



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

September 10, 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 FPUC's response to Staff's Second (Third) Data Request regarding the proposed Settlement and Stipulation.

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,

s/Beth Keating _____
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 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.	DOCKET NO. 20190156-EI
In re: Petition for establishment of regulatory assets for expenses not recovered during restoration for Hurricane Michael, by Florida Public Utilities Company.	DOCKET NO. 20190155-EI
In re: Petition for approval of 2019 depreciation study by Florida Public Utilities Company.	DOCKET NO. 20190174-EI
	DATED: September 10, 2020

FPUC’S RESPONSE TO STAFF’S SECOND (THIRD) SETTLEMENT DATA REQUEST

1. Please refer to the Stipulation and Settlement Agreement, Attachments A and B. Please confirm if the Hurricane Michael Surcharge will be in effect for the period November 2020 through December 2025.

Company Response: Yes.

2. Please provide the cost support to show the calculation of the revised base rates for all rate schedules in Attachment B of the Stipulation and Settlement Agreement.

Company Response: See attached schedule “Data Request 3.2a” and “Data Request 3.2b”.

3. Please refer to the page 13 of the Stipulation and Settlement Agreement, Exhibit A, Section II, subsection B “Initial Audit Required,” which states that FPUC will engage an independent outside audit of FPUC’s presentation of recoverable costs of the first named storm for which claimed damages exceed at least 50% of its full authorized storm reserve amount, or \$40 million, whichever is greater. Given that the target storm reserve for FPUC is \$1.5 million, and that Hurricane Michael “necessitated repairs to nearly 100% on the [Northwest Division] system,” which resulted in approximately \$37 million of claimed damages, please explain why the Parties believe that this is a reasonable threshold to utilize as a triggering event for the initial audit.
-

Company Response: The threshold is set at a level that is intended to capture more substantial storm events rather than smaller, more minimal impact storm events in the Company's territory.

4. Please refer to page 4 of the Stipulation and Settlement Agreement, Section I "Cost Recovery," paragraph 1. Please explain how the proposed annual recovery of \$1,189,374, associated with the "Accumulated Depreciation cost of removal and undepreciated plant" (A/D Regulatory Asset) regulatory asset was calculated. Please specifically identify all cost components and show all calculations.
 - a. If currently known, does FPUC intend to petition the Commission to reduce its base rates by the proposed annual recovery amount of \$1,189,374 associated with the A/D Regulatory Asset when full amortization of the asset is achieved, presumably ten years after inception of the associated rate increase?

Company Response: For the calculation of the amount, please refer to attached file "Data Request 3.4a." FPUC expects to file a rate case before the 10 years expire. At that time, the regulatory asset will be decreased by the accumulated amortization in the projected test year which would affect the return included at that time. Therefore, the amount stated in the question would not be the amount associated with the A/D Regulatory Asset included in base rates at the end of the 10 years.

- b. For clarity, is the language: "[t]his asset would be amortized over 10 years" referring to the A/D Regulatory Asset (\$6,842,378), only?

Company Response: Yes.

5. Please refer to the Stipulation and Settlement Agreement, page 4, Section I "Cost Recovery," paragraph 4. Quoting from the Storm Settlement:

"... the Parties acknowledge that it is anticipated FPUC will over-collect interim revenues. The Parties agree that a true-up will be timely conducted following the Interim Rate termination date of October 31, 2020. The identified over-collected amount shall be refunded to FPUC's customers as a reduction to FPUC's Fuel Clause beginning January 1, 2021."

