

# FLORIDA PUBLIC SERVICE COMMISSION

## ADDENDUM\*

### COMMISSION CONFERENCE AGENDA

**CONFERENCE DATE AND TIME:** Tuesday, November 5, 2019, 10:00 a.m.

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

**DATE ISSUED:** October 31, 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).

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

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

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

**EMERGENCY CANCELLATION OF CONFERENCE:** If a named storm or other disaster requires cancellation of the Conference, Commission staff will attempt to give timely notice. Notice of cancellation will be provided on the Commission's website (<http://www.floridapsc.com>) under the Hot Topics link on the home page. Cancellation can also be confirmed by calling the Office of Commission Clerk at 850-413-6770. If you have any questions, contact the Office of Commission Clerk at 850-413-6770 or [Clerk@psc.state.fl.us](mailto:Clerk@psc.state.fl.us).

**\*Added Items 6A and 7A.**

Table of Contents  
 Commission Conference Agenda  
 November 5, 2019

1	<b>Election of Commission Chairman for a two-year term beginning January 2, 2020.....</b>	1
2**	<b>Consent Agenda .....</b>	2
3**	<b>Docket No. 20190164-EI</b> – Proposed amendment of Rule 25-6.0141, F.A.C., Allowance for Funds Used During Construction; Rule 25-6.033, F.A.C., Tariffs; Rule 25-6.036, F.A.C., Inspection of Plant; and Rule 25-6.037, F.A.C., Extent of System Which Utility Shall Operate and Maintain.....	4
4**	<b>Docket No. 20190193-TX</b> – Initiation of show cause proceeding against Tele Circuit Network Corporation for apparent violation of Order Nos. PSC-05-0361-PAA-TX and PSC-11-0419-PAA-TX. ....	5
5**PAA	<b>Docket No. 20190139-EI</b> – Complaint against Duke Energy Florida, LLC d/b/a Duke Energy regarding billing errors and inaccurate meter readings, by Elizabeth Randle. ....	7
6**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).....	8
6A**	<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.....	9
7**	<b>Docket No. 20190135-TP</b> – Petition of North American Numbering Plan Administrator on behalf of the Florida telecommunications industry, for approval of relief plan for the exhaust of the 850 area code.....	10
7A**	<b>Docket No. 20190156-EI</b> – Petition for a limited proceeding to recover incremental storm restoration costs, capital costs, revenue reduction for permanently lost customers, and regulatory assets related to Hurricane Michael, by Florida Public Utilities Company. ....	11
8	<b>Docket No. 20190015-EG</b> – Commission review of numeric conservation goals (Florida Power & Light Company). <b>Docket No. 20190016-EG</b> – Commission review of numeric conservation goals (Gulf Power Company). <b>Docket No. 20190017-EG</b> – Commission review of numeric conservation goals (Florida Public Utilities Company). <b>Docket No. 20190018-EG</b> – Commission review of numeric conservation goals (Duke Energy Florida, LLC). <b>Docket No. 20190019-EG</b> – Commission review of numeric conservation goals (Orlando Utilities Commission). <b>Docket No. 20190020-EG</b> – Commission review of numeric conservation goals (JEA).	

Table of Contents  
 Commission Conference Agenda  
 November 5, 2019

	<b>Docket No. 20190021-EG</b> – Commission review of numeric conservation goals (Tampa Electric Company). .....	12
9**	<b>Docket No. 20190160-GU</b> – Joint petition for approval of swing service rider rates for January through December 2020, by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation. ....	16
10**	<b>Docket No. 20190171-GU</b> – Petition for approval of 2018 true-up, projected 2019 true-up, and 2020 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider, by Peoples Gas System. ....	17
11**	<b>Docket No. 20190172-GU</b> – Petition for approval of safety, access, and facility enhancement program true-up and 2020 cost recovery factors, by Florida City Gas. ....	18
12**	<b>Docket No. 20190173-GU</b> – Joint petition for approval of GRIP cost recovery factors, by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation. ....	19
13**PAA	<b>Docket No. 20180202-SU</b> – Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC. ....	20
14**PAA	<b>Docket No. 20190121-WS</b> – Application for limited proceeding rate increase in Polk County, by CHC VII, Ltd. ....	25

Agenda for  
Commission Conference  
November 5, 2019

**ITEM NO.**

---

**CASE**

---

1

**Election of Commission Chairman for a two-year term beginning January 2, 2020.**

**ITEM NO.**

**CASE**

---

2\*\*

**Consent Agenda**

- A) Docket No. 20190178-EI - Application for authority to issue and sell securities for 12 months ending December 31, 2020, by Tampa Electric Company.

