

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, August 18, 2020, 9:30 a.m.

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

DATE ISSUED: August 14, 2020*

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.

Because the Commission is operating under a state of emergency due to COVID-19, all public participation must be telephonic or by written comment. To participate informally, affected persons must either: (1) request the opportunity to address the Commission telephonically on an item listed on the agenda by contacting the Office of General Counsel at (850) 413-6199 by noon on August 17, 2020; or (2) file any written comments for a particular item in the applicable Docket file by noon on August 17, 2020.

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 some other state of emergency 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.

***Added Issues and Recommendations for Item 3.**

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ITEM NO.

CASE

1**

Consent Agenda

PAA

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

DOCKET NO.

COMPANY NAME

20200154-TX

Gigamonster Networks, LLC

20200165-TX

Light Source Communications, LLC

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

ITEM NO.

CASE

2**PAA

Docket No. 20200175-EU – Petition for emergency variance from or waiver of Rule 25-6.049(5)-(6), F.A.C., by Casa Devon Venture, LP.

Critical Date(s): August 18, 2020 (30-day statutory deadline for the Commission to grant or deny the petition or determine it is not an emergency has been waived until this date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: GCL: Cowdery

ECO: Coston, Guffey, Hampson

IDM: Hinton, Vogel

Issue 1: Should the Commission grant the petition for emergency variance from or waiver of Rule 25-6.049(5), Measuring Customer Service, F.A.C., by Casa Devon Venture, LP?

Recommendation: Yes, Casa Devon’s petition for emergency variance from or waiver of Rule 25-6.049(5), F.A.C., should be granted subject to the condition that Casa Devon install the solar energy system in the apartment building substantially as described in the petition and the system remains in operation and achieves energy conservation through reduced electricity purchases from the utility. If these conditions are not met, the variance or waiver should cease to be effective. Casa Devon should be put on notice that if the variance or waiver ceases to be effective, it will be responsible for the cost of converting the Casa Devon apartment building from master metering to individual metering pursuant to Rule 25-6.049(7), F.A.C.

Issue 2: Should this docket be closed?

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

ITEM NO.

CASE

3

Docket No. 20200001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.

Critical Date(s): 90 days from the date of delivery of Recommended Order. Section 120.569(1)(1)2, F.S.

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: GCL: Crawford, Stiller

AFD: Cicchetti

ENG: Ballinger

Post-Hearing Decision - Participation is Limited to Commissioners and Staff.

Issue 1: Should the Commission accept any of the exceptions to conclusions of law filed by

DEF?

Recommendation: No. DEF has not presented any legally sufficient basis for rejecting or modifying any portion of the Recommended Order. Therefore, staff recommends that the Commission should deny DEF's exceptions to Conclusions of Law 110-114 and 119-125.

Issue 2: Should the Commission approve the Recommended Order submitted by the Administrative Law Judge?

Recommendation: Yes. The Commission should approve the Recommended Order attached to staff's recommendation dated August 6, 2020, as the Final Order in this docket.

Issue 3: Should this docket be closed?

Recommendation: No. While the Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor docket is assigned a separate docket number each year for administrative convenience, it is a continuing docket and should remain open.

ITEM NO.

CASE

4**

Docket No. 20200178-GU – Petition for approval to track, record as a regulatory asset, and defer incremental costs resulting from the COVID-19 pandemic, by Peoples Gas System.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Polmann

Staff: AFD: Sowards, Mouring

GCL: Stiller, Crawford

Issue 1: Should the Commission approve Peoples Gas System’s request for approval to establish a regulatory asset for recording costs attributable to COVID-19?

Recommendation: Yes. The Commission should approve Peoples’ request to establish a regulatory asset for recording costs incurred due to COVID-19. The approval to establish a regulatory asset, for accounting purposes, does not limit the Commission’s ability to review the amounts, recovery method, recovery period, and other related matters for reasonableness in a future proceeding in which the regulatory asset is included.

