customer bill impact of recovering these costs through a more traditional, 2-year storm surcharge applied over 2020 and 2021. This alternative scenario resulted in a projected increase in the "typical" residential bill of approximately $45 a month per 1,000 kilowatthours of usage, excluding the fuel reduction. Even when the amount expected to be recovered through the referenced interim rates is included, and the recovery period is extended through 2022, the bill impact per customer is still $39.50. This compares to an approximate increase of $21 a month using the method proposed by the Company in this revised filing. While the Company does not recommend the alternative approach, Witness Napier analyzes this "alternative scenario" in her revised testimony, which ultimately further supports the Company's proposed methodology.

19) The Company respectfully requests that the Commission consider this request utilizing the limited proceeding vehicle, rather than a full rate case. The Company acknowledges that the approach suggested herein is unique and that some aspects might seem more appropriately

handled through a full rate case proceeding. However, given the substantial additional time that would be necessitated for the Company to prepare a full rate case filing, the additional rate case expense that would be incurred as a result, the current status of the Company's earnings, and the need for the Company to focus its resources on continued recovery for the Northwest Division, the approach suggested herein would provide a more timely, less costly opportunity for relief. It would also allow the Company to complete its recovery efforts and then begin its review and preparation for its next full rate proceeding in a more stable financial situation, allowing the Company to provide the Commission with a more accurate, well-defined perspective on the Company and its financial situation.

A. Costs

20) In total, Hurricane Michael and Hurricane Dorian cost FPUC an estimated $69.9 million. Of this amount, $41.3 million relates to incremental storm costs usually recovered through the storm reserve, as summarized in Revised Attachment D. Revised Schedule B of Revised Attachment A summarizes the $18.8 million that relates to capital additions, Revised Attachment G summarizes the $8.3 million that relates to cost of removal and unrecovered depreciation, and Revised Attachments E and F show $1.5 million in other regulatory assets.

21) The Company does not expect a reduction in expenses due to the new capital investment. Although a substantial number of trees are now gone, the remaining trees are in far worse shape and have been severely weakened by the storm. Consequently, FPUC continues to experience tree-related outages and expects tree trimming costs to stay the same or increase. Although some O&M costs related to the new poles, wire, transformers and other equipment replacement may decrease, the new equipment replaced 10-12% of the system and will be offset by increased costs on the remaining highly stressed equipment that bore the brunt of high winds from the storm.

For instance, FPUC is currently repairing leaking transformers where bushings were loosened during the storm. Other equipment has incurred similar stress and although it did not need to be replaced, will need additional maintenance.

22) Due to the extensive damage the Company has also lost customers which has permanently decreased FPUC's revenue by $335,172. Revised Attachment E shows the calculation of revenue from these customers. The lost customers were determined by our billing department and internal auditing. For accounts that had no meter readings, they initiated a service order which dispatched operations personnel to the location of the meter. The Company has updated its numbers for this storm impact and has reduced the number of customers considered lost by virtue of the condition of their home or business and whether their account has been reactivated.

B. Regulatory Asset Mechanism

23) Revised Schedule B-2 of Revised Attachment A includes the 13-month average effect of including four regulatory assets. The first is for the total storm costs that would normally be recovered through the storm reserve in accordance with Rule 25-6.0143 and described in more detail in Revised Attachment D. The amount includes uncollectible revenues that were due prior to the storm event but were not able to be collected due to the storm for which the Company seeks recovery. The Company is requesting, through this petition to transfer these charges from the storm reserve to a regulatory asset which would be amortized over 10 years. The regulatory asset is included in the adjustments to working capital in Revised Schedule B-2 and the amortization included in the adjustments to amortization expense in Revised Schedule C-2 of Revised Attachment A. The Company has included interest cost based on its estimated cost of the short term debt through the time when estimated recovery of the proposed rates would begin.

Due to the requested extended recovery period of 10 years, the Company would not intend to continue charging interest after the requested rates go into effect, but would instead propose inclusion in working capital of the unamortized portion of the regulatory asset using the weighted average cost of capital.

24) FPUC does not obtain debt separately for its electric division and relies on its parent company, Chesapeake Utilities Corporation, to finance this recovery. The Company's short-term debt related to the storm ended in 2019 and the Company will fund these regulatory assets with its overall cost of capital. The Company's capital structure and interest rates could, however, change significantly over 10 years and FPUC's shareholders need an adequate return to fund recovery over the longer period. Therefore, inclusion of the regulatory asset in rate base would ensure a more equitable recovery of the amounts expended for the hurricane.

25) The second regulatory asset on Revised Schedule B-2 is for recovery of the revenue from lost customers leaving the system post hurricane from November 2018 to December 2019. A separate petition for approval of this regulatory asset has already been submitted to the Commission. Through this petition, pending approval of the regulatory asset petition, we are requesting recovery of the amortization of the regulatory asset and inclusion in working capital of the 13-month average balance. Revised Attachment E details the calculation of the expenses not recovered.

26) The third regulatory asset on Revised Schedule B-2 is for recovery of the expenses incurred that will never be recovered for October 2018 business due to storm restoration. Through this revised petition, and the pending regulatory asset petition, we are requesting recovery of the amortization of the regulatory asset and inclusion in working capital of the 13-

month average balance. Revised Attachment F details the calculation of the expenses not recovered due to the lost customer revenue.

27) Through this Revised Petition for Limited Proceeding, FPUC requests approval of the fourth regulatory asset on Revised Schedule B-2. This regulatory asset would consist of changes to accumulated depreciation related to Hurricane Michael for losses on storm damaged assets, including the net book value of retired assets and cost of removal net of salvage. If these costs are not included in a regulatory asset, they would have to be recovered in future years through the depreciation study which would significantly increase annual depreciation expense more than the annual amortization currently requested by the Company. This treatment would also deny the Company a return on the substantial investment made during restoration for the cost of removal. Revised Attachment G provides the 13-month average balances related to accumulated depreciation and provides the amortization based on the 10-year amortization requested for the storm regulatory asset.

III. EFFECT OF OTHER SETTLEMENTS

28) In considering this request, FPUC reviewed the rate settlements currently in effect for FPUC. To the extent that the Settlement approved in Docket No. 20170150 contemplates that a rate increase or decrease should not go into effect prior to January 1, 2020, the Company requested in its initial Petition that rates be considered for implementation as of January 2, 2020. Given that interim rates subject to refund are now in place as a result of the Commision's approval by Order No. PSC-2019-0501-PCO-EI of the Stipulation for Implementation of Rate Increase Subject to Refund, the Company respectfully requests that the Commission implement final rates consistent with this revised request on or before November 1, 2020. The 2018 Tax Settlement entered into in order to resolve the tax impacts associated with the Tax Cuts and Jobs

Act of 2017 in Docket No. 20180048-EI, and approved by Commission Order PSC-2019-0010-AS-EI, issued January 2, 2019, does not contain any additional or supplemental provisions addressing the Company's ability to seek rate relief. The Company is not proposing any change or elimination of any aspect of the mechanisms agreed upon in that Docket to address the Company's protected and unprotected EADIT balances, including the rate reduction that will occur January 1, 2021, pursuant to Article II(b)(iii) of the 2018 Tax Settlement.

REQUEST FOR RELIEF

29) FPUC therefore respectfully requests that the Commission: (1) accept this Revised Petition; and (2) conduct a limited proceeding to approve an increase in base rates for the recovery of storm costs associated with Hurricanes Michael and Dorian, as well as a return on rate base increases due to Hurricane Michael and adjustments to the Company's net operating income as a result of the storm.

30) FPUC additionally requests recovery of amortization of the regulatory asset requested by this Petition, as well as the three regulatory assets requested by separate revised petition filed contemporanesously with this Revised Petition for Limited Proceeding over a period of 10 years. The additional revenue requirement is $11,884,648 and rates by tariff are shown in Revised Attachment A.

31) FPUC also asks that the Commission approve revised Tariff Sheets No. 40, 43, 45, 47, 49, 50, 52, 56, 57, 59, and 61, which reflect FPUC's request herein and are attached and

incorporated herein as Revised Attachment H.

RESPECTFULLY SUBMITTED this 11th day of March, 2020.

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

Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served upon the following by Electronic Mail this 11th day of March, 2020.

Jennifer Crawford Rachael Dziechciarz Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 jcrawfor@psc.state.fl.us rdziechc@psc.state.fl.us	J.R. Kelly Patricia Christensen Mireille Fall-Fry Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Kelly.JR@leg.state.fl.us Christensen.patty@leg.state.fl.us Fall-fry.mireille@leg.state.fl.us

By: _____

Beth Keating
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Florida Public Utilities Company
Limited Proceeding Electric
Estimated First Year Revenue Requirements

Docket No. **20190156-EI**
Exhibit **REVISED Attachment A**
Schedule **REVISED A-1**

Revenue Requirement Calculation		**Projected 2020**
3 Jurisdictional Adjusted Rate Base	$	67,248,113
4 Rate of Return on Rate Base		6.2700%
5 Required Jurisdictional Net Operating Income (Line 2 x 3)	$	4,216,457
6 Required Net Operating Income (Line 4)	$	4,216,457
7 Jurisdictional Adjusted Net Operating Income (Loss)	$	(4,722,730)
8 Net Operating Income Deficiency (Excess) (Line 5-6)	$	8,939,187
9 Net Operating Income Multiplier		1.3295
10 Revenue Requirement (Line 7 x 8)	$	11,884,648

Schedule B-1

ADJUSTED RATE BASE
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

REVISED Attachment A Page 2 of 13
Docket No.: 20190156-EI

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		(1) Plant in Service	(2) Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	18,573,911	224,576	18,798,487	-	0	0	18,798,487			18,798,487
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Jurisdictional Per Books	18,573,911	224,576	18,798,487	-	-	-	18,798,487	-	-	18,798,487
4	Adjustments:										
5	Regulatory Asset for Storm Costs							-	39,270,870		39,270,870
6	Regulatory Asset Lost Customers								454,003		454,003
7	Regulatory Asset Exp. Not Recovered								885,855		885,855
8	Regulatory Asset for Unrecovered A/D								7,838,898		7,838,898
9											-
10											-
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25											
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27											
28	Total Adjustments	-	-	-	-	-	-	-	48,449,626	-	48,449,626
29											
30	Adjusted Jurisdictional	18,573,911	224,576	18,798,487	-	-	-	18,798,487	48,449,626	-	67,248,113

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
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EXPLANATION:

List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	NONE IN STORM PROJECTS ON MFR B-1				
4					
5	Company Adjustment:				
6	NONE IN STORM PROJECTS ON MFR B-1				
7					
8	ACCUMULATED DEPRECIATION				
9	Commission Adjustment:				
10	NONE IN STORM PROJECTS ON MFR B-1				
11					
12	Company Adjustment:				
13	NONE IN STORM PROJECTS ON MFR B-1				
14					
15	WORKING CAPITAL				
16	Commission Adjustment:				
17	NONE IN STORM PROJECTS ON MFR B-1				
18					
19	Company Adjustment:				
20	Regulatory Asset for Storm Costs (MDN-4)		$ 39,270,870	100%	$ 39,270,870
21	Regulatory Asset for Lost Customers (MDN-5)		$ 454,003	100%	$ 454,003
22	Regulatory Asset for Expenses Not Recovered During Restoration (MDN-6)		$ 885,855	100%	$ 885,855
23	Regulatory Asset for Unrecovered Accumulated Depreciation Cost of Removal Net of Salvage (MDN-7)		$ 7,838,898	100%	$ 7,838,898
24	Total		$ 48,449,626	100%	$ 48,449,626

Revised Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Revised Attachment A
Docket No.: 20190156-EI
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	Account Title	Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Plant In Service-Hurricane Michael Related										
FE18164697W	Meters	1010	370E	$ 752,207						
FE18504697W	Distribution Station Equipment	1010	362E	$ 11,885						
FE18554697W	Distribution Poles	1010	364E	$ 8,051,371						
FE18564697W	OH Conductors	1010	365E	$ 4,656,583						
FE18584697W	Underground Conductors	1010	367E	$ 259,864						
FE18594697W	Overhead Transformers	1010	368H	$ 2,790,363						
FE18604697W	Buried Transformers	1010	368B	$ 100,115						
FE18614697W	Overhead Services	1010	369H	$ 2,665,177						
FE18624697W	Underground Services	1010	369B	$ 33,481						
FE18634697W	Install on Cust. Premises-AG	1010	371A	$ 207,803						
FE18654697W	Street Lighting	1010	373A	$ 474,478						
				$ 20,003,327						
Retirement Plant in Service:										
FE18164697W	Meters	1010	370E	$ (43,190)						
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E	$ (368,538)						
FE18564697W	OH Conductors	1010	365E	$ (273,349)						
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H	$ (234,350)						
FE18604697W	Buried Transformers	1010	368B	$ (4,189)						
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B	$ (19,674)						
FE18634697W	Install on Cust. Premises-AG	1010	371A	$ (470,834)						
FE18654697W	Street Lighting	1010	373A	$ (15,292)						
				$ (1,429,416)	$ -	$ -	$ -	$ -	$ -	$ -
Net Change to Plant in Service										
Cumulative	Meters	1010	370E	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017
Cumulative	Distribution Station Equipment	1010	362E	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885
Cumulative	Distribution Poles	1010	364E	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834
Cumulative	OH Conductors	1010	365E	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234
Cumulative	Underground Conductors	1010	367E	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864
Cumulative	Overhead Transformers	1010	368H	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012
Cumulative	Buried Transformers	1010	368B	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925
Cumulative	Overhead Services	1010	369H	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177
Cumulative	Underground Services	1010	369B	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807
Cumulative	Install on Cust. Premises-AG	1010	371A	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)
Cumulative	Street Lighting	1010	373A	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186
Cumulative Plant Balance				$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Account Title	Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Monthly Depreciation:									
Meters	1080	370E	$ -	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)
Distribution Station Equipment	1080	362E	$ -	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)
Distribution Poles	1080	364E	$ -	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)
OH Conductors	1080	365E	$ -	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)
Underground Conductors	1080	367E	$ -	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)
Overhead Transformers	1080	368H	$ -	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)
Buried Transformers	1080	368B	$ -	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)
Overhead Services	1080	369H	$ -	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)
Underground Services	1080	369B	$ -	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)
Install on Cust. Premises-AG	1080	371A	$ -	$ 986	$ 986	$ 986	$ 986	$ 986	$ 986
Street Lighting	1080	373A	$ -	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)
			$ -	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)
Actual A/D up to Storm for Retirements:									
Meters	1080	370E	$ 25,533						
Distribution Station Equipment	1080	362E							
Distribution Poles	1080	364E	$ 57,013						
OH Conductors	1080	365E	$ 113,959						
Underground Conductors	1080	367E							
Overhead Transformers	1080	368H	$ 152,856						
Buried Transformers	1080	368B							
Overhead Services	1080	369H	$ 10,592						
Underground Services	1080	369B							
Install on Cust. Premises-AG	1080	371A	$ 205,048						
Street Lighting	1080	373A	$ 7,915						
			$ 572,916	$ -	$ -	$ -	$ -	$ -	$ -
Total Cumulative Accumulated Depreciation									
Meters	**1080**	**370E**	$ 25,533	$ 23,347	$ 21,161	$ 18,975	$ 16,788	$ 14,602	$ 12,416
Distribution Station Equipment	**1080**	**362E**	$ -	$ (24)	$ (48)	$ (71)	$ (95)	$ (119)	$ (143)
Distribution Poles	**1080**	**364E**	$ 57,013	$ 32,044	$ 7,075	$ (17,895)	$ (42,864)	$ (67,833)	$ (92,802)
OH Conductors	**1080**	**365E**	$ 113,959	$ 101,540	$ 89,121	$ 76,702	$ 64,282	$ 51,863	$ 39,444
Underground Conductors	**1080**	**367E**	$ -	$ (693)	$ (1,386)	$ (2,079)	$ (2,772)	$ (3,465)	$ (4,158)
Overhead Transformers	**1080**	**368H**	$ 152,856	$ 144,336	$ 135,816	$ 127,296	$ 118,776	$ 110,256	$ 101,736
Buried Transformers	**1080**	**368B**	$ -	$ (320)	$ (640)	$ (959)	$ (1,279)	$ (1,599)	$ (1,919)
Overhead Services	**1080**	**369H**	$ 10,592	$ 2,596	$ (5,399)	$ (13,395)	$ (21,390)	$ (29,386)	$ (37,381)
Underground Services	**1080**	**369B**	$ -	$ (41)	$ (83)	$ (124)	$ (166)	$ (207)	$ (249)
Install on Cust. Premises-AG	**1080**	**371A**	$ 205,048	$ 206,034	$ 207,021	$ 208,007	$ 208,993	$ 209,980	$ 210,966
Street Lighting	1080	373A	$ 7,915	$ 6,040	$ 4,165	$ 2,290	$ 415	$ (1,460)	$ (3,335)
Cumulative Accumulated Depreciation Balance			$ 572,916	$ 514,859	$ 456,803	$ 398,746	$ 340,689	$ 282,633	$ 224,576
Cumulative Net Increase In Rate Base			$ 19,146,827	$ 19,088,771	$ 19,030,714	$ 18,972,657	$ 18,914,601	$ 18,856,544	$ 18,798,487

Account Title		Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Depreciation Expense		Rate								
370E	Meters	3.7%			$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186
362E	Distribution Station Equipment	2.4%			$ 24	$ 24	$ 24	$ 24	$ 24	$ 24
364E	Distribution Poles	3.9%			$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969
365E	OH Conductors	3.4%			$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419
367E	Underground Conductors	3.2%			$ 693	$ 693	$ 693	$ 693	$ 693	$ 693
368H	Overhead Transformers	4.0%			$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520
368B	Buried Transformers	4.0%			$ 320	$ 320	$ 320	$ 320	$ 320	$ 320
369H	Overhead Services	3.6%			$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996
369B	Underground Services	3.6%			$ 41	$ 41	$ 41	$ 41	$ 41	$ 41
371A	Install on Cust. Premises-AG	4.5%			$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (986)
373A	Street Lighting	4.9%			$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875
Total Depreciation					$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057
Property Taxes		408			$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957
Reduced O & M due to new equipment		500's			$ -	$ -	$ -	$ -	$ -	$ -
Revenue Tax on Lost Customer Revenue		408			$ 20	$ 20	$ 20	$ 20	$ 20	$ 20
Total Expense					$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033
Revenues-Lost Customers 2020					$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)

Revised Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Revised Attachment A
Docket No.: 20190156-EI
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	Account Title	Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	13-Month Average
Plant In Service-Hurricane Michael Related										
FE18164697W	Meters	1010	370E							
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E							
FE18564697W	OH Conductors	1010	365E							
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H							
FE18604697W	Buried Transformers	1010	368B							
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B							
FE18634697W	Install on Cust. Premises-AG	1010	371A							
FE18654697W	Street Lighting	1010	373A							
Retirement Plant in Service:										
FE18164697W	Meters	1010	370E							
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E							
FE18564697W	OH Conductors	1010	365E							
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H							
FE18604697W	Buried Transformers	1010	368B							
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B							
FE18634697W	Install on Cust. Premises-AG	1010	371A							
FE18654697W	Street Lighting	1010	373A							
				$ -	$ -	$ -	$ -	$ -	$ -	
Net Change to Plant in Service										
Cumulative	Meters	1010	370E	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017
Cumulative	Distribution Station Equipment	1010	362E	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885
Cumulative	Distribution Poles	1010	364E	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834
Cumulative	OH Conductors	1010	365E	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234
Cumulative	Underground Conductors	1010	367E	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864
Cumulative	Overhead Transformers	1010	368H	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012
Cumulative	Buried Transformers	1010	368B	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925
Cumulative	Overhead Services	1010	369H	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177
Cumulative	Underground Services	1010	369B	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807
Cumulative	Install on Cust. Premises-AG	1010	371A	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)
Cumulative	Street Lighting	1010	373A	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186
Cumulative Plant Balance				$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Revised Attachment A
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Account Title	Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	13-Month Average
Monthly Depreciation:									
Meters	1080	370E	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	
Distribution Station Equipment	1080	362E	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	
Distribution Poles	1080	364E	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	
OH Conductors	1080	365E	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	
Underground Conductors	1080	367E	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	
Overhead Transformers	1080	368H	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	
Buried Transformers	1080	368B	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	
Overhead Services	1080	369H	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	
Underground Services	1080	369B	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	
Install on Cust. Premises-AG	1080	371A	$ 986	$ 986	$ 986	$ 986	$ 986	$ 986	
Street Lighting	1080	373A	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	
			$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	
Retirements:									
Meters	1080	370E							
Distribution Station Equipment	1080	362E							
Distribution Poles	1080	364E							
OH Conductors	1080	365E							
Underground Conductors	1080	367E							
Overhead Transformers	1080	368H							
Buried Transformers	1080	368B							
Overhead Services	1080	369H							
Underground Services	1080	369B							
Install on Cust. Premises-AG	1080	371A							
Street Lighting	1080	373A							
			$ -	$ -	$ -	$ -	$ -	$ -	
Total Cumulative Accumulated Depreciation									
Meters	1080	370E	$ 10,230	$ 8,044	$ 5,858	$ 3,672	$ 1,485	$ (701)	$ 12,416
Distribution Station Equipment	1080	362E	$ (166)	$ (190)	$ (214)	$ (238)	$ (261)	$ (285)	$ (143)
Distribution Poles	1080	364E	$ (117,771)	$ (142,741)	$ (167,710)	$ (192,679)	$ (217,648)	$ (242,618)	$ (92,802)
OH Conductors	1080	365E	$ 27,025	$ 14,606	$ 2,187	$ (10,233)	$ (22,652)	$ (35,071)	$ 39,444
Underground Conductors	1080	367E	$ (4,851)	$ (5,544)	$ (6,237)	$ (6,930)	$ (7,623)	$ (8,316)	$ (4,158)
Overhead Transformers	1080	368H	$ 93,216	$ 84,696	$ 76,176	$ 67,656	$ 59,136	$ 50,616	$ 101,736
Buried Transformers	1080	368B	$ (2,238)	$ (2,558)	$ (2,878)	$ (3,198)	$ (3,517)	$ (3,837)	$ (1,919)
Overhead Services	1080	369H	$ (45,377)	$ (53,372)	$ (61,368)	$ (69,363)	$ (77,359)	$ (85,354)	$ (37,381)
Underground Services	1080	369B	$ (290)	$ (331)	$ (373)	$ (414)	$ (456)	$ (497)	$ (249)
Install on Cust. Premises-AG	1080	371A	$ 211,953	$ 212,939	$ 213,925	$ 214,912	$ 215,898	$ 216,884	$ 210,966
Street Lighting	1080	373A	$ (5,210)	$ (7,085)	$ (8,960)	$ (10,835)	$ (12,710)	$ (14,585)	$ (3,335)
Cumulative Accumulated Depreciation Balance			$ 166,520	$ 108,463	$ 50,406	$ (7,650)	$ (65,707)	$ (123,764)	$ 224,576
Cumulative Net Increase In Rate Base			$ 18,740,431	$ 18,682,374	$ 18,624,318	$ 18,566,261	$ 18,508,204	$ 18,450,148	$ 18,798,487

	Account Title	Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	Total Expenses
Depreciation Expense		Rate								
370E	Meters	3.7%		$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 26,234
362E	Distribution Station Equipment	2.4%		$ 24	$ 24	$ 24	$ 24	$ 24	$ 24	$ 285
364E	Distribution Poles	3.9%		$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 299,631
365E	OH Conductors	3.4%		$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 149,030
367E	Underground Conductors	3.2%		$ 693	$ 693	$ 693	$ 693	$ 693	$ 693	$ 8,316
368H	Overhead Transformers	4.0%		$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 102,240
368B	Buried Transformers	4.0%		$ 320	$ 320	$ 320	$ 320	$ 320	$ 320	$ 3,837
369H	Overhead Services	3.6%		$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 95,946
369B	Underground Services	3.6%		$ 41	$ 41	$ 41	$ 41	$ 41	$ 41	$ 497
371A	Install on Cust. Premises-AG	4.5%		$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (11,836)
373A	Street Lighting	4.9%		$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 22,500
Total Depreciation				$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 696,680
Property Taxes		408		$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 371,478
Reduced O & M due to new equipment		500's		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Tax on Lost Customer Revenue		408		$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 241
Total Expense				$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 1,068,399
Revenues-Lost Customers 2020				$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (335,172)

Revised Schedule C-1 (2020)

ADJUSTED JURISDICTIONAL NET OPERATING INCOME
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

Docket No.: 20190156-EI

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
0

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	(335,172)		(335,172)	100%	(335,172)		(335,172)
3	Other Operating Revenues	-		-	100%	-		-
4	Total Operating Revenues	(335,172)		(335,172)	100%	(335,172)		(335,172)
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel	-		-	100%	-		-
9	Purchased Power	-		-	100%	-		-
10	Other	-		-	100%	-		-
11	Depreciation	696,680		696,680	100%	696,680		696,680
12	Amortization	5,256,669		5,256,669	100%	5,256,669		5,256,669
13	Decommissioning Expense	-		-	100%	-		-
14	Taxes Other Than Income Taxes	371,720		371,720	100%	371,720		371,720
15	Income Taxes	(1,937,510)		(1,937,510)	100%	(1,937,510)		(1,937,510)
16	Deferred Income Taxes-Net	-		-	100%	-		-
17	Investment Tax Credit-Net	-		-	100%	-		-
18	(Gain)/Loss on Disposal of Plant	-		-	100%	-		-
19	Total Operating Expenses	4,387,558		4,387,558	100%	4,387,558	-	4,387,558
20								
21	Net Operating Income	(4,722,730)		(4,722,730)	100%	(4,722,730)	-	(4,722,730)
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								

NET OPERATING INCOME ADJUSTMENTS
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		Jurisdictional Amount Schedule C1 Col. 5	Adjustments (1) Amortization of Regulatory Assets	(2) Interest Synchronization				Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:								
2	Sales of Electricity	(335,172)						-	(335,172)
3	Other Operating Revenues		-						-
4	Total Operating Revenues	(335,172)	-	-	-	-	-	-	(335,172)
5									
6	Operating Expenses:								
7	Operation & Maintenance:								
8	Fuel (nonrecoverable)	-						-	-
9	Purchased Power	-						-	-
10	Other							-	-
11	Depreciation	696,680						-	696,680
12	Amortization		5,256,669					5,256,669	5,256,669
13	Decommissioning Expense	-						-	-
14	Taxes Other Than Income Taxes	371,720						-	371,720
15	Income Taxes	(344,184)	(1,289,040)	(304,286)				(1,593,327)	(1,937,510)
16	Deferred Income Taxes-Net							-	-
17	Investment Tax Credit-Net	-						-	-
18	(Gain)/Loss on Disposal of Plant	-						-	-
19									
20	Total Operating Expenses	724,215	3,967,629	(304,286)	-	-	-	3,663,342	4,387,558
21									
22	Net Operating Income	(1,059,387)	(3,967,629)	304,286	-	-	- -	(3,663,342)	(4,722,730)
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34									

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

EXPLANATION: Provide the company's 13-month average cost of capital for the test year.

