

**FACTS AND FIGURES
OF THE
FLORIDA UTILITY INDUSTRY**



FLORIDA PUBLIC SERVICE COMMISSION

APRIL 2012

This publication is a reference manual for anyone needing quick information about the electric, natural gas, telecommunications, and water and wastewater industries in Florida. The facts have been gathered from in-house materials, outside publications, and Web sites. Every effort has been made to accurately reference the source of the information used. Though most of the data refers specifically to Florida, some data from other states and national averages are included for comparison purposes. If you have questions about this publication, please contact:

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Regulatory Authority

Pursuant to Chapter 366, Florida Statutes (F.S.), as of December 2011, the Florida Public Service Commission (FPSC) has regulatory authority over:

- ◆ **5 investor-owned electric companies**
(all aspects of operations, including rates and safety)
- ◆ **35 municipally owned electric utilities**
(limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning)
- ◆ **18 rural electric cooperatives**
(limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning)

Generating Capacity
(Utility and Non-Utility)
As of January 1, 2011

- ◆ Summer: 56,329 Megawatts (MW)
- ◆ Winter: 60,272 MW *

Transmission Capability
for Peninsular Florida

- ◆ Import → Summer: 3,600 MW
Winter: 3,800 MW
- ◆ Export → Summer: 1,000 MW
Winter: 1,800 MW **

* Generating capacity is higher in winter due to thermodynamics/cooling water.

** Export transmission capability is higher in winter due to thermal ratings of lines and seasonal load patterns.

Sources:

FPSC's 2010 Annual Report

<http://www.floridapsc.com/publications/pdf/general/annualreports/2010.pdf>

FPSC's 2010 Statistics of the Florida Electric Utility Industry, September 2011

<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2010.pdf>

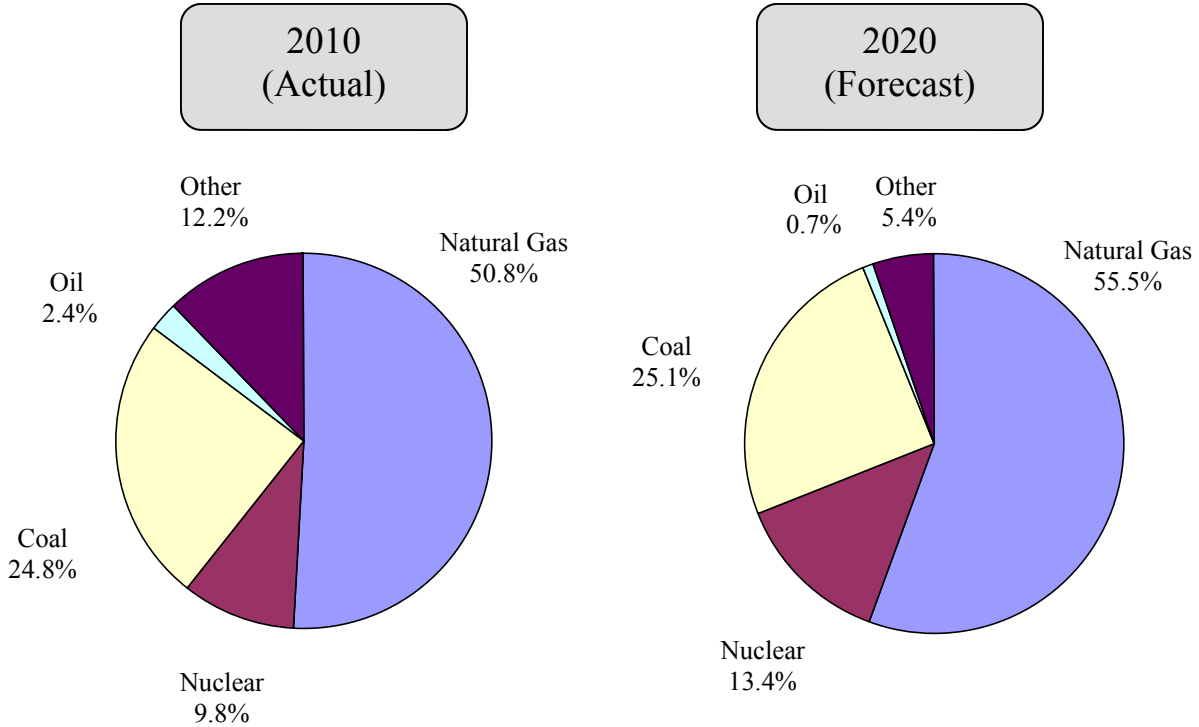
Florida Reliability Coordinating Council's 2010 Regional Load & Resource Plan, July 2010

http://www.floridapsc.com/utilities/electricgas/docs/2010_FRCC_Plan.pdf

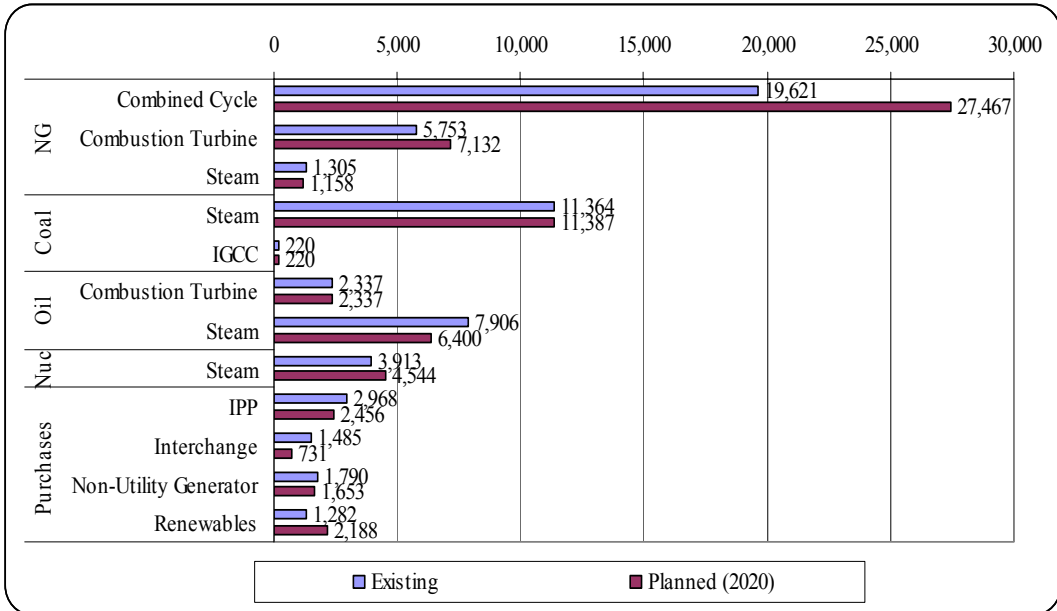
FPSC's Review of 2011 Ten-Year Site Plans for Florida's Electric Utilities, November 2011

<http://www.floridapsc.com/publications/pdf/electricgas/tysp2011.pdf>

Florida Energy Generation by Fuel Type

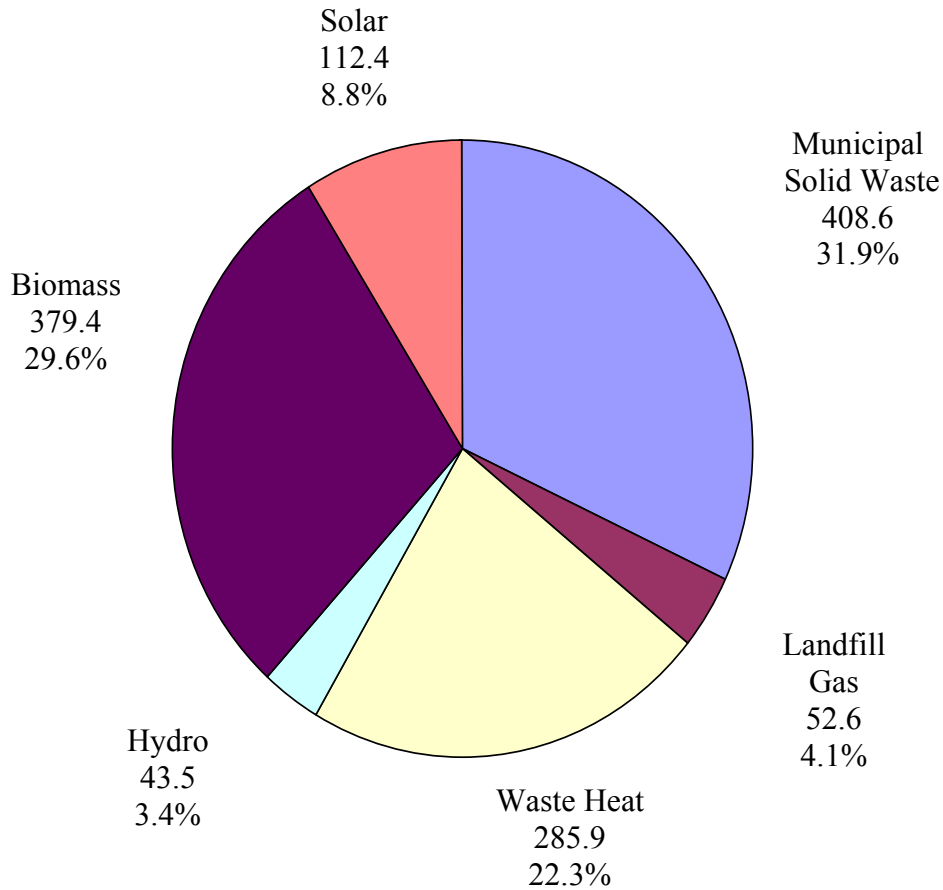


Electric Utility Summer Capacity Mix (MW)



Source:
FPSC's Review of 2011 Ten-Year Site Plans for Florida's Electric Utilities, November 2011
<http://www.floridapsc.com/publications/pdf/electricgas/tyssp2011.pdf>

Florida's Renewable Capacity in MW (2011)
(Total: 1,282.4 MW)



Total Florida Renewable Capacity: 1,282.4 MW
 Total Florida Electric Generation Capacity: 56,329 MW (Summer)

Biomass: Material collected from wood processing, forestry, urban wood waste, and agricultural waste.
 Landfill Gas: Methane collected from landfills.
 Waste Heat: Collected in processing phosphate into fertilizer and other products.

