

*** NO DISCREPANCIES EXIST FOR THIS REPORT ***

| | | | | | | | | | | COL A01 | COL A02 | COL A03 | COL A04 |
|---|----------|------|---------|------------|-----|------|--------|------------|------------|-------------|-------------|-------------|-------------|
| | | | | | | | | | | ACT PR YR | CURR YR EST | AGY REQUEST | AGY REQ N/R |
| | | | | | | | | | | EXP 2022-23 | EXP 2023-24 | FY 2024-25 | FY 2024-25 |
| <u>PUBLIC SERVICE COMMISSION</u> 61000000 | | | | | | | | | | | | | |
| FUND: REGULATORY TRUST FUND 2573 | | | | | | | | | | | | | |
| SECTION I: DETAIL OF REVENUES | | | | | | | | | | | | | |
| REVENUE | CAP | SVC | AUTH | MATCHING % | | | CFDA | | | | | | |
| CODE | | CHG% | ST | I/C | LOC | I/C | NO. | | | | | | |
| 01 REGULATORY ASSESSMENT FEES | | | | | | | | | | | | | |
| 000100 | YES | 8.0 | 350.113 | 0.00 | | 0.00 | | 30,095,854 | 31,717,835 | 31,196,354 | | | |
| 02 FILING/RECORDING FEES | | | | | | | | | | | | | |
| 000100 | YES | 8.0 | 350.06 | 0.00 | | 0.00 | | 44,038 | 75,000 | 75,000 | | | |
| 04 REFUNDS FOR EXPENDITURES | | | | | | | | | | | | | |
| 001800 | NO | 0.0 | 350.113 | 0.00 | | 0.00 | | 1,262 | 20,000 | 20,000 | | | |
| 05 FEDERAL GRANT FROM PHMSA | | | | | | | | | | | | | |
| 000700 | NO | 0.0 | 215.32 | 0.00 | | 0.00 | 20.700 | 671,710 | | | | | |
| 06 ESTIMATED FEDERAL GRANT FROM PHMSA | | | | | | | | | | | | | |
| 000700 | NO | 0.0 | 215.32 | 0.00 | | 0.00 | 20.700 | | 1,073,450 | 1,006,528 | | | |
| TOTAL TO LINE B IN SECTION IV | | | | | | | | 30,812,864 | 32,886,285 | 32,297,882 | | | |
| SECTION II: DETAIL OF NONOPERATING EXPENDITURES | | | | | | | | | | | | | |
| OBJECT | TRANSFER | CFDA | | | | | | | | | | | |
| CODE | TO | BE | NO. | | | | | | | | | | |
| 01 REFUNDS TO UTILITIES | | | | | | | | 500 | 20,000 | 20,000 | | | |
| 02 SERVICE CHARGE TO GENERAL REVENUE (8.0%) | | | | | | | | 2,384,972 | 2,543,427 | 2,501,709 | | | |
| 04 5% STATE TRUST FUND RESERVE | | | | | | | | | | 1,456,270 | | | |
| TOTAL TO LINE E IN SECTION IV | | | | | | | | 2,385,472 | 2,563,427 | 3,977,979 | | | |
| SECTION III: ADJUSTMENTS | | | | | | | | | | | | | |
| OBJECT | | | | | | | | | | | | | |
| CODE | | | | | | | | | | | | | |
| AD CARRY FORWARD ENCUMBRANCE FY 2022/2023 | | | | | | | | | | 89,828- | | | |
| 03 CURRENT COMPENSATED ABSENCES BALANCE | | | | | | | | | | 685,956 | | | |
| 04 SEPTEMBER 2022 OPERATING REVERSIONS | | | | | | | | | | 40,284 | | | |
| 06 TR 10 ADJUSTMENTS | | | | | | | | | | 2,297- | | | |
| TOTAL TO LINE H IN SECTION IV | | | | | | | | 634,115 | | | | | |

