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June 24, 2021

**E-PORTAL**

Mr. Adam J. Teitzman, Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: **Docket No. 20200151-EI** - Petition for approval of a regulatory asset to record costs incurred due to COVID-19, by Gulf Power Company.

**Docket No. 20200194-PU** – Petition for approval of regulatory assets to record costs incurred due to COVID-19, by Florida Public Utilities Company, Florida Public Utilities Company - Indiantown Division, Florida Public Utilities Company - Fort Meade, Florida Division of Chesapeake Utilities Corporation.

Dear Mr. Teitzman:

Attached for filing in the referenced consolidated dockets, please find the Responses of Florida Public Utilities/Florida Division of Chesapeake Utilities Corporation to Commission Staff's First Data Requests regarding the Stipulation and Settlement filed June 11, 2021.

As always, thank you for your assistance with this filing. Please do not hesitate to let me know if you have any questions whatsoever.

Sincerely,

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

Enclosures  
cc:// (Service List)

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for approval of a regulatory asset to record costs incurred due to COVID- 19, by Gulf Power Company.

DOCKET NO. 20200151-EI

In re: Petition for approval of regulatory assets to record costs incurred due to COVID-19, by Florida Public Utilities Company, Florida Public Utilities Company - Indiantown Division, Florida Public Utilities Company - Fort Meade, Florida Division of Chesapeake Utilities Corporation.

DOCKET NO. 20200194-PU

FILED: June 24, 2021

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**FLORIDA PUBLIC UTILITIES COMPANY AND FLORIDA DIVISION OF  
CHESAPEAKE UTILITIES CORPORATION’S RESPONSES TO STAFF’S FIRST  
DATA REQUESTS ON SETTLEMENT**

Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation (herein jointly “FPUC” or “Companies”), hereby submits their Responses to the First Data Requests from Commission Staff regarding the Settlement and Stipulation between FPUC and the Office of Public Counsel, filed June 11, 2021.

1. What carrying charges, if any, will apply to the unamortized balance of the regulatory asset? If a carrying charge is involved, what is the rate and how was the rate determined?

**Company Response:**

Florida Public Utilities has not included any carrying costs in the COVID-19 regulatory asset balances. The unamortized balance of the regulatory asset will be included in rate base (working capital) and included in the calculation of the actual rate of return in the surveillance

filings. In addition, any portion of the amortization included in the over/under-recovery for Fuel or PGA would include the normal calculation of interest used in those filings.

2. For the proposed regulatory asset balance of \$2,085,759, what are the total amounts assigned to each division of the Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation?

**Company Response:**

For the proposed regulatory asset balance of \$2,085,759, the total amounts assigned to each division of the Florida Public Utilities Companies are as follows:

<i><b>FPUC Business Unit</b></i>	<i><b>Regulatory Asset Assignment</b></i>
Florida Public Utilities Company – Electric Division	\$1,354,120
Florida Public Utilities Company – Gas Division	\$577,153
Florida Division of Chesapeake Utilities Corporation	\$149,438
Florida Public Utilities Company – Fort Meade	\$4,498
Florida Public Utilities Company – Indiantown Division	\$550
<b>Total of Regulatory Asset Assignments</b>	<b>\$2,085,759</b>

3. For the proposed regulatory asset balance of \$2,085,759, what is the amount attributed to each of the COVID-19 related incremental expense categories: bad debt write-offs, personal protective equipment, cleaning, and business information services for remote working?

**Company Response:**

For the proposed regulatory asset balance of \$2,085,759, the amounts attributed to each of the COVID-19 related incremental expense categories are as follows:

<i>Expense Category</i>	<i>FPUC Gas</i>	<i>Chesapeake Gas- Florida Division</i>	<i>FPUC- Indiantown Gas</i>	<i>FPUC-Fort Meade Gas</i>	<i>FPUC Electric</i>
Bad Debt	\$388,243	\$117,451	\$187	\$4,082	\$1,292,877
PPE	\$95,749	\$7,141	\$22	\$21	\$19,909
Cleaning	\$27,678	\$8,361	\$107	\$106	\$8,666
Information Services	\$65,483	\$16,485	\$234	\$289	\$32,668
<b>Totals</b>	<b>\$577,153</b>	<b>\$149,438</b>	<b>\$550</b>	<b>\$4,498</b>	<b>\$1,354,120</b>

4. Please identify and describe the types of costs incurred under the category “business information services for remote working.”

**Company Response:**

The types of costs included in the “business information services for remote working” category are information technology expenditures that, among other things,

- increased the corporate bandwidth so that a predominance of employees could work remotely,
- purchased additional printers, laptops, and monitors for remote employee use,
- purchased additional hardware for the call center, and,
- paid for additional corporate virtual meeting (Webex) usage.

5. The Settlement Agreement proposes the establishment of a regulatory asset in the amount of \$2,085,759. This amount would include COVID-19 related incremental expenses for bad debt write-offs, personal protective equipment, cleaning, and business information services for remote working, as of June 30, 2021. If any additional costs listed above are incurred after June 30, 2021, does FPUC intend to seek recovery of these new costs in a future proceeding?

