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January 15, 2025

VIA E-PORTAL

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

Re: Docket No. 20250017-EI – Review of 2026-2035 Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Florida Public Utilities Company.

Dear Mr. Teitzman:

Attached for filing, please find Florida Public Utilities Company's Petition for Approval of 2026-2035 Storm Protection Plan. The Company is also providing the Testimony of Mark Cutshaw under separate cover.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of 2026-2035 Storm Protection
Plan pursuant to Rule 25-6.030, F.A.C.,
Florida Public Utilities Company

DOCKET NO. 20250017-EI

Filed: January 15, 2025

FLORIDA PUBLIC UTILITIES COMPANY'S
PETITION FOR APPROVAL OF STORM PROTECTION PLAN

Florida Public Utilities Company ("FPUC" or "Company"), consistent with Section 28-106.201, Florida Administrative Code, and pursuant to Section 366.96, Florida Statutes and Rule 25-6.030, Florida Administrative Code, hereby petitions the Florida Public Service Commission ("Commission") for approval of its Storm Protection Plan ("SPP") for 2026 through 2035. In support of this request, the Company hereby states:

BACKGROUND

1. Notices and communications with respect to this petition and docket should be addressed to:

Beth Keating, Esq.
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Florida Public Utilities Company
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Michelle D. Napier
Director, Regulatory Affairs Distribution
Florida Public Utilities Company
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FPUC is an electric utility subject to the Commission's jurisdiction under Chapter 366, Florida Statutes, and a wholly-owned subsidiary of Chesapeake Utilities Corporation. Its principal business address is:

Florida Public Utilities Company
208 Wildlight Avenue
Yulee, FL 32097

FPUC serves customers in two areas of the state: 1. Amelia Island/Fernandina Beach (“NE Division”) and 2. Jackson, Calhoun, and Liberty Counties (“NW Division”). The Company serves 33,090 customers across these two divisions.

2. The agency affected by this request is the Florida Public Service Commission, which is located at 2540 Shumard Oak Boulevard, Tallahassee, FL 32399. This Petition initiates an original proceeding seeking review and approval of FPUC’s SPP consistent with Section 366.96, Florida Statutes. This Petition does not involve reversal or modification of any prior Commission decision or proposed agency action.

3. The Company is unaware of any facts that are in dispute at this time, although it is possible that such disputes may arise over the course of the proceeding.

I. STORM PROTECTION PLAN

4. As set forth in Section 366.96(3), Florida Statutes, each public utility must file a transmission and distribution storm protection plan that covers the “immediate 10-year planning period.” The statute further provides that:

Each plan must explain the systematic approach the utility will follow to achieve the objectives of reducing restoration costs and outage times associated with extreme weather events and enhancing reliability. The commission shall adopt rules to specify the elements that must be included in a utility's filing for review of transmission and distribution storm protection plans.

Consistent with the Florida Legislature's direction, the Commission has adopted Rule 25-6.030, Florida Administrative Code ("SPP Rule"), which went into effect in February 2020.

5. In March 2020, the Commission opened dockets to address the anticipated Storm Protection Plans expected to be filed by each of the Florida investor-owned electric utilities ("IOUs"), including Docket No. 20200068-EI, which pertained to FPUC. On April 10, 2020, Florida Public Utilities Company (FPUC) filed a Motion requesting permission to defer filing its SPP and to allow FPUC to refrain from participating in the Storm Protection Plan Cost Recovery Clause (SPPCRC) proceeding due to circumstances affecting the utility as a result of Hurricane Michael in 2018. By Order No. PSC-2020-0097-PCO-EI, issued in Docket No. 20200068-EI, the prehearing officer granted that motion and FPUC was authorized to file its SPP in April 2021 with the next update then due in April 2023 in order to sync FPUC's next filing with those of the other Florida investor-owned utilities ("IOUs").

6. Thereafter, the other Florida IOUs entered into settlement agreements for their respective initial SPPs. Within those settlement agreements, the parties agreed that the other Florida IOUs would file their next SPP in April 2022. In light of the fact that the new date for filing by the other IOUs would result in FPUC again being out of sync again in terms of its SPP filings, the Company asked the Commission to allow FPUC to defer its filing an additional year. That request was granted by Order PSC-2020-0502-PAA-EI, issued in Docket No. 20200228-EI. Thus, consistent with that Order, FPUC filed its initial Storm Protection Plan in April 2022. Thereafter, by Order

No. PSC-2022-0387-FOF-EI, issued November 10, 2022, the Commission approved FPUC's SPP with certain modifications. The Office of Public Counsel filed an appeal to the Florida Supreme Court, which upheld the Commission's decisions as it related to each of the investor-owned utilities by an opinion issued November 14, 2024.¹

A. Review Criteria

7. As set forth in the Section 366.96(4), Florida Statutes, the Commission shall consider the following in its review of FPUC's updated SPP:

(a) The extent to which the plan is expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability, including whether the plan prioritizes areas of lower reliability performance.

(b) The extent to which storm protection of transmission and distribution infrastructure is feasible, reasonable, or practical in certain areas of the utility's service territory, including, but not limited to, flood zones and rural areas.

(c) The estimated costs and benefits to the utility and its customers of making the improvements proposed in the plan.

(d) The estimated annual rate impact resulting from implementation of the plan during the first 3 years addressed in the plan.

8. FPUC's updated SPP, which is attached and incorporated herein by reference, reflects extensive planning and coordination by FPUC and its consultant, Pike Engineering, to develop a plan that fully implements the Legislature's directive and does so in an effective and cost-conscious manner.

