

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, June 5, 2018, 9:30 a.m.

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

DATE ISSUED: May 25, 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).

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*Revised to insert the late-filed Item 5.

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ITEM NO.

CASE

1

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

Rule Status: May be deferred

Commissioners Assigned: All Commissioners

Prehearing Officer: Brown

Staff: GCL: Cowdery

AFD: Fletcher

ECO: Draper, Guffey

ENG: Graves, King

(Post-Hearing Recommendation - Participation Limited to Commissioners and Staff)

Issue 1: Should the Commission make the Office of Public Counsel's suggested changes to paragraphs (1)(d) and (2)(c) of proposed Rule 25-30.433, F.A.C.?

Recommendation: No. Staff recommends that the Commission should not make changes to paragraphs (1)(d) and (2)(c) of proposed Rule 25-30.433, F.A.C. Proposed Rule 25-30.433, F.A.C., as set forth in Attachment A of staff's memorandum dated May 23, 2018, should be filed with the Department of State pursuant to the provisions of Section 120.54, F.S.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, the rule may be then filed for adoption with the Department of State no sooner than 14 days after the June 5, 2018, Agenda Conference, and this docket should be closed.

ITEM NO.

CASE

2

Docket No. 20180055-GU – Petition to resolve territorial dispute in Sumter County and/or Lake County with City of Leesburg and/or South Sumter Gas Company, LLC, by Peoples Gas System.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: GCL: Trierweiler, Harper

ECO: Draper, Guffey, Merryday

ENG: Moses

(Motion to Dismiss - Oral Argument Requested - Participation is at the Commission's Discretion)

Issue 1: Should oral argument on SSGC's and Leesburg's Motions to Dismiss be granted?

Recommendation: Yes. Oral argument on SSGC's and Leesburg's Motions to Dismiss should be granted. The parties should be allowed 5 minutes per side to make their arguments.

Issue 2: Should the Commission grant SSGC's and Leesburg's Motions to Dismiss?

Recommendation: The Commission should deny the Motions to Dismiss Peoples' Petition because Peoples' Petition contains a sufficient statement of the ultimate facts as required by Rule 28-106.201, F.A.C. (Initiation of Proceedings) and the specific pleading requirements of Rule 25-7.0472, F.A.C. (Territorial Disputes for Natural Gas Utilities).

Issue 3: Should this docket be closed?

Recommendation: If the Commission denies SSGC's and Leesburg's motions to dismiss, the docket should remain open to address Peoples' petition to resolve the territorial dispute. Alternatively, if the Commission votes to grant the motions to dismiss, the docket should be closed upon the issuance of a final order.

ITEM NO.

CASE

3

Docket No. 20180085-GU – Petition by Peoples Gas System for issuance of an order to the City of Leesburg and South Sumter Gas Company, LLC, to show cause why they should not be regulated by the Commission as a public utility as defined in Section 366.02(1), F.S., etc.

Critical Date(s): May not be deferred - statutory deadline for issuing final order on declaratory statement is July 1, 2018

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: GCL: Harper, Trierweiler

ECO: Draper

(Motions to Dismiss - Oral Argument Requested)

Issue 1: Should oral argument on SSGC's and Leesburg's Motions to Dismiss be granted?

Recommendation: Yes. Oral argument on SSGC's and Leesburg's Motions to Dismiss should be granted. The parties should be allowed 5 minutes per side to make their arguments.

Issue 2: Should the Commission grant SSGC's and Leesburg's Motions to Dismiss Peoples' Petition?

Recommendation: Yes. The Commission should grant SSGC's and Leesburg's Motions to Dismiss.

Issue 3: Should this docket be closed?

Recommendation: If the Commission approves staff's recommendation in Issue 1, the docket should be closed.

ITEM NO.

CASE

4**PAA

Docket No. 20170231-EI – Petition for approval to transfer Martin-Riviera Lateral Pipeline to Florida Southeast Connection and implement associated rate adjustments, by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: AFD: Barrett

ECO: Guffey, Higgins

GCL: Brownless

Issue 1: Should the Commission approve FPL's Amended Petition for approval to transfer the Martin-Riviera lateral pipeline to Florida Southeast Connection and implement the associated rate adjustments?

