# FLORIDA PUBLIC SERVICE COMMISSION COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, October 6, 2020, 9:30 a.m.

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

**DATE ISSUED:** September 28, 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 October 5, 2020; or (2) file any written comments for a particular item in the applicable Docket file by noon on October 5, 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).

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.

\*Revised to insert late-filed Item 2.

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2**PAA	<b>Docket No. 20200211-EI</b> – Petition for temporary variance from or waiver of Rule 25-6.097(3), F.A.C., temporary waiver of Section 6.3 of tariff, and request for expedited ruling, by Florida Power & Light Company	
3**	<b>Docket No. 20200219-EI</b> – Petition to initiate emergency rulemaking to prevent electric utility shutoffs, by League of United Latin American Citizens, Zoraida Santana, and Jesse Moody	
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### CASE

1\*\*

**Docket No. 20200091-EU** – Proposed amendment of Rule 25-6.064, F.A.C., Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities; Rule 25-6.078, F.A.C., Schedule of Charges; Rule 25-6.115, F.A.C., Facility Charges for Conversion of Existing Overhead Investor-owned Distribution Facilities; and Rule 25-6.0343, F.A.C., Municipal Electric Utility and Rural Electric Cooperative Reporting Requirements.

Rule Status: Proposed

Commissioners Assigned:All CommissionersPrehearing Officer:Polmann

Staff: GCL: Harper ECO: Coston, Guffey ENG: Buys

### (Proposal May Be Deferred)

**Issue 1:** Should the Commission amend Rules 25-6.064, Contribution-in-Aid-of-Construction; 25-6.078, Schedule of Charges; 25-6.115, Facility Charges for Conversion of Existing Overhead Investor-owned Distribution Facilities; and 25-6.0343, F.A.C., Municipal Electric Utility and Rule Electric Cooperative Reporting Requirements?

**Recommendation:** Yes. The Commission should propose the amendment of Rules 25-6.064, 25-6.078, 25-6.115, and 25-6.0343, F.A.C., as set forth in Attachment A of staff's memorandum dated September 24, 2020. The Commission should also certify Rules 25-6.064, 25-6.078, 25-6.115, and 25-6.0343, F.A.C., as minor violation rules.

Issue 2: Should this docket be closed?

**Recommendation:** Yes. If no requests for hearing, information regarding the SERC, proposals for a lower cost regulatory alternative, or JAPC comments are filed, the rules should be filed with the Department of State, and the docket should be closed.

ITEM NO.	CASE
2**PAA	<b>Docket No. 20200211-EI</b> – Petition for temporary variance from or waiver of Rule 25-6.097(3), F.A.C., temporary waiver of Section 6.3 of tariff, and request for expedited ruling, by Florida Power & Light Company.
	Critical Date(s): 12/10/20 (Pursuant to Section 120.542(8), Florida Statutes, the Commission must grant or deny the petition by this date)
	CommissionersAssigned:All CommissionersPrehearing Officer:Graham
	Staff: GCL: Harper, Kahn AFD: Fletcher ECO: Coston, Guffey
	<ul> <li><u>Issue 1:</u> Should FPL's petition for temporary variance from or waiver of Rule 25-6.097(3), F.A.C., and Section 6.3 of FPL's Tariff be granted?</li> <li><b>Recommendation:</b> A rule waiver or variance is unnecessary under the plain language of Rule 25-6.097, F.A.C. The Commission should grant FPL's petition for a temporary variance from or waiver of Section 6.3 of FPL's Tariff. If FPL's petition is approved, the Commission should require FPL to file a notice in this docket when it begins and concludes implementing the deposit refund.</li> <li><u>Issue 2:</u> Should this docket be closed?</li> <li><b>Recommendation:</b> 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.</li> </ul>

ITEM NO.	CASE
3**	<b>Docket No. 20200219-EI</b> – Petition to initiate emergency rulemaking to prevent electric utility shutoffs, by League of United Latin American Citizens, Zoraida Santana, and Jesse Moody.
	Critical Date(s): 10/22/20 (Pursuant to Section 120.54(7), F.S., the Commission must initiate rulemaking or deny the petition with a written statement of its reasons for denial by this date.)
	CommissionersAssigned:All CommissionersPrehearingOfficer:Graham
	Staff: GCL: DuVal AFD: Mouring ECO: Coston
	(Placeholder for Recommendation that will be filed by noon on September 29, 2020.)

