

Facts and Figures of the Florida Utility Industry



FLORIDA
PUBLIC
SERVICE
COMMISSION

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This publication is a reference manual for anyone needing quick information about the electric, natural gas, telecommunications, and water and wastewater industries in Florida. The facts have been gathered from in-house materials, outside publications, and websites. Every effort has been made to accurately reference the source of the information used. Though most of the data refers specifically to Florida, some data from other states and national averages are included for comparison purposes. If you have questions about this publication, please contact:

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Regulatory Authority

Pursuant to Chapter 366, Florida Statutes (F.S.), as of December 2014, the Florida Public Service Commission (FPSC) has regulatory authority over:

- ◆ **5 investor-owned electric companies**
(all aspects of operations, including rates and safety)
- ◆ **34 municipally owned electric utilities**
(limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning)
- ◆ **18 rural electric cooperatives**
(limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning)

Generating Capacity
(Utility and Non-Utility)
As of December 31, 2013

- ◆ Summer: 57,999 Megawatts (MW)
- ◆ Winter: 62,133 MW *

**Transmission Capability
for Peninsular Florida**

- ◆ Import → Summer: 3,700 MW
Winter: 3,700 MW
- ◆ Export → Summer: 700 MW
Winter: 1,300 MW **

* Generating capacity is higher in winter due to thermodynamics/cooling water.

** Export transmission capability is higher in winter due to thermal ratings of lines and seasonal load patterns.

Sources:

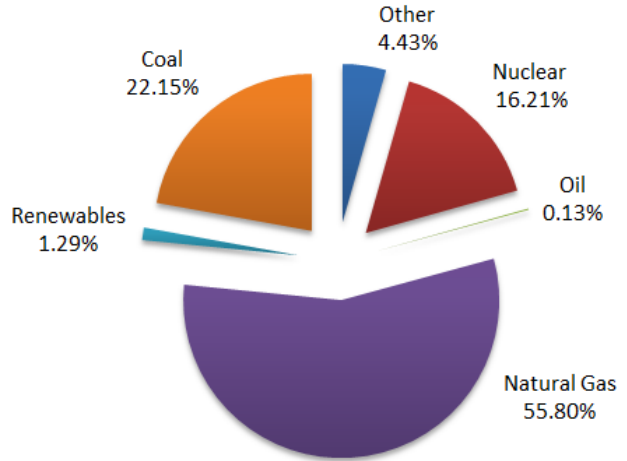
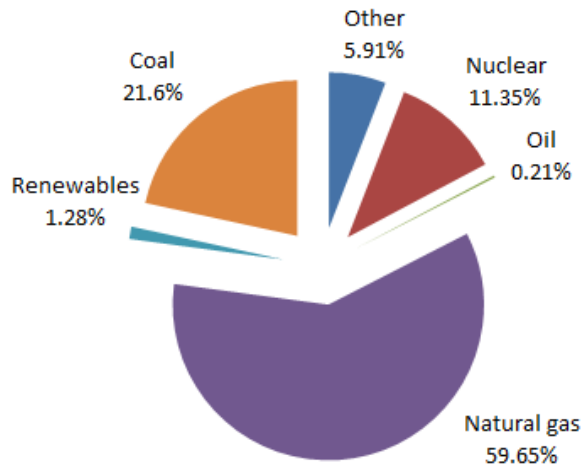
Statistics of the Florida Electric Utility Industry, October 2014
<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2014.pdf>

2014 Ten-Year Site Plan Workshop FRCC Studies and Reports

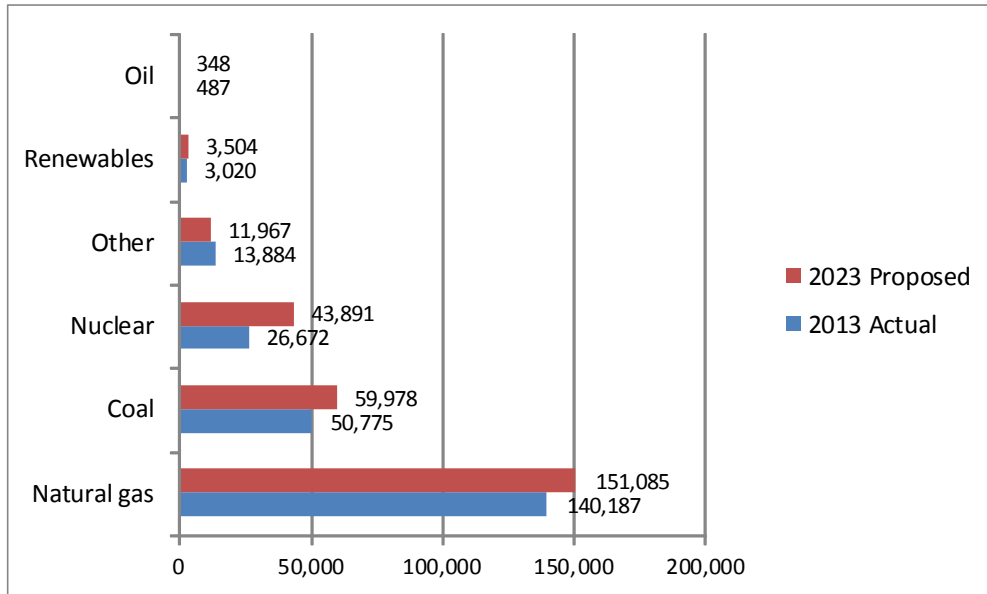
Florida Energy Generation by Fuel Type

2013
(Actual %)

2023
(Forecast %)*



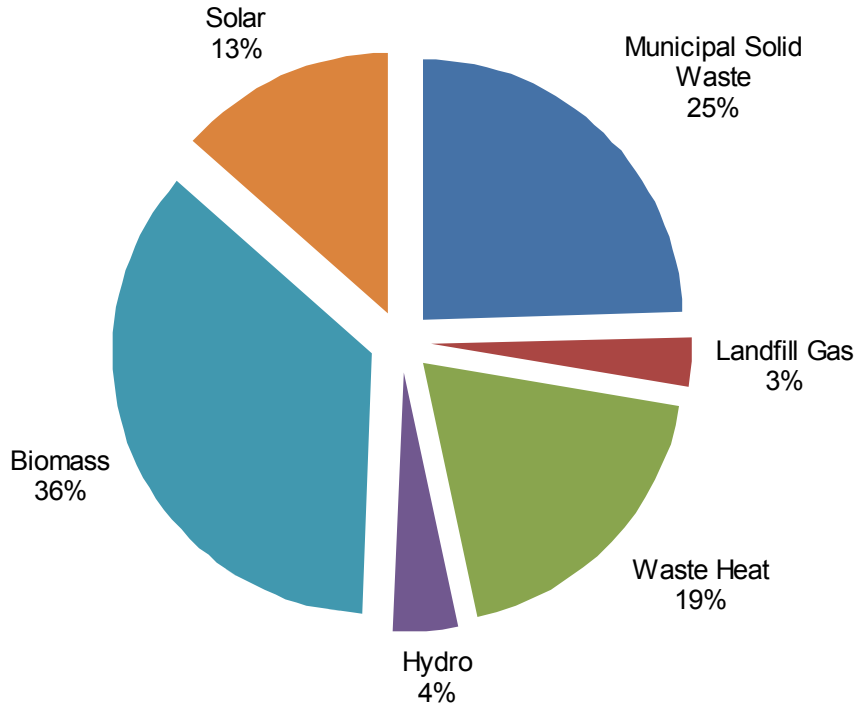
Energy Sources (GWH)



* Percentages do not add up to 100% due to rounding.

Source:
FRCC 2014 Regional Load & Resource Plan, July 2014
http://www.floridapsc.com/utilities/electricgas/docs/FRCC_2014_Load_Resource_Plan.pdf

Florida's Renewable Capacity in MW (2013)
(Total: 1,617 MW)



Total Florida Renewable Capacity: 1,617 MW

Total Florida Electric Generation Capacity: 57,375 MW (Summer)

Biomass: Material collected from wood processing, forestry, urban wood waste, and agricultural waste.

Landfill Gas: Methane collected from landfills.

Waste Heat: Collected in processing phosphate into fertilizer and other products.

Source:

FPSC's Review of 2013 Ten-Year Site Plans for Florida's Electric Utilities, October 2014

<http://www.psc.state.fl.us/publications/pdf/electricgas/TYSP2014.pdf>

Average Number of Customers

**Average Number of Customers for Investor-Owned Utilities
By Class of Service
2013**

Utility	Residential	Commercial	Industrial	Other	Total
Florida Power & Light	4,097,172	516,518	9,541	3,722	4,626,953
Florida Public Utilities	23,742	4,370	2	3,041	31,154
Gulf Power Company	382,599	54,261	258	579	437,697
Duke Energy Florida	1,465,169	163,671	2,370	25,543	1,656,753
Tampa Electric Company	613,206	71,966	1,564	7,999	694,735
Total	6,581,888	810,786	13,735	40,884	7,447,292

Sources:
2014 Ten-Year Site Plans, Schedules 2.1 - 2.3
<http://www.floridapsc.com/utilities/electricgas/10yrsiteplans.aspx>

Typical Electric Bill Comparisons

**Residential Service Provided by Investor-Owned Utilities
December 31, 2014**

Utility	Minimum Bill or Customer Charge*	1,000 Kilowatt Hours*
Florida Power & Light Company	\$ 7.57	\$ 98.97
Duke Energy Florida	\$ 8.76	\$ 122.16
Tampa Electric Company	\$ 15.00	\$ 107.39
Gulf Power Company	\$ 18.00	\$ 128.70
Florida Public Utilities Company		
Northwest	\$ 14.00	\$ 132.00
Northeast	\$ 14.00	\$ 124.35

