# FLORIDA PUBLIC SERVICE COMMISSION COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Thursday, October 3, 2019, 9:30 a.m.

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

**DATE ISSUED:** September 20, 2019

### 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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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.

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1**	Consent Agenda
2**	<b>Docket No. 20190041-WS</b> – Proposed adoption of Rule 25-30.0115, F.A.C., Definition of Landlord and Tenant
3**	<b>Docket No. 20190131-EU</b> – Proposed adoption of Rule 25-6.030, F.A.C., Storm Protection Plan and Rule 25-6.031, F.A.C., Storm Protection Plan Cost Recovery Clause
4**	<b>Docket No. 20190152-WS</b> – Proposed amendment of Rule 25-30.350, F.A.C., Underbillings and Overbillings for Water and Wastewater Service, and Rule 25-30.360, F.A.C., Refunds
5**PAA	<b>Docket No. 20190108-WS</b> – Request for initiation of formal proceedings for relief against Utilities, Inc. of Florida regarding over billing and broken meter, by Eugene R. Lopez (Complaint # 1270964W)
6**	<b>Docket No. 20190176-EI</b> – Joint petition for approval of regulatory improvements for decentralized solar net-metering systems in Florida
7**	<b>Docket No. 20190119-TP</b> – 2020 State certification under 47 C.F.R. §54.313 and §54.314, annual reporting requirements for high-cost recipients and certification of support for eligible telecommunications carriers
8**	<b>Docket No. 20190118-WU</b> – Application for increase in water rates in Gulf County by Lighthouse Utilities Company, Inc
9**PAA	<b>Docket No. 20190124-WU</b> – Petition for limited alternative rate increase in Lake County by Raintree Waterworks, Inc
10**PAA	<b>Docket No. 20180138-SU</b> – Application for staff-assisted rate case in Volusia County by North Peninsula Utilities Corporation
11**PAA	<b>Docket No. 20190056-GU</b> – Petition for approval of 2019 consolidated depreciation study by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation
12**	<b>Docket No. 20190076-EI</b> – Petition for approval of revised underground residential distribution tariffs, by Duke Energy Florida, LLC
13**	<b>Docket No. 20190078-EI</b> – Petition for approval of 2019 revisions to underground residential distribution tariffs, by Gulf Power Company
14**	<b>Docket No. 20190132-EI</b> – Petition for authority for approval of non-firm energy pilot program and tariff by Florida Public Utilities Company

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15**PAA	<b>Docket No. 20190137-EU</b> – Joint petition for approval of territorial agreement in Marion County, by Clay Electric Cooperative, Inc. and City of Ocala
16**	<b>Docket No. 20190144-EI</b> – Petition for expedited approval of shared solar rider tariff modification, by Tampa Electric Company
17**PAA	<b>Docket No. 20190142-EU</b> – Joint petition for approval of amendment to territorial agreement in Nassau County, by Florida Power & Light Company and Okefenoke Rural Electric Membership Corporation

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ITEM NO.	CASE
1**	Consent Agenda
PAA	A) Application for Certificate of Authority to Provide Telecommunications Service.
	20190150-TXMetro Fibernet, LLC d/b/a MetroNet20190151-TXNGA 911, L.L.C.
PAA	B) Application for Certificate of Authority to Provide Telecommunications Service.          DOCKET NO.       COMPANY NAME
	20190161-TX Vector Axis Florida LLC
	C) Docket No. 20190157-EI - Application for authority to issue and sell securities during calendar years 2020 and 2021, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Florida Power & Light Company and Florida City Gas.

D) Docket No. 20190158-EI – Application for authority to issue and sell securities during calendar year 2020, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Gulf Power Company (Gulf or Company).

**<u>Recommendation</u>**: The Commission should approve the action requested in the dockets referenced above and close these dockets.

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#### ITEM NO.

#### CASE

2\*\*

**Docket No. 20190041-WS** – Proposed adoption of Rule 25-30.0115, F.A.C., Definition of Landlord and Tenant.

Rule Status: Proposed

Commissioners Assigned:All CommissionersPrehearing Officer:Administrative

Staff: GCL: King ECO: Guffey, Coston

#### (Proposal may be deferred)

**<u>Issue 1</u>**: Should the Commission propose the adoption of Rule 25-30.0115, F.A.C., Definition of Landlord and Tenant?

**Recommendation:** Yes, the Commission should propose the adoption of Rule 25-30.0115, F.A.C., as set forth in Attachment A of staff's memorandum dated August 27, 2019. Additionally, the Commission should certify the rule 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.