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### CASE

**Docket No. 20200151-EI** – Petition for approval of a regulatory asset to record costs incurred due to COVID-19, by Gulf Power Company.

Critical Date(s): None

Commissioners Assigned:All CommissionersPrehearing Officer:Brown

Staff: GCL: Cibula, Crawford, Stiller AFD: Mouring, Sewards

(This item should be followed in order by items for Docket Nos. 20200178-GU, 20200194-PU, and 20200189-WS. Participation is at the Commission's Discretion)

**<u>Issue 1</u>**: Should the Motion for Reconsideration be granted? **Recommendation:** Yes, the Motion should be granted. OPC has demonstrated that a point of law was overlooked regarding the point of entry for a substantially affected

point of law was overlooked regarding the point of entry for a substantially affected person to challenge the establishment of a regulatory asset. Order No. PSC-2020-0262-PCO-EI should be vacated and reissued as proposed agency action (PAA).

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, a Consummating Order should be issued and the docket should remain open for the purpose of filing monthly status reports.

# ITEM NO. CASE 5\*\*PAA 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 Critical Date(s): None Commissioners Assigned: All Commissioners Prehearing Officer: Polmann Staff: AFD: Sewards, Mouring GCL: Stiller, Crawford (This item should follow the recommendation in Docket No. 20200151-EL. Participation is at the Commission's discretion.) Issue 1: Should the Commission reconsider, on its own motion, the issuance of Order

No. PSC-2020-0305-PCO-GU as a procedural order? **Recommendation:** Yes. The Order overlooked a point of law affecting notice and the point of entry for a substantially affected person to challenge the establishment of a regulatory asset. On its own motion, the Commission should vacate Order No. PSC-2020-0229-PCO-GU and reissue it as proposed agency action (PAA).

**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, a Consummating Order should be issued and the docket should remain open for the purpose of filing monthly status reports.

ITEM NO.	CASE		
6**PAA	<b>Docket No. 20200194-PU</b> – Petition for approval of regulatory assets to record costs incurred due to COVID-19, by Florida Public Utilities Company, Florida Public Utilities Company - Indiantown Division, Florida Public Utilities Company - Fort Meade, Florida Division of Chesapeake Utilities Corporation.		
	Critical Date(s): None		
	Commissioners Assigned:All CommissionersPrehearing Officer:Fay		
	Staff: AFD: Sewards, Mouring GCL: Stiller, Crawford		
	(This item should follow the recommendations for Docket Nos. 20200151-EI and		

20200178-GU, but before the recommendation for Docket No. 20200189-WS.)

### CASE

6\*\*PAA **Docket No. 20200194-PU** – Petition for approval of regulatory assets to record costs incurred due to COVID-19, by Florida Public Utilities Company, Florida Public Utilities Company - Indiantown Division, Florida Public Utilities Company - Fort Meade, Florida Division of Chesapeake Utilities Corporation.

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**Issue 1:** Should the Commission approve the Companies' request for approval to establish regulatory assets for recording the deferral of certain costs attributable to COVID-19?

**Recommendation:** The Commission should approve the Companies' request to establish regulatory assets for the accounting purpose of recording the deferral of costs associated with (1) incremental bad debt expense incurred due to COVID-19, and (2) safety-related costs incurred due to COVID-19; however, the Commission should expressly limit the inclusion of safety-related costs to those expenses that are directly and solely attributable to the health and safety of the Companies' employees and customers during the COVID-19 pandemic. Additionally, the Commission should deny the Companies' request to establish regulatory assets for recording the deferral of lost revenue. The approval to establish the regulatory assets, for accounting purposes, does not limit the Commission's ability to review the amounts, recovery method, scope of financial impact, recovery period, specific types or subsets of proposed costs within an approved category of costs, and other related matters for reasonableness in a future proceeding in which the regulatory assets are included.