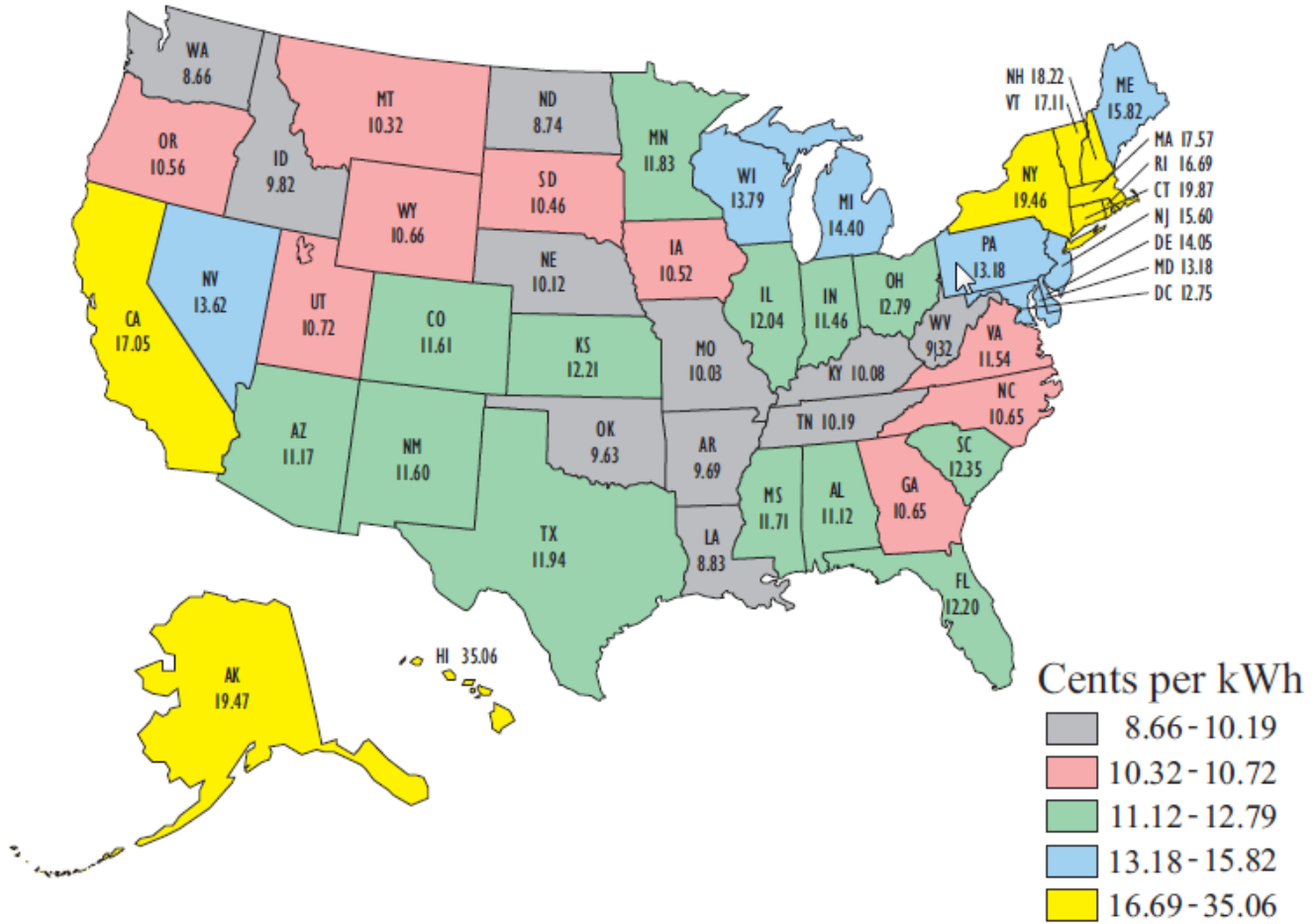
**Commercial/Industrial Service Provided by Investor-Owned Utilities
December 31, 2014**

Utility	400,000 Kilowatt Hours 1,000 KW Demand*
Florida Power & Light Company	\$ 32,560
Duke Energy Florida	\$ 33,830
Tampa Electric Company	\$ 34,810
Gulf Power Company	\$ 36,372
Florida Public Utilities Company	
Northwest	\$ 42,526
Northeast	\$ 39,646

* Excludes local taxes, franchise fees, and gross receipts taxes that are billed as a separate line item. Includes cost recovery clause factors effective December 2014.

Note: Typical electric bill comparisons for municipally and cooperatively owned electric utilities are available in the *Comparative Rate Statistics* report available at:
<http://www.floridapsc.com/publications/pdf/general/comparativerate.aspx>

Average Residential Price of Electricity by State (2014)
 (U.S. Residential Average Price per kWh = 12.46 cents)



Note: The average revenue per kilowatt-hour of electricity sold is calculated by dividing revenue by sales.

Source:
 Energy Information Administration's *Electric Power Monthly*, Table 5.6.A, November 2014
http://www.eia.gov/electricity/monthly/epm_table_grapher.cfm?t=epmt_5_06_a

Nuclear Waste Policy

Florida Power & Light Company (FPL) and Duke Energy Florida (DEF) currently store 2,600 metric tons of radioactive waste called “spent nuclear fuel” in water-filled pools inside containment structures at plant sites. As these pools become filled to capacity, some of the spent fuel will be removed and placed in steel and concrete storage containers (dry casks) on-site.

Federal law requires the U.S. Department of Energy (DOE) to store and ultimately dispose of spent nuclear fuel and high-level radioactive waste in a geologic repository. Since 1983, Florida ratepayers have paid \$842.4 million (\$1.5 billion with interest) into the federal nuclear waste fund established to cover the cost of transportation, storage, and disposal of spent fuel. DOE suspended collection of the nuclear waste fee in May 2014.

Florida Nuclear Power Reactors				
December 31, 2014				
Reactor	Utility	Metric Tons in Spent Fuel Pool	Metric Tons in Dry Cask Storage	NRC License Expires
Crystal River 3	DEF	590	N/A	2016*
St. Lucie 1	FPL	552	186	2036
St. Lucie 2	FPL	448	137	2043
Turkey Point 3	FPL	499	131	2032
Turkey Point 4	FPL	511	131	2033

* Duke Energy filed notification of cessation of operations with the Nuclear Regulatory Commission on February 20, 2013

Proposed Nuclear Power Reactors		
Reactor	Utility	Estimated In-Service Date**
Turkey Point 6	FPL	2027
Turkey Point 7	FPL	2028

** FPL has not made a final determination whether to construct Turkey Point 6 & 7.

Sources:
 Responses to information requests provided by Florida Power & Light Company and Duke Energy Florida

Operating Nuclear Power Reactors

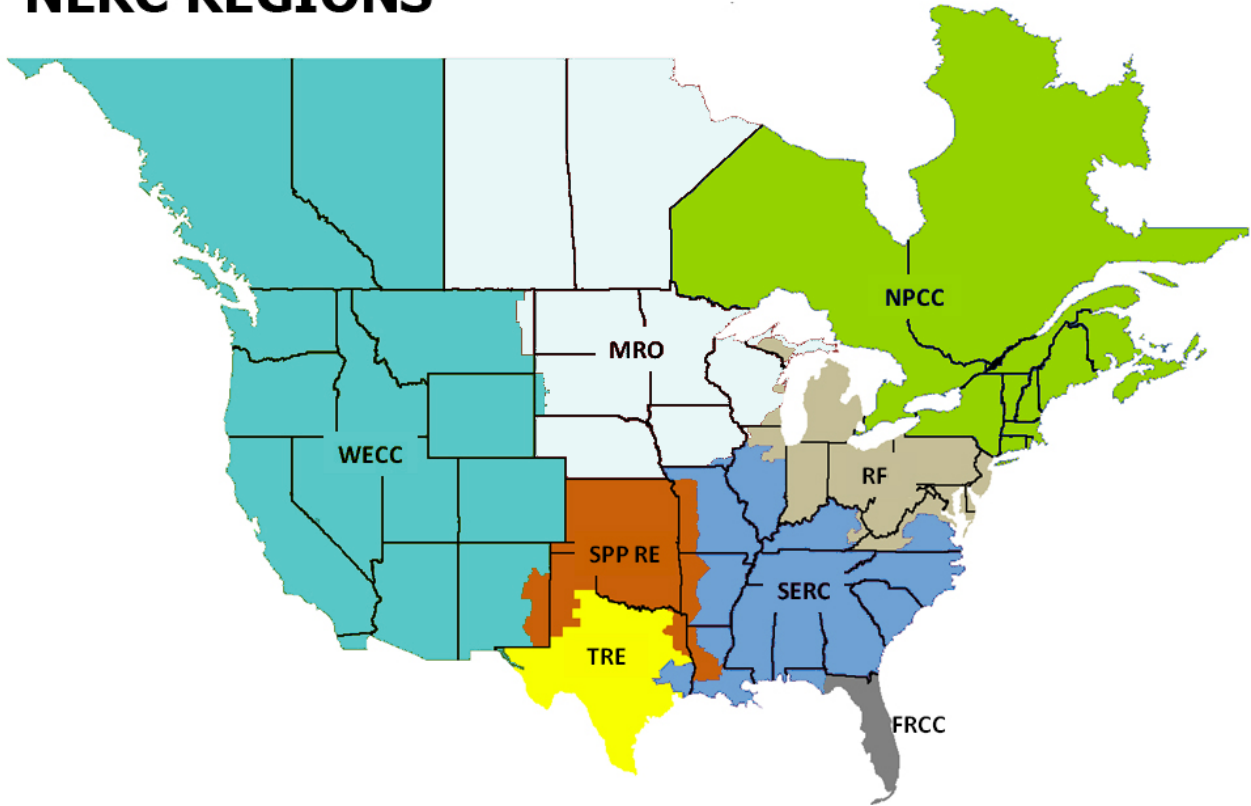
<p>Alabama Browns Ferry Units 1, 2, and 3</p> <p>Joseph M. Farley Units 1 and 2</p> <p>Arizona Palo Verde Units 1, 2, and 3</p> <p>Arkansas Arkansas Nuclear Units 1 and 2</p> <p>California Diablo Canyon Units 1 and 2</p> <p>Connecticut Millstone Units 1 and 2</p> <p>Florida St. Lucie Units 1 and 2</p> <p>Turkey Point Units 3 and 4</p> <p>Georgia Edwin I. Hatch Units 1 and 2</p> <p>Vogtle Units 1 and 2</p> <p>Illinois Braidwood Units 1 and 2</p> <p>Byron Units 1 and 2</p> <p>Clinton</p> <p>Dresden Units 2 and 3</p>	<p>Illinois cont'd La Salle County Units 1 and 2</p> <p>Quad Cities Units 1 and 2</p> <p>Iowa Duane Arnold</p> <p>Kansas Wolf Creek</p> <p>Louisiana River Bend</p> <p>Waterford</p> <p>Maryland Calvert Cliffs Units 1 and 2</p> <p>Massachusetts Pilgrim</p> <p>Michigan D. C. Cook Units 1 and 2</p> <p>Fermi Unit 2</p> <p>Palisades</p> <p>Minnesota Monticello</p> <p>Prairie Island Units 1 and 2</p> <p>Mississippi Grand Gulf</p> <p>Missouri Callaway</p> <p>Nebraska Cooper</p> <p>Fort Calhoun</p>	<p>New Hampshire Seabrook</p> <p>New Jersey Hope Creek</p> <p>Oyster Creek</p> <p>Salem Units 1 and 2</p> <p>New York James A. Fitzpatrick</p> <p>GINNA</p> <p>Indian Point Units 2 and 3</p> <p>Nine Mile Point Units 1 and 2</p> <p>North Carolina Brunswick Units 1 and 2</p> <p>McGuire Units 1 and 2</p> <p>Shearon Harris</p> <p>Ohio Davis-Besse</p> <p>Perry</p> <p>Pennsylvania Beaver Valley Units 1 and 2</p> <p>Limerick Units 1 and 2</p> <p>Peach Bottom Units 2 and 3</p> <p>Susquehanna Units 1 and 2</p> <p>Three Mile Island</p>	<p>South Carolina Catawba Units 1 and 2</p> <p>Oconee Units 1, 2, and 3</p> <p>H. B. Robinson Unit 2</p> <p>Summer</p> <p>Tennessee Sequoyah Units 1 and 2</p> <p>Watts Bar</p> <p>Texas Comanche Peak Units 1 and 2</p> <p>South Texas Project Units 1 and 2</p> <p>Virginia North Anna Units 1 and 2</p> <p>Surry Units 1 and 2</p> <p>Washington Columbia Generating Station</p> <p>Wisconsin Point Beach Units 1 and 2</p>
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Source:
Nuclear Regulatory Commission
<http://www.nrc.gov/info-finder/region-state/#listAlpha>