#### CASE

3\*\* Docket No. 20190131-EU – Proposed adoption of Rule 25-6.030, F.A.C., Storm Protection Plan and Rule 25-6.031, F.A.C., Storm Protection Plan Cost Recovery Clause.
 Rule Status: Proposed
 Commissioners Assigned: All Commissioners Prehearing Officer: Fay
 Staff: GCL: Harper, A. King ECO: Coston, Draper, Galloway, Guffey, McNulty ENG: Doehling, Graves, L. King

IDM: Breman, B. Crawford, Eichler

#### (Proposal May Not Be Deferred. Rules must be proposed by October 31, 2019.)

**Issue 1:** Should the Commission propose the adoption of Rule 25-6.030, F.A.C., Storm Protection Plan, and Rule 25-6.031, F.A.C., Storm Protection Plan Cost Recovery Clause?

**Recommendation:** Yes. The Commission should propose the adoption of Rules 25-6.030 and 25-6.031, F.A.C., as set forth in Attachment A of staff's memorandum dated September 20, 2019. The Commission should also certify Rules 25-6.030 and 25-6.031, F.A.C., as minor violation rules.

**Issue 2:** Should this docket be closed?

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

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#### CASE

**Docket No. 20190152-WS** – Proposed amendment of Rule 25-30.350, F.A.C., Underbillings and Overbillings for Water and Wastewater Service, and Rule 25-30.360, F.A.C., Refunds.

Rule Status:Proposed

# Commissioners Assigned:All CommissionersPrehearing Officer:Fay

Staff: GCL: Harper AFD: Norris, Sewards ECO: Hudson, Ramos, Guffey

#### (Proposal May Be Deferred)

**<u>Issue 1</u>**: Should the Commission amend Rule 25-30.350, Underbillings and Overbillings for Water and Wastewater Service, F.A.C., and Rule 25-30.360, Refunds, F.A.C.?

**Recommendation:** Yes, the Commission should amend Rule 25-30.350, F.A.C., and Rule 25-30.360, F.A.C, as set forth in Attachment A of staff's memorandum dated August 22, 2019. The Commission should certify Rules 25-30.350 and 25-30.360, F.A.C., as minor violation rules.

**Issue 2:** Should this docket be closed?

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

#### CASE

5\*\*PAA **Docket No. 20190108-WS** – Request for initiation of formal proceedings for relief against Utilities, Inc. of Florida regarding over billing and broken meter, by Eugene R. Lopez (Complaint # 1270964W).

#### Critical Date(s): None

## Commissioners Assigned:All CommissionersPrehearing Officer:Clark

Staff: GCL: Simmons, J. Crawford CAO: Plescow, Hicks ECO: Bethea, Hudson ENG: Doehling, Graves

Issue 1: What is the appropriate disposition of Mr. Lopez's formal complaint?

**Recommendation:** Staff recommends that Mr. Lopez's formal complaint be denied. Mr. Lopez's account was properly billed in accordance with Florida statutes and rules and UIF's tariffs. UIF did not violate any applicable statute, rule, company tariff, or order of the Commission in the processing of Mr. Lopez's account.

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.

#### CASE

6\*\*

**Docket No. 20190176-EI** – Joint petition for approval of regulatory improvements for decentralized solar net-metering systems in Florida.

Critical Date(s): 10/3/19 (30-Day Statutory Deadline)

Commissioners Assigned:All CommissionersPrehearing Officer:Clark

Staff: GCL: DuVal, Cowdery IDM: Vogel

**<u>Issue 1</u>**: Should the Commission grant Petitioners' Joint Petition for Approval of Regulatory Improvements for Decentralized Solar Net-Metering Systems in Florida?

**Recommendation:** No. Staff recommends that the Commission treat the filing as a petition to initiate rulemaking to amend Rule 25-6.065, F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation. Staff further recommends that the Petition be denied.

Issue 2: Should this docket be closed?