The Companies should be required to track any assistance or benefits received in connection with COVID-19, regardless of form or source, 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 as a result of the pandemic. 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, FPUC and CFG should be prepared to explain what actions and efforts they have undertaken to reduce or minimize these costs and to maximize the receipt of any available COVID-19 assistance or benefits. Finally, the Companies should be required to file monthly reports identifying the amounts of the costs incurred, any assistance or benefits received, and any cost savings realized that have been recorded in the regulatory assets. The first set of COVID-19 regulatory asset reports should be filed on December 1, 2020, and every month thereafter until the Companies present the regulatory assets for Commission consideration.

### CASE

6\*\*PAA **Docket No. 20200194-PU** – Petition for approval of regulatory assets to record costs incurred due to COVID-19, by Florida Public Utilities Company, Florida Public Utilities Company - Indiantown Division, Florida Public Utilities Company - Fort Meade, Florida Division of Chesapeake Utilities Corporation.

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Issue 2: Should this docket be closed?

**Recommendation:** If no protest is filed by a substantially affected person within 21 days of the issuance of the order, a consummating order should be issued. If the Commission approves the staff recommendation in Issue 1, the docket should remain open for the filing of the required monthly reports.

### CASE

7\*\*PAA **Docket No. 20200189-WS** – Petition for approval of a regulatory asset to record costs incurred due to COVID-19, by Utilities, Inc. of Florida.

Critical Date(s): None

**Commissioners Assigned:** All Commissioners **Prehearing Officer:** Fay

Staff: AFD: D. Andrews, Norris GCL: Trierweiler, Crawford, Stiller

# (This item should be placed on the Agenda after the items for Docket Nos. 20200151-EI, 20200178-GU, and 20200194-PU.)

**<u>Issue 1</u>**: Should the Commission approve UIF's request for approval to establish a regulatory asset for recording the deferral of certain costs attributable to COVID-19?

**Recommendation:** The Commission should approve UIF's request to establish a regulatory asset for the accounting purpose of recording the deferral of costs associated with (1) incremental bad debt expense incurred due to COVID-19, and (2) safety-related costs incurred due to COVID-19; however, the Commission should expressly limit the inclusion of safety-related costs to those expenses that are directly and solely attributable to the health and safety of UIF's employees and its customers during the COVID-19 pandemic. Additionally, the Commission should deny the deferral of lost revenue for inclusion in the regulatory asset. The approval to establish a regulatory asset, for accounting purposes, does not limit the Commission's ability to review the amounts, recovery method, scope of financial impact, recovery period, specific types or subsets of proposed costs within an approved category of costs, and other related matters for reasonableness in a future proceeding in which the regulatory asset is included.

UIF should be required to track any assistance or benefits received by the Utility in connection with COVID-19, regardless of form or source, 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 as a result of the pandemic. 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, UIF 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, UIF should be required to file monthly reports identifying the amounts of the costs incurred, any assistance or benefits received, and any cost savings realized that have been recorded in the regulatory asset. The first COVID-19 regulatory asset report should be filed on December 1, 2020, and every month thereafter until the Utility presents the regulatory asset for Commission consideration.

### ITEM NO.

### CASE

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**Docket No. 20200189-WS** – Petition for approval of a regulatory asset to record costs incurred due to COVID-19, by Utilities, Inc. of Florida.

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Issue 2: Should this docket be closed?

**Recommendation:** If no protest is filed by a substantially affected person within 21 days of the issuance of the order, a consummating order should be issued. If the Commission approves the staff recommendation in Issue 1, the docket should remain open for the filing of the required monthly reports.

