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Writer's Direct Dial Number: (850) 521-1706 Writer's E-Mail Address: bkeating@gunster.com

July 27, 2017

**BY E-PORTAL** 

Ms. Carlotta Stauffer, Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

# Re: Docket No. 20170001-EI: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor

Dear Ms. Stauffer:

Attached for filing, please find the Petition for Approval of Actual/Estimated True-Up Amount submitted on behalf of Florida Public Utilities Company, along with the Direct Testimony and Exhibit MC-1 of Mr. Mike Cassel.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,

Calm

Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 (850) 521-1706

MEK cc:/(Certificate of Service)

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery DOCKET NO. 20170001-EI clause with generating performance incentive factor. DATED: July 27, 2017

# FLORIDA PUBLIC UTILITIES COMPANY'S PETITION FOR APPROVAL OF FUEL ADJUSTMENT AND PURCHASED POWER COST RECOVERY ESTIMATED/ACTUAL TRUE-UP AMOUNT

Florida Public Utilities Company (FPUC or Company), by and through its undersigned counsel, hereby files this Petition asking the Florida Public Service Commission (FPSC or Commission) for approval of FPUC's fuel adjustment and purchased power cost recovery estimated true-up amount for the period January 2017 through December 2017. In support of this request, the Company hereby states:

1) FPUC is an electric utility subject to the Commission's jurisdiction. Its principal business address is:

Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach FL 32034

2) The name and mailing address of the persons authorized to receive notices are:

Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 (850) 521-1706 Mike Cassel Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach FL 32034

3) Consistent with the requirements for this proceeding, the Company has prefiled the fuel adjustment and purchased power cost recovery true-up forms supplied by the Commission consistent with the requirements for such filings.

4) In accordance with Order No. PSC-17-0053-PCO-EI, issued February 20, 2017, as modified by Order No. PSC-17-0134-PCO-EI, the Company is also submitting, contemporaneously with this Petition, the Direct Testimony and Exhibit MC-1 of Mr. Mike Cassel in support of the Company's request for approval of the requested actual/estimated true-up amount.

5) The final true-up amount for the period January 2016 through December 2016 is a consolidated under-recovery of \$2,415,898.

6) The estimated true-up amount for the period January 2017 through December 2017 is an under-recovery of \$975,518.

7) The Company's total true-up amount that would be collected or refunded during the period January 2018 through December 2018 is an under-recovery of \$3,391,416.

WHEREFORE, FPUC respectfully requests that the Commission approve the estimated true-up amount for January 2017 through December 2017.

RESPECTFULLY SUBMITTED this 27th day of July, 2017.

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 (850) 521-1706

Attorneys for Florida Public Utilities Company

# **CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing Petition for Approval of Estimated/Actual True-Up Amount, as well as the Direct Testimony and Exhibit MC-1 of Mike Cassel, has been furnished by Electronic Mail to the following parties of record this 27th day of July, 2017:

Danijela Janjic	James D. Beasley/J. Jeffry Wahlen/Ashley
Suzanne Brownless	Daniels
Florida Public Service Commission	Ausley Law Firm
2540 Shumard Oak Boulevard	Post Office Box 391
Tallahassee, FL 32399-0850	Tallahassee, FL 32302
djanjic@psc.state.fl.us	jbeasley@ausley.com
sbrownle@psc.state.fl.us	jwahlen@ausley.com
	adaniels@ausley.com
Jeffrey Stone/Russell Badders/Steven	James W. Brew/Laura Wynn
Griffin	Stone Matheis Xenopoulos & Brew, PC
Beggs & Lane	Eighth Floor, West Tower
P.O. Box 12950	1025 Thomas Jefferson Street, NW
Pensacola, FL 32591-2950	Washington, DC 20007
srg@beggslane.com	jbrew@smxblaw.com
John T. Butler	Kenneth Hoffman
Maria Moncada	Florida Power & Light Company
Florida Power & Light Company	215 South Monroe Street, Suite 810
700 Universe Boulevard	Tallahassee, FL 32301
Juno Beach, FL 33408-0420	Ken.Hoffman@fpl.com
John.Butler@fpl.com	
Ms. Paula K. Brown	Florida Industrial Users Power Group
Tampa Electric Company	Jon C. Moyle, Jr.
Regulatory Affairs	Moyle Law Firm
P.O. Box 111	118 North Gadsden Street
Tampa, FL 33601-0111	Tallahassee, FL 32301
Regdept@tecoenergy.com	jmoyle@moylelaw.com
Mike Cassel	Florida Retail Federation
Florida Public Utilities Company	Robert Scheffel Wright/John T. LaVia
1750 SW 14th Street, Suite 200	Gardner Law Firm
Fernandina Beach, FL 32034	1300 Thomaswood Drive
mcassel@fpuc.com	Tallahassee, FL 32308
measoriestpieroom	schef@gbwlegal.com