Tampa Electric Company (Tampa Electric or Company) seeks the authority to issue, sell and/or exchange equity securities and issue, sell, exchange and/or assume long-term or short-term debt securities and/or to assume liabilities or obligations as guarantor, endorser, or surety during calendar year 2020. The Company also seeks authority to enter into interest swaps or other derivatives instruments related to debt securities during calendar year 2020.

The amount of all equity and long-term debt securities issued, sold, exchanged, or assumed and liabilities and obligations assumed or guaranteed, as guarantor, endorser, or surety will not exceed in aggregate \$1.635 billion during the year 2020, including any amounts issued to retire existing long-term debt securities. The maximum amount of short-term debt outstanding at any one time will be \$900 million during calendar year 2020. This application is for both Tampa Electric and its local gas distribution division, Peoples Gas System.

In connection with this application, Tampa Electric confirms that the capital raised pursuant to this application will be used in connection with the activities of the Company's regulated electric and gas divisions and not the unregulated activities of the utilities or their affiliates.

Staff has reviewed the Company's projected capital expenditures. The amount requested by the Company (\$2.535 billion) exceeds its expected capital expenditures (\$1.216 billion). The additional amount requested exceeding the projected capital expenditures allows for financial flexibility with regard to unexpected events such as hurricanes, financial market disruptions, and other unforeseen circumstances. Staff believes the requested amounts are appropriate. Staff recommends Tampa Electric's petition to issue securities be approved.

ITEM NO.

CASE

---

2\*\*

Consent Agenda

(Continued from previous page)

- B) Docket No. 20190179-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 Duke Energy Florida, LLC.

Duke Energy Florida, LLC (DEF or Company) seeks authority to issue, sell, or otherwise incur during 2020 up to \$1.5 billion of any combination of equity securities, long-term debt securities, and other long-term obligations. Additionally, the Company requests authority to issue, sell, or otherwise incur during 2020 and 2021, up to \$1.5 billion outstanding at any time of short-term debt securities and other obligations.

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

Staff has reviewed the Company's projected capital expenditures. The amount requested by the Company (\$3.0 billion) exceeds its expected capital expenditures (\$1.8 billion). The additional amount requested exceeding the projected capital expenditures allows for financial flexibility with regard to unexpected events such as hurricanes, financial market disruptions, and other unforeseen circumstances. Staff believes the requested amounts are appropriate. Staff recommends DEF's petition to issue securities be approved.

**Recommendation:** The Commission should approve the action requested in the dockets referenced above. For monitoring purposes, Docket Nos. 20190178-EI and 20190179-EI should remain open until May 7, 2021, to allow the Companies time to file the required Consummation Reports.

**ITEM NO.**

**CASE**

3\*\*

**Docket No. 20190164-EI** – Proposed amendment of Rule 25-6.0141, F.A.C., Allowance for Funds Used During Construction; Rule 25-6.033, F.A.C., Tariffs; Rule 25-6.036, F.A.C., Inspection of Plant; and Rule 25-6.037, F.A.C., Extent of System Which Utility Shall Operate and Maintain.

**Rule Status:** Proposed

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Clark

**Staff:** GCL: King

AFD: Bulecza-Banks, D. Buys, Cicchetti

ECO: Coston, Guffey

ENG: P. Buys

**(Proposal May Be Deferred)**

**Issue 1:** Should the Commission propose amendments to Rules 25-6.0141, 25-6.033, and 25-6.037, F.A.C., as well as the repeal of Rule 25-6.036, F.A.C.?

**Recommendation:** Yes, the Commission should propose amendments to Rules 25-6.0141, 25-6.033, and 25-6.037, F.A.C., as well as the repeal of Rule 25-6.036, F.A.C., as set forth in Attachment A of staff's memorandum dated October 24, 2019. The Commission should certify Rules 25-6.0141 and 25-6.033, 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.