Reliability Councils

North American Electric Reliability Corporation (NERC) is a not-for-profit organization whose members are eight Regional Reliability Councils.

NERC REGIONS

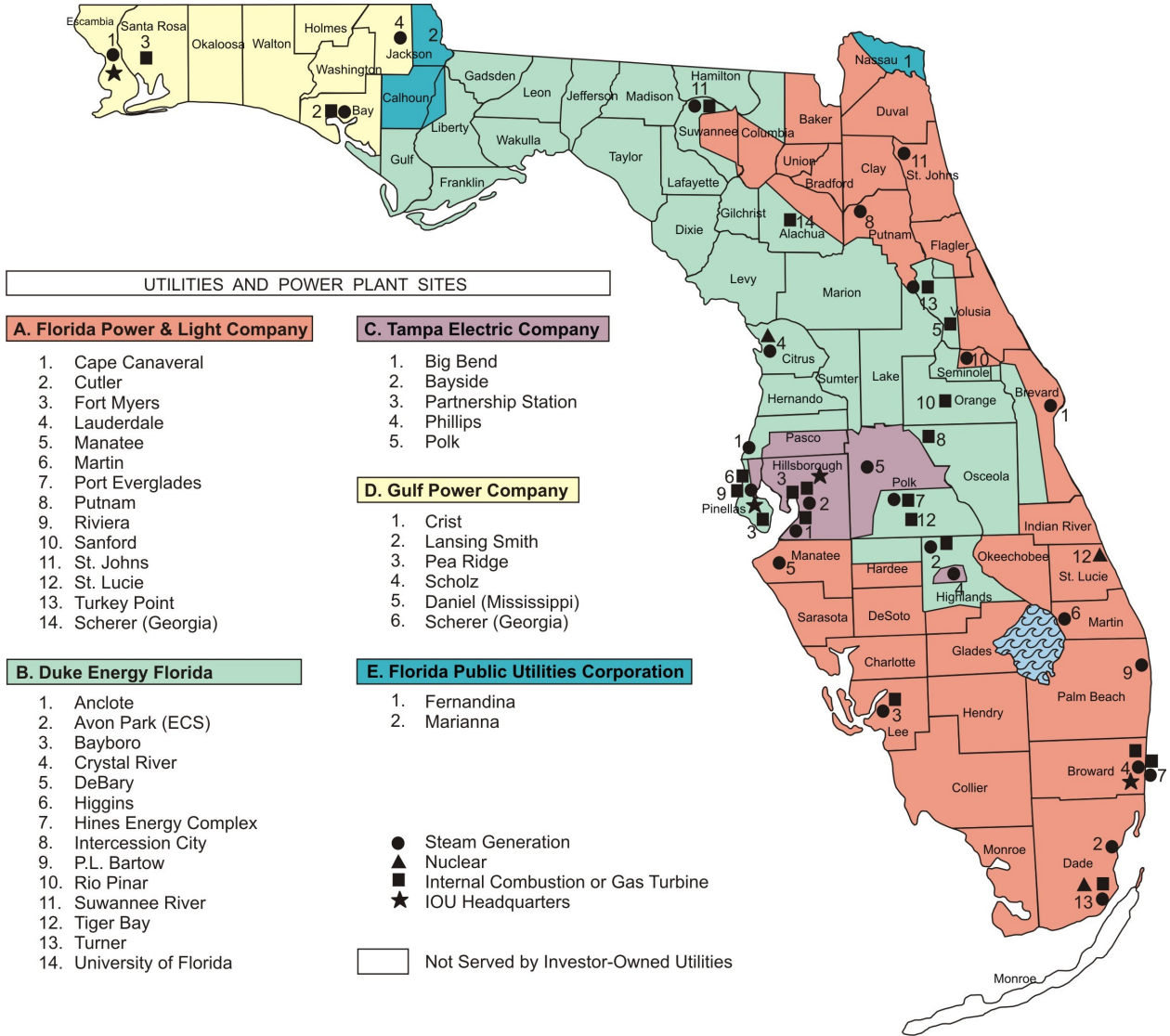


- FRCC** Florida Reliability Coordinating Council
- MRO** Midwest Reliability Organization
- NPCC** Northeast Power Coordinating Council
- RF** Reliability*First* Corporation
- SERC** SERC Reliability Corporation
- SPP RE** Southwest Power Pool
- TRE** Texas Reliability Entity
- WECC** Western Electricity Coordinating Council

Source:
 North American Electric Reliability Corporation
http://www.nerc.com/AboutNERC/keyplayers/Documents/NERC_Regions_Color.jpg

Investor-Owned Electric Utilities

Approximate Company Service Areas



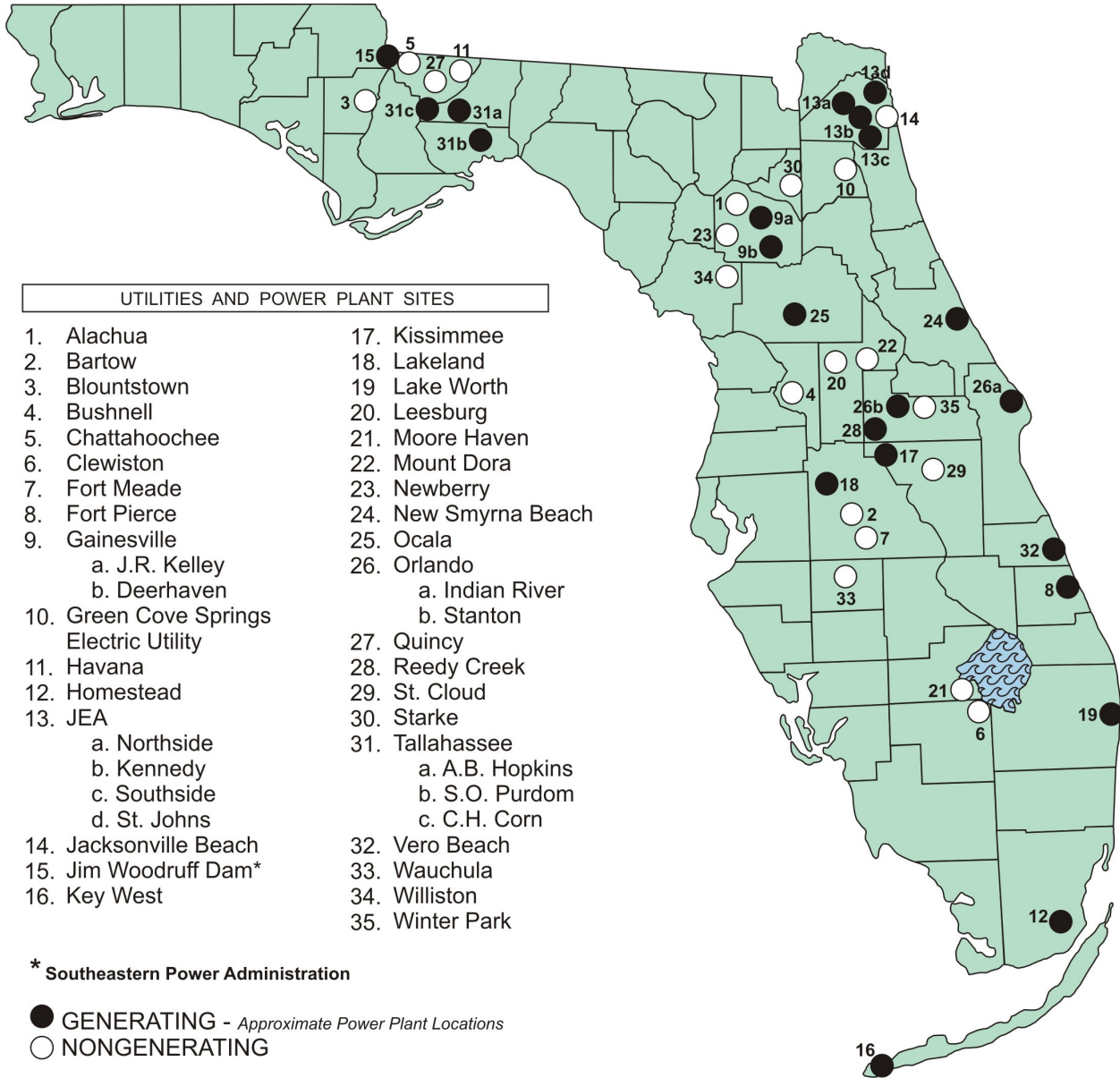
Service areas are approximations.
 Information on this map should be used only as a general guideline.
 For more detailed information, contact individual utilities.