Robert L. McGee, Jr.	P. Christensen/C. Rehwinkel/E. Sayler
-	Office of Public Counsel
Gulf Power Company	
One Energy Place	c/o The Florida Legislature
Pensacola, FL 32520	111 W. Madison Street, Room 812
rlmcgee@southernco.com	Tallahassee, FL 32399-1400
	Christensen.patty@leg.state.fl.us
	Rehwinkel.Charles@leg.state.fl.us
	Sayler.Eric@leg.state.fl.us
Matthew Bernier	Dianne M. Triplett
Duke Energy	Duke Energy
106 East College Avenue, Suite 800	299 First Avenue North
Tallahassee, FL 32301	St. Petersburg, FL 33701
Matthew.Bernier@duke-energy.com	Dianne.Triplett@duke-energy.com
	Michael Barrett
	Division of Accounting and Finance
	Florida Public Service Commission
	2540 Shumard Oak Blvd.
	Tallahassee, Florida 32399-0850
	mbarrett@psc.state.fl.us
	mounter appointer in an

By: \_\_\_\_\_ ιt Beth Keating ح

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 (850) 521-1706

1			BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
2		Doc	cket No. 20170001-EI: Fuel and purchased power cost recovery clause
3		. ]	Direct Testimony (Actual/Estimated True-Up) of Michael Cassel
4			On Behalf of
5			Florida Public Utilities Company
6			July 27, 2017
7	Q.		Please state your name and business address.
8		A.	My name is Michael Cassel. My business address is 1750 S. 14 <sup>th</sup> Street, Suite
9			200, Fernandina Beach, Florida 32034.
10		Q.	By whom are you employed?
11		A.	I am employed by Florida Public Utilities Company ("FPUC" or "Company")
12		Q.	Describe briefly your education and relevant professional background.
13		A.	I received a Bachelor of Science Degree in Accounting from Delaware State
14			University in Dover, Delaware in 1996. I was hired by Chesapeake Utilities
15			Corporation (CUC) as a Senior Regulatory Analyst in March 2008. As a
16			Senior Regulatory Analyst, I was primarily involved in the areas of gas cost
17			recovery, rate of return analysis, and budgeting for the CUC's Delaware and
18			Maryland natural gas distribution companies. In 2010, I moved to Florida in
19			the role of Senior Tax Accountant for CUC's Florida business units. Since that
20			time, I have held various management roles including Manager of the Back
21			Office in 2011, Director of Business Management in 2012. I am currently the
22			Director of Regulatory and Governmental Affairs for CUC's Florida business

1		units. My responsibilities include directing the regulatory and governmental
2		affairs activity for CUC in Florida including regulatory analysis, and reporting
3		and filings before the Florida Public Service Commission (FPSC). Prior to
4		joining Chesapeake, I was employed by J.P. Morgan Chase & Company, Inc.
5		from 2006 to 2008 as a Financial Manager in their card finance group. My
6		primary responsibility in this position was the development of client specific
7	~	financial models and profit loss statements. I was also employed by Computer
8		Sciences Corporation as a Senior Finance Manager from 1999 to 2006. In this
9		position, I was responsible for the financial operation of the company's
10		chemical, oil and natural resources business. This included forecasting,
11		financial close and reporting responsibility, as well as representing Computer
12		Sciences Corporation's financial interests in contract/service negotiations with
13		existing and potential clients. From 1996 to 1999 I was employed by J.P.
14		Morgan, Inc., where I had various accounting/finance responsibilities for the
15		firm's private banking clientele.
16	Q.	Have you previously testified in this Docket?
17	A.	I have previously provided pre-filed written testimony in the Commission's
18		Fuel Clause proceeding.
19	Q.	What is the purpose of your testimony at this time?
20	A.	I will briefly describe the basis for the Company's computations made in

