FLORIDA PUBLIC SERVICE COMMISSION COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, November 7, 2017, 9:30 a.m.

LOCATION: Betty Easley Conference Center, Joseph P. Cresse Hearing Room 148

DATE ISSUED: October 26, 2017

NOTICE

Persons affected by Commission action on certain items on this agenda may be allowed to address the Commission, either informally or by oral argument, when those items are taken up for discussion at this conference. These items are designated by double asterisks (**) next to the item number.

To participate informally, affected persons need only appear at the conference and request the opportunity to address the Commission on an item listed on the agenda. Informal participation is not permitted: (1) on dispositive motions and motions for reconsideration; (2) when a recommended order is taken up by the Commission; (3) in a rulemaking proceeding after the record has been closed; or (4) when the Commission considers a post-hearing recommendation on the merits of a case after the close of the record. The Commission allows informal participation at its discretion in certain types of cases (such as declaratory statements and interim rate orders) in which an order is issued based on a given set of facts without hearing. See Florida Administrative Code Rules 25-22.0021 (agenda conference participation) and 25-22.0022 (oral argument).

Conference agendas, staff recommendations, vote sheets, and transcripts are available online at http://www.floridapsc.com, by selecting *Conferences & Meeting Agendas* and *Commission Conferences of the FPSC*. An official vote of "move staff" denotes that the Item's recommendations were approved.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this proceeding should contact the Office of Commission Clerk no later than five days prior to the conference at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850 or 850-413-6770 (Florida Relay Service, 1-800-955-8770 Voice or 1-800-955-8771 TDD). Assistive Listening Devices are available upon request from the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

The Commission Conference has a live video broadcast the day of the conference, which is available from the FPSC website. Upon completion of the conference, the archived video will be available from the website by selecting *Conferences & Meeting Agendas*, then *Audio and Video Event Coverage*.

EMERGENCY CANCELLATION OF CONFERENCE: If a named storm or other disaster requires cancellation of the Conference, Commission staff will attempt to give timely notice. Notice of cancellation will be provided on the Commission's website (http://www.floridapsc.com) under the Hot Topics link on the home page. Cancellation can also be confirmed by calling the Office of Commission Clerk at 850-413-6770.

If you have any questions, contact the Office of Commission Clerk at 850-413-6770 or Clerk@psc.state.fl.us.

1	Election of Commission Chairman for a two-year term beginning January 2, 2018
2**	Consent Agenda
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4**PAA	Docket No. 20160176-WS – Application for staff-assisted rate case in Polk County by Four Lakes Golf Club, Ltd
5	Docket No. 20170122-EI – Petition for exemption under Rule 25-22.082(18), F.A.C., from issuing a request for proposals (RFPs) for modernization of the Lauderdale Plant, by Florida Power & Light Company
6**PAA	Docket No. 20170169-EI – Petition of Gulf Power Company for approval of negotiated renewable energy power purchase agreement with Bay County, Florida.
7**PAA	Docket No. 20160065-WU – Application for increase in water rates in Charlotte County by Bocilla Utilities, Inc
8**	Docket No. 20160248-WS – Application for original certificates to provide water and wastewater service in Polk County by Deer Creek RV Golf & Country Club, Inc
9**PAA	Docket No. 20170182-EI – Petition for approval of depreciation rates for various accounts, by Tampa Electric Company
10**	Docket No. 20170209-EI – Petition for approval of modifications to business incentive rate riders, by Gulf Power Company
11**PAA	Docket No. 20170180-GU – Petition by the Florida Division of Chesapeake Utilities Corporation for approval of special contract with Mosaic Fertilizer LLC.
12**	Docket No. 20170191-GU – Joint petition for approval of revised swing service rider rates for the period January through December 2018, by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade and Florida Division of Chesapeake Utilities Corporation.
13**	Docket No. 20170189-GU – Petition for approval of safety, access, and facility enhancement program (SAFE) true-up and associated cost recovery factors, by Florida City Gas.