Please discuss how FPUC intends to effectuate the stipulations contained in this section of the Settlement Agreement. Given the cessation of interim rates on October 31, 2020, and the procedural dates ordered in Docket 20200001-EI, please focus the response/explanation on how the true-up amount will first be determined, and then how it will be incorporated into fuel rates that would become effective on or about January 1, 2021.¹

¹Order No. PSC-2020-0123-PCO-PU, issued April 23, 2020, in Docket No. 20200001-EI, *In re: Fuel and purchased power cost recovery clause with generating performance incentive factor*, Docket No. 20200002-EG, *In re: Energy conservation cost recovery clause*, Docket No. 20200003-GU, *In re: Purchased gas adjustment (PGA) true-up*,

Company Response: The amount collected will be based on nine months actual and one month estimated with the estimated month being trued up and reflected in next year's filing. The yearly revenues shown in the stipulation for the base rate increase and the storm surcharge will be divided by twelve and multiplied by ten months to determine the revenue applicable thru October. The difference between this calculated revenue and the amount collected will be removed from the beginning balance of the fuel over/under recovery. The Company would propose to file revised fuel factors reflecting the flow through of the refund prior to the Clause Hearing so that the revised factors would be available for Commission review and approval at the November hearing.

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 10th day of September, 2020:

Florida Public Utilities Company Mike Cassel 208 Wildlight Ave. Yulee, FL 32097 mcassel@fpuc.com	Ashley Weisenfeld Rachael Dziechciarz Bianca Lherisson Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 awaisenf@psc.state.fl.us rdziehc@psc.state.fl.us blheriss@psc.state.fl.us
	Office of Public Counsel J.R. Kelly/Patricia Christensen/Mireille Fall-Fry c/o The Florida Legislature 111 West 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: s/*Beth Keating*
 Beth Keating
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Florida Public Utilities Company
 Limited Proceeding Electric
 Distribution of Revenue Requirement

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<u>LINE NO.</u>	<u>RATE SCHEDULE</u>	(1)		(3)	(4)		(5)
		<u>KWH SALES</u>	<u>2020 BUDGET</u>	<u>PERCENT OF TOTAL</u>	<u>BASE RATE INCREASE AT UNIFORM PERCENT</u>	<u>TOTAL CLASS REVENUE WITH INCREASE</u>	
1	RESIDENTIAL	274,540,960	\$ 10,833,290	54.07%	\$ 1,814,092	\$	12,647,382
2	COMMERCIAL SMALL	53,476,045	\$ 2,371,073	11.83%	\$ 396,906	\$	2,767,979
3	COMMERCIAL	164,607,934	\$ 3,518,358	17.56%	\$ 589,152	\$	4,107,510
4	COMMERCIAL LARGE	83,743,267	\$ 1,165,867	5.82%	\$ 195,266	\$	1,361,133
5	INDUSTRIAL	14,860,000	\$ 466,099	2.33%	\$ 78,173	\$	544,272
6	OUTDOOR LIGHTS	7,497,990	\$ 1,680,896	8.39%	\$ 281,491	\$	1,962,387
		598,726,196	\$ 20,035,583	100.00%	\$ 3,355,080	\$	23,390,663
Percent Increase					16.75%		

**Florida Public Utilities Company
Limited Proceeding Electric
Present and Proposed Rates**

**MDN-3 page 1 of 2
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Customer Facility Charge:

	<u>Rates Prior to Storm</u>	<u>Interim Rates</u>	<u>Proposed Final Rates</u>
Residential (RS)	\$ 14.69	\$ 23.35	\$ 17.16
General Service (GS)	\$ 24.14	\$ 38.36	\$ 28.18
General Service Demand (GSD)	\$ 71.38	\$ 113.43	\$ 83.33
General Service Large Demand (GSLD)	\$ 136.45	\$ 216.83	\$ 159.30
General Service Large Demand (GSLD1)	\$ 844.94	\$ 1,342.67	\$ 986.43
Standby (SB) <500 kw	\$ 104.96	\$ 166.79	\$ 122.54
Standby (SB) ≥500 kw	\$ 844.94	\$ 1,342.67	\$ 986.43

Base Energy Charge:

	<u>Rates Prior to Storm</u>	<u>Interim Rates</u>	<u>Proposed Final Rates</u>
Residential (RS) ≤1,000 -	\$ 0.02057	\$ 0.03269	\$ 0.02402
>1,000 -	\$ 0.03369	\$ 0.05354	\$ 0.03933
General Service (GS)	\$ 0.02516	\$ 0.03998	\$ 0.02937
General Service Demand (GSD)	\$ 0.00474	\$ 0.00754	\$ 0.00554
General Service Large Demand (GSLD)	\$ 0.00220	\$ 0.00350	\$ 0.00257
General Service Large Demand (GSLD1)	\$ -	\$ -	\$ -
Standby (SB) <500 kw	\$ -	\$ -	\$ -
Standby (SB) ≥500 kw	\$ -	\$ -	\$ -