the levelized fuel adjustment factor for January 2018 – December 2018. 2

preparation of the schedules being submitted in support of the calculation for

1			
2		Q.	Were the schedules filed by the Company completed by you or under
3			your direction?
4		A.	The schedules were completed under my direct supervision and review.
5		Q.	Which of the Staff's schedules is the Company providing in support of
6			this filing?
7		A.	I am attaching Schedules E1-A, E1-B, and E1-B1 as my Exhibit MC-1.
8			Schedule E1-B shows the Calculation of Purchased Power Costs and
9			Calculation of True-Up and Interest Provision for the period January 2017 -
10			December 2017 based on 6 Months Actual and 6 Months Estimated data.
11	ł	Q.	What was the final remaining true-up amount for the period January
12			2016 – December 2016?
13		А.	The final remaining true-up amount was an under-recovery of \$2,415,898.
14		Q.	What is the estimated true-up amount for the period January 2017 –
15			December 2017?
16		А.	The estimated true-up amount is an under-recovery of \$975,518.
17		Q.	What is the total true-up amount to be collected, or refunded during
18			January 2018 – December 2018?
19		A.	At the end of December 2017, based on six months actual and six months
20			estimated, the Company estimates it will under-recover \$3,391,416 in
21			purchased power costs, which will be collected from January 2018 -
22			December 2018.

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# Q. Has the Company included any amounts in recovery of the Florida Power & Light ("FPL") interconnect project?

- Because of the Florida Supreme Court's decision No. SC 16-141, issued 3 A. March 16, 2017, overturning the Commission's decision in Order No. PSC-4 15-0586-FOF-EI to allow the Company to recover the depreciation expense, 5 taxes other than income taxes and a return on investment for the FPL 6 Interconnect through the Company's fuel cost recovery clause, the Company 7 8 has removed the amounts associated with this project from the calculations included in the attached schedules. The Company had originally computed the 9 annual costs associated with this project to be \$107,333 in its 2016 Fuel 10 Projection filing and \$120,000 in its 2017 Fuel Projection filing. 11
- 12

Q. Does this conclude your testimony?

13 A. Yes.

### FLORIDA PUBLIC UTILITIES COMPANY CALCULATION OF TRUE-UP SURCHARGE APPLICABLE TO LEVELIZED FUEL ADJUSTMENT PERIOD JANUARY 2017 - DECEMBER 2017 BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED OPERATIONS

## Florida Division -CONSOLIDATED

Under-recovery of purchased power costs for the period January 2017 - December 2017. (See Schedule E1-B, Calculation of Estimated Purchased Power Costs and Calculation of True-Up and Interest Provision for the Twelve Month Period ended December 2017.)(Estimated)

\$

3,391,416

Exhibit No. DOCKET NO. 20170001-EI Florida Public Utilities Company (MC-1) Page 1 of 3

#### FLORIDA PUBLIC UTILITIES COMPANY CALCULATION OF PURCHASED POWER COSTS AND CALCULATION OF TRUE-UP AND INTEREST PROVISION-EXCLUDING GSLD1 ACTUAL/ESTIMATED FOR THE PERIOD: JANUARY 2017 THROUGH DECEMBER 2017 BASED ON SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED (EXCLUDES LIKE LOSS, EXCLUDES TARES)