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15**	Docket No. 20170192-GU – Petition for approval of 2016 true-up, projected 2017 true-up, and 2018 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider, by Peoples Gas System
16**	Docket No. 20170078-WU – Request for approval of an increase to convenience fees charged to customers, by Wildwood Water Company
17**	Docket No. 20130178-SU – Application for staff-assisted rate case in Polk County by Crooked Lake Park Sewerage Company
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1

ITEM NO. CASE

Election of Commission Chairman for a two-year term beginning January 2, 2018.

ITEM NO. CASE

2** Consent Agenda

PAA A) Application for Certificate of Authority to Provide Telecommunications Service.

DOCKET NO. COMPANY NAME

20170202-TX Magna5 LLC

B) Docket No. 20170208-EI – Application for authority to receive common equity contributions and to issue and sell securities during 12 months ending December 31, 2018, by Gulf Power Company.

Gulf Power Company (Gulf Power or Company) seeks authority to receive equity funds from and/or issue common equity securities to its parent company, Southern Company (Southern); issue and sell long-term debt and equity securities; and issue and sell short-term debt securities during 2018. The amount of common equity contributions received from and issued to Southern, the amount of other equity securities issued, and the maximum principal amount of long-term debt securities issued will total not more than \$600 million. The maximum principal amount of short-term debt at any one time will total not more than \$500 million.

In connection with this application, Gulf Power confirms that the capital raised pursuant to this application will be used in connection with the regulated electric operations of Gulf Power and not the unregulated activities of the Company or its affiliates.

Staff has reviewed Gulf Power's projected capital expenditures. The amount requested by the Company (\$1.1 billion) exceeds its expected capital expenditures (\$212,872,000). The additional amount requested exceeding the projected capital expenditures allows for financial flexibility with regards to unexpected events such as hurricanes, financial market disruptions and other unforeseen circumstances. Staff believes the requested amounts are appropriate. Staff recommends Gulf Power's petition to issue securities during 12 months ending December 31, 2018 be approved.

Recommendation: The Commission should approve the actions requested in the dockets referenced above and close Docket No. 20170202-TX. For monitoring purposes, Docket No. 20170208-EI should remain open until April 30, 2019, to allow the Company time to file the required Consummation Report.

ITEM NO. CASE

3**

Docket No. 20170200-WU – Initiation of show cause proceedings against Kincaid Hills Water Company, in Alachua County, for noncompliance with Sections 350.113, 350.117, 367.121, and 367.145, Florida Statutes, and Rules 25-30.110, 25-30.120, 25-30.355, and 25-22.032, Florida Administrative Code.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: GCL: DuVal, Cuello

AFD: Mouring, Smith

CAO: Hicks

ECO: McCoy, McNulty

Issue 1: Should Kincaid Hills Water Company be ordered to show cause in writing, within 21 days, why it is not obligated to remit payment in the amount of \$22,403.19, for delinquent Regulatory Assessment Fees, plus statutory penalties and interest, for the years 2008, 2009, 2012, 2013, and 2016?

Recommendation:

Alternative 1 Recommendation: Yes. Kincaid Hills Water Company should be ordered to show cause in writing, within 21 days, why it is not obligated to remit payment in the amount of \$22,403.19, for delinquent Regulatory Assessment Fees, plus statutory penalties and interest, for the years 2008, 2009, 2012, 2013, and 2016. Specifically, staff recommends that the Utility be directed to pay its past due RAFs in the amount of \$2,279.75 for 2008, \$2,712.33 for 2009, \$2,634.08 for 2012, \$2,239.02 for 2013, and \$2,006.69 for 2016, including statutory interest and penalties in the amounts of \$2,963.68 for 2008, \$3,200.55 for 2009, \$2,159.95 for 2012, \$1,544.93 for 2013, and \$662.21 for 2016.

<u>Alternative 2</u> Recommendation: No. The Commission should direct staff to initiate certificate revocation proceedings against Kincaid Hills Water Company consistent with Chapter 120 and Section 367.161, F.S.