| | COL A01 ACT PR YR EXP 2022-23 | COL A02 CURR YR EST EXP 2023-24 | COL A03 AGY REQUEST FY 2024-25 | COL A04 AGY REQ N/R FY 2024-25 |
|---|-------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|
| <u>PUBLIC SERVICE COMMISSION</u> 61000000 | | | | |
| FUND: REGULATORY TRUST FUND 2573 | | | | |
| SECTION IV: SUMMARY | | | | |
| UNRESERVED FUND BALANCE - JULY 1 (A) | 5,194,792 | 10,039,904 | 9,799,062 | |
| ADD: REVENUES (FROM SECTION I) (B) | 30,812,864 | 32,886,285 | 32,297,882 | |
| TOTAL FUNDS AVAILABLE (LINE A + LINE B) (C) | 36,007,656 | 42,926,189 | 42,096,944 | |
| LESS: OPERATING EXPENDITURES (D) | 24,216,395 | 30,563,700 | 30,494,503 | |
| LESS: NONOPERATING EXPENDITURES (SECTION II) (E) | 2,385,472 | 2,563,427 | 3,977,979 | |
| LESS: FIXED CAPITAL OUTLAY (TOTAL ONLY) (F) | | | | |
| UNRESERVED FUND BALANCE - JUNE 30 - BEFORE ADJ (G) | 9,405,789 | 9,799,062 | 7,624,462 | |
| NET ADJUSTMENTS (FROM SECTION III) (H) | 634,115 | | | |
| ADJUSTED UNRESERVED FUND BALANCE - JUNE 30 (I) | 10,039,904 | 9,799,062 | 7,624,462 | |
| TOTAL UNRESERVED FUND BALANCE FROM STATEWIDE CFO FILE: | 5,194,792 | | | |

SCHEDULE IB: DETAIL OF UNRESERVED FUND BALANCE

| | FUNDING SOURCE | | | | |
|--|----------------|-----------------|------------|-----------|-----------|
| | STATE(S) | RESTRICTED(R) | | | |
| | NONSTATE(N) | UNRESTRICTED(U) | | | |
| 01 REGULATORY ASSESSMENT FEES | S | U | 10,039,904 | 9,799,062 | 7,624,462 |
| ADJUSTED UNRESERVED FUND BALANCE - JUNE 30 | | | 10,039,904 | 9,799,062 | 7,624,462 |

SCHEDULE I – REQUIRED NARRATIVES

Budget Period: 2024-2025

Agency: Public Service Commission (PSC)
Trust Fund: Regulatory Trust Fund
Fund No.: 2573

5% Trust Fund Reserve:

The PSC’s Regulatory Trust Fund receives no revenues that are excluded in the General Policy Guidelines section of the Legislative Budget Instructions. There is no negative impact of establishing the reserve in this LBR. Revenues are collected primarily only twice per year, but the majority of expenditures are paid out monthly (salaries/benefits make up the largest single amount, plus other routine costs of doing business) or quarterly (rent to DMS). Therefore, the trust fund balance must be sufficient to allow for this uneven cash flow.

| | |
|---|---------------------|
| FY 2023 - 2024 total revenue | \$ 32,886,285 |
| Less Federal Grant Received | (2,543,427) |
| Less 8% Service Charge to GR | (1,073,450) |
| Less Risk Management Casualty Insurance | (50,301) |
| Less Operating Transfer to DMS STW Contract | <u>(93,709)</u> |
| Total Revenue Subject to 5% Reserve Calculation | <u>\$29,125,398</u> |
| Multiplied by 5% | <u>.05</u> |
| Total 5% Reserve for Regulatory Trust Fund | <u>\$ 1,456,270</u> |

Revenue Estimating Methodology:

The trust fund’s primary revenues are from the regulatory assessment fees (RAFs) charged to the utilities regulated by the PSC. Maximum allowable rates are established in Florida Statutes, and actual assessable rates, up to the statutory cap, are established by PSC rule in the Florida Administrative Code. RAFs are computed on the utility companies’ gross operating revenues derived from intrastate business, which must be estimated for the current year (Column A02) and the request year (Column A03). The PSC’s revenue forecast is based on near-term company projections, when available, and past year growth rates when projections are not available. The projections also take into account relevant developments in the various industries that will affect the utilities’ revenue.

The 2023 and 2024 investor-owned electric RAF revenues are based on actual revenues and projected revenue growth. The projected 2023 RAF revenue is a combination of the investor-owned electric utilities’ actual RAF revenues for the first half of the year and company projections for the second half of the year. A significant revenue increase occurred during the first half of the year, relative to the

revenue of the first half of 2022 (11.1 percent). Revenue in the second half of 2023 is projected to exceed actual revenue in the second half of 2022 (7.5 percent). For 2024, RAF revenues are based on company projections, and in the aggregate these revenues are expected to decrease 2.0 percent relative to 2023 based on currently approved base rates. The primary drivers of the RAF revenue increases for 2023 are a combination of increases in base rates related to recent base rate settlements, fuel cost recovery, and storm protection plan cost recovery. The primary drivers for the RAF revenue decrease in 2024 is expected reductions in fuel cost recovery as well as the expiration of storm damage cost recovery surcharges.

