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Public Service Commission

May 20, 2024

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

STAFF'S SECOND DATA REQUEST
via e-mail

Michelle Napier
Florida Public Utilities Company
1635 Meathe Drive
West Palm Beach, FL 33411
mnapier@fpuc.com

RE: Docket No. 20240060-GU – Petition for approval to establish new regulatory subaccounts, amortization rates, and reclassification of associated investment and reserve balances, by Florida Public Utilities Company.

Dear Ms. Keating and Ms. Napier:

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

1. Please refer to the “Petition for Approval to Establish New Regulatory Subaccounts, Amortization Rates, and Reclassification of Associated Investment and Reserve Balances by Florida Public Utilities Company” (Petition) filed in the instant docket, paragraphs (4) and (9). Please explain why the plant investment of customized application software (GIS, GTS, PowerPlan and UI software systems/platform), currently in Account 3914, is “more appropriately classified as intangible plant.”

2. Please refer to the Petition, Paragraph (11) for the questions below:
 - a. Please explain the “Distrigas allocation method.”
 - b. Have any of the CIS- and ERP-related costs been incurred yet? If so, please identify the amounts incurred so far and explain how these expenses were recorded.
 - c. Paragraph (7) of the Petition indicates that FPUC proposed an effective date of January 1, 2024, for commencing its requested Account 3032 and the associated amortization period. Paragraph (11) of the Petition indicates that the plants to be recorded in the account “are expected to operational in 2025 and 2026, respectively.” Assuming the establishment of Account 3032 is approved, what detriment, if any, could result from establishing an effective date of January 1, 2025 for this new account with its amortization period?
3. Please refer to the Petition, Paragraph (12) for the questions below:
 - a. Please identify the “existing systems.”
 - b. This paragraph reads “FPUC believes a 20-year amortization period is reasonable given that the existing systems have been in service since 2000.” Since the requested Account 3032 is for recording new software systems/platforms CIS and ERP, please explain why this new account’s service life should be affected by the existing systems’ service life.
4. Please refer to the Petition, Paragraphs (4) and (11) for the questions below:
 - a. Please identify the name, in-service date, as well as the depreciation/amortization account of the existing software System/platform which FPUC is using to perform the Customer Information and Billing function.
 - b. Regarding the existing software discussed in Question 4.a. above, how will the unrecovered investment balance be treated after the new CIS is placed in-service in 2025?
 - c. Please identify the name, in-service date, as well as the depreciation/amortization account of the existing software System/platform which FPUC is using to perform the Resource Planning function including procurement, cash management, and the general ledger.
 - d. Regarding the existing software discussed in Question 4.c. above, how will the unrecovered investment balance be treated after the new ERP is placed in-service in 2026?

Staff's Second Data Request

May 20, 2024

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Please file all responses electronically no later than **June 17, 2024** through the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. In addition, please email the filed response to discovery-gcl@psc.state.fl.us and add this email address on the service list block associated with the PSC attorney assigned to this docket. Please feel free to call me at (850) 413- 6218 if you have any questions.

Sincerely,

/s/ Suzanne Brownless
Suzanne Brownless
Special Counsel

SBr/ds

cc: Office of Commission Clerk