**ITEM NO.**

**CASE**

4\*\*

**Docket No. 20190193-TX** – Initiation of show cause proceeding against Tele Circuit Network Corporation for apparent violation of Order Nos. PSC-05-0361-PAA-TX and PSC-11-0419-PAA-TX.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Brown

**Staff:** GCL: Dziechciarz

IDM: Fogleman, Wendel

**Issue 1:** Should the Commission order Tele Circuit to show cause, in writing, within 21 days from the issuance of the order, why its Eligible Telecommunications Carrier status in Florida should not be revoked for apparent violation of Order No. PSC-11-0419-PAA-TX, due to use of non-compliant wireless technology for its Lifeline customers, and because it is no longer in the public interest for Tele Circuit to be designated as an ETC?

**Recommendation:** Yes, Tele Circuit Network Corporation should be ordered to show cause, in writing, within 21 days from the issuance of the order, why its Eligible Telecommunications Carrier status in Florida should not be revoked for apparent violation of Order No. PSC-11-0419-PAA-TX, due to use of non-compliant wireless technology for its Lifeline customers, and because it is no longer in the public interest for Tele Circuit to be designated as an ETC.

**Issue 2:** Should Tele Circuit Network Corporation be ordered to show cause, in writing, within 21 days from the issuance of the order, why its Competitive Local Exchange Certificate, No. 8573, should not be revoked for apparent violation of Commission Order No. PSC-05-0361-PAA-TX, for insufficient managerial capability to provide Competitive Local Exchange Certificate service in Florida?

**Recommendation:** Yes. Tele Circuit Network Corporation should be ordered to show cause, in writing, within 21 days from the issuance of the order, why its Competitive Local Exchange Certificate, No. 8573, should not be revoked for apparent violation of Commission Order No. PSC-05-0361-PAA-TX, for insufficient managerial capability to provide Competitive Local Exchange Certificate service in Florida.



**ITEM NO.**

**CASE**

---

4\*\*

**Docket No. 20190193-TX** – Initiation of show cause proceeding against Tele Circuit Network Corporation for apparent violation of Order Nos. PSC-05-0361-PAA-TX and PSC-11-0419-PAA-TX.

(Continued from previous page)

**Issue 3:** Should this docket be closed?

**Recommendation:** If the Commission orders Tele Circuit to show cause as to Issues 1 and/or 2, and Tele Circuit timely responds in writing to the Show Cause Order, this docket should remain open to allow for the appropriate processing of the response. If the Commission orders Tele Circuit to show cause as to Issues 1 and/or 2, and Tele Circuit does not timely respond to the Show Cause Order, then the Commission should issue a Final Order, and this docket should be closed after the time for filing an appeal has run. If the Commission does not order Tele Circuit to show cause as to Issues 1 and 2, then this docket should be closed.

**ITEM NO.**

**CASE**

---

5\*\*PAA

**Docket No. 20190139-EI** – Complaint against Duke Energy Florida, LLC d/b/a Duke Energy regarding billing errors and inaccurate meter readings, by Elizabeth Randle.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Polmann

**Staff:** GCL: Simmons

CAO: Hicks, Plescow

ECO: Coston

ENG: Doehling

**Issue 1:** What is the appropriate disposition of Ms. Randle’s formal complaint?

**Recommendation:** Ms. Randle’s formal complaint should be denied. While it does appear that Duke violated Rule 25-22.032(3), F.A.C., by disconnecting Ms. Randle’s electricity while her informal complaint was pending, this violation is not related to the relief sought by Ms. Randle. Duke did not violate any statute, rule, Utility tariff, or order of the Commission applicable in the billing of Ms. Randle’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.

**ITEM NO.**

**CASE**

---

6\*\*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 Commissioners

**Prehearing Officer:** Clark

**Staff:** GCL: Simmons, 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.

**ITEM NO.**

**CASE**

6A\*\*

**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 – Subject to Statutory Deadlines under Section 120.54, F.S.

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Fay

**Staff:** GCL: Harper, King

AFD: Bulecza-Banks, Fletcher, Mouring

ECO: Coston, Draper, Galloway, Guffey, Higgins, McNulty

ENG: Buys, Doehling, Graves, King

IDM: Breman, Crawford, Eichler

On October 25, 2019, pursuant to Section 120.54(3)(c), F.S., the Office of Public Counsel (OPC) timely filed a Petition for a Hearing on proposed Rules 25-6.030 and 25-6.031, F.A.C. Accordingly, a rule hearing has been scheduled before the full Commission on November 5, 2019, pursuant to notice appearing in the October 29, 2019 edition of the F.A.R., Volume 45, Number 211. The issue before the Commission is whether the Commission should make changes to proposed Rules 25-6.030 and 25-6.031, F.A.C.