Type of Data Shown:

Projected Test Year Ended December 31, 2020

13-Month Average Projected 2020

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Forecast 2020 Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Limited Proceeding Rate Base	(L) Limited Proceeding Interest Expense (K * I)
					Regulatory Capital Structure								
1	Long Term Debt	430,784,730			430,784,730	100%	9.23%	37,766,102	27.67%	3.82%	1.06%	18,606,226	710,758
2	Long Term Debt - FPU only	7,158,491			7,158,491	100%	37.03%	2,650,789	1.94%	11.23%	0.22%	1,305,964	146,660
3	Short Term Debt	211,208,468			211,208,468	100%	9.23%	19,492,001	14.28%	3.60%	0.51%	9,603,124	345,712
4	Preferred Stock	0			0	100%	9.23%	0	0.00%	0.00%	0.00%	-	0
5	Common Equity	633,730,076	4,167,538		637,897,614	100%	9.23%	58,870,273	43.13%	10.25%	4.42%	29,003,618	
6	Customer Deposits	3,273,700			3,273,700	100%		3,273,700	2.40%	2.34%	0.06%	1,612,854	37,741
7	Deferred Income Taxes	14,669,265			14,669,265	100%		14,444,408	10.58%	0.00%	0.00%	7,116,327	0
8	ITC-Zero Cost	0			0	100%		0	0.00%	0.00%	0.00%	-	0
9	ITC- Weighted Cost	0			0	100%		0	0.00%	5.34%	0.00%	-	0
10													
11	TOTAL	1,300,824,730	4,167,538		1,304,992,268			136,497,273	100.00%		6.27%	67,248,113	1,240,871
12													
13													

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
14					
15					
16					
17	**Conventional Capital Structure 2020**				
18	Long Term Debt	430,784,730	0.3347	3.78%	1.27%
19	Long Term Debt-FPU only	7,158,491	0.0056	11.52%	0.06%
20	Short Term Debt	211,208,468	0.1641	3.60%	0.59%
21	Preferred Stock	0	0.0000	0.00%	0.00%
22	Common Equity	637,897,614	0.4956	10.25%	5.08%
23	TOTAL	1,287,049,303	1.0000		7.00%

Pro-Rata Factors:

Rate Base Projected 2020	136,722,127
Direct Components	17,942,965
	118,779,162
Pro-Rata Factor	9.23%
Non Electric FPUC Average Rate Base	201,969,209
Electric FPUC Average Rate Base	118,779,162
Net	320,748,371
ProRata FPUC Factor	37.03%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

EXPLANATION:

1.) List and describe the basis for the specific adjustments appearing on Schedule D-1a.

2.) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

Type of Data Shown:

Projected Test Year Ended December 31, 2020

Line No.	Class of Capital	Description	
1		Specific Adjustments	
2			
3	Equity	Other Comprehensive Income Loss which is related to the	$ 4,167,538
4		valuation of the employees pension plans was removed from	
5		equity. It was included in test year equity as a debit. This	
6		adjustment removes the debit.	
7			
8		Pro Rata Adjustments	
9			
10	Equity	The determination of the cost of capital for purposes of setting	
11		retail rates in the immediate docket incorporates pro-rata adjustments	
12		based on reducing the parent capital structure to the division's rate	
13		base.	
14			
15			

Supporting Schedules:

Florida Public Utilities Company
Limited Proceeding Electric
Distribution of Revenue Requirement

Revised Attachment B
Docket No.: 20190156-EI

LINE NO.	RATE SCHEDULE	(1) 2020 BUDGET KWH SALES	2020 BUDGET	(3) PERCENT OF TOTAL	(4) BASE RATE INCREASE AT UNIFORM PERCENT	(5) TOTAL CLASS REVENUE WITH INCREASE
1	RESIDENTIAL	274,540,960	$ 10,833,290	54.07%	$ 6,426,029	$ 17,259,319
2	COMMERCIAL SMALL	53,476,045	$ 2,371,073	11.83%	$ 1,405,954	$ 3,777,027
3	COMMERCIAL	164,607,934	$ 3,518,358	17.56%	$ 2,086,944	$ 5,605,302
4	COMMERCIAL LARGE	83,743,267	$ 1,165,867	5.82%	$ 691,687	$ 1,857,554
5	INDUSTRIAL	14,860,000	$ 466,099	2.33%	$ 276,912	$ 743,011
6	OUTDOOR LIGHTS	7,497,990	$ 1,680,896	8.39%	$ 997,122	$ 2,678,018
		598,726,196	$ 20,035,583	100.00%	$ 11,884,648	$ 31,920,231
	Percent Increase				59.32%	

Florida Public Utilities Company
Present and Proposed Rates

Revised Attachment C

Customer Facility Charge:

		Current Rates	Proposed Rates
Residential (RS)		$14.69	$23.41
General Service (GS)		$24.14	$38.46
General Service Demand (GSD)		$71.38	$113.72
General Service Large Demand (GSLD)		$136.45	$217.39
General Service Large Demand (GSLD1)		$844.94	$1,346.14
Standby (SB)	<500 kw	$104.96	$167.22
Standby (SB)	≥500 kw	$844.94	$1,346.14

Base Energy Charge:

		Current Rates	Proposed Rates
Residential (RS)	≤1,000 -	$0.02057	$0.03278
	>1,000 -	$0.03369	$0.05368
General Service (GS)		$0.02516	$0.04008
General Service Demand (GSD)		$0.00474	$0.00756
General Service Large Demand (GSLD)		$0.00220	$0.00350
General Service Large Demand (GSLD1)		$0.00000	$0.00000
Standby (SB)	<500 kw	$0.00000	$0.00000
Standby (SB) ≥500 kw		$0.00000	$0.00000

Demand Charge:

			Current Rates	Proposed Rates
Residential (RS)			$0.00	$0.00
General Service (GS)			$0.00	$0.00
General Service Demand (GSD)			$3.89	$6.20
General Service Large Demand (GSLD)			$5.56	$8.86
General Service Large Demand (GSLD1)			$1.57	$2.51
General Service Large Demand (GSLD1)		kVAR	$0.38	$0.60
Standby (SB)	<500 kw		$2.73	$4.35
Standby (SB)	≥500 kw		$0.68	$1.09
Standby (SB)		kVAR	$0.38	$0.60

	Current Rates	Proposed Rates
Initial Entitlement of Service		
Re-establish Service or Account Changes		
Customer Request Temp Disconnect/Reconn		
Reconnect After Disconnect (Normal Hrs)		
Reconnect After Disconnect (After Hours)		
Temporary Service		
Collection Charge		
Returned Check Charge	Per Statute	
Credit Card Fees	---------- $3.50 RS and 3.5% other classes ----------	
Late Fees	---------- Greater of 1.5% or $5.00 ----------	

Florida Public Utilities Company
Limited Proceeding Electric
Present and Proposed Rates - Lighting

Lighting:	Current Rates				Proposed Rates			
	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge
1000w HPS Flood	$19.38	$18.46	$2.60	$40.44	$30.88	$29.41	$4.14	$64.43
1000w MH Flood	$17.87	$18.46	$2.53	$38.86	$28.47	$29.41	$4.03	$61.91
1000w MH Vert Shoebox	$22.06	$18.46	$2.88	$43.40	$35.15	$29.41	$4.59	$69.15
100w HPS Amer Rev	$8.38	$1.87	$2.85	$13.10	$13.35	$2.98	$4.54	$20.87
100w HPS Cobra Head	$6.29	$1.87	$1.83	$9.99	$10.02	$2.98	$2.92	$15.92
100w HPS SP2 Spectra	$21.51	$1.87	$2.69	$26.07	$34.27	$2.98	$4.29	$41.54
100w MH SP2 Spectra	$21.34	$1.87	$2.60	$25.81	$34.00	$2.98	$4.14	$41.12
150w HPS Acorn	$17.06	$2.77	$2.16	$21.99	$27.18	$4.41	$3.44	$35.03
150w HPS ALN 440	$24.33	$2.77	$2.88	$29.98	$38.76	$4.41	$4.59	$47.76
150w HPS Am Rev	$7.85	$2.77	$2.89	$13.51	$12.51	$4.41	$4.60	$21.52
175w MH ALN 440	$23.28	$3.26	$2.26	$28.80	$37.09	$5.19	$3.60	$45.88
175w MH Shoebox	$19.66	$3.26	$2.54	$25.46	$31.32	$5.19	$4.05	$40.56
200w HPS Cobra Head	$8.48	$3.69	$2.19	$14.36	$13.51	$5.88	$3.49	$22.88
250w HPS Cobra Head	$10.08	$4.59	$2.89	$17.56	$16.06	$7.31	$4.60	$27.97
250w HPS Flood	$9.86	$4.59	$2.10	$16.55	$15.71	$7.31	$3.35	$26.37
250w MH Shoebox	$20.93	$4.59	$2.84	$28.36	$33.35	$7.31	$4.52	$45.18
400w HPS Cobra Head	$9.41	$7.40	$2.40	$19.21	$14.99	$11.79	$3.82	$30.60
400w HPS Flood	$15.47	$7.40	$1.97	$24.84	$24.65	$11.79	$3.14	$39.58
400w MH Flood	$10.50	$7.40	$1.92	$19.82	$16.73	$11.79	$3.06	$31.58
10' Alum Deco Base	$16.09	0	0	$16.09	$25.63	$0.00	$0.00	$25.63
13' Decorative Concrete	$12.26	0	0	$12.26	$19.53	$0.00	$0.00	$19.53
18' Fiberglass Round	$8.65	0	0	$8.65	$13.78	$0.00	$0.00	$13.78
20' Decorative Concrete	$14.23	0	0	$14.23	$22.67	$0.00	$0.00	$22.67
30' Wood Pole Std	$4.64	0	0	$4.64	$7.39	$0.00	$0.00	$7.39
35' Concrete Square	$13.72	0	0	$13.72	$21.86	$0.00	$0.00	$21.86
40' Wood Pole Std	$9.29	0	0	$9.29	$14.80	$0.00	$0.00	$14.80
30' Wood pole	$4.18	0	0	$4.18	$6.66	$0.00	$0.00	$6.66
175w MV Cobra Head	$1.21	$3.20	$1.07	$5.48	$1.93	$5.10	$1.70	$8.73
400w MV Cobra Head	$1.33	$6.89	$1.15	$9.37	$2.12	$10.98	$1.83	$14.93

Florida Public Utilities Company — Revised Attachment D Page 1 of 1
Storm Cost Recovery for Incremental Expenses — Docket No.: 20190156-EI

Line No.	Description	Reference	Total	Storm Reserve Balance	
1	**Pre-Storm Reserve Balance**			N/A	[a]
2	**Estimated Storm Related Restoration Costs**				
3	Regular Payroll		$ 609,196		
4	Overtime Payroll		$ 490,433		
5	Payroll Overhead Allocations		$ 371,902		
6	Department Cost Allocation on Capital		$ 46,027		
7	Employee Expenses		$ 77,555		
8	Contractor Costs		$ 57,147,169		
9	Logistics		$ 1,754,780		
10	Fuel		$ 1,475,235		
11	Equipment Rental		$ 232,334		
12	Materials		$ 4,813,193		
13	Call Center Costs		$ 26,516		
14	Uncollectible Account Expense		$ 120,321		
15	Other		$ 165,297		
16	**Subtotal-Storm Related Restoration Costs**	Lines 3:15	$ 67,329,959		
17	**Less: Estimated Non-Incremental Costs**				
18	Regular Payroll		$ (113,316)		[b]
19	Overtime Payroll		$ (11,827)		
20	Payroll Overhead Allocations		$ (60,039)		
21	**Subtotal-Estimated Non-Incremental Costs**	Lines 17:20	$ (185,182)		
22	Less: Capitalizable Costs		$ (27,398,298)		
23	**Total Recoverable Restoration Costs - System**	lines (16+21+22)	$ 39,746,479		
24	Jurisdictional Factor		100%		
25	**Total Recoverable Restoration Costs-Retail**	lines (23x24)	$ 39,746,479	$ 39,746,479	
26	**Net Recoverable Retail Restoration Costs**	line 25 -line 1		$ 39,746,479	
27	Bond Issuance Costs				
28	**Beginning Balance for Recovery**	line 26-line 27		$ 39,746,479	
29	Plus: Interest on Unamortized Reserve Deficiency Balance thru 12/19			$ 1,591,279	
30	Plus: Amount to Replenish Reserve				
31	**Retail Storm Recovery Amount before Regulatory Assessment Fee**	lines 28:30		$ 41,337,758	

[a] Docket 20180061-EI addressed recovery of the recovery of a $1.5M reserve balance. No additional reserve is requested here.

[b] Non-incremental storm costs were never recorded in Storm Work Orders. Estimated costs from 10-10-18 to 12-2-18 for the NW division are included in restoration costs and removed in non-incremental costs. Additional non-incremental costs were incurred in other months but could not be estimated since we do not recorded non-incremental as storm.

13-Month Average Calculation:

December	$ 41,337,758
January	$ 40,993,277
February	$ 40,648,795
March	$ 40,304,314
April	$ 39,959,833
May	$ 39,615,351
June	$ 39,270,870
July	$ 38,926,389
August	$ 38,581,907
September	$ 38,237,426
October	$ 37,892,945
November	$ 37,548,463
December	$ 37,203,982
13-Month Average	$ 39,270,870

Florida Public Utilities Company
Limited Proceeding Electric
Regulatory Asset for Lost Customers

	Customer Charge	kWh Usage Yearly <=1000 kWh	kWh Usage Yearly >=1000 kWh	KW Usage Yearly	
Residential	14.69	8,730	7,991		
Commercial Small	24.14	16,589			
Commercial	71.38	269,095		891	
Total Year End Amount December 2019					$ 504,448
Amortization Over 5 Years					$ 100,890

Calculation of Interest on Lost Revenue Not Recovered:		November	December	January	February	March	April	May	June	July	August	September	October	November
Lost Customer Estimate by Month		2018	2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
Residential		552	552	552	541	516	488	468	457	438	427	405	396	388
Commercial Small		198	198	198	194	192	183	182	180	175	174	167	165	163
Commercial		12	12	12	12	10	9	9	9	9	7	5	5	5
		762	762	762	747	718	680	659	646	622	608	577	566	556
Lost Revenue (based on customer charge and average usage above and uncollected storm surcharge)		$ 39,067	$ 39,067	$ 39,067	$ 38,397	$ 36,360	$ 35,710	$ 34,828	$ 34,254	$ 33,168	$ 31,655	$ 29,324	$ 28,833	$ 28,382
Cumulative Lost Revenue		$ 39,067	$ 78,134	$ 117,202	$ 155,599	$ 191,958	$ 227,668	$ 262,496	$ 296,749	$ 329,918	$ 361,573	$ 390,898	$ 419,731	$ 448,113
Average Beginning and Ending Balance		$ 19,534	$ 58,601	$ 97,668	$ 136,400	$ 173,778	$ 209,813	$ 245,082	$ 279,623	$ 313,334	$ 345,746	$ 376,236	$ 405,314	$ 433,922
Interest Per Month	4%	$ 65	$ 195	$ 326	$ 455	$ 579	$ 699	$ 817	$ 932	$ 1,044	$ 1,152	$ 1,254	$ 1,351	$ 1,446
Cumulative Interest		$ 65	$ 260	$ 586	$ 1,041	$ 1,620	$ 2,319	$ 3,136	$ 4,068	$ 5,113	$ 6,265	$ 7,519	$ 8,870	$ 10,317

Note: The Company has permantly lost customers as a result of the storm. The loss is reflected in net operating income for future time periods. However, the loss prior to implementation of this limited proceeding will never be recovered unless a regulatory asset is approved and the amortization of this asset allowed in rates in this limited proceeding. The Company is requesting a five year amortization.

	December 19	January 20	February 20	March 20	April 20	May 20	June 20	July 20	August 20	September 20	October 20	November 20	December 20	13-Month Avg.
13-Month Average Calculation:	$ 504,448	$ 496,041	$ 487,633	$ 479,226	$ 470,818	$ 462,411	$ 454,003	$ 445,596	$ 437,188	$ 428,781	$ 420,373	$ 411,966	$ 403,558	$ 454,003

December 2019
380
161
5
546
$ 44,451
$ 492,563
$ 470,338
$ 1,568
$ 11,885

Florida Public Utilities Company
Limited Proceeding Electric
Regulatory Asset for Expenses Not Recovered in Base Rates

Expenses Related to October Revenue Lost	$ 910,985
Expenses Related to November Lighting Revenue	$ 54,477
Total Costs Not Recovered	$ 965,462
Costs Limited to Revenue Not Received	$ 940,398
Interest on Unfunded Balance	$ 43,885
Total Costs Unrecovered	$ 984,283
Amortization Over 5 Years	$ 196,857

The Company had a substantial loss due to not being able to recover our normal, recurring operation and maintenance costs incurred due to lower usage and one month customer charges not being recovered for residential and commercial customers and two months for lighting customers. The only way to recover these costs is thru establishment of a regulatory asset. The Company is requesting approval of this amount and amortization over five years.

Summary of Revenues Not Received During Storm Restoration:

Revenue Type	*Oct-17 Volume KWh*	*Oct-16 Volume KWh*	*Average Volume KWh*	*Oct-17 Volume KW*	*Oct-16 Volume KW*	*Average Volume KW*	*Customers Sep-18*	*2018 Customer Rate*	*2018 Energy Charge KWH*	*2018 Energy Charge KW*	*Revenue Based on 2018 Rates*
Residential							*10,231*	$ *15.12*			$ *154,693*
<=1000 KWh-RS	*7,383,035*	*7,413,708*	*7,398,372*						$ *0.02117*		$ *156,624*
>=1000 KWh-RS	*2,672,262*	*2,667,376*	*2,669,819*						$ *0.03467*		$ *92,563*
Commercial Small	*2,542,044*	*3,247,169*	*2,894,607*				*2,100*	$ *24.84*	$ *0.02589*		$ *127,105*
Commercial	*7,547,000*	*6,980,590*	*7,263,795*	*28,452*	*21,737*	*25,094*	*423*	$ *73.45*	$ *0.00488*	$ *4.00*	$ *166,894*
Commercial Large	*5,324,736*	*4,640,084*	*4,982,410*	*11,488*	*8,579*	*10,033*	*15*	$ *140.41*	$ *0.00226*	$ *5.72*	$ *70,758*
Industrial	-	-	-				-				
Outdoor Lights	*445,378*	*442,995*	*444,187*				*2,586*	$ *33.21*	*Avg./Customer*		$ *85,881*
	25,914,455	*25,391,922*	*25,653,189*	*39,940*	*30,315*	*35,128*	*15,355*				*854,517*
November Lighting											$ *85,881*
											$ *940,398*

Interest Expense on Unrecovered Costs:

		October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019
Expenses Not Recovered		$ 940,398														
Cumulative		$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398
Average Beginning and Ending Balance			$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398
Interest Per Month	4%		$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135
Cumulative Interest			$ 3,135	$ 6,269	$ 9,404	$ 12,539	$ 15,673	$ 18,808	$ 21,943	$ 25,077	$ 28,212	$ 31,347	$ 34,481	$ 37,616	$ 40,751	$ 43,885

	December 19	January 20	February 20	March 20	April 20	May 20	June 20	July 20	August 20	September 20	October 20	November 20	December 20	13-Month Avg.
13-Month Average Calculation:	$ 984,283	$ 967,878	$ 951,473	$ 935,069	$ 918,664	$ 902,259	$ 885,855	$ 869,450	$ 853,045	$ 836,640	$ 820,236	$ 803,831	$ 787,426	$ 885,855

Florida Public Utilities Company
Regulatory Asset for the Negative Component of the Accumulated Depreciation Reserve
Limited Proceeding Electric

Docket No.: 20190156-EI

	Account Title	Act. #	Act. #	Cost of Removal	Salvage	Undepreciated Retirement	Total Regulatory Asset Requested
Cost of Removal:							
FE18164697R	Meters	1080	370E	$ 148,142		$ 17,657	$ 165,799
FE18504697R	Distribution Station Equipment	1080	362E	$ 83		$ -	$ 83
FE18554697R	Distribution Poles	1080	364E	$ 5,202,220		$ 311,525	$ 5,513,744
FE18564697R	OH Conductors	1080	365E	$ 1,796,949	$ (25,992)	$ 159,390	$ 1,930,347
FE18584697R	Underground Conductors	1080	367E	$ 41,273		$ -	$ 41,273
FE18594697R	Transformers	1080	368H	$ 6,710	$ (29,267)	$ 81,494	$ 58,938
FE18604697R	Buried Transformers	1080	368B	$ 318		$ 4,189	$ 4,507
FE18614697R	Overhead Services	1080	369H	$ 247,574		$ (10,592)	$ 236,982
FE18624697R	Underground Services	1080	369B			$ 19,674	$ 19,674
FE18634697R	Install on Cust. Premises-AG	1080	371A	$ 5,816		$ 265,786	$ 271,602
FE18654697R	Street Lighting	1080	373A	$ 1,144		$ 7,377	$ 8,521
				$ 7,450,230	$ (55,259)	$ 856,500	$ 8,251,471

13-Month Average Computation:	Regulatory Asset	Accumulated Amortization	Net Regulatory Asset	Amortization Expense at 10 Years
Dec-19	$ 8,251,471		$ 8,251,471	
Jan-20	$ 8,251,471	$ (68,762)	$ 8,182,709	$ 68,762
Feb-20	$ 8,251,471	$ (137,525)	$ 8,113,947	$ 68,762
Mar-20	$ 8,251,471	$ (206,287)	$ 8,045,184	$ 68,762
Apr-20	$ 8,251,471	$ (275,049)	$ 7,976,422	$ 68,762
May-20	$ 8,251,471	$ (343,811)	$ 7,907,660	$ 68,762
Jun-20	$ 8,251,471	$ (412,574)	$ 7,838,898	$ 68,762
Jul-20	$ 8,251,471	$ (481,336)	$ 7,770,135	$ 68,762
Aug-20	$ 8,251,471	$ (550,098)	$ 7,701,373	$ 68,762
Sep-20	$ 8,251,471	$ (618,860)	$ 7,632,611	$ 68,762
Oct-20	$ 8,251,471	$ (687,623)	$ 7,563,849	$ 68,762
Nov-20	$ 8,251,471	$ (756,385)	$ 7,495,086	$ 68,762
Dec-20	$ 8,251,471	$ (825,147)	$ 7,426,324	$ 68,762
Total	$ 107,269,125	$ (5,363,456)	$ 101,905,669	$ 825,147
13-Month Average	$ 8,251,471	$ (412,574)	$ 7,838,898	

RATE SCHEDULE RS
RESIDENTIAL SERVICE

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable for service to a single family dwelling unit occupied by one family or household and for energy used in commonly-owned facilities in condominium and cooperative apartment buildings.

Character of Service

Single-phase service at nominal secondary voltage of 115/230 volts; three-phase service if available.

Limitations of Service

The maximum size of any individual single-phase motor hereunder shall not exceed five (5) horsepower.

The Company shall not be required to construct any additional facilities for the purpose of supplying three-phase service unless the revenue to be derived therefrom shall be sufficient to yield the Company a fair return on the value of such additional facilities.

Monthly Rate

Customer Facilities Charge:

~~$14.69~~ 23.41 per customer per month

Base Energy Charge:

~~2.057~~3.278¢/KWH for usage up to 1000 KWH's/month

~~3.369~~5.368 ¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

(Continued on Sheet No. 41)

RATE SCHEDULE GS
GENERAL SERVICE – NON DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties And on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial lighting, heating, cooking and small power loads aggregating 25 KW or less.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

~~$24.14~~ 38.46 per customer per month

Base Energy Charge:

All KWH ~~2.516~~ 4.008 ¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

(Continued on Sheet No. 44)

RATE SCHEDULE GSD
GENERAL SERVICE – DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 25 KW but less than 500 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 25 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

~~$71.38~~ 113.72 per customer per month

Demand Charge:

Each KW of Billing Demand ~~$3.89~~ 6.20/KW

Base Energy Charge

All KWH 0.~~4740~~756¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 46)

RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

~~$136.45~~ 217.39 per customer per month

Demand Charge:

Each KW of Billing Demand	~~$5.56~~ 8.86/KW

Base Energy Charge

All KWH	0~~.220~~.350¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet No. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 65 & 66.

(Continued on Sheet No. 48)

RATE SCHEDULE GSLDT - EXP
GENERAL SERVICE – LARGE DEMAND
TIME OF USE (EXPERIMENTAL)

Availability
Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 3 customers. This Rate Schedule shall expire on February 8, 2015.

Applicability
Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service
Single or three-phase service at available standard voltage.

Limitations of Service
Service shall be at a single metering point at one voltage.

Monthly Rate
Customer Facilities Charge:
~~$136.45~~ 217.39 per customer per month

Demand Charge:
Each KW of Maximum Billing Demand ~~$5.56~~8.86/KW

Base Energy Charge:
All KWH 0.~~220~~350¢/KWH

Purchased Power Charges
Purchased power charges are adjusted by the Florida Public Service Commission normally each year in January. For current purchase power costs included in the tariff see sheet Nos. 65 & 66.

Minimum Bill
The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Maximum Billing Demand Charge for the currently effective billing demands.

Terms of Payment
Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs
See Sheet Nos. 65 & 66.

(Continued on Sheet No. 50)

RATE SCHEDULE GSLD 1
GENERAL SERVICE - LARGE DEMAND 1

Availability

Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial services of customers contracting for at least 5,000 kilowatts of electric service.

Character of Service

Three-phase, 60 hertz, electric service delivered and metered at a single point at the available transmission voltage, nominally 69,000 volts or higher.

Monthly Base Rates

Customer Facilities Charge:	~~$844.94~~1,346.14
Base Transmission Demand Charge:	~~$1.57~~2.51/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	$0.~~38~~60/kVar of Excess Reactive Demand

Purchased Power Charges (See Sheet 52 for descriptions)

The Purchased Power Charges recover Energy and Demand Charges billed to FPUC by FPUC's Wholesale Energy Provider and Wholesale Cogeneration Provider including applicable line losses and taxes. Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For correct purchased power charges included in the tariff, see Sheet No. 70 & 71.

Minimum Bill

The minimum monthly bill is the sum of the Transmission Demand Charge and the Customer Charge plus any Purchased Power Charges attributed to Transmission Demand Fuel Charge.

Terms of Payment

Bills are rendered net and due and payable within twenty (20) days from date of bill.

Conservation Costs

See Sheet Nos. 65 & 66.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.

(Continued on Sheet No. 51)

RATE SCHEDULE SB
STANDBY SERVICE

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable only to customers which are self-generators with capabilities of serving the customer's full electronic power requirements and that require backup and/or maintenance service on a firm basis. This rate schedule is not applicable to self-generating customers for supplemental service.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage. The contract demand shall not exceed the KW capacity of customer's generator.

Monthly Rate

Customer Facilities Charge:

(a) For those customers who have contracted for standby service capacity of less than 500 KW- ~~$104.96~~ 167.22.

(b) For those customers who have contracted for standby service of 500 KW or greater- ~~$844.94~~ 1,346.14.

Local Facilities Charge:

(a) For those customers who have contracted for standby service capacity of less than 500 KW- ~~$2.73~~4.35/KW.

(b) For those customers who have contracted for standby service of 500 KW or greater - ~~$0.68~~1.09/KW.

Purchased Power Charges

Demand and energy used by the customer in any month shall be charged at the then currently effective rates of the Company's wholesale supplier adjusted for estimated line losses and applicable taxes. Such charges will consist of Coincident Peak (CP) Demand charge and an energy charge. The CP Demand shall be the customer's measured KW coincident in time with that of the Company's maximum monthly demand at the substation serving the system to which the customer is connected. The energy charge shall be applied to the measured KWH during the billing period and shall be based on the actual energy charge (including fuel charges) of the Company's wholesale supplier during the billing period.