				BASED OF		NE LOSS , EXCLUDE:		ATED						
CONSOLIDATED														
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	
Total System Sales - KWH		Jan 2017 47,986,348	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	_Dec 2017	Total
RockTonn Purchases - KWH		47,986,348	41,247,921 915,357	41,754,325 1,422,627	45,074,310	47,200,045	57,504,076	68,364,968	65,548,320	61,405,936	48,291,144	45,474,394	47,667,999	618,519,785
Rayonier Purchases - KWH - O	n Peak	142,578	604,036	456,258	1,404,873 413,803	1,291,764 221,799	949,879 385,264	925,000 420,000	925,000 420,000	925,000 420,000	925,000 420 000	925,000 420,000	925,000	12,674,667
Rayonier Purchases - KWH - O		275,233	786,499	519,737	710,211	548,572	843,123	980,000	980,000	980,000	980,000	420,000	420,000 980,000	4,743,738 9,563,375
Eight Flags Purchases - KWH -	KWH	16,058,940	14,251,560	15,788,900	13,215,370	16,445,050	14,459,920	14,142,000	14,142,000	13,686,000	14,142,000	13.685.000	14,142,000	174,158,740
JEA Purchases - KWH		8,850,640	3,674,610	7,048,438	9,919,394	13,851,355	14,833,348	19,800,000	19,200,000	16,800,000	14,100,000	10,300,000	9,100,000	147,477,785
Gulf Purchases - KWH Generation Demand - KW - JEA		24,091,015	19,740,011	22,665,783	22,720,850	26,021,072	27,335,859	32,096,000	30,637,000	27,461,000	22,429,000	21,856,000	25,774,000	302,827,590
Generation Demand - KW - Gul		50,310 91,000	29,926 91,000	46,502	42,425	64,019	52,147	50,200	52,300	47,000	36,100	31,500	40,200	542,629
Transmission Demand - KW - J		87,936	76,163	91,000 95,203	91,000 82,761	91,000 87,111	91,000 97,958	91,000 91,000	91,000 94,000	91,000 89,000	91,000	91,000	91,000	1,092,000
Transmission Demand - KW - S	outhern	54,631	55,185	55,843	54,343	55,405	55,363	56,900	57,100	56,900	85,000 55,600	85,000 55,700	75,000 55,500	1,046,132 668,470
Purchased Power Rates:						1.44		00,000	01,100	00,000	35,000	55,700	33,300	000,470
West Rock Fuel Costs - S		0.04479	0.04479	0.04479	0.04479	0.04479	0.04479	0.03731	0.03731	0.03731	0.03731	0.03731	0.03731	
Rayonler Energy Charge -		0.03401	0.08216	0.03401	0.09316	0.03401	0.09316	0.04563	0.09378	0.09378	0.04563	0.09378	0.09378	
Rayonier Energy Charge - Eight Flags Charge - \$/KW		0.03401	0.04298	0.03401	0.03401	0.03401	0.04298	0.04563	0.05460	0.05460	0.04563	0,05460	0.05460	
Base Fuel Costs - \$/KWH		0.03250	0.03250	0.03250	0.03250	0.07602	0.08395	0.07563	0.07583	0.07583	0.07583	0.07583	0.07583	
Base Fuel Costs - \$/KWH		D, D4948	0.04948	0.04948	0.04948	0.04948	0.04948	0.05648	0.05648	0.05648	0.05648	0.05648	0.03675 0.05648	
Energy Charge - \$/KWH -	JEA	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	0.01162	
Demand and Non-Fuel:														
Demand Charge - \$/K Demand Charge - \$/K		14.31	14.31	14.31	14.31	14.31	14.31	14.31	14.31	14.31	14.31	14,31	14.31	