At the conclusion of the public hearing, the Commission has three options: (1) The Commission may decide to change the rule based on evidence and argument presented by OPC at the hearing. In that event, a Notice of Change would be published in the F.A.R., and the Commission would have to wait 21 days to file the rules for adoption with the Department of State. (2) Alternatively, the Commission may decide to keep the rules as proposed. If the Commission makes no changes to the rules, then the Commission must wait 14 days before the rules can be filed for adoption with the Department of State. (3) The Commission may also elect to take the matter under advisement, have staff write another recommendation based on the record at the rule hearing, and decide the matter at a subsequent rule hearing.

**ITEM NO.**

**CASE**

7\*\*

**Docket No. 20190135-TP** – Petition of North American Numbering Plan Administrator on behalf of the Florida telecommunications industry, for approval of relief plan for the exhaust of the 850 area code.

**Critical Date(s):** The estimated exhaust date for the 850 area code is third quarter 2021.

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Polmann

**Staff:** IDM: Deas, Fogleman, Wendel, Yglesias de Ayala

GCL: Dziechciarz, Weisenfeld

**Issue 1:** Should the Commission approve the Industry's consensus recommendation of an all-services distributed overlay as the area code relief plan for the 850 area code?

**Recommendation:** Yes, the Commission should approve the Industry's consensus recommendation of an all-services distributed overlay as the area code relief plan for the 850 area code.

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

**Recommendation:** Yes, staff recommends that this docket should be closed.

**ITEM NO.**

**CASE**

7A\*\*

**Docket No. 20190156-EI** – Petition for a limited proceeding to recover incremental storm restoration costs, capital costs, revenue reduction for permanently lost customers, and regulatory assets related to Hurricane Michael, by Florida Public Utilities Company.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Fay

**Staff:** AFD: M. Andrews, Mouring, Snyder

ECO: Draper, Guffey

GCL: Dziechciarz, Weisenfeld

On August 7, 2019, Florida Public Utilities Company (FPUC or Company) filed a petition for a Limited Proceeding seeking recovery of costs for storm restoration associated with Hurricane Michael. On October 25, 2019, FPUC and the Office of Public Counsel (OPC) filed a joint motion for approval of stipulation for implementation of a base rate increase in order to coincide with a reduction in the 2020 fuel factors proposed in Docket No. 20190001-EI. The proposed base rate increase would be held subject to refund, with interest, pending the final disposition of this case. The Commission should vote on whether or not to approve the attached Joint Motion for Approval of Stipulation for Implementation of Rate Increase.

**ITEM NO.**

**CASE**

8

**Docket No. 20190015-EG** – Commission review of numeric conservation goals (Florida Power & Light Company).

**Docket No. 20190016-EG** – Commission review of numeric conservation goals (Gulf Power Company).

**Docket No. 20190017-EG** – Commission review of numeric conservation goals (Florida Public Utilities Company).

**Docket No. 20190018-EG** – Commission review of numeric conservation goals (Duke Energy Florida, LLC).

**Docket No. 20190019-EG** – Commission review of numeric conservation goals (Orlando Utilities Commission).

**Docket No. 20190020-EG** – Commission review of numeric conservation goals (JEA).

**Docket No. 20190021-EG** – Commission review of numeric conservation goals (Tampa Electric Company).

**Critical Date(s):** Pursuant to Section 366.82(6), F.S., the Commission must review conservation goals at least every five years. New conservation goals must be set by January 1, 2020.

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Polmann

**Staff:** ENG: Doehling, Ellis, Lewis, Salvador, Thompson, O. Wooten, Wright

AFD: Higgins

ECO: Barrett, Morgan, Redda, Rogers, Wu

GCL: Duval, Dziechciarz, King, Murphy, Weisenfeld

IDM: Breman, Roberts

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

**Issue 1:** Are the Company’s proposed goals based on an adequate assessment of the full technical potential of all available demand-side and supply-side conservation and efficiency measures, including demand-side renewable energy systems, pursuant to Section 366.82(3), F.S.?