Recommendation: Yes. The Commission should approve FPL's Amended Petition to transfer the Martin-Riviera lateral pipeline to Florida Southeast Connection. The associated rate adjustments should become effective with the September 2018 billing cycle, which begins on September 1, 2018. The Commission should give staff authority to administratively approve the tariff sheets implementing the approved rate adjustments.

Issue 2: Should this docket be closed?

Recommendation: This docket should be closed upon issuance of a 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 Commission's Proposed Agency Action Order.

ITEM NO.

CASE

5**PAA

Docket No. 20170235-EI – Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.

Docket No. 20170236-EU – Joint petition to terminate territorial agreement, by Florida Power & Light Company and the City of Vero Beach.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: AFD: D. Smith, Mouring

ECO: Draper, Guffey

ENG: P. Buys, Graves, King

GCL: Cowdery

Issue 1: Should the Commission grant FPL the authority to charge FPL's rates and charges to COVB's customers upon the closing date of the PSA?

Recommendation: Yes, the Commission should grant FPL the authority to charge FPL's approved rates and charges to COVB's customers effective upon the closing date of the PSA because they would become FPL customers. FPL should notify COVB's customers of the new rates and charges with the first bill containing the new rates.

Issue 2: Should the Commission approve the joint petitioners' request to terminate the existing territorial agreement between FPL and the City of Vero Beach upon the closing date of the PSA?

Recommendation: Yes, the Commission should approve the joint petitioners' request to terminate the existing territorial agreement between FPL and the City of Vero Beach effective upon the closing date of the PSA. Upon closing of the PSA, FPL should file revised tariff sheets Nos. 3.020, 3.010, and 7.020 to reflect the addition of the COVB service area to the description of territory and communities served. Commission staff should be given authority to administratively approve these tariff sheets consistent with the Commission's decision.

Issue 3: Should the Commission authorize FPL to recognize a positive acquisition adjustment on its books associated with the purchase of the COVB electric utility system?

Recommendation: Yes. The extraordinary circumstances demonstrated in this case support approval for FPL to record a positive acquisition adjustment in the amount of \$21.3 million on its books in Federal Energy Regulatory Commission (FERC) Account 114 - Electric Plant Acquisition Adjustments and to amortize this amount over the requested period of 30 years.

ITEM NO.

CASE

5**PAA

Docket No. 20170235-EI – Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.
Docket No. 20170236-EU – Joint petition to terminate territorial agreement, by Florida Power & Light Company and the City of Vero Beach.

(Continued from previous page)

Issue 4: Should the Commission approve recovery of costs associated with the short-term power purchase agreement with OUC?

Recommendation: Consistent with staff's recommendation in Issue 3, staff recommends that the recovery of payments to OUC should be limited to actual annual savings and should be recovered through the Fuel and Purchased Power Cost Recovery Clause.

Issue 5: 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

6**PAA

Docket No. 20180006-WS – Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: AFD: Richards, D. Buys, Cicchetti

GCL: Harper

Issue 1: Should the leverage formula methodology be modified?

Recommendation: Yes. Several refinements should be made to the leverage formula methodology to reflect newly available information and to reflect best practices. The leverage formula methodology should be modified to include a combined proxy group of natural gas and WAW utilities with updated financial data based on market-capitalization based weighted averages. Also, the cost of debt used in determining the leverage formula should be based on the projected cost of debt.

Issue 2: What is the appropriate range of returns on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), Florida Statutes?

Recommendation: The leverage formula methodology described in Issue 1 should be applied using a proxy group comprised of natural gas and WAW utilities and updated financial data. Accordingly, the following leverage formula should be used until the leverage formula is addressed again in 2019:

$$\text{ROE} = 6.24\% + (1.94 \div \text{Equity Ratio})$$

Where the Equity Ratio = Common Equity ÷ (Common Equity + Preferred Equity + Long-Term and Short-Term Debt)

Range: 8.18% at 100% equity to 11.08% at 40% equity

Additionally, the Commission should cap returns on common equity at 11.08 percent for all WAW utilities with equity ratios less than 40 percent. This is in an effort to discourage imprudent financial risk. This cap is consistent with the methodology in Order No. PSC-2008-0846-FOF-WS.