For municipal/rural electric utilities, 2023 and 2024 RAF revenues are forecasted based on the projected RAF revenue growth rate of the investor-owned utilities. This method is used because there is a relatively high positive correlation between historical growth rates of investor-owned and municipal/rural electric utilities.

Except for two small gas utilities, the 2023 and 2024 RAF revenue estimates of the investor-owned gas utilities are based on actual revenues and projected revenue growth. The projected 2023 RAF revenues of three investor-owned gas utilities are based on the actual RAF revenues for the first half of the year and company projections for the second half of the year. The projected 2024 RAF revenues for the three investor-owned gas utilities are based on company projections. The PSC projects the RAF revenues for two of the smaller gas utilities based on the most recent five-year average revenue amounts for these utilities. After a significant increase in 2022 (18.0 percent), RAF revenues for the investor-owned gas utilities are projected to decrease in 2023 (0.6 percent), followed by another decrease in 2024 (0.8 percent).

With respect to the municipal gas and gas districts (gas safety entities), the growth rates in 2023 and 2024 RAF revenue are projected to be equal to the growth rate of the investor-owned gas utilities during those years. The two revenue data series have a history of following a similar trend with a relatively high positive correlation in annual revenue between the investor-owned gas utilities and municipal gas systems / gas districts. We anticipate that trend to continue.

The Commission has two gas pipelines under its jurisdiction. The projected 2023 RAF revenue of the gas pipelines is based on the actual RAF revenues for the first half of the year and company projections for the second half of the year. The projected RAF revenue for 2024 is based on company revenue projections for the two pipelines. Gas pipeline expansion projects completed in 2022 account for the significant percentage increases in revenue for the gas pipeline utilities realized in 2022 (59 percent) and projected in 2023 (13.6 percent). RAF revenue associated with gas pipelines is expected to decrease in 2024 (3.8 percent).

Telecommunications companies' revenues have been decreasing mainly due to a loss of access lines to wireless and other companies that do not pay RAFs. The 2023-2024 RAFs are expected to decline based on the actual historical decline in RAF revenues and a review of the actual revenues for the first half of 2023. This same negative growth is expected to continue in 2024.

The water and wastewater industry experienced a RAF revenue increase during the first half of 2023 relative to the revenue collected in the first half of 2022 (6.4 percent). RAF revenues for this industry are expected to increase in 2023 (4.5 percent) due to utilities filing for inflation index adjustments and expense pass through adjustments. In December 2022, the PSC approved a 2023 water and wastewater utility price index adjustment for inflation of 7.07 percent. Approximately 57 percent of water and wastewater utilities filed for inflation-indexed adjustments or expense pass-through adjustments in the

past year. The companies' 2024 RAF revenues are projected to grow at a rate of 2.8 percent. The PSC makes its 2024 projection based on a 6-year average historical growth rate in RAF revenue for the industry.