Demand Charge:

	<u>Rates Prior to Storm</u>	<u>Interim Rates</u>	<u>Proposed Final Rates</u>
Residential (RS)	\$ -	\$ -	\$ -
General Service (GS)	\$ -	\$ -	\$ -
General Service Demand (GSD)	\$ 3.89	\$ 6.18	\$ 4.54
General Service Large Demand (GSLD)	\$ 5.56	\$ 8.84	\$ 6.49
General Service Large Demand (GSLD1)	\$ 1.57	\$ 2.50	\$ 1.84
General Service Large Demand (GSLD1) kVAR	\$ 0.38	\$ 0.60	\$ 0.44
Standby (SB) <500 kw	\$ 2.73	\$ 4.34	\$ 3.19
Standby (SB) ≥500 kw	\$ 0.68	\$ 1.08	\$ 0.80
Standby (SB) kVAR	\$ 0.38	\$ 0.60	\$ 0.44

	<u>Rates Prior to Storm</u>	<u>Interim Rates</u>	<u>Proposed Final Rates</u>
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 -----		

Michael/Dorian Storm Surcharge per kwh \$ 0.01280

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

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Lighting:	Current Rates				Interim Rates				Proposed Final Rates			
	Facility Charge	Energy Charge	Maint Charge	Total Charge	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	\$30.80	\$29.33	\$4.13	\$64.26	\$22.63	\$21.55	\$3.04	\$47.22
1000w MH Flood	\$17.87	\$18.46	\$2.53	\$38.86	\$28.40	\$29.33	\$4.02	\$61.75	\$20.86	\$21.55	\$2.95	\$45.36
1000w MH Vert Shoebox	\$22.06	\$18.46	\$2.88	\$43.40	\$35.05	\$29.33	\$4.58	\$68.96	\$25.75	\$21.55	\$3.36	\$50.66
100w HPS Amer Rev	\$8.38	\$1.87	\$2.85	\$13.10	\$13.32	\$2.97	\$4.53	\$20.82	\$9.78	\$2.18	\$3.33	\$15.29
100w HPS Cobra Head	\$6.29	\$1.87	\$1.83	\$9.99	\$10.00	\$2.97	\$2.91	\$15.88	\$7.34	\$2.18	\$2.14	\$11.66
100w HPS SP2 Spectra	\$21.51	\$1.87	\$2.69	\$26.07	\$34.18	\$2.97	\$4.27	\$41.42	\$25.11	\$2.18	\$3.14	\$30.43
100w MH SP2 Spectra	\$21.34	\$1.87	\$2.60	\$25.81	\$33.91	\$2.97	\$4.13	\$41.01	\$24.91	\$2.18	\$3.04	\$30.13
150w HPS Acorn	\$17.06	\$2.77	\$2.16	\$21.99	\$27.11	\$4.40	\$3.43	\$34.94	\$19.92	\$3.23	\$2.52	\$25.67
150w HPS ALN 440	\$24.33	\$2.77	\$2.88	\$29.98	\$38.66	\$4.40	\$4.58	\$47.64	\$28.40	\$3.23	\$3.36	\$34.99
150w HPS Am Rev	\$7.85	\$2.77	\$2.89	\$13.51	\$12.47	\$4.40	\$4.59	\$21.46	\$9.16	\$3.23	\$3.37	\$15.76
175w MH ALN 440	\$23.28	\$3.26	\$2.26	\$28.80	\$36.99	\$5.18	\$3.59	\$45.76	\$27.18	\$3.81	\$2.64	\$33.63
175w MH Shoebox	\$19.66	\$3.26	\$2.54	\$25.46	\$31.24	\$5.18	\$4.04	\$40.46	\$22.95	\$3.81	\$2.97	\$29.73
200w HPS Cobra Head	\$8.48	\$3.69	\$2.19	\$14.36	\$13.48	\$5.86	\$3.48	\$22.82	\$9.90	\$4.31	\$2.56	\$16.77
250w HPS Cobra Head	\$10.08	\$4.59	\$2.89	\$17.56	\$16.02	\$7.29	\$4.59	\$27.90	\$11.77	\$5.36	\$3.37	\$20.50
250w HPS Flood	\$9.86	\$4.59	\$2.10	\$16.55	\$15.67	\$7.29	\$3.34	\$26.30	\$11.51	\$5.36	\$2.45	\$19.32
