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FPUC's Responses to Staff's Third Set of Interrogatories, Nos. 3-4.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20220001-EI

DATED: August 31, 2022

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES TO COMMISSION STAFF'S THIRD SET OF INTERROGATORIES (NO. 3-4)

The Florida Public Utilities Company ("FPUC" or "Company"), hereby submits its Responses to the Third Set of Interrogatories (Nos. 3-4) served on the Company on August 11, 2022, by Commission Staff. The individual responses follow this cover sheet.

Respectfully submitted,

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

Interrogatory No. 3

INTERROGATORIES

1. Please refer to the Direct Testimony of Florida Public Utilities Company (FPUC or

Company) witness Curtis Young, filed with the 2022 Petition for Approval of

Actual/Estimated True-Up Amount, Schedule E-1b, for the following request.¹

Approximately half way thorough the schedule, directly under the line titled "Net Purchase

Power," is an unidentified/unnamed series of costs that sum to \$338,552 for the period.

Please provide an amended schedule that specifically identifies the nature of this amount.

Company Response:

The previously unidentified / unnamed series of costs that sum to \$338,552 for the

period represent the monthly amortization of the COVID-19 regulatory asset. The

settlement agreement, which was approved by the Commission on July 8, 2021,

allows Florida Public Utilities Company to recover \$2,085,759 of pandemic-related

incremental expenses. Beginning with the factors established for the calendar year

2022, FPUC was allowed to amortize over two years and recover the allocated

regulatory asset of approximately \$1,354,120 for the electric division, through the

Fuel and Purchased Power Cost Recovery Clause mechanism. The annualized

amount, \$677,060, is included among the Company's 2022 other fuel-related costs.

The amended schedule that specifically identifies the nature of this amount is

attached.

Respondent: Curtis D. Young

¹Document No. 05044-2022.

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Interrogatory No. 4

4. Please refer to the Direct Testimony of FPUC witness Curtis Young, filed with the 2021

Petition for Approval of Actual/Estimated True-Up Amount, page 3, lines 1-3 for the

following request.² Here the witness states: "[t]he Company is expecting a transmission

rebate from its purchase power supplier, FP&L for approximately \$223,800 by year end

and has included this amount in our 2021 true-up computation." Please provide a citation

of where this adjustment can be located in any Company filing, i.e. the 2021

actual/estimated filing, the final true-up of 2021 (filed in 2022), etc.

Company response:

The transmission rebate from FP&L for approximately \$223,800 is embedded in the

July 2021 Estimated Transmission Charge of the 2021 actual/estimated filing

Schedule E1-b. The (\$13,759) is the net amount of the \$210,041 estimated

transmission charges for the month and the \$223,800 transmission rebate from

FP&L.

However, this rebate was not included in the Company's actual final 2021 true-up

filing since the \$223,836.14 rebate had not been received until January 2022.

Respondent: Curtis Young

²Document No. 08344-2021.

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CONSOLIDATED

(EXCLUDES LINE LOSS, EXCLUDES TAXES)