ITEM NO. CASE

3**

Docket No. 20170200-WU – Initiation of show cause proceedings against Kincaid Hills Water Company, in Alachua County, for noncompliance with Sections 350.113, 350.117, 367.121, and 367.145, Florida Statutes, and Rules 25-30.110, 25-30.120, 25-30.355, and 25-22.032, Florida Administrative Code.

(Continued from previous page)

<u>Issue 2:</u> Should Kincaid Hills Water Company be ordered to show cause in writing, within 21 days, why it is not obligated to remit payment in the amount of \$14,376, in statutory penalties for failing to timely submit its Annual Reports for the years 2009, 2010, 2011, 2012, and 2013?

Recommendation:

<u>Alternative 1</u> Recommendation: Yes. Kincaid Hills Water Company should be ordered to show cause in writing, within 21 days, why it is not obligated to remit payment in the amount of \$14,376, in statutory penalties for failing to timely submit its Annual Reports for the years 2009, 2010, 2011, 2012, and 2013.

<u>Alternative 2</u> Recommendation: No. The Commission should direct staff to initiate certificate revocation proceedings against Kincaid Hills Water Company consistent with Chapter 120 and Section 367.161, F.S.

Issue 3: Should Kincaid Hills Water Company be ordered to show cause in writing, within 21 days, why it is not obligated to remit payment in the amount of \$750 in statutory penalties, respond to the customer complaints submitted on October 13, 2016, March 30, 2017, and May 8, 2017, and to provide a written response to Commission staff on each complaint?

Recommendation:

Alternative 1 Recommendation: Yes. Kincaid Hills Water Company should be ordered to show cause in writing, within 21 days, why it is not obligated to remit payment in the amount of \$750 in statutory penalties, respond to the customer complaints submitted on October 13, 2016, March 30, 2017, and May 8, 2017, and to provide a written response to Commission staff on each complaint. Specifically, staff recommends that the Utility be directed to pay a statutory penalty in the amount of \$250 for failing to respond to a customer complaint dated October 13, 2016, a statutory penalty in the amount of \$250 for failing to respond to a customer complaint dated March 30, 2017, and a statutory penalty in the amount of \$250 for failing to respond to a customer complaint dated May 8, 2017.

<u>Alternative 2</u> Recommendation: No. The Commission should direct staff to initiate certificate revocation proceedings against Kincaid Hills Water Company consistent with Chapter 120 and Section 367.161, F.S.

ITEM NO. CASE

3**

Docket No. 20170200-WU – Initiation of show cause proceedings against Kincaid Hills Water Company, in Alachua County, for noncompliance with Sections 350.113, 350.117, 367.121, and 367.145, Florida Statutes, and Rules 25-30.110, 25-30.120, 25-30.355, and 25-22.032, Florida Administrative Code.

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Issue 4: Should this docket be closed?

Recommendation: If the Commission orders Kincaid to show cause as to Issues 1, 2, and 3, and Kincaid timely responds in writing to the Order to Show Cause, this docket should remain open to allow for the appropriate processing of the response. If the Commission orders Kincaid to show cause as to Issues 1, 2, and 3, and Kincaid responds to the show cause order by remitting the fines, responding to the customer complaints, and providing a written response to Commission staff on each complaint, this show cause matter will be considered resolved, and the docket should be closed administratively. If the Commission orders Kincaid to show cause as to Issues 1, 2, and 3, and Kincaid does not remit payment, or does not respond to the Order to Show Cause, this docket should remain open to allow the Commission to pursue collection of the amounts owed by the Utility. Alternatively, if the Commission orders that a proceeding to revoke Kincaid's water certificate should be initiated, this docket should remain open until such a proceeding can be initiated.

ITEM NO. CASE

4**PAA

Docket No. 20160176-WS – Application for staff-assisted rate case in Polk County by Four Lakes Golf Club, Ltd.

Critical Date(s): 12/26/17 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: AFD: Golden, Wilson

ECO: Johnson

ENG: Thompson, Wooten

GCL: Cuello

(Proposed Agency Action - Except for Issues 11, 12, and 13)

<u>Issue 1:</u> Is the quality of service provided by Four Lakes Golf Club, Ltd. satisfactory? **Recommendation:** Yes. Staff recommends that the overall quality of service provided by the Utility be considered satisfactory.

