

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Thursday, March 1, 2018, 9:30 a.m.

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

DATE ISSUED: February 22, 2018*

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*.

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

*Revised to insert the late-filed Item 4.

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ITEM NO.

CASE

1**

Consent Agenda

PAA

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

DOCKET NO.

COMPANY NAME

20180023-TX

Teliax, Inc.

20180017-TX

Lightower Fiber Networks II, LLC

Recommendation: The Commission should approve the action requested in the dockets referenced above and close these dockets.

ITEM NO.

CASE

2**

Docket No. 20180029-WS – Proposed amendment of Rule 25-30.433, F.A.C., Rate Case Proceedings.

Rule Status: Proposed

Commissioners Assigned: All Commissioners

Prehearing Officer: Brown

Staff: GCL: Cowdery

AFD: Fletcher

ECO: Draper, Guffey

ENG: King, Graves

(Proposal May Be Deferred)

Issue 1: Should the Commission propose the amendment of Rule 25-30.433, Rate Case Proceedings, F.A.C?

Recommendation: Yes, the Commission should propose the amendment of Rule 25-30.433, F.A.C., as set forth in Attachment A of staff's recommendation dated February 16, 2018. Staff recommends that the Commission certify proposed amended Rule 25-30.433, F.A.C., as a minor violation rule.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing or comments are filed, the rule should be filed with the Department of State, and the docket should be closed.

ITEM NO.

CASE

3

Docket No. 20170273-EQ – Petition by Sunrun Inc. for declaratory statement concerning leasing of solar equipment.

Critical Date(s): 03/29/18 (Final Order must be issued by this date pursuant to Section 120.565(3), Florida Statutes)

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: GCL: Harper

IDM: B. Crawford

(Parties May Participate at the Commission's Discretion)

Issue 1: Should the Commission grant Sunrun's Petition for Declaratory Statement?

Recommendation: Yes. Based on the facts presented by Sunrun, the Commission should grant Sunrun's Petition and declare: (1) Sunrun's residential solar equipment lease does not constitute a sale of electricity; (2) offering its solar equipment lease to customers in Florida will not cause Sunrun to be deemed a public utility under Florida law; and (3) the residential solar equipment lease described in its Petition will not subject Sunrun or Sunrun's customer-lessees to regulation by the Commission. The Commission should also state that its declaration is limited to the facts described in Sunrun's Petition and would not apply to different, alternative facts.

Issue 2: Should this docket be closed?

Recommendation: Yes, if the Commission votes to either grant or deny the Petition for Declaratory Statement, the docket should be closed.

ITEM NO.

CASE

4

Docket No. 20170259-WU – Petition for declaratory statement regarding the applicability of approved water service availability charges in Lake County, by Harbor Waterworks, Inc.

Critical Date(s): March 12, 2018 - Order must be issued by this date pursuant to Section 120.565(3), F.S.

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: GCL: Page

ECO: Daniel, Hudson

(Participation is at the Commission's discretion)

Issue 1: Should the Commission grant Harbor Waterworks' Petition for Declaratory Statement?

Recommendation: The Commission should grant the Petition to the extent that it addresses the very narrowly framed question posed in staff's analysis and declare that Order Nos. 23039 and 23039-A, which established service availability charges for Harbor Waterworks, apply to the utility's irrigation connections. The Commission should state that the declaratory statement is controlling only as to the facts described in Harbor Waterworks' Petition and would not apply to different, alternative facts.

Issue 2: Should this docket be closed?

Recommendation: Yes, if the Commission votes to either grant or deny the Petition for Declaratory Statement, the docket should be closed.

ITEM NO.

CASE

5**PAA

Docket No. 20170217-TX – Bankruptcy cancellation by Florida Public Commission of CLEC Certificate No. 8604, issued to Pac-West Telecomm, Inc., effective March 19, 2013.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: IDM: Wooten, Bates

ECO: McCoy

GCL: Cuello

Issue 1: Should the Commission cancel Pac-West Telecomm, Inc.’s, CLEC certificate, service schedule (if any), and change the company’s status to “cancelled” in the Master Commission Directory on its own motion effective the date the company’s Chapter 11 Bankruptcy case was terminated; direct the Division of Administrative and Information Technology Services (AIT) to write off any statutory late payment charges, or penalty and interest instead of requesting collection services; and require the company to immediately cease and desist providing telecommunications services in Florida?