Source:
 FPSC's Review of 2011 Ten-Year Site Plans for Florida's Electric Utilities, November 2011
<http://www.floridapsc.com/publications/pdf/electricgas/tysp2011.pdf>

FLORIDA ELECTRIC INDUSTRY
CUSTOMERS

Average Number of Customers

Average Number of Customers for Investor-Owned Utilities
 by Class of Service
 2010

Utility	Residential	Commercial	Industrial	Total
Florida Power & Light Co.	4,004,367	503,484	8,912	4,516,763
Progress Energy Florida	1,451,466	161,674	2,481	1,615,621
Tampa Electric Company	591,554	70,176	1,434	663,164
Gulf Power Company	375,847	53,349	275	429,471
Florida Public Utilities Co.	23,589	4,332	2	27,923
Total	6,419,157	790,588	13,104	7,252,942

Sources:
 Statistics of the Florida Electric Industry (2010) Table 32
<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2010.pdf>

Typical Electric Bill Comparisons

Residential Service Provided by Investor-Owned Utilities
December 31, 2011

Utility	Minimum Bill or Customer Charge*	1,000 Kilowatt Hours*
Florida Power & Light Company	\$ 5.90	\$ 94.13
Progress Energy Florida	\$ 8.76	\$ 119.34
Tampa Electric Company	\$ 10.50	\$ 104.34
Gulf Power Company	\$ 10.00	\$ 119.60
Florida Public Utilities Company		
Northwest	\$ 12.00	\$ 134.09
Northeast	\$ 12.00	\$ 129.03

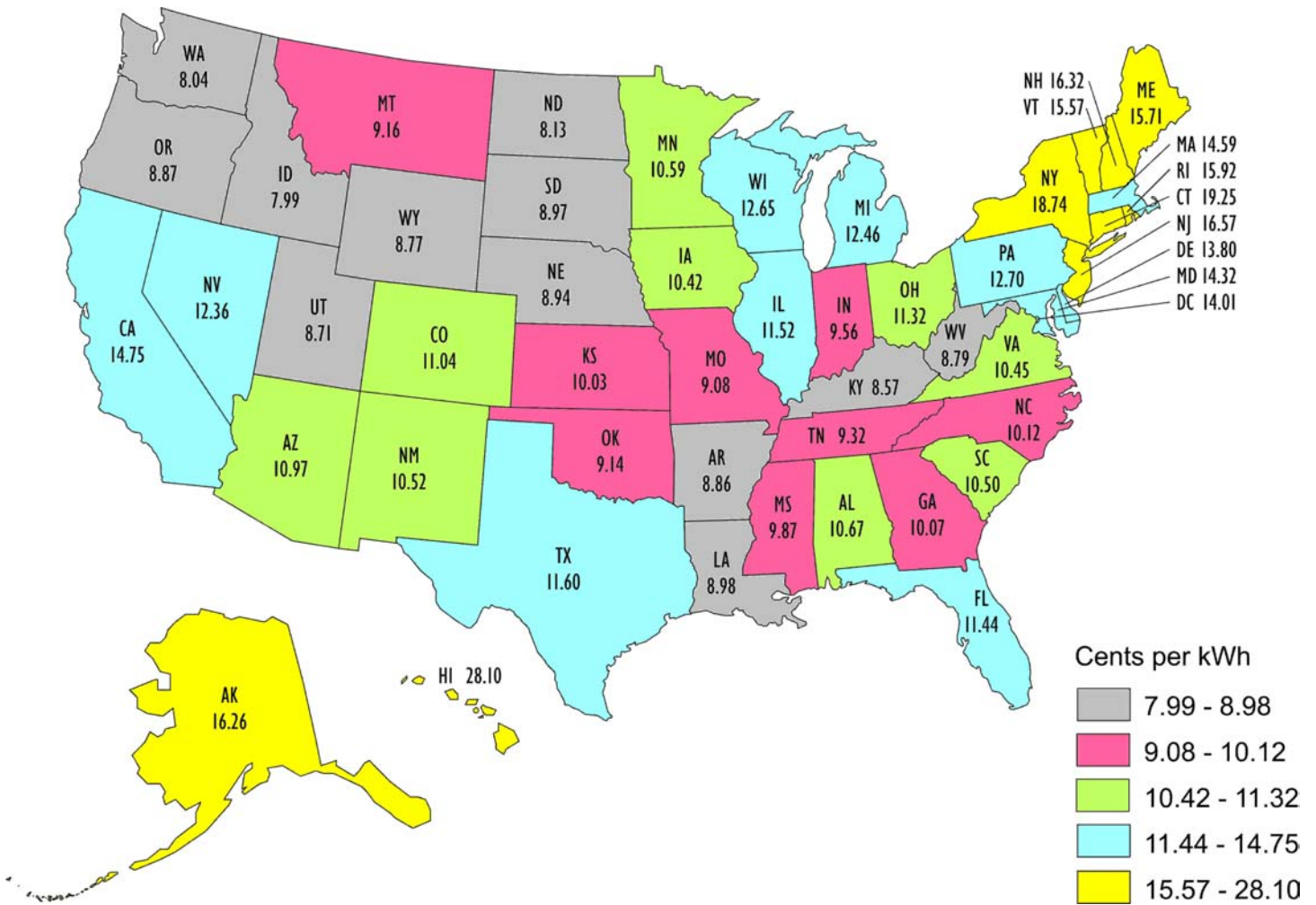
Commercial/Industrial Service Provided by Investor-Owned Utilities
December 31, 2011

Utility	400,000 Kilowatt Hours 1,000 KW Demand*
Florida Power & Light Company	\$ 31,672
Progress Energy Florida	\$ 36,251
Tampa Electric Company	\$ 33,327
Gulf Power Company	\$ 33,361
Florida Public Utilities Company	
Northwest	\$ 42,424
Northeast	\$ 43,140

* Excludes local taxes, franchise fees, and gross receipts taxes that are billed as a separate line item. Includes cost recovery clause factors effective December 2011.

Note: Typical electric bill comparisons for municipally and cooperatively owned electric utilities are available in the *Comparative Rate Statistics* report available at:
<http://www.floridapsc.com/publications/pdf/general/comparativerate.aspx>

Average Residential Price of Electricity by State (2010)
 (U.S. Residential Average Price per kWh = 11.54 cents)



Note: The average revenue per kilowatt-hour of electricity sold is calculated by dividing revenue by sales.

Source:
 Energy Information Administration's *Electric Power Monthly*, Table 5.6.B., February 2012
http://www.eia.doe.gov/cneaf/electricity/epm/table5_6_b.html

Nuclear Waste Policy

Florida Power & Light Company (FPL) and Progress Energy Florida (PEF) currently store over 2,600 metric tons of radioactive waste called “spent nuclear fuel” in water-filled pools inside containment structures at plant sites. As these pools become filled to capacity, some of the spent fuel will be removed and placed in steel and concrete storage containers (dry casks) on-site.

Federal law requires the U.S. Department of Energy (DOE) to store and ultimately dispose of spent nuclear fuel and high-level radioactive waste in a geologic repository. Since 1983, Florida ratepayers have paid \$842.4 million (\$1.5 billion with interest) into the federal nuclear waste fund established to cover the cost of transportation, storage, and disposal of spent fuel.

Florida Nuclear Power Reactors December 31, 2010				
Reactor	Utility	Metric Tons in Spent Fuel Pool	Metric Tons in Dry Cask Storage	NRC License Expires
Crystal River 3	PEF	509.26	N/A	2016*
St. Lucie 1	FPL	592	112	2036
St. Lucie 2	FPL	457	62	2043
Turkey Point 3	FPL	434	131	2032
Turkey Point 4	FPL	449	131	2033

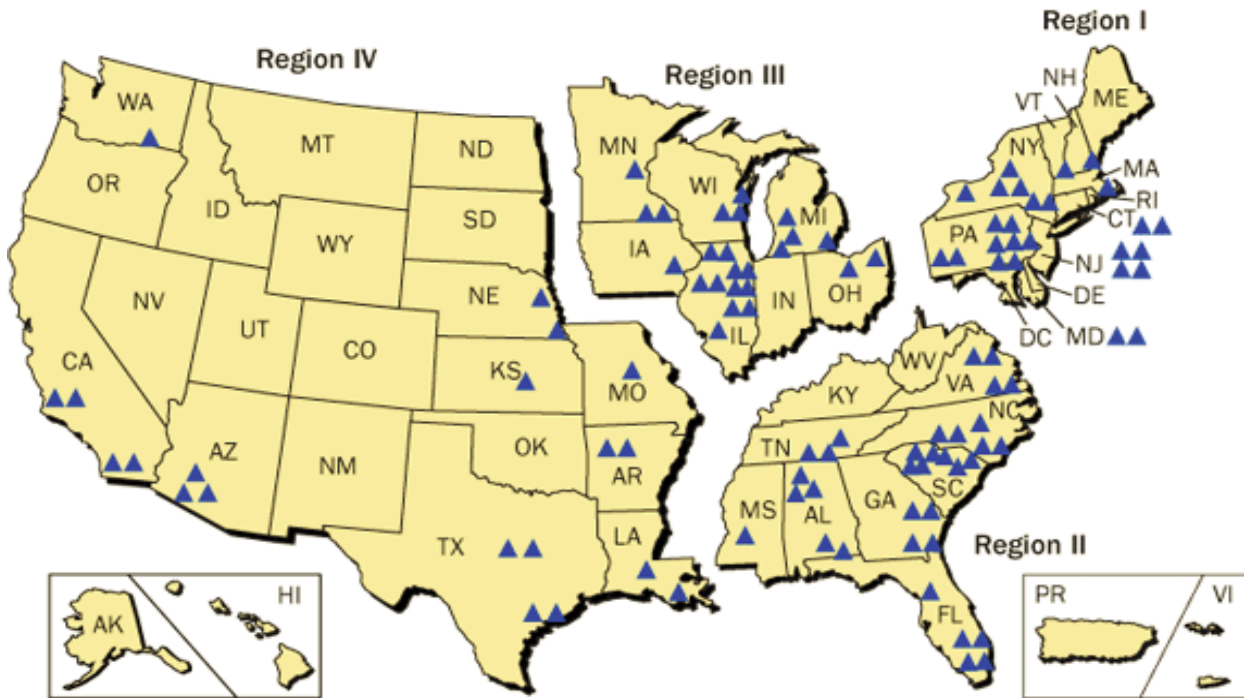
* PEF filed a license renewal application with the Nuclear Regulatory Commission on December 18, 2008.