### ITEM NO.

8

CASE

Docket No. 20200092-EI – Storm protection plan cost recovery clause.
Critical Date(s): None
Commissioners Assigned: All Commissioners
Prehearing Officer: Fay
Staff: IDM: Eichler, Breman, Clark, Crawford, Hinton

AFD: Fletcher, Maurey, Mouring
ECO: Coston, Galloway
GCL: Stiller, Crawford

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

The Commission should vote on whether or not to grant the Motion filed August 10, 2020, requesting approval of the Storm Protection Plan Cost Recovery Clause Stipulation and Settlement Agreement.

### CASE

9**	<b>Docket No. 20200187-EI</b> – Application for authority to issue and sell securities during calendar year 2021, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Gulf Power Company.
	Critical Date(s): None
	CommissionersAssigned:All CommissionersPrehearing Officer:Administrative
	Staff: AFD: Hightower, D. Buys, Cicchetti GCL: Lherisson, Schrader

(This item should be placed before the recommendation for Docket No. 20200188-EL)

**Issue 1:** Should the Gulf application for authority to issue and sell securities be approved?

**Recommendation:** Yes, Gulf's application for authority to issue and sell securities during calendar year 2021 should be approved.

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

**Recommendation:** No, this docket should remain open.

### ITEM NO. CASE 10\*\* Docket No. 20200188-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. Critical Date(s): None Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative Staff: AFD: Hightower, D. Buys, Cicchetti GCL: Lherisson, Schrader (This item should be placed after the recommendation for Docket No. 20200187-EL.) Issue 1: Should the FPL application for authority to issue and sell securities be approved? Recommendation: Yes, FPL's application for authority to issue and sell securities during calendar year 2021 should be approved. Issue 2: Should this docket be closed? Recommendation: No, this docket should remain open.

# ITEM NO. CASE 11\*\*PAA Docket No. 20190125-WS – Application for staff-assisted rate case in Sumter County by The Woods Utility Company. Critical Date(s): 11/24/20 (Due date for Action Plan and Status Report per Order No. PSC-2020-0087-PAA-WS.) Commissioners Assigned: All Commissioners Prehearing Officer: Brown Staff: ENG: D. Phillips GCL: Weisenfeld Issue 1: Should The Woods' request for an extension of time to comply with Order No. PSC-2020-0087-PAA-WS be granted?

**Recommendation:** Yes. The Woods' request for an additional six months to comply with the PAA Order's filing requirements, including an action plan and first status report, should be granted due to the impacts of the COVID-19 pandemic. Furthermore, staff recommends that it be given administrative authority to grant one additional time extension if good cause is shown.

**Issue 2:** 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 of the Utility's required biannual status reports until additional monitoring is rescinded by the DEP. Once these actions are complete, this docket should be closed administratively if no adjustments are necessary.

### ITEM NO. CASE 12\*\*PAA Docket No. 20200155-WU – Application for certificate to operate water utility in Okaloosa County and application for pass through increase of regulatory assessment fees, by Okaloosa Waterworks, Inc. Critical Date(s): 10/19/20 (Expiration of 90-day statutory deadline for Commission to grant or deny application for water certificate) Commissioners Assigned: All Commissioners **Prehearing Officer:** Brown Staff: ENG: M. Watts, Doehling AFD: Blocker, Norris ECO: Bethea, Hudson GCL: Schrader (Proposed Agency Action for Issues 3 through 7.) **Issue 1:** Should the application for a water certificate by OWI be approved? Recommendation: Yes. OWI should be granted Certificate No. 676-W to serve the territory described in Attachment A of staff's memorandum dated September 24, 2020, effective the date of the Commission's vote. The resultant order should serve as OWI's water certificate and it should be retained by the Utility. Issue 2: What are the appropriate rates and charges for OWI? Recommendation: The appropriate rates and charges, as shown on Schedule 1 of staff's memorandum dated September 24, 2020, should be effective for services rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge the approved rates and charges until authorized to change them by the Commission in a subsequent proceeding. Issue 3: Should OWI's request to revise miscellaneous service charges be approved?