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

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#### CASE

- **Docket No. 20190119-TP** 2020 State certification under 47 C.F.R. §54.313 and §54.314, annual reporting requirements for high-cost recipients and certification of support for eligible telecommunications carriers.
  - **Critical Date(s):** 10/01/19 (Filing deadline with the Federal Communications Commission and Universal Service Administrative Company)

# Commissioners Assigned:All CommissionersPrehearing Officer:Brown

Staff: IDM: Wooten, Bates, Eastmond, Long GCL: Dziechciarz

**<u>Issue 1</u>**: Should the Commission certify to USAC and the FCC, through online certification with USAC and by electronic filing of a USAC-generated certification letter with the FCC, that BellSouth Telecommunications, LLC d/b/a AT&T Florida d/b/a AT&T Southeast; Embarq Florida, Inc. d/b/a CenturyLink; Frontier Florida LLC; Frontier Communications of the South, LLC; Consolidated Communications of Florida, Inc. d/b/a WOW! Internet, Cable and Phone; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; Smart City Telecommunications LLC d/b/a Smart City Telecom; and Windstream Florida, LLC are eligible to receive federal high-cost support, that they have used the federal high-cost support in the preceding calendar year, and they will use the federal high-cost support they receive in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended?

**Recommendation:** Yes. The Commission should certify to USAC and the FCC, through online certification with USAC and by electronic filing of a USAC-generated certification letter with the FCC, that BellSouth Telecommunications, LLC d/b/a AT&T Florida d/b/a AT&T Southeast; Embarq Florida, Inc. d/b/a CenturyLink; Frontier Florida LLC; Frontier Communications of the South, LLC; Consolidated Communications of Florida Company; ITS Telecommunications Systems, Inc. d/b/a ITS Fiber; Knology of Florida, Inc. d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; Smart City Telecommunications LLC d/b/a Smart City Telecom; and Windstream Florida, LLC are eligible to receive federal high-cost support, that they have used the federal high-cost support in the preceding calendar year, and they will use the federal high-cost support they receive in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

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#### ITEM NO.

7\*\*

#### CASE

**Docket No. 20190119-TP** – 2020 State certification under 47 C.F.R. §54.313 and §54.314, annual reporting requirements for high-cost recipients and certification of support for eligible telecommunications carriers.

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**<u>Issue 2</u>**: Should this docket be closed? **Recommendation:** Yes. This docket should be closed upon issuance of a Final Order.

#### CASE

 8\*\* Docket No. 20190118-WU – Application for increase in water rates in Gulf County by Lighthouse Utilities Company, Inc.
 Critical Date(s): 9/10/19 (60-Day Suspension Date)
 Commissioners Assigned: All Commissioners Prehearing Officer: Clark
 Staff: AFD: D. Andrews, Norris ECO: Bruce, Hudson ENG: Knoblauch, Salvador GCL: Simmons, J. Crawford

#### (Decision on Suspension of Rates)

Issue 1: Should the Utility's proposed final water rates be suspended?

**Recommendation:** Yes. Lighthouse's proposed final water rates should be suspended.

Issue 2: Should this docket be closed?

**Recommendation:** This docket should remain open pending the Commission's final action on the Utility's requested rate increase.

#### ITEM NO. CASE 9\*\*PAA **Docket No. 20190124-WU** – Petition for limited alternative rate increase in Lake County by Raintree Waterworks, Inc. **Critical Date(s):** 10/29/19 - 90-day deadline pursuant to Rule 25-30.457(11), F.A.C. Commissioners Assigned: All Commissioners **Prehearing Officer:** Brown Staff: ENG: Doehling, Graves AFD: Norris, Sewards, Thurmond ECO: Bruce, Hudson GCL: DuVal (Proposed Agency Action - Except Issue No. 3) **Issue 1:** Should the Commission approve Raintree Waterworks, Inc.'s application for a LARI? Recommendation: Yes. The Commission should approve Raintree's application for a LARI in the amount of 20 percent. This equates to an increase of \$9,651. Pursuant to Rule 25-30.457(12), F.A.C., the Utility is required to hold any revenue increase granted subject to refund with interest for a period of 15 months after the filing of its 2019 Annual Report as it is the year the adjustment in rates will be implemented. To ensure overearnings will not occur due to the implementation of this rate increase, the Commission will conduct an earnings review of Raintree's 2019 Annual Report. If overearnings occur, such overearnings, up to the amount held subject to refund, with interest, must be disposed of for the benefit of the customers. After the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility must file reports with the Office of Commission Clerk 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 must also indicate the status of the security being used to guarantee repayment of any potential refund. **Issue 2:** What are the appropriate monthly service rates for Raintree Waterworks, Inc.? **Recommendation:** The existing service rates for Raintree should be increased by 20 percent in accordance with Rule 25-30.457, F.A.C. The recommended service rates are shown on Schedule No. 1 attached to staff's memorandum dated September 20, 2019. The Utility should file 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 pursuant to Rule 25-30.475(1), F.A.C. In addition, the rates should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date notice was given no more than 10 days after the date of the notice.