Recommendation: Yes, the Pac-West’s CLEC certificate should be cancelled on the Commission’s own motion due to the company’s lack of payment of regulatory fees. AIT should write off any unpaid statutory late payment charges, or penalty and interest instead of requesting collection service.

Issue 2: 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

6**

Docket No. 20170252-EI – Petition for approval of experimental curtailable demand-side management program, by Gulf Power Company.

Critical Date(s): 60-Day Tariff Suspension waived until 03/01/2018

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ENG: Mtenga

ECO: Draper

GCL: Dziechciarz

Issue 1: Should the Commission approve Gulf Power Company's request to include its experimental Curtailable Load program and associated tariffs in the Company's DSM plan?

Recommendation: Yes. The Curtailable Load program fulfills a requirement of the Settlement reached in Gulf's 2016 base rate proceeding. It fulfills the policy objectives of the Florida Energy Efficiency and Conservation Act (FEECA), it is directly monitorable, yields measurable results and it is cost effective. Staff recommends approval of Gulf's proposed experimental Curtailable Load program and associated tariffs.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed and the tariffs shall become effective upon the issuance of the consummating order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the consummating order. If a timely protest is filed, the tariffs should not go into effect, pending resolution of the protest.

ITEM NO.

CASE

7**

Docket No. 20170223-SU – Application for establishment of wastewater allowance for funds prudently invested (AFPI) charges in Highlands, Lake, Marion, Pasco and Pinellas Counties, by Utilities, Inc. of Florida.

Critical Date(s): 06/16/18 (8-Month Effective Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Bruce

GCL: Trierweiler

Issue 1: Should UIF be authorized to collect the proposed AFPI charges for its Labrador, Lake Placid, Mid-County, and UIF-Marion wastewater systems?

Recommendation: Yes. UIF should be authorized to collect the proposed AFPI charges, shown on Attachment A of staff's recommendation dated February 16, 2018, from future wastewater customers in its Labrador, Lake Placid, Mid-County, and UIF-Marion systems. After December 31, 2020, the utility should be allowed to collect the constant charge until the projected ERCs included in the calculation of the charge have been added, upon which the charges should be discontinued. The AFPI charges should apply to future connections of 155 ERCs for Labrador, 226 ERCs for Lake Placid, 203 ERCs for Mid-County, and 45 ERCs for the UIF-Marion system.

UIF should provide notice to property owners who have requested service during the 12 months prior to the month the request for AFPI charges was filed. The approved charges should be effective for connections made on or after the stamped approval date on the tariff sheets. The Utility should provide proof of noticing within 10 days of providing its approved notice.

ITEM NO.

CASE

7**

Docket No. 20170223-SU – Application for establishment of wastewater allowance for funds prudently invested (AFPI) charges in Highlands, Lake, Marion, Pasco and Pinellas Counties, by Utilities, Inc. of Florida.

(Continued from previous page)

Issue 2: Should UIF be authorized to collect the proposed AFPI charges for its LUSI wastewater system?

Recommendation: No. UIF’s proposed tariff as filed should be denied. UIF should be given the option to file a revised tariff within 10 days of the Commission’s vote, for administrative approval by staff, that reflects the non U&U costs associated with the LUSI WWTP, pursuant to Order No. PSC-2017-0361-FOF-WS, and accrued beginning January 1, 2016.

Upon staff’s administrative approval, UIF should be authorized to collect the proposed AFPI charges from future wastewater customers in its LUSI system. After December 31, 2020, the utility should be allowed to collect the constant charge until the projected ERCs included in the calculation of the charge have been added, upon which the charges should be discontinued. The AFPI charges should apply to 1,471 future ERCs.

UIF should provide notice to property owners who have requested service during the 12 months prior to the month the request for AFPI charges was filed. The approved charges should be effective for connections made on or after the stamped approval date on the tariff sheets. The Utility should provide proof of noticing within 10 days of providing its approved notice.

