

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

APRIL 20, 1999

RE: DOCKET NO. 980583-EI - 1998 depreciation study by Florida Public Utilities Company, Fernandina Beach Division.

Issue 1: Should the current depreciation rates for Florida Public Utilities Company - Fernandina Beach Electric Division (FPU or company) be changed?

Recommendation: Yes. A review of the company's plans and activity indicates the need for revising depreciation rates.

APPROVED

Issue 2: What should be the implementation date for the recommended rates and recovery/amortization schedules?

Recommendation: Staff recommends approval of the company's proposed January 1, 1999 date of implementation for the new depreciation rates and amortization schedules.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures in the Majority column]
Susan J. Clark
[Signature]
[Signature]

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

05028 APR 21 99

FPSC-RECORDS/REPORTING

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Issue 3: What are the appropriate depreciation rates and recovery/amortization schedules?

Recommendation: The recommended lives, net salvages, reserves, and resultant depreciation rates are shown on Attachment A, page 8 of staff's April 8, 1999 memorandum. Attachment B, page 9, shows an estimated resultant increase in annual expenses of about \$77,000, based on January 1, 1999 investments.

APPROVED

Issue 4: Should the current amortization of investment tax credits (ITCs) and the flowback of excess deferred income taxes be revised to reflect the approved depreciation rates and recovery schedules?

Recommendation: Yes. The current amortization of ITCs and the flowback of excess deferred income taxes (EDIT) should be revised to match the actual recovery periods for the related property. The utility should file detailed calculations of the revised ITC amortization and flowback of EDIT at the same time it files its surveillance report covering the period ending December 31, 1999.

APPROVED

Issue 5: Should this docket be closed?

Recommendation: This docket should be closed if no person whose interests are substantially affected by the proposed action files a protest within the 21-day protest period.

APPROVED