250w MH Shoebox	\$20.93	\$4.59	\$2.84	\$28.36	\$33.26	\$7.29	\$4.51	\$45.06	\$24.43	\$5.36	\$3.32	\$33.11
400w HPS Cobra Head	\$9.41	\$7.40	\$2.40	\$19.21	\$14.95	\$11.76	\$3.81	\$30.52	\$10.99	\$8.64	\$2.80	\$22.43
400w HPS Flood	\$15.47	\$7.40	\$1.97	\$24.84	\$24.58	\$11.76	\$3.13	\$39.47	\$18.06	\$8.64	\$2.30	\$29.00
400w MH Flood	\$10.50	\$7.40	\$1.92	\$19.82	\$16.69	\$11.76	\$3.05	\$31.50	\$12.26	\$8.64	\$2.24	\$23.14
10' Alum Deco Base	\$16.09	0	0	\$16.09	\$25.57	\$0.00	\$0.00	\$25.57	\$18.78	\$0.00	\$0.00	\$18.78
13' Decorative Concrete	\$12.26	0	0	\$12.26	\$19.48	\$0.00	\$0.00	\$19.48	\$14.31	\$0.00	\$0.00	\$14.31
18' Fiberglass Round	\$8.65	0	0	\$8.65	\$13.75	\$0.00	\$0.00	\$13.75	\$10.10	\$0.00	\$0.00	\$10.10
20' Decorative Concrete	\$14.23	0	0	\$14.23	\$22.61	\$0.00	\$0.00	\$22.61	\$16.61	\$0.00	\$0.00	\$16.61
30' Wood Pole Std	\$4.64	0	0	\$4.64	\$7.37	\$0.00	\$0.00	\$7.37	\$5.42	\$0.00	\$0.00	\$5.42
35' Concrete Square	\$13.72	0	0	\$13.72	\$21.80	\$0.00	\$0.00	\$21.80	\$16.02	\$0.00	\$0.00	\$16.02
40' Wood Pole Std	\$9.29	0	0	\$9.29	\$14.76	\$0.00	\$0.00	\$14.76	\$10.85	\$0.00	\$0.00	\$10.85
30' Wood pole	\$4.18	0	0	\$4.18	\$6.64	\$0.00	\$0.00	\$6.64	\$4.88	\$0.00	\$0.00	\$4.88
175w MV Cobra Head	\$1.21	\$3.20	\$1.07	\$5.48	\$1.92	\$5.09	\$1.70	\$8.71	\$1.41	\$3.74	\$1.25	\$6.40
400w MV Cobra Head	\$1.33	\$6.89	\$1.15	\$9.37	\$2.11	\$10.95	\$1.83	\$14.89	\$1.55	\$8.04	\$1.34	\$10.93

Florida Public Utilities Company
Storm Cost Recovery for Incremental Expenses

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Docket No.:

Line No.	Description	Reference	Total	Storm Reserve Balance
1	Pre-Storm Reserve Balance			N/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		\$ 56,847,169	
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	\$ 67,029,959	
17	Less: Estimated Non-Incremental Costs			
18	Regular Payroll		\$ (113,316)	
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)	\$ 39,446,479	
24	Jurisdictional Factor		100%	
25	Total Recoverable Restoration Costs-Retail	lines (23x24)	\$ 39,446,479	\$ 39,446,479
26	Net Recoverable Retail Restoration Costs	line 25 -line 1		\$ 39,446,479
27	Bond Issuance Costs			
28	Beginning Balance for Recovery	line 26-line 27		\$ 39,446,479
29	Plus: Interest on Unamortized Reserve Deficiency Balance thru 12/25			\$ 6,348,065
30	Plus: Amount to Replenish Reserve			
31	Retail Storm Recovery Amount before Regulatory Assessment Fee	lines 28:30		\$ 45,794,544
	Amortization over 6 years			\$ 7,632,424
	Expansion for RAF and Bad Debt			\$ 26,561
	Amortization over 6 years with RAF and Bad Debt Allowance			\$ 7,658,985
	Budgeted 2020 KWH			598,726,196
	Rate Per KWH			0.0128