ITEM NO.

CASE

7**

Docket No. 20170223-SU – Application for establishment of wastewater allowance for funds prudently invested (AFPI) charges in Highlands, Lake, Marion, Pasco and Pinellas Counties, by Utilities, Inc. of Florida.

(Continued from previous page)

Issue 3: Should this docket be closed?

Recommendation: If the Commission approves staff's recommendation in Issue 1, the docket should remain open pending staff's verification that the revised tariff sheets and notice have been filed by the utility and approved by staff. If a protest is filed within 21 days of the issuance date of the Order, the approved tariff should remain in effect with the charge held subject to refund pending resolution of the protest. If no timely protest is filed, a consummating order should be issued.

If the Commission approves staff's recommendation in Issue 2, UIF timely files a revised AFPI tariff for its LUSI wastewater system, and a protest is filed within 21 days of the issuance of the order, the revised tariffs should remain in effect, with any revenues held subject to refund, pending staff's verification that the revised tariff sheets and notice have been filed by the utility and approved by staff; the docket should remain open pending resolution of the protest. If UIF timely files a revised AFPI tariff for its LUSI wastewater system and no timely protest is filed with respect to that issue, the docket should remain open pending staff's verification that the revised tariff sheets and notice have been filed by the utility and approved by staff, a consummating order should be issued, and the docket should be closed administratively.

If the Commission approves staff's recommendation in Issue 2, UIF does not timely file a revised AFPI tariff meeting the conditions of the order, and a protest is filed within 21 days of the issuance of the order, the tariffed charges originally requested by UIF could be placed into effect, with any revenues held subject to refund, pending staff's verification that the revised tariff sheets and notice have been filed by the utility and approved by staff; the docket should remain open pending resolution of the protest. If UIF does not timely file a revised AFPI tariff with respect to its LUSI wastewater system and no timely protest is filed, a consummating order should be issued, and the docket closed administratively.

ITEM NO.

CASE

8**

Docket No. 20180025-WS – Application for approval of tariff for the gross-up of CIAC in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties, by Utilities, Inc. of Florida.

Critical Date(s): 03/30/18 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Bruce, Hudson

AFD: Cicchetti

GCL: J. Crawford

Issue 1: Should UIF’s request for approval of a tariff to allow the gross-up of CIAC be approved?

Recommendation: Yes, the proposed tariff should be approved. The gross-up amounts should be collected subject to refund pending resolution of Docket No. 20180013-PU and guaranteed by a corporate undertaking. UIF should provide notice to property owners who have requested service during the 12 months prior to the month the request for gross-up of CIAC was filed. The approved gross-up charges should be effective for connections made on or after the stamped approval date on the tariff sheets. The utility should provide proof of noticing within 10 days of rendering its approved notice. In addition, UIF should be required to file with its Annual Report, a calculation detailing: (1) the amounts of cash and property contributions received during the reporting year; (2) the calculation of the utility’s tax liability for the reporting year; and (3) the amount of taxes actually collected on CIAC for the reporting year. The reporting requirement should begin with the 2018 Annual Report and continue each year thereafter.

Issue 2: Should this docket be closed?

Recommendation: If the Commission approves staff’s recommendation in Issue 1, the docket should remain open pending resolution of Docket No. 20180013-PU.

ITEM NO.

CASE

9

Docket No. 20170225-EI – Petition for determination of need for Dania Beach Clean Energy Center Unit 7, by Florida Power & Light Company.

Critical Date(s): 03/15/18 - Final decision within 135 days of petition per 403.519, Florida Statutes

Commissioners Assigned: Graham, Brown, Clark

Prehearing Officer: Clark

Staff: ENG: Wooten, Ellis, King
AFD: D. Buys, Cicchetti, Richards
ECO: Higgins, Stratis, Wu
GCL: Murphy, Cuello

(Post-Hearing Decision - Participation is Limited to Commissioners and Staff)

Issue 1: Is there a need for the proposed Dania Beach Clean Energy Center Unit 7, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: Yes. The record indicates that FPL has demonstrated a need for the DBEC Unit 7 in the 2024 to 2026 timeframe to maintain its system reliability and integrity. FPL's decision to retire the Lauderdale units in 2018 results in a significant impact on the Southeastern Florida region's reliability and FPL is responsible for ensuring that the reliability and integrity of Southeastern Florida is maintained. Once completed, the proposed DBEC Unit 7 will enhance FPL's system reliability. Further, as discussed in Issue 5, the primary issue in this proceeding is about the timing of the DBEC Unit 7 and its impact on regional reliability and system economics.

