

# MICHAEL & JENNIFER HARRISON

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December 17, 2019

Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
TALLAHASSEE, FL 32399-0850

Dear FPSC:

**DOCKET NO. 20190156-EI**

On December 13, 2019 we received the enclosed undated letter from FPU. It is headed 'NOTICE TO CUSTOMERS OF INTERIM RATE INCREASE'.

A number of things about it are not clear to me:

1. When is it expected that the Interim Rate will be replaced by a permanent rate?
2. The effective date of the increase appears to be January 1, 2020. Will FPU be reading meters on this date, or will my January bill be based on the present rate through meter reading date, with the new rate applying thereafter?
3. The costs that FPU are seeking to recover appear to be related to storm damage in the 'Northwest Division'. In Fernandina, I do not believe that I am in the Northwest Division. Am I affected? If so, why?
4. To what extent was FPU's damaged infrastructure inadequate before the storm? Clearly it was vulnerable to storm damage. As they rebuild it, are they replacing 'like with like'? Or is FPSC requiring them to strengthen their system (by putting service underground, for example)?
5. The letter says that 'the total bill for an average customer should remain relatively constant'. This is hard to believe with the components of the Residential rates increasing by 59%.

Item	Present	Interim	Increase
Residential standing	\$14.69	\$23.35	59%
/kWh <1000	\$0.02057	\$0.03269	59%
/kWh >1000	\$0.03369	\$0.05354	59%

Please share with me the calculation that FPU used to draw the 'relatively constant' conclusion.

What is clear to me is that FPU has an old and vulnerable electric distribution network here in Fernandina, and presumably it would suffer the same fate from a similar storm. Please tell me what you are requiring FPU to do to make it able to withstand storms.

Sincerely



Michael R Harrison

RECEIVED-FPSC  
2019 DEC 20 AM 8:45  
COMMISSION  
CLERK



Any customer comments regarding the Company's service or the proposed interim rate increase should include the docket number assigned to this case, **Docket No. 20190156-EI**, and should be addressed to:

Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

You may also contact the Commission at their toll free number: **800.342.3552**.

Additional information is also available by visiting the Company's website at **www.fpuc.com**. You may also obtain information about this request by calling the Florida Public Service Commission at 800.342.3552 or visiting the Commission's website at **www.psc.state.fl.us**.

## **! NOTICE TO CUSTOMERS OF INTERIM RATE INCREASE**

On August 7, 2019, Florida Public Utilities Company filed a Petition with the Florida Public Service Commission seeking approval to increase rates and charges to recover costs and investments necessary to restore its Northwest Division following Hurricane Michael. On October 25, 2019, Joint Stipulation requesting interim rates was filed with the Commission to allow recovery during the period the proceeding is pending and to avoid significant bill fluctuations. On November 5, 2019, the Commission approved the Joint Stipulation and allowed the implementation of the interim rate increase, which will temporarily increase the Company's annual revenues by \$11,802,455, pending the Commission's final decision on the Company's request for a permanent increase. The approved interim rates are attached to this Notice and reflected on the enclosed bill for service. Most of the increase to customer bills for this proceeding is expected to be offset by a decrease in fuel charges; therefore, the total bill for an average customer should remain relatively constant.

In October 2018, Hurricane Michael passed through FPU's electric distribution operation's service territory in Northwest Florida. The hurricane caused widespread and severe damage to FPU's infrastructure resulting in 100 percent of its customers losing electrical service. FPU, after exerting extraordinary hurricane restoration efforts, restored service to those customers who were able to accept it. FPU expended more than \$65.0 million to restore service, which has been recorded as new plant and equipment or charged against FPU's storm reserve. The Petition filed is requesting recovery of storm related costs associated with Hurricane Michael (capital and expenses) through a change in base rates.

Details regarding the Company's request are contained in the Minimum Filing Requirements, which also contain detailed financial, accounting, tariff and engineering data supporting the request. These are available for review at the business offices at the following locations during regular work hours.

2825 Pennsylvania Avenue

Marianna, Florida 32448

850.526.6800

Monday through Friday

9:00 a.m. to 5:00 p.m.

780 Amelia Island Parkway

Fernandina Beach, Florida 32034

904.430.4700

Monday through Friday

10:00 a.m. to 5:00 p.m.