[a]

[b]

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

**Docket No.
Exhibit
Schedule**

**20190156-EI
MDN-1 Page 1 of 13
A-1**

Revenue Requirement Calculation

Projected 2020

3 Jurisdictional Adjusted Rate Base	\$ 6,500,259
4 Rate of Return on Rate Base	6.2700%
5 Required Jurisdictional Net Operating Income (Line 2 x 3)	<u>\$ 407,566</u>
6 Required Net Operating Income (Line 4)	\$ 407,566
7 Jurisdictional Adjusted Net Operating Income (Loss)	\$ (487,036)
8 Net Operating Income Deficiency (Excess) (Line 5-6)	<u>\$ 894,603</u>
9 Net Operating Income Multiplier	1.3295
10 Revenue Requirement (Line 7 x 8)	<u><u>\$ 1,189,374</u></u>

**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)			-	-	0	0	-			-
2	Jurisdictional Factors	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Jurisdictional Per Books	-	-	-	-	-	-	-	-	-	-
4	<u>Adjustments:</u>										
5	Regulatory Asset for Storm Costs							-			-
6	Regulatory Asset Lost Customers										-
7	Regulatory Asset Exp. Not Recovered										-
8	Regulatory Asset for Unrecovered A/D								6,500,259		6,500,259
9											-
10											-
11											-
12											-
13											-
14											-
15											-
16											-
17											-
18											-
19											-
20											-
21											-
22											-
23											-
24											-
25											-
26											-
27											-
28	Total Adjustments	-	-	-	-	-	-	-	6,500,259	-	6,500,259
29											
30	Adjusted Jurisdictional	-	-	-	-	-	-	-	6,500,259	-	6,500,259

**RATE BASE ADJUSTMENTS
FOR INCREMENTAL ADDITIONS REQUESTED IN THE LIMITED PROCEEDING**

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	<u>PLANT</u>				
2	<u>Commission Adjustment:</u>				
3	NONE IN STORM PROJECTS ON MFR B-1				
4					
5	<u>Company Adjustment:</u>				
6	NONE IN STORM PROJECTS ON MFR B-1				
7					
8	<u>ACCUMULATED DEPRECIATION</u>				
9	<u>Commission Adjustment:</u>				
10	NONE IN STORM PROJECTS ON MFR B-1				
11					
12	<u>Company Adjustment:</u>				
13	NONE IN STORM PROJECTS ON MFR B-1				
14					
15	<u>WORKING CAPITAL</u>				
16	<u>Commission Adjustment:</u>				
17	NONE IN STORM PROJECTS ON MFR B-1				
18					
19	<u>Company Adjustment:</u>				
20	Regulatory Asset for Storm Costs (MDN-4)			100%	\$ -
21	Regulatory Asset for Lost Customers (MDN-5)			100%	\$ -
22	Regulatory Asset for Expenses Not Recovered During Restoration (MDN-6)			100%	\$ -
23	Regulatory Asset for Unrecovered Accumulated Depreciation Cost of Removal Net of Salvage (MDN-7)		\$ 6,500,259	100%	\$ 6,500,259
24	Total		<u>\$ 6,500,259</u>	100%	<u>\$ 6,500,259</u>

