

October 25, 2024

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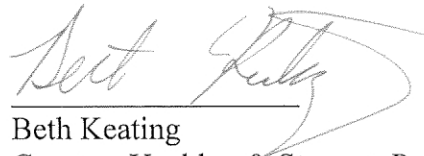
Mr. Adam Teitzman, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20240099-EI - Petition for rate increase by Florida Public Utilities Company

Dear Mr. Teitzman:

Attached, for electronic filing, on behalf of Florida Public Utilities Company, please find the Company's Responses to Staff's Fifth Set of Data Requests.

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Cc: (Service List)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Public Utilities Company. || DOCKET NO. 20240099-EI

FPUC'S RESPONSES TO STAFF'S FIFTH SET OF DATA REQUESTS

1. Please refer to the Direct Testimony of Florida Public Utilities Company (FPUC or Company) witness William Haffecke, page 19, line 9, through line 12 for the following requests.
 - a. Please provide a citation for where the cost of the S&P Global Platts package can be found within the Minimum Filing Requirements (MFRs).
 - b. Please provide the projected 2025 test year expense for this subscription.
 - c. Please explain, with specificity, what this package will be used for and how it aids the Company in serving its customers.
 - d. Are the costs for this subscription allocated between FPUC and other Chesapeake-owned utilities? If so, please indicate the total unallocated cost.

Company Response:

- a. The costs referred to in Witness Haffecke's testimony for S& P Global Platts is included on MFR C-7 page 7 for account 581.**
- b. The total projected cost for the subscription is \$71,136 and \$26,887 was allocated to electric.**
- c. Natural gas cost is a major part of our purchased power agreement with FPL. Therefore, Platts is used in calculating projected fuel costs.**
- d. Yes, the cost is allocated. Please refer to answer b above.**

2. Please refer to FPUC's Responses to Staff's First Data Request, No. 16, MS Excel file, "Staff DR 1.16 Schedules," Tab 16.IT809, line 20, column I for the following request. Please explain the specific reason(s) for the allocated cost amount change from months 7 through 12, as opposed to months 1-6 where the cost is constant month to month.

Company Response:

The allocation percentages did not change for the months in 2023. The amounts allocated are based on the actual costs each month that are charged to that department. The actual costs were related to payments and accruals made to Vertex who works on the ECIS billing system. The detail was included in 1.16 on tab 16.trx.

3. Please refer to FPUC's MFRs, Schedule C-10, filed in both Docket No. 20140025-EI and Docket No. 20240099-EI. In FPUC's 2014 rate case, the 2015 projected test year rate case expense was \$770,721, while the 2025 projected test year rate case expense is \$1,530,907. Please discuss the factors that contributed to the 98.6 percent increase in rate case expense.

Company Response:


In addition to the inflationary and customer growth impacts to the 2015 level of expenses both internal and external related, of approximately \$267,748 based on applying a inflation and growth factor of 1.3474, the remaining increase primarily relates to the Company's level of staffing and the needed outside resources and expertise to prepare and file rate proceedings. Rather than include this level of internal personnel in the annual salary expenses to be recovered in base rates, it was more appropriate to include them in rate case expense and amortize over the four-year period. The Company expects that the level of personnel and outside resources included in the rate case expense will not continue over the period that the rates will be in effect, and accordingly it was more appropriate to recover the

costs in the amortization. The customers benefit because costs included in rate case expense are amortized over a four year period rather than the whole amount incurred in the annual expense. The Company's projected rate case expense is based on specific forecasts from the consultants retained to assist in preparation and support of this rate case. This includes attorneys and experts in schedule preparation, cost of equity, billing determinants, rate design and tariff updates and is based on market based costs that are not necessarily the same as inflation and growth rate impacts. We also do not retain all of the internal expertise in all areas to help facilitate the preparation of a rate cases.. Instead, we hire the necessary expertise and extra assistance necessary to help complete the process when we do find a rate proceeding necessary.

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 25th day of October, 2024:

<p>Suzanne Brownless Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us discovery-gcl@psc.state.fl.us</p>	<p>Walt Trierweiler/P. Christensen / Charles Rehwinkel/Mary Wessling/Octavio Ponce/Austin Watrous Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Trierweiler.Walt@leg.state.fl.us Wessling.Mary@leg.state.fl.us Rehwinkel.Charles@leg.state.fl.us Christensen.patty@leg.state.fl.us Ponce.octavio@leg.state.fl.us Watrous.austin@leg.state.fl.us</p>
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