**Company Response:**

At this time, the Company does not anticipate an additional future proceeding for recovery of Covid-related expenses. However, should the COVID-19 pandemic enter a resurgence, or should an event unrelated to the COVID-19 pandemic occur, then the Company will re-evaluate the potential to seek recovery related to the costs associated with that particular set of circumstances at that time.

6. Page 4 of the Settlement Agreement provides proposed categories of costs, including health claims, communication, consulting, legal, and other, totaling \$352,227, which would be deemed recovered through COVID-19 related savings as of June 30, 2021. If any additional costs listed above are incurred after June 30, 2021, does FPUC intend to seek recovery of these new costs in a future proceeding?

**Company Response:**

At this time, the Company does not anticipate an additional future proceeding. However, should the COVID-19 pandemic enter a resurgence, or should an event unrelated to the COVID-19 pandemic occur, then the Company will re-evaluate the potential to seek recovery of the costs related to that particular set of circumstances at that time.

7. Page 5 of the Settlement Agreement states amounts pertaining to incremental (“hazard”) pay and the lost opportunity for a reduced insurance premium for the prior period up to and including April 30, 2021, totaling \$767,803, shall be deemed to have been fully recovered by the Companies. If any additional costs listed above are, or have been, incurred after April 30, 2021, does FPUC intend to seek recovery of these new costs in a future proceeding?

**Company Response:**

At this time, the Company does not anticipate an additional future proceeding. However, should the COVID-19 pandemic enter a resurgence, or should an event unrelated to the COVID-19 pandemic occur, then the Company will re-evaluate the potential to seek recovery of the costs related to that particular set of circumstances at that time.

8. What is the monthly bill impact on a 1,000 kWh basis of the proposed recovery for Florida Public Utilities Company – Electric Division?

**Company Response:**

The proposed bill impact of a typical Florida Public Utilities Company – Electric Division residential customer using 1,000 kWh of electricity is an additional \$1.11 per month. This calculated bill impact is based on the forecasted customer usage for 2021. Projected usage for a different calendar year, such as 2022, is expected to produce a slightly different result, but the difference is expected to be immaterial.

9. What is the monthly bill impact on a 20 therm basis of the proposed recovery for Florida Public Utilities Company – Gas Division?

**Company Response:**

The proposed bill impact of a typical Florida Public Utilities Company – Gas Division residential customer using 20 therms of natural gas is \$0.07 per month. This projected bill impact is based on the forecasted customer usage for 2021. Projected usage for a different calendar year, such as 2022, is expected to produce a slightly different result, but the difference is expected to be immaterial.

10. What is the monthly bill impact on a 20 therm basis of the proposed recovery for Florida Public Utilities Company – Indiantown Division?

**Company Response:**

The proposed bill impact of a typical Florida Public Utilities Company – Indiantown Division customer (TS-1) using 20 therms of natural gas is \$0.06 per month. This calculated bill impact is based on the forecasted customer usage for 2021..As noted above, the precise impact will depend upon projected customer usage, and will change slightly with each new projection for the upcoming calendar year.

11. What is the monthly bill impact on a 20 therm basis of the proposed recovery for Florida Public Utilities Company – Fort Meade?

**Company Response:**

The proposed bill impact of a typical Florida Public Utilities Company – Fort Meade Division residential customer using 20 therms of natural gas is \$0.07 per month. This calculated bill impact is based on the forecasted customer usage for 2021. As noted above, the precise impact will depend upon projected customer usage, and will change slightly with each new projection for the upcoming calendar year.



12. What is the monthly bill impact on a 20 therm basis of the proposed recovery for the Florida Division of Chesapeake Utilities Corporation?

**Company Response:**

The proposed bill impact of a typical Florida Division of Chesapeake Utilities Corporation customer (FTS-1) using 20 therms of natural gas is \$0.06 per month. This calculated bill impact is based on the forecasted customer usage for 2021. As noted above, the precise impact will depend upon projected customer usage, and will change slightly with each new projection for the upcoming calendar year.

**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing responses to Staff’s First Data Requests on Settlement have been furnished by Electronic Mail to the following parties of record this 24th day of June, 2021:

Office of the General Counsel Jennifer Crawford Walter Trierweiler Shaw Stiller 2540 Shumard Oak Blvd Tallahassee, FL 32399-0850 <a href="mailto:jcrawfor@psc.state.fl.us">jcrawfor@psc.state.fl.us</a> <a href="mailto:wtrierwe@psc.state.fl.us">wtrierwe@psc.state.fl.us</a> <a href="mailto:ssstiller@psc.state.fl.us">ssstiller@psc.state.fl.us</a>	Joel Baker 700 Universe Boulevard Juno Beach, FL 33408-0420 <a href="mailto:Joel.baker@fpl.com">Joel.baker@fpl.com</a>
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