

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: January 25, 2024

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Guffey) *EJD*
Office of the General Counsel (Stiller) *JSC*

RE: Docket No. 20230136-PU – Petition for approval of revisions to budget billing tariffs, by Florida Public Utilities Company.

AGENDA: 02/06/24 – Regular Agenda – Tariff Suspension – Participation is at the discretion of the Commission

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 02/13/24 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

On December 15, 2023, Florida Public Utilities Company (FPUC or Company) filed a petition seeking Commission approval of revisions to its optional Budget Billing Program tariffs for both its electric and natural gas divisions. FPUC has proposed to expand its optional Budget Billing Program (Program) to include certain small general service customers, to remove unnecessary language related to bill format, and to revise the terms and conditions of the Program. Furthermore, FPUC has proposed to add details to the electric budget billing tariffs to align with its natural gas Program tariffs. Overall, the Company states that the proposed tariff revisions are intended to provide consistency across the business units under FPUC's parent company, Chesapeake Utilities Corporation.

By way of background, Chesapeake Utilities Corporation will be replacing FPUC's current Customer Information and Billing System (CIS) provided by ECIS, a Vertex business solutions

product which the Company has been using for over 20 years, at the completion of the current contract on December 31, 2024. Chesapeake Utilities Corporation is currently working with SAP (a software company for the management of business processes) and IBM to transition to FPUC's new billing system known as 1CX with an estimated transition date of August 2024.¹ The Company explained that as it is working through the process of changing to a new billing system, the need for consistency for the Program for both electric and natural gas divisions was heightened. As a result, FPUC filed the instant petition.

This is staff's recommendation to suspend the proposed tariffs. During the review process, staff issued a data request to FPUC on January 17, 2024, for which the responses are due on January 31, 2024. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

¹ Commission approval for the new billing system is not an issue in this docket.

Discussion of Issues

Issue 1: Should FPUC's proposed revisions to its optional Budget Billing Program and associated tariff sheets for its electric (Sheet Nos. 39, 40, 41, 42, 43, 44, 44.1, 45, 46, 46.1, and 46.2) and natural gas (Sheet Nos. 6.253 and 6.254) divisions be suspended?

Recommendation: Yes. Staff recommends that FPUC's proposed revisions to the Program and associated tariff sheets for its electric (Sheet Nos. 39, 40, 41, 42, 43, 44, 44.1, 45, 46, 46.1, and 46.2) and natural gas (Sheet Nos. 6.253 and 6.254) divisions be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the proposed tariff modifications. (Guffey)

Staff Analysis: Staff recommends that FPUC's proposed revisions to the Program and associated tariff sheets for its electric and natural gas divisions be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the proposed tariff modifications.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of the new rate schedules, delivering to the utility requesting such a change, a reason, or written statement of a good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission's decision on FPUC's proposed revisions to the Program and associated revised tariffs. (Stiller)

Staff Analysis: This docket should remain open pending the Commission's decision on FPUC's proposed revisions to the Program and associated revised tariffs.