The currently effective rates of the Company's wholesale supplier would result in the following demand and energy charges for purchased power after adjustment for estimated line losses and applicable taxes. These are shown for illustrative purposes only. Actual purchased power rates in effect at the time of use shall be used for determining the monthly unit charges.

CP Demand Charge - Each KW of CP Demand	$5.62/KW
Energy Charge - All	~~3.774~~3.583¢

(Continued on Sheet No. 53)

RATE SCHEDULE LS
LIGHTING SERVICE

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any customer for non-metered outdoor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by high-pressure sodium vapor or metal halide lamps mounted on company poles as described herein. Company-owned facilities will be installed only on Company-owned poles.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Type Facility	Lamp Lumens	Size Watts	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
High Pressure Sodium Lights							
Acorn	16,000	150	61	~~$17.06~~27.18	~~$2.16~~3.44	~~$2.77~~4.41	~~$21.99~~35.03
ALN 440	16,000	150	61	~~$24.33~~38.76	~~$2.88~~4.59	~~$2.77~~4.41	~~$29.98~~47.76
Amer. Rev.	9,500	100	41	~~$8.38~~ 13.35	~~$2.85~~ 4.54	~~$1.87~~2.98	~~$13.10~~20.87
Amer. Rev.	16,000	150	61	~~$7.85~~12.51	~~$2.89~~4.60	~~$2.77~~4.41	~~$13.51~~21.52
Cobra Head	9,500	100	41	~~$6.29~~10.02	~~$1.83~~ 2.92	~~$1.87~~2.98	~~$9.99~~ 15.92
Cobra Head	22,000	200	81	~~$8.48~~13.51	~~$2.19~~ 3.49	~~$3.69~~5.88	~~$14.36~~22.88
Cobra Head	28,500	250	101	~~$10.08~~16.06	~~$2.89~~4.60	~~$4.59~~7.31	~~$17.56~~27.97
Cobra Head	50,000	400	162	~~$9.41~~14.99	~~$2.40~~3.82	~~$7.40~~11.79	~~$19.21~~30.60
Flood	28,500	250	101	~~$9.86~~15.71	~~$2.10~~3.35	~~$4.59~~7.31	~~$16.55~~26.37
Flood	50,000	400	162	~~$15.47~~24.65	~~$1.97~~3.14	~~$7.40~~11.79	~~$24.84~~39.58
Flood	130,000	1,000	405	~~$19.38~~ 30.88	~~$2.60~~ 4.14	~~$18.46~~ 29.41	~~$40.44~~ 64.43
SP2 Spectra	9,500	100	41	~~$21.51~~ 34.27	~~$2.69~~ 4.29	~~$1.87~~2.98	~~$26.07~~ 41.54
Metal Halide Lights							
ALN 440	16,000	175	71	~~$23.28~~37.09	~~$2.26~~3.60	~~$3.26~~5.19	~~$28.80~~45.88
Flood	50,000	400	162	~~$10.50~~16.73	~~$1.92~~3.06	~~$7.40~~11.79	~~$19.82~~31.58
Flood	130,000	1,000	405	~~$17.87~~28.47	~~$2.53~~4.03	~~$18.46~~29.41	~~$38.86~~61.91
Shoebox	16,000	175	71	~~$19.66~~31.32	~~$2.54~~4.05	~~$3.26~~5.19	~~$25.46~~40.56
Shoebox	28,500	250	101	~~$20.93~~33.35	~~$2.84~~4.52	~~$4.59~~7.31	~~$28.36~~45.18
SP2 Spectra	9,500	100	41	~~$21.34~~34.00	~~$2.60~~ 4.14	~~$1.87~~2.98	~~$25.81~~41.12
Vertical Shoebox	130,000	1,000	405	~~$22.06~~ 35.15	~~$2.88~~4.59	~~$18.46~~29.41	~~$43.40~~69.15

(Continued on Sheet No. 57)

RATE SCHEDULE LS
LIGHTING SERVICE

(Continued from Sheet No. 56)

Charges for other Company-owned facilities:

1)	30' Wood Pole	$ ~~4.18~~6.66
2)	40' Wood Pole Std	$ ~~9.29~~14.80
3)	18' Fiberglass Round	$ ~~8.65~~13.78
4)	13' Decorative Concrete	$ ~~12.26~~19.53
5)	20' Decorative Concrete	$ ~~14.23~~22.67
6)	35' Concrete Square	$ ~~13.72~~21.86
7)	10' Deco Base Aluminum	$ ~~16.09~~25.63
8)	30' Wood Pole Std	$ ~~4.64~~7.39

For the poles shown above that are served from an underground system, the Company will provide up to one hundred (100) feet of conductor to service each fixture. The customer will provide and install the necessary conduit system to Company specifications.

Purchased Power Charges

Purchased power charges are adjusted annually by the Florida Public Service Commission. For current purcl

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 65 & 66.

Conservation Costs

See Sheet No. 65 & 66.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.

(Continued on Sheet No. 58)

RATE SCHEDULE OSL
MERCURY VAPOR LIGHTING SERVICE
(Closed To New Installations)

(Continued from Sheet No. 58)

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to customer for mercury vapor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by mercury vapor lamps of 7,000 or 20,000 initial level of lumens mounted on wood poles, as described herein.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Lamp Size Lumens	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
7,000	72	~~$1.21~~1.93	~~$1.07~~1.70	~~$3.20~~5.10	~~$5.48~~8.73
20,000	154	~~$1.33~~2.12	~~$1.15~~1.83	~~$6.89~~10.98	~~$9.37~~14.93

For concrete or fiberglass poles and/or underground conductors, etcetera, the customer shall pay a lump sum amount equal to the estimated differential cost between the special system and the equivalent overhead-wood pole system.

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

(Continued on Sheet No. 60)

RATE SCHEDULE IS-EXP
INTERRUPTIBLE (EXPERIMENTAL)

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 4 customers. This Rate Schedule shall expire on February 8, 2015.

Applicability

Applicable to customers eligible for Rate Schedule GSLD with a load factor equal to or exceeding 35% and who have executed a Special Contract approved by the Commission. The company reserves the right to limit the total load and type customer served under this rate. Accounts established under this rate will be limited to premises where the interruption will primarily affect the customer, its employees, agents, lessees, tenants and guests and will not significantly affect members of the general public nor interfere with functions performed for the protection of public health or safety.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage. Interruptible service under this rate is subject to interruption during any On-Peak time period that the Company elects to notify customer, with a minimum of two (2) hours notice, that the customer must fully interrupt taking electric power from the Company. The Company is limited to an On-Peak period maximum of 200 hours of required interruption per year per customer.

Monthly Rate

Customer Facilities Charge:
~~$136.45~~217.39 per customer per month

Demand Charge:
Each KW of Billing Demand ~~$ 5.56~~8.86/KW

Base Energy Charge:
All KWH ~~0.220~~350¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

RATE SCHEDULE RS
RESIDENTIAL SERVICE

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable for service to a single family dwelling unit occupied by one family or household and for energy used in commonly-owned facilities in condominium and cooperative apartment buildings.

Character of Service

Single-phase service at nominal secondary voltage of 115/230 volts; three-phase service if available.

Limitations of Service

The maximum size of any individual single-phase motor hereunder shall not exceed five (5) horsepower.

The Company shall not be required to construct any additional facilities for the purpose of supplying three-phase service unless the revenue to be derived therefrom shall be sufficient to yield the Company a fair return on the value of such additional facilities.

Monthly Rate

Customer Facilities Charge:

$23.41 per customer per month

Base Energy Charge:

3.278¢/KWH for usage up to 1000 KWH's/month

5.368 ¢/KWH for usage above 1000 KWH's/month

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

(Continued on Sheet No. 41)

RATE SCHEDULE GS
GENERAL SERVICE – NON DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties And on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial lighting, heating, cooking and small power loads aggregating 25 KW or less.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point.

Monthly Rate

Customer Facilities Charge:

$38.46 per customer per month

Base Energy Charge:

All KWH 4.008 ¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

(Continued on Sheet No. 44)

RATE SCHEDULE GSD
GENERAL SERVICE – DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 25 KW but less than 500 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 25 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:
$113.72 per customer per month

Demand Charge:
Each KW of Billing Demand $6.20/KW

Base Energy Charge
All KWH 0.756¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet Nos. 65 & 66.

(Continued on Sheet No. 46)

RATE SCHEDULE GSLD
GENERAL SERVICE-LARGE DEMAND

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage.

Monthly Rate

Customer Facilities Charge:

$217.39 per customer per month

Demand Charge:

Each KW of Billing Demand	$8.86/KW

Base Energy Charge

All KWH	0.350¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet No. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 65 & 66.

(Continued on Sheet No. 48)

RATE SCHEDULE GSLDT - EXP
GENERAL SERVICE – LARGE DEMAND
TIME OF USE (EXPERIMENTAL)

Availability
Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 3 customers. This Rate Schedule shall expire on February 8, 2015.

Applicability
Applicable to commercial, industrial and municipal service with a measured demand of 500 KW but less than 5000 KW for three or more months out of the twelve consecutive months ending with the current billing period. Also available, at the option of the customer, to any customer with demands of less than 500 KW who agrees to pay for service under this rate schedule for a minimum initial term of twelve months.

Character of Service
Single or three-phase service at available standard voltage.

Limitations of Service
Service shall be at a single metering point at one voltage.

Monthly Rate
Customer Facilities Charge:
$217.39 per customer per month

Demand Charge:
Each KW of Maximum Billing Demand $8.86/KW

Base Energy Charge:
All KWH 0.350¢/KWH

Purchased Power Charges
Purchased power charges are adjusted by the Florida Public Service Commission normally each year in January. For current purchase power costs included in the tariff see sheet Nos. 65 & 66.

Minimum Bill
The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Maximum Billing Demand Charge for the currently effective billing demands.

Terms of Payment
Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs
See Sheet Nos. 65 & 66.

(Continued on Sheet No. 50)

RATE SCHEDULE GSLD 1
GENERAL SERVICE - LARGE DEMAND 1

Availability

Available within the territory served by the Company in Jackson, Calhoun, and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to commercial and industrial services of customers contracting for at least 5,000 kilowatts of electric service.

Character of Service

Three-phase, 60 hertz, electric service delivered and metered at a single point at the available transmission voltage, nominally 69,000 volts or higher.

Monthly Base Rates

Customer Facilities Charge:	$1,346.14
Base Transmission Demand Charge:	$2.51/KW of Maximum/NCP Billing Demand
Excess Reactive Demand Charge:	$0.60/kVar of Excess Reactive Demand

Purchased Power Charges (See Sheet 52 for descriptions)

The Purchased Power Charges recover Energy and Demand Charges billed to FPUC by FPUC's Wholesale Energy Provider and Wholesale Cogeneration Provider including applicable line losses and taxes. Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For correct purchased power charges included in the tariff, see Sheet No. 70 & 71.

Minimum Bill

The minimum monthly bill is the sum of the Transmission Demand Charge and the Customer Charge plus any Purchased Power Charges attributed to Transmission Demand Fuel Charge.

Terms of Payment

Bills are rendered net and due and payable within twenty (20) days from date of bill.

Conservation Costs

See Sheet Nos. 65 & 66.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.

(Continued on Sheet No. 51)

RATE SCHEDULE SB
STANDBY SERVICE

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable only to customers which are self-generators with capabilities of serving the customer's full electronic power requirements and that require backup and/or maintenance service on a firm basis. This rate schedule is not applicable to self-generating customers for supplemental service.

Character of Service

Single or three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage. The contract demand shall not exceed the KW capacity of customer's generator.

Monthly Rate

Customer Facilities Charge:

(a) For those customers who have contracted for standby service capacity of less than 500 KW- $167.22.
(b) For those customers who have contracted for standby service of 500 KW or greater- $1,346.14.

Local Facilities Charge:

(a) For those customers who have contracted for standby service capacity of less than 500 KW- $4.35/KW.
(b) For those customers who have contracted for standby service of 500 KW or greater - $1.09/KW.

Purchased Power Charges

Demand and energy used by the customer in any month shall be charged at the then currently effective rates of the Company's wholesale supplier adjusted for estimated line losses and applicable taxes. Such charges will consist of Coincident Peak (CP) Demand charge and an energy charge. The CP Demand shall be the customer's measured KW coincident in time with that of the Company's maximum monthly demand at the substation serving the system to which the customer is connected. The energy charge shall be applied to the measured KWH during the billing period and shall be based on the actual energy charge (including fuel charges) of the Company's wholesale supplier during the billing period.

The currently effective rates of the Company's wholesale supplier would result in the following demand and energy charges for purchased power after adjustment for estimated line losses and applicable taxes. These are shown for illustrative purposes only. Actual purchased power rates in effect at the time of use shall be used for determining the monthly unit charges.

CP Demand Charge - Each KW of CP Demand	$5.62/KW
Energy Charge - All	3.583¢

(Continued on Sheet No. 53)

RATE SCHEDULE LS
LIGHTING SERVICE

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to any customer for non-metered outdoor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by high-pressure sodium vapor or metal halide lamps mounted on company poles as described herein. Company-owned facilities will be installed only on Company-owned poles.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Type Facility	Lamp Lumens	Size Watts	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
High Pressure Sodium Lights							
Acorn	16,000	150	61	$27.18	$3.44	$4.41	$35.03
ALN 440	16,000	150	61	$38.76	$4.59	$4.41	$47.76
Amer. Rev.	9,500	100	41	$13.35	$4.54	$2.98	$20.87
Amer. Rev.	16,000	150	61	$12.51	$4.60	$4.41	$21.52
Cobra Head	9,500	100	41	$10.02	$2.92	$2.98	$15.92
Cobra Head	22,000	200	81	$13.51	$3.49	$5.88	$22.88
Cobra Head	28,500	250	101	$16.06	$4.60	$7.31	$27.97
Cobra Head	50,000	400	162	$14.99	$3.82	$11.79	$30.60
Flood	28,500	250	101	$15.71	$3.35	$7.31	$26.37
Flood	50,000	400	162	$24.65	$3.14	$11.79	$39.58
Flood	130,000	1,000	405	$30.88	$4.14	$29.41	$64.43
SP2 Spectra	9,500	100	41	$34.27	$4.29	$2.98	$41.54
Metal Halide Lights							
ALN 440	16,000	175	71	$37.09	$3.60	$5.19	$45.88
Flood	50,000	400	162	$16.73	$3.06	$11.79	$31.58
Flood	130,000	1,000	405	$28.47	$4.03	$29.41	$61.91
Shoebox	16,000	175	71	$31.32	$4.05	$5.19	$40.56
Shoebox	28,500	250	101	$33.35	$4.52	$7.31	$45.18
SP2 Spectra	9,500	100	41	$34.00	$4.14	$2.98	$41.12
Vertical Shoebox	130,000	1,000	405	$35.15	$4.59	$29.41	$69.15

(Continued on Sheet No. 57)

RATE SCHEDULE LS
LIGHTING SERVICE

(Continued from Sheet No. 56)

Charges for other Company-owned facilities:

1)	30' Wood Pole	$ 6.66
2)	40' Wood Pole Std	$ 14.80
3)	18' Fiberglass Round	$ 13.78
4)	13' Decorative Concrete	$ 19.53
5)	20' Decorative Concrete	$ 22.67
6)	35' Concrete Square	$ 21.86
7)	10' Deco Base Aluminum	$ 25.63
8)	30' Wood Pole Std	$ 7.39

For the poles shown above that are served from an underground system, the Company will provide up to one hundred (100) feet of conductor to service each fixture. The customer will provide and install the necessary conduit system to Company specifications.

Purchased Power Charges

Purchased power charges are adjusted annually by the Florida Public Service Commission. For current purcl

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Purchased Power Costs

See Sheet No. 65 & 66.

Conservation Costs

See Sheet No. 65 & 66.

Franchise Fee Adjustment

Customers taking service within franchise areas shall pay a franchise fee adjustment in the form of a percentage to be added to their bills prior to the application of any appropriate taxes. This percentage shall reflect the customer's pro rata share of the amount the Company is required to pay under the franchise agreement with the specific governmental body in which the customer is located.

(Continued on Sheet No. 58)

RATE SCHEDULE OSL
MERCURY VAPOR LIGHTING SERVICE
(Closed To New Installations)

(Continued from Sheet No. 58)

Availability

Available within the territory served by the Company in Calhoun, Jackson and Liberty Counties and on Amelia Island in Nassau County.

Applicability

Applicable to customer for mercury vapor lighting service.

Character of Service

Lighting service from dusk to dawn as described herein.

Limitations of Service

Service is limited to lighting by mercury vapor lamps of 7,000 or 20,000 initial level of lumens mounted on wood poles, as described herein.

Monthly Rate

When lighting fixtures are mounted on existing poles and served directly from existing overhead secondary distribution lines:

Lamp Size Lumens	KWH/Mo. Estimate	Facilities Charge	Maintenance* Charge	Energy Charge	Total Charge
7,000	72	$1.93	$1.70	$5.10	$8.73
20,000	154	$2.12	$1.83	$10.98	$14.93

For concrete or fiberglass poles and/or underground conductors, etcetera, the customer shall pay a lump sum amount equal to the estimated differential cost between the special system and the equivalent overhead-wood pole system.

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The above rates times the number of lamps connected.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

(Continued on Sheet No. 60)

RATE SCHEDULE IS-EXP
INTERRUPTIBLE (EXPERIMENTAL)

Availability

Available within the territory served by the Company in Jackson, Calhoun and Liberty Counties. This service is limited to a maximum of 4 customers. This Rate Schedule shall expire on February 8, 2015.

Applicability

Applicable to customers eligible for Rate Schedule GSLD with a load factor equal to or exceeding 35% and who have executed a Special Contract approved by the Commission. The company reserves the right to limit the total load and type customer served under this rate. Accounts established under this rate will be limited to premises where the interruption will primarily affect the customer, its employees, agents, lessees, tenants and guests and will not significantly affect members of the general public nor interfere with functions performed for the protection of public health or safety.

Character of Service

Three-phase service at available standard voltage.

Limitations of Service

Service shall be at a single metering point at one voltage. Interruptible service under this rate is subject to interruption during any On-Peak time period that the Company elects to notify customer, with a minimum of two (2) hours notice, that the customer must fully interrupt taking electric power from the Company. The Company is limited to an On-Peak period maximum of 200 hours of required interruption per year per customer.

Monthly Rate

Customer Facilities Charge:
$217.39 per customer per month

Demand Charge:
Each KW of Billing Demand $ 8.86/KW

Base Energy Charge:
All KWH 0.350¢/KWH

Purchased Power Charges

Purchased power charges are adjusted by the Florida Public Service Commission, normally each year in January. For current purchased power costs included in the tariff, see Sheet Nos. 65 & 66.

Minimum Bill

The minimum monthly bill shall consist of the above Customer Facilities Charge plus the Demand Charge for the currently effective billing demand.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of bill.

Before the Florida Public Service Commission

Docket No. 20190156-EI

In re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs, Capital Costs, Revenue Reduction for Permanently Lost Customers, and Regulatory Assets related to Hurricane Michael for Florida Public Utilities Company

Revised Direct Testimony of Michael Cassel

On Behalf of

Florida Public Utilities Company

Q. Please state your name and business address.

A. My name is Michael Cassel. My business address is 208 Wildlight Ave., Yulee, FL 32097.

Q. By whom are you employed and what is your position?

A. I am employed by Chesapeake Utilities Corporation ("CUC") as the Assistant Vice President of Regulatory and Governmental Affairs for CUC's business units in Florida, including Florida Public Utilities Company.

Q. Please describe your educational background and professional experience.

A. I received a Bachelor of Science Degree in Accounting from Delaware State University and a Master of Jurisprudence in Energy Law from the University of Tulsa's College of Law. CUC hired me as a Senior Regulatory Analyst in March 2008. As a Senior Regulatory Analyst, I was primarily involved in the areas of gas

cost recovery, rate of return analysis, and budgeting for CUC's Delaware and Maryland natural gas distribution companies. In 2010, I moved to Florida in the role of Senior Tax Accountant for CUC's Florida business units. Since that time, I have held various management roles, including Manager of the Back Office in 2011, Director of Business Management in 2012, Director of Regulatory and Governmental Affairs, and now Assistant Vice President of Regulatory and Governmental Affairs for CUC's Florida business units. In my current role, I am responsible for the development and execution of the strategy supporting the Company's regulatory and compliance initiatives,, as well as leadership of our governmental affairs group for Florida. This includes regulatory analysis and reporting, as well as substantive filings before the Florida Public Service Commission ("FPSC") for Florida Public Utilities Company ("FPUC" or "Company"), FPUC-Indiantown, FPUC-Fort Meade, and Central Florida Gas. Before joining CUC, I was employed by J.P. Morgan Chase & Company, Inc. from 2006 to 2008 as a Financial Manager in their card finance group. My primary responsibility in this position was the development of client-specific financial models and profit-loss statements. I was also employed by Computer Sciences Corporation as a Senior Finance Manager from 1999 to 2006. In this position, I was responsible for the financial operation of the company's chemical, oil, and natural resources business. My work included forecasting, financial close, and reporting responsibility, as well as representing Computer Sciences Corporation's financial interests in contract/service negotiations with existing and potential clients. From 1996 to 1999, I was employed by J.P. Morgan, Inc., where I had various

accounting/finance responsibilities for the firm's private banking clientele. Before joining private industry, I served in the United States Air Force in the meteorology field.

Q. Have you ever testified before the FPSC?

A. Yes. In addition to this proceeding, I've provided written, pre-filed testimony in a variety of the Company's annual proceedings, including the Fuel and Purchased Power Cost Recovery Clause, Docket No. 20160001-EI and the Gas Reliability Infrastructure Program ("GRIP") Cost Recovery Factors proceeding for FPUC and our sister company, the Florida Division of Chesapeake Utilities Corporation, Docket No. 20160199. I have also provided written, pre-filed testimony in FPUC's electric limited proceeding, Docket No. 20170150-EI, and the Commission's proceeding for consideration of the tax impacts to FPUC associated with Tax Cuts and Jobs Act of 2017, Docket No. 20180048-EI. I have provided both written and oral testimony in FPUC's Limited Proceeding to Recover Incremental Storm Restoration Costs, Docket No. 20180061-EI, as well as in the Commission's proceedings for consideration of the tax impacts to CUC's Florida natural gas divisions associated with Tax Cuts and Jobs Act of 2017, Docket Nos. 20180051-20180054-GU.

Q. What is the purpose of your revised testimony?

A. In addition to providing a background that supports the Company's efforts in response to Hurricane Michael's impacts in our Northwest Division, I will provide

an update on the progress of restoration related to Hurricane Michael, as well as background that supports the Company's revised filing in this Docket.

Q. Are you sponsoring any exhibits in this case?

A. Yes. I am sponsoring Exhibit MC-1 (video), which memorializes the impacts of Hurricane Michael on FPUC's system in Northwest Florida.

Q. What was different about Hurricane Michael compared to previous storms?

A. Hurricane Michael set a new precedent for the Florida Panhandle because it was the first Category 5 hurricane ever to strike the area. Not only was it the strongest storm to ever make landfall in Northwest Florida, but it was also the fourth strongest to make landfall in the continental United States based on wind speed. It brought with it wind speeds of 155 miles per hour that not only caused damage to FPUCs system but also brought with it major structural damage to our customers' and employees' homes and businesses. While FPUC has demonstrated, over three successive hurricane seasons, that its employees, training, and preparation for hurricanes is exemplary, Hurricane Michael tested our ability to respond like no other storm before it.

Q. How many customers does FPUC serve across its electric territory?

A. Before Hurricane Michael, FPUC served approximately 32,000 customers, of which roughly 15,355 were located in the largely rural counties of the north-central panhandle of Florida (Northwest Division.)

Q. Has the Company been able to restore all of the customers in its Northwest Division after Hurricane Michael?

A. No. As a result of the catastrophic impact of the hurricane's eye, 100% of FPUC's customers in the Northwest Division were without power for the better part of a month. While the Company has been able to restore its system such that it can provide service to all customers that are able to receive service, there are still 546 customers that have been permanently lost - almost 4% of the original number of customers in our Northwest Division.

Q. How was the restoration effort different for Hurricane Michael as compared to prior hurricane and storm events for FPUC?

A. All restoration efforts require an "all hands on deck" approach to safely and effectively restore service to customers. However, Hurricane Michael presented new challenges for FPUC's restoration plans. First, many of our employees were trapped in their own homes by downed trees and debris. Once we were able to account for - and establish communications with - our employees, we deployed many of them from the President to customer service representatives to help make sure our customers were safe and that our linemen, as well as those contractors that came to assist, were fed and accommodated. Our efforts also required the assistance of an unprecedented level of outside resources. The second new restoration challenge FPUC experienced came as a result of the amount of debris that was blocking access to our electric facilities. The removal of numerous trees and large amounts of debris was necessary before any actual restoration of power could be undertaken. FPUC's

restoration effort was additionally hampered by vehicle fuel supply disruptions, transmission facilities that were down, and decimated telecommunication systems, which made traditional communications impossible. While it was the most physically and emotionally difficult storm restoration effort undertaken by the Company in our history, the extraordinary effort put forth by our employees and contractors permitted FPUC to rebuild enough of our facilities so that 97% of our customers that were otherwise able to take power, were restored by November 1, 2018, just twenty-two days after the storm.

Q. Did FPUC identify anything else particularly noteworthy as a result of Hurricane Michael?

A. Yes. We encountered situations that presented new challenges, such as hotels that were typically used to house work crews during prior storms, were severely damaged by Hurricane Michael and without power. Increased traffic issues associated with returning residents, work crews, disaster relief organizations, news outlets, and, unfortunately, sight-seers, further exacerbated roadway obstructions and lack of functioning traffic signals, which impaired our ability to access our damaged facilities. In addition, FPUC's regular 35 employees were joined by an additional 1,155 contract employees working to clear debris and restore power. The sheer magnitude of coordinating this many personnel in an area with damaged communications networks and largely inaccessible infrastructure and housing presented an unprecedented challenge.

Q. Is this filing similar to the Company's last storm filing in Docket No. 20180061-EI?

A. Only to the extent that we are seeking to recover costs resulting from the impact of a named storm. In that prior docket, the Company requested a surcharge based on the incremental costs for several storms, namely Hurricanes Irma and Matthew. As it relates to Hurricane Michael, requesting relief utilizing a surcharge mechanism for the impacts of Hurricane Michael would have a much more dramatic impact on customers' bills than the prior surcharge, and it would be ill-timed given the ongoing efforts to rebuild in the impacted counties. The Company, therefore, is proposing a different approach that will enable the Company to recoup its losses while still protecting its customers from a dramatic bill increase. Specifically, we are requesting a limited proceeding increase in base rates based on several components, which are detailed in witness Napier's revised testimony and Revised Exhibits MDN-1 to MDN-7.

Q. What changes are being made in this revised filing as compared to the Company's initial filing in August 2019?

A. The Company included the following changes in this revised filing:

1. The amortization period of storm costs and the accumulated depreciation of the regulatory assets has been reduced from 30 years to 10 years.

2. The final costs associated with Hurricane Michael have now been included, as well as updated numbers regarding customers that have returned to the system.

3. The subsequent costs associated with preparations for Hurricane Dorian have been included.

4. This filing corrects a misclassification that was in the original filing between materials and contractor costs included on schedule MDN-4.

5. Subsequent to the initial filing, the Florida Department of Revenue issued a Tax Information Publication notifying companies of a reduction in the state corporate income tax rate, effective January 1, 2019. This revised filing reflects inclusion of the new, correct state corporate income tax rate in the expansion factor.

