

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: April 20, 2023

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Ward, Hampson) *JGH*
Office of the General Counsel (Thompson) *JSC*

RE: Docket No. 20230045-EI – Petition for approval of revisions to underground residential tariff, underground commercial differential tariff, and overhead to underground conversion tariff, by Florida Power & Light Company.

AGENDA: 05/02/23 – Regular Agenda – Tariff Suspension – Participation is at the discretion of the Commission

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 05/30/23 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

On March 31, 2023, Florida Power & Light Company (FPL) filed a petition for approval of revisions to its underground residential and commercial differential tariffs. These tariffs represent the additional costs, if any, FPL incurs to provide underground service in place of overhead service. The petition was filed pursuant to Rule 25-6.078(3), Florida Administrative Code (F.A.C.), which states, in part, “If the cost differential as calculated in Form PSC 1031 (08/20) varies from the Commission-approved differential by plus or minus 10 percent or more, the utility shall file a written policy and supporting data and analyses as prescribed in subsections (1), (4), and (5) of this rule on or before April 1 of the following year.” FPL’s last URD tariff filing was required in 2022; however, by Order No. PSC-2022-0191-FOF-EI issued in Docket

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No. 20220012-EI, FPL was granted a temporary waiver to defer filing its next revised URD tariff until April 1, 2023.¹

In its petition, FPL is seeking approval to update the cost differential for residential and commercial underground service and their respective associated tariff sheets. Additionally, FPL is requesting approval of revisions to its overhead to underground conversion tariff and associated underground facilities conversion agreement. Specifically, FPL is proposing to revise the conversion tariff to exclude the existing facilities cost for all non-hardened overhead distribution facilities (i.e., both feeders and laterals) from the contribution-in-aid-of-construction calculation. This recommendation is to suspend the proposed tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

¹ Order No. PSC-2022-0062-PAA-EI, issued Feb. 17, 2022, in Docket No. 20220012-EI, *In re: Petition for temporary waiver of Rule 25-6.078(3), F.A.C., by Florida Power & Light Company.*

Discussion of Issues

Issue 1: Should FPL's proposed underground differential tariffs be suspended?

Recommendation: Yes. The tariffs should be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposals. (Ward)

Staff Analysis: Staff recommends that the tariffs be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposals.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change a reason or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Issue 2: Should this docket be closed?

Recommendation: This docket should remain open pending the Commission's decision on the proposed tariffs. (Thompson)

Staff Analysis: This docket should remain open pending the Commission's decision on the proposed tariffs.