Issue 2: What are the used and useful percentages (U&U) of Four Lakes' water treatment plant (WTP), wastewater treatment plant (WWTP), and distribution and collection systems?

Recommendation: Four Lakes' WTP, water distribution system, WWTP, and wastewater collection system should all be considered 100 percent U&U. There is no excessive infiltration and inflow. Staff recommends a 7.2 percent adjustment to purchased power and chemical expenses be made for excessive unaccounted for water.

Issue 3: What is the appropriate average test year rate base for Four Lakes?

Recommendation: The appropriate average test year rate base for Four Lakes is \$331,883 for water and zero for wastewater. Four Lakes should complete the pro forma items within 12 months of the issuance of the consummating order. If the Utility encounters any unforeseen events that will impede the completion of the pro forma items, the Utility should immediately notify the Commission in writing. Also, the Utility should be required to submit a copy of the final invoices and proof of payment for all pro forma plant items.

<u>Issue 4:</u> What is the appropriate rate of return on equity and overall rate of return for Four Lakes?

Recommendation: The appropriate return on equity (ROE) is 9.96 percent with a range of 8.96 percent to 10.96 percent. The appropriate overall rate of return is 7.31 percent.

Issue 5: What are the appropriate test year revenues for Four Lakes?

Recommendation: The appropriate test year revenues for Four Lakes are \$143,020 for water and \$142,313 for wastewater.

Issue 6: What is the appropriate amount of operating expenses?

Recommendation: The appropriate amount of operating expense for the Utility is \$192,125 for water and \$215,815 for wastewater.

ITEM NO. CASE

4**PAA

Docket No. 20160176-WS – Application for staff-assisted rate case in Polk County by Four Lakes Golf Club, Ltd.

(Continued from previous page)

<u>Issue 7:</u> Should the Commission utilize the operating ratio methodology as an alternative method of calculating the wastewater revenue requirement for Four Lakes and, if so, what is the appropriate margin?

Recommendation: Yes. The Commission should utilize the operating ratio methodology for calculating the wastewater revenue requirement for Four Lakes. The margin should be 5.41 percent of O&M expense.

<u>Issue 8:</u> What is the appropriate revenue requirement?

Recommendation: The appropriate revenue requirement is \$216,386 for water and \$225,815 for wastewater, resulting in an annual increase of \$73,366 for water (51.30 percent) and \$83,502 for wastewater (58.67 percent).

<u>Issue 9:</u> What are the appropriate rate structure and rates for Four Lakes' water and wastewater systems?

Recommendation: The recommended rate structures and monthly water and wastewater rates are shown on Schedule Nos. 4-A and 4-B of staff's memorandum dated October 26, 2017. The utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets provided customers have received notice pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The utility should provide proof of noticing within 10 days of rendering its approved notice.

<u>Issue 10:</u> Should Four Lakes' service availability charge be discontinued?

Recommendation: Yes, Four Lakes' service availability charge should be discontinued. In the event there is new development in Four Lakes' service territory, the utility should file an application for new service availability charges.

ITEM NO. CASE

4**PAA

Docket No. 20160176-WS – Application for staff-assisted rate case in Polk County by Four Lakes Golf Club, Ltd.

(Continued from previous page)

<u>Issue 11:</u> What is the appropriate amount by which rates should be reduced four years after the published effective date to reflect the removal of the amortized rate case expense?

Recommendation: The water and wastewater rates should be reduced as shown on Schedule Nos. 4-A and 4-B of staff's memorandum dated October 26, 2017, to remove rate case expense grossed-up for RAFs and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period. The Utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If Four Lakes files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

<u>Issue 12:</u> Should the recommended rates be approved for Four Lakes on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates should not be implemented until staff has approved the proposed notice, and the notice has been received by the customers. Prior to implementation of any temporary rates, the Utility should provide appropriate security. If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the analysis portion of staff's memorandum dated October 26, 2017. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission Clerk's office no later than the 20th of every month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

ITEM NO. CASE

4**PAA

Docket No. 20160176-WS – Application for staff-assisted rate case in Polk County by Four Lakes Golf Club, Ltd.