Q. Given that much of the Company's plant in the Northwest Division is now new, has this resulted in an offsetting reduction to expenses?

A. No, it has not. There are a couple of reasons. First, while some equipment is new, the areas in which the equipment has been placed are still damaged by Hurricane Michael's impact, particularly the trees. Although many trees were trimmed or downed by the storm, the remaining trees are in far worse shape than before and have been severely weakened by the storm. As a result, the Company has already started to see an increase in tree trimming expense rather than a decrease. In addition, we do anticipate a decrease in some costs related to the new poles, wire, transformers, and other equipment replacement. The new equipment, however, only replaced 10-12% of the system; as such, we expect any savings will be offset by increased maintenance costs on the remaining highly stressed equipment that bore the brunt of high winds from the hurricane. For example, FPUC has experienced an

increase in expenses associated with leaking transformers resulting from bushings that were loosened during the storm.

Q. Since the initial filing in August 2019, has the Company been granted some rate relief?

A. Yes, by Order No. PSC-2019-0501-PCO-EI, issued November 22, 2019, the Commission approved a Stipulation for Implementation of Rate Increase Subject to Refund ("Storm Interim Stipulation") that had been submitted by the Company and the Office of Public Counsel ("OPC"). This interim rate increase took effect on January 2, 2020.

Q. Had the Company requested interim relief in its initial petition?

A. No.

Q. How did the Storm Interim Stipulation come about?

A. Subsequent to the filing that initiated this docket, the Commission approved a reduction in FPUC's Fuel Cost Recovery factor, by Order No. PSC-2019-0501-PCO-EI, issued in Docket No. 20190001-EI. This reduction in the Company's fuel factor was going to result in a significant reduction in the overall bills for FPUC's customers beginning in January 2020. Given the timing of this proceeding, a concern arose that customers could experience rate confusion or rate shock if they experienced a significant bill reduction in January 2020 as a result of the fuel savings, followed only a few months later by a significant bill increase associated

with any increase approved as a result of the Company's request for Hurricane Michael recovery. In order to address this concern, FPUC and OPC were able to agree to an interim relief mechanism that balances the fuel cost reduction with a nearly equivalent interim rate increase for residential customers, which was calculated based upon reducing the requested 30-year amortization period on regulatory assets to a 10-year amortization period. The interim rate increase will not only avoid a wild fluctuation in customers' bills, but has allowed the Company to begin recovery, at the Company's overall cost of capital on plant and cost of removal, requested regulatory assets, and the typical storm expenses, related to Hurricane Michael sooner rather than later, albeit subject to refund. The Commission approved the Storm Interim Stipulation by Order No. PSC-2019-0501-PCO-EI, issued November 22, 2019.

Q. What is the difference between these stipulated interim rates and recovering these amounts as storm expenses?

A. The Stipulated Interim Rates were requested in a manner consistent with the recovery mechanism proposed in the Company's Petition initiating this proceeding, but with a shortened amortization period. In a typical storm situation, the Company would request cost recovery of storm related expenses plus the interest incurred on those expenses by use of a surcharge. Because of the unprecedented level of investment required to recover from Hurricane Michael, the Company has requested base rate recovery of the storm related expenses, as well as the related plant additions and cost of removal incurred, at the Company's Weighted Average Cost of Capital

("WACC"). This approach is as compared to the typical storm cost recovery surcharge, which would seek recovery of incremental expenses and plant, plus the interest, and be recovered over a shorter period of time. While the Company is typically able to sustain recovery of expenses with interest only over a short period of time, the level of damage resulting from Hurricane Michael, made this approach too financially burdensome to FPUC's typical residential customer. Because of this the Company extended the recovery period requested out to 10 years. This enabled FPUC to find a level of interim rate increase that matched the decrease in fuel surcharge to our customers.

Q. Please explain why WACC was used to calculate the return on rate base changes due to the storm.

A. WACC was used for two reasons. First, FPUC's electric division, unlike the larger IOUs in the state, does not obtain debt separately to finance recoveries such as this. Rather FPUC relies on its parent company, CUC. CUC was able to secure short-term debt for the costs associated with Hurricane Michael, but that short-term debt ended in 2019. As a result, FPUC seeks to fund the unamortized portion of these costs through a regulatory asset to be amortized over 10 years at its overall cost of capital. Second, given the financial magnitude of the damages caused by Hurricane Michael, full recovery utilizing the more traditional storm surcharge approach with a shorter recovery period would be extremely financially burdensome for the Company's customers, particularly given the overall economic impact that Hurricane Michael had on the region. Recognizing that the Company's shareholders are

statutorily entitled to a fair return, the Company has endeavored to strike an equitable balance by proposing the establishment of a regulatory asset that will be amortized over 10 years at the Company's WACC. The Company believes this approach strikes an appropriate balance between managing bill impacts for our customers and providing an adequate return for our shareholders.

Q. Could you please explain why FPUC changed the amortization period from 30 years to 10 years?

A. The Company used a 30-year amortization period in its initial filing because that provided the most manageable balance for the recovery of expense and monthly impact to FPUC's customers. However, through the discussions that led to the Storm Interim Stipulation, it became clear that reducing the amortization to 10 years would provide a potential increase in base rates that would offset the fuel factor reduction that was approved to start on January 1, 2020. Given that the interim rates that were calculated utilizing a 10-year amortization period resulted in an interim rate increase that is virtually offset by the fuel cost reduction, thus avoiding a potentially confusing change in customers' bills, the Company determined that the reduction in amortization period for its overall request would be a more appropriate, equitable approach. Moreover, a 10-year recovery period would more likely promote recovery of these costs from customers that actually benefitted directly from the recovery efforts. As such, we have revised our request for relief accordingly.

Q. Are the costs associated with Hurricane Michael now final?

A. Yes. All costs associated with the restoration of Hurricane Michael reflected in this revised filing are final, as reflected in the updated schedules included with the revised testimony of witness Napier.

Q. Have any costs other than those associated with Hurricane Michael been included in this revised filing?

A. Yes. As noted previously, the revised schedules included with witness Napier's testimony also reflect the costs incurred as a result of Hurricane Dorian.

Q. Why has the Company included costs associated with Hurricane Dorian in this revised filing?

A. Given the fact that Hurricane Dorian expenses were incurred shortly after the Company's filing that initiated this docket, including the costs associated with that storm event in this revised filing, will promote an administratively efficient means to address the costs for both storms in one proceeding.

Q. Did Hurricane Dorian impact FPUC's service territory?

A. Yes, while FPUC's service territory was spared a direct hit from Hurricane Dorian, it did experience tropical storm force winds, which resulted in outages for approximately 790 customers in the Company's Northeast Division on Amelia Island. Witness Cutshaw discusses the path and timing of Hurricane Dorian, as well as the Company's resource requests and mobilization efforts associated with Hurricane Dorian in his revised testimony.

Q. Since Hurricane Dorian did not make landfall in either of FPUC's electric divisions, what hurricane-related costs is the Company seeking to recover in this revised filing?

A. FPUC is seeking to recover costs it incurred related to preparation for Hurricane Dorian, including the contractors that were engaged, as well as the logistics, and a small amount of payroll costs. Details of FPUC's preparations, mobilization, and demobilization efforts are detailed in witness Cutshaw's revised testimony.

Q. Given that Hurricane Dorian did not make landfall in FPUC's service territory, were these costs prudently incurred?

A. Yes. Due to the forecasted track of Hurricane Dorian, FPUC had to have crews in place and ready to take care of our customers if it became necessary. Once a storm occurs, it becomes far more difficult to locate resources and have them travel to the impact area. Like storms before it, Hurricane Dorian had a vast forecasted impact area and timeframe, which puts constraints on the available contract labor. In this instance, Dorian was originally expected to make landfall on September 1st, but it did not actually impact our Northeast Division until September 4. Nonetheless, as a public utility, it was imperative for us to have crews available in anticipation of the storm in order to ensure that we were able to provide appropriate service restoration after the storm. As such, we also needed to house and feed the additional resources we obtained. These costs are appropriate for recovery as they were not otherwise recovered by the Company's base rates.

Q. As it relates to the other revisions you've identified, please explain the misclassification of materials and contractor costs that you have identified as a revision, and how you have addressed that misclassification.

A. The misclassification of costs between materials and contractor costs was due to an error whereby three contractor charges related to plant accounts were inadvertently recorded to materials instead of contractor costs. The correction of this misclassification did not change the overall cost, however it did require a change in allocation between plant, cost of removal, and traditional storm costs. The net effect was a decrease in plant costs of $1,191,423, an increase in the cost of removal of $283,889, and an increase in traditional storm expense of $907,534. The impact of this correction is reflected in the revised Schedule MDN-4 and is included as part of witness Napier's revised testimony.

Q. Has the Company considered other approaches to this revised filing?

A. Yes. Very early on, the Company considered the feasibility of utilizing the surcharge approach consistent with the Company's now-expired settlement agreement with OPC and similar to the approach the Commission has entertained in recent years. This would have included a shorter recovery period but would have been limited to the restoration expense plus interest. Witness Napier discusses the impact that this alternative approach would have had in her revised testimony. Due to the significant bill impact that this would have had on our customers, FPUC quickly began to investigate alternative recovery methods that would have less of an

immediate and significant bill impact on our customers, which is how we ultimately landed on the approach proposed in this proceeding.

We revisited the surcharge approach in response to concerns presented by Commission Staff and the OPC about earning the weighted average cost of capital on incremental storm costs. However, given the historic level of damage and resulting costs, the Company believes that recovery of the incremental storm expense plus interest-only on such a significant investment for an extended period of time is inconsistent with the Company's actions to secure more permanent higher cost capital that aligns with CUC's target capital structure and which the Company's investors and the financial market seek from the Company. Maintaining a strong capital structure enables CUC to continue to support and facilitate the growth in its service areas at a competitive cost. On the other hand, shortening the recovery period utilizing the surcharge methodology would have a significant and potentially detrimental impact on our customers. The impact of Hurricane Michael on the Company was, again, of historic proportions. Given the total cost impact and the need to recover the costs over a relatively small customer base while still maintaining a balance sheet to support continued growth of the Company and access to new competitively priced capital. FPUC maintains that the approach it has offered in this proceeding, while novel, is the right approach for recovery under the unique circumstances present.

Q. While the Company does not recommend the surcharge approach, does this revised filing include an analysis of such an approach?

A. Yes. We have included an analysis of the surcharge approach in the exhibits to witness Napier's revised testimony. The surcharge approach would alter every aspect of the Company's request. The alternative analysis:

1. Calculates a surcharge based upon storm expenses with interest only included for the period October 2018 to December 2022 (see MDN-4 as provided in witness Napier's revised testimony.)

2. This alternative analysis eliminates the application of the weighted average cost of capital on the plant, accumulated depreciation, and the other regulatory asset changes.

3. In addition, the alternative analysis reduces the amount to be recovered by the amount that would be collected through the interim rates in 2020 for the storm cost regulatory asset and calculates the final surcharge amount based upon a two-year (2021-2022) recovery period.

Q. Could the Company apply the interest-only methodology and still keep the longer recovery period?

A. As noted the Company considered this alternative option, and it could be done. As discussed in witness Napier's revised testimony, recovery was calculated with interest only for four years and two months. This results, however, in a higher bill for our typical residential customers, and would be inconsistent with the Company's actual financing plans and stated capital structure targets. This inconsistency could raise questions and uncertainty regarding future capital needs and therefore, impact the availability, cost and type of capital to be provided to support future growth and

expansion of the Company. CUC has a long-standing history regarding its financial discipline and a track record of maintaining a solid balance sheet that supports its future growth.

Q. Would the recovery of incremental storm expense along with associated interest expense over an extended period of time be appropriate?

A. No. It does not align with the Company's permanent financing strategy and would, therefore, be questioned by the financial markets.. The Company's shareholders and the investment community, anticipate that investments, especially at this level, have an appropriate return to both the debt and equity used to finance the restoration. It is this market anticipation that allows the Company to attract the capital investment it needs to continue operations. In other words, investors in utilities expect that investments will generate reliable allowed returns as approved by the Florida Public Service Commission.

FPUC's capital structure, cost of capital, and allowed returns are generally based on an equal 50% of debt and equity ratio. The cost of debt is a partial carrying cost of investment included in the rate structure. The cost of equity is based on the allowed return on the equity portion permitted and should be included in customer rates for the restoration investment.

Should customer rates not reflect our total cost of debt and equity capital, investors would not continue to invest in FPUC - nor expect FPUC would retain earnings to reinvest in its infrastructure. Essentially, carrying this level of cost for a longer period of time could send inappropriate signals to the financial markets regarding

FPUC's intentions as it relates to investing in its infrastructure and raise realistic concerns regarding the ongoing viability of all of the utility's operations. Heightened concerns in the financial markets can weaken the Company's ability to obtain capital at reasonable rates, and could further impair the Company's ability to repair and upgrade existing facilities, and extend service for new customers, which is a detriment not only to the utility but also to our customers.

Q. Would a full rate proceeding have provided a better mechanism for relief?

A. No. The Company did consider that approach; however, timing and cost presented challenges that could be avoided through the process and mechanism we have requested. Our greatest concerns were that pursuing a full rate proceeding would add significant costs on top of the storm-related costs for which the Company seeks recovery. A full proceeding would also utilize more company resources that could otherwise be deployed in our continued efforts to support recovery efforts in our Northwest Division, as well as the several other active proceedings in which we are involved. We also considered that a full rate case would likely take more time and delay recovery for the Company, which, given our current earnings posture, would present an added financial challenge for the Company. While the proposal we are putting forth is unique, we do think it is appropriate given the situation. Should the Commission move forward and approve the Company's request, we anticipate that FPUC will be better positioned to provide the Commission with a more accurate, well-defined perspective on the Company and its longer-term financial situation when it does file its next full rate case.

Q. Do the interim rates in effect as a result of the Commission's approval of the stipulation over-compensate the Company for its losses associated with Hurricane Michael?

A. No. The stipulated interim rates do provide partial reimbursement of the large cash investment that had to be made during Hurricane Michael and would provide a return on the investment made. But, full reimbursement of the cash expended would necessitate that the final rates remain effect for at least ten years to recover the $42 million of incremental storm investment and even longer for the additional $27 million for the plant investment. The majority of the increase would be used for interest expense, depreciation and taxes on the additional plant investment, and amortization of the cost of removal and storm costs.

Q. Does this conclude your testimony?

A. Yes.

Docket No. 20190156-EI

Revised Exhibit MC-1
Of Witness Michael Cassel

On behalf of

FLORIDA PUBLIC UTILITIES COMPANY

DVD
[Video of Hurricane Michael Damage to System and Surrounding Area]

Before the Florida Public Service Commission

Docket No. 20190156-EI

In re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs, Capital Costs, Revenue Reduction for Permanently Lost Customers, and Regulatory Assets related to Hurricane Michael for Florida Public Utilities Company

Revised Direct Testimony of Michelle Napier

On Behalf of

Florida Public Utilities Company

Q. Please state your name and business address.

A. My name is Michelle D. Napier. My business address is 1635 Meathe Drive, West Palm Beach, Florida 33411.

Q. By whom are you employed and in what capacity?

A. I am employed by Florida Public Utilities Company ("FPUC" or "Company") as Manager of Regulatory Affairs.

Q. Can you please provide a brief overview of your educational and employment background?

A. I received a Bachelor of Science degree in Finance from the University of South Florida in 1986. I have been employed with FPUC since 1987. During my employment at FPUC, I have performed various roles and functions in accounting, including General Accounting Manager before moving to the Regulatory department

in 2011. I am currently the Manager of Regulatory Affairs. In this role, my responsibilities include directing the regulatory activities for FPUC. This includes regulatory analysis and filings before the Florida Public Service Commission (FPSC) for FPUC, FPUC-Indiantown, FPUC-Fort Meade, Florida Division of Chesapeake Utilities (CFG) and Peninsula Pipeline Company.

Q. Have you ever testified before the FPSC?

A. Yes. I have previously provided written, pre-filed testimony in a variety of the Company's annual proceedings, including the Purchased Gas Adjustment, Docket No. 20170003-GU, Gas Reliability Infrastructure Program (GRIP) Cost Recovery Factors for FPUC and our sister company, CFG, Docket No. 20120036-GU and the Swing Service Cost Recovery for FPUC and CFG, Docket No. 20170191-GU.

Q. What is the purpose of your testimony in this docket?

A. As revised, my testimony outlines the changes made to the original filing in this docket and supports the revised costs included in the calculations of the Company's requested increase in base rates due to the losses incurred because of Hurricane Michael.

Q. Are you sponsoring any exhibits in this case?

A. Yes, I am sponsoring Revised Exhibits MDN-1 through MDN-7 as well as Revised Attachments A through H to the Petition, which summarizes the revised costs of the storm and the revised calculation of the requested rate increase. Additionally, I am

sponsoring Exhibit MDN-8, which summarizes the costs incurred for Hurricane Dorian, Exhibit MDN-9, which is an alternative methodology for comparison to what the Company has requested in this filing, and MDN-10, which is a typical bill comparison for a residential customer.

Q. Were these schedules completed by you, or under your direct supervision?

A. Yes, these schedules were completed under my direct supervision and review.

Q. To be clear, is the Company's request for recovery as presented in this case consistent with storm cost recovery requests it has made in the past?

A. No. For the most recent storm recovery requests, the Company requested a surcharge based on the incremental costs for several storms, namely Hurricanes Irma and Matthew. However, as Witness Cassel explains in greater detail, the profound financial and physical impact caused by Hurricane Michael necessitated that we investigate alternative approaches. The Company, therefore, has proposed a different approach involving a base rate increase that would recover the significant costs over a longer period of time based on the amortization of several regulatory components.

Q. Describe the schedules included.

A. As mentioned previously, my Revised Exhibits MDN-1 through MDN-7 summarize the costs and calculation of the requested base rate increase, which are based on several components. These components are:

1. Recovery of a return on changes in rate base related to capital additions made as a result of Hurricane Michael (Revised Exhibit MDN-1, Revised Schedule B-1).
2. Recovery of depreciation and property taxes related to these capital improvements. (Revised Exhibit MDN-1, Revised Schedule B-1 and C-1)
3. Recognition of a decrease in billing determinates approved in our last rate case due to permanently lost customers, that has been updated to reflect those customers that have subsequently re-established service. (Revised Exhibit MDN-1, Revised Schedule C-1) This decrease was calculated as part of the overall calculation of the regulatory asset for the period November 2018 to December 2019 requested in the separate, contemporaneous filing to establish regulatory assets for the storm costs. The calculation of the yearly effect is shown on Revised Exhibit MDN-5. As discussed in the separate request to establish regulatory assets petition, the Northwest Division has experienced minimal growth for many years, consistent with the stagnant economy of the rural counties in that division; therefore, we expect this trend in customers to continue and have included the decrease in the 2020 projections in Revised Exhibit MDN-1, Revised Schedule C-1.
4. Establishment of a regulatory asset for the incremental costs of Hurricane Michael that would normally be charged to the storm reserve to be included in working capital and amortized over 10 years. (Revised Exhibit MDN-4)

5. Establishment of a regulatory asset for the changes to accumulated depreciation for the unrecovered accumulated depreciation and the cost of removal net of salvage related to the storm, which would also be included in working capital and amortized over 10 years. (Revised Exhibit MDN-7)

6. Recovery through working capital and amortization expense related to the regulatory asset being requested in a separate petition for the billing determinants lost from November 2018 to December 2019 due to permanently lost customer accounts, which impacted the Company's ability to cover operating costs. This regulatory asset also covers the storm reserve shortfall caused by the fact that the Company will not be able to recover the full amount approved for recovery in Docket No. 20180061-EI due to these lost customer accounts (Revised Exhibit MDN-5). This regulatory asset is separate and apart from the reduction in billing determinants discussed in item 3 above.

7. Recovery through working capital and amortization expense related to a regulatory asset being requested in a separate petition for the expenses not recovered in base rates due to customers being without power in the month of October 2018 and for lighting customers in October and November 2018 which impacted the Company's ability to cover operating costs. (Revised Exhibit MDN-6).

8. Distribution of the requested revenue requirement and comparison of current and proposed rates (Revised Exhibits MDN-2 and MDN-3).

Q. How did you calculate the return on the storm costs?

A. The midpoint of the projected 2020 weighted average cost of capital rate ("WACC") was used to calculate the return.

Q. What type of costs were included in the proposed regulatory asset for the storm costs typically charged to the storm reserve?

A. Costs included in this proposed regulatory asset include payroll and payroll-related costs, employee expenses, contractor costs, logistics costs, fuel, equipment rental, materials, call center overtime costs, uncollectible accounts expense related to revenues prior to the storm that could not be collected due to the lost customers, and interest on the balance thru December 2019 or prior to the implementation of new rates. The costs are summarized on Revised MDN-4.

Q. What type of costs were included in the regulatory asset for the changes to accumulated depreciation?

A. As shown on Revised MDN-7, the cost of removal was substantial due to having to use contractors for much of the work. The net book value of retired assets, along with the cost of removal net of salvage was included in this proposed regulatory asset, which is being more specifically addressed by the separate petition in Docket No. 20190155-EI. Through the request in this docket, the Company is asking for recovery of the proposed regulatory asset through working capital and that the costs be amortized over 10 years.

Q. Please describe the recovery of the regulatory asset you are requesting for lost customers.

A. The establishment of this regulatory asset is also being addressed in the separate petition I referenced previously. If the Commission approves establishment of that regulatory asset, the Company is requesting, in this proceeding, that it be allowed to recover that proposed regulatory asset in working capital and to amortize the expense over five years. Revised Exhibit MDN-5 includes the calculation for this proposed asset and the related expense.

Q. Please describe the recovery of the regulatory asset you are requesting for expenses not recovered in base rates?

A. The establishment of this regulatory asset is also being requested in the referenced separate petition. In this Docket, the Company is seeking recovery of the proposed regulatory asset in working capital, along with amortization expense, over five years. My Revised Exhibit MDN-6 provides the calculation of this proposed regulatory asset and the associated expense.

Q. Is establishment of a regulatory asset an appropriate mechanism for the types of costs you've identified will be included in the three regulatory assets?

A. Yes. According to the Code of Federal Regulations ("CFR"), regulatory assets, if authorized by this Commission, can be created for unrecovered costs of plant facilities that have been prematurely retired (account 182.2) and for charges that

would have been included in net income, or accumulated comprehensive income, (account 182.3). In the past, this Commission has approved the request for creation and amortization of regulatory assets (Docket 20120227-EI, and 20080029-PU) so that amounts that would have been charged to income run concurrently with the recovery of the amounts in rates. Therefore, the Company believes it is appropriate to set up regulatory assets in this case.

Q. Is the amortization of the identified proposed regulatory assets consistent with Generally Accepted Accounting Principles ("GAAP")?

A. Yes. Per GAAP (Accounting Standards Codification ("ASC") 980-340-25, regulatory assets are initially measured as the amount of costs incurred and are typically amortized over future periods that are consistent with the recovery period through rates.

Q. Has the Company made changes to its initial request filed in August 2019?

A. Yes.

Q. What are the key revisions you will address in this testimony?

A. I will address the change in amortization period, true-up of the actual costs for Michael, including new storm-related costs, the correction of costs misclassified in the original filing as well as reflect the reduction in the Florida state income tax.

I. Amortization

Q. What is the revised amortization period for regulatory asset for storm and accumulated depreciation?

A. 10 years.

Q. Why did the Company change the amortization period from 30 years to 10 years?

A. The Company received approval for interim rates in November 2019, which used an amortization of 10 years that corresponded with an anticipated reduction in fuel rates to manage the bill impact for customers. Therefore, to be consistent with the approved interim rates, the Company has revised its original filing using a 10 year amortization. This change is explained fully in witness Cassel's revised testimony.

Q. Is the Company proposing any changes to the amortization of the other two regulatory assets identified?

A. No.

II. True-Up for Michael and New Costs

Q. What adjustments have been made to the original costs included in the initial filing?

A. The original filing contained actual costs through June 2019. The Company has updated the filing for actual costs incurred during the remainder of 2019 (July 2019 through December 2019) and reflected on Revised Exhibit MDN-4.

Q. Does the requested limited rate increase as revised contain any costs other than those incurred for Hurricane Michael?

A. Yes, the schedules have been revised to reflect costs of appromimately $1,1,175,646, and interest of $17,081, related to Hurricane Dorian in September 2019, which was forecasted to hit the east coast of Florida in the Company's service territory of Amelia Island. Although Hurricane Dorian did not directly impact our service area, the Company expended funds in preparation for the storm and now seeks recovery. See Exhibit MDN-8 for the costs related to Dorian only. However, these costs were incorporated into Revised Exhibit MDN-4.

Q. Is it appropriate for the Company to include the costs related to Hurricane Dorian?

A. Yes. According to Rule 25-6.0143 Use of Accumulateed Provision Accounts 228.1, 228.2 and 228.4, incremental costs related to storm preparation and restoration efforts may be charged to Account 228.1. Therefore, these costs are appropriate for inclusion in this docket. Also, since the expenses for Hurricane Dorian occurred prior to hearing or a final decision, the Company believes that including these costs in this limited proceeding docket is administratively efficient and the appropriate action for our customers as well as our shareholders.

Q. Are the Hurricane Dorian costs included in this revised filing considered "final" by the Company?

A. Yes. Costs have been updated in the revised filing for actual invoices received and the Company has reasonably estimated and included any projected additional costs that will be incurred.

Q. Other than the additional costs mentioned above, are there other types of costs included that were not in the original filing?

A. No.

III. Correction of costs misclassified

Q. Please explain the correction of misclassified costs made in this revised filing.

A. Costs of about $1.8M were inadvertently classified in the category of 'Materials' instead of 'Contractor' on Exhibit MDN-4. The Company has reclassed these storm costs to the appropriate category. Because of the misclassification, the contractor invoices were not allocated consistently with the other contractor costs. This reclassification reduced capital costs on both Revised Exhibit MDN-1 and Revised Schedule B-3 by $1,191,423 and increased cost of removal on Revised Exhibit MDN-7 by $283,889 and storm costs on Revised Exhibit MDN-4 by $907,534.

IV. State Income Tax Reduction

Q. Please explain the state income tax reduction.

A. On September 12, 2019, the Florida Department of Revenue issued a Tax Information Publication announcing the reduction of the Florida Corporate Income Tax rate effective for the years January 1, 2019 through December 31, 2021. The rate was reduced from 5.5% to 4.458%. Beginning January 1, 2022, the state income tax rate will return to its prior rate of 5.5%.

Q. Please explain the impact of the state income tax reduction on this filing.

A. This change impacts the income tax expense reflected in net operating income as well as the Net Opering Income Multiplier, which is used to compute the Company's requested Revenue Requirement, on Revised Exhibit MDN-1. A decrease in the tax rate causes a reduction in tax expense and the Company's Revenue Requirement.

Q. Have you included additional information in your revised testimony?

A. Yes. As further explained by Witness Cassel, we have included Exhibit MDN-9, for comparative purposes only, an analysis of recovery of the incremental storm costs and investments made for these storms utilizing what would be considered a more traditional approach involving the implementation of a storm surcharge with an interest only return.