Demand Charge - S/R Distribution Facility Ch		11.70 79,472	11.70 79,472	11.70 79.472	11.70 79.472	11.70	11.70 70.470	11.70	11.70	11.70	11.70	11.70	11.70	
Transmission Charge		1.51	1.51	1.51	1.51	79,472 1.51	79,472	79,472 1.51	79,472 1.51	79,472 1.51	79,472	79,472	79,472	
Transmission Charge		3.11409	3.11409	3.11409	3.11409	3.11409	3.11409	2.83	2.83	2.83	1.51 2.83	1.51 2.83	1.51 2.83	
Purchased Power Costs:										2.00	2.00	2.03	2.03	
RockTenn Fuel Costs		51,798	41,001	63,722	62,927	57,861	42,547	34,511	34,511	34,511	34,511	34,511	34,511	526,922
Rayonier Standby Cos Eight Flags	ila.	11,879	83,775	31,935	63,586	23,746	71,750	63,882	92,896	92,896	63,682	92,896	92,896	786,019
Eight Flags Gulf Base Fuel Costs		1,537,039 1,223 843	1,249,972 1,002,809	1,176,362 1,151,440	1,134,523	1,250,217	1,213,867 1,388,683	1,072,388	1,072,388	1,037,809	1,072,388	1,037,734	1,072,388	13,927,075
JEA Base Fuel Costs		262,253	119,425	229,074	1,154,238 322,380	1,321,892 450,169	1,388,683	1,861,173 727,650	1,776,569 705,600	1,592,400 617,400	1,300,606 518,175	1,267,379 378,525	1,494,574	16,535,606
JEA Fuel Adjustment		102,845	42,699	81,903	115,263	160,953	172,364	230,076	223,104	195,216	163,842	378,525 119,686	334,425 105,742	5,147,159 1,713,693
	Subtotal Fuel Costs	3,189,657	2,539,681	2,734,436	2,852,917	3,264,838	3,371,293	3,989,680	3,905,068	3,570,232	3,153,404	2.930.731	3,134,536	38,636,473
Demand and Non-Fuel Costs:	Demand Capacity Charge	1,784,636	1,492,941	1,730,144	1,671,802	1,980,826	1,810,924	1,783,062	1,813,113	1,737,270	1,581,291	1,515,465	1,639,962	20,541,436
	Distr. Fac. Charge FERC & Meter Reading	79,472	79,472	79,472	79,472	79,472	79,472	79,472	79,472	79,472	79,472	79,472	79,472	953,667
	Transmission Charge	2,644 302,909	2,644 286,857	2,807 317,657	2,297	2,539	2,868	2,505	2,505	2,505	2,505	2,505	2,505	30,829
Subtotal Demand & N		2,159,661	1,861,914	2,130,080	294,198	304,074 2,356,911	2,309,186	298,390 2,163,429	303,486 2,198,576	295,370	285,652	285,935	270,269	3,660,719
Total System Purchased Power	Costs	5,359,318	4,401,595	4,864,516	4,900,686	5,631,749	5,680,479	6,153,109	6,103,644	5,684,849	1,948,920 5,102,324	1,883,377	1,992,208	25,186,651 63,823,124
Less Direct Billing To GSLD1 Cl	ass: Demand	66,425	49,651	47,795	47,706	238,345	47,706	298,782	298,782	296,782	298,782	298,782	298,782	2,290,319
	Commodity	40,968	68,727	(11,717)	88,773	98,347	38,682	188,330	94,227	82,180	71,670	135,486	138,295	1,053,969
Net Purchased Power Costs	FPL Interconnect	5,251,925	4,263,217	4,828,438	4,764,208	5,295.057	5,594,092	5,665,997	5,710,636	5,303,887	4,731,872	4,379,840	4,689,667	60,478,836
	Special Costs*	5,918 1,399	18,357	0 12,452	7 670	0	0	(227,333)						(221,415)
Total Costs and Charges	opecial costs	5.259,243	4,281,574	4,840,890	7,629	27,750 5,322,807	27,691	17,850	17,850	19,300 5,323,187	17,850	_17,850	20,300	206,278
