



NOTICE TO CUSTOMERS

On August 22, 2024, Florida Public Utilities Company (“FPUC” or “Company”) filed a Petition with the Florida Public Service Commission (“Commission”) seeking approval to increase rates and charges to produce an additional \$12,593,450 in revenues. The proposed increase, if approved, would increase the total bill in January 2025 for an average 1,000 kWh/month customer by up to \$17.91/month or 10.66% over the current average bill. The Company has taken steps in other areas that may reduce other charges on customers’ bills, which will potentially lessen or partially offset the impact of any approved base rate increase. The Company is also requesting interim rate relief to temporarily increase its revenues by \$1,812,869, pending the Commission’s decision on the Company’s request for a permanent increase.

The Florida Public Service Commission Docket number assigned to this request is Docket No. 20240099-EI.

FPUC’s last rate case was conducted in 2014. Since then, FPUC has made significant capital expenditures, particularly associated with reliability improvements. The Company has, over the same period, faced increased operating and maintenance costs associated, to a significant degree, with customer service improvements, increased regulatory requirements, and system improvements to enhance reliability. Inflation over the past ten years has also had a significant impact on costs. The Company has taken steps over the years to try to control its costs in order to delay this filing and has continued its efforts to address other costs that impact our customers’ bills. One benefit of the Company’s ability to delay its current rate case until now is that, shortly after any rate increase associated with this request is implemented, the Company will also be removing the surcharge associated with cost recovery associated with Hurricane Michael, which should mitigate the total bill impact for our customers.

In spite of its efforts to control costs, the Company has experienced notable cost increases associated with insurance, as well as costs associated with the implementation of newer technology, including enhanced cyber security. The Company has also invested in its electric transmission and distribution system to ensure that it is able to continue providing safe and reliable service to its customers. Most notably, the Company is purchasing the northwest Florida substations and will be refurbishing and rebuilding certain existing substations. While the Company has experienced cost increases and made necessary investments in its system, the Company’s projected net operating income in 2025 is projected to be \$991,558. The projected rate of return is, consequently, projected to be 0.66 percent, while the return on common equity is projected to be negative 3 percent in the test year. As such, without the requested revenue increase, FPUC’s ability to continue to provide the safe, reliable service its customers expect and deserve will suffer. Rate relief will also ensure that capital-intensive reliability projects will not be delayed or abandoned.

The Company has asked that the PSC handle the Company’s request using its Proposed Agency Action Process. This process will include customer service hearings to receive information from the Company’s customers regarding the Company’s quality of service and other matters pertinent to the Company’s requested rate increase. **The PSC has scheduled the following in-person customer service hearings in Fernandina Beach and Marianna:**

<p>Date: December 4, 2024 Time: 1:00 p.m. (EST) Location: City Hall, City of Fernandina Beach 204 Ash Street Fernandina Beach, Florida 32034 Office: (904) 310-3115</p>	<p>Date: January 8, 2025 Time: 1:00 p.m. (CST) Location: Jackson County Agriculture Complex and Conference Center 2741 Penn Ave, Suite 3 Marianna, FL 32448 Office: (850) 482-9620</p>
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Customers are urged to be present at the beginning of the hearing, since customer service hearings may be adjourned once all customers that are present have been allowed to speak. One or more Commissioners will be present at the customer meetings. Customers who wish to speak at the in-person service hearings may register upon arrival at the venue. For questions, please call (850) 413-7080.

Upon completion of the customer service hearings, the Commission’s professional staff will prepare a recommendation based upon its review of the information presented addressing what rate relief, if any, is appropriate for the Company. The Commission’s staff is composed of attorneys, engineers, accountants, rate and finance analysts, and consumer affairs specialists. The Commission will review and take action on their staff’s recommendation and thereafter, an Order addressing the Company’s request will be issued. The Order will be a Proposed Agency Action Order. As such, any party whose substantial interests are impacted will have 21 days in which to protest the Commission’s decision. If no such person files a protest in a timely manner, the Commission’s decision will become final. If the decision is, however, timely protested by a person whose substantial interests are affected, the matter will be set for a formal hearing process.

While not yet defined by the Commission, the amount of any such approved increase will not exceed the amounts identified in the chart attached hereto in the column “Proposed Rates.” The chart also reflects certain proposed increases in the Company’s charges for certain services. The amount in the “Interim Rates” column is the amount the Commission approved at its October 1, 2024, Agenda Conference, and those rates will become effective on November 1, 2024. These rates provide temporary relief for the Company while the Commission processes the Company’s request for the permanent relief.