Proposed Nuclear Power Reactors		
Reactor	Utility	Estimated In-Service Date**
Levy County	PEF	2021 - 2022
Turkey Point 6	FPL	2022
Turkey Point 7	FPL	2023

** The estimated in-service dates for the PEF’s Levy Units have been delayed. FPL has not made a final determination whether to construct Turkey Point 6 & 7.

Sources:
 Responses to information requests provided by Florida Power & Light Company and Progress Energy Florida

Operating Nuclear Power Reactors



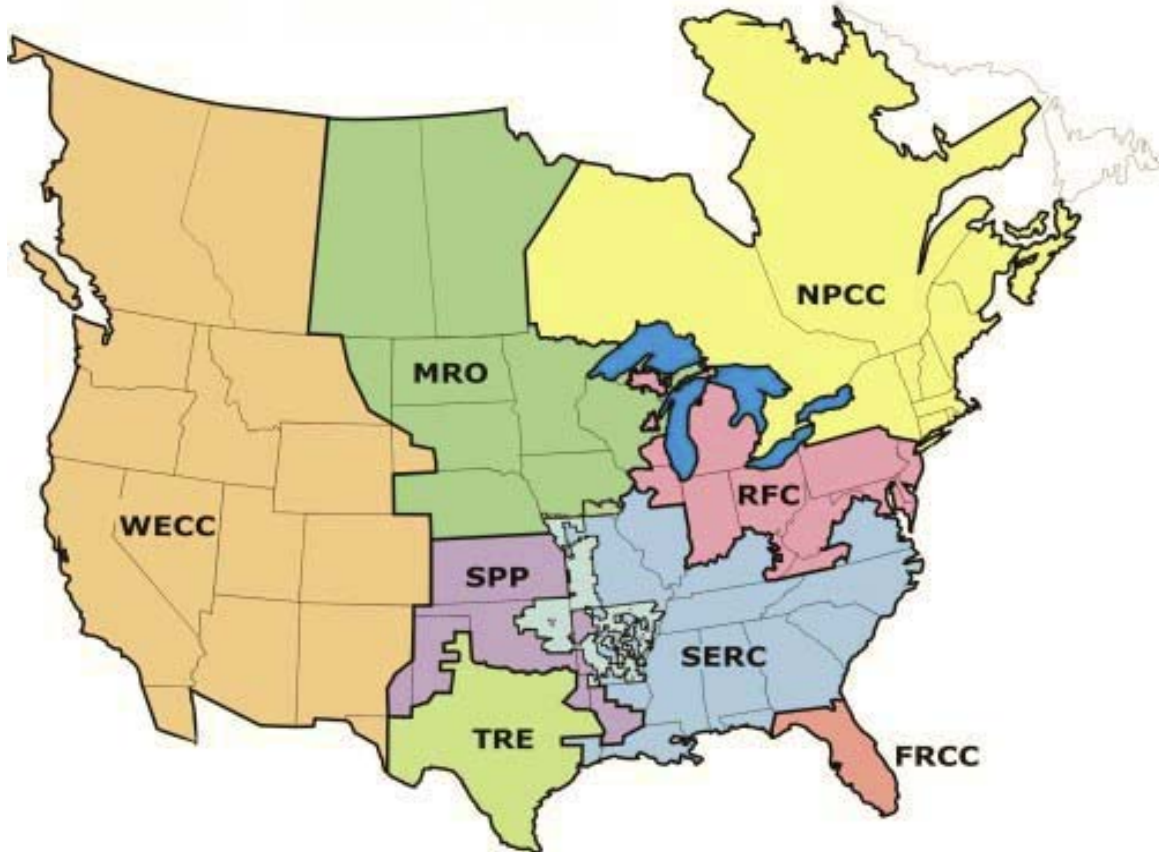
▲ Licensed to Operate (104)

Note: Region IV oversees the Grand Gulf plant in Mississippi (MS), which is part of Region II.

Source:
Nuclear Regulatory Commission
<http://www.nrc.gov/info-finder/reactor/#USMap>

Reliability Councils

North American Electric Reliability Corporation (NERC) is a not-for-profit organization whose members are eight Regional Reliability Councils.

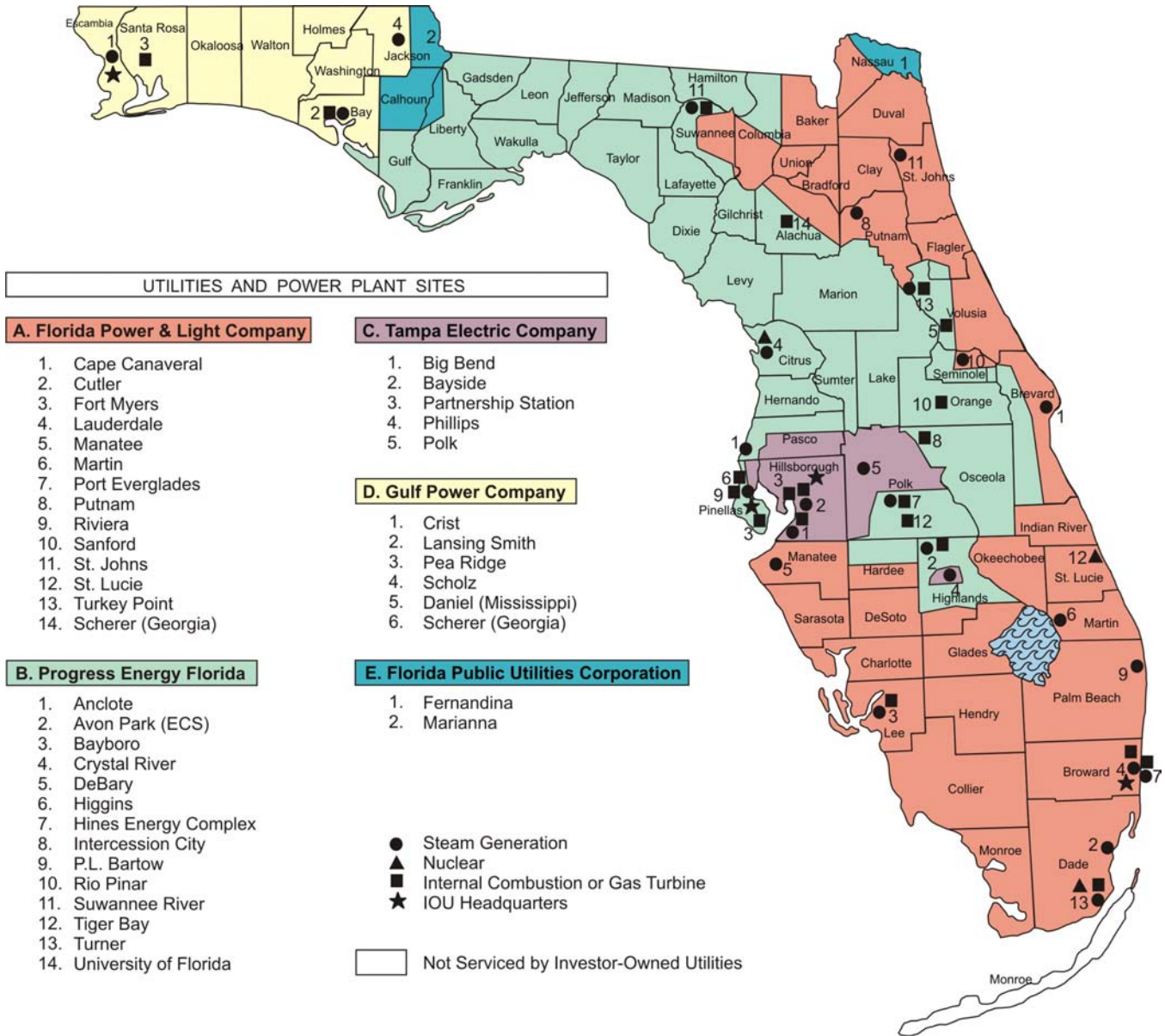


- FRCC** Florida Reliability Coordinating Council
- MRO** Midwest Reliability Organization
- NPCC** Northeast Power Coordinating Council
- RFC** Reliability*First* Corporation
- SERC** SERC Reliability Corporation
- SPP** Southwest Power Pool
- TRE** Texas Regional Entity
- WECC** Western Electricity Coordinating Council

Source:
 North American Electric Reliability Corporation
<http://www.nerc.com/page.php?cid=19119>