Q. What are the parameters of this additional analysis?

A. For ease of reference and comparative purposes only, I'll refer to this as the Company's "alternative scenario," although FPUC does not suggest that this scenario

is an appropriate alternative. The alternative scenario includes all of the adjustments addressed in this revised filing as it relates to the Company's proposed limited proceeding rate increase but with a few additional changes. First, the alternative scenario converts the recovery methodology from a limited base rate increase to recover specific regulatory assets to a combination of a storm recovery surcharge and a full base rate proceeding. Consequently, the change in recovery methodology necessitated a change to the computation of the earned return to reflect interest only on the Revised Exhibit MDN-4 costs for the period of October 2018 through December 2022. as well as a reduction in the amortization period from 10 years used in our revised filing. .

The alternative scenario, originally prepared using the traditional method of a storm surcharge over two years (2020 and 2021), projected an increase in the "typical" residential bill by approximately $45 a month per 1,000 kilowatthours of usage excluding the fuel reduction. This compares to approximately $21 a month using the method in the Company's revised filing. However, after implementation of the interim rates, it was determined that the portion of the interim rates related to the traditional storm costs, were not sufficient to recover the Revised Exhibit MDN-4 costs over the two year period of 2020 and 2021. Therefore, the alternative scenario presented in this filing reduced the storm costs for the amounts expected to be received through interim rates and computed a surcharge on the remaining costs over the two years 2021 and 2022. This essentially extends recovery of costs by another year. This methodology reflects an interest only return approach on the incremental storm costs for the period October 2018 through December 2022. This alternative

scenario with the extended year reduces the residential typical bill increase over 2019 but still reflects an increase when compared to the Company's revised filing. We believe this increase is still too high for our customers to bear. See attached Exhibit MDN-9.

Q. What was the impact of the alternativ scenario on a typical residential bill?

A. As previously mentioned, the alternative scenario projected an increase in the "typical" residential bill by approximately $45 a month per 1,000 kilowatthours of usage excluding the fuel reduction. This compares to approximately $21 a month using the method in the Company's revised filing., After taking into consideration the reduction for interim recovery, a residential typical bill would increase approximately $39.50 more than the Company's 2019 bill and $18.57over the revised filing in this docket before the fuel reduction. A comparison is shown in the attached Exhibit MDN-10.

Q. Does this conclude your testimony?

A. Yes.

Florida Public Utilities Company	**Docket No.**	**20190156-EI**
Limited Proceeding Electric	**Exhibit**	**REVISED MDN-1 Page 1 of 13**
Estimated First Year Revenue Requirements	**Schedule**	**REVISED A-1**

	Revenue Requirement Calculation		**Projected 2020**
3	Jurisdictional Adjusted Rate Base	$	67,248,113
4	Rate of Return on Rate Base		6.2700%
5	Required Jurisdictional Net Operating Income (Line 2 x 3)	$	4,216,457
6	Required Net Operating Income (Line 4)	$	4,216,457
7	Jurisdictional Adjusted Net Operating Income (Loss)	$	(4,722,730)
8	Net Operating Income Deficiency (Excess) (Line 5-6)	$	8,939,187
9	Net Operating Income Multiplier		1.3295
10	Revenue Requirement (Line 7 x 8)	$	11,884,648

ADJUSTED RATE BASE
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		(1) Plant in Service	(2) Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	18,573,911	224,576	18,798,487	-	0	0	18,798,487			18,798,487
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Jurisdictional Per Books	18,573,911	224,576	18,798,487	-	-	-	18,798,487	-	-	18,798,487
4	Adjustments:										
5	Regulatory Asset for Storm Costs							-	39,270,870		39,270,870
6	Regulatory Asset Lost Customers								454,003		454,003
7	Regulatory Asset Exp. Not Recovered								885,855		885,855
8	Regulatory Asset for Unrecovered A/D								7,838,898		7,838,898
9											-
10											-
11											-
12											-
13											-
14											
15											
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27											
28	Total Adjustments	-	-	-	-	-	-	-	48,449,626	-	48,449,626
29											
30	Adjusted Jurisdictional	18,573,911	224,576	18,798,487	-	-	-	18,798,487	48,449,626	-	67,248,113

RATE BASE ADJUSTMENTS
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
0

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	NONE IN STORM PROJECTS ON MFR B-1				
4					
5	Company Adjustment:				
6	NONE IN STORM PROJECTS ON MFR B-1				
7					
8	ACCUMULATED DEPRECIATION				
9	Commission Adjustment:				
10	NONE IN STORM PROJECTS ON MFR B-1				
11					
12	Company Adjustment:				
13	NONE IN STORM PROJECTS ON MFR B-1				
14					
15	WORKING CAPITAL				
16	Commission Adjustment:				
17	NONE IN STORM PROJECTS ON MFR B-1				
18					
19	Company Adjustment:				
20	Regulatory Asset for Storm Costs (MDN-4)		$ 39,270,870	100%	$ 39,270,870
21	Regulatory Asset for Lost Customers (MDN-5)		$ 454,003	100%	$ 454,003
22	Regulatory Asset for Expenses Not Recovered During Restoration (MDN-6)		$ 885,855	100%	$ 885,855
23	Regulatory Asset for Unrecovered Accumulated Depreciation Cost of Removal Net of Salvage (MDN-7)		$ 7,838,898	100%	$ 7,838,898
24	Total		$ 48,449,626	100%	$ 48,449,626

Revised Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

	Account Title	Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Plant In Service-Hurricane Michael Related										
FE18164697W	Meters	1010	370E	$ 752,207						
FE18504697W	Distribution Station Equipment	1010	362E	$ 11,885						
FE18554697W	Distribution Poles	1010	364E	$ 8,051,371						
FE18564697W	OH Conductors	1010	365E	$ 4,656,583						
FE18584697W	Underground Conductors	1010	367E	$ 259,864						
FE18594697W	Overhead Transformers	1010	368H	$ 2,790,363						
FE18604697W	Buried Transformers	1010	368B	$ 100,115						
FE18614697W	Overhead Services	1010	369H	$ 2,665,177						
FE18624697W	Underground Services	1010	369B	$ 33,481						
FE18634697W	Install on Cust. Premises-AG	1010	371A	$ 207,803						
FE18654697W	Street Lighting	1010	373A	$ 474,478						
				$ 20,003,327						
Retirement Plant in Service:										
FE18164697W	Meters	1010	370E	$ (43,190)						
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E	$ (368,538)						
FE18564697W	OH Conductors	1010	365E	$ (273,349)						
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H	$ (234,350)						
FE18604697W	Buried Transformers	1010	368B	$ (4,189)						
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B	$ (19,674)						
FE18634697W	Install on Cust. Premises-AG	1010	371A	$ (470,834)						
FE18654697W	Street Lighting	1010	373A	$ (15,292)						
				$ (1,429,416)	$ -	$ -	$ -	$ -	$ -	$ -
Net Change to Plant in Service										
Cumulative	Meters	1010	370E	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017
Cumulative	Distribution Station Equipment	1010	362E	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885
Cumulative	Distribution Poles	1010	364E	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834
Cumulative	OH Conductors	1010	365E	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234
Cumulative	Underground Conductors	1010	367E	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864
Cumulative	Overhead Transformers	1010	368H	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012
Cumulative	Buried Transformers	1010	368B	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925
Cumulative	Overhead Services	1010	369H	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177
Cumulative	Underground Services	1010	369B	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807
Cumulative	Install on Cust. Premises-AG	1010	371A	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)
Cumulative	Street Lighting	1010	373A	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186
Cumulative Plant Balance				$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Account Title	Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Monthly Depreciation:									
Meters	1080	370E	$ -	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)
Distribution Station Equipment	1080	362E	$ -	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)
Distribution Poles	1080	364E	$ -	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)
OH Conductors	1080	365E	$ -	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)
Underground Conductors	1080	367E	$ -	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)
Overhead Transformers	1080	368H	$ -	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)
Buried Transformers	1080	368B	$ -	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)
Overhead Services	1080	369H	$ -	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)
Underground Services	1080	369B	$ -	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)
Install on Cust. Premises-AG	1080	371A	$ -	$ 986	$ 986	$ 986	$ 986	$ 986	$ 986
Street Lighting	1080	373A	$ -	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)
			$ -	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)
Actual A/D up to Storm for Retirements:									
Meters	1080	370E	$ 25,533						
Distribution Station Equipment	1080	362E							
Distribution Poles	1080	364E	$ 57,013						
OH Conductors	1080	365E	$ 113,959						
Underground Conductors	1080	367E							
Overhead Transformers	1080	368H	$ 152,856						
Buried Transformers	1080	368B							
Overhead Services	1080	369H	$ 10,592						
Underground Services	1080	369B							
Install on Cust. Premises-AG	1080	371A	$ 205,048						
Street Lighting	1080	373A	$ 7,915						
			$ 572,916	$ -	$ -	$ -	$ -	$ -	$ -
Total Cumulative Accumulated Depreciation									
Meters	**1080**	**370E**	$ 25,533	$ 23,347	$ 21,161	$ 18,975	$ 16,788	$ 14,602	$ 12,416
Distribution Station Equipment	**1080**	**362E**	$ -	$ (24)	$ (48)	$ (71)	$ (95)	$ (119)	$ (143)
Distribution Poles	**1080**	**364E**	$ 57,013	$ 32,044	$ 7,075	$ (17,895)	$ (42,864)	$ (67,833)	$ (92,802)
OH Conductors	**1080**	**365E**	$ 113,959	$ 101,540	$ 89,121	$ 76,702	$ 64,282	$ 51,863	$ 39,444
Underground Conductors	**1080**	**367E**	$ -	$ (693)	$ (1,386)	$ (2,079)	$ (2,772)	$ (3,465)	$ (4,158)
Overhead Transformers	**1080**	**368H**	$ 152,856	$ 144,336	$ 135,816	$ 127,296	$ 118,776	$ 110,256	$ 101,736
Buried Transformers	**1080**	**368B**	$ -	$ (320)	$ (640)	$ (959)	$ (1,279)	$ (1,599)	$ (1,919)
Overhead Services	**1080**	**369H**	$ 10,592	$ 2,596	$ (5,399)	$ (13,395)	$ (21,390)	$ (29,386)	$ (37,381)
Underground Services	**1080**	**369B**	$ -	$ (41)	$ (83)	$ (124)	$ (166)	$ (207)	$ (249)
Install on Cust. Premises-AG	**1080**	**371A**	$ 205,048	$ 206,034	$ 207,021	$ 208,007	$ 208,993	$ 209,980	$ 210,966
Street Lighting	1080	373A	$ 7,915	$ 6,040	$ 4,165	$ 2,290	$ 415	$ (1,460)	$ (3,335)
Cumulative Accumulated Depreciation Balance			$ 572,916	$ 514,859	$ 456,803	$ 398,746	$ 340,689	$ 282,633	$ 224,576
Cumulative Net Increase In Rate Base			$ 19,146,827	$ 19,088,771	$ 19,030,714	$ 18,972,657	$ 18,914,601	$ 18,856,544	$ 18,798,487

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Account Title		Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Depreciation Expense		Rate								
370E	Meters	3.7%			$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186
362E	Distribution Station Equipment	2.4%			$ 24	$ 24	$ 24	$ 24	$ 24	$ 24
364E	Distribution Poles	3.9%			$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969
365E	OH Conductors	3.4%			$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419
367E	Underground Conductors	3.2%			$ 693	$ 693	$ 693	$ 693	$ 693	$ 693
368H	Overhead Transformers	4.0%			$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520
368B	Buried Transformers	4.0%			$ 320	$ 320	$ 320	$ 320	$ 320	$ 320
369H	Overhead Services	3.6%			$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996
369B	Underground Services	3.6%			$ 41	$ 41	$ 41	$ 41	$ 41	$ 41
371A	Install on Cust. Premises-AG	4.5%			$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (986)
373A	Street Lighting	4.9%			$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875
Total Depreciation					$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057
Property Taxes		408			$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957
Reduced O & M due to new equipment		500's			$ -	$ -	$ -	$ -	$ -	$ -
Revenue Tax on Lost Customer Revenue		408			$ 20	$ 20	$ 20	$ 20	$ 20	$ 20
Total Expense					$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033
Revenues-Lost Customers 2020					$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)

Revised Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

	Account Title	Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	13-Month Average
Plant In Service-Hurricane Michael Related										
FE18164697W	Meters	1010	370E							
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E							
FE18564697W	OH Conductors	1010	365E							
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H							
FE18604697W	Buried Transformers	1010	368B							
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B							
FE18634697W	Install on Cust. Premises-AG	1010	371A							
FE18654697W	Street Lighting	1010	373A							
Retirement Plant in Service:										
FE18164697W	Meters	1010	370E							
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E							
FE18564697W	OH Conductors	1010	365E							
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H							
FE18604697W	Buried Transformers	1010	368B							
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B							
FE18634697W	Install on Cust. Premises-AG	1010	371A							
FE18654697W	Street Lighting	1010	373A							
				$ -	$ -	$ -	$ -	$ -	$ -	
Net Change to Plant in Service										
Cumulative	Meters	1010	370E	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017
Cumulative	Distribution Station Equipment	1010	362E	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885
Cumulative	Distribution Poles	1010	364E	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834
Cumulative	OH Conductors	1010	365E	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234
Cumulative	Underground Conductors	1010	367E	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864
Cumulative	Overhead Transformers	1010	368H	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012
Cumulative	Buried Transformers	1010	368B	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925
Cumulative	Overhead Services	1010	369H	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177
Cumulative	Underground Services	1010	369B	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807
Cumulative	Install on Cust. Premises-AG	1010	371A	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)
Cumulative	Street Lighting	1010	373A	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186
Cumulative Plant Balance				$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Exhibit Revised MDN-1
Docket No.: 20190156-EI
Page 8 of 13

Account Title	Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	13-Month Average
Monthly Depreciation:									
Meters	1080	370E	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	
Distribution Station Equipment	1080	362E	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	
Distribution Poles	1080	364E	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	
OH Conductors	1080	365E	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	
Underground Conductors	1080	367E	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	
Overhead Transformers	1080	368H	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	
Buried Transformers	1080	368B	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	
Overhead Services	1080	369H	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	
Underground Services	1080	369B	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	
Install on Cust. Premises-AG	1080	371A	$ 986	$ 986	$ 986	$ 986	$ 986	$ 986	
Street Lighting	1080	373A	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	
			$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	
Retirements:									
Meters	1080	370E							
Distribution Station Equipment	1080	362E							
Distribution Poles	1080	364E							
OH Conductors	1080	365E							
Underground Conductors	1080	367E							
Overhead Transformers	1080	368H							
Buried Transformers	1080	368B							
Overhead Services	1080	369H							
Underground Services	1080	369B							
Install on Cust. Premises-AG	1080	371A							
Street Lighting	1080	373A							
			$ -	$ -	$ -	$ -	$ -	$ -	
Total Cumulative Accumulated Depreciation									
Meters	1080	370E	$ 10,230	$ 8,044	$ 5,858	$ 3,672	$ 1,485	$ (701)	$ 12,416
Distribution Station Equipment	1080	362E	$ (166)	$ (190)	$ (214)	$ (238)	$ (261)	$ (285)	$ (143)
Distribution Poles	1080	364E	$ (117,771)	$ (142,741)	$ (167,710)	$ (192,679)	$ (217,648)	$ (242,618)	$ (92,802)
OH Conductors	1080	365E	$ 27,025	$ 14,606	$ 2,187	$ (10,233)	$ (22,652)	$ (35,071)	$ 39,444
Underground Conductors	1080	367E	$ (4,851)	$ (5,544)	$ (6,237)	$ (6,930)	$ (7,623)	$ (8,316)	$ (4,158)
Overhead Transformers	1080	368H	$ 93,216	$ 84,696	$ 76,176	$ 67,656	$ 59,136	$ 50,616	$ 101,736
Buried Transformers	1080	368B	$ (2,238)	$ (2,558)	$ (2,878)	$ (3,198)	$ (3,517)	$ (3,837)	$ (1,919)
Overhead Services	1080	369H	$ (45,377)	$ (53,372)	$ (61,368)	$ (69,363)	$ (77,359)	$ (85,354)	$ (37,381)
Underground Services	1080	369B	$ (290)	$ (331)	$ (373)	$ (414)	$ (456)	$ (497)	$ (249)
Install on Cust. Premises-AG	1080	371A	$ 211,953	$ 212,939	$ 213,925	$ 214,912	$ 215,898	$ 216,884	$ 210,966
Street Lighting	1080	373A	$ (5,210)	$ (7,085)	$ (8,960)	$ (10,835)	$ (12,710)	$ (14,585)	$ (3,335)
Cumulative Accumulated Depreciation Balance			$ 166,520	$ 108,463	$ 50,406	$ (7,650)	$ (65,707)	$ (123,764)	$ 224,576
Cumulative Net Increase In Rate Base			$ 18,740,431	$ 18,682,374	$ 18,624,318	$ 18,566,261	$ 18,508,204	$ 18,450,148	$ 18,798,487

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Account Title		Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	Total Expenses
Depreciation Expense		Rate								
370E	Meters	3.7%		$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 26,234
362E	Distribution Station Equipment	2.4%		$ 24	$ 24	$ 24	$ 24	$ 24	$ 24	$ 285
364E	Distribution Poles	3.9%		$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 299,631
365E	OH Conductors	3.4%		$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 149,030
367E	Underground Conductors	3.2%		$ 693	$ 693	$ 693	$ 693	$ 693	$ 693	$ 8,316
368H	Overhead Transformers	4.0%		$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 102,240
368B	Buried Transformers	4.0%		$ 320	$ 320	$ 320	$ 320	$ 320	$ 320	$ 3,837
369H	Overhead Services	3.6%		$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 95,946
369B	Underground Services	3.6%		$ 41	$ 41	$ 41	$ 41	$ 41	$ 41	$ 497
371A	Install on Cust. Premises-AG	4.5%		$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (11,836)
373A	Street Lighting	4.9%		$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 22,500
Total Depreciation				$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 696,680
Property Taxes		408		$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 371,478
Reduced O & M due to new equipment		500's		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Tax on Lost Customer Revenue		408		$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 241
Total Expense				$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 1,068,399
Revenues-Lost Customers 2020				$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (335,172)

Revised Schedule C-1 (2020)

ADJUSTED JURISDICTIONAL NET OPERATING INCOME
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

Docket No.: 20190156-EI

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
0

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	(335,172)		(335,172)	100%	(335,172)		(335,172)
3	Other Operating Revenues	-		-	100%	-		-
4	Total Operating Revenues	(335,172)		(335,172)	100%	(335,172)		(335,172)
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel	-		-	100%	-		-
9	Purchased Power	-		-	100%	-		-
10	Other	-		-	100%	-		-
11	Depreciation	696,680		696,680	100%	696,680		696,680
12	Amortization	5,256,669		5,256,669	100%	5,256,669		5,256,669
13	Decommissioning Expense	-		-	100%	-		-
14	Taxes Other Than Income Taxes	371,720		371,720	100%	371,720		371,720
15	Income Taxes	(1,937,510)		(1,937,510)	100%	(1,937,510)		(1,937,510)
16	Deferred Income Taxes-Net	-		-	100%	-		-
17	Investment Tax Credit-Net	-		-	100%	-		-
18	(Gain)/Loss on Disposal of Plant	-		-	100%	-		-
19	Total Operating Expenses	4,387,558		4,387,558	100%	4,387,558	-	4,387,558
20								
21	Net Operating Income	(4,722,730)		(4,722,730)	100%	(4,722,730)	-	(4,722,730)
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		Jurisdictional Amount Schedule C1 Col. 5	Adjustments (1) Amortization of Regulatory Assets	(2) Interest Synchronization				Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:								
2	Sales of Electricity	(335,172)						-	(335,172)
3	Other Operating Revenues		-						-
4	Total Operating Revenues	(335,172)	-	-	-	-	-	-	(335,172)
5									
6	Operating Expenses:								
7	Operation & Maintenance:								
8	Fuel (nonrecoverable)	-						-	-
9	Purchased Power	-						-	-
10	Other							-	-
11	Depreciation	696,680						-	696,680
12	Amortization		5,256,669					5,256,669	5,256,669
13	Decommissioning Expense	-						-	-
14	Taxes Other Than Income Taxes	371,720						-	371,720
15	Income Taxes	(344,184)	(1,289,040)	(304,286)				(1,593,327)	(1,937,510)
16	Deferred Income Taxes-Net							-	-
17	Investment Tax Credit-Net	-						-	-
18	(Gain)/Loss on Disposal of Plant	-						-	-
19									
20	Total Operating Expenses	724,215	3,967,629	(304,286)	-	-	-	3,663,342	4,387,558
21									
22	Net Operating Income	(1,059,387)	(3,967,629)	304,286	-	-	- -	(3,663,342)	(4,722,730)
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34									

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

EXPLANATION: Provide the company's 13-month average cost of capital for the test year.

Type of Data Shown:

Projected Test Year Ended December 31, 2020

13-Month Average Projected 2020

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Forecast 2020 Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Limited Proceeding Rate Base	(L) Limited Proceeding Interest Expense (K * I)
					Regulatory Capital Structure								
1	Long Term Debt	430,784,730			430,784,730	100%	9.23%	37,766,102	27.67%	3.82%	1.06%	18,606,226	710,758
2	Long Term Debt - FPU only	7,158,491			7,158,491	100%	37.03%	2,650,789	1.94%	11.23%	0.22%	1,305,964	146,660
3	Short Term Debt	211,208,468			211,208,468	100%	9.23%	19,492,001	14.28%	3.60%	0.51%	9,603,124	345,712
4	Preferred Stock	0			0	100%	9.23%	0	0.00%	0.00%	0.00%	-	0
5	Common Equity	633,730,076	4,167,538		637,897,614	100%	9.23%	58,870,273	43.13%	10.25%	4.42%	29,003,618	
6	Customer Deposits	3,273,700			3,273,700	100%		3,273,700	2.40%	2.34%	0.06%	1,612,854	37,741
7	Deferred Income Taxes	14,669,265			14,669,265	100%		14,444,408	10.58%	0.00%	0.00%	7,116,327	0
8	ITC-Zero Cost	0			0	100%		0	0.00%	0.00%	0.00%	-	0
9	ITC- Weighted Cost	0			0	100%		0	0.00%	5.34%	0.00%	-	0
10													
11	TOTAL	1,300,824,730	4,167,538		1,304,992,268			136,497,273	100.00%		6.27%	67,248,113	1,240,871
12													
13													

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
14					
15					
16					
17	**Conventional Capital Structure 2020**				
18	Long Term Debt	430,784,730	0.3347	3.78%	1.27%
19	Long Term Debt-FPU only	7,158,491	0.0056	11.52%	0.06%
20	Short Term Debt	211,208,468	0.1641	3.60%	0.59%
21	Preferred Stock	0	0.0000	0.00%	0.00%
22	Common Equity	637,897,614	0.4956	10.25%	5.08%
23	TOTAL	1,287,049,303	1.0000		7.00%

Pro-Rata Factors:

Rate Base Projected 2020	136,722,127
Direct Components	17,942,965
	118,779,162
Pro-Rata Factor	9.23%
Non Electric FPUC Average Rate Base	201,969,209
Electric FPUC Average Rate Base	118,779,162
Net	320,748,371
ProRata FPUC Factor	37.03%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

EXPLANATION:

1.) List and describe the basis for the specific adjustments appearing on Schedule D-1a.

2.) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

Type of Data Shown:

Projected Test Year Ended December 31, 2020

Line No.	Class of Capital	Description	
1		Specific Adjustments	
2			
3	Equity	Other Comprehensive Income Loss which is related to the	$ 4,167,538
4		valuation of the employees pension plans was removed from	
5		equity. It was included in test year equity as a debit. This	
6		adjustment removes the debit.	
7			
8		Pro Rata Adjustments	
9			
10	Equity	The determination of the cost of capital for purposes of setting	
11		retail rates in the immediate docket incorporates pro-rata adjustments	
12		based on reducing the parent capital structure to the division's rate	
13		base.	
14			
15			

Supporting Schedules:

Florida Public Utilities Company
Limited Proceeding Electric
Distribution of Revenue Requirement

Revised MDN-2 page 1 of 1
Docket No.: 20190156-EI

LINE NO.	RATE SCHEDULE	(1) 2020 BUDGET KWH SALES	2020 BUDGET	(3) PERCENT OF TOTAL	(4) BASE RATE INCREASE AT UNIFORM PERCENT	(5) TOTAL CLASS REVENUE WITH INCREASE
1	RESIDENTIAL	274,540,960	$ 10,833,290	54.07%	$ 6,426,029	$ 17,259,319
2	COMMERCIAL SMALL	53,476,045	$ 2,371,073	11.83%	$ 1,405,954	$ 3,777,027
3	COMMERCIAL	164,607,934	$ 3,518,358	17.56%	$ 2,086,944	$ 5,605,302
4	COMMERCIAL LARGE	83,743,267	$ 1,165,867	5.82%	$ 691,687	$ 1,857,554
5	INDUSTRIAL	14,860,000	$ 466,099	2.33%	$ 276,912	$ 743,011
6	OUTDOOR LIGHTS	7,497,990	$ 1,680,896	8.39%	$ 997,122	$ 2,678,018
		598,726,196	$ 20,035,583	100.00%	$ 11,884,648	$ 31,920,231
	Percent Increase				59.32%	

Florida Public Utilities Company
Limited Proceeding Electric
Present and Proposed Rates

Customer Facility Charge:

		Current Rates	Proposed Rates
Residential (RS)		$14.69	$23.41
General Service (GS)		$24.14	$38.46
General Service Demand (GSD)		$71.38	$113.72
General Service Large Demand (GSLD)		$136.45	$217.39
General Service Large Demand (GSLD1)		$844.94	$1,346.14
Standby (SB)	<500 kw	$104.96	$167.22
Standby (SB)	≥500 kw	$844.94	$1,346.14

Base Energy Charge:

		Current Rates	Proposed Rates
Residential (RS)	≤1,000 -	$0.02057	$0.03278
	>1,000 -	$0.03369	$0.05368
General Service (GS)		$0.02516	$0.04008
General Service Demand (GSD)		$0.00474	$0.00756
General Service Large Demand (GSLD)		$0.00220	$0.00350
General Service Large Demand (GSLD1)		$0.00000	$0.00000
Standby (SB)	<500 kw	$0.00000	$0.00000
Standby (SB) ≥500 kw		$0.00000	$0.00000

Demand Charge:

			Current Rates	Proposed Rates
Residential (RS)			$0.00	$0.00
General Service (GS)			$0.00	$0.00
General Service Demand (GSD)			$3.89	$6.20
General Service Large Demand (GSLD)			$5.56	$8.86
General Service Large Demand (GSLD1)			$1.57	$2.51
General Service Large Demand (GSLD1)		kVAR	$0.38	$0.60
Standby (SB) <500 kw			$2.73	$4.35
Standby (SB)	≥500 kw		$0.68	$1.09
Standby (SB)		kVAR	$0.38	$0.60

	Current Rates	Proposed Rates
Initial Entitlement of Service		
Re-establish Service or Account Changes		
Customer Request Temp Disconnect/Reconn		
Reconnect After Disconnect (Normal Hrs)		
Reconnect After Disconnect (After Hours)		
Temporary Service		
Collection Charge		
Returned Check Charge	Per Statute	
Credit Card Fees	---------- $3.50 RS and 3.5% other classes ----------	
Late Fees	---------- Greater of 1.5% or $5.00 ----------	

Florida Public Utilities Company
Limited Proceeding Electric
Present and Proposed Rates - Lighting