Issue 3: Should this docket be closed?

Recommendation: No. Upon expiration of the protest period, if a timely protest is not received from a substantially affected person, the decision should become final and effective upon the issuance of a Consummating Order. However, this docket should remain open to allow staff to monitor changes in capital market conditions and to readdress the reasonableness of the leverage formula as conditions warrant.

ITEM NO.

CASE

7**

Docket No. 20180001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: AFD: Barrett, Galloway

ECO: Draper, Guffey

GCL: Brownless

Issue 1: Should the Commission approve FPL's Mid-Course Petition to correct its capacity cost recovery factors and the associated tariff sheets?

Recommendation: Yes. FPL's request for mid-course correction to its 2018 capacity cost recovery factors and the associated tariff sheets should be approved. The recommended capacity cost recovery factors are presented in Attachment A of staff's memorandum dated May 23, 2018, and the associated tariff sheets are presented in Attachment B of staff's memorandum dated May 23, 2018. The revised capacity cost recovery factors and the associated tariff sheets should become effective with the July 2018 billing cycle, which begins on July 1, 2018. The Commission should give staff administrative authority to approve the tariff sheets implementing the approved rate adjustments.

Issue 2: Should this docket be closed?

Recommendation: The fuel docket is on-going and should remain open.

ITEM NO.

CASE

8**

Docket No. 20180007-EI – Environmental cost recovery clause.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ENG: Mtenga, King

GCL: Murphy

Issue 1: Should the Commission approve FPL’s Mid-Course Petition to correct its 2018 ECRC factors and associated tariff sheets?

Recommendation: Yes. Staff recommends approval of FPL’s Mid-Course Petition which was filed to address a federal tax reduction. Approval will allow for a reduction in the ECRC factors and will decrease customer bills. The revised factors and associated tariffs should become effective July 1, 2018.

Issue 2: Should this docket be closed?

Recommendation: No. The ECRC docket is on-going and should remain open.

ITEM NO.

CASE

9**PAA

Docket No. 20180073-EQ – Petition for approval of amended standard offer contract (Schedule COG-2) based on a combustion turbine avoided unit, by Duke Energy Florida, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Wooten, Ellis, Wright

ECO: Wu

GCL: Murphy

Issue 1: Should the Commission approve the amended standard offer contract and associated rate schedule COG-2 filed by Duke Energy Florida?

Recommendation: Yes. The provisions of DEF's amended standard offer contract and associated rate schedule COG-2, as filed on March 29, 2018, and as modified by the revisions to Sheet 9.458 filed on May 8, 2018, and Sheet 9.415 filed on May 16, 2018, conform to all requirements of Rules 25-17.200 through 25-17.310, F.A.C. The amended standard offer contract provides flexibility in the arrangements for payments so that a developer of renewable generation may select the payment stream best suited to its financial needs.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a 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 Commission's Proposed Agency Action Order. Potential signatories should be aware that, if a timely protest is filed, DEF's standard offer contract may subsequently be revised.

ITEM NO.

CASE

10**PAA

Docket No. 20180081-EQ – Petition for approval of new standard offer for purchase of firm capacity and energy from renewable energy facilities or small qualifying facilities and approval of tariff schedule REF-1, by Gulf Power Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Wooten, Wright

ECO: Higgins

GCL: Dziechciarz

Issue 1: Should the Commission approve the revised standard offer contract and schedule REF-1 filed by Gulf Power Company?

Recommendation: Yes. The provisions of Gulf's revised standard offer contract and schedule REF-1 conform to all requirements of Rules 25-17.200 through 25-17.310, F.A.C. Gulf's revised standard offer contract provides flexibility in the arrangements for payments so that a developer of renewable generation may select the payment stream best suited to its financial needs. Staff recommends that Gulf's revised standard offer contract and schedule REF-1 be approved as filed.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a 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 Commission's Proposed Agency Action Order. Potential signatories should be aware that, if a timely protest is filed, Gulf's standard offer contract may subsequently be revised.