| 610000 PUBLIC SERVICE COMMISSION | | BEGINNING BALANCE |
|---------------------------------------|--|-------------------|
| 50 2 573003 REGULATORY TRUST FUND PSC | | |
| G-L | G-L ACCOUNT NAME | |
| CAT | | BEGINNING BALANCE |
| 11100 | CASH ON HAND | |
| 000000 | BALANCE BROUGHT FORWARD | 200.00 |
| 12100 | UNRELEASED CASH IN STATE TREASURY | |
| 000000 | BALANCE BROUGHT FORWARD | 10,540,732.23 |
| 12400 | CASH IN STATE TREASURY UNVERIFIED | |
| 000100 | FEES | 0.00 |
| 001800 | REFUNDS | 0.00 |
| | ** GL 12400 TOTAL | 0.00 |
| 14100 | POOLED INVESTMENTS WITH STATE TREASURY | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 15300 | INTEREST AND DIVIDENDS RECEIVABLE | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 000500 | INTEREST | 0.00 |
| | ** GL 15300 TOTAL | 0.00 |
| 16300 | DUE FROM OTHER DEPARTMENTS | |
| 001520 | TRANSFERS - SUBJECT TO SERVICE CHARGE | 0.00 |
| 010000 | SALARIES AND BENEFITS | 0.00 |
| | ** GL 16300 TOTAL | 0.00 |
| 27600 | FURNITURE AND EQUIPMENT | |
| 000400 | MISCELLANEOUS RECEIPTS | 0.00 |
| 001520 | TRANSFERS - SUBJECT TO SERVICE CHARGE | 218,922.40- |
| 001800 | REFUNDS | 104,962.90- |
| 040000 | EXPENSES | 0.00 |
| 060000 | OPERATING CAPITAL OUTLAY | 2,147,713.78 |
| 060000 | CF OPERATING CAPITAL OUTLAY | 8,933.32- |
| 100021 | ACQUISITION/MOTOR VEHICLES | 739,734.70 |
| 103823 | CATEGORY NAME NOT ON TITLE FILE | 7,241.00 |
| 105890 | CATEGORY NAME NOT ON TITLE FILE | 0.00 |
| 109910 | STATE OPERATIONS-ARRA 2009 | 1,578.91 |
| | ** GL 27600 TOTAL | 2,563,449.77 |
| 27700 | ACC DEPR - FURNITURE & EQUIPMENT | |
| 000000 | BALANCE BROUGHT FORWARD | 360,489.81 |
| 000400 | MISCELLANEOUS RECEIPTS | 0.00 |
| 001520 | TRANSFERS - SUBJECT TO SERVICE CHARGE | 218,922.40 |
| 001800 | REFUNDS | 99,200.39 |
| 040000 | EXPENSES | 0.00 |
| 060000 | OPERATING CAPITAL OUTLAY | 1,762,111.31- |
| 100021 | ACQUISITION/MOTOR VEHICLES | 629,702.66- |

610000 PUBLIC SERVICE COMMISSION

50 2 573003 REGULATORY TRUST FUND PSC

| G-L | G-L ACCOUNT NAME | BEGINNING BALANCE |
|--------|--|-------------------|
| CAT | | |
| 103823 | CATEGORY NAME NOT ON TITLE FILE | 7,241.00- |
| 105890 | CATEGORY NAME NOT ON TITLE FILE | 0.00 |
| 109910 | STATE OPERATIONS-ARRA 2009 | 1,578.91- |
| | ** GL 27700 TOTAL | 1,722,021.28- |
| 31100 | ACCOUNTS PAYABLE | |
| 010000 | SALARIES AND BENEFITS | 0.00 |
| 030000 | OTHER PERSONAL SERVICES | 0.00 |
| 030000 | CF OTHER PERSONAL SERVICES | 4,100.00- |
| 040000 | EXPENSES | 300.00- |
| 040000 | CF EXPENSES | 17,230.11- |
| 100777 | CONTRACTED SERVICES | 5,300.00- |
| 100777 | CF CONTRACTED SERVICES | 53,839.93- |
| 210001 | STATE DATA CENTER - AST | 0.00 |
| 210014 | OTHER DATA PROCESSING SVCS | 0.00 |
| 210014 | CF OTHER DATA PROCESSING SVCS | 4,332.48- |
| 210021 | SOUTHWOOD SRC | 0.00 |
| 210023 | NORTHWEST REGIONAL DC | 0.00 |
| 210023 | CF NORTHWEST REGIONAL DC | 4,610.25- |
| | ** GL 31100 TOTAL | 89,712.77- |
| 31120 | ACCOUNTS PAYABLE OVERSTATED | |
| 060000 | OPERATING CAPITAL OUTLAY | 0.00 |
| 35300 | DUE TO OTHER DEPARTMENTS | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 010000 | SALARIES AND BENEFITS | 0.00 |
| 040000 | EXPENSES | 0.00 |
| 040000 | CF EXPENSES | 15,890.38- |
| 100777 | CONTRACTED SERVICES | 0.00 |
| 100777 | CF CONTRACTED SERVICES | 1,187.03- |
| 210001 | STATE DATA CENTER - AST | 0.00 |
| 210014 | OTHER DATA PROCESSING SVCS | 0.00 |
| 210021 | SOUTHWOOD SRC | 0.00 |
| | ** GL 35300 TOTAL | 17,077.41- |
| 35600 | DUE TO GENERAL REVENUE | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 38500 | INSTALLMENT PURCHASE CONTRACTS | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 38600 | CURRENT COMPENSATED ABSENCES LIABILITY | |
| 000000 | BALANCE BROUGHT FORWARD | 685,955.79- |