Docket No.: 20190156-EI

Lighting:	Current Rates				Proposed Rates			
	Facility Charge	Energy Charge	Maint Charge	Total Charge	Facility Charge	Energy Charge	Maint Charge	Total Charge
1000w HPS Flood	$19.38	$18.46	$2.60	$40.44	$30.88	$29.41	$4.14	$64.43
1000w MH Flood	$17.87	$18.46	$2.53	$38.86	$28.47	$29.41	$4.03	$61.91
1000w MH Vert Shoebox	$22.06	$18.46	$2.88	$43.40	$35.15	$29.41	$4.59	$69.15
100w HPS Amer Rev	$8.38	$1.87	$2.85	$13.10	$13.35	$2.98	$4.54	$20.87
100w HPS Cobra Head	$6.29	$1.87	$1.83	$9.99	$10.02	$2.98	$2.92	$15.92
100w HPS SP2 Spectra	$21.51	$1.87	$2.69	$26.07	$34.27	$2.98	$4.29	$41.54
100w MH SP2 Spectra	$21.34	$1.87	$2.60	$25.81	$34.00	$2.98	$4.14	$41.12
150w HPS Acorn	$17.06	$2.77	$2.16	$21.99	$27.18	$4.41	$3.44	$35.03
150w HPS ALN 440	$24.33	$2.77	$2.88	$29.98	$38.76	$4.41	$4.59	$47.76
150w HPS Am Rev	$7.85	$2.77	$2.89	$13.51	$12.51	$4.41	$4.60	$21.52
175w MH ALN 440	$23.28	$3.26	$2.26	$28.80	$37.09	$5.19	$3.60	$45.88
175w MH Shoebox	$19.66	$3.26	$2.54	$25.46	$31.32	$5.19	$4.05	$40.56
200w HPS Cobra Head	$8.48	$3.69	$2.19	$14.36	$13.51	$5.88	$3.49	$22.88
250w HPS Cobra Head	$10.08	$4.59	$2.89	$17.56	$16.06	$7.31	$4.60	$27.97
250w HPS Flood	$9.86	$4.59	$2.10	$16.55	$15.71	$7.31	$3.35	$26.37
250w MH Shoebox	$20.93	$4.59	$2.84	$28.36	$33.35	$7.31	$4.52	$45.18
400w HPS Cobra Head	$9.41	$7.40	$2.40	$19.21	$14.99	$11.79	$3.82	$30.60
400w HPS Flood	$15.47	$7.40	$1.97	$24.84	$24.65	$11.79	$3.14	$39.58
400w MH Flood	$10.50	$7.40	$1.92	$19.82	$16.73	$11.79	$3.06	$31.58
10' Alum Deco Base	$16.09	0	0	$16.09	$25.63	$0.00	$0.00	$25.63
13' Decorative Concrete	$12.26	0	0	$12.26	$19.53	$0.00	$0.00	$19.53
18' Fiberglass Round	$8.65	0	0	$8.65	$13.78	$0.00	$0.00	$13.78
20' Decorative Concrete	$14.23	0	0	$14.23	$22.67	$0.00	$0.00	$22.67
30' Wood Pole Std	$4.64	0	0	$4.64	$7.39	$0.00	$0.00	$7.39
35' Concrete Square	$13.72	0	0	$13.72	$21.86	$0.00	$0.00	$21.86
40' Wood Pole Std	$9.29	0	0	$9.29	$14.80	$0.00	$0.00	$14.80
30' Wood pole	$4.18	0	0	$4.18	$6.66	$0.00	$0.00	$6.66
175w MV Cobra Head	$1.21	$3.20	$1.07	$5.48	$1.93	$5.10	$1.70	$8.73
400w MV Cobra Head	$1.33	$6.89	$1.15	$9.37	$2.12	$10.98	$1.83	$14.93

Florida Public Utilities Company Revised MDN-4 Page 1 of 1
Storm Cost Recovery for Incremental Expenses Docket No.: 20190156-EI

Line No.	Description	Reference	Total	Storm Reserve Balance	
1	**Pre-Storm Reserve Balance**			N/A	[a]
2	**Estimated Storm Related Restoration Costs**				
3	Regular Payroll		$ 609,196		
4	Overtime Payroll		$ 490,433		
5	Payroll Overhead Allocations		$ 371,902		
6	Department Cost Allocation on Capital		$ 46,027		
7	Employee Expenses		$ 77,555		
8	Contractor Costs		$ 57,147,169		
9	Logistics		$ 1,754,780		
10	Fuel		$ 1,475,235		
11	Equipment Rental		$ 232,334		
12	Materials		$ 4,813,193		
13	Call Center Costs		$ 26,516		
14	Uncollectible Account Expense		$ 120,321		
15	Other		$ 165,297		
16	**Subtotal-Storm Related Restoration Costs**	Lines 3:15	$ 67,329,959		
17	**Less: Estimated Non-Incremental Costs**				
18	Regular Payroll		$ (113,316)		[b]
19	Overtime Payroll		$ (11,827)		
20	Payroll Overhead Allocations		$ (60,039)		
21	**Subtotal-Estimated Non-Incremental Costs**	Lines 17:20	$ (185,182)		
22	Less: Capitalizable Costs		$ (27,398,298)		
23	**Total Recoverable Restoration Costs - System**	lines (16+21+22)	$ 39,746,479		
24	Jurisdictional Factor		100%		
25	**Total Recoverable Restoration Costs-Retail**	lines (23x24)	$ 39,746,479	$ 39,746,479	
26	**Net Recoverable Retail Restoration Costs**	line 25 -line 1		$ 39,746,479	
27	Bond Issuance Costs				
28	**Beginning Balance for Recovery**	line 26-line 27		$ 39,746,479	
29	Plus: Interest on Unamortized Reserve Deficiency Balance thru 12/19			$ 1,591,279	
30	Plus: Amount to Replenish Reserve				
31	**Retail Storm Recovery Amount before Regulatory Assessment Fee**	lines 28:30		$ 41,337,758	

[a] Docket 20180061-EI addressed recovery of the recovery of a $1.5M reserve balance. No additional reserve is requested here.

[b] Non-incremental storm costs were never recorded in Storm Work Orders. Estimated costs from 10-10-18 to 12-2-18 for the NW division are included in restoration costs and removed in non-incremental costs. Additional non-incremental costs were incurred in other months but could not be estimated since we do not recorded non-incremental as storm.

13-Month Average Calculation:

December	$ 41,337,758
January	$ 40,993,277
February	$ 40,648,795
March	$ 40,304,314
April	$ 39,959,833
May	$ 39,615,351
June	$ 39,270,870
July	$ 38,926,389
August	$ 38,581,907
September	$ 38,237,426
October	$ 37,892,945
November	$ 37,548,463
December	$ 37,203,982
13-Month Average	$ 39,270,870

Florida Public Utilities Company
Limited Proceeding Electric
Regulatory Asset for Lost Customers

Docket No.: 20190156-EI

	Customer Charge	kWh Usage Yearly <=1000 kWh	kWh Usage Yearly >=1000 kWh	KW Usage Yearly	
Residential	14.69	8,730	7,991		
Commercial Small	24.14	16,589			
Commercial	71.38	269,095		891	
Total Year End Amount December 2019					$ 504,448
Amortization Over 5 Years					$ 100,890

Calculation of Interest on Lost Revenue Not Recovered:		November	December	January	February	March	April	May	June	July	August	September	October	November	December
Lost Customer Estimate by Month		2018	2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
Residential		552	552	552	541	516	488	468	457	438	427	405	396	388	380
Commercial Small		198	198	198	194	192	183	182	180	175	174	167	165	163	161
Commercial		12	12	12	12	10	9	9	9	9	7	5	5	5	5
		762	762	762	747	718	680	659	646	622	608	577	566	556	546
Lost Revenue (based on customer charge and average usage above and uncollected storm surcharge)		$ 39,067	$ 39,067	$ 39,067	$ 38,397	$ 36,360	$ 35,710	$ 34,828	$ 34,254	$ 33,168	$ 31,655	$ 29,324	$ 28,833	$ 28,382	$ 44,451
Cumulative Lost Revenue		$ 39,067	$ 78,134	$ 117,202	$ 155,599	$ 191,958	$ 227,668	$ 262,496	$ 296,749	$ 329,918	$ 361,573	$ 390,898	$ 419,731	$ 448,113	$ 492,563
Average Beginning and Ending Balance		$ 19,534	$ 58,601	$ 97,668	$ 136,400	$ 173,778	$ 209,813	$ 245,082	$ 279,623	$ 313,334	$ 345,746	$ 376,236	$ 405,314	$ 433,922	$ 470,338
Interest Per Month	4%	$ 65	$ 195	$ 326	$ 455	$ 579	$ 699	$ 817	$ 932	$ 1,044	$ 1,152	$ 1,254	$ 1,351	$ 1,446	$ 1,568
Cumulative Interest		$ 65	$ 260	$ 586	$ 1,041	$ 1,620	$ 2,319	$ 3,136	$ 4,068	$ 5,113	$ 6,265	$ 7,519	$ 8,870	$ 10,317	$ 11,885

Note: The Company has permantly lost customers as a result of the storm. The loss is reflected in net operating income for future time periods. However, the loss prior to implementation of this limited proceeding will never be recovered unless a regulatory asset is approved and the amortization of this asset allowed in rates in this limited proceeding. The Company is requesting a five year amortization.

	December 19	January 20	February 20	March 20	April 20	May 20	June 20	July 20	August 20	September 20	October 20	November 20	December 20	13-Month Avg.
13-Month Average Calculation:	$ 504,448	$ 496,041	$ 487,633	$ 479,226	$ 470,818	$ 462,411	$ 454,003	$ 445,596	$ 437,188	$ 428,781	$ 420,373	$ 411,966	$ 403,558	$ 454,003

Florida Public Utilities Company
Limited Proceeding Electric
Regulatory Asset for Expenses Not Recovered in Base Rates

Expenses Related to October Revenue Lost	$ 910,985
Expenses Related to November Lighting Revenue	$ 54,477
Total Costs Not Recovered	$ 965,462
Costs Limited to Revenue Not Received	$ 940,398
Interest on Unfunded Balance	$ 43,885
Total Costs Unrecovered	$ 984,283
Amortization Over 5 Years	$ 196,857

The Company had a substantial loss due to not being able to recover our normal, recurring operation and maintenance costs incurred due to lower usage and one month customer charges not being recovered for residential and commercial customers and two months for lighting customers. The only way to recover these costs is thru establishment of a regulatory asset. The Company is requesting approval of this amount and amortization over five years.

Summary of Revenues Not Received During Storm Restoration:

Revenue Type	*Oct-17 Volume KWh*	*Oct-16 Volume KWh*	*Average Volume KWh*	*Oct-17 Volume KW*	*Oct-16 Volume KW*	*Average Volume KW*	*Customers Sep-18*	*2018 Customer Rate*	*2018 Energy Charge KWH*	*2018 Energy Charge KW*	*Revenue Based on 2018 Rates*
Residential							*10,231*	$ *15.12*			$ *154,693*
<=1000 KWh-RS	*7,383,035*	*7,413,708*	*7,398,372*						$ *0.02117*		$ *156,624*
>=1000 KWh-RS	*2,672,262*	*2,667,376*	*2,669,819*						$ *0.03467*		$ *92,563*
Commercial Small	*2,542,044*	*3,247,169*	*2,894,607*				*2,100*	$ *24.84*	$ *0.02589*		$ *127,105*
Commercial	*7,547,000*	*6,980,590*	*7,263,795*	*28,452*	*21,737*	*25,094*	*423*	$ *73.45*	$ *0.00488*	$ *4.00*	$ *166,894*
Commercial Large	*5,324,736*	*4,640,084*	*4,982,410*	*11,488*	*8,579*	*10,033*	*15*	$ *140.41*	$ *0.00226*	$ *5.72*	$ *70,758*
Industrial	-	-	-				-				
Outdoor Lights	*445,378*	*442,995*	*444,187*				*2,586*	$ *33.21*	*Avg./Customer*		$ *85,881*
	25,914,455	*25,391,922*	*25,653,189*	*39,940*	*30,315*	*35,128*	*15,355*				*854,517*
November Lighting											$ *85,881*
											$ *940,398*

Interest Expense on Unrecovered Costs:

		October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019
Expenses Not Recovered		$ 940,398														
Cumulative		$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398
Average Beginning and Ending Balance			$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398
Interest Per Month	4%		$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135
Cumulative Interest			$ 3,135	$ 6,269	$ 9,404	$ 12,539	$ 15,673	$ 18,808	$ 21,943	$ 25,077	$ 28,212	$ 31,347	$ 34,481	$ 37,616	$ 40,751	$ 43,885

	December 19	January 20	February 20	March 20	April 20	May 20	June 20	July 20	August 20	September 20	October 20	November 20	December 20	13-Month Avg.
13-Month Average Calculation:	$ 984,283	$ 967,878	$ 951,473	$ 935,069	$ 918,664	$ 902,259	$ 885,855	$ 869,450	$ 853,045	$ 836,640	$ 820,236	$ 803,831	$ 787,426	$ 885,855

Florida Public Utilities Company **Revised MDN-7 Page 1 of 1**

Regulatory Asset for the Negative Component of the Accumulated Depreciation Reserve

Limited Proceeding Electric **Docket No.: 20190156-EI**

	Account Title	Act. #	Act. #	Cost of Removal	Salvage	Undepreciated Retirement	Total Regulatory Asset Requested
Cost of Removal:							
FE18164697R	Meters	1080	370E	$ 148,142		$ 17,657	$ 165,799
FE18504697R	Distribution Station Equipment	1080	362E	$ 83		$ -	$ 83
FE18554697R	Distribution Poles	1080	364E	$ 5,202,220		$ 311,525	$ 5,513,744
FE18564697R	OH Conductors	1080	365E	$ 1,796,949	$ (25,992)	$ 159,390	$ 1,930,347
FE18584697R	Underground Conductors	1080	367E	$ 41,273		$ -	$ 41,273
FE18594697R	Transformers	1080	368H	$ 6,710	$ (29,267)	$ 81,494	$ 58,938
FE18604697R	Buried Transformers	1080	368B	$ 318		$ 4,189	$ 4,507
FE18614697R	Overhead Services	1080	369H	$ 247,574		$ (10,592)	$ 236,982
FE18624697R	Underground Services	1080	369B			$ 19,674	$ 19,674
FE18634697R	Install on Cust. Premises-AG	1080	371A	$ 5,816		$ 265,786	$ 271,602
FE18654697R	Street Lighting	1080	373A	$ 1,144		$ 7,377	$ 8,521
				$ 7,450,230	$ (55,259)	$ 856,500	$ 8,251,471

13-Month Average Computation:	Regulatory Asset	Accumulated Amortization	Net Regulatory Asset	Amortization Expense at 10 Years
Dec-19	$ 8,251,471		$ 8,251,471	
Jan-20	$ 8,251,471	$ (68,762)	$ 8,182,709	$ 68,762
Feb-20	$ 8,251,471	$ (137,525)	$ 8,113,947	$ 68,762
Mar-20	$ 8,251,471	$ (206,287)	$ 8,045,184	$ 68,762
Apr-20	$ 8,251,471	$ (275,049)	$ 7,976,422	$ 68,762
May-20	$ 8,251,471	$ (343,811)	$ 7,907,660	$ 68,762
Jun-20	$ 8,251,471	$ (412,574)	$ 7,838,898	$ 68,762
Jul-20	$ 8,251,471	$ (481,336)	$ 7,770,135	$ 68,762
Aug-20	$ 8,251,471	$ (550,098)	$ 7,701,373	$ 68,762
Sep-20	$ 8,251,471	$ (618,860)	$ 7,632,611	$ 68,762
Oct-20	$ 8,251,471	$ (687,623)	$ 7,563,849	$ 68,762
Nov-20	$ 8,251,471	$ (756,385)	$ 7,495,086	$ 68,762
Dec-20	$ 8,251,471	$ (825,147)	$ 7,426,324	$ 68,762
Total	$ 107,269,125	$ (5,363,456)	$ 101,905,669	$ 825,147
13-Month Average	$ 8,251,471	$ (412,574)	$ 7,838,898	

Florida Public Utilities Company MDN-8 Page 1 of 1
Dorian Incremental Expenses Included in MDN-4 Docket No.: 20190156-EI

Line No.	Description	Reference	Total	Storm Reserve Balance	
1	**Pre-Storm Reserve Balance**			N/A	[a]
2	**Estimated Storm Related Restoration Costs**				
3	Regular Payroll		$ 10,218		
4	Overtime Payroll		$ 4,564		
5	Payroll Overhead Allocations		$ 1,916		
6	Department Cost Allocation on Capital				
7	Employee Expenses		$ 9,576		
8	Contractor Costs		$ 769,040		
9	Logistics		$ 298,229		
10	Fuel		$ 33,345		
11	Equipment Rental				
12	Materials		$ 13,004		
13	Call Center Costs				
14	Uncollectible Account Expense				
15	Other		$ 35,755		
16	**Subtotal-Storm Related Restoration Costs**	Lines 3:15	$ 1,175,646		
17	**Less: Estimated Non-Incremental Costs**				
18	Regular Payroll				[b]
19	Overtime Payroll				
20	Payroll Overhead Allocations				
21	**Subtotal-Estimated Non-Incremental Costs**	Lines 17:20	$ -		
22	Less: Capitalizable Costs				
23	**Total Recoverable Restoration Costs - System**	lines (16+21+22)	$ 1,175,646		
24	Jurisdictional Factor		100%		
25	**Total Recoverable Restoration Costs-Retail**	lines (23x24)	$ 1,175,646	$ 1,175,646	
26	**Net Recoverable Retail Restoration Costs**	line 25 -line 1		$ 1,175,646	
27	Bond Issuance Costs				
28	**Beginning Balance for Recovery**	line 26-line 27		$ 1,175,646	
29	Plus: Interest on Unamortized Reserve Deficiency Balance thru 12/19			$ 17,081	
30	Plus: Amount to Replenish Reserve				
31	**Retail Storm Recovery Amount before Regulatory Assessment Fee**	lines 28:30		$ 1,192,727	

Florida Public Utilities Company
Limited Proceeding Electric
Estimated First Year Revenue Requirements

Docket No. **20190156-EI**
Exhibit **MDN-9**
Schedule **A-1**

	Revenue Requirement Calculation		**Projected 2020**
3	Jurisdictional Adjusted Rate Base	$	27,977,243
4	Rate of Return on Rate Base		6.2700%
5	Required Jurisdictional Net Operating Income (Line 2 x 3)	$	1,754,173
6	Required Net Operating Income (Line 4)	$	1,754,173
7	Jurisdictional Adjusted Net Operating Income (Loss)	$	(1,780,333)
8	Net Operating Income Deficiency (Excess) (Line 5-6)	$	3,534,506
9	Net Operating Income Multiplier		1.3295
10	Revenue Requirement (Line 7 x 8)	$	4,699,125

Schedule B-1

ADJUSTED RATE BASE
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

Docket No.: 20190156-EI

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company

EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		(1) Plant in Service	(2) Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP - No AFUDC	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1	System Per Books (B-3)	18,573,911	224,576	18,798,487	-	0	0	18,798,487			18,798,487
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Jurisdictional Per Books	18,573,911	224,576	18,798,487	-	-	-	18,798,487	-	-	18,798,487
4	Adjustments:										
5								-	-		-
6	Regulatory Asset Lost Customers								454,003		454,003
7	Regulatory Asset Exp. Not Recovered								885,855		885,855
8	Regulatory Asset for Unrecovered A/D								7,838,898		7,838,898
9											-
10											-
11											-
12											-
13											-
14											
15											
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27											
28	Total Adjustments	-	-	-	-	-	-	-	9,178,756	-	9,178,756
29											
30	Adjusted Jurisdictional	18,573,911	224,576	18,798,487	-	-	-	18,798,487	9,178,756	-	27,977,243

RATE BASE ADJUSTMENTS
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
0

EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year,the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	(1) Adjustment Amount	(2) Jurisdictional Factor	(3) Jurisdictional Amount of Adjustment (1) x (2)
1	PLANT				
2	Commission Adjustment:				
3	NONE IN STORM PROJECTS ON MFR B-1				
4					
5	Company Adjustment:				
6	NONE IN STORM PROJECTS ON MFR B-1				
7					
8	ACCUMULATED DEPRECIATION				
9	Commission Adjustment:				
10	NONE IN STORM PROJECTS ON MFR B-1				
11					
12	Company Adjustment:				
13	NONE IN STORM PROJECTS ON MFR B-1				
14					
15	WORKING CAPITAL				
16	Commission Adjustment:				
17	NONE IN STORM PROJECTS ON MFR B-1				
18					
19	Company Adjustment:				
20					
21	Regulatory Asset for Lost Customers (MDN-5)		$ 454,003	100%	$ 454,003
22	Regulatory Asset for Expenses Not Recovered During Restoration (MDN-6)		$ 885,855	100%	$ 885,855
23	Regulatory Asset for Unrecovered Accumulated Depreciation Cost of Removal Net of Salvage (MDN-7)		$ 7,838,898	100%	$ 7,838,898
24	Total		$ 9,178,756	100%	$ 9,178,756

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

	Account Title	Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Plant In Service-Hurricane Michael Related										
FE18164697W	Meters	1010	370E	$ 752,207						
FE18504697W	Distribution Station Equipment	1010	362E	$ 11,885						
FE18554697W	Distribution Poles	1010	364E	$ 8,051,371						
FE18564697W	OH Conductors	1010	365E	$ 4,656,583						
FE18584697W	Underground Conductors	1010	367E	$ 259,864						
FE18594697W	Overhead Transformers	1010	368H	$ 2,790,363						
FE18604697W	Buried Transformers	1010	368B	$ 100,115						
FE18614697W	Overhead Services	1010	369H	$ 2,665,177						
FE18624697W	Underground Services	1010	369B	$ 33,481						
FE18634697W	Install on Cust. Premises-AG	1010	371A	$ 207,803						
FE18654697W	Street Lighting	1010	373A	$ 474,478						
				$ 20,003,327						
Retirement Plant in Service:										
FE18164697W	Meters	1010	370E	$ (43,190)						
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E	$ (368,538)						
FE18564697W	OH Conductors	1010	365E	$ (273,349)						
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H	$ (234,350)						
FE18604697W	Buried Transformers	1010	368B	$ (4,189)						
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B	$ (19,674)						
FE18634697W	Install on Cust. Premises-AG	1010	371A	$ (470,834)						
FE18654697W	Street Lighting	1010	373A	$ (15,292)						
				$ (1,429,416)	$ -	$ -	$ -	$ -	$ -	$ -
Net Change to Plant in Service										
Cumulative	Meters	1010	370E	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017
Cumulative	Distribution Station Equipment	1010	362E	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885
Cumulative	Distribution Poles	1010	364E	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834
Cumulative	OH Conductors	1010	365E	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234
Cumulative	Underground Conductors	1010	367E	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864
Cumulative	Overhead Transformers	1010	368H	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012
Cumulative	Buried Transformers	1010	368B	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925
Cumulative	Overhead Services	1010	369H	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177
Cumulative	Underground Services	1010	369B	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807
Cumulative	Install on Cust. Premises-AG	1010	371A	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)
Cumulative	Street Lighting	1010	373A	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186
Cumulative Plant Balance				$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Account Title	Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Monthly Depreciation:									
Meters	1080	370E	$ -	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)
Distribution Station Equipment	1080	362E	$ -	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)
Distribution Poles	1080	364E	$ -	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)
OH Conductors	1080	365E	$ -	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)
Underground Conductors	1080	367E	$ -	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)
Overhead Transformers	1080	368H	$ -	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)
Buried Transformers	1080	368B	$ -	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)
Overhead Services	1080	369H	$ -	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)
Underground Services	1080	369B	$ -	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)
Install on Cust. Premises-AG	1080	371A	$ -	$ 986	$ 986	$ 986	$ 986	$ 986	$ 986
Street Lighting	1080	373A	$ -	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)
			$ -	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)
Actual A/D up to Storm for Retirements:									
Meters	1080	370E	$ 25,533						
Distribution Station Equipment	1080	362E							
Distribution Poles	1080	364E	$ 57,013						
OH Conductors	1080	365E	$ 113,959						
Underground Conductors	1080	367E							
Overhead Transformers	1080	368H	$ 152,856						
Buried Transformers	1080	368B							
Overhead Services	1080	369H	$ 10,592						
Underground Services	1080	369B							
Install on Cust. Premises-AG	1080	371A	$ 205,048						
Street Lighting	1080	373A	$ 7,915						
			$ 572,916	$ -	$ -	$ -	$ -	$ -	$ -
Total Cumulative Accumulated Depreciation									
Meters	1080	370E	$ 25,533	$ 23,347	$ 21,161	$ 18,975	$ 16,788	$ 14,602	$ 12,416
Distribution Station Equipment	1080	362E	$ -	$ (24)	$ (48)	$ (71)	$ (95)	$ (119)	$ (143)
Distribution Poles	1080	364E	$ 57,013	$ 32,044	$ 7,075	$ (17,895)	$ (42,864)	$ (67,833)	$ (92,802)
OH Conductors	1080	365E	$ 113,959	$ 101,540	$ 89,121	$ 76,702	$ 64,282	$ 51,863	$ 39,444
Underground Conductors	1080	367E	$ -	$ (693)	$ (1,386)	$ (2,079)	$ (2,772)	$ (3,465)	$ (4,158)
Overhead Transformers	1080	368H	$ 152,856	$ 144,336	$ 135,816	$ 127,296	$ 118,776	$ 110,256	$ 101,736
Buried Transformers	1080	368B	$ -	$ (320)	$ (640)	$ (959)	$ (1,279)	$ (1,599)	$ (1,919)
Overhead Services	1080	369H	$ 10,592	$ 2,596	$ (5,399)	$ (13,395)	$ (21,390)	$ (29,386)	$ (37,381)
Underground Services	1080	369B	$ -	$ (41)	$ (83)	$ (124)	$ (166)	$ (207)	$ (249)
Install on Cust. Premises-AG	1080	371A	$ 205,048	$ 206,034	$ 207,021	$ 208,007	$ 208,993	$ 209,980	$ 210,966
Street Lighting	1080	373A	$ 7,915	$ 6,040	$ 4,165	$ 2,290	$ 415	$ (1,460)	$ (3,335)
Cumulative Accumulated Depreciation Balance			$ 572,916	$ 514,859	$ 456,803	$ 398,746	$ 340,689	$ 282,633	$ 224,576
Cumulative Net Increase In Rate Base			$ 19,146,827	$ 19,088,771	$ 19,030,714	$ 18,972,657	$ 18,914,601	$ 18,856,544	$ 18,798,487

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Account Title		Act. #	Act. #	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Depreciation Expense		Rate								
370E	Meters	3.7%			$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186
362E	Distribution Station Equipment	2.4%			$ 24	$ 24	$ 24	$ 24	$ 24	$ 24
364E	Distribution Poles	3.9%			$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969
365E	OH Conductors	3.4%			$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419
367E	Underground Conductors	3.2%			$ 693	$ 693	$ 693	$ 693	$ 693	$ 693
368H	Overhead Transformers	4.0%			$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520
368B	Buried Transformers	4.0%			$ 320	$ 320	$ 320	$ 320	$ 320	$ 320
369H	Overhead Services	3.6%			$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996
369B	Underground Services	3.6%			$ 41	$ 41	$ 41	$ 41	$ 41	$ 41
371A	Install on Cust. Premises-AG	4.5%			$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (986)
373A	Street Lighting	4.9%			$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875
Total Depreciation					$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057
Property Taxes		408			$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957
Reduced O & M due to new equipment		500's			$ -	$ -	$ -	$ -	$ -	$ -
Revenue Tax on Lost Customer Revenue		408			$ 20	$ 20	$ 20	$ 20	$ 20	$ 20
Total Expense					$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033
Revenues-Lost Customers 2020					$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