ITEM NO.

CASE

11**PAA

Docket No. 20180082-EQ – Petition for approval of revisions to standard offer contract and rate schedule COG-2, by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Wooten, Ellis, Wright

ECO: Wu

GCL: DuVal

Issue 1: Should the Commission approve the revised standard offer contract and associated rate schedule COG-2 filed by Tampa Electric Company?

Recommendation: Yes. The provisions of TECO's revised standard offer contract and associated rate schedule COG-2, as filed on April 2, 2018, conform to all requirements of Rules 25-17.200 through 25-17.310, F.A.C. The revised standard offer contract provides flexibility in the arrangements for payments so that a developer of renewable generation may select the payment stream best suited to its financial needs.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a 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 Commission's Proposed Agency Action Order. Potential signatories should be aware that, if a timely protest is filed, TECO's standard offer contract may subsequently be revised.

ITEM NO.

CASE

12**PAA

Docket No. 20180083-EQ – Petition for approval of renewable energy tariff and standard offer contract, by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Wooten, Ellis, Wright

ECO: Higgins

GCL: Dziechciarz

Issue 1: Should the Commission approve the amended renewable energy tariff and standard offer contract filed by Florida Power & Light Company?

Recommendation: Yes. The provisions of FPL's revised renewable energy tariff and standard offer contract conform to the requirements of Rules 25-17.200 through 25-17.310, F.A.C. FPL's 2018 Ten-Year Site Plan does not include any avoidable fossil fueled generating units, but has a projected planned purchase of 325 megawatt (MW) in 2019 that is FPL's next planned purchase that could be avoided or deferred. FPL has also identified its next avoidable unit which is a 1,778 MW natural gas-fired combined cycle unit at a greenfield site with an expected in-service date of June 1, 2028. FPL's revised standard offer contract provides flexibility in the arrangement for payments so that a developer of renewable generation may select the payment stream best suited to its financial needs. Staff recommends that FPL's revised renewable energy tariff and standard offer contract be approved as filed.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a 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 Commission's Proposed Agency Action Order. Potential signatories should be aware that, if a timely protest is filed, FPL's standard offer contract may subsequently be revised.

ITEM NO.

CASE

13**PAA

Docket No. 20180091-EQ – Petition for approval of revisions to standard offer for energy purchased from cogenerators and renewable generating facilities and standard offer contract for purchases of firm capacity and energy, by Florida Public Utilities Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Wooten, Ellis, Wright

GCL: Dziechciarz

Issue 1: Should the Commission approve the revisions to the standard offer rate schedule and standard offer contract filed by Florida Public Utilities Company?

Recommendation: Yes. FPUC's revised standard offer rate schedule and standard offer contract conform to all the requirements of Rules 25-17.200 through 25-17.310, F.A.C., and reflect the avoidable costs associated with FPUC's power purchase agreements.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a 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 Commission's Proposed Agency Action Order. Potential signatories should be aware that, if a timely protest is filed, FPUC's standard offer contract may subsequently be revised.

ITEM NO.

CASE

14**PAA

Docket No. 20170155-WU – Application for grandfather water certificate in Leon County and application for pass through increase of regulatory assessment fees, by Seminole Waterworks, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brown

Staff: ENG: Watts
ECO: Friedrich
GCL: Janjic, J. Crawford

(Proposed Agency Action for Issues 3-6)

Issue 1: Should Seminole Waterworks, Inc.'s application for a grandfather water certificate in Leon County be acknowledged?

Recommendation: Yes. Seminole's application should be acknowledged and the Utility should be issued Certificate No. 672-W, effective June 20, 2017, to serve the territory described in Attachment A of staff's memorandum dated May 23, 2018. The resultant order should serve as Seminole's certificate and should be retained by the Utility.

Issue 2: What rates and charges should be approved for Seminole Waterworks, Inc.?

Recommendation: The Utility's monthly service rates and convenience charge that were in effect when Leon County transferred jurisdiction to the Commission, shown on Schedule No. 1 of staff's memorandum dated May 23, 2018, should be approved. The rates should be effective for services rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge the approved rates and convenience charge until authorized to change them by this Commission in a subsequent proceeding.