The following chart provides a comparison of the current and new rates that will become effective January 1, 2020:

		PRESENT RATES	INTERIM RATES
Residential (RS)		\$14.69	\$23.35
General Service (GS)		\$24.14	\$38.36
General Service Demand (GSD)		\$71.38	\$113.43
General Service Large Demand (GSLD)		\$136.45	\$216.83
General Service Large Demand-EXP		\$136.45	\$216.83
General Service Large Demand (GSLD1)		\$844.94	\$1,342.67
Interruptible Service-EXP		\$136.45	\$216.83
Standby (SB)	<500 kw	\$104.96	\$166.79
Standby (SB)	≥500 kw	\$844.94	\$1,342.67

Residential (RS)	≤1,000 -	\$0.02057	\$0.03269
	>1,000 -	\$0.03369	\$0.05354
General Service (GS)		\$0.02516	\$0.03998
General Service Demand (GSD)		\$0.00474	\$0.00754
General Service Large Demand (GSLD)		\$0.00220	\$0.00350
General Service Large Demand-EXP		\$0.00220	\$0.00350
General Service Large Demand (GSLD1)		\$0.00000	\$0.00000
Interruptible Service-EXP		\$0.00220	\$0.00350
Standby (SB)	<500 kw	\$0.00000	\$0.00000
Standby (SB)	≥500 kw	\$0.00000	\$0.00000

		PRESENT RATES	INTERIM RATES
Residential (RS)		\$0.00	\$0.00
General Service (GS)		\$0.00	\$0.00
General Service Demand (GSD)		\$3.00	\$0.00
General Service Large Demand (GSLD)		\$5.56	\$8.84
General Service Large Demand-EXP		\$5.56	\$8.84
General Service Large Demand (GSLD1)		\$1.57	\$2.50
General Service Large Demand (GSLD1)	KVAR	\$0.38	\$0.60
Interruptible Service-EXP		\$5.56	\$8.84
Standby (SB)	<500 kw	\$2.73	\$4.34
Standby (SB)	≥500 kw	\$0.68	\$1.08
Standby (SB)	KVAR	\$0.38	\$0.60

SERVICE CHARGES			
Initial Establishment of Service		\$61.00	\$61.00
Re-establish Service or Account Changes		\$26.00	\$26.00
Customer Request Temp Disconnect/Reconn		\$65.00	\$65.00
Reconnect After Disconnect (Normal Hrs)		\$52.00	\$52.00
Reconnect After Disconnect (After Hours)		\$178.00	\$178.00
Temporary Service		\$85.00	\$85.00
Collection Charge		\$16.00	\$16.00
Returned Check Charge	Per Statute	Per Statute	Per Statute
Late Fees		----- Greater of 1.5% or \$5.00 -----	



The following chart provides a comparison of the current and new rates that will become effective January 1, 2020:

CUSTOMER CHARGE(S)				
		PRESENT RATES	INTERIM RATES	
Residential (RS)		\$14.69	\$23.35	
General Service (GS)		\$24.14	\$38.36	
General Service Demand (GSD)		\$71.38	\$113.43	
General Service Large Demand (GSLD)		\$136.45	\$216.83	
General Service Large Demand-EXP		\$136.45	\$216.83	
General Service Large Demand (GSLD1)		\$844.94	\$1,342.67	
Interruptible Service-EXP		\$136.45	\$216.83	
Standby (SB)	<500 kw	\$104.96	\$166.79	
Standby (SB)	≥500 kw	\$844.94	\$1,342.67	

ENERGY CHARGE \$/KWH				
Residential (RS)	≤1,000 -	\$0.02057	\$0.03269	
	>1,000 -	\$0.03369	\$0.05354	
General Service (GS)		\$0.02516	\$0.03998	
General Service Demand (GSD)		\$0.00474	\$0.00754	
General Service Large Demand (GSLD)		\$0.00220	\$0.00350	
General Service Large Demand-EXP		\$0.00220	\$0.00350	
General Service Large Demand (GSLD1)		\$0.00000	\$0.00000	
Interruptible Service-EXP		\$0.00220	\$0.00350	
Standby (SB)	<500 kw	\$0.00000	\$0.00000	
Standby (SB)	≥500 kw	\$0.00000	\$0.00000	

		PRESENT RATES	INTERIM RATES	
Residential (RS)		\$0.00	\$0.00	
General Service (GS)		\$0.00	\$0.00	
General Service Demand (GSD)		\$3.89	\$6.18	
General Service Large Demand (GSLD)		\$5.56	\$8.84	
General Service Large Demand-EXP		\$5.56	\$8.84	
General Service Large Demand (GSLD1)		\$1.57	\$2.50	
General Service Large Demand (GSLD1)	KVAR	\$0.38	\$0.60	
Interruptible Service-EXP		\$5.56	\$8.84	
Standby (SB)	<500 kw	\$2.73	\$4.34	
Standby (SB)	≥500 kw	\$0.68	\$1.08	
Standby (SB)	KVAR	\$0.38	\$0.60	

Initial Establishment of Service		\$61.00	\$61.00	
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Customer Request Temp Disconnect/Reconnect		\$65.00	\$65.00	
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Late Fees		----- Greater of 1.5% or \$5.00 -----		