(Continued from previous page)

<u>Issue 13:</u> Should Four Lakes be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision?

Recommendation: Yes. The Utility should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision. Four Lakes should submit a letter within 90 days of the final order in this docket, confirming that the adjustments to all the applicable NARUC USOA primary accounts, as shown on Schedules No. 5-A and 5-B of staff's memorandum dated October 26, 2017, have been made to the Utility's books and records. In the event the Utility needs additional time to complete the adjustments, notice should be provided no later than seven days prior to deadline. Upon providing good cause, staff should be given administrative authority to grant an extension of up to 60 days.

Issue 14: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff's verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by staff, and that the pro forma projects have been completed. Once these actions are complete, this docket should be closed administratively.

ITEM NO. CASE

Docket No. 20170122-EI – Petition for exemption under Rule 25-22.082(18), F.A.C., from issuing a request for proposals (RFPs) for modernization of the Lauderdale Plant, by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ENG: Ellis, Thompson

GCL: Murphy

(Motion for Reconsideration - Oral Argument Not Requested - Participation at the Discretion of the Commission)

Issue 1: Should the Commission grant ISS's Petition to Intervene?

Recommendation: No. The Commission should deny ISS's Petition to Intervene.

<u>Issue 2:</u> Should the Commission grant ISS's Motion for Reconsideration of the Order Denying Sierra Club's Petition?

Recommendation: No. The Commission should deny ISS's Motion for Reconsideration of the Order Denying Sierra Club's Petition.

Issue 3: Should this docket be closed?

Recommendation: Yes. The PAA Order at issue in this docket is final upon the issuance of a consummating order. If the Commission agrees with the staff recommendation in either Issue 1 or 2 of this recommendation, this docket should be closed upon the issuance of an order consummating Order No. PSC-2017-0287-PAA-EI.

ITEM NO. CASE

6**PAA

Docket No. 20170169-EI – Petition of Gulf Power Company for approval of negotiated renewable energy power purchase agreement with Bay County, Florida.

Critical Date(s): May 28, 2018 - Pursuant to the Contract, either party may terminate the agreement if the Commission has not approved it within 300 days of the petition's filing date.

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: ENG: Thompson, Ellis

ECO: Higgins GCL: DuVal

<u>Issue 1:</u> Should the Commission approve Gulf Power Company's petition for approval of a negotiated renewable energy power purchase agreement (PPA) with Bay County, Florida?

Recommendation: Yes. Payments for energy are expected to produce net present value (NPV) savings of approximately \$250,000 over the term of the Contract. Also, the Contract is substantially similar to the contracts between Gulf and Bay County previously approved by the Commission. Therefore, staff recommends that the Commission approve Gulf's petition for approval of a negotiated renewable energy PPA with Bay County, Florida. Staff further recommends that Gulf should be permitted to petition for recovery of costs associated with the Contract through the Fuel and Purchased Power Recovery Clause. As part of the Contract, Gulf will receive any renewable attributes or RECs resulting from electrical energy generated at the Bay County facility during the Contract term, but any proceeds received from these items should be returned to the ratepayers.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively.

ITEM NO. CASE

7**PAA

Docket No. 20160065-WU – Application for increase in water rates in Charlotte County by Bocilla Utilities, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: ENG: Hill, Graves, King

AFD: Fletcher, Frank, Norris

ECO: Hudson, Johnson GCL: DuVal, Crawford

<u>Issue 1:</u> Should the Utility's quality of service be considered satisfactory and should its request to remove the 50 basis point reduction to its ROE be granted?

Recommendation: Yes. The 50 basis point reduction to Bocilla's ROE should be removed and the Utility's quality of service should be considered satisfactory at this time. Bocilla's rates, which would include the November 1, 2017 index, should be increased by 0.16 percent as shown on Schedule No. 1 of staff's memorandum dated October 26, 2017. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), Florida Administrative Code (F.A.C.). In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued and the docket should be closed administratively.

