GUNSTER
FLORIDA'S LAW FIRM FOR BUSINESS

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December 5, 2024

BY E-FILING

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 Sixteenth 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 SIXTEENTH SET OF DATA REQUESTS

1. Please explain why no adjustment was made to Working Capital when removing non-utility plant.

Company Response:

The Company propane, merchandising, and jobbing, as well as all other non-regulated business accounting are not merged with the electric division costs or revenues. Instead, each business maintains its own balance sheet and income statement. The only non-utility plant was related to five vehicles used by employees that work on other business units. Any payroll or costs related to those employees were charged directly to those non-regulated business units. Only a portion of the plant and accumulated depreciation assets related to the other business units were on the electric books.

2. Please explain why Account 228.3 - Accrued Pension & Post Retirement Medical for the Consolidated Electric Division, located on Minimum Filing Requirement (MFR) Schedule B-3 (2025), Page 6 of 6, is a positive $6,543,474; while the same account for the Florida Common Division Allocation on MFR Schedule B-3A (2025) Page 3 of 3 is a negative $6,482,906.

Company Response:

The difference between the allocated portion of the balance from Florida Common on MFR

B-3A and the amount in the electric business unit represents the net benefit plan liability or over funded status. The liability continues to decline over time based on the actuarial data. The Company expects benefit payments for both the pension plan and the OPRB plan will continue to decline over time. Although both plans are frozen for new participants, the assets continue to perform at a level that enables them to meet future obligations and reduce the Company's requirement to have to make contributions to cover any shortfalls.

3. Please explain why there are no retirements associated with the following accounts found on MFR Schedule B-7 (2025):

   a) Account 3970 – Communication Equipment on page 10 of 12.

   b) Account 3911 – Computer and Periphery on page 12 of 12.

   c) Account 3912 – Computer Hardware on page 12 of 12.

   d) Account 3914 – System Software on page 12 of 12.

   e) Account 3920 – Transportation Equipment on page 12 of 12.

Company Response:

a. When a plant account is amortized instead of depreciated, retirements are no longer made since the asset automatically retires at the end of the amortization period.

b. Twenty percent of this equipment is for new additions, not replacements of old equipment. The Company does not budget for retirements of the corporate common equipment because the net effect on rate base is zero. Therefore, in the rate case filing, the retirement was overlooked. Since five percent of the additions are allocated to electric, $16,962 of additions in electric do not have the associated retirement. If the equipment retired costs the same as the new additions, the only change would be a reduction of depreciation expense of $3,392.

c. **Most of this equipment is for new additions, not replacements of old equipment except for an addition of $230,446 for NAS Disk space storage. The Company does not budget for retirements of the corporate common equipment because the net effect on rate base is zero. Therefore, in the rate case filing, the retirement was overlooked. Since five percent of the additions are allocated to electric, $11,522 of additions in electric do not have the associated retirement. If the equipment retired costs the same as the new additions, the only change would be a reduction of depreciation expense of $2,204.**

d. **This software is for new additions, not replacements of old equipment.**

e. **These vehicles being replaced will be re-deployed to other employees. At this time no vehicles have been identified for retirement.**

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 5th day of December, 2024:

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	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
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