| 610000 PUBLIC SERVICE COMMISSION | | BEGINNING BALANCE |
|---------------------------------------|--|-------------------|
| 50 2 573003 REGULATORY TRUST FUND PSC | | |
| G-L | G-L ACCOUNT NAME | |
| CAT | | BEGINNING BALANCE |
| 48500 | INSTALLMENT PURCHASE CONTRACTS | |
| 000000 | BALANCE BROUGHT FORWARD | 0.00 |
| 48600 | COMPENSATED ABSENCES LIABILITY | |
| 000000 | BALANCE BROUGHT FORWARD | 2,793,404.06- |
| 51100 | CONTRIBUTED CAPITAL | |
| 000000 | BALANCE BROUGHT FORWARD | 1,858,225.29 |
| 040000 | EXPENSES | 37.75- |
| 060000 | OPERATING CAPITAL OUTLAY | 1,175,552.26- |
| 100021 | ACQUISITION/MOTOR VEHICLES | 679,988.77- |
| 109910 | STATE OPERATIONS-ARRA 2009 | 2,646.51- |
| | ** GL 51100 TOTAL | 0.00 |
| 53600 | INVESTED IN CAPITAL ASSETS NET OF RELA | |
| 000000 | BALANCE BROUGHT FORWARD | 841,428.49- |
| 53900 | NET ASSETS UNRESTRICTED | |
| 000000 | BALANCE BROUGHT FORWARD | 6,954,782.20- |
| 94100 | ENCUMBRANCES | |
| 030000 | CF OTHER PERSONAL SERVICES | 5,021.75 |
| 040000 | EXPENSES | 80.00 |
| 040000 | CF EXPENSES | 361,742.28 |
| 100021 | CF ACQUISITION/MOTOR VEHICLES | 28,697.00 |
| 100777 | CONTRACTED SERVICES | 26,431.74 |
| 100777 | CF CONTRACTED SERVICES | 4,077.41 |
| | ** GL 94100 TOTAL | 426,050.18 |
| 98100 | BUDGETARY FND BAL RESERVED/ENCUMBRANCE | |
| 030000 | CF OTHER PERSONAL SERVICES | 5,021.75- |
| 040000 | EXPENSES | 80.00- |
| 040000 | CF EXPENSES | 361,742.28- |
| 100021 | CF ACQUISITION/MOTOR VEHICLES | 28,697.00- |
| 100777 | CONTRACTED SERVICES | 26,431.74- |
| 100777 | CF CONTRACTED SERVICES | 4,077.41- |
| | ** GL 98100 TOTAL | 426,050.18- |
| | *** FUND TOTAL | 0.00 |

SCHEDULE 1A: DETAIL OF FEES AND RELATED PROGRAM COSTS

Department: 61 Public Service Commission **Budget Period: 2023-2024**
Program: Commissioners/Admin. Services and Utility Regulation & Consumer Assistance
Fund: 2573 Regulatory Trust Fund

Specific Authority: Sections 350.113, 364.336, 366.14, 367.145, 368.109, 403 and 427 F.S.
Purpose of Fees Collected: To fund the cost of regulating Telecommunications Companies, Electric and Gas Utilities, and Water & Wastewater Companies as required by Chapters 350, 364, 366, 367, 368, 403, 427 Florida Statutes.

Type of Fee or Program: (Check **ONE** Box and answer questions as indicated.)

| | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | Regulatory services or oversight to businesses or professions (Complete Sections I, II, and III and attach Examination of Regulatory Fees Form - Part I and II.) |
| <input type="checkbox"/> | Non-regulatory fees authorized to cover full cost of conducting a specific program or service. (Complete Sections I, II, and III only.) |

| SECTION I - FEE COLLECTION | ACTUAL FY 2022 - 2023 | ESTIMATED FY 2023 - 2024 | REQUEST FY 2024 - 2025 |
|---|----------------------------------|-------------------------------------|-----------------------------------|
| <u>Receipts:</u> | | | |
| <u>Regulatory Assessment Fees (RAF)</u> | \$30,095,854 | \$31,717,835 | \$31,196,354 |
| <u>Filing / Recording Fees</u> | 44,038 | 75,000 | 75,000 |
| Total Fee Collection to Line (A) - Section III | \$30,139,892 | \$31,792,835 | \$31,271,354 |