#### CASE

9\*\*PAA **Docket No. 20190124-WU** – Petition for limited alternative rate increase in Lake County by Raintree Waterworks, Inc.

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**Issue 3:** Should the recommended rates be approved for Raintree Waterworks, Inc., 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 Rule 25-30.457(15), F.A.C., in the event of a protest of the Proposed Agency Action (PAA) Order by a substantially affected person other than the Utility, Raintree should be authorized to implement the rates established in the LARI PAA Order on a temporary basis subject to refund, upon the Utility filing a SARC application within 21 days of the date the protest is filed.

The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The 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. If the recommended rates are approved on a temporary basis, the incremental increase collected by the Utility will be subject to the refund provisions outlined in Rule 25-30.360, F.A.C. Pursuant to Rule 25-30.457(17), F.A.C., if the Utility fails to file a SARC application within 21 days in the event there is a protest, the application for a LARI will be deemed withdrawn. (Thurmond)

Issue 4: Should this docket be closed?

**Recommendation:** No. In the event of a protest, Raintree may implement the rates established in the PAA Order on a temporary basis, subject to refund with interest, upon the Utility's filing of a SARC application within 21 days of the date of the protest. If Raintree fails to file a SARC within 21 days, the Utility's petition for a LARI will be deemed withdrawn pursuant to Rule 25-30.457(17), F.A.C. 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, which reflect the Commission-approved rates, and customer notice have been filed by Raintree and approved by staff, and so that staff may conduct an earnings review of the Utility pursuant to Rule 25-30.457(12), F.A.C. Upon staff's approval of the tariff and completion of the earnings review process as set forth in Rule 25-30.457(12)-(14), F.A.C., this docket should be closed administratively.

ITEM NO.	CASE
10**PAA	<b>Docket No. 20180138-SU</b> – Application for staff-assisted rate case in Volusia County by North Peninsula Utilities Corporation.
	Critical Date(s): 12/16/19 (15-Month Effective Date (SARC))
	Commissioners Assigned:All CommissionersPrehearing Officer:Polmann
	Staff:ENG:Thompson, EllisAFD:D. Buys, Cicchetti, RichardsECO:BruceGCL:Murphy
	(Proposed Agency Action - Except for Issue Nos. 11, 12, and 13) <u>Issue 1:</u> Is the quality of service provided by North Peninsula Utilities Corporation satisfactory?
	<b>Recommendation:</b> Yes. NPUC has been responsive to customer complaints, and intender to complete the pro forma plant improvements discussed in Issue 4 to be in compliance with the DEP, and to help ensure customer satisfaction. Therefore, staff recommends that the quality of service be considered satisfactory.
	<b>Issue 2:</b> Are the infrastructure and operating conditions of North Peninsula Utilities Corporation's wastewater system in compliance with DEP regulations? <b>Recommendation:</b> NPUC is not currently in compliance with the DEP, but is working to address the issues noted in the DEP Consent Order through the pro forma plant improvements discussed in Issue 4. The Utility also plans to address other plant improvements necessary to ensure that its facilities and equipment are in safe, efficient
	and proper condition. <u>Issue 3</u> : What are the used and useful (U&U) percentages of North Peninsula Utilities Corporation's WWTP and collection system?
	<ul> <li>Recommendation: NPUC's WWTP and collection system.</li> <li>Recommendation: NPUC's WWTP and collection system should both be considered 100 percent U&amp;U. Additionally, staff recommends no adjustment to purchased power and chemicals should be made for excessive infiltration and inflow (I&amp;I).</li> <li><u>Issue 4:</u> What is the appropriate average test year rate base for North Peninsula Utilities Corporation?</li> </ul>
	<b>Recommendation:</b> The appropriate average test year rate base for the Utility is \$232,047.
	<b>Issue 5:</b> What is the appropriate return on equity and overall rate of return for North Peninsula Utilities Corporation?
	<b>Recommendation:</b> The appropriate return on equity (ROE) is 10.55 percent with a range of 9.55 percent to 11.55 percent. The appropriate rate of return is 6.70 percent.

#### CASE

10\*\*PAA **Docket No. 20180138-SU** – Application for staff-assisted rate case in Volusia County by North Peninsula Utilities Corporation.