Source:
 Florida Public Service Commission

Additional information about Florida's investor-owned electric utilities is available from:
 FPSC's *Statistics of the Florida Electric Utility Industry* October 2014
<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2014.pdf>

Municipal Electric Utilities

Approximate Utility Locations



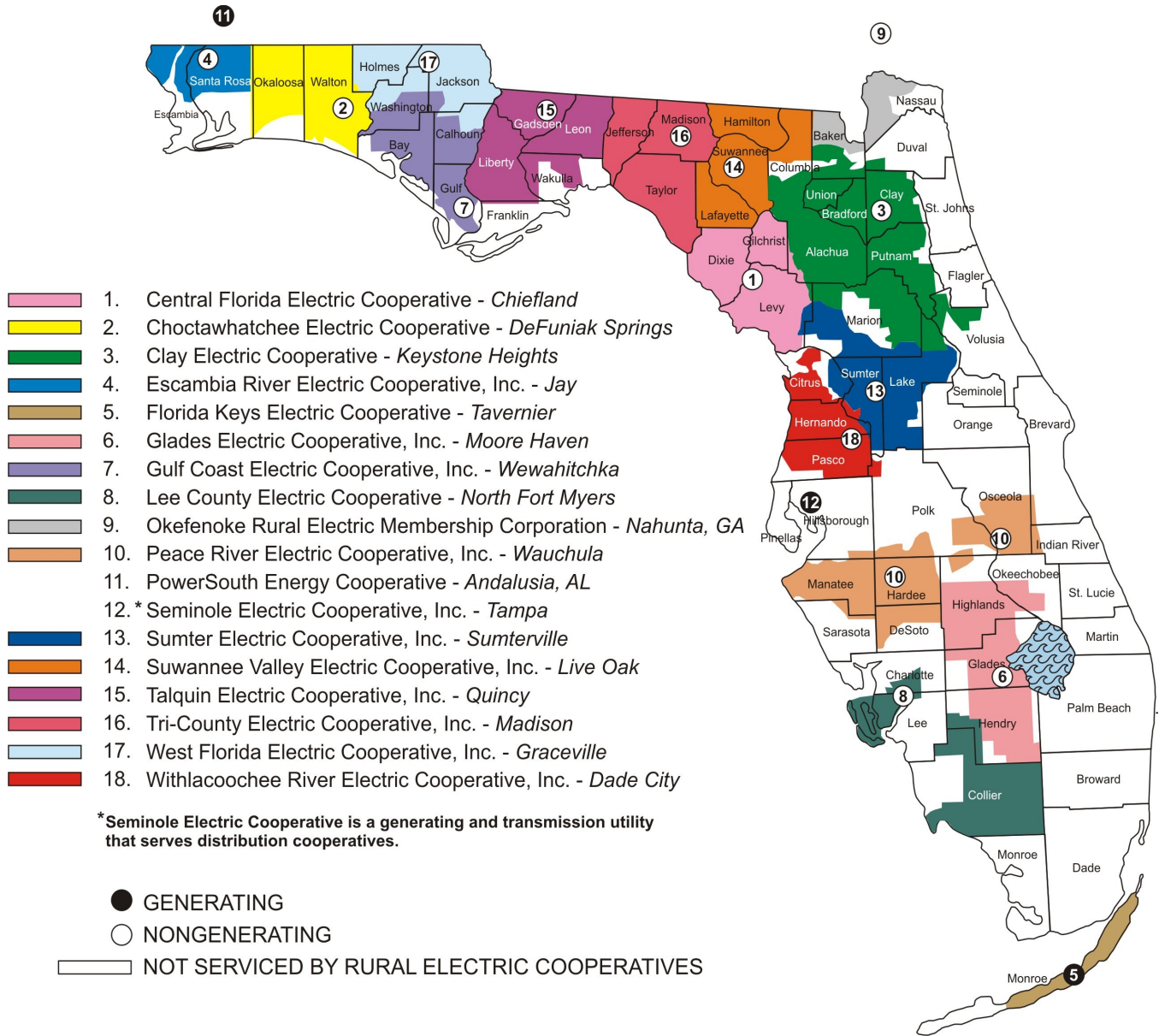
Information on this map should be used only as a general guideline. For more detailed information, contact individual utilities.

Source:
Florida Public Service Commission

Additional information about Florida's municipal electric utilities is available from:
FPSC's 2012 Statistics of the Florida Electric Utility Industry, September 2013
<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2013.pdf>

Rural Electric Cooperatives

Approximate Company Service Areas



Service areas are approximations.
 Information on this map should be used only as a general guideline.
 For more detailed information, contact individual utilities.

Source:
 Florida Public Service Commission

Additional information about Florida's rural electric cooperatives is available from:
 FPSC's *Statistics of the Florida Electric Utility Industry*, October 2014
<http://www.floridapsc.com/utilities/electricgas/statistics/statistics-2014.pdf>

Regulatory Authority

Pursuant to Chapter 366, F.S., as of December 2013, the FPSC has regulatory authority over:

- ◆ **8 investor-owned natural gas utilities**
(all aspects of operations, including safety)
- ◆ **27 municipally owned natural gas utilities**
(limited to safety and territorial boundaries)
- ◆ **4 special gas districts**
(limited to safety and territorial boundaries)
- ◆ Safety jurisdiction also applies to housing authorities and sales laterals off of interstate pipelines. (Interstate pipelines are subject to the direct jurisdiction of the U.S. Dept. of Transportation.)

Transmission

- ◆ Natural gas is transported to Florida customers through two major and two small interstate pipelines:

- | | | |
|-------|----|---|
| Major | —> | 1. Florida Gas Transmission Company (FGT)
2. Gulfstream Natural Gas System |
| Small | —> | 1. Gulf South Pipeline Company
2. Southern Natural Gas |

- ◆ FGT’s pipeline capacity is nearly 3 billion cubic feet per day.
- ◆ Gulfstream’s pipeline capacity is 1.3 billion cubic feet per day.

Sources:

Florida Gas Transmission Company
http://www.panhandleenergy.com/comp_fld.asp

Gulfstream Natural Gas System
<http://www.gulfstreamgas.com/>

FLORIDA NATURAL GAS INDUSTRY
CUSTOMERS

Number of Customers

Number of Customers for Investor-Owned Utilities By Customer Type December 31, 2013					
Utility	Residential	Commercial & Industrial	FTS*	Other**	Total
Chesapeake Utilities ***	0	0	15,324	0	15,324
Florida City Gas	97,335	5,058	1,907	0	104,300
Florida Public Utilities Co.	48,698	4,505	931	57	54,191
FPUC Ft. Meade Division****	655	20	6	0	681
FPUC Indiantown Division ***	0	0	705	0	705
Peoples Gas System	313,750	13,592	19,934	83	347,359
St. Joe Natural Gas	2,699	206	1	1	2,907
Sebring Gas System ***	0	0	525	0	525
Total	463,137	23,381	39,333	141	525,992

* Firm Transportation Service

** Other includes Off System Sales, Interruptible Sales, Natural Gas Vehicle Sales, and Other Sales to Public Authorities

*** Exited the merchant function. All sales are firm transportation customers.

**** On December 2, 2013 FPUC purchased the natural gas operating assets of The City of Fort Meade which provides natural gas distribution services. Number of customers was supplied by the company.

Source:
FPSC, 2013 Annual Reports filed by Natural Gas Utilities

Typical Natural Gas Bill Comparisons

Residential, Commercial, and Industrial Service Provided by Investor-Owned Utilities December 31, 2014						
Utility	Residential		Commercial		Industrial	
	Minimum Bill or Customer Charge	Therms Sold (20)	Minimum Bill or Customer Charge	Therms Sold (90)	Minimum Bill or Customer Charge	Therms Sold (700)
Chesapeake Utilities *	\$19-\$40	\$ 32.12	\$19.00	\$ 75.85	\$108.00	\$ 328.66
Florida City Gas	\$9.50-\$15	\$ 40.86	\$11.00	\$ 148.37	\$15.00	\$ 970.16
Florida Public Utilities Company	\$11.00	\$ 40.58	\$20.00	\$ 139.56	\$20.00	\$ 978.11
FPUC, Ft. Meade Division	\$8.50	\$38.93	\$17.50	\$ 150.66	\$17.50	\$ 850.92
FPUC, Indiantown Division*	\$9-\$25	\$ 17.06	\$9.00	\$ 45.27	\$25.00	\$ 291.13
Peoples Gas System	\$15-\$20	\$ 37.60	\$25.00	\$ 143.92	\$35.00	\$ 949.90
St. Joe Natural Gas	\$13-\$20	\$ 46.12	\$20.00	\$ 133.97	\$70.00	\$ 906.45
Sebring Gas System *	\$9-\$35	\$ 22.83	\$12.00	\$ 71.22	\$35.00	\$ 399.91

December 2014 gas costs are included for those companies participating in purchased gas adjustment clause. (Florida City, FPUC, Ft. Meade, Peoples, and St. Joe).

* No longer purchase gas for their customers. These companies deliver gas that the end use customers purchase; therefore, no gas costs are included.