REVISED 8_24_2022	
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CONSOLIDATED															
			ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	
		_	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Total
Total System Sales - KWH			50,563,833	52,662,584	41,047,718	47,358,687	49,156,724	58,657,139	63,545,221	64,752,875	65,260,871	60,414,202	51,313,429	52,520,067	657,253,349
West-Rock Purchases - KWH			900,000	1,810,000	370,000	460,000	440,000	320,000	190,000	350,000	590,000	320,000	530,000	440,000	6,720,000
Rayonier Purchases - KWH - On Peak		131,226	133,273	74,175	130,387	66,673	40,326	28,756	36,400	72,688	136,360	142,716	80,528	1,073,508	
Rayonier Purchases - KWH - Off Peak			316,639	241,039	90,420	417,204	343,772	186,656	73,944	93,600	186,912	350,640	366,984	207,072	2,874,882
Eight Flags Purchases - KWH - KWH		12,748,671	11,807,895	13,073,484	13,164,892	13,222,346	12,069,632	14,300,000	13,100,000	14,700,000	14,600,000	13,900,000	14,700,000	161,386,920	
FPL Purchases - KWH		18,425,776	13,205,121	13,122,513	12,633,789	19,067,131	25,550,860	25,191,871	26,054,355	24,053,431	19,035,033	15,309,443	12,167,266	223,816,590	
Gulf Purchases - KWH			27,750,147	21,236,994	20,777,653	20,560,932	25,823,162	31,560,592	26,937,910	28,356,162	28,920,884	28,992,878	23,629,956	27,551,203	312,098,473
Generation Demand - KW - FPL			66,392	55,751	41,596	58,892	48,279	79,187	73,867	76,617	73,459	56,954	41,977	56,139	729,109
Generation Demand - KW - Gulf			66,389	62,845	51,801	44,465	56,855	68,127	62,800	63,800	61,500	51,800	47,200	65,100	702,682
Transmission Demand - KW - FPL		73.677	48,594	27,453	58,998	38,902	86.735	69,400	70,200	69,200	48,400	39.600	71,600	702.759	
	Transmission Demand - KW - Southern		55,120	0	0	0	0	0	25,500	25,300	23,900	24,200	24,200	24,800	203,020
Purchased Power Rates:															
West Rock Fuel Costs - \$	s/kwh		0.03880	0.03992	0.11288	0.04439	0.06417	0.09792	0.04824	0.04824	0.04824	0.04824	0.04824	0.04824	
Rayonier Energy Charge		4	0.03491	0.03442	0.03442	0.03524	0.11374	0.07633	0.05531	0.05531	0.05531	0.04799	0.05130	0.05130	
Rayonier Energy Charge			0.03248	0.03195	0.03195	0.03208	0.09328	0.13311	0.05531	0.05531	0.05531	0.04799	0.05130	0.05130	
Eight Flags Charge - \$/K\		-	0.11754	0.15133	0.13666	0.10760	0.15120	0.17457	0.14346	0.14346	0.14346	0.14346	0.15050	0.19993	
Base Fuel Costs - \$/KWH			0.03554	0.04933	0.04597	0.04309	0.05094	0.06515	0.04977	0.05043	0.05030	0.04909	0.05030	0.04431	
		0.9815	0.03923	0.03974	0.04597		0.05094	0.06515	0.04977	0.03043	0.03030	0.04393	0.03030	0.04431	
Base Fuel Costs - \$/KWF		0.9815				0.05167									
Energy Charge - \$/KWH	- FPL		0.00212	0.00235	0.00237	0.00236	0.00216	0.00198	0.00211	0.00208	0.00205	0.00211	0.00219	0.00233	
Demand and Non-Fuel:													=		
Demand Charge - \$/h			6.40977	6.65626	7.11797	6.56936	6.85940	6.23122	6.30189	6.26412	6.30774	6.61428	7.10103	6.63407	
Demand Charge - \$/H			7.84154	7.98768	8.57136	9.11933	8.27612	7.77543	7.98965	7.94671	8.04756	8.57143	8.89513	7.89286	