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**<u>Issue 6</u>**: What are the appropriate test year revenues for North Peninsula Utilities Corporation?

**Recommendation:** The appropriate test year revenues for NPUC's wastewater system are \$243,777.

**<u>Issue 7</u>**: What is the appropriate test year operating expense for North Peninsula Utilities Corporation?

**Recommendation:** The appropriate amount of operating expense for the Utility is \$254,765.

**Issue 8:** Should the Commission utilize the operating ratio methodology as an alternative method of calculating the wastewater revenue requirements for NPUC, and, if so, what is the appropriate margin?

**Recommendation:** Yes. As required by rule, the Commission must utilize the operating ratio methodology for calculating the revenue requirement for NPUC. The margin should be 12 percent of O&M expense, capped at \$15,000.

**Issue 9:** What is the appropriate revenue requirement?

**Recommendation:** The appropriate revenue requirement is \$269,765, resulting in an annual increase of \$25,988 (10.66 percent).

**Issue 10:** What is the appropriate rate structure and rates for North Peninsula Utilities Corporation's wastewater systems?

**Recommendation:** The recommended rate structure and monthly wastewater rates are shown on Schedule No. 4 attached to staff's memorandum dated September 20, 2019. 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 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 the date notice was given within 10 days of the date of the notice.

#### CASE

10\*\*PAA **Docket No. 20180138-SU** – Application for staff-assisted rate case in Volusia County by North Peninsula Utilities Corporation.

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

**Recommendation:** In four years, the wastewater rates should be reduced, as shown on Schedule No. 4 attached to staff's memorandum dated September 20, 2019, 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, pursuant to Section 367.081(8), F.S. NPUC 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 the Utility 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. (Bruce, Richards)

**Issue 12:** Should the recommended rates be approved for North Peninsula Utilities Corporation on a temporary basis, subject to refund with interest, 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 with interest, in the event of a protest filed by a party other than the utility. NPUC 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 September 20, 2019. 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's Office of Commission Clerk no later than the 20th of each 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. (Richards)

#### CASE

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**<u>Issue 13</u>**: Should North Peninsula Utilities Corporation be required to notify the Commission within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) associated with the Commission approved adjustments?

**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. NPUC should submit a letter within 90 days of the final order in this docket, confirming that the adjustments to all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) primary accounts, as shown on Schedule No. 5 attached to staff's memorandum dated September 20, 2019, 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 not less than seven days prior to the deadline. Upon providing good cause, staff should be given administrative authority to grant an extension of up to 60 days. (Richards)

Issue 14: 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, 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.

<sup>10\*\*</sup>PAA **Docket No. 20180138-SU** – Application for staff-assisted rate case in Volusia County by North Peninsula Utilities Corporation.

<b>Docket No. 20190056-GU</b> – Petition for approval of 2019 consolidated depreciation study 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): None
Commissioners Assigned:All CommissionersPrehearing Officer:Polmann
Staff: ECO: Wu AFD: Cicchetti, Higgins, Smith II GCL: Brownless
<ul> <li>Issue 1: Should the currently prescribed depreciation rates for FPUC be revised?</li> <li>Recommendation: Yes. The review of FPUC's plant and depreciation-related information indicates a need to revise the Company's currently prescribed depreciation rates.</li> <li>Issue 2: What are staff's recommended depreciation parameters and resulting rates?</li> <li>Recommendation: Staff recommends the Commission approve the lives, reserve percentages, net salvage percentages, and resulting depreciation rates applicable to FPUC's investments shown on Attachment A of staff's memorandum dated September 20, 2019. As shown on Attachment B of staff's memorandum dated September 20, 2019. As shown on Attachment B of staff's memorandum dated September 20, 2019, the relevant corresponding total depreciation expense effect of staff's rate recommendations is a decrease of \$893,899 or approximately 7.2 percent, from current depreciation expense levels at December 31, 2018.</li> <li>Issue 3: What should be the implementation date for newly authorized depreciation rates?</li> <li>Recommendation: For the depreciation rates approved by the Commission in Issue 2, staff recommends an implementation of investment tax credits (ITCs) and flow back of excess deferred income taxes (EDITs) be revised to reflect the approved depreciation</li> </ul>
rates and amortization schedules? <b>Recommendation:</b> Yes. The current amortization of ITCs should be revised to match the actual recovery periods for the related property. The Company should file detailed calculations of the revised ITC amortization at the same time it files its earnings surveillance report covering the period ending December 31, 2019, as specified in Rule 27-7.1352, F.A.C.