¹ Opinion issued in the following, consolidated proceedings: Nos. SC2022-1733, SC2022-1735, SC2022-1745, SC2022-1748, & SC2022-1777.

B. Contents of FPUC's SPP

9. As set forth in the SPP, which is provided as Exhibit PMC-01, as well as the supporting Direct Testimony of Company witness P. Mark Cutshaw, the SPP contains eight programs, three of which reflect the continuation of legacy Storm Hardening Distribution Wood Pole Inspection and Replacement, Transmission Structure Inspection and Hardening, and Vegetation Management Initiatives, while one reflects consideration and planning for future programs and projects. Three of the new programs include planned projects for the immediate, Year 2026 planning horizon. The programs set forth in the SPP are:

- a. Overhead Feeder Hardening
- b. Overhead Lateral Hardening
- c. Overhead Lateral Undergrounding
- d. Distribution Connectivity and Automation
- e. Distribution Pole Inspections and Replacements
- f. Transmission System Inspection and Hardening
- g. Transmission and Distribution Vegetation Management

10. There is one new program identified above, which is the Distribution Connectivity and Automation program. As discussed in the SPP, this program will facilitate reduced outage times through the addition of feeder ties, as well as the implementation of intelligent protection and automation equipment. Additional feeder ties reduce outage times by providing alternates feeds, facilitating the rerouting of power to unaffected areas of the grid. Combined with intelligent devices, these feeder ties can be used to mitigate outages to unaffected areas of the grid. Investment in this proposed new program is not anticipated until year 3 (2028) of this updated SPP.

11. Consistent with Section 366.96(3), Florida Statutes, these programs, and the projects contemplated thereunder, meet the statutory objectives of reducing restoration costs and outage times associated with extreme weather events and enhancing reliability. Overall, the SPP combines the beneficial legacy Storm Hardening programs with new programs developed based upon resiliency risk scores from across FPUC's electric system to provide an organized, highly navigable "roadmap" for the investments necessary to fully implement the SPP statutory objectives.

12. Furthermore, while the SPP provides the plan, and necessary projects, to enhance FPUC's infrastructure over the continuing 10-year planning horizon, the SPP does not represent the full investment, effort or time frame, necessary to realize the complete hardening and resiliency enhancements necessary on FPUC's electric system. Rather, the SPP utilizes a holistic approach that places emphasis on those programs and projects that are most urgent, due to the scope of the anticipated impact and benefit of the work contemplated, while other aspects of the SPP, although important, are scheduled for later implementation.

13. Consistent with the Commission's SPP Rule, the Company's SPP likewise contains the following required information:

a. A description of how each proposed storm protection program is designed to enhance the utility's existing transmission and distribution facilities including an estimate of the resulting reduction in outage times and restoration costs due to extreme weather conditions, the start and completion dates (where applicable), and estimate of associated capital and operating expenses, as well as a comparison of the costs and benefits; (Section 3)

b. A description of the criteria used to select and prioritize proposed storm protection programs; (Section 2) and

c. A description of FPUC's service area, including a map, customer concentrations, and rationale for prioritization of certain areas. (Sections 1 and 2, and Appendix B).

14. As required by the SPP Rule, the Company's SPP also includes the following information as it relates to the first three years of FPUC's SPP:

a. For the first year of the plan, a description of each proposed storm protection project, including the anticipated start and completion dates, the description of impacted facilities and customers, the estimated cost, as well as historic performance data and criteria used to select the projects; (Section 6)

b. For each of the first three years in a utility's Storm Protection Plan, a description of its proposed vegetation management activities including trim cycle, projected miles of affected transmission and distribution overhead facilities, estimated annual labor and equipment costs for both utility and contractor personnel, and a description of how the vegetation management activity will reduce outage times and restoration costs due to extreme weather conditions; (Sections 3.7 and Appendix C)

c. An estimate of the annual jurisdictional revenue requirements for each year of the Storm Protection Plan; (Section 4)

d. An estimate of rate impacts for each of the first three years of the Storm Protection Plan for the utility's typical residential, commercial, and industrial customers; (Section 5) and

e. For the second and third years of the plan, project related information in sufficient detail, such as estimated number and costs of projects under every specific program, to allow the development of preliminary estimates of rate impacts. (Section 3 and Appendix A).

15. Because the first three years of this updated Plan focus largely on hardening of overhead laterals and feeders, and undergrounding, the Company's SPP addresses implementation

alternatives that could mitigate the resulting rate impact for each of the first three years of the proposed Storm Protection Plan primarily in the context of hardening an overhead facility, instead of undergrounding, in the event that undergrounding is either uneconomical or simply not feasible.

16. Witness Cutshaw's attached Direct Testimony addresses all key aspects of the Company's SPP, which was developed under his direct supervision. Mr. Cutshaw discusses the evolution of the Plan, the costs and benefits of the programs and projects contained in the SPP, the coordination with Pike Engineering, acceleration of the legacy Vegetation Management program, unique considerations given FPUC's size and service territory, prioritization of certain projects, and considerations on the planning horizon.

II. RELIEF REQUESTED

17. As set forth above and reflected in the proposed Storm Protection Plan for FPUC, which is attached hereto and identified as Exhibit PMC-01, the SPP put forth by FPUC is consistent with the Legislative directive of Section 366.96, Florida Statutes, and includes the details and information required by Rule 25-6.030, Florida Administrative.

WHEREFORE, Florida Public Utilities Company respectfully requests that the Florida Public Service Commission find that it is in the public interest to approve FPUC's 2026-2035 Storm Protection Plan without modification.

Respectfully submitted this 15th day of January, 2025,

By: 

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Attorneys for Florida Public Utilities Company

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 15th day of January, 2025:

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By: _____



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