Distribution Facility C			5.09680	5.09680	5.82600	5.82600	5.82600	5.82600	5.82600	5.82600	5.82600	5.82600	5.82600	5.82600	
Transmission Charge			2.49638	3.16551	3.21568	2.83813	3.04149	2.73832	2.97966	2.97966	2.97966	2.97966	2.97966	2.97966	
Transmission Charge	\$/KW - Southern		3.01632	3.01632	3.01631	3.01635	3.06438	3.31430	2.17647	2.13805	1.94602	1.76038	1.16505	1.82440	
Purchased Power Costs:															
West-Rock Fuel Cos	ts		34,916	72,253	41,764	20,418	28,233	31,335	9,166	16,884	28,462	15,437	25,567	21,226	345,661
Rayonier Standby Co			14,865	12,288	5,441	17,980	39,651	27,924	5,680	7,189	14,358	23,371	26,147	14,754	209,648
Eight Flags			1,498,433	1,786,942	1,786,608	1,416,551	1,999,213	2,107,046	2,051,478	1,879,326	2,108,862	2,094,516	2,091,950	2,938,971	23,759,896
Gulf Base Fuel Cost	s		1,088,556	843,868	823,006	1,062,371	1,726,885	2,296,315	1,133,224	1,214,897	1,260,841	1,273,721	999,787	1,198,220	14,921,691
FPL Base Fuel Cost			654,879	651,376	603,214	544,337	971,317	1,664,689	1,253,703	1,314,003	1,209,870	934,387	770,051	539,088	11,110,914
Gulf/FPL Fuel Adjust			97,958	80.999	80,424	78,224	96,796	113,329	110.084	113.000	108,851	101.353	85,219	92,612	1.158.849
Guil/FFL Fuel Adjust	Subtotal Fuel C		3,389,607	3,447,726	3,340,457	3,139,881	4,862,095	6,240,638	4,563,335	4,545,299	4,731,244	4,442,785	3,998,721	4,804,871	51,506,659
Demand and Non-Fuel Costs:	Demand Capaci		946.150	873.079	740.084	792.374	801.704	1,023,149	967,249	986,941	958.285	820,707	717.927	886.252	10.513.901
Demand and Non-Fuel Costs:															
	Distr. Fac. Char		302,935	299,779	300,013	299,729	217,103	301,112	329,169	328,004	319,847	321,595	321,594	325,091	3,665,971
	Customer Charg		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
	Transmission Cl	harge	(39,910)	153,825	88,280	167,444	118,320	237,508	206,788	209,172	206,192	144,215	117,995	213,344	1,823,173
Subtotal Demand & N		_	1,213,175	1,330,683	1,132,377	1,263,547	1,141,127	1,565,769	1,507,206	1,528,117	1,488,324	1,290,517	1,161,516	1,428,687	16,051,045
Total System Purchased Power	r Costs	_	4,602,782	4,778,409	4,472,834	4,403,427	6,003,222	7,806,407	6,070,541	6,073,416	6,219,568	5,733,302	5,160,237	6,233,558	67,557,703
Less Direct Billing To GSLD1 C	Class: De	emand	146,953	15,778	17,231	59,304	47,821	13,987	799	24,526	3,195	0	7,729	16,797	354,119
	Co	ommodity	103,355	123,045	67,032	40,675	17,811	39,813	142,894	186,169	182,113	249,989	366,484	225,651	1,745,031
Net Purchased Power Costs	3	_	4,352,475	4,639,586	4,388,571	4,303,449	5,937,590	7,752,607	5,926,848	5,862,721	6,034,260	5,483,313	4,786,024	5,991,110	65,458,553
	COVID-19 Reg	Asset amort.			0	0	0	0	56,422	56,422	56,422	56,422	56,422	56,422	338,532
	Special Costs*		14,063	13,177	22,541	5,836	46,358	17,201	17,850	17,850	19,300	17,850	17,850	20,300	230,177
Total Costs and Charges	Openiai Ooolo	_	4,366,538	4,652,763	4,411,112	4,309,285	5,983,947	7,769,808	6,001,120	5,936,993	6,109,982	5,557,585	4,860,296	6,067,832	66,027,262
Sales Revenues - Fuel Adjustm	nent Revenues:	_	4,000,000	4,002,700	7,711,112	4,000,200	5,505,541	7,703,000	0,001,120	0,000,000	0,103,302	5,557,505	4,000,230	0,007,002	00,021,202