Sales Revenues - Fuel Adjustme	ont Revenues:					0,022,007	3,021,705	0,400,014	0,720,460	5,523,167	4,749,722	4,397,690	4,709,967	60,463,700
RS<	0.10048	1,759,425	1,617,476	1,573,421	1,660,719	1,683,326	1,921,122	2,045,934	2,029,406	1,984,651	1,688,027	1,595,369	1,707,162	21,266,038
RS>	0.11297	663,124	383,310	315,512	431,235	493,523	982,600	1,465,805	1,337,847	1,179,064	505,745	375,827	592,683	8,726,375
GS	0.09968 0.09523	484,805 1.062,514	420,967	409,227	455,239	466,927	573,471	733,308	738,472	670,027	565,377	508,001	489,175	6,514,996
GSLD	0.09231	586,293	998,382 1.028,948	1,047,642 574,334	1,130,644 627,486	1,157,352	1,410,993	1,478,845	1,484,035	1,379,571	1,190,588	1,087,668	1,044,075	14,472,309
LS	0.07083	44,280	44,211	44,428	44,372	601,152 44,159	707,291 44,202	788,302 37,334	782,475 37,303	754,929 37,266	663,334 37,080	655,867	637,011	8,407,422
			.,	11,120	44,072	44,105	44,202	51,554	37,303	37,200	37,080	42,541	42,784	499,961
Unbilled Fuel Revenue		(640)	(9,619)	(194,059)	254,856	234,752	631,210							916,299
Total Fuel Revenue GSLD1 Fuel Revenue		4,599,602	4,483,675	3,770,605	4,604,552	4,681,191	6,270,889	6,549,528	6,409,538	6,005,508	4,650,151	4,265,273	4,512,890	60,803,401
GSLD1 Fuel Revenue Non-Fuel Revenues	st .17197	107,393 2,082,697	138,378 1,921,429	36,078 1,867,284	136,479	336,692	86,388	487,112	393,009	380,962	370,452	434,268	437,077	3,344,288
Total Sales Revenues		6,789,691	6,543,482	5,673,967	1,954,125	2,005,455	2,330,695 6,687,972	2,724,336 9,760,975	2,748,927 9,551,475	2,578,364	2,201,719	2,089,294	2,219,411	26,723,736
			-,,				_0,001,312	0,100,915	3,001,410	8,964,834	7,222,323	6,788,835	7,169,378	90,871,425
KWH Sales:	RS<	17,511,031	16,098,530	15,659,989	16,528,919	16,754,032	19,121,148	20,361,603	20,197,110	19,751,700	16,799,629	15,877,481	16,990,068	211,651,240
	RS>	5,869,888	3,393,060	2,793,802	3,817,290	4,368,671	8,697,984	12,975,166	11,842,497	10,436,963	4,476,806	3,326,784	5,246,376	77,245,287
	GS GSD	4,863,293	4,223,256	4,105,472	4,567,078	4,684,335	5,753,699	7,356,625	7,408,429	6,721,780	5,671,921	5,096,323	4,907,458	65,359,669
	GSD GSLD	11,175,722 6,351,104	10,500,385 6,167,056	11,016,130 6.221,560	11,887,095 6,797,340	12,163,152 6,512,064	14,833,587	15,529,196	15,583,693	14,486,722	12,502,233	11,421,486	10,963,721	152,063,122
	GSLD1	1,590,000	240.000	1,330,000	1,850,000	2,090,000	7.661,836 810,000	8,539,726 3,075,556	8,476,601 1,513,333	8,178,198 1,304,444	7,185,939	7,105,046	6,900,781	86,097,251
	LS	625,310	625,634	627,372	626,588	627,791	625,822	527,096	526,655	1,304,444 526,129	1,131,111 523,505	2,046,667 600,607	2,055,556 604,040	19,036,667 7,066,549
								-			523,303	000,007	004,040	1,000,049