**Recommendation:** Yes. The FEECA Utilities retained the consulting firm Nexant, Inc. (Nexant) to independently analyze each utility’s energy and demand savings technical potential (TP). Nexant employed the same methodology in the evaluation of each TP analysis and collaborated with the FEECA Utilities and SACE to develop a robust list of DSM measures for inclusion. Nexant’s methodology adequately assesses the full amount of energy and demand savings technically feasible from implementation of those DSM measures considered.

**ITEM NO.**

**CASE**

8

**Docket No. 20190015-EG** – Commission review of numeric conservation goals (Florida Power & Light Company).

**Docket No. 20190016-EG** – Commission review of numeric conservation goals (Gulf Power Company).

**Docket No. 20190017-EG** – Commission review of numeric conservation goals (Florida Public Utilities Company).

**Docket No. 20190018-EG** – Commission review of numeric conservation goals (Duke Energy Florida, LLC).

**Docket No. 20190019-EG** – Commission review of numeric conservation goals (Orlando Utilities Commission).

**Docket No. 20190020-EG** – Commission review of numeric conservation goals (JEA).

**Docket No. 20190021-EG** – Commission review of numeric conservation goals (Tampa Electric Company).

(Continued from previous page)

**Issue 2:** Do the Company’s proposed goals adequately reflect the costs and benefits to customers participating in the measure, pursuant to Section 366.82(3)(a), F.S.?

**Recommendation:** Yes. The FEECA Utilities properly considered the costs and benefits to customers participating in the measures included in their goals by utilizing the Participants Test, pursuant to Section 366.82(3)(a), F.S.

**Issue 3:** Do the Company’s proposed goals adequately reflect the costs and benefits to the general body of ratepayers as a whole, including utility incentives and participant contributions, pursuant to Section 366.82(3)(b), F.S.?

**Recommendation:** Yes. Staff recommends that consideration of the RIM and TRC Tests is necessary to fulfill the requirements of Section 366.82(3)(b), F.S., since neither Test includes both utility incentives and participant contributions. Furthermore, consideration of the RIM and TRC Tests is consistent with the 2009 and 2014 Goalsetting Orders.

**Issue 4:** Do the Company’s proposed goals adequately reflect the need for incentives to promote both customer-owned and utility-owned energy efficiency and demand-side renewable energy systems, pursuant to Section 366.82(3)(c), F.S.?

**Recommendation:** Yes. Staff recommends that the FEECA Utilities’ methodologies of applying customer incentives for the purpose of establishing goals in this proceeding are adequate. Staff also recommends that performance incentives for FEECA Utilities are not necessary at this time.

**Issue 5:** Do the Company’s proposed goals adequately reflect the costs imposed by state and federal regulations on the emission of greenhouse gases, pursuant to Section 366.82(3)(d), F.S.?

**Recommendation:** Yes. Currently there are no costs imposed by state and federal regulations on the emissions of greenhouse gases (GHG). Consistent with Section 366.82(3)(d), F.S., and the Order Establishing Procedure, the Utilities filed base case analyses for goals that did not include costs associated with CO<sub>2</sub> emissions.



**ITEM NO.**

**CASE**

8

**Docket No. 20190015-EG** – Commission review of numeric conservation goals (Florida Power & Light Company).

**Docket No. 20190016-EG** – Commission review of numeric conservation goals (Gulf Power Company).

**Docket No. 20190017-EG** – Commission review of numeric conservation goals (Florida Public Utilities Company).

**Docket No. 20190018-EG** – Commission review of numeric conservation goals (Duke Energy Florida, LLC).

**Docket No. 20190019-EG** – Commission review of numeric conservation goals (Orlando Utilities Commission).

**Docket No. 20190020-EG** – Commission review of numeric conservation goals (JEA).

**Docket No. 20190021-EG** – Commission review of numeric conservation goals (Tampa Electric Company).

(Continued from previous page)

**Issue 6:** What cost-effectiveness test or tests should the Commission use to set goals, pursuant to Section 366.82, F.S.?