| SECTION II - FULL COSTS | | | |
|---|-------------------|-------------------|-------------------|
| <u>Direct Costs:</u> | | | |
| Salaries and Benefits | \$15,659,541 | \$18,619,056 | \$18,619,056 |
| Other Personal Services | 24,306 | 49,083 | 49,083 |
| Expenses | 2,076,525 | 2,616,429 | 2,616,429 |
| Operating Capital Outlay | 88,006 | 182,129 | 205,261 |
| Motor Vehicles | 22,128 | 31,614 | 31,614 |
| Transfer to Admin. Hearings | - | 5,034 | 5,034 |
| Contracted Services | 617,885 | 571,672 | 571,672 |
| Risk Management | 38,786 | 40,151 | 38,786 |
| Transfer to DMS for HR Outsourcing | 72,257 | 72,257 | 72,257 |
| Data Processing Assessment | 42,658 | 42,658 | 42,658 |
| Data Processing Services | 30,654 | 58,370 | 35,238 |
| Refunds to utilities for overpayments | 4,846 | 20,000 | 20,000 |
| General Revenue Service Charge (8%) | 2,121,009 | 2,376,407 | 2,633,531 |
| Indirect Costs Charged to Trust Fund | 5,543,648 | 6,617,095 | 6,616,689 |
| Total Full Costs to Line (B) - Section III | 26,342,250 | 31,301,955 | 31,557,309 |

Basis Used: People First Time Accounting System

| SECTION III - SUMMARY | | | |
|--------------------------------|-----|--------------------|--------------------|
| TOTAL SECTION I | (A) | \$30,139,892 | \$31,271,354 |
| TOTAL SECTION II | (B) | \$26,342,250 | \$31,557,309 |
| TOTAL - Surplus/Deficit | (C) | \$3,797,642 | (\$285,955) |

EXPLANATION of LINE C:

Schedule IA - Part I: Examination of Regulatory Fees

Department: Public Service Commission (PSC)

Regulatory Service to or Oversight of Businesses or Professions Program: Utility Regulation and Consumer Assistance

- 1. What recent operational efficiencies have been achieved to either decrease costs or improve services? If costs have been reduced, how much money has been saved during the fiscal year?**

The PSC continuously evaluates staffing needs to achieve internal efficiencies and to increase the effectiveness of its operations by grouping similar functions together within one office or division to coordinate related duties and responsibilities. This organizational structure better situates the PSC to address the issues that involve reassessing current regulatory practices in light of evolving industries and revised federal and state statutory requirements.

- 2. What additional operational efficiencies are planned? What are the estimated savings associated with these efficiencies during the next fiscal year?**

The PSC continues to evaluate its operations to identify any additional possible innovations and improvements that can be made to achieve further efficiencies, and will take appropriate action to implement any identified measures.

- 3. Is the regulatory activity an appropriate function that the agency should continue at its current level?**

Yes.

- 4. Are the fees charged for the regulatory service or oversight to businesses or professions based on revenue projections that are prepared using generally accepted governmental accounting procedures or official estimates by the Revenue Estimating Conference, if applicable?**

Yes, the PSC's revenue projections are based on sound econometric forecasting techniques, using historical growth rates with adjustments for known developments in the utility industries. The PSC's revenues are from regulatory assessment fees (RAFs) charged to the utilities regulated by the PSC. Maximum allowable rates are established in Florida Statutes, and actual assessable rates, up to the statutory cap, are established by the PSC by rule. RAFs are based on the utility companies' gross operating revenues derived from intrastate business, which must be estimated for the current year and the budget request year. The Commission adjusts/updates the projections during the year as factors affecting utility revenues change.

5. Are the fees charged for the regulatory service or oversight to businesses or professions adequate to cover both direct and indirect costs of providing the regulatory service or oversight?

Yes. The PSC continuously monitors revenues throughout the year. It is the PSC's practice to thoroughly review and evaluate RAF rates and revenues after the January collection.

6. Are the fees charged for the regulatory service or oversight to businesses or professions reasonable and do they take into account differences between the types of professions or businesses that are regulated? For example, do fees reflect the amount of time required to conduct inspections by using a sliding scale for annual fees based on the size of the regulated business; or do fees provide a financial incentive for regulated entities to maintain compliance with state standards by assessing a re-inspection fee if violations are found at initial inspection?

Yes, the fees take into account the different utility industries that are regulated (see *Regulatory Fees Form – Part II* for details of the various regulated industries' statutory fee caps and current assessable fees). The PSC evaluates the reasonableness of RAF rates throughout the year, and re-evaluates the rates each year after the January collection.