Investor-Owned Electric Utilities

Approximate Company Service Areas

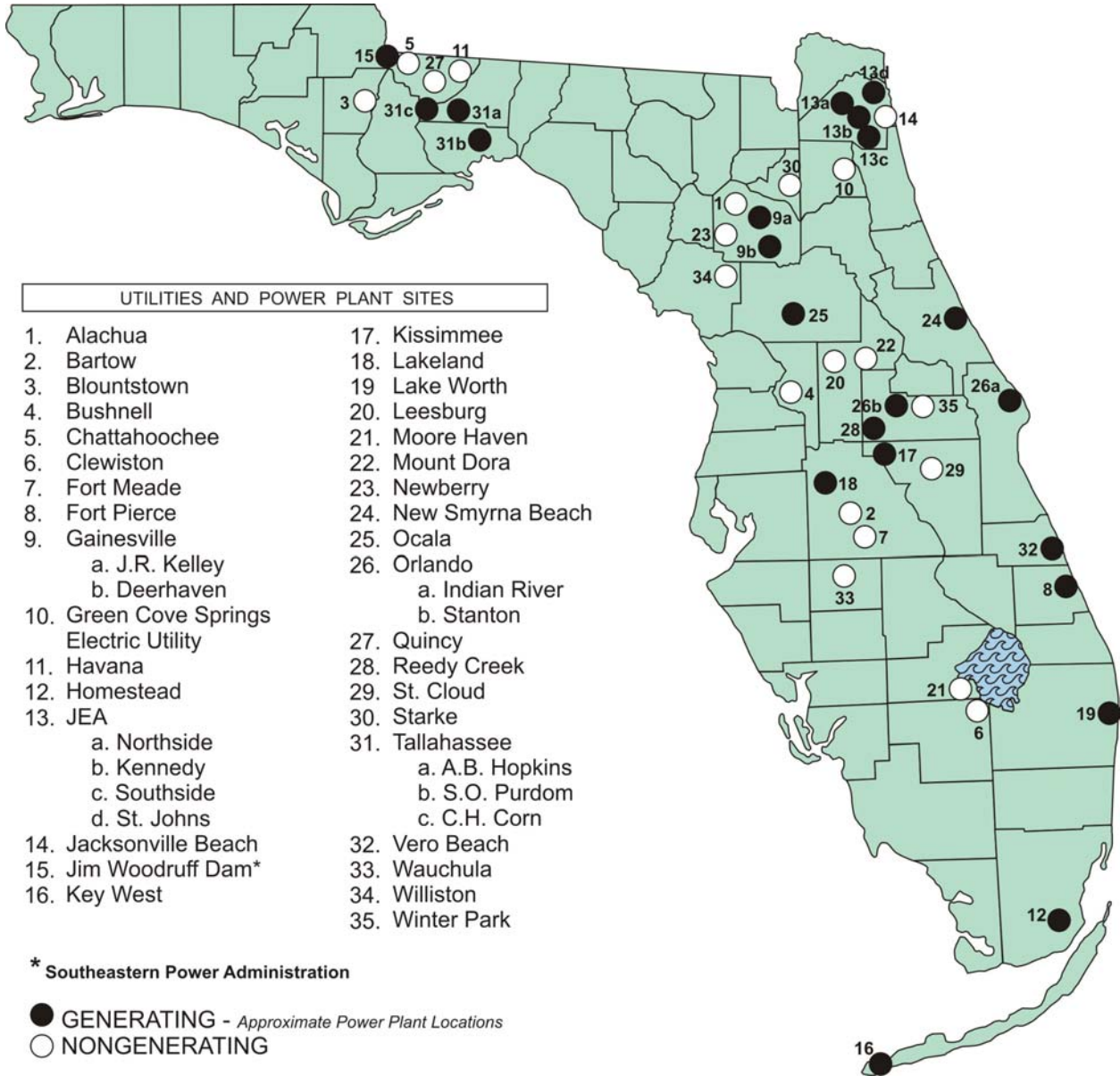


Service areas are approximations.
 Information on this map should be used only as a general guideline.
 For more detailed information, contact individual utilities.

Source:
 Florida Public Service Commission

Additional information about Florida's investor-owned electric utilities is available from:
 FPSC's *Statistics of the Florida Electric Utility Industry 2009*, September 2010
<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2009.pdf>

Municipal Electric Utilities
Approximate Utility Locations



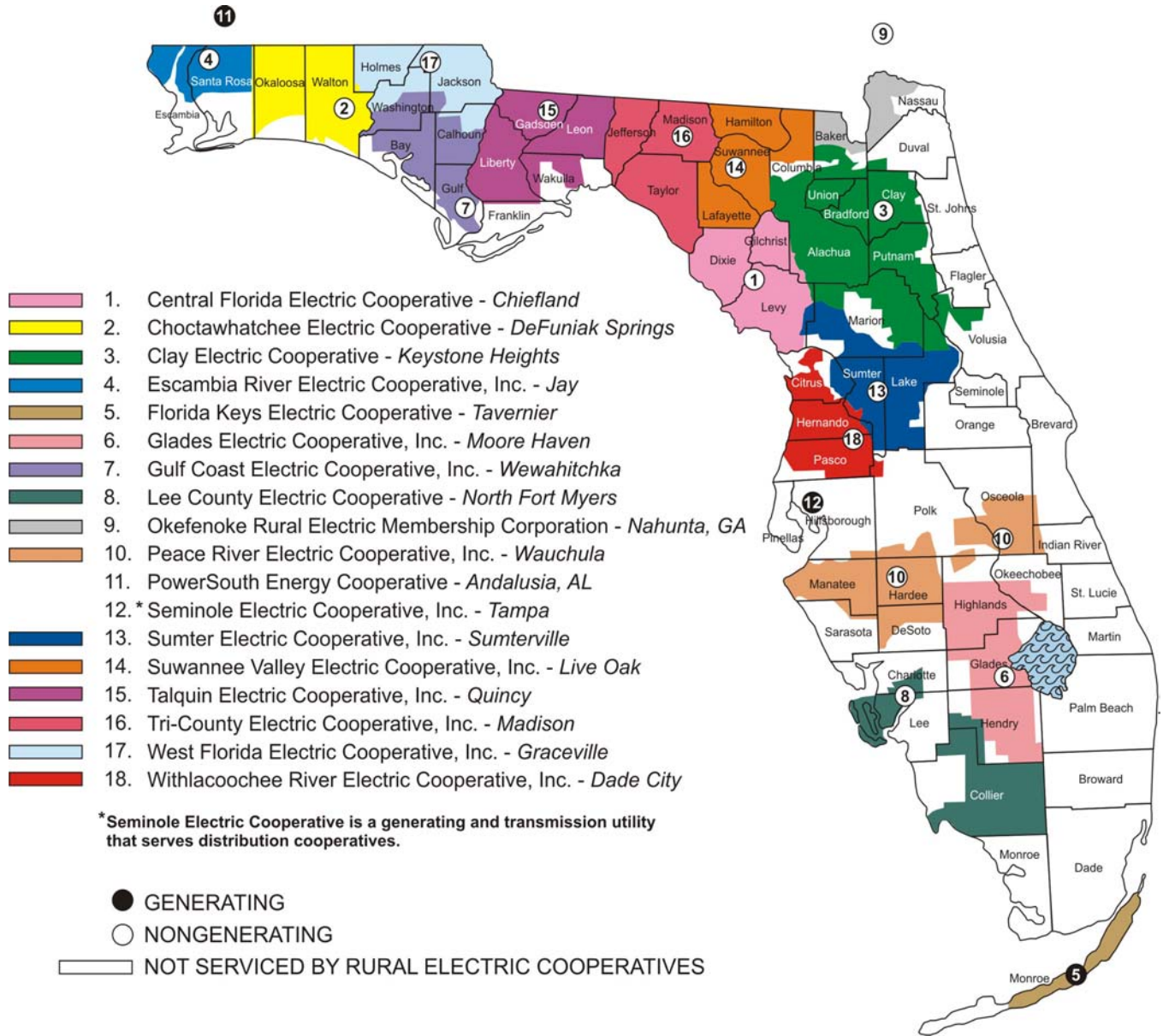
Information on this map should be used only as a general guideline. For more detailed information, contact individual utilities.

Source:
Florida Public Service Commission

Additional information about Florida's municipal electric utilities is available from:
FPSC's *Statistics of the Florida Electric Utility Industry 2009*, September 2010
<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2009.pdf>

Rural Electric Cooperatives

Approximate Company Service Areas



Service areas are approximations.
 Information on this map should be used only as a general guideline.
 For more detailed information, contact individual utilities.

Source:
 Florida Public Service Commission

Additional information about Florida's rural electric cooperatives is available from:
 FPSC's *Statistics of the Florida Electric Utility Industry 2009*, September 2010
<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2009.pdf>

Regulatory Authority

Pursuant to Chapter 366, F.S., as of December 2011, the FPSC has regulatory authority over:

- ◆ **7 investor-owned natural gas utilities**
(all aspects of operations, including safety)
- ◆ **27 municipally owned natural gas utilities**
(limited to safety and territorial boundaries)
- ◆ **4 special gas districts**
(limited to safety and territorial boundaries)
- ◆ Safety jurisdiction also applies to housing authorities and sales laterals off of interstate pipelines. (Interstate pipelines are subject to the direct jurisdiction of the U.S. Dept. of Transportation.)

Transmission

- ◆ Natural gas is transported to Florida customers through two major and two small interstate pipelines:

Major → 1. Florida Gas Transmission Company (FGT)
 2. Gulfstream Natural Gas System

Small → 1. Gulf South Pipeline Company
 2. Southern Natural Gas

- ◆ FGT’s pipeline capacity is 2.3 billion cubic feet per day.
- ◆ Gulfstream’s pipeline capacity is 1.3 billion cubic feet per day.

Sources:
 FPSC’s *2011 Annual Report*
<http://www.floridapsc.com/publications/pdf/general/annualreports/2011.pdf>

FPSC’s *Natural Gas Utility Regulation in Florida*
<http://www.floridapsc.com/publications/consumer/brochure/NaturalGasbrochure.pdf>

Florida Gas Transmission Company
http://www.panhandleenergy.com/comp_fld.asp

Gulfstream Natural Gas System
<http://www.gulfstreamgas.com/>

Number of Customers and Therm Sales

Number of Customers for Investor-Owned Utilities By Customer Type December 31, 2010

Utility	Residential	Commercial & Industrial	FTS*	Other**	Total
Chesapeake Utilities ***	0	0	14,619	0	14,619
Florida City Gas	96,472	4,708	1,718	0	102,898
Florida Public Utilities Co.	46,938	4,443	581	66	52,028
Indiantown Gas Co. ***	0	0	713	0	713
Peoples Gas System	304,701	15,577	15,654	74	336,006
St. Joe Natural Gas	2,688	227	1	1	2,917
Sebring Gas System ***	0	0	N/R	0	N/R

Annual Therm Sales for Investor-Owned Utilities December 31, 2010

Utility	Residential	Commercial & Industrial	FTS*	Other**	Total
Chesapeake Utilities ***	0	0	121,552,657	0	121,552,657
Florida City Gas	20,542,378	24,357,952	53,846,178	0	98,746,508
Florida Public Utilities Co.	13,598,390	31,759,460	14,596,630	6,197,680	66,152,160
Indiantown Gas Co. ***	0	0	4,138,480	0	4,138,480
Peoples Gas System	82,752,075	55,097,184	358,633,547	1,086,927,520	1,583,410,326
St. Joe Natural Gas	754,483	504,331	471,148	2,003	1,731,965
Sebring Gas System ***	0	0	N/R	0	N/R

* FTS = Firm Transportation Service

** Other includes Off System Sales, Interruptible Sales, Natural Gas Vehicle Sales, and Other Sales to Public Authorities.