ITEM NO. CASE

8**

Docket No. 20160248-WS – Application for original certificates to provide water and wastewater service in Polk County by Deer Creek RV Golf & Country Club, Inc.

Critical Date(s): 11/07/17 (Statutory Deadline for original certificate pursuant to Section 367.031, Florida Statutes, waived by applicant until this date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ENG: P. Buys, Knoblauch

AFD: Andrews, Fletcher, Norris

ECO: Bruce GCL: Taylor

<u>Issue 1:</u> Should the application for water and wastewater certificates by Deer Creek RV Golf & Country Club, Inc. be approved?

Recommendation: Yes. Deer Creek should be granted Certificate Nos. 670-W and 572-S to serve the territory described in Attachment A of staff's memorandum dated October 26, 2017, effective the date of the Commission's vote. The resultant order should serve as Deer Creek's water and wastewater certificates and it should be retained by the Utility. Staff recommends that the existing rates, as shown on Schedule No. 1 of staff's memorandum dated October 26, 2017, remain in effect until a change is authorized by this Commission in a subsequent proceeding.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, no further action is required by the Commission and the docket should be closed upon the issuance of the final order.

ITEM NO. CASE

9**PAA

Docket No. 20170182-EI – Petition for approval of depreciation rates for various accounts, by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: ECO: Wu GCL: Taylor

<u>Issue 1:</u> Should the Commission approve TECO's petitioned depreciation rates for seven subaccounts 346.xx – Miscellaneous Power Plant Equipment?

Recommendation: Yes. Staff recommends that the annual depreciation rates applicable to TECO's seven subaccounts 346.xx – Miscellaneous Power Plant Equipment, as detailed in Table 1-1 in the analysis portion of staff's memorandum dated October 26, 2017, be approved.

<u>Issue 2:</u> What should be the effective date if TECO's petitioned depreciation rates discussed in Issue 1 are approved?

Recommendation: Staff recommends that any Commission newly-approved depreciation rates applicable to the seven subaccounts 346.xx – Miscellaneous Power Plant Equipment, become effective upon the Commission's issuance of a Consummating Order in this docket.

Issue 3: Should this docket be closed?

Recommendation: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE

10**

Docket No. 20170209-EI – Petition for approval of modifications to business incentive rate riders, by Gulf Power Company.

Critical Date(s): 60 Day Effective Date: 11/25/17

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Morgan, Coston, Guffey

GCL: Trierweiler

<u>Issue 1:</u> Should the Commission approve Gulf's petition for modifications to its Business Incentive Rate Riders?

Recommendation: Yes, the Commission should approve Gulf's petition for modifications to its Business Incentive Rate Riders effective November 7, 2017.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenue held subject to refund, pending resolution of a protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE

11**PAA

Docket No. 20170180-GU – Petition by the Florida Division of Chesapeake Utilities Corporation for approval of special contract with Mosaic Fertilizer LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: ECO: Doherty, Draper

GCL: Mapp

<u>Issue 1:</u> Should the Commission approve the special contract between Chesapeake and Mosaic?

Recommendation: Yes. The Commission should approve the special contract shown in Attachment A of staff's memorandum dated October 26, 2017, between Chesapeake and Mosaic. The contract should be effective as of the date of the Commission's vote.

Issue 2: Should this docket be closed?

Recommendation: If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ITEM NO. CASE

12**

Docket No. 20170191-GU — Joint petition for approval of revised swing service rider rates for the period January through December 2018, by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade and Florida Division of Chesapeake Utilities Corporation.

Critical Date(s): 8-Month Effective Date: 05/01/18 (60-day suspension date waived by the utility)

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Draper, Doherty

GCL: Taylor

<u>Issue 1:</u> Should the Commission approve the Companies' revised swing service rider rates for the period January through December 2018?