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

Exhibit MDN-1
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	
<u>Monthly Depreciation:</u>										
Meters	1080	370E	\$ -	\$ (2,186)	\$ (2,186)	\$ (2,186)	\$ (2,186)	\$ (2,186)	\$ (2,186)	\$ (2,186)
Distribution Station Equipment	1080	362E	\$ -	\$ (24)	\$ (24)	\$ (24)	\$ (24)	\$ (24)	\$ (24)	\$ (24)
Distribution Poles	1080	364E	\$ -	\$ (24,969)	\$ (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)	\$ (12,419)
Underground Conductors	1080	367E	\$ -	\$ (693)	\$ (693)	\$ (693)	\$ (693)	\$ (693)	\$ (693)	\$ (693)
Overhead Transformers	1080	368H	\$ -	\$ (8,520)	\$ (8,520)	\$ (8,520)	\$ (8,520)	\$ (8,520)	\$ (8,520)	\$ (8,520)
Buried Transformers	1080	368B	\$ -	\$ (320)	\$ (320)	\$ (320)	\$ (320)	\$ (320)	\$ (320)	\$ (320)
Overhead Services	1080	369H	\$ -	\$ (7,996)	\$ (7,996)	\$ (7,996)	\$ (7,996)	\$ (7,996)	\$ (7,996)	\$ (7,996)
Underground Services	1080	369B	\$ -	\$ (41)	\$ (41)	\$ (41)	\$ (41)	\$ (41)	\$ (41)	\$ (41)
Install on Cust. Premises-AG	1080	371A	\$ -	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986
Street Lighting	1080	373A	\$ -	\$ (1,875)	\$ (1,875)	\$ (1,875)	\$ (1,875)	\$ (1,875)	\$ (1,875)	\$ (1,875)
			\$ -	\$ (58,057)	\$ (58,057)	\$ (58,057)	\$ (58,057)	\$ (58,057)	\$ (58,057)	\$ (58,057)
<u>Actual A/D up to Storm for Retirements:</u>										
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Total Cumulative Accumulated Depreciation</u>										
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**

**Exhibit 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
<u>Monthly Depreciation:</u>									
Meters	1080	370E	\$ (2,186)	\$ (2,186)	\$ (2,186)	\$ (2,186)	\$ (2,186)	\$ (2,186)	(2,186)
Distribution Station Equipment	1080	362E	\$ (24)	\$ (24)	\$ (24)	\$ (24)	\$ (24)	\$ (24)	(24)
Distribution Poles	1080	364E	\$ (24,969)	\$ (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)	(12,419)
Underground Conductors	1080	367E	\$ (693)	\$ (693)	\$ (693)	\$ (693)	\$ (693)	\$ (693)	(693)
Overhead Transformers	1080	368H	\$ (8,520)	\$ (8,520)	\$ (8,520)	\$ (8,520)	\$ (8,520)	\$ (8,520)	(8,520)
Buried Transformers	1080	368B	\$ (320)	\$ (320)	\$ (320)	\$ (320)	\$ (320)	\$ (320)	(320)
Overhead Services	1080	369H	\$ (7,996)	\$ (7,996)	\$ (7,996)	\$ (7,996)	\$ (7,996)	\$ (7,996)	(7,996)
Underground Services	1080	369B	\$ (41)	\$ (41)	\$ (41)	\$ (41)	\$ (41)	\$ (41)	(41)
Install on Cust. Premises-AG	1080	371A	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	986
Street Lighting	1080	373A	\$ (1,875)	\$ (1,875)	\$ (1,875)	\$ (1,875)	\$ (1,875)	\$ (1,875)	(1,875)
			\$ (58,057)	\$ (58,057)	\$ (58,057)	\$ (58,057)	\$ (58,057)	\$ (58,057)	(58,057)
<u>Retirements:</u>									
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							
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<u>Total Cumulative Accumulated Depreciation</u>									
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

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

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							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
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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			Total Adjustments	Adjusted Jurisdictional NOI
		(1) Amortization of Regulatory Assets	(2) Interest Synchronization			
1	Operating Revenues:					
2	Sales of Electricity				-	-
3	Other Operating Revenues				-	-
4	Total Operating Revenues	-	-	-	-	-
5						
6	Operating Expenses:					
7	Operation & Maintenance:					
8	Fuel (nonrecoverable)	-			-	-
9	Purchased Power	-			-	-
10	Other				-	-
11	Depreciation				-	-
12	Amortization		684,238		684,238	684,238
13	Decommissioning Expense	-			-	-
14	Taxes Other Than Income Taxes				-	-
15	Income Taxes	-	(167,789)	(29,413)	(197,201)	(197,201)
16	Deferred Income Taxes-Net				-	-
17	Investment Tax Credit-Net	-			-	-
18	(Gain)/Loss on Disposal of Plant	-			-	-
19						
20	Total Operating Expenses	-	516,449	(29,413)	487,036	487,036
21						
22	Net Operating Income	-	(516,449)	29,413	(487,036)	(487,036)
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:

- 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		<u>Specific Adjustments</u>	
2			
3	Equity	Other Comprehensive Income Loss which is related to the valuation of the employees pension plans was removed from equity. It was included in test year equity as a debit. This adjustment removes the debit.	\$ 4,167,538
4			
5			
6			
7			
8		<u>Pro Rata Adjustments</u>	
9			
10	Equity	The determination of the cost of capital for purposes of setting retail rates in the immediate docket incorporates pro-rata adjustments based on reducing the parent capital structure to the division's rate base.	
11			
12			
13			
14			
15			

Supporting Schedules:

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

Account Title		Act. #	Act. #	Cost of Removal	Salvage	Undepreciated Retirement	Remove Amt. in Depreciation Rates	Other OPC Adj. Per 8-13 offer
<u>Cost of Removal:</u>								
FE18164697R	Meters	1080	370E	\$ 148,142		\$ 17,657	\$ (4,319)	
FE18504697R	Distribution Station Equipment	1080	362E	\$ 83		\$ -		
FE18554697R	Distribution Poles	1080	364E	\$ 5,202,220		\$ 311,525	\$ (165,842)	
FE18564697R	OH Conductors	1080	365E	\$ 1,796,949	\$ (25,992)	\$ 159,390	\$ (95,672)	
FE18584697R	Underground Conductors	1080	367E	\$ 41,273		\$ -		
FE18594697R	Transformers	1080	368H	\$ 6,710	\$ (29,267)	\$ 81,494	\$ (47,708)	\$ 26,178
FE18604697R	Buried Transformers	1080	368B	\$ 318		\$ 4,189		
FE18614697R	Overhead Services	1080	369H	\$ 247,574		\$ (10,592)	\$ (6,886)	
FE18624697R	Underground Services	1080	369B			\$ 19,674		
FE18634697R	Install on Cust. Premises-AG	1080	371A	\$ 5,816		\$ 265,786	\$ 47,083	
FE18654697R	Street Lighting	1080	373A	\$ 1,144		\$ 7,377	\$ (1,529)	
				\$ 7,450,230	\$ (55,259)	\$ 856,500	\$ (274,873)	\$ 26,178

<u>13-Month Average Computation:</u>		Regulatory Asset	Accumulated Amortization	Net Regulatory Asset
Dec-19		\$ 6,842,378		\$ 6,842,378
Jan-20		\$ 6,842,378	\$ (57,020)	\$ 6,785,358
Feb-20		\$ 6,842,378	\$ (114,040)	\$ 6,728,338
Mar-20		\$ 6,842,378	\$ (171,059)	\$ 6,671,318
Apr-20		\$ 6,842,378	\$ (228,079)	\$ 6,614,299
May-20		\$ 6,842,378	\$ (285,099)	\$ 6,557,279
Jun-20		\$ 6,842,378	\$ (342,119)	\$ 6,500,259
Jul-20		\$ 6,842,378	\$ (399,139)	\$ 6,443,239
Aug-20		\$ 6,842,378	\$ (456,159)	\$ 6,386,219
Sep-20		\$ 6,842,378	\$ (513,178)	\$ 6,329,199
Oct-20		\$ 6,842,378	\$ (570,198)	\$ 6,272,180
Nov-20		\$ 6,842,378	\$ (627,218)	\$ 6,215,160
Dec-20		\$ 6,842,378	\$ (684,238)	\$ 6,158,140
Total		\$ 88,950,912	\$ (4,447,546)	\$ 84,503,366
13-Month Average		\$ 6,842,378	\$ (342,119)	\$ 6,500,259