7. If the fees charged for the regulatory services or oversight to businesses or professions are not adequate to cover direct and indirect program costs provide either:

- a) information regarding alternatives for realigning revenues or costs to make the regulatory service or program totally self-sufficient, including any statutory changes that are necessary to implement the alternative; or
- b) demonstrate that the service or program provides substantial benefits to the public which justify a partial subsidy from other state funds, specifically describing the benefits to the general public (statements such as 'providing consumer benefits' or 'promoting health, safety and welfare' are not sufficient justification). For example, the program produces a range of benefits to the general public, including pollution reduction, wildlife preservation, and improved drinking water supply. Alternatively, the agency can demonstrate that requiring self-sufficiency would put the regulated entity at an unfair advantage. For example, raising fees sufficiently to cover program costs would require so high an assessment as to damage its competitive position with similar entities in other states.

N/A. The fees are adequate to cover both the direct and indirect costs of regulation and oversight by the PSC for the current fiscal year.

8. If the regulatory program is not self-sufficient and provides a public benefit using state subsidization, please provide a plan for reducing the state subsidy.

N/A. The PSC's Utility Regulation/Consumer Assistance regulatory program is self-sufficient and receives no state subsidization.

Schedule IA - Part II: Examination of Regulatory Fees

Department: **Florida Public Service Commission (PSC)**

Regulatory Service to or Oversight of Business or Profession Program: **Utility Regulation/Consumer Assistance**

Does Florida Statutes require the regulatory program to be financially self-sufficient? (Yes or No and F.S.): **Yes; s.350.113, F.S.**

What percent of the regulatory cost is currently subsidized? (0 to 100%) **0%**

If the program is subsidized from other state funds, what is the source(s)? **N/A**

What is the current annual amount of the subsidy? **\$0.00**

| Service / Product Regulated | Specific Fee Title | Statutory Authority for Fee | Year of Last Statutory Revision to Fee | Maximum Fee Authorized (cap) | Is Fee Set by Rule? (Yes or No) | Current Fee Assessed | Fund Fee Deposited in (indicate General Revenue or Specific Trust Fund) |
|--|---------------------------|-----------------------------|--|---------------------------------------|---------------------------------|--|---|
| Investor-owned Electric Utility Companies | Regulatory Assessment Fee | 366.14(1), F.S. | New 1989; No change | 0.125% of Gross Operating Revenue* | Yes | 0.072% of Gross Operating Revenue* (effective 1/1/1999) Rule 25-6.0131 | PSC Regulatory Trust Fund |
| Municipal Electric Utilities and Rural Electric Cooperatives | Regulatory Assessment Fee | 366.14(4), F.S. | New 1989; No change | 0.015625% of Gross Operating Revenue* | Yes | 0.015625% of Gross Operating Revenue* Rule 25-6.0131 | PSC Regulatory Trust Fund |
| Investor-owned Gas Utility Companies | Regulatory Assessment Fee | 366.14(2), F.S. | New 1989; No change | 0.5% of Gross Operating Revenue* | Yes | 0.5% of Gross Operating Revenue* Rule 25-7.0131 | PSC Regulatory Trust Fund |
| Municipal Gas Utilities and Gas Districts | Regulatory Assessment Fee | 366.14(3), F.S. | New 1989; No change | 0.25% of Gross Operating Revenue* | Yes | 0.1919% of Gross Operating Revenue* (effective 7/1/1996) Rule 25-7.0131 | PSC Regulatory Trust Fund |
| Gas Pipeline | Regulatory Assessment Fee | 368.109, F. S. | New 2010; No change | 0.25% of Gross Operating Revenue* | Yes | 0.25% of Gross Operating Revenue* Rule 25-7.101 | PSC Regulatory Trust Fund |
| Telecommunications Companies | Regulatory Assessment Fee | 364.336, F.S. | New 1989; No change | 0.25% of Gross Operating Revenue* | Yes | 0.16% of Gross Operating Revenue* (effective 7/1/2012) Rule 25-4.0161 | PSC Regulatory Trust Fund |
| Water and Wastewater Systems | Regulatory Assessment Fee | 367.145(1), F.S. | New 1989; No change | 4.5% of Gross Operating Revenue* | Yes | 4.5% of Gross Operating Revenue* Rule 25-30.120 | PSC Regulatory Trust Fund |

* Gross operating revenues derived from intrastate business, excluding sales for resale made to a regulated industry.