	Account Title	Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	13-Month Average
Plant In Service-Hurricane Michael Related										
FE18164697W	Meters	1010	370E							
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E							
FE18564697W	OH Conductors	1010	365E							
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H							
FE18604697W	Buried Transformers	1010	368B							
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B							
FE18634697W	Install on Cust. Premises-AG	1010	371A							
FE18654697W	Street Lighting	1010	373A							
Retirement Plant in Service:										
FE18164697W	Meters	1010	370E							
FE18504697W	Distribution Station Equipment	1010	362E							
FE18554697W	Distribution Poles	1010	364E							
FE18564697W	OH Conductors	1010	365E							
FE18584697W	Underground Conductors	1010	367E							
FE18594697W	Overhead Transformers	1010	368H							
FE18604697W	Buried Transformers	1010	368B							
FE18614697W	Overhead Services	1010	369H							
FE18624697W	Underground Services	1010	369B							
FE18634697W	Install on Cust. Premises-AG	1010	371A							
FE18654697W	Street Lighting	1010	373A							
				$ -	$ -	$ -	$ -	$ -	$ -	
Net Change to Plant in Service										
Cumulative	Meters	1010	370E	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017	$ 709,017
Cumulative	Distribution Station Equipment	1010	362E	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885	$ 11,885
Cumulative	Distribution Poles	1010	364E	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834	$ 7,682,834
Cumulative	OH Conductors	1010	365E	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234	$ 4,383,234
Cumulative	Underground Conductors	1010	367E	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864	$ 259,864
Cumulative	Overhead Transformers	1010	368H	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012	$ 2,556,012
Cumulative	Buried Transformers	1010	368B	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925	$ 95,925
Cumulative	Overhead Services	1010	369H	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177	$ 2,665,177
Cumulative	Underground Services	1010	369B	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807	$ 13,807
Cumulative	Install on Cust. Premises-AG	1010	371A	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)	$ (263,031)
Cumulative	Street Lighting	1010	373A	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186	$ 459,186
Cumulative Plant Balance				$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911	$ 18,573,911

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Exhibit MDN-9
Docket No.: 20190156-EI
Page 8 of 20

Account Title	Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	13-Month Average
Monthly Depreciation:									
Meters	1080	370E	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	$ (2,186)	
Distribution Station Equipment	1080	362E	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	$ (24)	
Distribution Poles	1080	364E	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	$ (24,969)	
OH Conductors	1080	365E	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	$ (12,419)	
Underground Conductors	1080	367E	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	$ (693)	
Overhead Transformers	1080	368H	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	$ (8,520)	
Buried Transformers	1080	368B	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	$ (320)	
Overhead Services	1080	369H	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	$ (7,996)	
Underground Services	1080	369B	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	$ (41)	
Install on Cust. Premises-AG	1080	371A	$ 986	$ 986	$ 986	$ 986	$ 986	$ 986	
Street Lighting	1080	373A	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	$ (1,875)	
			$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	$ (58,057)	
Retirements:									
Meters	1080	370E							
Distribution Station Equipment	1080	362E							
Distribution Poles	1080	364E							
OH Conductors	1080	365E							
Underground Conductors	1080	367E							
Overhead Transformers	1080	368H							
Buried Transformers	1080	368B							
Overhead Services	1080	369H							
Underground Services	1080	369B							
Install on Cust. Premises-AG	1080	371A							
Street Lighting	1080	373A							
			$ -	$ -	$ -	$ -	$ -	$ -	
Total Cumulative Accumulated Depreciation									
Meters	1080	370E	$ 10,230	$ 8,044	$ 5,858	$ 3,672	$ 1,485	$ (701)	$ 12,416
Distribution Station Equipment	1080	362E	$ (166)	$ (190)	$ (214)	$ (238)	$ (261)	$ (285)	$ (143)
Distribution Poles	1080	364E	$ (117,771)	$ (142,741)	$ (167,710)	$ (192,679)	$ (217,648)	$ (242,618)	$ (92,802)
OH Conductors	1080	365E	$ 27,025	$ 14,606	$ 2,187	$ (10,233)	$ (22,652)	$ (35,071)	$ 39,444
Underground Conductors	1080	367E	$ (4,851)	$ (5,544)	$ (6,237)	$ (6,930)	$ (7,623)	$ (8,316)	$ (4,158)
Overhead Transformers	1080	368H	$ 93,216	$ 84,696	$ 76,176	$ 67,656	$ 59,136	$ 50,616	$ 101,736
Buried Transformers	1080	368B	$ (2,238)	$ (2,558)	$ (2,878)	$ (3,198)	$ (3,517)	$ (3,837)	$ (1,919)
Overhead Services	1080	369H	$ (45,377)	$ (53,372)	$ (61,368)	$ (69,363)	$ (77,359)	$ (85,354)	$ (37,381)
Underground Services	1080	369B	$ (290)	$ (331)	$ (373)	$ (414)	$ (456)	$ (497)	$ (249)
Install on Cust. Premises-AG	1080	371A	$ 211,953	$ 212,939	$ 213,925	$ 214,912	$ 215,898	$ 216,884	$ 210,966
Street Lighting	1080	373A	$ (5,210)	$ (7,085)	$ (8,960)	$ (10,835)	$ (12,710)	$ (14,585)	$ (3,335)
Cumulative Accumulated Depreciation Balance			$ 166,520	$ 108,463	$ 50,406	$ (7,650)	$ (65,707)	$ (123,764)	$ 224,576
Cumulative Net Increase In Rate Base			$ 18,740,431	$ 18,682,374	$ 18,624,318	$ 18,566,261	$ 18,508,204	$ 18,450,148	$ 18,798,487

Schedule B-3
Florida Public Utilities Company
Limited Proceeding Electric
FOR INCREMENTAL ADDITIONS FOR HURRICANE MICHAEL

Exhibit MDN-9
Docket No.: 20190156-EI
Page 9 of 20

	Account Title	Act. #	Act. #	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	Total Expenses
Depreciation Expense		Rate								
370E	Meters	3.7%		$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 2,186	$ 26,234
362E	Distribution Station Equipment	2.4%		$ 24	$ 24	$ 24	$ 24	$ 24	$ 24	$ 285
364E	Distribution Poles	3.9%		$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 24,969	$ 299,631
365E	OH Conductors	3.4%		$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 12,419	$ 149,030
367E	Underground Conductors	3.2%		$ 693	$ 693	$ 693	$ 693	$ 693	$ 693	$ 8,316
368H	Overhead Transformers	4.0%		$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 8,520	$ 102,240
368B	Buried Transformers	4.0%		$ 320	$ 320	$ 320	$ 320	$ 320	$ 320	$ 3,837
369H	Overhead Services	3.6%		$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 7,996	$ 95,946
369B	Underground Services	3.6%		$ 41	$ 41	$ 41	$ 41	$ 41	$ 41	$ 497
371A	Install on Cust. Premises-AG	4.5%		$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (986)	$ (11,836)
373A	Street Lighting	4.9%		$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 1,875	$ 22,500
Total Depreciation				$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 58,057	$ 696,680
Property Taxes		408		$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 30,957	$ 371,478
Reduced O & M due to new equipment		500's		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Tax on Lost Customer Revenue		408		$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 241
Total Expense				$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 89,033	$ 1,068,399
Revenues-Lost Customers 2020				$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (27,931)	$ (335,172)

Schedule C-1 (2020)

ADJUSTED JURISDICTIONAL NET OPERATING INCOME
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING

Docket No.: 20190156-EI

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES
0

EXPLANATION: Provide the calculation of jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		(1) Total Company Per Books	(2) Non-Electric Utility	(3) Total Electric (1)-(2)	(4) Jurisdictional Factor	(5) Jurisdictional Amount (3)x(4)	(6) Jurisdictional Adjustments (Schedule C-2)	(7) Adjusted Jurisdictional Amount (5)+(6)
1	Operating Revenues:							
2	Sales of Electricity	(335,172)		(335,172)	100%	(335,172)		(335,172)
3	Other Operating Revenues	-		-	100%	-		-
4	Total Operating Revenues	(335,172)		(335,172)	100%	(335,172)		(335,172)
5								
6	Operating Expenses:							
7	Operation & Maintenance:							
8	Fuel	-		-	100%	-		-
9	Purchased Power	-		-	100%	-		-
10	Other	-		-	100%	-		-
11	Depreciation	696,680		696,680	100%	696,680		696,680
12	Amortization	1,122,893		1,122,893	100%	1,122,893		1,122,893
13	Decommissioning Expense	-		-	100%	-		-
14	Taxes Other Than Income Taxes	371,720		371,720	100%	371,720		371,720
15	Income Taxes	(746,132)		(746,132)	100%	(746,132)		(746,132)
16	Deferred Income Taxes-Net	-		-	100%	-		-
17	Investment Tax Credit-Net	-		-	100%	-		-
18	(Gain)/Loss on Disposal of Plant	-		-	100%	-		-
19	Total Operating Expenses	1,445,161		1,445,161	100%	1,445,161	-	1,445,161
20								
21	Net Operating Income	(1,780,333)		(1,780,333)	100%	(1,780,333)	-	(1,780,333)
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: FLORIDA PUBLIC UTILITIES

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:
Projected Test Year Ended December 31, 2020

Line No.		Jurisdictional Amount Schedule C1 Col. 5	Adjustments (1) Amortization of Regulatory Assets	Adjustments (2) Interest Synchronization	Total Adjustments	Adjusted Jurisdictional NOI
1	Operating Revenues:					
2	Sales of Electricity	(335,172)			-	(335,172)
3	Other Operating Revenues		-			-
4	Total Operating Revenues	(335,172)	-	-	-	(335,172)
5						
6	Operating Expenses:					
7	Operation & Maintenance:					
8	Fuel (nonrecoverable)	-			-	-
9	Purchased Power	-			-	-
10	Other				-	-
11	Depreciation	696,680			-	696,680
12	Amortization		1,122,893		1,122,893	1,122,893
13	Decommissioning Expense	-			-	-
14	Taxes Other Than Income Taxes	371,720			-	371,720
15	Income Taxes	(344,184)	(275,356)	(126,592)	(401,948)	(746,132)
16	Deferred Income Taxes-Net				-	-
17	Investment Tax Credit-Net	-			-	-
18	(Gain)/Loss on Disposal of Plant	-			-	-
19						
20	Total Operating Expenses	724,215	847,537	(126,592)	720,945	1,445,161
21						
22	Net Operating Income	(1,059,387)	(847,537)	126,592	(720,945)	(1,780,333)
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

EXPLANATION: Provide the company's 13-month average cost of capital for the test year.

Type of Data Shown:

Projected Test Year Ended December 31, 2020

13-Month Average Projected 2020

Line No.	Class of Capital	(A) Company Total Per Books	(B) Specific Adjustments	(C) Pro Rata Adjustments	(D) System Adjusted	(E) Jurisdictional Factor	(F) Pro-Rata Allocation	(G) Forecast 2020 Jurisdictional Capital Structure	(H) Ratio	(I) Cost Rate	(J) Weighted Cost Rate	(K) Limited Proceeding Rate Base	(L) Limited Proceeding Interest Expense (K * I)
					Regulatory Capital Structure								
1	Long Term Debt	430,784,730			430,784,730	100%	9.23%	37,766,102	27.67%	3.82%	1.06%	7,740,751	295,697
2	Long Term Debt - FPU only	7,158,491			7,158,491	100%	37.03%	2,650,789	1.94%	11.23%	0.22%	543,321	61,015
3	Short Term Debt	211,208,468			211,208,468	100%	9.23%	19,492,001	14.28%	3.60%	0.51%	3,995,189	143,827
4	Preferred Stock	0			0	100%	9.23%	0	0.00%	0.00%	0.00%	-	0
5	Common Equity	633,730,076	4,167,538		637,897,614	100%	9.23%	58,870,273	43.13%	10.25%	4.42%	12,066,380	
6	Customer Deposits	3,273,700			3,273,700	100%		3,273,700	2.40%	2.34%	0.06%	670,996	15,701
7	Deferred Income Taxes	14,669,265			14,669,265	100%		14,444,408	10.58%	0.00%	0.00%	2,960,607	0
8	ITC-Zero Cost	0			0	100%		0	0.00%	0.00%	0.00%	-	0
9	ITC- Weighted Cost	0			0	100%		0	0.00%	5.34%	0.00%	-	0
10													
11	TOTAL	1,300,824,730	4,167,538		1,304,992,268			136,497,273	100.00%		6.27%	27,977,243	516,240
12													
13													

Line No.	Class of Capital	Company Total Per Books	Ratio	Cost Rate	Weighted Cost Rate
14					
15					
16					
17	**Conventional Capital Structure 2020**				
18	Long Term Debt	430,784,730	0.3347	3.78%	1.27%
19	Long Term Debt-FPU only	7,158,491	0.0056	11.52%	0.06%
20	Short Term Debt	211,208,468	0.1641	3.60%	0.59%
21	Preferred Stock	0	0.0000	0.00%	0.00%
22	Common Equity	637,897,614	0.4956	10.25%	5.08%
23	TOTAL	1,287,049,303	1.0000		7.00%

Pro-Rata Factors:

Rate Base Projected 2020	136,722,127
Direct Components	17,942,965
	118,779,162
Pro-Rata Factor	9.23%
Non Electric FPUC Average Rate Base	201,969,209
Electric FPUC Average Rate Base	118,779,162
Net	320,748,371
ProRata FPUC Factor	37.03%

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Florida Public Utilities Company
Consolidated Electric Division

EXPLANATION:

1.) List and describe the basis for the specific adjustments appearing on Schedule D-1a.

2.) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

Type of Data Shown:

Projected Test Year Ended December 31, 2020

Line No.	Class of Capital	Description	
1		Specific Adjustments	
2			
3	Equity	Other Comprehensive Income Loss which is related to the	$ 4,167,538
4		valuation of the employees pension plans was removed from	
5		equity. It was included in test year equity as a debit. This	
6		adjustment removes the debit.	
7			
8		Pro Rata Adjustments	
9			
10	Equity	The determination of the cost of capital for purposes of setting	
11		retail rates in the immediate docket incorporates pro-rata adjustments	
12		based on reducing the parent capital structure to the division's rate	
13		base.	
14			
15			

Supporting Schedules:

Florida Public Utilities Company
Limited Proceeding Electric
Distribution of Revenue Requirement

LINE NO.	RATE SCHEDULE	(1) 2020 BUDGET KWH SALES	2020 BUDGET	(3) PERCENT OF TOTAL	(4) BASE RATE INCREASE AT UNIFORM PERCENT	(5) TOTAL CLASS REVENUE WITH INCREASE
1	RESIDENTIAL	274,540,960	$ 10,833,290	54.07%	$ 2,540,817	$ 13,374,107
2	COMMERCIAL SMALL	53,476,045	$ 2,371,073	11.83%	$ 555,907	$ 2,926,980
3	COMMERCIAL	164,607,934	$ 3,518,358	17.56%	$ 825,166	$ 4,343,524
4	COMMERCIAL LARGE	83,743,267	$ 1,165,867	5.82%	$ 273,489	$ 1,439,356
5	INDUSTRIAL	14,860,000	$ 466,099	2.33%	$ 109,490	$ 575,589
6	OUTDOOR LIGHTS	7,497,990	$ 1,680,896	8.39%	$ 394,257	$ 2,075,153
		598,726,196	$ 20,035,583	100.00%	$ 4,699,125	$ 24,734,708
	Percent Increase				23.45%	

Storm Surcharge In Addition to Base Rate Increase Above Must be charged until storm fully recovered since interim rates may not be sufficient to cover costs.

$ 0.03121 Per kWh

Customer Facility Charge:

		Current Rates	Proposed Rates
Residential (RS)		$14.69	$18.14
General Service (GS)		$24.14	$29.80
General Service Demand (GSD)		$71.38	$88.12
General Service Large Demand (GSLD)		$136.45	$168.45
General Service Large Demand (GSLD1)		$844.94	$1,043.11
Standby (SB)	<500 kw	$104.96	$129.58
Standby (SB)	≥500 kw	$844.94	$1,043.11

Base Energy Charge:

		Current Rates	Proposed Rates
Residential (RS)	≤1,000 -	$0.02057	$0.02540
	>1,000 -	$0.03369	$0.04160
General Service (GS)		$0.02516	$0.03106
General Service Demand (GSD)		$0.00474	$0.00586
General Service Large Demand (GSLD)		$0.00220	$0.00272
General Service Large Demand (GSLD1)		$0.00000	$0.00000
Standby (SB)	<500 kw	$0.00000	$0.00000
Standby (SB) ≥500 kw		$0.00000	$0.00000

Demand Charge:

			Current Rates	Proposed Rates
Residential (RS)			$0.00	$0.00
General Service (GS)			$0.00	$0.00
General Service Demand (GSD)			$3.89	$4.80
General Service Large Demand (GSLD)			$5.56	$6.87
General Service Large Demand (GSLD1)			$1.57	$1.94
General Service Large Demand (GSLD1)		kVAR	$0.38	$0.47
Standby (SB)	<500 kw		$2.73	$3.37
Standby (SB)	≥500 kw		$0.68	$0.84
Standby (SB)		kVAR	$0.38	$0.47

	Current Rates	Proposed Rates
Initial Entitlement of Service		
Re-establish Service or Account Changes		
Customer Request Temp Disconnect/Reconn		
Reconnect After Disconnect (Normal Hrs)		
Reconnect After Disconnect (After Hours)		
Temporary Service		
Collection Charge		
Returned Check Charge	Per Statute	

Credit Card Fees	---------- $3.50 RS and 3.5% other classes ----------
Late Fees	---------- Greater of 1.5% or $5.00 ----------

Florida Public Utilities Company
Limited Proceeding Electric
Present and Proposed Rates - Lighting

Lighting:	Current Rates Facility Charge	Energy Charge	Maint Charge	Total Charge	Proposed Rates Facility Charge	Energy Charge	Maint Charge	Total Charge
1000w HPS Flood	$19.38	$18.46	$2.60	$40.44	$23.93	$22.79	$3.21	$49.93
1000w MH Flood	$17.87	$18.46	$2.53	$38.86	$22.06	$22.79	$3.12	$47.97
1000w MH Vert Shoebox	$22.06	$18.46	$2.88	$43.40	$27.23	$22.79	$3.56	$53.58
100w HPS Amer Rev	$8.38	$1.87	$2.85	$13.10	$10.35	$2.31	$3.52	$16.18
100w HPS Cobra Head	$6.29	$1.87	$1.83	$9.99	$7.77	$2.31	$2.26	$12.34
100w HPS SP2 Spectra	$21.51	$1.87	$2.69	$26.07	$26.55	$2.31	$3.32	$32.18
100w MH SP2 Spectra	$21.34	$1.87	$2.60	$25.81	$26.35	$2.31	$3.21	$31.87
150w HPS Acorn	$17.06	$2.77	$2.16	$21.99	$21.06	$3.42	$2.67	$27.15
150w HPS ALN 440	$24.33	$2.77	$2.88	$29.98	$30.04	$3.42	$3.56	$37.02
150w HPS Am Rev	$7.85	$2.77	$2.89	$13.51	$9.69	$3.42	$3.57	$16.68
175w MH ALN 440	$23.28	$3.26	$2.26	$28.80	$28.74	$4.02	$2.79	$35.55
175w MH Shoebox	$19.66	$3.26	$2.54	$25.46	$24.27	$4.02	$3.14	$31.43
200w HPS Cobra Head	$8.48	$3.69	$2.19	$14.36	$10.47	$4.56	$2.70	$17.73
250w HPS Cobra Head	$10.08	$4.59	$2.89	$17.56	$12.44	$5.67	$3.57	$21.68
250w HPS Flood	$9.86	$4.59	$2.10	$16.55	$12.17	$5.67	$2.59	$20.43
250w MH Shoebox	$20.93	$4.59	$2.84	$28.36	$25.84	$5.67	$3.51	$35.02
400w HPS Cobra Head	$9.41	$7.40	$2.40	$19.21	$11.62	$9.14	$2.96	$23.72
400w HPS Flood	$15.47	$7.40	$1.97	$24.84	$19.10	$9.14	$2.43	$30.67
400w MH Flood	$10.50	$7.40	$1.92	$19.82	$12.96	$9.14	$2.37	$24.47
10' Alum Deco Base	$16.09	0	0	$16.09	$19.86	$0.00	$0.00	$19.86
13' Decorative Concrete	$12.26	0	0	$12.26	$15.14	$0.00	$0.00	$15.14
18' Fiberglass Round	$8.65	0	0	$8.65	$10.68	$0.00	$0.00	$10.68
20' Decorative Concrete	$14.23	0	0	$14.23	$17.57	$0.00	$0.00	$17.57
30' Wood Pole Std	$4.64	0	0	$4.64	$5.73	$0.00	$0.00	$5.73
35' Concrete Square	$13.72	0	0	$13.72	$16.94	$0.00	$0.00	$16.94
40' Wood Pole Std	$9.29	0	0	$9.29	$11.47	$0.00	$0.00	$11.47
30' Wood pole	$4.18	0	0	$4.18	$5.16	$0.00	$0.00	$5.16
175w MV Cobra Head	$1.21	$3.20	$1.07	$5.48	$1.49	$3.95	$1.32	$6.76
400w MV Cobra Head	$1.33	$6.89	$1.15	$9.37	$1.64	$8.51	$1.42	$11.57

Florida Public Utilities Company
Storm Cost Recovery for Incremental Expenses

Docket No.: 20190156-EI

Line No.	Description	Reference	Total	Storm Reserve Balance	
1	**Pre-Storm Reserve Balance**			N/A	[a]
2	**Estimated Storm Related Restoration Costs**				
3	Regular Payroll		$ 609,196		
4	Overtime Payroll		$ 490,433		
5	Payroll Overhead Allocations		$ 380,603		
6	Department Cost Allocation on Capital		$ 37,326		
7	Employee Expenses		$ 77,555		
8	Contractor Costs		$ 57,147,169		
9	Logistics		$ 1,754,780		
10	Fuel		$ 1,475,235		
11	Equipment Rental		$ 232,334		
12	Materials		$ 4,813,193		
13	Call Center Costs		$ 26,516		
14	Uncollectible Account Expense		$ 120,321		
15	Other		$ 165,297		
16	**Subtotal-Storm Related Restoration Costs**	Lines 3:15	$ 67,329,959		
17	**Less: Estimated Non-Incremental Costs**				
18	Regular Payroll		$ (113,316)		[b]
19	Overtime Payroll		$ (11,827)		
20	Payroll Overhead Allocations		$ (60,039)		
21	**Subtotal-Estimated Non-Incremental Costs**	Lines 17:20	$ (185,182)		
22	Less: Capitalizable Costs		$ (27,398,298)		
23	**Total Recoverable Restoration Costs - System**	lines (16+21+22)	$ 39,746,479		
24	Jurisdictional Factor		100%		
25	**Total Recoverable Restoration Costs-Retail**	lines (23x24)	$ 39,746,479	$ 39,746,479	
26	**Net Recoverable Retail Restoration Costs**	line 25 -line 1		$ 39,746,479	
27	Bond Issuance Costs				
28	**Beginning Balance for Recovery**	line 26-line 27		$ 39,746,479	
29	Plus: Interest on Unamortized Reserve Deficiency Balance 10/18 thru 12/22			$ 4,467,861	
30	Plus: Amount to Replenish Reserve				
31	**Retail Storm Recovery Amount before Regulatory Assessment Fee**	lines 28:30		$ 44,214,340	
33	Regulatory Assessment Fee Multiplier			1.00072	
34	Total System Storm Losses to Be Recovered From Customers			$ 44,246,174	
35	Jurisdictional Factor			100%	
36	Jurisdictional Total System Storm Losses to Be Recovered From Customers			$ 44,246,174	
37	2020 Recovery Thru Temporary Rates			$ (6,875,093)	
38	Remainder to Be Recovered Over Two Years			**$ 37,371,081**	
39	Estimated kWh			598,726,196	
40	Rate Per kWh			0.062418	
41	Rate Per kWh Over 2 Years			0.031209	
42	Rate Per 1,000 kWh Over 2 Years			$ 31.21	

[a] Docket 20180061-EI addressed recovery of the recovery of a $1.5M reserve balance. No additional reserve is requested here.

[b] Non-incremental storm costs were never recorded in Storm Work Orders. Estimated costs from 10-10-18 to 12-2-18 for the NW division are included in restoration costs and removed in non-incremental costs. Additional non-incremental costs were incurred in other months but could not be estimated since we do not recorded non-incremental as storm.

Florida Public Utilities Company
Limited Proceeding Electric
Regulatory Asset for Lost Customers

	Customer Charge	kWh Usage Yearly <=1000 kWh	kWh Usage Yearly >=1000 kWh	KW Usage Yearly	
Residential	14.69	8,730	7,991		
Commercial Small	24.14	16,589			
Commercial	71.38	269,095		891	
Total Year End Amount December 2019					$ 504,448
Amortization Over 5 Years					$ 100,890

Calculation of Interest on Lost Revenue Not Recovered:	November	December	January	February	March	April	May	June	July	August	September	October	November	December
Lost Customer Estimate by Month	2018	2018	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
Residential	552	552	552	541	516	488	468	457	438	427	405	396	388	380
Commercial Small	198	198	198	194	192	183	182	180	175	174	167	165	163	161
Commercial	12	12	12	12	10	9	9	9	9	7	5	5	5	5
	762	762	762	747	718	680	659	646	622	608	577	566	556	546
Lost Revenue (based on customer charge and average usage above and uncollected storm surcharge)	$ 39,067	$ 39,067	$ 39,067	$ 38,397	$ 36,360	$ 35,710	$ 34,828	$ 34,254	$ 33,168	$ 31,655	$ 29,324	$ 28,833	$ 28,382	$ 44,451
Cumulative Lost Revenue	$ 39,067	$ 78,134	$ 117,202	$ 155,599	$ 191,958	$ 227,668	$ 262,496	$ 296,749	$ 329,918	$ 361,573	$ 390,898	$ 419,731	$ 448,113	$ 492,563
Average Beginning and Ending Balance	$ 19,534	$ 58,601	$ 97,668	$ 136,400	$ 173,778	$ 209,813	$ 245,082	$ 279,623	$ 313,334	$ 345,746	$ 376,236	$ 405,314	$ 433,922	$ 470,338
Interest Per Month 4%	$ 65	$ 195	$ 326	$ 455	$ 579	$ 699	$ 817	$ 932	$ 1,044	$ 1,152	$ 1,254	$ 1,351	$ 1,446	$ 1,568
Cumulative Interest	$ 65	$ 260	$ 586	$ 1,041	$ 1,620	$ 2,319	$ 3,136	$ 4,068	$ 5,113	$ 6,265	$ 7,519	$ 8,870	$ 10,317	$ 11,885

Note: The Company has permantly lost customers as a result of the storm. The loss is reflected in net operating income for future time periods. However, the loss prior to implementation of this limited proceeding will never be recovered unless a regulatory asset is approved and the amortization of this asset allowed in rates in this limited proceeding. The Company is requesting a five year amortization.

