

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: December 19, 2025

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Guffey) *JD*
Office of the General Counsel (Brownless) *JSC*

RE: Docket No. 20250139-EI – Petition for approval of tariffs to implement base rate increase consistent with settlement agreement approved by Order No. PSC-2025-0287-AS-EI, by Florida Public Utilities Company.

AGENDA: 01/06/26 – Regular Agenda – Tariff Suspension – Participation is at the Commission's Discretion

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 01/16/26 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

By Order No. PSC-2025-0287-AS-EI, the Florida Public Service Commission (Commission) approved Florida Public Utilities Company's (FPUC or Company) Stipulation and Settlement, a unanimous settlement which resolved all of the issues in FPUC's recent rate case (2025 Settlement).¹ Paragraph III, Revenue Requirement, sections a. and b. of the 2025 Settlement divides the base rate increase into two parts: a \$7.4 million increase effective March 20, 2025 to March 19, 2026, and the final \$8.4 million increase starting March 20, 2026, with a minimum term ending September 20, 2028.

¹ Order No. PSC-2025-0287-AS-EI, issued July 24, 2025 in Docket No. 20240099-EI, *In re: Petition for rate increase by Florida Public Utilities Company*.

In addition to the base revenue increases, the 2025 Settlement includes an increase in miscellaneous charges of \$164,495 effective from March 20, 2025, until the next rate proceeding. Also, the deferred \$1 million will be collected over a three-year period through a one-time increase subject to an offset of the difference between the PAA rates collected from March 20, 2025, until July 2, 2025, plus interest.

Paragraph XV, New Rates, of the 2025 Settlement provides for FPUC to file revised tariffs reflecting the subsequent years' revenue requirements, to be effective on March 20, 2026. Accordingly, on November 17, 2025, FPUC filed a petition seeking approval to implement a base rate increase consistent with the 2025 Settlement effective on March 20, 2026.

During the analysis to date, staff issued its first data request to FPUC on December 1, 2025, for which the responses were received on December 15, 2025. This is staff's recommendation to suspend the revised tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Commission suspend FPUC's proposed tariffs reflecting the base rate increase consistent with the 2025 Settlement Agreement?

Recommendation: Yes. Staff recommends that FPUC's proposed tariffs reflecting the base rate increase consistent with the 2025 Settlement Agreement be suspended. (Guffey)

Staff Analysis: Staff recommends that FPUC's proposed tariffs reflecting the base rate increase consistent with the 2025 Settlement Agreement be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the proposed tariff modifications.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change, a reason, or written statement of good cause for doing so within 60 days. Staff believes that the reasons stated above are good cause consistent with the requirements of Section 366.06(3), F.S.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission decision on FPUC's proposed tariffs. (Brownless)

Staff Analysis: This docket should remain open pending the Commission decision on FPUC's proposed tariffs.