SCHEDULE IC: RECONCILIATION OF UNRESERVED FUND BALANCE

| | |
|-----------------------------|---|
| Department Title: | Budget Period: 2024 - 2025 Public Service Commiss |
| Trust Fund Title: | Regulatory Trust Fund |
| Budget Entity: | 61 - Public Service Commission |
| LAS/PBS Fund Number: | 2573 |

| | Balance as of 6/30/2022 | | SWFS* Adjustments | Adjusted Balance |
|---|----------------------------|-----|----------------------|----------------------|
| Chief Financial Officer's (CFO) Cash Balance | 10,540,732 | (A) | | 10,540,732 |
| ADD: Other Cash (See Instructions) | 200 | (B) | | 200 |
| ADD: Investments | | (C) | | - |
| ADD: Outstanding Accounts Receivable | | (D) | | - |
| ADD: _____ | | (E) | | - |
| Total Cash plus Accounts Receivable | 10,540,932 | (F) | 0 | 10,540,932 |
| LESS Allowances for Uncollectibles | | (G) | | - |
| LESS Approved "A" Certified Forwards | 101,490 | (H) | | 101,490 |
| Approved "B" Certified Forwards | 399,538 | (H) | | 399,538 |
| Approved "FCO" Certified Forwards | | (H) | | - |
| LESS: Other Accounts Payable (Nonoperating) | | (I) | | - |
| LESS: _____ | | (J) | | - |
| Unreserved Fund Balance, 07/01/22 | 10,039,904 | (K) | 0 | 10,039,904 ** |

Notes:

*SWFS = Statewide Financial Statement

** This amount should agree with Line I, Section IV of the Schedule I for the most recent completed fiscal year and Line A for the following year.

**FPSC Regulatory TF
Reconciliation of Sch I-C to Agency Trial Balance**

| Description | Amt per TB | Amt per I-C | Reconciling Amt |
|--|-------------------|-------------------|------------------|
| | | | 10,039,904 |
| GL 11100 | 200 | 200 | 0 |
| GL 12100 | 10,540,732 | 10,540,732 | (0) |
| GL 15700 | 0 | 0 | 0 |
| GL 16300 | 0 | 0 | 0 |
| GL 31100 | 89,713 | 101,490 | 11,777 |
| GL 35300 | 17,077 | 0 | (17,077) |
| GL 35600 | 0 | 0 | 0 |
| GL 38600 | 685,956 | 0 | (685,956) |
| TOTAL | 11,333,679 | 10,642,422 | 9,348,647 |
| Unreserved Fund Balance per TB (GL 53900) | | | 6,954,782 |
| Reconciled Amount | | | 2,393,865 |

Schedule 1 Adjustment

| | |
|--|------------------|
| Prior Year CF Encumbrance For FY 2022/2023 | (399,538) |
| Current Compensated Absences Balance | 3,479,360 |
| September 2022 Operating Reversions | (40,284) |
| Invested in Capital Assets (GL 53600) | (841,428) |
| Financial Statement adjustment | (597,094) |
| Accounts Payable Adjustment | 5,300 |
| Schedule 1 Adjustment Total | <u>1,606,316</u> |

RECONCILIATION: BEGINNING TRIAL BALANCE TO SCHEDULE I and IC

Budget Period: 2024 - 2025

Department Title: Florida Public Service Commission
Trust Fund Title: Regulatory Trust Fund
LAS/PBS Fund Number: 2573

BEGINNING TRIAL BALANCE:

Total Fund Balance Per FLAIR Trial Balance, 07/01/23

Total all GLC's 5XXXX for governmental funds; 6,954,782 (A)
GLC 539XX for proprietary and fiduciary funds

Subtract Nonspendable Fund Balance (GLC 56XXX) (B)

Add/Subtract Statewide Financial Statement (SWFS) Adjustments :

SWFS Adjustment # and Description (C)

SWFS Adjustment # and Description (C)

Add/Subtract Other Adjustment(s):

Approved "B" Carry Forward (Encumbrances) per LAS/PBS (399,538) (D)

Approved FCO Certified Forward per LAS/PBS (D)

A/P not C/F-Operating Categories 5,300.00 (D)

Compensated Absences 3,479,360 (D)

(D)

(D)

ADJUSTED BEGINNING TRIAL BALANCE: 10,039,904 (E)

UNRESERVED FUND BALANCE, SCHEDULE IC (Line K) (10,039,904) (F)

DIFFERENCE: 0.00 (G)*

***SHOULD EQUAL ZERO.**