*** Exited the merchant function, all customers are firm transportation customers.

Source:
FPSC, 2010 Annual Reports filed by Natural Gas Utilities

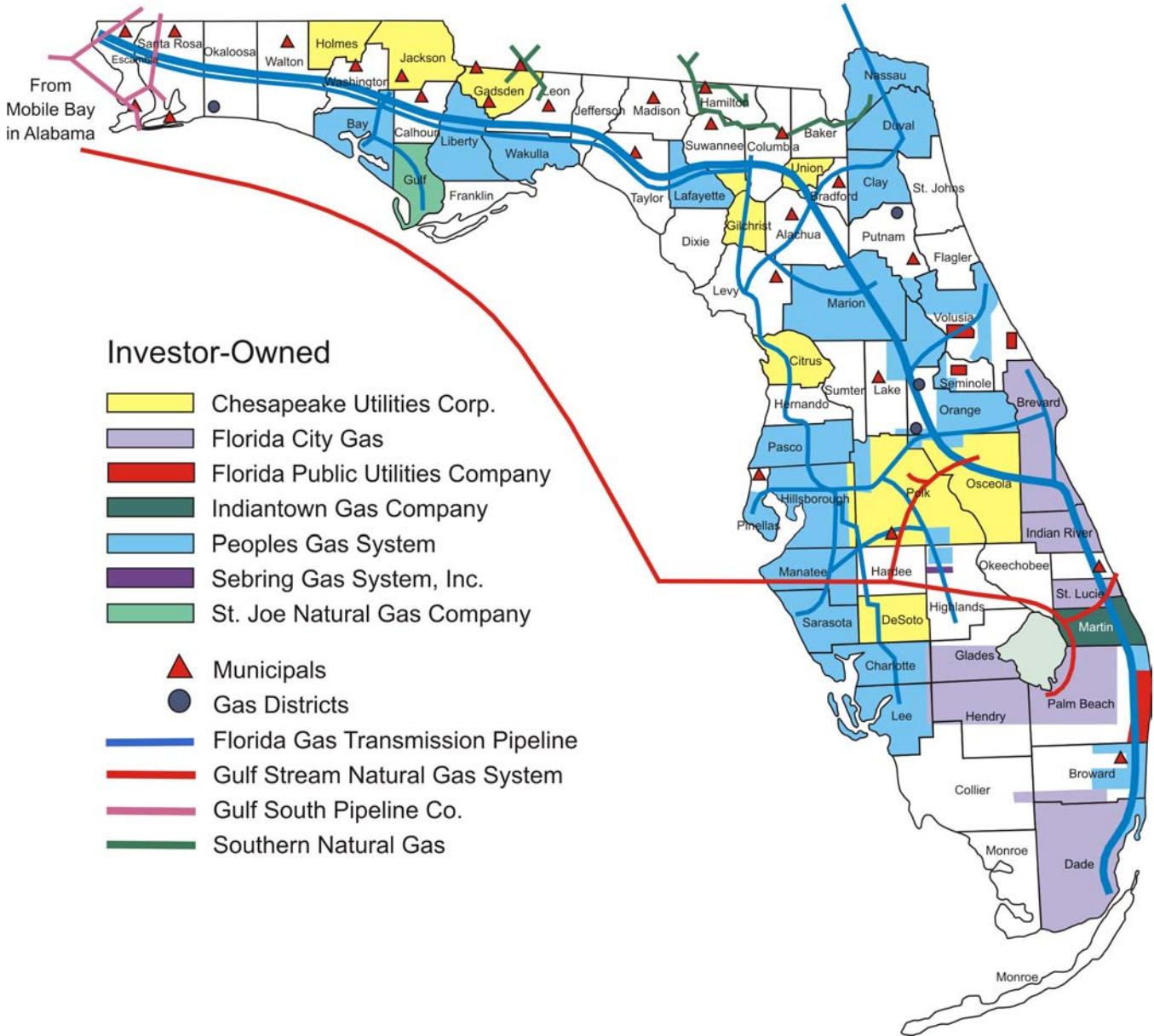
Typical Natural Gas Bill Comparisons

Residential, Commercial, and Industrial Service Provided by Investor-Owned Utilities December 31, 2011						
	Residential		Commercial		Industrial	
Utility	Minimum Bill or Customer Charge	Therms Sold (20)	Minimum Bill or Customer Charge	Therms Sold (90)	Minimum Bill or Customer Charge	Therms Sold (700)
Chesapeake Utilities *	\$ 19.00	\$ 29.85	\$ 15.00	\$ 67.84	\$15.00- \$27.50	\$ 299.70
Florida City Gas	\$ 8.00	\$ 29.79	\$8.00-\$11.00	\$ 106.07	\$11.00- \$12.00	\$ 654.19
Florida Public Utilities Co.	\$ 11.00	\$ 34.11	\$ 15.00	\$ 113.03	\$15.00- \$45.00	\$ 784.16
Indiantown Gas Co. *	\$ 9.00	\$ 16.80	\$ 9.00	\$ 44.10	\$ 9.00	\$ 281.99
Peoples Gas System	\$ 12.00	\$ 34.30	\$ 20.00	\$ 120.50	\$20.00- \$30.00	\$ 767.79
St. Joe Natural Gas	\$ 20.00	\$ 53.59	\$ 9.00	\$ 164.03	\$ 9.00	\$ 801.31
Sebring Gas System *	\$ 9.00	\$ 23.24	\$9.00-\$12.00	\$ 73.06	\$ 12.00	\$ 406.94

December 2011 gas costs are included for those companies participating in purchased gas adjustment clause. (Florida City, FPUC, Peoples, and St. Joe).

* Exited the merchant function; gas costs not included.

Natural Gas Companies in Florida
Approximate Company Service Areas



Service areas are approximations.
Information on this map should be used only as a general guideline.

Source:
FPSC Map
<http://www.floridapsc.com/publications/pdf/electricgas/naturalgasutilities.pdf>

Regulatory Authority

Pursuant to Chapter 364, F.S., as of September 30, 2011, the FPSC has regulatory authority over:

- ◆ **10 incumbent local exchange companies (ILECs)**
- ◆ **367 competitive local exchange companies (CLECs)**
- ◆ **105 pay telephone service companies (PATS)**

Definitions

- ◆ **Incumbent Local Exchange Telecommunications Company (ILEC)** - any company certificated by the Commission to provide local exchange telecommunications service in Florida on or before June 30, 1995.
- ◆ **Competitive Local Exchange Telecommunications Company (CLEC)** - any company certificated by the Commission to provide local exchange telecommunications service in Florida on or after July 1, 1995.
- ◆ **Pay Telephone Service Company (PATS)** - any certificated telecommunications entity which provides pay telephone service.

Source:

FPSC's *Telecommunications Terms and Definitions*
<http://www.floridapsc.com/publications/telecomm/telterms.aspx>

Broadband, VoIP, and Wireless

Broadband is a term describing evolving digital technologies offering consumers integrated access to voice, high-speed data services, video on demand services, and interactive information delivery services. Voice over Internet Protocol (VoIP) and wireless services compete with traditional wireline service and represent a significant portion of today's communications market in Florida. Broadband service also provides the basis for some VoIP services. These three services are not subject to FPSC jurisdiction.

Broadband

- ◆ Florida's broadband line count was approximately 9.8 million as of December 2010.
- ◆ Approximately 43 percent of those connections are at download speeds of 3 Mbps or greater; however, 20 percent of those connections are greater than or equal to 10 Mbps.
- ◆ Residential subscribership in Florida reached 70 percent, as of December 2010, which is 6 percent above the current national average.
- ◆ There are 98 providers of high-speed Internet access in Florida, including 46 digital subscriber line (DSL) providers, 18 cable providers, 34 fiber providers, and 7 mobile wireless providers as of June 2010.
- ◆ Wireless broadband services represent the fastest growing segment of the broadband market.

VoIP

- ◆ As of December 2010, there were an estimated 2.0 million residential VoIP subscribers in Florida, an increase of 11 percent over the 1.8 million estimated in 2009.
- ◆ Forty-six CLECs and 4 ILECs voluntarily reported 578,346 VoIP lines to the FPSC in response to its 2011 Local Competition data request.
- ◆ The Florida Cable Telecommunications Association (FCTA) reported 1.7 million residential cable digital voice (VoIP) subscribers as of December 2010, an increase of 20 percent from the number reported for December 2009.

Wireless

- ◆ Wireless subscribers in Florida, as of December 2010, reached 16.9 million handsets.
- ◆ The Centers for Disease Control (CDC) estimates that nearly 29.7 percent of U.S. households are wireless-only as of December 2010.

Source:

FPSC's *Report on the Status of Competition in the Telecommunications Industry, As of December 31, 2010*
<http://www.floridapsc.com/publications/pdf/telecomm/20100730MasterComp.pdf>

Access Lines

An access line is a telephone line extending from the telecommunications company's central office to a point of demarcation, usually on the customer's premises.

Florida Access Lines As of December 2010

	Residential	Business	Total	Changes Since 2009
ILECs	3,360,755	1,775,197	5,135,952	-20%
CLECs	142,873	1,157,110	1,299,983	+27%
Total	3,503,628	2,932,307	6,435,935	-13%

Retail Access Lines by Florida ILEC As of December 2010

Company	Residential	Business	Total Retail*
AT&T Florida	1,830,910	981,898	2,812,808
CenturyLink (f/k/a Embarq Florida)	789,643	408,390	1,198,033
FairPoint Communications	25,710	11,985	37,695
Frontier Communications of the South	2,825	333	3,158
ITS Telecommunications Systems	2,120	853	2,973
NEFCOM	5,562	1,475	7,037
Smart City Telecom	3,042	10,003	13,045
TDS Telecom/Quincy Telephone	7,414	3,204	10,618
Verizon Florida	633,308	340,028	973,336
Windstream Florida	60,221	17,028	77,249
Total	3,360,755	1,775,197	5,135,952

* Does not include resale, UNE, payphone, or official lines.