**Recommendation:** The Participants Test, the RIM Test, and the TRC Test should be considered to set goals in this proceeding.

**Issue 7:** Do the Company's proposed goals appropriately reflect consideration of free-riders?

**Recommendation:** Yes. The two-year payback screen is a reasonable method to account for free riders in determining conservation goals in this proceeding. Each utility should continue in their education and outreach efforts for all ratepayers, with an emphasis on low-income communities. These efforts should educate all customer groups on energy efficiency opportunities, with a specific emphasis on behavioral changes and efficiency measures with a payback period of two years or less.

**Issue 8:** What residential summer and winter megawatt (MW) and annual Gigawatt-hour (GWh) goals should be established for the period 2020-2029?

**Recommendation:** The Commission should establish residential numeric conservation goals based upon a cost-effectiveness analysis that allows all ratepayers, both participants and non-participants, to benefit from DSM measures. The annual conservation goals should be based upon the RIM and Participants Tests, as this combination addresses concerns regarding subsidies between those who can participate in DSM measures and those who cannot, such as renters and low-income households. Consistent with staff's recommendations in Issues 5 and 7, the goals should use no cost for carbon emissions and a two-year payback as a free-ridership screen should be included. As goals are RIM Test based, the FEECA Utilities should not be eligible for rewards for exceeding their goals.

**ITEM NO.**

**CASE**

8

**Docket No. 20190015-EG** – Commission review of numeric conservation goals (Florida Power & Light Company).  
**Docket No. 20190016-EG** – Commission review of numeric conservation goals (Gulf Power Company).  
**Docket No. 20190017-EG** – Commission review of numeric conservation goals (Florida Public Utilities Company).  
**Docket No. 20190018-EG** – Commission review of numeric conservation goals (Duke Energy Florida, LLC).  
**Docket No. 20190019-EG** – Commission review of numeric conservation goals (Orlando Utilities Commission).  
**Docket No. 20190020-EG** – Commission review of numeric conservation goals (JEA).  
**Docket No. 20190021-EG** – Commission review of numeric conservation goals (Tampa Electric Company).

(Continued from previous page)

**Issue 9:** What commercial/industrial summer and winter megawatt (MW) and annual Gigawatt hour (GWh) goals should be established for the period 2020-2029?

**Recommendation:** As discussed in Issue 8, staff recommends that annual commercial/industrial conservation goals should be based upon the RIM and Participants Tests. Consistent with staff's recommendations in Issues 5 and 7, the goals should use no cost for carbon emissions and a two-year payback as a free-ridership screen should be included.

**Issue 10:** What goals, if any, should be established for increasing the development of demand-side renewable energy systems, pursuant to Section 366.82(2), F.S.?

**Recommendation:** Staff recommends as a goal, that each of the FEECA Utilities continue to promote net metering throughout their service territories. Net metering is an effective means of encouraging the development of DSRE systems that allow participants to offset their energy usage.

**Issue 11:** Should these dockets be closed?

**Recommendation:** Yes. These dockets should be closed after the time for filing an appeal has run. Within 90 days of the issuance of the final order, each Utility should file a demand-side management plan designed to meet the Utility's approved goals.

**ITEM NO.**

**CASE**

9\*\*

**Docket No. 20190160-GU** – Joint petition for approval of swing service rider rates for January through December 2020, by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

**Critical Date(s):** 8-Month effective Date: 4/15/20 (60-day suspension date waived by the companies)

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECO: Guffey, Coston

GCL: Schrader

**Issue 1:** Should the Commission approve the companies' revised swing service rider rates for the period January through December 2020?

**Recommendation:** Yes. The Commission should approve the companies' swing service rider rates for the period January through December 2020. The costs included are appropriate and the methodology for calculating the swing service rider rates is consistent with the swing service order.

**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, 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**

10\*\*

**Docket No. 20190171-GU** – Petition for approval of 2018 true-up, projected 2019 true-up, and 2020 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider, by Peoples Gas System.

**Critical Date(s):** 8-Month Effective Date: 04/30/20 (60-day suspension date waived by the utility)

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECO: Guffey

AFD: Hightower

GCL: Lherisson

**Issue 1:** Should the Commission approve Peoples proposed Rider CI/BSR charges for 2020?

**Recommendation:** Yes, the Commission should approve Peoples' revised proposed Rider CI/BSR surcharges to be effective for the period January through December 2020.