#### CASE

11\*\*PAA **Docket No. 20190056-GU** – Petition for approval of 2019 consolidated depreciation study by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

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**Issue 5:** 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 12\*\* Docket No. 20190076-EI - Petition for approval of revised underground residential distribution tariffs, by Duke Energy Florida, LLC. Critical Date(s): 12/01/19 (8-Month Effective Date) Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative Staff: ECO: Draper, Coston GCL: Trierweiler Issue 1: Should the Commission approve Duke's proposed URD tariffs and associated charges? Recommendation: Yes, the Commission should approve Duke's proposed URD tariffs and associated charges as shown in Attachment A of staff's memorandum dated August 22, 2019, effective September 5, 2019. 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 13\*\* Docket No. 20190078-EI - Petition for approval of 2019 revisions to underground residential distribution tariffs, by Gulf Power Company. Critical Date(s): 12/01/19 (8-Month Effective Date) Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative Staff: ECO: Coston, Draper GCL: Schrader Issue 1: Should the Commission approve Gulf's proposed URD tariffs and associated charges? Recommendation: Yes, the Commission should approve Gulf's proposed URD tariffs and associated charges, as shown in Attachment A of staff's memorandum dated September 20, 2019, effective October 3, 2019. 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. 20190132-EI – Petition for authority for approval of non-firm energy pilot program and tariff by Florida Public Utilities Company. Critical Date(s): 60-day suspension date waived by the utility until 09/05/2019

Commissioners Assigned: All Commissioners Prehearing Officer: Administrative

Staff: ECO: Coston, Draper GCL: Brownless

**Issue 1:** Should the Commission approve FPUC's petition for the approval of its pilot program and associated tariff?

**Recommendation:** Yes, the Commission should approve FPUC's petition for the pilot program and associated tariff effective September 5, 2019. The proposed tariff sheets are shown in Attachment A of staff's memorandum dated August 22, 2019. If FPUC wishes to extend or make permanent the pilot program, FPUC should petition the Commission regarding the future of the pilot program prior to the December 31, 2020 expiration date. **Issue 2:** Should this docket be closed?

**Recommendation:** If a protest is filed within 21 days of the issuance of the order, this 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 15\*\*PAA **Docket No. 20190137-EU** – Joint petition for approval of territorial agreement in Marion County, by Clay Electric Cooperative, Inc. and City of Ocala. Critical Date(s): None Commissioners Assigned: All Commissioners **Prehearing Officer:** Polmann Staff: ECO: Guffey, Coston GCL: Trierweiler Issue 1: Should the Commission approve the proposed amended territorial agreement between Clay and Ocala in Marion County? Recommendation: Yes, the Commission should approve the amended territorial agreement between Clay and Ocala in Marion County. The proposed territorial agreement is in the public interest and it will enable Clay and Ocala to serve their customers in an efficient manner. **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 16\*\* Docket No. 20190144-EI – Petition for expedited approval of shared solar rider tariff modification, by Tampa Electric Company. Critical Date(s): 60-day Suspension waived until 10/03/2019

Commissioners Assigned:All CommissionersPrehearing Officer:Administrative

Staff: ECO: Coston GCL: Trierweiler

**Issue 1:** Should the Commission approve TECO's proposed modification to the SSR-1 tariff?

**Recommendation:** Yes, the Commission should approve TECO's proposed modification to tariff sheet No. 3.305, as shown in Attachment A of staff's memorandum dated September 20, 2019, effective October 3, 2019.

Issue 2: Should this docket be closed?

**Recommendation:** Yes. 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 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 17\*\*PAA Docket No. 20190142-EU – Joint petition for approval of amendment to territorial agreement in Nassau County, by Florida Power & Light Company and Okefenoke Rural Electric Membership Corporation. Critical Date(s): None Commissioners Assigned: All Commissioners Prehearing Officer: Polmann Staff: ECO: Guffey, Coston, Draper AFD: Mouring GCL: Schrader Jssue 1: Should the Commission approve the proposed 2019 clarification and amendment to the 1995 territorial agreement between FPL and Okefenoke?

**Recommendation:** Yes, the Commission should approve the proposed 2019 clarification and amendment to the 1995 territorial agreement between FPL and Okefenoke. The proposed amendment will resolve the boundary line discrepancy that exists in the area referred to as the Crawford Diamond in Nassau County and will enable FPL and Okefenoke to serve their customers in an efficient manner.

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.