RS<	0.06984	0.08435	1,248,784	1,307,473	1,120,845	1,118,341	1,173,731	1,375,190	1,449,180	1,743,446	1,744,981	1,692,309	1,482,883	1,529,528	16,986,691
		0.08435													
RS>	0.08233		564,391	702,960	272,146	275,732	372,456	796,474	991,999	1,146,667	1,125,577	730,398	398,855	478,570	7,856,226
GS	0.07384	0.08846	313,855	320,221	275,939	299,689	316,241	404,783	379,860	475,460	479,297	484,288	393,557	414,595	4,557,784
GSD	0.06790	0.08275	810,627	770,813	743,192	834,164	857,608	1,030,086	1,064,818	1,359,120	1,388,412	1,326,396	1,185,322	1,249,873	12,620,431
GSLD	0.06526	0.08026	441,636	348,970	364,058	398,823	379,430	462,587	499,925	612,825	648,347	641,873	528,208	588,769	5,915,452
LS	0.04953	0.06542	30,047	30,044	30,096	30,186	29,846	29,989	31,161	41,005	41,341	41,319	40,985	40,693	416,712
Unbilled Fuel Revenu	ies		(63.823)	190.884	(236.547)	(94,727)	439,242	171.155	0	0	0	0	0	0	406.185
Total Fuel Revenu	ues (Excl. GSLD1)		3,345,517	3,671,365	2,569,730	2,862,209	3,568,554	4,270,264	4,416,943	5,378,523	5,427,955	4,916,583	4,029,810	4,302,028	48,759,480
GSLD1 Fuel Revenu			250,308	138,823	84,263	99,979	65,632	53,800	143,693	210,695	185,308	249,989	374,213	242,448	2,099,150
Non-Fuel Revenues			3.182.802	3,280,960	2,769,978	2,882,830	2,931,672	2,582,841	2,758,327	2,460,936	2,404,991	1,774,794	1,837,713	2,343,379	31,211,222
Total Sales Reven		_	6,778,627	7,091,147	5,423,971	5,845,017	6,565,858	6,906,905	7,318,963	8,050,153	8,018,254	6,941,367	6,241,736	6,887,855	82,069,853
rotal Gales Revel		_	0,110,021	7,001,177	J,72J,J1 I	3,040,017	0,000,000	0,300,303	7,010,000	0,000,100	3,010,234	3,341,307	5,271,750	0,007,000	02,000,000
VIVIA Coloni	RS<		10 204 020	10 122 000	16 471 544	16 409 065	17 204 AFF	20 000 700	20 740 000	20 660 262	20 697 564	20.062.120	17 590 267	10 122 260	225 474 204
KWH Sales:	RS<		18,284,936	19,123,008	16,471,544	16,408,065	17,204,455	20,098,709	20,749,996	20,669,362	20,687,561	20,063,120	17,580,267	18,133,268	225,474,291
			6,855,113	8,538,252	3,289,155	3,355,668	4,523,901	9,671,691	12,049,061	11,840,807	11,623,024	7,542,299	4,118,691	4,941,846	88,349,508
	GS		4,318,888	4,402,693	3,802,918	4,124,579	4,348,747	5,547,905	5,144,366	5,375,083	5,418,462	5,474,878	4,449,166	4,687,008	57,094,692
	GSD		12,164,409	11,578,075	11,171,290	12,511,069	12,856,335	15,396,474	15,682,148	16,424,330	16,778,309	16,028,879	14,324,065	15,104,126	170,019,508
	GSLD		6,880,388	5,460,495	5,691,694	6,224,381	5,927,231	7,201,408	7,660,508	7,635,283	8,077,859	7,997,206	6,581,025	7,335,573	82,673,050
	GSLD1		1,440,000	2,940,000	0	4,112,000	3,680,000	122,000	1,630,000	2,181,250	2,043,750	2,676,250	3,633,750	1,696,250	26,155,250
	LS		620,099	620,061	621,117	622,925	616,055	618,952	629,143	626,761	631,907	631,569	626,464	621,996	7,487,050
		_													
	Total KWH S	Sales	50,563,833	52,662,584	41,047,718	47,358,687	49,156,724	58,657,139	63,545,221	64,752,875	65,260,871	60,414,202	51,313,429	52,520,067	657,253,349
True-up Calculation (Excl. GSLD1):															
