

FPUC's Responses to Staff's Second Set of
Interrogatories, Nos. 4-5.

INTERROGATORIES

Please refer to the Direct Testimony of Mr. Curtis Young, filed with Florida Public Utilities Company's (FPUC or Company) *Petition for Approval of Actual/Estimated True-Up Amount* for the following questions.¹

4. Please refer to page 4, lines 4-11. Does FPUC have specific authorization for fuel clause recovery of consulting fees paid to Pierpont and McLelland? If so, please identify. If not, please further explain the proposal for including such costs as recoverable fuel-related expenses.

FPUC RESPONSE:

The Company believes these costs are recoverable because:

- They are directly related to purchase power and have not been recovered through base rates;
- The Company currently does not have the resources or expertise to identify and pursue projects as well as negotiate contract terms that will produce cost savings which will ultimately be passed through to the customers; and
- The Commission has determined that these types of costs are appropriate for recovery by FPUC through the fuel and purchased power clause in Order No. PSC-05-1252-FOF-EI, Item II E, issued in Docket No. 050001-EI. Additionally, costs associated with these particular consultants have been allowed for recovery in more recent Docket Nos. 20170001-EI, 20180001-EI, 20190001-EI, 20200001-EI and 20210001-EI.

Respondent: Curtis D. Young

¹Document No. 08344-2021, filed July 27, 2021.

Interrogatory No. 5

5. Referring to Schedule E1-B, under the header “Net Purchased Power Costs,” what activities/costs constitute “special costs” as labeled on this Schedule in the amount of \$185,717?

FPUC RESPONSE:

The “special costs” consist of consulting fees, legal fees and to a lesser degree, taxes on company use as indicated at the bottom left side corner of Schedule E1-B. These costs are particularly related to the purchase power agreement review and analysis. As the Commission has recognized time and again in previous dockets within this clause, the Company simply does not have the internal resources to pursue projects and initiatives designed to produce purchased power savings without engaging outside assistance for project analytics and due diligence, as well as negotiation and contract development expertise.

Respondent: Curtis D. Young

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
clause with generating performance incentive
factor.

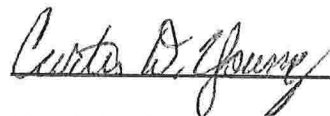
DOCKET NO. 20210001-EI

DATED: August 26, 2021

DECLARATION

I hereby certify and affirm that I sponsored the Company's responses to COMMISSION STAFF'S SECOND SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY, Nos. 4 - 5 in Docket No. 20210001-EI. The responses are true and correct to the Best of my knowledge.

Under penalty of perjury, I declare that I have read the foregoing declaration and the interrogatory responses identified above, and that the facts stated therein are true.



(Curtis D. Young), Declarant

Dated: August 26, 2021