Filings in the case are accessible at:
<https://www.psc.state.fl.us/clerks-office-dockets-level2?DocketNo=20240099> .
 Information regarding the Company’s request is also available at <https://fpuc.com/electric-rates/> or by calling the Company at 1-800-427-7712. You may also obtain information by calling the Florida Public Service Commission at the following, toll-free number: 1-800-342-3552.

	<u>Present Rates</u>	<u>Interim Rates</u>	<u>Proposed Rates</u>
	-----	Customer Charge(s)	-----
Residential (RS)	\$16.95	\$18.20	\$24.40
General Service (GS)	\$27.85	\$29.91	\$40.00
General Service Demand (GSD)	\$82.35	\$88.44	\$138.99
General Service Large Demand (GSLD)	\$157.42	\$169.06	\$265.69
General Service Large Demand (GSLD1)	\$974.80	\$1,046.86	\$1,242.99
Standby (SB)	\$974.80	\$1,046.86	N/A
	-----	Energy Charge \$/kwh	-----
Residential (RS)	\$.02373	\$.02548	≤1,000 - \$.03419
	\$.03887	\$.04174	>1,000 - \$.05600
General Service (GS)	\$.02903	\$.03118	\$.05433
General Service Demand (GSD)	\$.00547	\$.00587	\$.00923
General Service Large Demand (GSLD)	\$.00254	\$.00273	\$.00429
General Service Large Demand (GSLD1)	\$.00000	\$.00000	\$.00000
Standby (SB) <500 kw	\$.00000	\$.00000	N/A
Standby (SB) ≥500 kw	\$.00000	\$.00000	NA
	-----	Demand Charge \$/kw	-----
Residential (RS)	\$ 0.00	\$ 0.00	\$ 0.00
General Service (GS)	\$ 0.00	\$ 0.00	\$ 0.00
General Service Demand (GSD)	\$ 4.49	\$ 4.82	\$ 7.58
General Service Large Demand (GSLD)	\$ 6.42	\$ 6.89	\$ 10.84
General Service Large Demand (GSLD1)	\$ 1.82	\$ 1.95	\$ 2.88
General Service Large Demand (GSLD1)	\$ 0.44 kVAR	\$ 0.47 kVAR	\$ 0.56 kVAR
Standby (SB)	\$.79	\$ 0.85	N/A
Outdoor/Street Lighting	various	various	various

	<u>Present Rates</u>	<u>Interim Rates</u>	<u>Proposed Rates</u>
	-----	Service Charge(s)	-----
Initial Entitlement of Service	\$61.00	\$61.00	\$ 125.00
Re-establish Service or Account Changes	\$26.00	\$26.00	\$ 45.00
Customer Request Temp Disconnect/Reconn	\$65.00	\$65.00	\$ 81.00
Reconnect After Disconnect (Normal Hrs)	\$52.00	\$52.00	\$ 70.00
Reconnect After Disconnect (After Hours)	\$178.00	\$178.00	\$325.00
Temporary Service	\$85.00	\$85.00	\$ 135.00
Collection Charge	\$16.00	\$16.00	\$ 50.00
Returned Check Charge	Per Statute	Per Statute	Per Statute