Annual Therm Sales

Annual Therm Sales for Investor-Owned Utilities					
December 31, 2013					
Utility	Residential	Commercial & Industrial	FTS*	Other**	Total
Chesapeake Utilities ***	0	0	121,414,123	0	121,414,123
Florida City Gas	15,576,646	24,722,736	84,989,465	0	125,288,847
Florida Public Utilities Co.	11,967,185	26,527,216	22,968,683	6,408,687	68,571,771
FPUC Ft. Meade Division	****				
FPUC Indiantown Division ***	0	0	7,915,381	0	7,915,381
Peoples Gas System	65,161,183	38,736,605	405,210,670	1,159,452,010	1,668,560,468
St. Joe Natural Gas	595,066	360,481	415,610	11,603	1,382,760
Sebring Gas System ***	0	0	1,141,964	0	1,141,964

* Firm Transportation Service

** Other includes Off System Sales, Interruptible Sales, Natural Gas Vehicle Sales, and Other Sales to Public Authorities

*** Exited the merchant function. All sales are firm transportation customers.

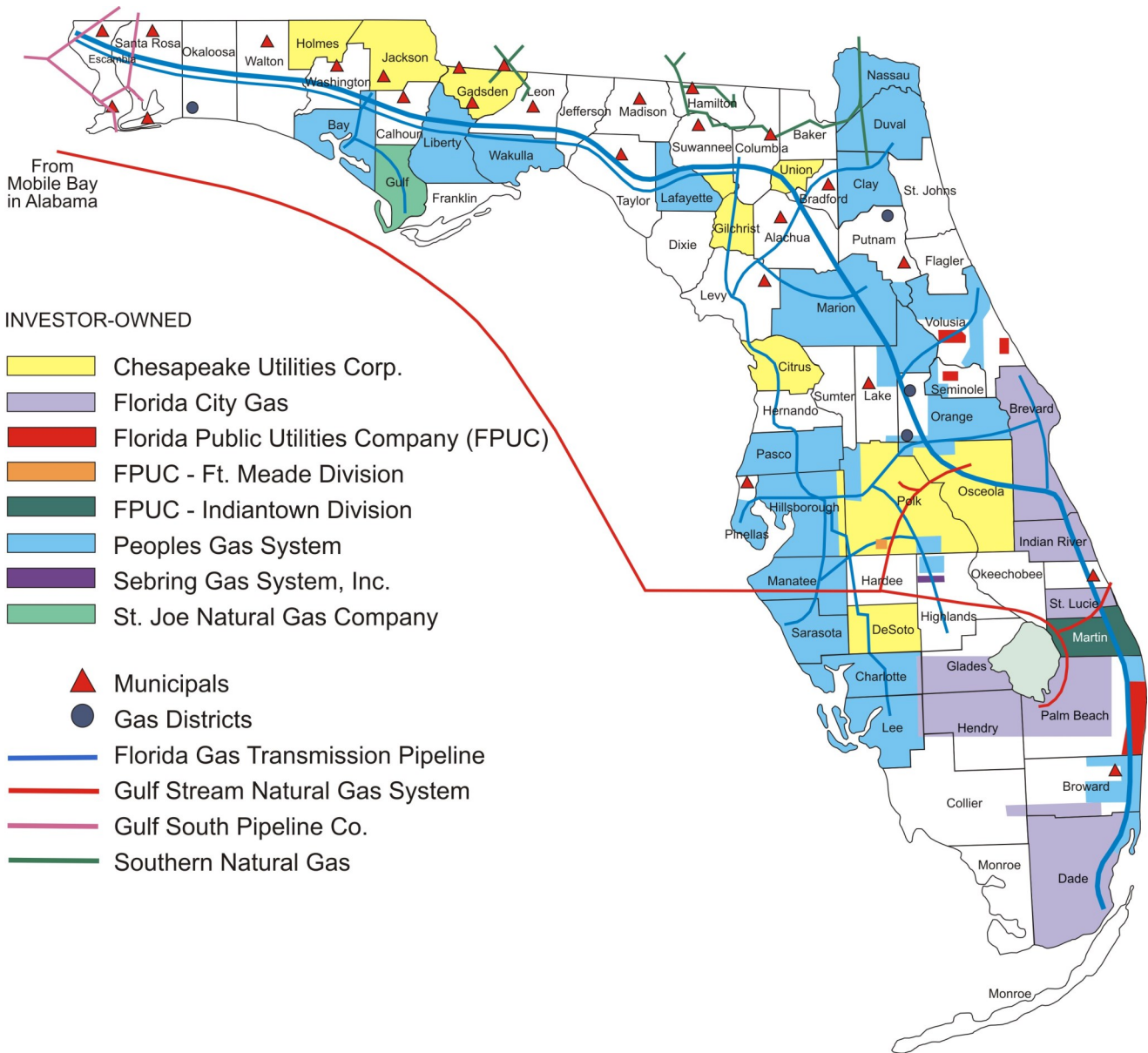
**** On December 2, 2013 FPUC purchased the natural gas operating assets of The City of Fort Meade which provides natural gas distribution services.

Source:

FPSC, 2013 Annual Reports filed by Natural Gas Utilities

Natural Gas Companies in Florida

Approximate Company Service Areas



Service areas are approximations.
 Information on this map should be used only as a general guideline.
 For more detailed information, contact individual utilities.

Source:
 FPSC Map
<http://www.floridapsc.com/publications/pdf/electricgas/naturalgasutilities.pdf>

Regulatory Authority

Pursuant to Chapter 364, F.S., as of December 31, 2014, the FPSC has regulatory authority over:

- ◆ **10 incumbent local exchange companies (ILECs)**
- ◆ **252 competitive local exchange companies (CLECs)**
- ◆ **63 pay telephone service companies (PATS)**
- ◆ **21 alternative access vendors (AAVs)**
- ◆ **15 shared tenant service providers (STS)**

Definitions

- ◆ **Incumbent Local Exchange Telecommunications Company (ILEC)** - any company certificated by the Commission to provide local exchange telecommunications service in Florida on or before June 30, 1995.
- ◆ **Competitive Local Exchange Telecommunications Company (CLEC)** - any company certificated by the Commission to provide local exchange telecommunications service in Florida on or after July 1, 1995.
- ◆ **Pay Telephone Service Company (PATS)** - any certificated telecommunications entity which provides pay telephone service.
- ◆ **Alternative Access Vendor (AAV)** - AAVs provide private line service between an entity and facilities at another location, whether owned by the entity or an unaffiliated entity, or access service between an end-user and an interexchange carrier by other than a local exchange telecommunications company. The private line service is dedicated point-to-point or point-to-multipoint service for the transmission of any telecommunication service.
- ◆ **Shared Tenant Service (STS)** - Any certificated telecommunications company that provides service which duplicates or competes with local service provided by an existing local exchange telecommunications company and is furnished through a common switching or billing arrangement to tenants by an entity other than an existing local exchange telecommunications company.

Source:

Florida Public Service Commission 2014 Annual Report
<http://www.floridapsc.com/publications/pdf/general/annualreports/2014.pdf>

FPSC's Telecommunications Terms and Definitions
<http://www.floridapsc.com/publications/telecomm/telterms.aspx>

Broadband, VoIP, and Wireless

Broadband is a term describing evolving digital technologies offering consumers integrated access to voice, high-speed data services, video on demand services, and interactive information delivery services. Voice over Internet Protocol (VoIP) and wireless services compete with traditional wireline service and represent a significant portion of today's communications market in Florida. VoIP is not the same as the Internet. It is a technology that allows you to make voice calls using a broadband internet connection instead of a regular telephone line. Broadband service also provides the basis for some VoIP services. These three services are not subject to FPSC jurisdiction.

Broadband

- ◆ Approximately 58 percent of broadband connections are at download speeds of 3 Mbps or greater; however, 75 percent of those connections are greater than or equal to 200 Mbps.
- ◆ Residential subscribership in Florida reached 75 percent, as of June 2013, which is 6 percent above the current national average.

VoIP

- ◆ As of December 2013, there were an estimated 2.8 million residential VoIP subscribers in Florida, an increase of 5 percent over the 2.7 million estimated in 2012.
- ◆ Fifty-nine CLECs and 4 ILECs voluntarily reported 1.2 million (residential and business) VoIP lines to the FPSC in response to its 2013 Local Competition data request.
- ◆ The Florida Cable Telecommunications Association (FCTA) reported 2.1 million residential cable digital voice (VoIP) subscribers as of December 2013, about the same number as reported for December 2012.

Wireless

- ◆ Wireless subscribers in Florida, as of June 2013, reached 18.5 million handsets.
- ◆ The Centers for Disease Control (CDC) estimates that nearly 41 percent of U.S. households are wireless-only as of December 2013.

Source:

FPSC's *Report on the Status of Competition in the Telecommunications Industry, As of December 31, 2013*
<http://www.floridapsc.com/publications/pdf/telecomm/20140730MasterComp.pdf>

Access Lines

An access line is a telephone line extending from the telecommunications company's central office to a point of demarcation, usually on the customer's premises.

Florida Access Lines As of December 2013				
	Residential*	Business*	Total*	Change since 2012
AT&T Florida	914	914	1,828	-17%
CenturyLink FL	636	316	952	-7%
Verizon FL	266	246	512	-25%
Rural ILECs	93	41	134	-6%
CLECs	39	1,605	1,644	+13%
Total	1,948	3,122	5,070	-7%

* In thousands, rounded to the nearest thousand

Sources:

FPSC's *Report on the Status of Competition in the Telecommunications Industry, As of December 31, 2013*, Figures 3-3 & 3-4
<http://www.floridapsc.com/publications/pdf/telecomm/20130722MasterComp.pdf>

Universal Service Programs

The Federal Communications Commission (FCC) and Congress recognize that telephone service provides a vital link to emergency services, government services, and surrounding communities. To help promote telecommunications service nationwide, the FCC, as directed by Congress, developed the Federal Universal Service Fund (USF). The USF is administered by the Universal Service Administrative Company (USAC). The USF includes the High-Cost, Low-Income, Schools and Libraries, and Rural Health Care Programs.