Sources:

FPSC's *Report on the Status of Competition in the Telecommunications Industry, As of December 31, 2010*, Table 3-2
<http://www.floridapsc.com/publications/pdf/telecomm/20100730MasterComp.pdf>

FPSC, Periodic Reports (Schedule 8) filed by ILECs as required by Rule 25-4.0185, Florida Administrative Code

Universal Service Programs

The Federal Communications Commission (FCC) and Congress recognize that telephone service provides a vital link to emergency services, government services, and surrounding communities. To help promote telecommunications service nationwide, the FCC, as directed by Congress, developed the Federal Universal Service Fund (USF). The USF is administered by the Universal Service Administrative Company (USAC). The USF includes the High-Cost, Low-Income, Schools and Libraries, and Rural Health Care Programs.

1 High-Cost Program. Provides financial support to companies that provide telecommunications services in areas of America where the cost of providing service is high. The program uses five high-cost support mechanisms:

- ◆ **Embedded high-cost loop support (HCL):** Provides support for the “last mile” of connection for rural companies in service areas where the cost to provide this service exceeds 115 percent of the national average cost per line.
- ◆ **Local switching support (LSS):** Provides financial assistance designed to reduce the high fixed switching costs for carriers that serve 50,000 loops or fewer.
- ◆ **Forward-looking high-cost model support (HCM):** Provides support to non-rural carriers with forward-looking costs that exceed the national benchmark.
- ◆ **Interstate access support (IAS):** Helps offset interstate access charges for price cap companies.
- ◆ **Interstate common line support mechanism (ICLS):** Helps offset interstate access charges for rate-of-return companies.

2 Low-Income Program. Provides telephone service discounts to qualifying low-income consumers. It offers benefits through the Lifeline Assistance and Link-Up Florida programs:

- ◆ **The Lifeline Assistance Program:** Provides a monthly credit of at least \$13.50 on basic monthly service at the primary residence for qualified telephone subscribers. The telephone subscriber may receive a credit less than \$13.50 if the subscriber’s bill for basic local telephone service is less than that amount. (Upon completion of federal noticing requirements in 2012, the Lifeline credit will be reduced to \$12.75.)

Low-Income Program (continued)

◆ **Tribal Benefits:** Residents living on federally recognized tribal lands may qualify for up to \$100.00 in Link-Up support and enhanced Lifeline support (up to an additional \$25.00 in support beyond current levels). Link-Up helps income-eligible consumers on tribal lands initiate new telephone service.

◆ **Monthly Lifeline Credit:** Under the FCC's rules, monthly federal Lifeline support consists of:

\$ 9.25 - Interim uniform flat-rate USF reimbursement

\$ 3.50 - Matching Credit - Florida carriers provide \$3.50 in additional support

\$12.75 - Total Monthly Lifeline Credit

\$25.00 - Tier 4 - Federal Support (only available to eligible subscribers living on tribal lands)

◆ **Customer Eligibility:** Customers with annual incomes up to 150 percent of the federal poverty guidelines are eligible to participate in the Lifeline program. In addition, eligibility is determined by customer enrollment in any one of the following programs:

→ Temporary Cash Assistance (TCA)*

→ Supplemental Security Income (SSI)

→ Supplemental Nutritional Assistance Program (SNAP)

→ Medicaid

→ Federal Public Housing Assistance (Section 8)

→ Low-Income Home Energy Assistance Program (LIHEAP)

→ National School Lunch Program's Free Lunch Program

→ Bureau of Indian Affairs Programs**

* Known as Temporary Assistance to Needy Families (TANF) for federal Universal Service purposes.

** Eligible consumers living on tribal lands qualify for Link-Up and Lifeline if they participate in one of the following federal assistance programs: (1) Tribal TANF, (2) National School Lunch Free Lunch Program, or (3) Head Start Subsidy.

3 Schools and Libraries (or E-Rate) Program. Helps to ensure that the nation's classrooms and libraries receive access to the vast array of educational resources that are accessible through the telecommunications network. While funding for the program is capped at \$2.25 billion annually, the FCC has included an index for inflation to preserve the purchasing power of the program. As a result, the cap for 2010 was \$2.27 billion. The E-Rate program offers the following benefits:

- ◆ Eligible schools and libraries receive discounts on telephone service, Internet access, and internal connections (i.e., network wiring) within school and library buildings.
- ◆ The discounts range from 20 percent to 90 percent, depending on the school's eligibility for the National School Lunch program (or a federally approved alternative mechanism) and whether or not the school or library is located in an urban or rural area.

4 Rural Health Care Program. Helps to link health care providers located in rural areas to urban medical centers so that patients living in rural America will have access to the same advanced diagnostic and other medical services that are enjoyed in urban communities. Funding is capped at \$400 million annually. This program offers many benefits:

- ◆ Public and non-profit health care providers in rural areas can receive discounts on monthly telecommunications charges, installation charges, and long distance Internet connection charges.
- ◆ Rural health care providers are using funds from this program for a variety of patient services, such as transmitting x-rays from remote areas to be read by health care professionals and experts in urban areas.
- ◆ The FCC has augmented the existing support with a pilot program to fund the construction of dedicated broadband networks that connect health care providers in a state or region. This program will provide funding for up to 85 percent of an applicant's costs of deploying a dedicated broadband network, including any necessary network design studies, as well as the costs of advanced telecommunications and information services that will ride over this network. Participants deploying dedicated broadband health care networks would also have the option of connecting those systems to Internet-2, National LambdaRail, or the public Internet.
- ◆ Eligible entities include:
 - post-secondary educational institutions offering health care instruction, including teaching hospitals and medical schools
 - community health centers or health centers providing health care to migrants
 - community mental health centers

Universal Service Program Developments in Florida

Low-Income Program

- ◆ **Coordinated Enrollment Process** In April 2006, FPSC and the Department of Children and Families (DCF) staff developed a process whereby potential Lifeline customers, once certified through a DCF program, could receive Lifeline discounts. From the perspective of the client, the coordinated enrollment process established by the FPSC and DCF is seamless, from filling out the DCF web application to receiving Lifeline discounts.

The coordinated enrollment process entails the DCF client checking a “yes” or “no” box. DCF then forwards the names of the clients who have chosen and been approved for Lifeline, along with their relevant enrollment information, to the FPSC. The FPSC electronically sorts the information by eligible telecommunications carrier (ETC) and places the names on a secure Web site for retrieval and enrollment by the appropriate ETC.

- ◆ **Eligible Telecommunications Carriers (ETC)** A carrier that is granted ETC status is eligible to receive federal universal service support pursuant to FCC rules. To qualify as an ETC, a common carrier must offer services that are supported by federal universal service support mechanisms either using its own facilities or using a combination of its own facilities and another carrier’s resold service. Additionally, the carrier must advertise the availability of such services and charges using media of general distribution. As of June 2011, Florida had 24 ETCs, comprised of 10 incumbent local exchange companies, 10 competitive local exchange companies, and 4 wireless companies. FCC rules allow state commissions, upon their own motion or upon request, to designate a common carrier that meets certain requirements as an ETC.
- ◆ **Income Eligibility** In 2010, Section 364.10(3)(a), F.S., was revised to allow any commercial mobile radio service provider designated as an ETC carrier pursuant to 47 U.S.C. §214 (e), upon filing a notice of election to do so with the Commission, provide Lifeline service to any customer who meets an income eligibility test of 150 percent or less of the federal poverty income guidelines.

Universal Service Support Mechanisms by Program for Florida

2 0 1 0

(Annual Payments and Contributions in Thousands)

Program	Payments from USAC	Estimated Contributions to USAC	Estimated Net Dollar Flow
High-Cost	\$ 67,693	\$ 280,891	(\$ 213,198)
Low-Income	88,201	88,367	(166)
Schools & Libraries	107,719	152,107	(44,388)
Rural Health Care	226	5,626	(5,400)
Total	\$ 263,839	\$ 526,991	(\$ 263,152)

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(Annual Payments and Contributions in Thousands)

Program	Payments from USAC	Estimated Contributions to USAC	Estimated Net Dollar Flow
High-Cost	\$ 70,396	\$ 153,348	(\$ 82,952)
Low-Income	74,720	162,767	(88,047)
Schools & Libraries	75,933	165,410	(89,477)
Rural Health Care	854	1,860	(1,006)
Administrative Expense	0	12,454	(12,454)
Total	\$ 221,903	\$ 495,839	(\$ 273,936)

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(Annual Payments and Contributions in Thousands)

Program	Payments from USAC	Estimated Contributions to USAC	Estimated Net Dollar Flow
High-Cost	\$77,293	\$ 296,859	(\$ 219,566)
Low-Income	24,283	54,316	(30,033)
Schools & Libraries	76,306	116,671	(40,365)
Rural Health Care	270	3,279	(3,009)
Administrative Expense	0	11,296	(11,296)
Total	\$ 178,152	\$ 482,420	(\$ 304,268)

Source:
 Federal Communications Commission's *Universal Service Monitoring Reports*, Table 1.12, CC Docket No. 98-202
<http://www.fcc.gov/wcb/iatd/monitor.html>

Universal Service Support Mechanisms by State (2010)