	Total KWH Sales	47,986,348	41,247,921	41,754,325	46,074,310	47,200,045	57,504,076	68,364,968	65,548,320	61,405,936	48,291,144	45,474,394	47,667,999	618,519,785
True-up Calculation (Excl. GSLD1):														
Fuel Revenues True-up Provision - collect	((refund)	4,599,602 107,491	4,483,675 107,491	3,770,605 107,491	4,604,552 107,491	4,681,191	6,270,889	6,549,528	6,409,538	6,005,508	4,650,151	4,265,273	4,512,890	60,803,401
Gross Receipts Tax Refun		101,401	107,481	107,491	107,491	107,491	107,491	107,491	107,491	107,491	107,491	107,491	107,491	1,289,892
Fuel Revenue		4,492,111	4,375,184	3,663,114	4,497,061	4,573,700	6,163,398	6.442.037	6,302,047	5,898,017	4,542,660	4,157,782	4,405,399	0 59,513,509
Net Purchased Power and Other	r Fuel Costs	5,259,243	4,281,574	4,840,890	4,771,837	5,322,807	5,621,783	5,456,514	5,728,486	5,323,187	4,542,000	4,157,762	4,405,399	59,513,509 60,463,700
True-up Provision for the Period	I	(767,132)	94,610	(1,177,776)	(274,776)	(749,107)	541,614	985,522	573,562	574,830	(207,062)	(239,908)	(304,569)	(950,191)
Interest Provision for the Period	Interest Drave	(2,103)	(2,223)	(2,803)	(3,637)	(4.059)	(4,202)	(1,421)	(1.162)	(964)	(879)	(913)	(961)	(25,327)
Beginning of Period True-up and True-up Collected or (Refunded)		(3,705,790) 107,491	(4,367,534) 107,491	(4,167,656) 107,491	(5,240,744)	(5.411.666) 107.491	(6,057,341)	(5,412,437)	(4.320,845)	(3,640,954)	(2,959,597)	(3,060,047)	(3,193,377)	(3,705,790)
End of Period, Net True-up and		(4,367,534)	(4,167,656)	(5,240,744)	(5,411,666)	(6,057,341)	<u>107,491</u> (5,412,437)	(4,320,845)	(3,640,954)	107,491 (2.959,597)	107,491 (3.060.047)	107,491	107,491	1,289,892
Beginning True-up Amoun		(3,705,790)	(4,367,534)	(4,167,656)	(5,240,744)	(5,411.666)	(6,057,341)	(5.412.437)	(4,320,845)	(3,640,954)	(3,060,047) (2,959,597)	(3,193,377) (3,060,047)	(3,391,416) (3,193,377)	(3,391,416)
Ending True-up Amount B		(4,365,431)	(4,165,433)	(5,237,941)	(5,408,029)	(6,053,282)	(5,408,235)	(4,319,424)	(3,639,792)	(2,958,633)	(3,059,168)	(3,192,464)	(3, 193, 377) (3, 390, 455)	and Duty to tax
Total Beginning and Endin	g True-up	(8,071,221)	(8,532,967)	(9,405,597)	(10,648,773)	(11,454,948)	(11,465,576)	(9,731,861)	(7,960,637)	(6,599,587)	(6,018,765)	(6,252,511)	(6,583,832)	10% Rule interest Provision;
Average True-up Amount Average Annual Interast R		(4,035,610)	(4,266,484)	(4,702,799)	(5,324,387)	(5,732,474)	(5,732,788)	(4,865,931)	(3,980,319)	(3,299,794)	(3,009,383)	(3,126,256)	(3,291,916)	-5.31%
Average Annual Interest R Interest Provision	ale	0.6250% (2,103)	0.6250% (2,223)	0.7150% (2,803)	0.8200% (3,637)	0.8500%	0.8800%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	0.3500%	
		(2,103)	(2,220)	(2,003)	(3,037)	(4,059)	(4,202)	(1,421)	(1,162)	(964)	(879)	(913)	(961)	<b>F.</b>
														Exhibit No