Issue 2: Are there any renewable energy sources and technologies or conservation measures taken by or reasonably available to FPL, which might mitigate the need for the proposed Dania Beach Clean Energy Center Unit 7?

Recommendation: No. No additional cost-effective renewable resource has been identified in this proceeding that could mitigate the need for new generation. Similarly, no additional cost-effective Demand-Side Management (DSM) has been identified in this proceeding that could mitigate the need for new generation.

Issue 3: Is there a need for the proposed Dania Beach Clean Energy Center Unit 7, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: Yes. The record indicates that FPL's financial, fuel and environmental cost estimates are reasonable. As discussed in Issue 5, the primary driver of this proposed plan is replacing the old outdated Lauderdale units with the more efficient DBEC Unit 7.

ITEM NO.

CASE

9

Docket No. 20170225-EI – Petition for determination of need for Dania Beach Clean Energy Center Unit 7, by Florida Power & Light Company.

(Continued from previous page)

Issue 4: Is there a need for the proposed Dania Beach Clean Energy Center Unit 7, taking into account the need for fuel diversity and supply reliability, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: While DBEC Unit 7 will not improve FPL's overall fuel diversity, the unit efficiency allows FPL to reduce the total amount of natural gas needed to serve the need of its customers. In addition, overall fuel supply reliability will be maintained because DBEC Unit 7 will use the existing oil backup infrastructure on the site.

Issue 5: Will the proposed Dania Beach Clean Energy Center Unit 7 provide the most cost-effective alternative available, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: Yes. The retirement and replacement of the Lauderdale units with DBEC Unit 7 is estimated to result in a net present value (NPV) savings of approximately \$299 million to \$364 million. Therefore, DBEC Unit 7 is the most cost-effective alternative that maintains FPL's system and Southeastern Florida area reliability compared to other alternatives.

Issue 6: Based on the resolution of the foregoing issues and other matters within its jurisdiction which it deems relevant, should the Commission grant FPL's petition to determine the need for the proposed Dania Beach Clean Energy Center Unit 7?

Recommendation: Yes.

Issue 7: Should this docket be closed?

Recommendation: Yes. Upon issuance of an order on FPL's petition to determine the need for the proposed DBEC Unit 7, this docket shall be closed after the time for filing an appeal has run.

ITEM NO.

CASE

10**

Docket No. 20170271-EI – Petition for recovery of costs associated with named tropical systems during the 2015, 2016, and 2017 hurricane seasons and replenishment of storm reserve subject to final true-up, Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: Brown, Polmann, Fay

Prehearing Officer: Brown

Staff: AFD: Passett, Mouring, D. Buys

ECO: Draper, Guffey

ENG: P. Buys, Graves

GCL: J. Crawford, Mapp, Janjic

(Preliminary Procedural)

Issue 1: Should the Commission authorize Tampa Electric to implement interim Storm Cost Recovery Charge factors?

Recommendation: Yes, the Commission should authorize Tampa Electric to implement interim Storm Cost Recovery Charge factors, subject to refund. Once the total actual storm costs are known, Tampa Electric should be required to file documentation of the storm costs for Commission review and true-up of any excess or shortfall.

The appropriate security to guarantee the funds collected subject to refund is a corporate undertaking.

Issue 2: Should the Commission approve Tampa Electric's proposed tariffs and associated charges?

Recommendation: Yes. The Commission should approve Tampa Electric's tariffs as proposed in the amended petition to go into effect with the first billing cycle in April 2018.

Issue 3: Should this docket be closed?

Recommendation: No, this docket should remain open pending final reconciliation of actual recoverable storm costs with the amount collected pursuant to the interim Storm Cost Recovery Charge factors, and the calculation of a refund or additional charge if warranted.