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STATE OF FLORIDA



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Public Service Commission

February 24, 2023

STAFF'S FIRST DATA REQUEST
via e-mail

Beth Keating, Esq.
Gunster, Yoakley & Stewart P.A.
215 South Monroe Street, Suite 601
Tallahassee, Florida 32301
bkeating@gunster.com

RE: Docket No. 20230001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.

Dear Ms. Keating:

By this letter, the Commission staff requests that Florida Public Utilities Company (FPUC) provide responses to the following data requests:

1. Please refer to Florida Public Utility Company's (FPUC or Company) "Petition for a Mid-Course Correction" (Petition), dated February 13, 2023, filed in Docket No. 20230001-EI.¹ Please discuss FPUC's understanding of the factors which drove the volatility in natural gas prices in 2022.
2. Please specify the exact ranges/beginning and ending dates of FPUC's March, April, May, and June 2023 billing cycles.
3. If an April implementation for new rates is approved, please describe the Company's anticipated process and timeline for notifying its customers of the proposed action. Please also provide copies of any notifications that were previously, or will be, provided to customers regarding the actions requested in the Petition.
4. Please refer to the Petition, Schedule E-10. Please provide the 2023 bill impacts to typical (i.e., typical based on a conventional or average level of usage) industrial- and commercial-class (large and small) customers similarly to that performed for the residential class shown on this schedule.

¹Document No. 01094-2023.

5. Please provide the 12-month, 2023 fuel price (commodity only) forecast underlying the Company's currently-approved fuel cost recovery rates.²
6. Please provide the 12-month fuel price (commodity only) forecast underlying the fuel cost recovery rates utilized in the Company's 2023 mid-course correction (instant petition).
7. If the Company does not have or use fuel price forecasts, please discuss how FPUC estimates/projects its future fuel or energy costs.
8. Please refer to the Petition, specifically the Testimony of FPUC witness Mark Cutshaw, page 3, lines 14 – 21. Please explain why FPUC used the original estimated cost for 2023, i.e., did not update with new 2023 pricing information in formulating its Petition. Please also discuss whether FPUC has access to a current forecast (if not already identified/discussed in the Company's response to Data Request No. 6) of natural gas prices for 2023. If not, please explain why.
9. Please discuss whether the Company plans on instituting any different processes, procedures, and/or measures related to fuel cost and fuel revenue forecasting as a result of requiring a correction of its fuel-related charges. If so, please explain.
10. Please refer to the Petition, specifically the Testimony of FPUC witness Michelle Napier, page 3, lines 12 – 16. Do the amounts related to the COVID-19 costs discussed in this section of testimony differ from those contained in the original projection filed in September 2022?³ If so, please explain the difference.
11. Please provide the necessary information to support a MCC rate increase based on 21-month recovery period (rather than the remaining 9 months of 2023) based on the same amount of unrecovered fuel costs. Please also provide the rate impact on a typical 1,000 kilowatt-hour (kWh) residential bill. Please also perform this exercise for other classes of service in the same manner as the Company's Response to Data Request No. 4. For this analysis, please remove the \$137,036 in additional interest expense.
12. Please refer to the Petition, specifically the Testimony of FPUC witness Michelle Napier, page 5, lines 2 – 6. It is indicated in this section of testimony that FPUC is currently under -recovering its 2023 fuel cost. As shown on Schedule F-1, FPUC estimated it would under-recover (\$1,009,708) for the month of January 2023. However, according to FPUC's January 2023 A-Schedule, the Company over-recovered \$1,663,687 for the month of January.⁴ Please explain the difference and comment on whether this difference indicates that an update to the Company's 2023 cost estimate used in the Petition is necessary.

²Order No. PSC-2023-0026-FOF-EI, issued January 6, 2023, in Docket No. 20230001-EI, *In re: Fuel and purchased power cost recovery clause with generating performance incentive factor*.

³Document No. 05971-2022.

⁴Document No. 01210-2023.

Staff's First Data Request FPUC

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Please file all responses electronically no later than March 3, 2023 from the Commission's website at www.floridapsc.com, by selecting the **Clerk's Office** tab and **Electronic Filing Web Form**. Please feel free to call me at (850) 413-6218 if you have any questions.

Sincerely,

/s/ Suzanne S. Brownless

Suzanne S. Brownless

Special Counsel

SBr

cc: Office of Commission Clerk