1 High-Cost Program. The federal universal service high-cost program (also known as the Connect America Fund) is designed to ensure that consumers in rural, insular, and high-cost areas have access to modern communications networks capable of providing voice and broadband service, both fixed and mobile, at rates that are reasonably comparable to those in urban areas. The program fulfills this universal service goal by allowing eligible carriers who serve these areas to recover some of their costs from the federal Universal Service Fund.

2 Low-Income Program. Provides telephone service discounts to qualifying low-income consumers. It offers benefits through the Lifeline Assistance program:

- ◆ **The Lifeline Assistance Program:** Provides a monthly credit of at least \$9.25 on basic monthly service or the option of receiving a free Lifeline cell phone and monthly minutes at the primary residence for qualified telephone subscribers. The telephone subscriber may receive a credit less than \$9.25 if the subscriber's bill for basic local telephone service is less than that amount.
- ◆ **Tribal Benefits:** Residents living on federally recognized tribal lands may receive a one-time discount of up to \$100.00 in Link-Up support and enhanced Lifeline support (up to an additional \$25.00 in support beyond current levels). Link-Up helps income-eligible consumers on tribal lands with initial installation or activation of a wireline or wireless telephone for the primary residence.
- ◆ **Monthly Lifeline Credit:** Under the FCC's rules, monthly federal Lifeline support consists of at least a \$9.25 monthly credit on basic monthly service or the option of receiving a free Lifeline cell phone and monthly minutes. Eligible subscribers living on tribal lands can receive a monthly discount of up to \$34.25 (\$9.25 plus an additional \$25).

Low-Income Program (continued)

- ◆ **Customer Eligibility:** Customers with annual incomes up to 150 percent of the federal poverty guidelines may be eligible to participate in the Lifeline program. In addition, eligibility is determined by customer enrollment in any one of the following programs:
 - Temporary Cash Assistance (TCA)*
 - Supplemental Security Income (SSI)
 - Supplemental Nutritional Assistance Program (SNAP)
 - Medicaid
 - Federal Public Housing Assistance (Section 8)
 - Low-Income Home Energy Assistance Program (LIHEAP)
 - National School Lunch Program's Free Lunch Program
 - Bureau of Indian Affairs Programs**

* Known as Temporary Assistance to Needy Families (TANF) for federal Universal Service purposes.

** Eligible consumers living on tribal lands qualify for Link-Up and Lifeline if they participate in one of the following federal assistance programs: (1) Tribal TANF, (2) National School Lunch Free Lunch Program, or (3) Head Start Subsidy.

3 Schools and Libraries (or E-Rate) Program. Helps to ensure that the nation's classrooms and libraries receive access to the vast array of educational resources that are accessible through the telecommunications network. While funding for the program is capped, the FCC has included an index for inflation to preserve the purchasing power of the program. Recently, the FCC increased the annual cap from \$2.4 billion to \$3.9 billion. The E-Rate program offers the following benefits:

- ◆ Eligible schools and libraries receive discounts on telephone service, Internet access, and internal connections (i.e., network wiring) within school and library buildings.
- ◆ The discounts range from 20 percent to 90 percent, depending on the school's eligibility for the National School Lunch program (or a federally approved alternative mechanism) and whether or not the school or library is located in an urban or rural area.

4 Rural Health Care Program. Helps to link health care providers located in rural areas to urban medical centers so that patients living in rural America will have access to the same advanced diagnostic and other medical services that are enjoyed in urban communities. Funding is capped at \$400 million annually. This program offers many benefits:

- ◆ Public and non-profit health care providers in rural areas can receive discounts on monthly telecommunications charges, installation charges, and long distance Internet connection charges.
- ◆ Rural health care providers are using funds from this program for a variety of patient services, such as transmitting x-rays from remote areas to be read by health care professionals and experts in urban areas.
- ◆ The FCC has augmented the existing support with a pilot program to fund the construction of dedicated broadband networks that connect health care providers in a state or region. This program will provide funding for up to 85 percent of an applicant's costs of deploying a dedicated broadband network, including any necessary network design studies, as well as the costs of advanced telecommunications and information services that will ride over this network. Participants deploying dedicated broadband health care networks would also have the option of connecting those systems to Internet-2, National LambdaRail, or the public Internet.
- ◆ Eligible entities include:
 - post-secondary educational institutions offering health care instruction, including teaching hospitals and medical schools
 - community health centers or health centers providing health care to migrants
 - community mental health centers

Universal Service Program Developments in Florida

Low-Income Program

- ◆ **Coordinated Enrollment Process** In 2006, FPSC and the Department of Children and Families (DCF) staff developed a process whereby potential Lifeline customers, once certified through a DCF program, could receive Lifeline discounts. From the perspective of the client, the coordinated enrollment process established by the FPSC and DCF is seamless, from filling out the DCF web application to receiving Lifeline discounts.

The coordinated enrollment process entails the DCF client checking a “yes” or “no” box. DCF then forwards the names of the clients who have chosen and been approved for Lifeline, along with their relevant enrollment information, to the FPSC. The FPSC electronically sorts the information by eligible telecommunications carrier (ETC) and places the names on a secure Web site for retrieval and enrollment by the appropriate ETC.

- ◆ **Lifeline Annual Recertification** All ETCs are now required to perform an annual recertification of their Lifeline subscribers to verify their ongoing eligibility. Subscribers failing to respond to recertification efforts must be de-enrolled from Lifeline. ETCs may contact and receive recertification responses from subscribers in writing, by phone, by text message, by e-mail, by Interactive Voice Response, or otherwise through the internet using an electronic signature. If an ETC is unable to recertify a subscriber because the subscriber did not respond to the recertification request, the ETC must de-enroll the subscriber. If an ETC receives a response that the subscriber is no longer eligible, the subscriber must be de-enrolled within five business days, and offered transitional Lifeline benefits for up to 12 months.
- ◆ **National Lifeline Accountability Database (NLAD)** The FCC directed the Universal Service Administrative Company to establish a database to both eliminate existing duplicative support and prevent duplicative support in the future. To prevent waste in the Universal Service Fund, the FCC created and mandated the use by ETCs of a National Lifeline Accountability Database to ensure that multiple ETCs do not seek and receive reimbursement for the same Lifeline subscriber. The NLAD conducts a nationwide real-time check to determine if the consumer, or another person at the address of the consumer, is already receiving a Lifeline-supported service.

Source:

FPSC's *Number of Customers Subscribing to Lifeline Service and the Effectiveness of Procedures to Promote Participation*, December 2014
<http://www.floridapsc.com/publications/pdf/telecomm/tele-lifelinereport2014.pdf>

Low-Income Program Continued

- ◆ **Eligible Telecommunications Carriers (ETC)** A carrier that is granted ETC status is eligible to receive federal universal service support pursuant to FCC rules. To qualify as an ETC, a common carrier must offer services that are supported by federal universal service support mechanisms either using its own facilities or using a combination of its own facilities and another carrier's resold service. Additionally, the carrier must advertise the availability of such services and charges using media of general distribution. As of June 2014, Florida had 22 ETCs, comprised of 10 incumbent local exchange companies, 8 competitive local exchange companies, and 4 wireless companies. FCC rules allow state commissions, upon their own motion or upon request, to designate a common carrier that meets certain requirements as a landline ETC. As of July 2012, the Federal Communications Commission approves wireless providers applying for ETC designation in Florida. As of June 2014 there were 34 Florida ETC wireless petitions pending at the FCC.

- ◆ **Income Eligibility** Section 364.10(2)(a), F.S., allows any local exchange company designated as an ETC with more than 1 million access lines and any commercial mobile radio service provider designated as an ETC carrier pursuant to 47 U.S.C. §214(e), upon filing a notice of election to do so with the Commission, to provide Lifeline service to any customer who meets an income eligibility test of 150 percent or less of the federal poverty income guidelines. All other ETCs must use 135 percent or less of the Federal Poverty Level guidelines for income eligibility.

FLORIDA TELECOMMUNICATIONS INDUSTRY
CUSTOMERS

Universal Service Support Mechanisms by Program for Florida

2013

(Annual Payments and Contributions in Thousands)

Program	Payments from USAC	Estimated Contributions to USAC	Estimated Net Dollar Flow
High-Cost	\$65,341	265,968	(\$200,627)
Low-Income	101,373	114,791	(13,418)
Schools & Libraries	89,269	140,752	(51,483)
Rural Health Care	282	10,151	(9,869)
Administrative Expense		6,881	(6,881)
TOTAL	\$256,265	\$538,543	(\$282,278)

2012

(Annual Payments and Contributions in Thousands)

Program	Payments from USAC	Estimated Contributions to USAC	Estimated Net Dollar Flow
High-Cost	\$59,281	\$268,520	(\$209,239)
Low-Income	118,154	141,767	(23,613)
Schools & Libraries	80,450	143,625	(63,175)
Rural Health Care	457	10,064	(9,607)
Administrative Expense	-	7,172	(7,172)
TOTAL	\$258,342	\$571,148	(\$312,806)

2011

(Annual Payments and Contributions in Thousands)

Program	Payments from USAC	Estimated Contributions to USAC	Estimated Net Dollar Flow
High-Cost	\$54,708	\$261,019	(\$206,311)
Low-Income	112,350	113,357	(1,007)
Schools & Libraries	76,928	144,554	(67,626)
Rural Health Care	572	9,130	(8,558)
Administrative Expense	-	6,934	(6,934)
TOTAL	\$244,558	\$540,994	(\$290,436)

Source:
Federal Communications Commission's *Universal Service Monitoring Reports*, <http://www.fcc.gov/wcb/iatd/monitor.html>

FLORIDA TELECOMMUNICATIONS INDUSTRY

CUSTOMERS

Universal Service Support Mechanisms by State (2013)