Peoples should be required to track any assistance or benefits received by the Company in connection with COVID-19, regardless of form, that would offset any COVID-19-related expenses. This would include, but is not limited to, any cost savings directly attributable to the suspension of disconnections or other activities during the emergency declaration. The regulatory asset costs and offsets should be recorded and maintained in a detailed manner that will allow incremental costs and any benefits and savings to be readily identifiable in a future proceeding. In addition, Peoples should be prepared to explain what actions and efforts it has undertaken to reduce or minimize these costs and to maximize the receipt of any available COVID-19 assistance or benefits. Finally, Peoples should be required to file monthly reports identifying the amounts of the costs incurred, any assistance or benefits received, and any cost savings realized which have been recorded in the regulatory asset. The first COVID-19 regulatory asset report should be filed on October 1 and every month thereafter until the Company presents the regulatory asset for Commission consideration.

Issue 2: Should this docket be closed?

Recommendation: Yes. The docket should be closed upon the issuance of the procedural order.

ITEM NO.

CASE

5**PAA

Docket No. 20200148-WS – Consideration of the tax impacts associated with Tax Cuts and Jobs Act of 2017 for Gold Coast Utility Corp.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: AFD: Cicchetti, Buys, Hightower

GCL: Brownless

Issue 1: What is the appropriate disposition of the tax impacts resulting from the passage of the TCJA for Gold Coast?

Recommendation: Gold Coast is not earning above its allowed rate of return range. No adjustment to base rates is necessary regarding the tax impacts resulting from the passage of the TCJA for Gold Coast.

Issue 2: Should this docket be closed?

Recommendation: Yes. 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 issuance of the Consummating Order and this docket should be closed.

ITEM NO.

CASE

6**PAA

Docket No. 20200149-WS – Consideration of the tax impacts associated with Tax Cuts and Jobs Act of 2017 for St. James Utility Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: AFD: Cicchetti, Buys, Hightower

GCL: Brownless

Issue 1: What is the appropriate disposition of the tax impacts resulting from the passage of the TCJA for St. James?

Recommendation: St. James is not earning above its allowed rate of return range. No adjustment to base rates is necessary regarding the tax impacts resulting from the passage of the TCJA for St. James.

Issue 2: Should this docket be closed?

Recommendation: Yes. 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 issuance of the Consummating Order and this docket should be closed.

ITEM NO.

CASE

7**PAA

Docket No. 20200144-EI – Petition for limited proceeding to true-up first and second SoBRA, by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ENG: Phillips
AFD: Higgins, Mouring
ECO: Forrest
GCL: Stiller, Trierweiler

Issue 1: What are the actual total costs for TECO’s First and Second SoBRA projects?

Recommendation: Based on staff’s review, the actual total costs for TECO’s First and Second SoBRA projects are as listed in Table 1-3. None of the projects exceed the \$1,500/kilowatt-alternative current (kW_{ac}) cost cap requirement of the 2017 Settlement.

Issue 2: What is the adjusted annual revenue requirement for TECO’s First and Second SoBRA projects?

Recommendation: The total adjusted cumulative annual revenue requirement associated with TECO’s First and Second SoBRA projects is \$70,213,000.

Issue 3: What is the appropriate true-up amount that should be reflected in the Capacity Cost Recovery Clause (CCRC), pursuant to paragraph 6(n) of the 2017 Settlement?

Recommendation: Staff recommends the appropriate true-up amount associated with the First and Second SoBRA projects that should be reflected in the CCRC, pursuant to paragraph 6(n) of the 2017 Settlement, is a credit of \$5,096,041. Due to the inclusion of an estimated credit of \$4,856,329 in TECO’s mid-course correction filing, an outstanding credit balance of \$239,712 remains and is to be incorporated in TECO’s 2021 Capacity Cost Recovery factors.

Issue 4: What is the appropriate base rate adjustment for TECO’s First and Second SoBRA projects and how should the Company implement this adjustment?

Recommendation: The appropriate base rate adjustment for TECO’s First and Second SoBRA projects is an annual revenue requirement reduction of \$77,000, which should be reflected in the Company’s Fourth SoBRA revenue requirement calculation.

Issue 5: Should this docket be closed?

Recommendation: Yes. 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.