

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Utilities, Inc. of Florida
for establishment of an approved
AFUDC rate

Docket No. _____

_____ /

PETITION FOR ESTABLISHMENT OF AN APPROVED AFUDC RATE

UTILITIES INC. OF FLORIDA (*UIF*, or *Applicant*) by and through its undersigned attorneys, pursuant to Order No. PSC-2021-0206-FOF-WS, Chapter 367, Florida Statutes, and Rule 25-30.116, Florida Administrative Code, requests the Florida Public Service Commission (*Commission*) to establish an approved allowance for funds used during construction (*AFUDC*) rate, and in support states:

1. The name and address of the Applicant is:

Utilities, Inc. of Florida
200 Weathersfield Avenue
Altamonte Springs, Florida 32714

2. The name and address of the Applicant's representative authorized to receive notices and communications with respect to the Application is:

Martin S. Friedman, Esq.
DEAN MEAD
420 South Orange Ave., Suite 700
Orlando, FL 32801
Direct Telephone: (407) 310-2077
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FACTS

1. The Utility is a water and wastewater utility as defined by Section 367.021(12), Florida Statutes, and is not exempt from regulation by the Commission pursuant to Section 367.022, Florida Statutes. UIF may implement an approved AFUDC change only with the approval of the

Commission under the criteria established in Rule 25-30.116, Florida Administrative Code.

2. The calculation of the appropriate new AFUDC rate is set out in the attached supporting Schedules.
3. This calculation is in accordance with the requirements of Rule 25-30.116(3), Florida Administrative Code.
4. Approval of such rate is necessary in order for UIF to accurately accrue and recover its costs of providing utility service.

SCHEDULES ATTACHED

[Pursuant to Rule 25-30.116(5), Florida Administrative Code]

1. **Schedule A** shows the capital structure, cost rates and weighted average costs of capital that form the basis for the AFUDC rate calculated in accordance with the provisions of Rule 25-30.116(2), Florida Administrative Code.
2. **Schedule B** shows the capital structure adjustments and adjusted capital structure that form the basis for the AFUDC rate calculated in accordance with the provisions of Section 25-30.116(2), Florida Administrative Code.
3. **Schedule C** shows the calculation of the methodology set out in Rule 25-30.116, Florida Administrative Code.

REQUESTED ACTIONS

UIF requests the Commission to:

1. Consider the information provided in this Petition and approve the Petition and the AFUDC rate shown in Schedule A in an expeditious manner.
2. Order the effective date of the new AFUDC rate be effective commencing the month following the twelve-month period used to establish the new AFUDC rate in accordance with Rule 25.30-116(5).
3. Grant such other relief to UIF as is just and reasonable.

Respectfully submitted on this
22nd day of June, 2021 by:

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/s/ Martin S. Friedman
Martin S. Friedman

SCHEDULE A

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	12-Month Average	Capital Structure
Common Equity:	\$ 297,897,531	\$ 298,578,137	\$ 298,947,626	\$ 300,934,116	\$ 303,393,945	\$ 305,642,061	\$ 307,115,085	\$ 309,957,464	\$ 310,959,617	\$ 312,688,426	\$ 313,297,289	\$ 311,984,174	\$ 305,949,623	\$ 47,801,423
Long-Term Debt:	\$ 253,000,000	\$ 253,000,000	\$ 253,000,000	\$ 253,000,000	\$ 353,000,000	\$ 353,000,000	\$ 344,000,000	\$ 344,000,000	\$ 344,000,000	\$ 344,000,000	\$ 344,000,000	\$ 344,000,000	\$ 315,166,667	\$ 49,241,489
Short-Term Debt:	\$ 50,000,000	\$ 58,000,000	\$ 73,500,000	\$ 73,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000,000	\$ 22,000,000	\$ 3,437,269
Customer Deposits:	\$ 253,005	251,402	252,638	242,329	245,037	237,771	236,341	235,930	232,757	234,834	229,973	\$ 219,424	\$ 239,287	\$ 239,287
Deferred Income Taxes:	\$ 5,930,260	\$ 5,930,243	\$ 5,930,248	\$ 5,930,239	\$ 5,930,276	\$ 5,930,348	\$ 5,930,345	\$ 5,930,329	\$ 5,930,331	\$ 5,930,297	\$ 5,930,261	\$ 5,198,851	\$ 5,869,336	\$ 5,869,336
Tax Credits - Zero Cost:	\$ 72,069	\$ 71,873	\$ 71,676	\$ 71,480	\$ 71,284	\$ 71,087	\$ 70,891	\$ 70,695	\$ 70,498	\$ 70,302	\$ 70,106	\$ 69,909	\$ 70,989	\$ 70,989
Excess Deferred Tax Liability:	\$ 5,621,693	\$ 5,621,702	\$ 5,621,700	\$ 5,621,705	\$ 5,621,684	\$ 5,621,529	\$ 5,621,531	\$ 5,621,540	\$ 5,621,539	\$ 5,621,559	\$ 5,621,579	\$ 5,621,609	\$ 5,621,614	\$ 5,621,614

SCHEDULE B

Description	Amount	% of Total	Cost Rate	Weighted Cost
(1) Long-Term Debt	\$ 49,241,489	43.86%	5.02%	2.20%
(1) Short-Term Debt	\$ 3,437,269	3.06%	2.52%	0.08%
(2) Customer Deposits	\$ 239,287	0.21%	2.00%	0.0043%
(1) Common Equity	\$ 47,801,423	42.57%	9.75%	4.15%
(2) Deferred Tax Liabilities	\$ 5,869,336	5.23%	0.00%	0.00%
(2) Tax Credits - Zero Cost	\$ 70,989	0.06%	0.00%	0.00%
(2) Excess Deffered Tax Liability	\$ 5,621,614	5.01%	0.00%	0.00%
Total	\$ 112,281,407	100.00%		6.43%
(1) The Common Equity, Long-Term Debt, and Short-Term Debt amounts used in this calculation are derived from the Common Equity, Long-Term Debt, and Short-Term Debt of CORIX US Regulated Utilities				
(2) The Customer Deposits and Deferred Income Taxes amounts used in this calculation are derived specifically from the Customer Deposits and Deferred Income Taxes of Utilities, Inc. of Florida				

SCHEDULE C

Monthly AFUDC Rate			
$M = [(1 + A/100) <1/12> - 1] * 100$			
Where:			
M = discounted monthly AFUDC Rate			
A = annual AFUDC rate			
$M = [(1 + 0.0643/100) <1/12> - 1] * 100$			
M =	0.00535	* 100	
M =	0.535		