

State of Florida



# Public Service Commission

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**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** May 21, 2026

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

**FROM:** Lynn M. Deamer, Chief of Auditing, Office of Auditing and Performance Analysis *LD*

**RE:** Docket No.: 20260001-EI  
Company Name: Florida Public Utilities Company  
Company Code: EI803  
Audit Purpose: A3a: Fuel Cost Recovery Clause  
Audit Control No.: 2026-012-1-7

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Attached is the final audit report for the Utility stated above, I am sending the Utility a copy of this memo and the audit report. If the Utility desires to file a response to the audit report, it should send a response to the Office of the Commission Clerk. There are no confidential work papers associated with this audit.

Attachment: Audit Report

Cc: Office of Auditing & Performance Analysis

State of Florida



## Public Service Commission

Office of Auditing and Performance Analysis  
Bureau of Auditing

### Auditor's Report

Florida Public Utility Company  
Fuel and Purchased Power Cost Recovery Clause

**Twelve Months Ended December 31, 2025**

Docket No. 20260001-EI  
Audit Control No. 2026-012-1-7.

**May 12<sup>th</sup>, 2026**

A handwritten signature in blue ink, reading "Eduard Dukov".

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Eduard Dukov  
Audit Manager

A handwritten signature in blue ink, reading "Lynn Deamer".

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Lynn Deamer  
Reviewer

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## Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting & Finance in its audit service request dated January 6, 2026. We have applied these procedures to the attached summary exhibit and to several related schedules prepared by Florida Public Utility Company in support of its 2025 filing for the Fuel and Purchased Power Cost Recovery Clause in Docket No. 20260001-EI.

The report is intended only for internal Commission use.

## Objectives and Procedures

### **General**

#### Definition

Company refers to the Florida Public Utility Company, or FPUC.

Fuel Clause refers to the Fuel and Purchased Power Cost Recovery Clause.

### **Revenue**

#### Operating Revenues

**Objectives:** The objectives were to determine the actual Kilowatt Hours (kWh) sold for the period January 1, 2025, through December 31, 2025, and whether the Company applied the Commission-approved cost recovery factor to actual kWh sales for the Fuel Clause.

**Procedures:** We reconciled the 2025 filing to the Company's monthly revenue reports and general ledger. We computed the factors by rate code and compared them to the last Commission Order No. PSC-2024-0481-FOF-EI. We selected a sample of residential and commercial customers' bills for February 2025 and October 2025 and recalculated each to verify the use of the correct tariff rate. No exceptions were noted.

### **Expense**

#### Operation and Maintenance Expense

**Objectives:** The objectives were to verify whether Operation and Maintenance (O&M) Expense listed on the Company's Schedule C-1 filing were supported by adequate documentation, the expenses were appropriately recoverable through the Fuel Clause, and the expenses were in compliance with Commission Order No. 14546, issued July 8, 1985.

**Procedures:** We traced expenses in the filing to the general ledger. We selected a sample of O&M Expenses for testing for all twelve months of 2025. The source documentation for selected items were reviewed to ensure the expense were related to the Fuel Clause and charged to the correct accounts. No exceptions were noted.

### **Other**

#### Revenue Expansion Factor

**Objectives:** The objective was to verify whether the revenue expansion factor applied to any capital investments being recovered through the fuel clause contained a component of bad debt expense.

**Procedures:** We requested support for whether the revenue expansion factor applied to any capital investments being recovered through the Fuel Clause contained a component of bad debt expense. Per the Company response, the revenue expansion factor used for clause calculations does not contain any component for bad debt expense. No exceptions were noted.

## **True-up**

**Objectives:** The objective was to determine if the True-Up and Interest Provision as filed on Schedule C-1 was properly calculated.

**Procedures:** We traced the December 31, 2024, True-Up Provision to the Commission Order. We recalculated the True-Up and Interest Provision amounts as of December 31, 2025, using the Commission-approved beginning balance as of December 31, 2024, the Non-financial Commercial Paper rates, and the 2025 Fuel Clause revenues and costs. No exceptions were noted.

## **Analytical Review**

**Objectives:** The objective was to perform an analytical review of the Company's Fuel Clause Revenues and Expenses to determine if there were any material changes or inconsistencies from the prior year.

**Procedures:** We compared 2025 revenues and expenses to 2022, 2023 and 2024. We requested explanations from the Company for significant changes to revenues. The company-provided explanations were sufficient.

Audit Findings

**None**