State	Payments from USAC (in Thousands)	Estimated Contributions to USAC (in Thousands)	Estimated Net Dollar Flow
Alabama	\$ 255,080	\$ 130,750	\$ 124,330
Alaska	278,670	21,765	256,905
American Samoa	4,714	777	3,937
Arizona	186,654	160,729	25,925
Arkansas	138,099	74,445	63,654
California	577,921	910,070	(332,149)
Colorado	110,891	149,135	(38,244)
Connecticut	30,068	110,731	(80,663)
Delaware	5,696	30,098	(24,402)
Dist. of Columbia	14,254	44,728	(30,474)
Florida	256,265	538,543	(272,278)
Georgia	294,990	270,175	24,815
Guam	13,973	4,643	9,330
Hawaii	30,191	45,279	(15,088)
Idaho	58,309	40,382	17,927
Illinois	241,481	335,075	(93,594)
Indiana	149,707	157,486	(7,779)
Iowa	158,672	76,338	82,334
Kansas	192,134	72,010	120,124
Kentucky	199,168	112,124	87,044
Louisiana	185,845	124,995	60,850
Maine	47,045	37,064	9,981
Maryland	64,548	186,146	(121,598)
Massachusetts	58,439	210,158	(151,719)
Michigan	173,709	238,363	(64,654)
Minnesota	146,141	137,094	9,047
Mississippi	261,049	72,277	188,772
Missouri	168,458	160,508	7,950
Montana	95,921	28,149	67,772
Nebraska	88,711	49,408	39,303
Nevada	53,774	71,086	(17,312)
New Hampshire	16,121	38,965	(22,844)
New Jersey	90,297	286,397	(196,100)
New Mexico	127,073	51,494	75,579
New York	282,169	579,551	(297,382)
North Carolina	235,550	260,090	(24,540)
North Dakota	102,044	20,032	82,012
Northern Mariana Islands	2,474	1,339	1,135
Ohio	205,477	288,632	(83,155)
Oklahoma	395,058	90,739	304,319
Oregon	104,890	97,557	7,333
Pennsylvania	228,075	364,443	(136,368)
Puerto Rico	218,060	89,119	128,941
Rhode Island	13,930	30,578	(16,648)
South Carolina	183,308	123,771	59,537
South Dakota	79,785	21,962	57,823
Tennessee	157,025	172,582	(15,557)
Texas	588,729	585,563	3,166
Utah	48,518	62,396	(13,878)
Vermont	26,978	19,813	7,165
Virgin Islands	23,741	6,354	17,387
Virginia	143,173	253,187	(110,014)
Washington	132,191	171,410	(39,219)
West Virginia	143,051	56,417	86,634
Wisconsin	185,860	144,558	41,302
Wyoming	52,017	16,452	35,565
Total	\$ 8,326,171	8,433,931	(\$ 107,760)*

* Net dollar flow is positive when payments from USF to carriers exceed contributions to USF.

Source:

Federal Communications Commission's *Universal Service Monitoring Reports*, Table 1.13

<http://www.fcc.gov/wcb/iatd/monitor.html>

Telephone Subscribership

Percentage of Households with Telephone in Unit

	2009	2010	2011	2012	2013
Florida	93.0%	93.7%	93.2%	94.2%	93.5%
United States	95.7%	95.8%	95.7%	95.9%	95.9%

Lifeline Subscribership

Lifeline Assistance Subscribers in Florida

Date	Lifeline Enrollment	Eligible Households	Participation Rate
6/2008	183,972	1,186,015	15.5%
6/2009	618,774	1,185,516	52.2%
6/2010	642,129	1,422,837	45.1%
6/2011	943,854	1,690,512	55.8%
6/2012	1,035,858	1,864,183	55.6%
6/2013	918,245	1,952,890	47.0%
6/2014	957,792	1,930,106	49.6%

Source:

United States Department of Agriculture Supplemental Nutrition Assistance Program: Number of Households Participating June 2014

FPSC's 2014 Lifeline Report December 2014

<http://www.floridapsc.com/publications/pdf/telecomm/tele-lifelinereport2014.pdf>

Lifeline Subscribership (continued)

Lifeline Subscribership by Eligible Telecommunications Carriers

As of June 2014

Company	Access Lines Subscribed to Lifeline Service
SafeLink**	543,174
Assurance**	249,664
i-wireless/Access**	97,044
AT&T	28,156
CenturyLink	18,756
Verizon	8,245
Windstream	4,348
T-Mobile**	3,091
FairPoint	1,307
TeleCircuit*	666
Non-ETC Reseller	658
NEFCOM	545
Cox Telecom*	522
Budget Phone*	407
TDS Telecom	406
Knology d/b/a WOW*	294
Global Connection*	275
Frontier	84
ITS Telecom	77
Nexus*	51
Smart City	12
FLATEL*	10

Total **957,792**

* Competitive Local Exchange Carrier

**Wireless Carrier

Source:
FPSC's *Number of Customers Subscribing to Lifeline Service and the Effectiveness of Procedures to Promote Participation*, December 2014
<http://www.floridapsc.com/publications/pdf/telecomm/tele-lifelinereport2014.pdf>

**Regulatory
Authority**

Pursuant to Chapter 367, F.S., as of December 2014, the FPSC has regulatory authority over 149 investor-owned water and/or wastewater utilities in 37 of Florida's 67 counties.

**Reuse of
Reclaimed Water
Data for 2013***

- ◆ 719 mgd** of reclaimed water was reused for beneficial purposes.
- ◆ The total reuse capacity of Florida's domestic wastewater treatment facilities was 1,691 mgd, representing 66 percent of the total permitted domestic wastewater treatment capacity in Florida.

* Most current data available as of May 2014.

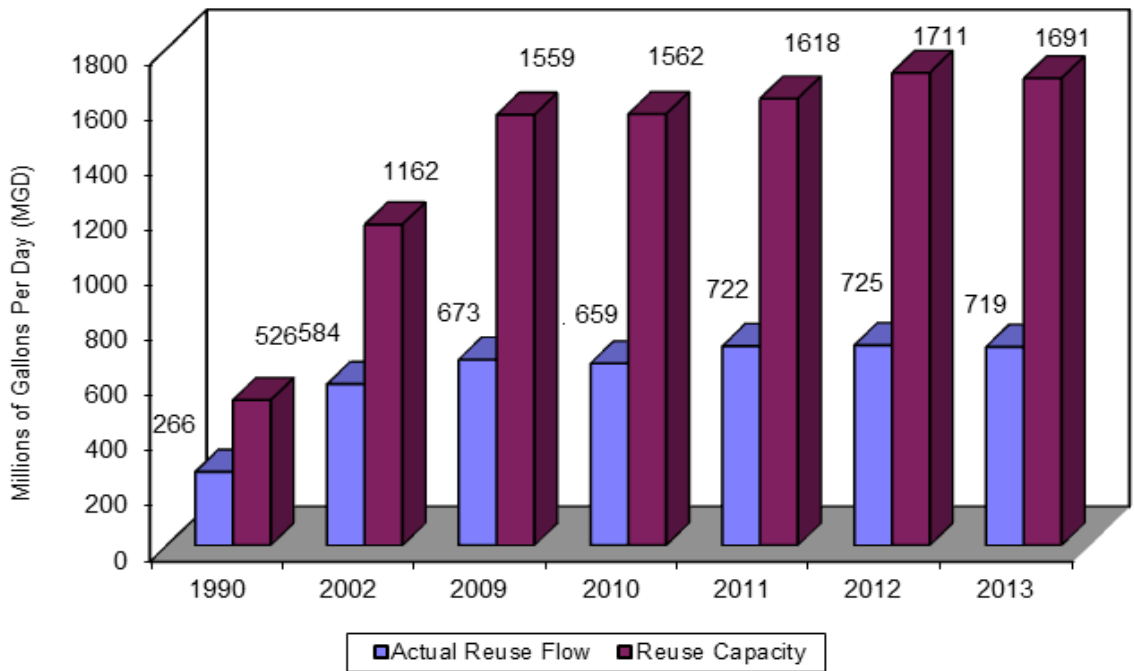
** Million gallons per day

Sources:

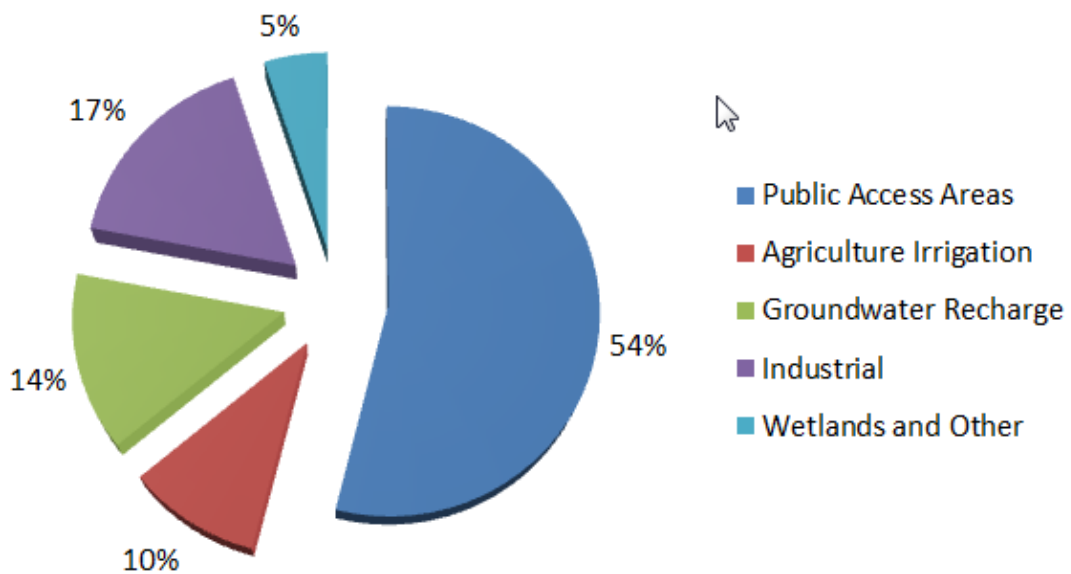
Florida Department of Environmental Protection's *2012 Reuse Inventory*, May 2014
<http://www.dep.state.fl.us/water/reuse/inventory.htm>

Florida's Reuse Growth

Millions of Gallons Per Day (mgd)



Reclaimed Water Utilization (2013)



Source:
 Florida Department of Environmental Protection's 2013 Reuse Inventory, May 2014
<http://www.dep.state.fl.us/water/reuse/inventory.htm>

Utility Classifications

The National Association of Regulatory Utility Commissioners uses three classes to define the size of water and wastewater utilities:

- Class A** Utilities having annual water or wastewater revenues of \$1,000,000 or more
- Class B** Utilities having annual water or wastewater revenues of \$200,000 or more but less than \$1,000,000
- Class C** Utilities having annual water or wastewater revenues of less than \$200,000

- ◆ A Class C utility may serve as few as 50 customers, while a Class A utility serves thousands.
- ◆ The number of customers served may be obtained from each utility's annual report filed at the FPSC and available online at <http://www.floridapsc.com/utilities/mcd/>.

