

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 30, 2025

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Marissa Ramos, Chief of Reliability & Resource Planning, Division of Engineering *MR*

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

Please place the attached emails and calculations provided by Florida Public Utilities Company regarding its proposed two-way communication system in the above referenced docket file.

MR/da

Attachments

From: [Keating, Beth](#)
To: [Marissa Ramos](#)
Cc: [Jenny Wu](#); [Suzanne Brownless](#); [Welch, Kathy](#)
Subject: RE: FPUC - Two-Way Communication System
Date: Wednesday, January 29, 2025 4:07:11 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

The \$326,430 is a combination of the Radio One bid, which contemplates Motorola equipment, the amount anticipated for additional antenna and poles, installation, and FAA regulatory compliance.

As noted previously, the company got 2 bids for radio service. Although one has not been definitively chosen yet, the Company is leaning towards Radio One because it is more reputable and uses Motorola equipment.

As for your depreciation question, in the filing, the radios were charged to account 397 Communication Equipment which has a 5 year amortization rate. The formula takes the prior month plant balance divided by 5 years divided by 12 months to get the monthly depreciation.

From: Marissa Ramos <mramos@psc.state.fl.us>
Sent: Wednesday, January 29, 2025 3:32 PM
To: Keating, Beth <BKeating@gunster.com>
Subject: Re: FPUC - Two-Way Communication System

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Is the updated cost of \$326,430 based on the lowest bid or an average of the bids (how many bids were received)?

Thanks!

From: Keating, Beth <BKeating@gunster.com>
Sent: Wednesday, January 29, 2025 1:20:12 PM
To: Marissa Ramos
Cc: Ailynee Ramirez-Abundez; Lee Smith; Garret Kelley; Devlin Higgins; Suzanne Brownless; Welch, Kathy
Subject: RE: FPUC - Two-Way Communication System

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- a. Our best estimate for the cost is \$326,430 based upon updated information and bids.
- b. The Company has since determined it needs approval from the FAA, so the estimated in service date is now June 2025.
- c. The change is a reduction to rate base of \$940,711 and a reduction to depreciation expense of \$187,357 as shown on the attached worksheet.

From: Marissa Ramos <mramos@psc.state.fl.us>

Sent: Tuesday, January 28, 2025 4:18 PM

To: Keating, Beth <BKeating@gunster.com>

Cc: Ailynee Ramirez-Abundez <ARamirez@psc.state.fl.us>; Lee Smith <lsmith@psc.state.fl.us>;

Garret Kelley <GKelley@psc.state.fl.us>; Devlin Higgins <DHIGGINS@PSC.STATE.FL.US>

Subject: FPUC - Two-Way Communication System

This email originated from **outside** of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Beth,

Based on our earlier phone conversation staff has some additional questions regarding FPUC's requested two-way communication system.

1. Please provide the updated total capital cost of the two-way communication system (the current proposed capital cost is \$1.3 million).
2. Please provide the anticipated in-service date for the two-way communication system (the current in-service date is Q1 of 2025).
3. Please provide the adjustments to remove any over-estimated amounts (e.g., plant, depreciation).

Thank you,

Marissa Ramos

Bureau Chief – Reliability & Resource Planning

Division of Engineering

[Florida Public Service Commission](#)

P: (850) 413-6473

Per Adjusted Filing	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	13-Month Average	Yearly
CWIP	300,000	300,000	550,000	-											88,462
Plant	500,000	500,000	500,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000		1,115,385
Accumulated Depreciation		(8,333)	(16,667)	(25,000)	(46,667)	(68,333)	(90,000)	(111,667)	(133,333)	(155,000)	(176,667)	(198,333)	(220,000)		(96,154)
Depreciation Expense		8,333	8,333	8,333	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667		220,000
	800,000	800,000	1,041,667	1,283,333	1,275,000	1,253,333	1,231,667	1,210,000	1,188,333	1,166,667	1,145,000	1,123,333	1,101,667	1,107,692	220,000
Current Estimate															
CWIP															-
Plant							326,430	326,430	326,430	326,430	326,430	326,430	326,430		175,770
Accumulated Depreciation								(5,441)	(10,881)	(16,322)	(21,762)	(27,203)	(32,643)		(8,789)
Depreciation Expense								5,441	5,441	5,441	5,441	5,441	5,441		32,643
							326,430	326,430	320,990	315,549	310,109	304,668	299,228	166,982	32,643
Difference:															
CWIP	(300,000)	(300,000)	(550,000)	-	-	-	-	-	-	-	-	-	-		(88,462)
Plant	(500,000)	(500,000)	(500,000)	(1,300,000)	(1,300,000)	(1,300,000)	(973,570)	(973,570)	(973,570)	(973,570)	(973,570)	(973,570)	(973,570)		(939,615)
Accumulated Depreciation		8,333	16,667	25,000	46,667	68,333	90,000	106,226	122,452	138,679	154,905	171,131	187,357		87,365
Depreciation Expense		(8,333)	(8,333)	(8,333)	(21,667)	(21,667)	(21,667)	(16,226)	(16,226)	(16,226)	(16,226)	(16,226)	(16,226)		(187,357)
	(800,000)	(800,000)	(1,041,667)	(1,283,333)	(1,275,000)	(1,253,333)	(905,237)	(883,570)	(867,344)	(851,118)	(834,892)	(818,665)	(802,439)	(940,711)	(187,357)