13-Month Average Calculation:	December 19	January 20	February 20	March 20	April 20	May 20	June 20	July 20	August 20	September 20	October 20	November 20	December 20	13-Month Avg.
	$ 504,448	$ 496,041	$ 487,633	$ 479,226	$ 470,818	$ 462,411	$ 454,003	$ 445,596	$ 437,188	$ 428,781	$ 420,373	$ 411,966	$ 403,558	$ 454,003

Florida Public Utilities Company
Limited Proceeding Electric
Regulatory Asset for Expenses Not Recovered in Base Rates

Expenses Related to October Revenue Lost	$ 910,985
Expenses Related to November Lighting Revenue	$ 54,477
Total Costs Not Recovered	$ 965,462
Costs Limited to Revenue Not Received	$ 940,398
Interest on Unfunded Balance	$ 43,885
Total Costs Unrecovered	$ 984,283
Amortization Over 5 Years	$ 196,857

The Company had a substantial loss due to not being able to recover our normal, recurring operation and maintenance costs incurred due to lower usage and one month customer charges not being recovered for residential and commercial customers and two months for lighting customers. The only way to recover these costs is thru establishment of a regulatory asset. The Company is requesting approval of this amount and amortization over five years.

Summary of Revenues Not Received During Storm Restoration:

Revenue Type	Oct-17 Volume KWh	Oct-16 Volume KWh	Average Volume KWh	Oct-17 Volume KW	Oct-16 Volume KW	Average Volume KW	Customers Sep-18	2018 Customer Rate	2018 Energy Charge KWH	2018 Energy Charge KW	Revenue Based on 2018 Rates
Residential							10,231	$ 15.12			$ 154,693
<=1000 KWh-RS	7,383,035	7,413,708	7,398,372						$ 0.02117		$ 156,624
>=1000 KWh-RS	2,672,262	2,667,376	2,669,819						$ 0.03467		$ 92,563
Commercial Small	2,542,044	3,247,169	2,894,607				2,100	$ 24.84	$ 0.02589		$ 127,105
Commercial	7,547,000	6,980,590	7,263,795	28,452	21,737	25,094	423	$ 73.45	$ 0.00488	$ 4.00	$ 166,894
Commercial Large	5,324,736	4,640,084	4,982,410	11,488	8,579	10,033	15	$ 140.41	$ 0.00226	$ 5.72	$ 70,758
Industrial	-	-	-				-				
Outdoor Lights	445,378	442,995	444,187				2,586	$ 33.21	Avg./Customer		$ 85,881
	25,914,455	25,391,922	25,653,189	39,940	30,315	35,128	15,355				854,517
November Lighting											$ 85,881
											$ 940,398

Interest Expense on Unrecovered Costs:

		October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019
Expenses Not Recovered		$ 940,398														
Cumulative		$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398
Average Beginning and Ending Balance			$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398	$ 940,398
Interest Per Month	4%		$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135	$ 3,135
Cumulative Interest			$ 3,135	$ 6,269	$ 9,404	$ 12,539	$ 15,673	$ 18,808	$ 21,943	$ 25,077	$ 28,212	$ 31,347	$ 34,481	$ 37,616	$ 40,751	$ 43,885

	December 19	January 20	February 20	March 20	April 20	May 20	June 20	July 20	August 20	September 20	October 20	November 20	December 20	13-Month Avg.
13-Month Average Calculation:	$ 984,283	$ 967,878	$ 951,473	$ 935,069	$ 918,664	$ 902,259	$ 885,855	$ 869,450	$ 853,045	$ 836,640	$ 820,236	$ 803,831	$ 787,426	$ 885,855

Florida Public Utilities Company
Regulatory Asset for the Negative Component of the Accumulated Depreciation Reserve
Limited Proceeding Electric

Docket No.: 20190156-EI

	Account Title	Act. #	Act. #	Cost of Removal	Salvage	Undepreciated Retirement	Total Regulatory Asset Requested
Cost of Removal:							
FE18164697R	Meters	1080	370E	$ 148,142		$ 17,657	$ 165,799
FE18504697R	Distribution Station Equipment	1080	362E	$ 83		$ -	$ 83
FE18554697R	Distribution Poles	1080	364E	$ 5,202,220		$ 311,525	$ 5,513,744
FE18564697R	OH Conductors	1080	365E	$ 1,796,949	$ (25,992)	$ 159,390	$ 1,930,347
FE18584697R	Underground Conductors	1080	367E	$ 41,273		$ -	$ 41,273
FE18594697R	Transformers	1080	368H	$ 6,710	$ (29,267)	$ 81,494	$ 58,938
FE18604697R	Buried Transformers	1080	368B	$ 318		$ 4,189	$ 4,507
FE18614697R	Overhead Services	1080	369H	$ 247,574		$ (10,592)	$ 236,982
FE18624697R	Underground Services	1080	369B			$ 19,674	$ 19,674
FE18634697R	Install on Cust. Premises-AG	1080	371A	$ 5,816		$ 265,786	$ 271,602
FE18654697R	Street Lighting	1080	373A	$ 1,144		$ 7,377	$ 8,521
				$ 7,450,230	$ (55,259)	$ 856,500	$ 8,251,471

13-Month Average Computation:	Regulatory Asset	Accumulated Amortization	Net Regulatory Asset	Amortization Expense at 10 Years
Dec-19	$ 8,251,471		$ 8,251,471	
Jan-20	$ 8,251,471	$ (68,762)	$ 8,182,709	$ 68,762
Feb-20	$ 8,251,471	$ (137,525)	$ 8,113,947	$ 68,762
Mar-20	$ 8,251,471	$ (206,287)	$ 8,045,184	$ 68,762
Apr-20	$ 8,251,471	$ (275,049)	$ 7,976,422	$ 68,762
May-20	$ 8,251,471	$ (343,811)	$ 7,907,660	$ 68,762
Jun-20	$ 8,251,471	$ (412,574)	$ 7,838,898	$ 68,762
Jul-20	$ 8,251,471	$ (481,336)	$ 7,770,135	$ 68,762
Aug-20	$ 8,251,471	$ (550,098)	$ 7,701,373	$ 68,762
Sep-20	$ 8,251,471	$ (618,860)	$ 7,632,611	$ 68,762
Oct-20	$ 8,251,471	$ (687,623)	$ 7,563,849	$ 68,762
Nov-20	$ 8,251,471	$ (756,385)	$ 7,495,086	$ 68,762
Dec-20	$ 8,251,471	$ (825,147)	$ 7,426,324	$ 68,762
Total	$ 107,269,125	$ (5,363,456)	$ 101,905,669	$ 825,147
13-Month Average	$ 8,251,471	$ (412,574)	$ 7,838,898	

FLORIDA PUBLIC UTILITIES COMPANY **EXHIBIT MDN-10**
COMPARISON OF A RESIDENTIAL TYPICAL BILL AS FILED AND USING THE ALTERNATE SCENARIO

REVISED FILING

[redacted]												
				Rate	Charge		Rate	Charge		Rate	Charge
		Customer Charge	$ per bill	14.69	$ 14.69		23.41	$ 23.41		8.72	$ 8.72
[redacted] 1000	KWH	Base Energy Charge	$ per KWH	0.02057	$ 20.57		0.03278	$ 32.78		0.01221	$ 12.21
		Storm Surcharge	$ per KWH	0.00154	$ 1.54		0.00154	$ 1.54		-	$ -
		Total Increase Before Clauses			**$ 36.80**			**$ 57.73**			**$ 20.93**
		Fuel	$ per KWH	0.09526	$ 95.26		0.07459	$ 74.59		(0.02067)	$ (20.67)
		Conservation	$ per KWH	0.00097	$ 0.97		0.00132	$ 1.32		0.00035	$ 0.35
					[redacted]			[redacted]			[redacted]

Increase Excluding Conservation $ 0.26
Percent Increase 0.20%

ALTERNATE SCENARIO

[redacted]															
				Rate	Charge		Rate	Charge		Rate	Charge	Rate	Charge
		Customer Charge	$ per bill	14.69	$ 14.69		18.14	$ 18.14		3.45	$ 3.45	(5.27)	$ (5.27)
[redacted] 1000	KWH	Base Energy Charge	$ per KWH	0.02057	$ 20.57		0.02540	$ 25.40		0.00483	$ 4.83	(0.00738)	$ (7.38)
		Storm Surcharge	$ per KWH	0.00154	$ 1.54		0.03275	$ 32.75		0.03122	$ 31.22	0.03122	$ 31.22
		Total Increase Before Clauses			**$ 36.80**			**$ 76.29**			**$ 39.50**	-	**$ 18.57**
		Fuel	$ per KWH	0.09526	$ 95.26		0.07459	$ 74.59		(0.02067)	$ (20.67)	-	$ -
		Conservation	$ per KWH	0.00097	$ 0.97		0.00132	$ 1.32		0.00035	$ 0.35	-	$ -
													0
					[redacted]			[redacted]			[redacted]		[redacted]

Increase Excluding Conservation $ 18.83
Percent Increase 14.15%

Before the Florida Public Service Commission

Docket No. 20190156-EI

In re: Petition for Limited Proceeding to Recover Incremental Storm Restoration Costs, Capital Costs, Revenue Reduction for Permanently Lost Customers, and Regulatory Assets related to Hurricane Michael for Florida Public Utilities Company

Revised Direct Testimony of P. Mark Cutshaw

On Behalf of

Florida Public Utilities Company

I. Background

Q. Please state your name and business address.

A. My name is P. Mark Cutshaw. My business address is 208 Wildlight Avenue, Yulee, Florida 32097.

Q. By whom are you employed?

A. I am employed by Florida Public Utilities Company ("FPUC" or "Company").

Q. Could you give a brief description of your background and business experience?

A. I graduated from Auburn University in 1982 with a B.S. in Electrical Engineering. My electrical engineering career began with Mississippi Power Company in June 1982. I spent nine years with Mississippi Power Company and held positions of increasing responsibility that involved budgeting, as well as operations and maintenance activities at various locations. I joined FPUC in 1991 as Division Manager in our Northwest Florida

Division and have since worked extensively in both the Northwest Florida and Northeast Florida divisions. Since joining FPUC, my responsibilities have included all aspects of budgeting, customer service, operations and maintenance. My responsibilities also included involvement with Cost of Service Studies and Rate Design in other rate proceedings before the Commission as well as other regulatory issues. During January 2020, I moved into my current role as Director, Generation and Pipeline Development.

Q. Have you previously testified before the Commission?

A. Yes, I've provided testimony in a variety of Commission proceedings, including the Company's 2014 rate case, addressed in Docket No. 20140025-EI. Most recently, I provided rebuttal testimony in Docket No. 20180061-EI, in the storm docket for Hurricanes Matthew and Irma.

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to provide information related to the FPUC restoration response that was necessary due to the impact of Hurricane Michael on the Northwest Florida Division. This restoration effort was completed in a safe, efficient and effective manner which allowed FPUC to restore power to customers capable of receiving power by October, 31, 2018. In this revised testimony, I will also address our response to Hurricane Dorian.

Q. Are you sponsoring any exhibits in this proceeding?

A. No.

II. Impact of Hurricane Michael

Q. Were you on the ground in the NW Division following Hurricane Michael?

A. Yes. I arrived in Marianna on October 9, 2018, which was the day before Hurricane Michael made landfall on the Gulf Coast.

Q. Can you describe what impact Hurricane Michael had on the FPUC electrical system serving the Northwest Florida Division?

A. After landfall, Hurricane Michael continued north and impacted the FPUC service territory with 160 MPH winds. The eye of the storm cut directly along the center of the FPUC service territory causing catastrophic damage to the electrical distribution system. The impact resulted in a complete loss of power throughout the FPUC system. The storm also resulted in damage to the Southern Company transmission lines which provide service to each of the FPUC delivery points.

Outages to all customers began on October 10, 2018 and continued until October 18, 2018 when sections of the Southern Company transmission system were restored and we began customer restoration. The restoration activities continued with all customers able to receive service being restored by November 1, 2018.

The 160 mph winds from Hurricane Michael had a significant impact on the distribution system. Most significantly, the trees damaged during the storm resulted in many poles

and spans of wire being damaged when the trees fell. These trees were located both on the road rights of way and on private property. In excess of 2,000 distribution poles, 1,200 transformers, and miles of conductor were damaged and required replacement.

A forensics analysis was completed on eighty eight (88) damaged distribution poles which showed that storm hardening activities were effective during the storm. The results indicated that eighty six (86) of the damaged poles were not storm hardened while two (2) of the damaged poles were storm hardened. Additionally, underground systems performed well during the storm but were subjected to some damage during clean-up activities.

The impact of Hurricane Michael devastated the NW Florida Division service territory and the communities we serve there. Millions of pine trees were snapped in two and littered road ways with impassable debris. This not only presented challenges to restoration and relief, but resulted in thousands of acres of pine tree forest being rendered unusable product, which has taken a tremendous economic toll on the area. Some estimates are that as many as 500 million trees were damaged in the Florida Panhandle.

Likewise, FPUC customers in Jackson, Calhoun and Liberty Counties endured the storm only to find many homes and businesses damaged or destroyed. The roadways in downtown Marianna were full of debris from damaged and collapsed buildings, which impacted traffic along the main thoroughfare through town, Highway 90, and resulted in

most other roadways being either totally or partially blocked by pole, wire and tree debris. This too added to the challenges for relief efforts, including power restoration.

Q. What was the primary goal for FPUC during the restoration process for Hurricane Michael?

A. The most critical concern was to restore power as safely and quickly as possible, while avoiding loss of life and minimizing further property damage.

Q. What were some of the challenges that FPUC faced during the restoration process?

A. The first problem FPUC encountered was that the Company's transmission connection was downed resulting in our inability to receive power for any of the NW Division substations. The addition of 1,155 additional contract employees to the Northwest Division's staff of 35 employees also presented logistics difficulties related to locating new staging areas. Because all area hotels were damaged and closed, we also faced challenges with providing accommodations, dining, comfort, and laundry facilities. Due to the unexpected level of damage caused by the storm, FPUC warehouse staff were challenged to ramp up inventory levels quickly in order to provide additional materials for restoration activities.

Access to electrical distribution facilities was also a major challenge. Wind levels resulted in thousands of trees blocking most roads which decreased the ability to move around the service territory while other facilities were inaccessible due to flooding which

required special equipment and boats. Traffic and the lack of traffic lights added to our access challenges.

III. Storm Preparation and Resource Reservation

Q. Please discuss the steps taken by FPUC to prepare for this devastating storm.

A. Each year FPUC updates its Emergency Plan. The update incorporates lessons learned from previous storms and ensures accurate contact information for our partners that will assist during the storm so that we are even better prepared for, and responsive to, the next storm. Contact with local Emergency Operation Center (EOC) officials occurs to ensure we are up to date with procedures used by various city, county and state agencies. Prior to Michael, we conducted internal drills and training with employees to ensure expectations and storm duties are clearly understood and that employees have a personal plan in place to prepare themselves and their families for what could be a long restoration effort. FPUC conducted our 2018 emergency training drill on June 13, 2018.

Q. Can you describe the important considerations involved when obtaining storm restoration resources, particularly in the context of the period leading up to Hurricane Michael?

A. Perhaps the most critical factor is to ensure that we have sufficient restoration resources appropriately staged in our service area so that we can respond promptly, in spite of any travel restrictions that might apply or damage caused by the storm. In order to ensure we have adequate resources appropriately staged, we must ensure that those resources are

mobilized and staged in advance of the storm and positioned in a strategic, but safe, location. We also have to be flexible with regard to resource staging given that the strength and track of a storm can change rapidly. This challenge is exacerbated when a storm is projected to impact an area served by multiple utilities. The impacted utilities draw from the same pool of storm restoration contractors, so pre-storm contractor assignments take on a heightened importance. As Hurricane Michael developed in the Gulf of Mexico, FPUC was among several utilities challenged with preparing for a storm that evolved quickly. This caused an overwhelming need by all the potentially impacted utilities to get resources ready to address damage that could be caused by the hurricane.

Fortunately, the mutual assistance process administered by the Southeastern Electric Exchange (SEE), of which FPUC is a member, can be initiated quickly and is strictly focused on obtaining and allocating available resources in a fair and equitable manner among its member utilities. The member companies (Investor-Owned Utilities) involved are generally located in or near the Southeastern United States. When emergencies arise, the SEE convenes a Mutual Assistance Committee (MAC) call whereby impacted utilities communicate the number of line and tree crew resources they anticipate needing to achieve an acceptable Estimated Time of Restoration (ETR) based on current storm event information. Available utility and contractor resources that can respond in accordance with utility requirements are then identified by the MAC. Utilities that project a need for additional resources then meet via conference call and allocate these line and tree resources based on a number of factors such as utility/contractor, location, travel times, crew sizes, self-contained ability, security, etc. When the allocation process

concludes, each requesting utility contacts the utility or contractor capable of providing additional assistance to work out the arrangements.

In most situations, resources from the SEE members alone are not sufficient to cover the entire initial request of all the requesting utilities, so it is critical that these resources be assigned, and re-assigned, as the projected need for resources changes with the storm's strength and path. Utilities must modify their resource needs during the storm event as they receive information about the impact and redirect previously mobilized resources to a higher priority destination in more significant need, which may include assignment to a different utility. Again, at this point, the resource and the utility to which it is assigned discuss safety, travel, contracting, staging, security, etc. The utility has the ability at that point to accept the resource based on the terms and requirements established in those discussions, or reject and redirect the resource. Practically speaking, however, storm recovery resources are profoundly limited and there is rarely an alternative resource available in the event a utility would prefer a different resource than the one assigned. Consequently, if a utility rejects the resource, it is likely that the utility will simply have to make do with fewer resources than needed to achieve an acceptable ETR.

Q. How does the SEE assist with the staging, logistical requirement and contracting of resources provided?

A. The SEE mutual assistance process does not consider or provide for staging, logistical requirements or contracting with participating resources. The company to which the

resources are allocated is responsible for accepting or rejecting the resource with considerations for the required staging, logistical requirements and contract costs.

During this part of the process, the utility and the responding resource discuss staging requirements, safety requirements, travel requirements, contracting requirements (which includes rates), etc. Based on these discussions (or possibly a change in the storm path or intensity), the utility can request the resource to mobilize and begin moving to the staging location or reject and redirect that resource to another utility that may be in need of additional resources.

As may be evident from the process description above, a storm similar to Hurricane Michael can result in a number of preparation and resource allocation changes due to the rapid development and significant increases in intensity which greatly influences the number and location of the resources required.

Q. What steps did FPUC take to find contractors to assist with repairs for Hurricane Michael?

A. As previously stated, the SEE mutual assistance process is an industry standard process that we have found provides for the most efficient method of identifying and allocating resources to the electric utility industry during times of system emergencies. The system has been proven time after time with excellent results. Also, as previously mentioned, the number of resources typically required by larger utilities sometimes necessitates bringing in additional resources from the western United States and Canada, that may not

be a good match for a small system similar to FPUC. However, FPUC has had excellent results for many years utilizing the SEE process to acquire resources for emergency system restoration that suit its needs and has worked well in allocating resources with the other utilities represented in the SEE. For our company, obtaining resources through the SEE has proven to be the best approach.

Q. Did FPUC have difficulty finding contractors to assist with Hurricane Michael repairs?

A. Obtaining contractor resources was particularly challenging with this storm given its rapid development and significant increases in intensity, which resulted in dramatic changes in the number of resources that we determined would be necessary to achieve an acceptable Estimated Time of Restoration (ETR). With less than three days to prepare, ETR estimates had to be developed and then the necessary resources had to be contacted as landfall loomed just a few days away and the intensity of the storm was increasing. Our internal resources were stretched thin in our effort to quickly build up a resource pool that was larger than we had originally anticipated needing.

While the resources acquired through the SEE were a significant part of the overall restoration team, even that fell short as we began damage assessment and set an aggressive ETR. The management team then went to work identifying other possible resources and were able to deliver additional resources on days 5 through 10 which allowed achievement of the ETR.

Q. How did FPUC manage outside contractors who were assisting with repairs for Hurricane Michael?

A. As resources were identified and moved to the area, the first priority was to communicate the importance of safety to everyone who works for FPUC. Resources are "on-boarded" by FPUC safety personnel who communicate safety requirements and expectations, system information and logistics overview prior to beginning work. As the resources were on-boarded and released to begin work, one or more FPUC personnel was assigned to work with the crews to provide information for them and also monitor activities and progress. The FPUC employees are charged with ensuring that safety briefings occur, work is done is accordance with standard operating procedures, acceptable restoration progress is occurring, community interactions are professional, work hours occur as planned and meals/materials are available.

During the restoration process, all thirty five (35) of the employees within our NW Florida Division along with approximately fifty (50) additional employees from other parts of the company assisted with many of the operational and logistical duties required to manage the restoration effort. This effort included providing for all logistical needs, ensuring work was conducted in a safe and efficient manner, documenting materials and workhours that were occurring and final approval of all invoices for services provided.

While this storm presented a challenge of historic proportions, the extraordinary efforts of our FPUC employees, and the cooperation of other utility partners and outside

contractors, ensured that the resources on our system were able to work safely and productively while ultimately achieving the ETR that was set for Hurricane Michael.

Q. How did FPUC keep track of time spent by all the additional contract employees that worked on Hurricane Michael?

A. During the restoration process, an FPUC employee was assigned to work closely with a specific contractor. That employee functioned as a type of "Contract Coordinator" in order to ensure that work was performed safely, efficiently and in accordance with good utility practice. Also, while functioning in that capacity, the employee was able to verify work hours were in accordance with the FPUC requirements.

Q. Please explain the process used to review the bills from the contractors to determine that the cost were based on actual time work?

A. The employees assigned to specific contractors were used to verify that work hours invoiced by the contractor were accurate. Financial Analysts were then used to closely review the actual invoices to ensure that all charges were correct based on the actual time worked and any other miscellaneous expenses that were included on the invoice.

IV. Hurricane Dorian

Q. Has FPUC found it necessary to prepare for another hurricane since Hurricane Michael?

A. Yes. FPUC prepared for a potential hit from Hurricane Dorian in late August and early September of 2019. Hurricane Dorian developed from a tropical wave on August 24, 2019, over the Central Atlantic. Our concerns escalated when Dorian rapidly intensified over the following days to reach its peak as a Category 5 hurricane with one-minute sustained winds of 185 mph by September 1.

That day, Hurricane Dorian made its most devastating landfall in the Bahamas, just east of Abaco Island, and again on Grand Bahama several hours later, where it remained nearly stationary for the next day or so. Its landfall in the northern Bahamas was the strongest Atlantic hurricane to make a landfall. Damage in the Bahamas was catastrophic making Dorian, according to numerous reports, the costliest disaster in Bahamian history.

When it became apparent that Dorian would near the Florida coastline, a tropical storm watch was issued for the Florida east coast from Deerfield Beach to Sebastian Inlet on August 31. It was upgraded to a tropical storm warning just a few hours later. A hurricane watch was issued for the area north of Deerfield Beach on September 1, and it was upgraded to a hurricane warning later that day. Based on the storm's projected trajectory, a mandatory evacuation of some areas of Nassau County, Florida including Amelia Island, was announced by the Nassau Emergency Operations Center at 5:00 p.m., Sunday, September 1, 2019.

Dorian subsequently weakened to a Category 2 storm on September 3, before beginning to move northwestward parallel to the east coast of Florida, with Dorian's wind field

expanding during this time. While moving northwestward, however, Dorian gradually reorganized. Fortunately for Florida, the hurricane remained just off the coast and FPUC's service territory experienced only tropical storm-force winds with minimal damage. Dorian eventually made landfall in mainland U.S. at Cape Hatteras, North Caroline on September 6, 2019, as a Category 1 hurricane.

Q. What type of preparations did the Company have to make for Hurricane Dorian?

A. Due to the changing storm projections and dramatic fluctuations in the storm, the Company had to prepare as if the storm would have a significant impact on our service territory. As such, we began our typical hurricane preparations in order to be prepared for a hurricane impact on our service territory. Preparation began by checking all facilities and materials to ensure everything was ready for restoration activities to be initiated. It was also necessary to begin acquiring additional restoration resources that included line crews, vegetation management crews and damage assessment personnel while finalizing schedules for employees who will assist during the restoration. Also, in order to support the restoration effort, logistics efforts began in order to provide lodging, food, fuel, backup generation, restroom/laundry facilities, etc. for all the restoration resources.

Q. Did the Company find it necessary to bring additional resources onto the system in preparation for Hurricane Dorian?

A. Yes. Since the projections for the hurricane track and wind speed were uncertain, on August 29, 2019 the decision was made to add outside resources in order to be prepared

for the impact of Hurricane Dorian. The outside resources acquired included sixty (60) distribution linemen from MDR Construction Services and ten (10) tree trimmers from Davey Tree who arrived in the area on September 2, 2019. Additionally, twenty four (24) damage assessors from Enercon Services were acquired and staged in various locations waiting on the hurricane to pass before traveling to Nassau County.

Q. Did the Company obtain the additional resources through the Southeastern Electric Exchange in preparation for Hurricane Dorian?

A. No. Resources were obtained directly with the contractors.

Q. When were these additional resources released?

A. MDR Construction Services and Davey Tree personnel participated on the restoration activities through September 4, 2019 and were released on September 5, 2019. Due to the limited damage that occurred as a result of Hurricane Dorian, the Enercon Services personnel who were prepared to travel to Nassau County were released on September 4, 2019 before they had to travel to FPUC's service territory.

Q. What other additional storm-related costs did the Company incur in order to prepare for Hurricane Dorian?

A. In preparation for the storm, logistical resources such as food, water, drinks and miscellaneous supplies were acquired for personnel working during the restoration activities. Expenses related to lodging, catering resources, restroom/laundry trailers and emergency generators also were incurred.

Q. Why was it necessary to incur these costs since the storm ultimately had a minimal impact on the Company's service territory?

A. Due to the uncertainty surrounding the track of the hurricane, it was imperative that FPUC be prepared to respond immediately should any damage occur. In order to respond to the impending impact of the Hurricane, there are a number of items that must be put into place prior to any damage occurring. This included mobilizing additional Line and Vegetation personnel which allowed restoration of power to occur on the same day that the impact was occurred. In order to support the additional resources it was necessary to provide for the lodging and food requirements to ensure they remained capable of restoring power for our customers in a safe and efficient manner. Restroom/Laundry trailers were provided at the staging site due to the increased number of restoration personnel and additional emergency generators were installed at lodging locations to ensure electrical service was not interrupted to those that were housing the restoration personnel.

Q. Did the Company sustain any damage as a result of the Hurricane?

A. Yes. Due to the impact of Hurricane Dorian, a total of seven hundred and ninety (790) customers lost power during the day on September 4, 2019. The majority of this damage was as a result of falling trees and tree limbs.

Q. While the damage was minimal, did the Company nonetheless incur incremental storm-related costs?

A. Yes. As was previously discussed, a relatively minor shift in the track of the storm could have resulted in a "Hurricane Michael like" impact on Amelia Island. Although this shift did not occur, the additional resources acquired allowed restoration to be completed safely and efficiently.

Q. Was it consistent with prudent utility practice to make the preparations, and incur the costs, that the FPUC did in advance of Hurricane Dorian?

A. Yes. It is necessary and prudent utility practice to prepare for what could occur as a result of a hurricane that could impact your service territory.

Q. Have the invoices associated with Hurricane Dorian preparations been reviewed for accuracy?

A. Yes. All invoices from Hurricane Dorian preparation and response have been reviewed for accuracy and approved for payment.

Q. Do any invoices associated with Hurricane Dorian preparations remain outstanding?

A. No. All invoices have been processed.

Q. Does this conclude your testimony?

A. Yes, it does.