Rate Structure

- ◆ The base facility charge and gallonage charge rate structure is the most common rate structure used by FPSC-regulated water and wastewater utilities.
- ◆ The base facility charge is a flat charge that recovers the fixed costs of utility service that remain the same each month regardless of consumption.
- ◆ The gallonage charge recovers the variable costs associated with the utility service such as electricity, chemicals, and labor.
- ◆ The gallonage charge is assessed for each 1,000 gallons of water that is registered on the customer's meter.
- ◆ Inclining block rate structures are used to encourage water conservation. (The inclining block is similar to the base facility charge and gallonage charge rate structure, but includes additional gallonage charges for higher levels or blocks of usage.)

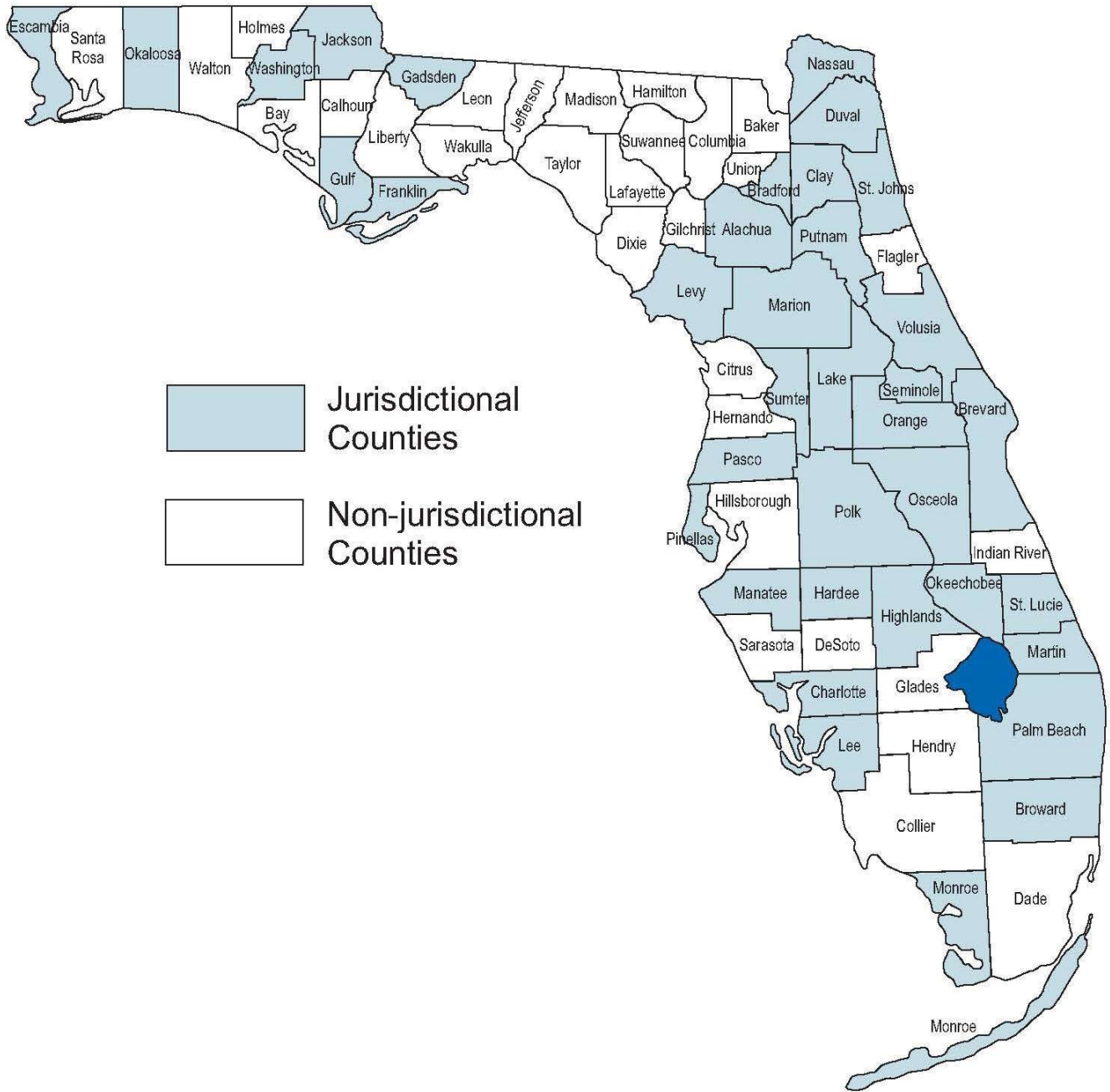
Residential Wastewater Gallonage Cap

- ◆ A maximum (or cap) is set on the number of gallons of water consumption a customer is billed for wastewater service.
- ◆ The monthly cap is normally between 6,000 and 10,000 gallons. (Any water consumption over that amount is generally considered to be used for purposes such as irrigation or washing cars.)

Water & Wastewater Utility Rates

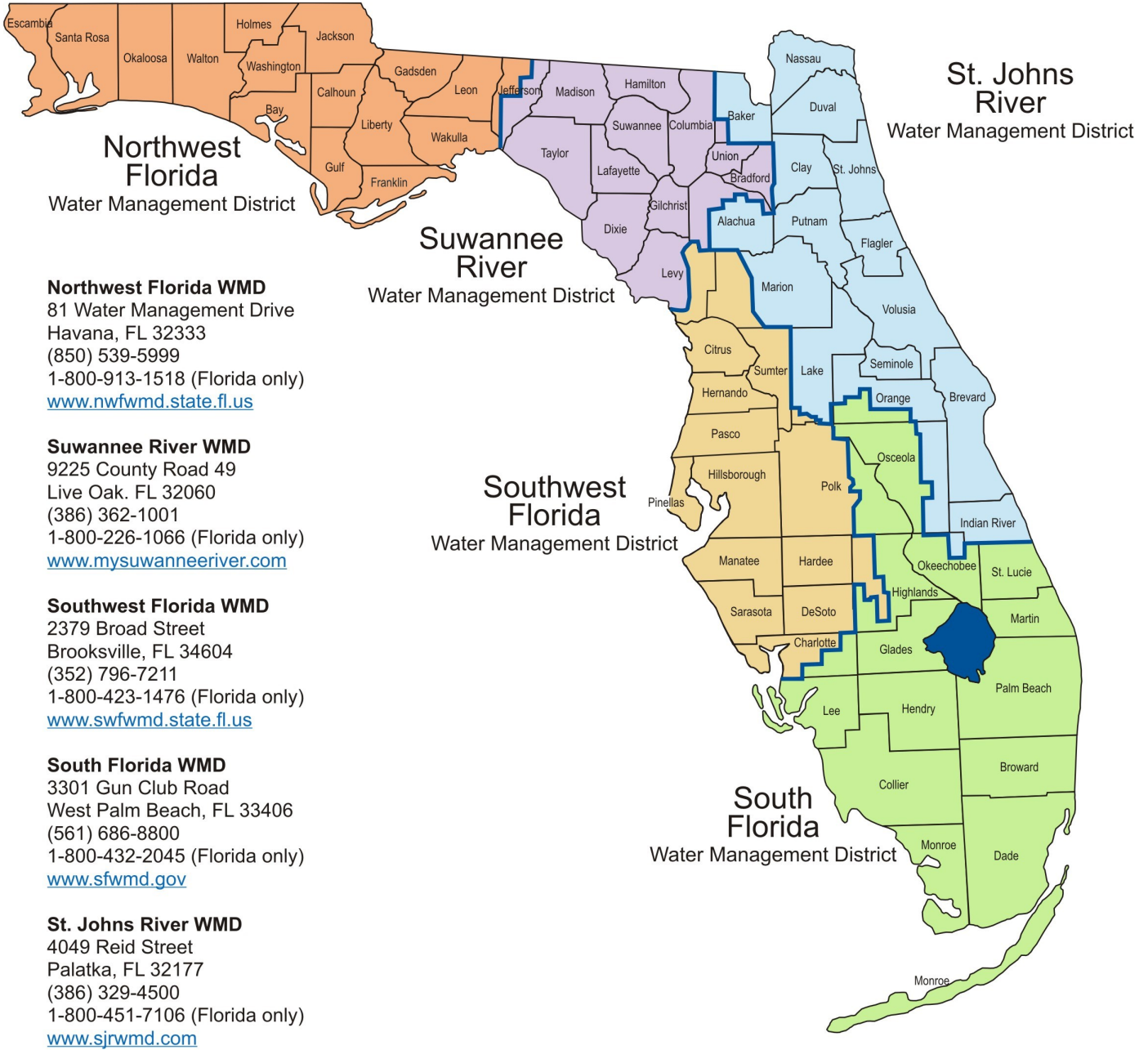
- ◆ The rates charged by all water and wastewater utilities under the Commission's jurisdiction are shown in alphabetical order by county in the FPSC's *Comparative Rate Statistics* report, available online at <http://www.floridapsc.com/publications/reports.aspx>.

Water & Wastewater Jurisdictional Counties (37)



Source:
Florida Public Service Commission Map
<http://www.floridapsc.com/utilities/waterwastewater/wawmap.pdf>

Florida's Water Management Districts (5)



Source:
 Florida Department of Environmental Protection
<http://www.dep.state.fl.us/secretary/watman/>

