

P R O C E E D I N G S

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2 **CHAIRMAN GRAHAM:** Item Number 11.

3 **MR. DEAN:** Good morning, Commissioners. Jim
4 Dean on behalf of staff.

5 Item 11 addresses the rate increase sought by
6 Florida Public Utilities Company. On April 28th of this
7 year FPUC filed its petition requesting a permanent rate
8 increase of approximately \$5.8 million based on the
9 projected test year ending September 2015. The company
10 also asked for interim rates of approximately
11 \$2.4 million in that petition.

12 In the recommendation before you, staff is
13 requesting the Commission suspend the permanent rate
14 increase. With respect to the interim rates, staff has
15 analyzed the filing and is recommending an adjustment in
16 the overall cost of capital from 6.37 percent to
17 6.13 percent based on the debt component of its capital
18 structure.

19 With this adjustment, the interim rate
20 increase would be approximately \$2.2 million. The
21 company has indicated it has no objection to this
22 adjustment.

23 Ms. Keating is here on behalf of FPUC to
24 answer questions, and, of course, staff is available for
25 questions also.

1 **CHAIRMAN GRAHAM:** Anything from FPUC or do you
2 just want to answer questions?

3 **MS. KEATING:** We're just here to answer
4 questions.

5 **CHAIRMAN GRAHAM:** A very wise woman.
6 I believe this one is a panel, so Commissioner
7 Edgar, Commissioner Brown?

8 **COMMISSIONER EDGAR:** Mr. Chairman, yes, you're
9 correct, of course. And, per your assignment, it is a
10 panel that includes me, Commissioner Balbis, and
11 Commissioner Brown.

12 I have met with staff to go over this item in
13 detail and would just note for the record that the
14 customer hearings in the service territory are scheduled
15 for later this year, as is then the full evidentiary
16 hearing that will, of course, take place here later this
17 year. But per the statute, I do believe that the
18 company is entitled to interim rates, and so I would
19 move staff on all items.

20 **COMMISSIONER BROWN:** Second.

21 **COMMISSIONER EDGAR:** That was a motion.

22 **CHAIRMAN GRAHAM:** Call the roll.

23 **COMMISSIONER EDGAR:** All in favor, say aye.

24 (Vote taken.)

25 Any opposed? Unanimous.

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CHAIRMAN GRAHAM: Thank you very much. Okay.

Sometimes you've just got to shake off the cobwebs.

(Laughter.)

(Agenda item concluded.)

1 STATE OF FLORIDA)
 : CERTIFICATE OF REPORTER
2 COUNTY OF LEON)

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4 I, LINDA BOLES, CRR, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 stated.

8 IT IS FURTHER CERTIFIED that I stenographically
9 reported the said proceedings; that the same has been
10 transcribed under my direct supervision; and that this
11 transcript constitutes a true transcription of my notes
12 of said proceedings.

13 I FURTHER CERTIFY that I am not a relative, employee,
14 attorney or counsel of any of the parties, nor am I a
15 relative or employee of any of the parties' attorney or
16 counsel connected with the action, nor am I financially
17 interested in the action.

18 DATED THIS 17th day of July, 2014.

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