**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, 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**

11\*\*

**Docket No. 20190172-GU** – Petition for approval of safety, access, and facility enhancement program true-up and 2020 cost recovery factors, by Florida City Gas.

**Critical Date(s):** 8-month effective date: 05/03/20 (60-day suspension date waived by the utility)

Commissioners Assigned: All Commissioners  
Prehearing Officer: Administrative

**Staff:** ECO: Ward, Coston  
AFD: D. Buys, Cicchetti, Hightower  
GCL: J. Crawford

**Issue 1:** Should the Commission approve City Gas's proposed SAFE factors for the period January through December 2020?

**Recommendation:** Yes. The Commission should approve City Gas's proposed SAFE factors for the period January through December 2020.

**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 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**

12\*\*

**Docket No. 20190173-GU** – Joint petition for approval of GRIP cost recovery factors, by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

**Critical Date(s):** 60-Day suspension date waived by the utility until 11/5/2019

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECO: Ward, Coston

AFD: Hightower

GCL: Lherisson, J. Crawford

**Issue 1:** Should the Commission approve FPUC's, Fort Meade's, and Chesapeake's proposed GRIP surcharges for the period January through December 2020?

**Recommendation:** Yes, the Commission should approve FPUC's, Chesapeake's, and Fort Meade's proposed GRIP surcharges for the period January through December 2020. Furthermore, staff recommends the Commission direct the Company to determine if the WACC complies with the normalization rules to avoid a normalization violation. Additionally, if an adjustment to the WACC is necessary, staff recommends any adjustment be made in a subsequent true-up filing.

**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 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\*\*PAA

**Docket No. 20180202-SU** – Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Polmann

**Staff:** ECO: Bethea, Hudson  
AFD: D. Andrews, Norris  
ENG: Ellis, Wooten  
GCL: Dziechciarz, Weisenfeld

**(Proposed Agency Action - Except for Issue Nos. 11, 13, and 14)**

**Issue 1:** Is the quality of service provided by West Lakeland Wastewater, LLC satisfactory?

**Recommendation:** Yes. West Lakeland has been responsive to customer complaints and is currently in compliance with the DEP; therefore, staff recommends that the quality of service be considered satisfactory.

**Issue 2:** Are the infrastructure and operating conditions of West Lakeland Wastewater, LLC wastewater system in compliance with DEP regulations?

**Recommendation:** Yes. The West Lakeland wastewater system is currently in compliance with the DEP.

**Issue 3:** What are the used and useful percentages (U&U) of West Lakeland Wastewater, LLC WWTP and collection systems?

**Recommendation:** West Lakeland's WWTP and wastewater collection system should both be considered 100 percent U&U. Also, staff recommends that a 20.7 percent adjustment to purchased power and chemicals should be made for excessive infiltration and inflow (I&I).

**Issue 4:** What is the appropriate average test year rate base for West Lakeland Wastewater, LLC?

**Recommendation:** The appropriate average test year rate base for West Lakeland for ratemaking purposes is zero.

**Issue 5:** What is the appropriate return on equity and overall rate of return for West Lakeland Wastewater, LLC?

**Recommendation:** The appropriate return on equity (ROE) is 10.55 percent with a range of 9.55 percent to 11.55 percent.

**Issue 6:** What are the appropriate test year revenues for the wastewater system of West Lakeland Wastewater, LLC?

**Recommendation:** The appropriate test year revenues for West Lakeland are \$136,394.

**ITEM NO.**

**CASE**

13\*\*PAA

**Docket No. 20180202-SU** – Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

(Continued from previous page)

**Issue 7:** What is the appropriate amount of operating expense for West Lakeland Wastewater, LLC?

**Recommendation:** The appropriate amount of operating expense for West Lakeland is \$125,951.

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

**Recommendation:** Yes. The Commission should utilize the operating ratio methodology for calculating the revenue requirement for West Lakeland. The margin should be 12 percent of O&M expense.

**Issue 9:** What is the appropriate revenue requirement for West Lakeland Wastewater, LLC?

**Recommendation:** The appropriate revenue requirement is \$139,713 resulting in an annual increase of \$3,318 (2.43 percent).