Issue 3: Should the miscellaneous service charges requested by Seminole Waterworks, Inc. be approved?

Recommendation: Yes. The Utility's requested miscellaneous service charges should be approved and are identified in Table 3-5 of staff's memorandum dated May 23, 2018. The charges should be effective on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. In addition, the approved charges 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.

ITEM NO.

CASE

14**PAA

Docket No. 20170155-WU – Application for grandfather water certificate in Leon County and application for pass through increase of regulatory assessment fees, by Seminole Waterworks, Inc.

(Continued from previous page)

Issue 4: Should Seminole Waterworks, Inc.’s request to implement a late payment charge of \$6.50 be approved?

Recommendation: Yes. Seminole’s request to implement a \$6.50 late payment charge should be approved. Seminole should be required to file a proposed customer notice to reflect the Commission-approved charge. The approved charge should be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

Issue 5: Should Seminole Waterworks, Inc. be authorized to collect NSF Charges?

Recommendation: Yes. Seminole should be authorized to collect NSF charges. Staff recommends that the Utility revise its tariffs to reflect the NSF charges currently set forth in Section 68.065, F.S. The NSF charges should be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. Furthermore, the charges should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date the notice was given within 10 days of the date of the notice.

Issue 6: Should the requested initial customer deposits for Seminole Waterworks, Inc. be approved?

Recommendation: Yes. The appropriate initial customer deposit is \$69.14 for the residential 5/8 inch x 3/4 inch meter size. The initial customer deposit for all other residential meter sizes and all general service meter sizes should be two times the average estimated bill. The approved customer deposits should be effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to collect the approved initial customer deposits until authorized to change them by the Commission in a subsequent proceeding.

Issue 7: Should this docket be closed?

Recommendation: If no person whose substantial interests are affected by the proposed agency action portion of this recommendation 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 have been filed by the Utility and approved by staff. Once this action is complete, this docket should be closed administratively.

ITEM NO.

CASE

15**PAA

Docket No. 20170173-SU – Application for authority to transfer Certificate No. 538-S in Okeechobee County from Zachary Taylor Camping & Lodge, Inc. to Coastal Income Properties - Zachary Taylor LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: ENG: Knoblauch, Graves

AFD: Fletcher, Frank, Norris

ECO: Hudson, Sibley

GCL: DuVal

(Proposed Agency Action for Issue 2)

Issue 1: Should the transfer of the wastewater system and Certificate No. 538-S in Okeechobee County from Zachary Taylor Camping & Lodge, Inc. to Coastal Income Properties - Zachary Taylor LLC be approved?

Recommendation: Yes. The transfer of the wastewater system and Certificate No. 538-S is in the public interest and should be approved effective the date of the Commission vote. The resultant order should serve as the Buyer's certificate and should be retained by the Buyer. The existing rates should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariffs reflecting the transfer should be effective for service rendered on or after the stamped approval date on the tariffs pursuant to Rule 25-30.475, Florida Administrative Code (F.A.C.). Coastal Income will be responsible for paying 2018 regulatory assessment fees (RAFs) and all future RAFs. The Buyer should be responsible for filing the 2017 Annual Report and all future annual reports.

Issue 2: What is the appropriate net book value of the wastewater system for transfer purposes and should an acquisition adjustment be approved?

Recommendation: The net book value of the wastewater system for transfer purposes is \$13,282 as of March 4, 2016. An acquisition adjustment should not be included in rate base. Within 90 days of the date of the final order, Coastal Income should notify the Commission in writing that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in Coastal Income's 2017 Annual Report when filed.

ITEM NO.

CASE

15**PAA

Docket No. 20170173-SU – Application for authority to transfer Certificate No. 538-S in Okeechobee County from Zachary Taylor Camping & Lodge, Inc. to Coastal Income Properties - Zachary Taylor LLC.

(Continued from previous page)

Issue 3: Should this docket be closed?