State	Payments from USAC (in Thousands)	Estimated Contributions to USAC (in Thousands)	Estimated Net Dollar Flow
Alabama	\$ 179,322	\$ 127,668	\$ 51,653
Alaska	317,775	22,302	295,473
American Samoa	5,729	631	5,098
Arizona	149,019	155,754	(6,735)
Arkansas	139,526	74,492	65,033
California	616,486	885,312	(268,826)
Colorado	96,441	144,377	(47,935)
Connecticut	28,613	106,098	(77,485)
Delaware	4,284	29,049	(24,765)
Dist. of Columbia	16,786	38,199	(21,413)
Florida	263,839	526,991	(263,152)
Georgia	240,535	262,777	(22,242)
Guam	16,703	4,369	12,335
Hawaii	64,930	42,275	22,655
Idaho	62,257	39,526	22,732
Illinois	173,118	331,196	(158,078)
Indiana	125,802	154,930	(29,128)
Iowa	146,172	72,772	73,400
Kansas	217,112	71,094	146,018
Kentucky	145,276	104,924	40,352
Louisiana	233,390	115,153	118,237
Maine	44,229	35,731	8,498
Maryland	28,887	177,736	(148,849)
Massachusetts	59,668	186,951	(127,282)
Michigan	158,876	228,772	(69,896)
Minnesota	137,240	126,964	10,276
Mississippi	306,118	71,859	234,259
Missouri	161,247	154,834	(6,413)
Montana	95,231	26,757	68,474
Nebraska	102,790	45,830	56,960
Nevada	30,800	72,752	(41,952)
New Hampshire	13,825	39,195	(25,370)
New Jersey	85,308	272,827	(187,519)
New Mexico	130,397	50,327	80,069
New York	334,074	531,331	(197,257)
North Carolina	198,620	248,017	(49,397)
North Dakota	105,704	17,796	87,908
Northern Mariana Islands	2,394	1,335	1,059
Ohio	177,091	275,361	(98,270)
Oklahoma	279,308	86,716	192,592
Oregon	95,960	96,174	(214)
Pennsylvania	185,834	335,559	(149,725)
Puerto Rico	271,828	77,558	194,269
Rhode Island	9,655	26,781	(17,125)
South Carolina	170,624	114,968	55,656
South Dakota	97,897	19,408	78,489
Tennessee	159,986	165,016	(5,030)
Texas	585,358	563,784	21,574
Utah	43,733	59,616	(15,883)
Vermont	25,764	19,450	6,314
Virgin Islands	30,207	5,701	24,506
Virginia	125,341	235,958	(110,617)
Washington	139,309	167,202	(27,893)
West Virginia	72,171	53,890	18,281
Wisconsin	186,638	139,941	46,697
Wyoming	56,703	15,373	41,329
Total	\$ 7,951,931	\$ 8,057,357	(\$ 105,426)*

* Net dollar flow is positive when payments from USF to carriers exceed contributions to USF.

Source:
Federal Communications Commission's *Universal Service Monitoring Reports*, Table 1.12
<http://www.fcc.gov/wcb/iatd/monitor.html>

Telephone Subscribership

Percentage of Households Subscribed to Local Telephone Service

	July 2007	July 2008	July 2009	July 2010	July 2011
Florida	93.3%	93.1%	92.9%	93.9%	92.7%
United States	95.0%	95.4%	95.7%	96.0%	95.6%

Lifeline Subscribership

Lifeline Assistance Subscribers in Florida

Date	Lifeline Enrollment	Eligible Households	Participation Rate
9/2007	164,626	1,173,173	14.0%
6/2008	183,972	1,186,015	15.5%
6/2009	618,774	1,185,516	52.2%
6/2010	642,129	1,422,837	45.1%
6/2011	943,854	1,690,512	55.8%

Sources:

Federal Communications Commission's *Telephone Subscribership in the United States Reports*, Tables 1 and 2
http://transition.fcc.gov/Daily_Releases/Daily_Business/2011/db1219/DOC-311523A1.pdf

FPSC's *Number of Customers Subscribing to Lifeline Service and the Effectiveness of Procedures to Promote Participation*, December 2011
<http://www.floridapsc.com/publications/pdf/telecomm/tele-lifelinereport2011.pdf>

Lifeline Subscribership (continued)

Lifeline Subscribership by Eligible Telecommunications Carriers
As of June 2011

Company	Access Lines Subscribed to Lifeline Service
American Dial Tone*	1,903
Assurance Wireless**	286,866
AT&T Florida	122,849
Budget Phone*	2,912
CenturyLink	39,524
dPi Teleconnect*	169
Express Phone Service*	1
FairPoint Communications	2,446
FLATEL/Florida Telephone Co.*	2,845
Frontier Communications of the South	157
ITS Telecommunications Systems	178
Knology*	761
Midwestern Telecommunications*	16
NEFCOM	795
Nexus Communications*	201
SafeLink Wireless**	447,379
Smart City Telecom	23
Sun-Tel*	434
TDS Telecom/Quincy Telephone	811
T-Mobile Wireless**	70
Verizon Florida	22,307
Verizon Wireless **	17
Windstream Florida	6,249
Non-ETC Reseller	4,941
Total	943,854

* Competitive Local Exchange Carrier ** Wireless Carrier

Sources:
FPSC's *Number of Customers Subscribing to Lifeline Service and the Effectiveness of Procedures to Promote Participation*, December 2011
<http://www.floridapsc.com/publications/pdf/telecomm/tele-lifelinereport2011.pdf>

**Regulatory
Authority**

Pursuant to Chapter 367, F.S., as of December 2010, the FPSC has regulatory authority over:

- ◆ **148 investor-owned water and/or wastewater utilities in 36 of Florida's 67 counties.**
- ◆ These utilities provide service to approximately 124,619 water and 80,860 wastewater customers throughout the state.

**Reuse of
Reclaimed Water
Data for 2010***

- ◆ 659 mgd** of reclaimed water was reused for beneficial purposes.
- ◆ The total reuse capacity of Florida's domestic wastewater treatment facilities was 1,562 mgd, representing 62 percent of the total permitted domestic wastewater treatment capacity in Florida.

* Most current data available as of May 2011.

** Million gallons per day

Sources:

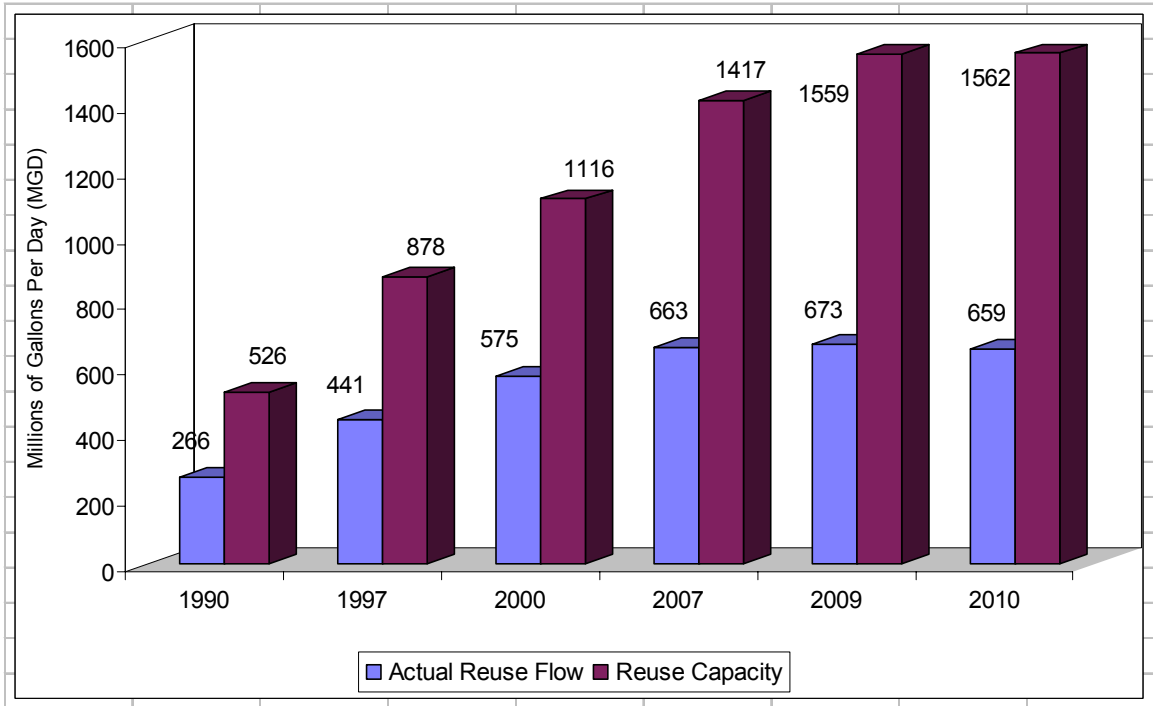
FPSC's *2010 Annual Report*

<http://www.floridapsc.com/publications/pdf/general/annualreports/2010.pdf>

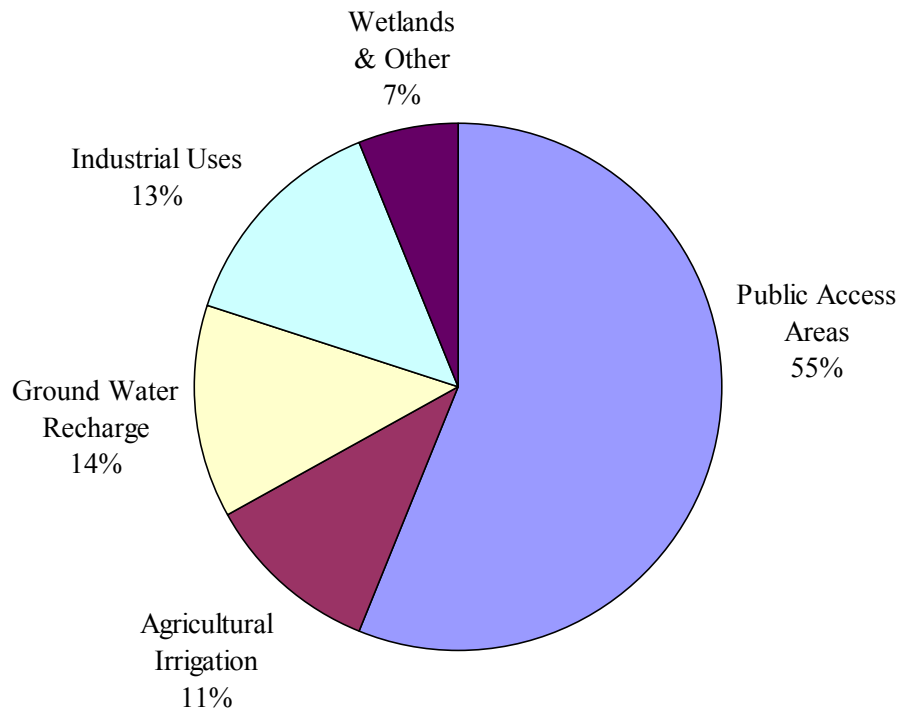
Florida Department of Environmental Protection's *2010 Reuse Inventory*, September 2011

<http://www.dep.state.fl.us/water/reuse/inventory.htm>

Florida's Reuse Growth



Reclaimed Water Utilization (2010)



Source:
 Florida Department of Environmental Protection's 2010 Reuse Inventory, May 2011
<http://www.dep.state.fl.us/water/reuse/inventory.htm>

Utility Classifications

The National Association of Regulatory Utility Commissioners uses three classes to define the size of water and wastewater utilities:

- Class A** Utilities having annual water or wastewater revenues of \$1,000,000 or more
- Class B** Utilities having annual water or wastewater revenues of \$200,000 or more but less than \$1,000,000
- Class C** Utilities having annual water or wastewater revenues of less than \$200,000

- ◆ A Class C utility may serve as few as 50 customers, while a Class A utility serves thousands.
- ◆ The number of customers served may be obtained from each utility's annual report filed at the FPSC and available online at <http://www.floridapsc.com/utilities/mcd/>.