**Issue 10:** What are the appropriate rate structure and rates for West Lakeland Wastewater, LLC system?

**Recommendation:** Staff recommends that the rate increase of 2.55 percent for wastewater should be applied as an across-the-board increase monthly to service rates. The rates, as shown on Schedule No. 4 of staff's memorandum dated October 24, 2019, 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. The utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. 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 that notice was given within 10 days of the date of the notice.



**ITEM NO.**

**CASE**

---

13\*\*PAA

---

**Docket No. 20180202-SU** – Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

(Continued from previous page)

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

**Recommendation:** The rates should be reduced as shown on Schedule No. 4 of staff's memorandum dated October 24, 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. West Lakeland 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.

**Issue 12:** What are the appropriate initial customer deposits for West Lakeland Wastewater, LLC?

**Recommendation:** The appropriate initial customer deposit is \$78 for all residential meter sizes. The initial customer deposits for all general service meter sizes should be two times the average estimated monthly bill. The approved initial customer deposits should be effective for service rendered or 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.

**ITEM NO.**

**CASE**

13\*\*PAA

**Docket No. 20180202-SU** – Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

(Continued from previous page)

**Issue 13:** Should the recommended rates be approved for West Lakeland Wastewater, LLC 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. West Lakeland 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 staff analysis portion of staff's memorandum dated October 24, 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.

**Issue 14:** Should the utility be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision?

**Recommendation:** Yes. West Lakeland should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision. West Lakeland should submit a letter within 90 days of the final order in this docket, confirming that the adjustments to all applicable NARUC USOA primary accounts 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 within 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.

**ITEM NO.**

**CASE**

---

13\*\*PAA

---

**Docket No. 20180202-SU** – Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

(Continued from previous page)

**Issue 15:** 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 Proposed Agency Action 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**

14\*\*PAA

**Docket No. 20190121-WS** – Application for limited proceeding rate increase in Polk County, by CHC VII, Ltd.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Clark

**Staff:** ECO: Ramos, Hudson

AFD: D. Brown, T. Brown

ENG: Doehling, Graves, Knoblauch

GCL: Murphy

**Issue 1:** Should the Commission approve the utility's request for a limited proceeding?

**Recommendation:** The Commission should approve the utility's request for a limited proceeding rate increase as modified by staff. CHC should be allowed an annual increase of \$23,368 (20.82 percent) for water. The adjusted revenue requirement is reflected on Schedule No. 1 of staff's memorandum dated October 24, 2019.

**Issue 2:** What are the appropriate water rates for CHC?

**Recommendation:** The recommended monthly water rates are shown on Schedule No. 2 of staff's memorandum dated October 24, 2019. The recommended rates should be designed to produce additional revenues of \$23,368 (20.82 percent increase). The percent increase should be applied as an across-the-board increase to the existing rates. 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.

**ITEM NO.**

**CASE**

14\*\*PAA

**Docket No. 20190121-WS** – Application for limited proceeding rate increase in Polk County, by CHC VII, Ltd.

(Continued from previous page)

**Issue 3:** 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 as required by Section 367.081(8), F.S.?

**Recommendation:** The water rates should be reduced, as shown on Schedule No. 2 of staff's memorandum dated October 24, 2019, to remove rate case expense grossed-up for RAFs and amortized over a 4-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. CHC 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.

**Issue 4:** Should the recommended rates be approved for CHC on a temporary basis, subject to refund, in the event of a protest filed by a substantially affected person or party?

**Recommendation:** Yes. The recommended rates should be approved for the utility on a temporary basis, subject to refund, in the event of a protest filed by a substantially affected person or party. The utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates should not be implemented until staff has approved the proposed notice, and the notice has been received by the customers. Prior to implementation of any temporary rates, the utility should provide appropriate security. If the recommended rates are approved on a temporary basis, the rates collected by the utility should be subject to the refund provisions discussed in the staff analysis portion of staff's memorandum dated October 24, 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 Clerk's office no later than the 20th of every month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

**ITEM NO.**

**CASE**

---

14\*\*PAA

---

**Docket No. 20190121-WS** – Application for limited proceeding rate increase in Polk County, by CHC VII, Ltd.

(Continued from previous page)

**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, 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.