Recommendation: Yes. The Commission should approve the proposed swing service rider rates, as revised on October 23, 2017, for the period January through December 2018.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariff should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE

13**

Docket No. 20170189-GU – Petition for approval of safety, access, and facility enhancement program (SAFE) true-up and associated cost recovery factors, by Florida City Gas.

Critical Date(s): 8-Month Effective Date: 04/30/18 (60-day suspension date waived by the utility)

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Guffey GCL: Janjic

<u>Issue 1:</u> Should the Commission approve City Gas' proposed SAFE factors effective January 2018?

Recommendation: Yes. The Commission should approve City Gas' proposed SAFE factors with an effective date of the first billing cycle of January 2018.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE

14**

Docket No. 20170190-GU — Joint petition for approval of gas reliability infrastructure program (GRIP) cost recovery factors by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

Critical Date(s): 8-Month Effective Date: 5/1/18 (60-day suspension date waived by the

utility)

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Ollila

GCL: Brownless

<u>Issue 1:</u> Should the Commission approve FPUC's, Chesapeake's, and Fort Meade's proposed GRIP surcharges for 2018?

Recommendation: Yes, the Commission should approve FPUC's, Chesapeake's, and Fort Meade's proposed 2018 GRIP surcharge for each rate class effective for all meter readings for the period January – December 2018.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE

15**

Docket No. 20170192-GU – Petition for approval of 2016 true-up, projected 2017 true-up, and 2018 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider, by Peoples Gas System.

Critical Date(s): 8-Month Effective Date: 5/1/18 (60-day suspension date waived by the

utility)

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Ollila

GCL: Brownless

Issue 1: Should the Commission approve Peoples' proposed rider surcharges for 2018? **Recommendation:** Yes, the Commission should approve Peoples' proposed 2018 rider surcharge for each rate class commencing with bills rendered for meter readings taken on and after January 1, 2018.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariff should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE

16**

Docket No. 20170078-WU – Request for approval of an increase to convenience fees charged to customers, by Wildwood Water Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Friedrich, Hudson

GCL: DuVal

Issue 1: Should this docket be closed?

Recommendation: Yes. This docket should be closed because no further action is

required.

ITEM NO. CASE

17**

Docket No. 20130178-SU – Application for staff-assisted rate case in Polk County by Crooked Lake Park Sewerage Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: ECO: Bruce, Hudson

GCL: DuVal

<u>Issue 1:</u> Should the Commission approve Crooked Lake's request for extension of time to complete the remaining Phase II pro forma projects?

Recommendation: Yes. The Commission should approve Crooked Lake's request for an extension of time to complete the remaining Phase II pro forma projects by March 31, 2018. Upon completion of the pro forma plant items, the utility should submit a copy of the final invoices and cancelled checks for the remaining Phase II pro forma projects and documentation that the general liability insurance is being maintained by April 30, 2018.

Issue 2: Should this docket be closed?

Recommendation: No. The docket should remain open to allow staff time to verify that the Phase II pro forma projects have been completed, that the supporting documentation related to the pro forma projects and insurance have been provided, and the Phase II rates have been properly implemented. Once these actions are complete and verified by staff this docket should be closed administratively.

ITEM NO. CASE

18**PAA

Docket No. 20170152-SU – Request for approval of a late payment charge in Volusia County, by North Peninsula Utilities Corporation.

Critical Date(s): None

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Sibley GCL: Taylor

Issue 1: Should NPUC's request to implement a late payment charge be approved?

Recommendation: Yes. NPUC's request to implement a \$6.77 late payment charge should be approved. The utility should file the revised tariff sheet and a proposed customer notice to reflect the Commission-approved charge. The approved charge should be effective for services rendered on or after the stamped approval date on the tariff sheet provided customers have received notice pursuant to Rule 25-30.475(1), Florida Administrative Code (F.A.C.). The utility should provide proof of noticing within 10 days of rendering the approved notice.

Issue 2: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff's verification that the revised tariff sheets and customer notice have been filed by the utility and approved by staff. Once these actions are complete, this docket should be closed administratively.