Recommendation: If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the order, a consummating order should be issued and the docket should be closed administratively upon Commission staff's verification that the revised tariff sheets have been filed and the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision.

ITEM NO.

CASE

16**PAA

Docket No. 20170178-WS – Application for original certificates of authorization for existing utility currently charging for water and wastewater service in Polk County, by Coastal Income Properties - The Harbor, LLC d/b/a The Harbor.

Critical Date(s): 06/05/18 (Statutory deadline for original certificate pursuant to Section 367.031, Florida Statutes, waived by applicant until this date.)

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: ENG: Watts

AFD: Fletcher, Johnson, Norris

ECO: Bruce

GCL: Trierweiler

(Proposed Agency Action for Issue 2)

Issue 1: Should the application for water and wastewater certificates by Coastal Income be approved?

Recommendation: Yes. Coastal Income should be granted Certificate Nos. 671-W and 573-S to serve the territory described in Attachment A of staff's memorandum dated May 23, 2018, effective the date of the Commission's vote. The resultant order should serve as Coastal Income's water and wastewater certificates and it should be retained by the Utility.

Issue 2: What are the appropriate rates and charges for Coastal Income?

Recommendation: Staff recommends that the Utility be authorized to charge residential and general service flat rates of \$42 per month for water and \$42 per month for wastewater for all customers, with the exception of Hidden Harbor, which should be charged \$315 per month as shown on Schedule No. 1 of staff's memorandum dated May 23, 2018. The Utility's proposed late payment charge of \$5 should also be approved. The Utility should be authorized to bill all customers on a quarterly basis. The Utility should be required to notice all customers of the approved rates and charges and the change to quarterly billing. The notice should be approved by staff prior to publication and the Utility should provide proof of the date notice was given within 10 days of the date of the notice. The approved rates and charges should be effective for service rendered on or after the effective date of the tariffs pursuant to Rule 25-30.475, F.A.C.

ITEM NO.

CASE

16**PAA

Docket No. 20170178-WS – Application for original certificates of authorization for existing utility currently charging for water and wastewater service in Polk County, by Coastal Income Properties - The Harbor, LLC d/b/a The Harbor.

(Continued from previous page)

Issue 3: 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.

ITEM NO.

CASE

17**

Docket No. 20180086-EI – Petition for approval of revised underground residential distribution tariffs, by Tampa Electric Company.

Critical Date(s): 06/12/18 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Doherty

GCL: Mapp

Issue 1: Should the Commission approve TECO's proposed URD tariffs and associated charges?

Recommendation: Yes, the Commission should approve TECO's proposed URD tariffs and associated charges as shown in Attachment A of staff's memorandum dated May 23, 2018, effective June 5, 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

18**

Docket No. 20180042-WS – Application for approval of tariff for the gross-up of CIAC in Martin County, by Indiantown Company, Inc.

Critical Date(s): 7/1/2018 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Sibley, Hudson

AFD: Cicchetti

GCL: J. Crawford

Issue 1: Should Indiantown's request for approval of corrected tariff sheets be approved?

Recommendation: Yes, the corrected tariff filed on May 2, 2018, should be approved. The approved gross-up charges should be effective for connections made on or after the stamped approval date on the tariff sheets.

Issue 2: Should this docket be closed?

Recommendation: If a protest is filed by a substantially affected person within 21 days of issuance of the order, the corrected tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, the docket should be closed upon issuance of the consummating order.

ITEM NO.

CASE

19**

Docket No. 20180059-WU – Application for approval of tariff for the gross-up of CIAC in Escambia County, by Peoples Water Service Company of Florida, Inc.

Critical Date(s): 07/1/18 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Friedrich, Hudson

AFD: Cicchetti

GCL: J. Crawford

Issue 1: Should People’s request for approval of corrected tariff sheets be approved?

Recommendation: Yes, the corrected tariff filed on May 2, 2018, should be approved. The approved gross-up charges should be effective for connections made on or after the stamped approval date on the tariff sheets.

Issue 2: Should this docket be closed?

Recommendation: If a protest is filed by a substantially affected person within 21 days of issuance of the order, the corrected tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, the docket should be closed upon issuance of the consummating order.