Rate Structure

- ◆ The base facilities charge and gallonage charge rate structure is the most common rate structure used by FPSC-regulated water and wastewater utilities.
- ◆ The base facilities charge is a flat charge that recovers the fixed costs of utility service that remain the same each month regardless of consumption.
- ◆ The gallonage charge recovers the variable costs associated with the utility service such as electricity, chemicals, and labor.
- ◆ The gallonage charge is assessed for each 1,000 gallons of water that is registered on the customer's meter.
- ◆ Inclining block rate structures are used to encourage water conservation. (The inclining block is similar to the base facilities charge and gallonage charge rate structure, but includes additional gallonage charges for higher levels or blocks of usage.)

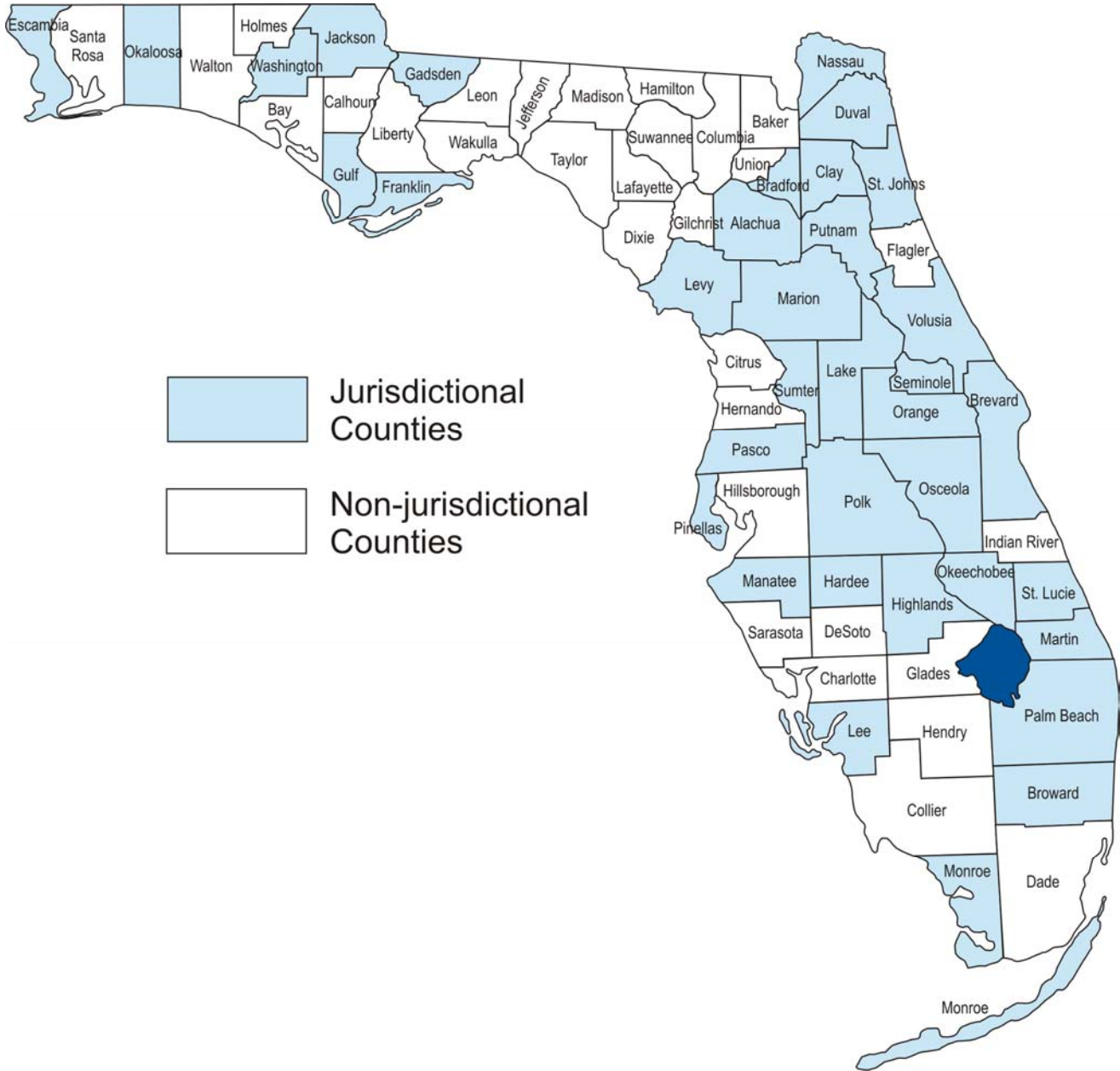
Residential Wastewater Gallonage Cap

- ◆ A maximum (or cap) is set on the number of gallons of water consumption a customer is billed for a wastewater gallonage charge.
- ◆ The monthly cap is normally between 6,000 and 10,000 gallons. (Any water consumption over that amount is generally considered to be used for purposes such as irrigation or washing cars.)

Water & Wastewater Utility Rates

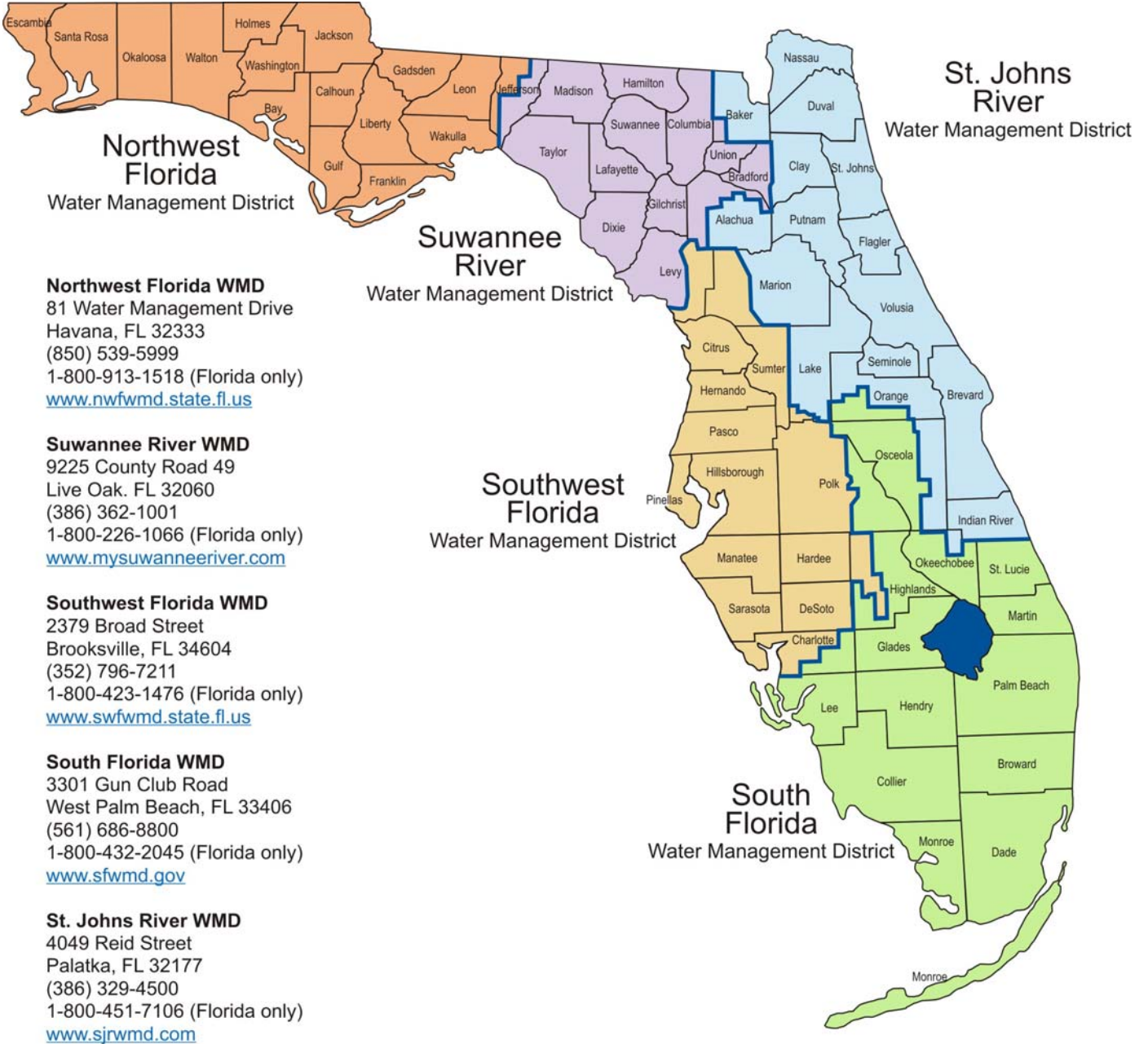
- ◆ The rates charged by all water and wastewater utilities under the Commission's jurisdiction are shown in alphabetical order by county in the FPSC's *Comparative Rate Statistics* report, available online at <http://www.floridapsc.com/publications/reports.aspx>

Water & Wastewater Jurisdictional Counties (36)



Source:
Florida Public Service Commission Map
<http://www.floridapsc.com/utilities/waterwastewater/wawmap.pdf>

Florida's Water Management Districts (5)



Source:
 Florida Department of Environmental Protection
<http://www.dep.state.fl.us/secretary/watman/>