Includes: Consulting fees, Legal fees and Taxes on Company Use.

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### FLORIDA PUBLIC UTILITIES COMPANY CONSOLIDATED FLORIDA DIVISIONS COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR JANUARY 2017 - DECEMBER 2017

		DOLLARS		MWH					1			
٦	ESTIMATED/	ESTIMATED/	DIFFEREN	CE	ESTIMATED/	ESTIMATED/	DIFFER		ESTIMATED/	FOTHUTTO		
_	ACTUAL	ORIGINAL	AMOUNT	%	ACTUAL		AMOUNT	%	ACTUAL	ORIGINAL	DIFFERENC	E (
1 Fuel Cost of System Net Generation (A3)					n	0	0	0.004				
2 Nuclear Fuel Disposal Cost (A13)					U	U	U	0.0%	0.00000	0.00000	0.00000	0.0
3 Coal Car Investment												
4 Adjustments to Fuel Cost (A2, Page 1)								[				
5 TOTAL COST OF GENERATED POWER	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.
6 Fuel Cost of Purchased Power (Exclusive							•	0.070	0.00000	0.00000	0.00000	0.
of Economy) (A8)	23,396,457	23,503,028	(106,571)	-0.5%	450,306	463,800	(13,494)	-2.9%	5,19568	5.06749	0.12819	2.
7 Energy Cost of Sched C & X Econ Purch (Broker)(A9)											0.72010	۷.
8 Energy Cost of Other Econ Purch (Non-Broker)(A9) 9 Energy Cost of Sched E Economy Purch (A9)												
10 Demand and Non Fuel Cost of Purchased Power (A9)	05 400 054	07.040.450										
11 Energy Payments to Qualifying Facilities (A8a)	25,186,651 15,240,016	27,042,173 14,039,282	(1,855,522)	-6.9%	450,306	463,800	(13,494)	-2.9%	5.59323	5.83057	(0.23734)	-4.
12 TOTAL COST OF PURCHASED POWER	63,823,124	64,584,483	1,200,734	8.6%	201,141	194,410	6,731	3.5%	7.57678	7.22148	0.35530	4.
	03,023,124	04,304,403	(761,359)	-1.2%	651,447	658,210	(6,763)	-1.0%	9.79713	9.81214	(0.01501)	-0.
13 TOTAL AVAILABLE MWH (LINE 5 + LINE 12)					651,447	658,210	(0.700)					
4 Fuel Cost of Economy Sales (A7)					051,447	036,210	(6,763)	-1.0%				
5 Gain on Economy Sales (A7a)												
6 Fuel Cost of Unit Power Sales (SL2 Partpts)(A7)				-								
7 Fuel Cost of Other Power Sales (A7)	(15,137)	341,000	(356,137)	-104.4%								
8 TOTAL FUEL COST AND GAINS OF POWER SALES	(15,137)	341,000	(356,137)	-104.4%	0	0	0	0.0%	0.00000	0.00000	0.00000	o
(LINE 14 + 15 + 16 + 17)						-	0	0.070	0.00000	0.00000	0.00000	U
19 NET INADVERTENT INTERCHANGE (A10)												
20 TOTAL FUEL AND NET POWER TRANSACTIONS	63,807,988	64,925,483	(1,117,495)	-1.7%	651,447	658,210	(6.760)	4.000	0 70 /0 /			
(LINES 5 + 12 + 18 + 19)		01,020,100	(1,111,400)	-1.776	051,447	000,210	(6,763)	-1.0%	9.79481	9.86395	(0.06914)	-0
1 Net Unbilled Sales (A4)	0 *	0 *	0	0.0%	0	O	•	0.00/				
2 Company Use (A4)	54,263 *	65,497 *2		-17.2%	554	664	0 (110)	0.0%	0.00000 0.00877	0.00000	0.00000	0
3 T & D Losses (A4)	3,170,874 *	1,912,028 *	1,258,846	65.8%	32,373	19,384	12,989	67.0%	0.51266	0.01026	(0.00149)	-14
			, , , ,		02,070	10,004	12,303	07.070	0.51200	0.29961	0.21305	71
4 SYSTEM KWH SALES	63,807,988	64,925,483	(1,117,495)	-1.7%	618,520	638,162	(19,642)	-3.1%	10.31624	10.17382	0.14242	1
25 Wholesale KWH Sales					,	• • =	(********		10.0.024	10.17302	0.14242	1.
6 Jurisdictional KWH Sales	63,807,988	64,925,483	(1,117,495)	-1.7%	618,520	638,162	(19,642)	-3.1%	10.31624	10.17382	0.14242	1
a Jurisdictional Loss Multiplier	1.000	1.000	0.000	0.0%	1.000	1.000	0.000	0.0%	1.000	1.000	0.00000	o v
7 Jurisdictional KWH Sales Adjusted for Line Losses											0.00000	0.
28 GPIF**	63,807,988	64,925,483	(1,117,495)	-1.7%	618,520	638,162	(19,642)	-3.1%	10.31624	10.17382	0.14242	1.
29 TRUE-UP**	1 290 900	1 390 900	-									•
	1,289,892	1,289,892	0	0.0%	618,520	638,162	(19,642)	-3.1%	0.20854	0.20213	0.00641	3
0 TOTAL JURISDICTIONAL FUEL COST	65,097,880	66,215,375	(1,117,495)	-1.7%	618,520	638,162	(19,642)	-3.1%				

31 Revenue Tax Factor

32 Fuel Factor Adjusted for Taxes

33 FUEL FAC ROUNDED TO NEAREST .001 (CENTS/KWH)

\*Included for Informational Purposes Only \*\*Calculation Based on Jurisdictional KWH Sales

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0.00000

0.14894

0.149

0.0%

1.4%

1.4%

1.00072

10.53236

10.532

1.00072

10.38342 10.383