Fuel Revenues			3,345,517	3,671,365	2,569,730	2,862,209	3,568,554	4,270,264	4,416,943	5,378,523	5,427,955	4,916,583	4,029,810	4,302,028	48,759,480
True-up Provision - collec	t/(refund)		(188,123)	(188,123)	(188,123)	(188,123)	(188,123)	(188,123)	(188,123)	758,063	758,063	758,063	758,063	758,063	2,473,457
Gross Receipts Tax Refu			/		, -,	, .,		, -,			-,		-,		0
Fuel Revenue			3.533.640	3.859.488	2.757.852	3.050.331	3.756.676	4.458.387	4.605.066	4.620.460	4.669.892	4.158.520	3.271.747	3.543.965	46.286.023
Net Purchased Power and Other Fuel Costs			4,366,538	4,652,763	4,411,112	4,309,285	5,983,947	7,769,808	6,001,120	5,936,993	6,109,982	5,557,585	4,860,296	6,067,832	66,027,262
True-up Provision for the Period		_	(832,898)	(793,276)	(1,653,260)	(1,258,954)	(2,227,271)	(3,311,422)	(1,396,055)	(1,316,533)	(1,440,090)	(1,399,065)	(1,588,549)	(2,523,867)	(19,741,239)
Interest Provision for the Period		(032,090)	(684)	(1,653,260)	(3,102)	(6.002)	(3,311,422)	(15.876)	(16,968)	(17,608)	(18,290)	(1,566,549)	(20.369)	(133,134)	
Beginning of Period True-up and Interest Provision						(3,102)									
True-up Collected or (Refunded)			(3,790,314)	(4,811,533)	(5,793,616)	(7,636,678)	(9,086,856)	(11,508,252)	(15,021,107)	(16,621,160)	(17,196,599)	(17,896,233)	(18,555,525)	(19,405,058)	(3,790,314)
			(188,123)	(188,123)	(188,123)	(188,123)	(188,123)	(188,123)	(188,123)	758,063	758,063	758,063	758,063	758,063	2,473,457
Annual State Income Tax Savin		_													0
End of Period, Net True-up and		_	(4,811,533)	(5,793,616)	(7,636,678)	(9,086,856)	(11,508,252)	(15,021,107)	(16,621,160)	(17,196,599)	(17,896,233)	(18,555,525)	(19,405,058)	(21,191,231)	(21,191,231)
Beginning True-up Amou			(3,790,314)	(4,811,533)	(5,793,616)	(7,636,678)	(9,086,856)	(11,508,252)	(15,021,107)				(18,555,525)	(19,405,058)	
Ending True-up Amount B	Before Interest		(4,811,335)	(5,792,932)	(7,634,999)	(9,083,754)	(11,502,250)	(15,007,796)	(16,605,284)	(17,179,631)	(17,878,625)	(18,537,235)	(19,386,011)	(21,170,862)	10% Rule Interest
Total Beginning and Ending True-up		(8,601,650)	(10,604,465)	(13,428,615)	(16,720,432)	(20,589,106)	(26,516,048)	(31,626,391)	(33,800,791)	(35,075,224)	(36,433,468)	(37,941,536)	(40,575,919)	Provision:	
Average True-up Amount		(4,300,825)	(5,302,233)	(6,714,307)	(8,360,216)	(10,294,553)	(13,258,024)	(15,813,196)	(16,900,395)	(17,537,612)	(18,216,734)	(18,970,768)	(20,287,960)	-43.46%	
Average Annual Interest Rate		0.0550%	0.1550%	0.3000%	0.4450%	0.7000%	1.2050%	1.2050%	1.2050%	1.2050%	1.2050%	1.2050%	1.2050%		
Interest Provision		(198)	(684)	(1.679)	(3,102)	(6,002)	(13.311)	(15.876)	(16,968)	(17,608)	(18,290)	(19.047)	(20,369)		

^{*} Includes: Consulting fees, Legal fees and Taxes on Company Use.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20220001-EI

DATED: August 29, 2022

DECLARATION

I hereby certify and affirm that I sponsored the Company's responses to the STAFF'S THIRD SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY, Nos. 3 - 4 in Docket No. 20220001-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 29, 2022