	----- PRESENT RATES ----					----- INTERIM RATES -----					----- PROPOSED RATES -----			
	Facility	Energy	Maint	Total		Facility	Energy	Maint	Total		Facility	Energy	Maint	Total
	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>		<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>		<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>
150w HPS Acorn	\$19.69	\$3.19	\$2.49	\$25.37		21.15	3.43	2.67	27.25		\$25.18	\$4.08	\$3.18	\$32.44
150w HPS ALN 440	\$28.07	\$3.19	\$3.32	\$34.58		30.14	3.43	3.57	37.14		\$35.90	\$4.08	\$4.25	\$44.23
100w HPS Amer Rev	\$9.66	\$2.15	\$3.29	\$15.10		10.37	2.31	3.53	16.22		\$12.36	\$2.75	\$4.21	\$19.32
150w HPS Am Rev	\$9.05	\$3.19	\$3.33	\$15.57		9.72	3.43	3.58	16.72		\$11.57	\$4.08	\$4.26	\$19.91
100w HPS Cobra Head	\$7.25	\$2.15	\$2.11	\$11.51		7.79	2.31	2.27	12.36		\$9.27	\$2.75	\$2.70	\$14.72
200w HPS Cobra Head	\$9.78	\$4.26	\$2.53	\$16.57		10.50	4.57	2.72	17.79		\$12.51	\$5.45	\$3.24	\$21.20
250w HPS Cobra Head	\$11.63	\$5.30	\$3.33	\$20.26		12.49	5.69	3.58	21.76		\$14.87	\$6.78	\$4.26	\$25.91
400w HPS Cobra Head	\$10.86	\$8.54	\$2.77	\$22.17		11.66	9.17	2.97	23.81		\$13.89	\$10.92	\$3.54	\$28.35
250w HPS Flood	\$11.37	\$5.30	\$2.42	\$19.09		12.21	5.69	2.60	20.50		\$14.54	\$6.78	\$3.10	\$24.42
400w HPS Flood	\$17.85	\$8.54	\$2.27	\$28.66		19.17	9.17	2.44	30.78		\$22.83	\$10.92	\$2.90	\$36.65
1000w HPS Flood	\$22.36	\$21.30	\$3.00	\$46.66		24.01	22.87	3.22	50.11		\$28.60	\$27.24	\$3.84	\$59.68
100w HPS SP2 Spectra	\$24.81	\$2.15	\$3.10	\$30.06		26.64	2.31	3.33	32.28		\$31.73	\$2.75	\$3.96	\$38.44
175w MH ALN 440	\$26.86	\$3.77	\$2.61	\$33.24		28.85	4.05	2.80	35.70		\$34.35	\$4.82	\$3.34	\$42.51
400w MH Flood	\$12.12	\$8.54	\$2.21	\$22.87		13.02	9.17	2.37	24.56		\$15.50	\$10.92	\$2.83	\$29.25
1000w MH Flood	\$20.61	\$21.30	\$2.92	\$44.83		22.13	22.87	3.14	48.14		\$26.36	\$27.24	\$3.73	\$57.33
175w MH Shoebox	\$22.68	\$3.77	\$2.93	\$29.38		24.36	4.05	3.15	31.55		\$29.01	\$4.82	\$3.75	\$37.58
250w MH Shoebox	\$24.14	\$5.30	\$3.28	\$32.72		25.92	5.69	3.52	35.14		\$30.88	\$6.78	\$4.20	\$41.86
100w MH SP2 Spectra	\$24.62	\$2.15	\$3.00	\$29.77		26.44	2.31	3.22	31.97		\$31.49	\$2.75	\$3.84	\$38.08
1000w MH Vert Shoebox	\$25.45	\$21.30	\$3.32	\$50.07		27.33	22.87	3.57	53.77		\$32.55	\$27.24	\$4.25	\$64.04
175w MV Cobra Head -OL	\$1.39	\$3.70	\$1.24	\$6.33		1.49	3.97	1.33	6.80		\$1.78	\$4.73	\$1.59	\$8.10
400w MV Cobra Head-OL	\$1.53	\$7.95	\$1.32	\$10.80		1.64	8.54	1.42	11.60		\$1.96	\$10.17	\$1.69	\$13.82
50W Outdoor Light (100W Equivalent)	\$6.58	\$0.89	\$2.08	\$9.55		7.07	0.96	2.23	10.26		\$8.42	\$1.14	\$2.66	\$12.22
50W Cobra Head (100W Equivalent)	\$8.31	\$0.89	\$2.59	\$11.79		8.92	0.96	2.78	12.66		\$10.63	\$1.14	\$3.31	\$15.08
82W Cobra Head (200W Equivalent)	\$7.78	\$1.47	\$2.43	\$11.68		8.36	1.58	2.61	12.54		\$9.95	\$1.88	\$3.11	\$14.94
130W Cobra Head (250W Equivalent)	\$7.75	\$2.36	\$2.42	\$12.53		8.32	2.53	2.60	13.46		\$9.91	\$3.02	\$3.10	\$16.03
210W Cobra Head (400W Equivalent)	\$13.55	\$3.78	\$3.95	\$21.28		14.55	4.06	4.24	22.85		\$17.33	\$4.83	\$5.05	\$27.21
26W American Revolution Decorative (100W Equivalent)	\$7.78	\$0.47	\$2.72	\$10.97		8.36	0.50	2.92	11.78		\$9.95	\$0.60	\$3.48	\$14.03
44W American Revolution Decorative (150W Equivalent)	\$7.71	\$0.79	\$2.69	\$11.19		8.28	0.85	2.89	12.02		\$9.86	\$1.01	\$3.44	\$14.31