**Recommendation:** Yes. The miscellaneous service charges identified in Table 3-5 are appropriate and should be approved. OWI should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charges should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. OWI should provide proof of the date notice was given no less than 10 days after the date of the notice.

### CASE

12\*\*PAA **Docket No. 20200155-WU** – Application for certificate to operate water utility in Okaloosa County and application for pass through increase of regulatory assessment fees, by Okaloosa Waterworks, Inc.

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**<u>Issue 4</u>**: Should OWI's request to implement a late payment charge of \$6.50 be approved?

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

**<u>Issue 5</u>**: Should OWI's request to revise the existing initial customer deposits be approved?

**Recommendation:** Yes. OWI's request to revise the existing initial customer deposits should be approved. The appropriate initial customer deposit for water should be \$73.30 for the residential 5/8 inch x 3/4 inch meter size. The initial customer deposit for all other residential meter sizes and all general service meter sizes should be two times the average estimated bill. The approved customer deposits should be effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to collect the approved initial customer deposits until authorized to change them by the Commission in a subsequent proceeding.

Issue 6: Should OWI be authorized to collect Non-Sufficient Funds (NSF) Charges?

**Recommendation:** Yes. OWI should be authorized to collect NSF charges. OWI should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved NSF charges. The approved charges should be effective for service rendered on or after the stamped approval date on the tariff sheets provided customers have received notice pursuant to Rule 25-30.475, F.A.C. OWI should provide proof of the date notice was given no less than 10 days after the date of the notice.

### ITEM NO.

### CASE

12\*\*PAA **Docket No. 20200155-WU** – Application for certificate to operate water utility in Okaloosa County and application for pass through increase of regulatory assessment fees, by Okaloosa Waterworks, Inc.

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**Issue 7:** Should OWI's requested meter installation charge be approved?

**Recommendation:** Yes. The Utility's requested meter installation charge of \$353 for the 5/8 inch x 3/4 inch meter size should be approved. The Utility should file a tariff sheet and a proposed customer notice. OWI should provide notice to potential customers who have requested service within 12 calendar months prior to the month the application was filed and up until this Order becomes final.<sup>1</sup> The approved charge should be effective for connections made on or after the stamped approval date on the tariff sheet. The Utility should provide proof of the date notice was given within 10 days of the date of notice. **Issue 8:** Should this docket be closed?

**Recommendation:** No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff's verification that the revised tariff sheets and customer notices have been filed by the Utility and approved by staff. Once these actions are complete, this docket should be closed administratively.

<sup>&</sup>lt;sup>1</sup> Order No. PSC-2019-0223-PAA-SU, issued June 3, 2019, in Docket No. 20190075-SU, In re: Revision of wastewater service availability charges for Ni Florida in Pasco County.

### ITEM NO. CASE Docket No. 20200152-WS – Application for a limited alternative rate increase 13\*\*PAA proceeding in Polk and Marion Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, and East Marion Utilities, LLC. Critical Date(s): 10/12/20 - 90 day deadline Pursuant to Rule 25-30.457(11), F.A.C. Commissioners Assigned: All Commissioners **Prehearing Officer:** Brown Staff: ECO: Bruce, Bethea, Sibley, Hudson AFD: D. Brown, Richards ENG: Maloy, Knoblauch, Ramos GCL: Passidomo, Weisenfeld (Proposed Agency Action - Except Issue Nos. 3 and 4.) Issue 1: Should the Commission approve FUS1's application for a limited alternative rate increase for Alturas, East Marion, Pinecrest, and Sunrise? Recommendation: Yes. The Commission should approve the aforementioned utilities' application for a limited alternative rate increase with staff's modifications. The increase for each utility is listed in the table below. Pursuant to Rule 25-30.457(7), F.A.C., the utilities are required to hold any revenue increase granted subject to refund with interest. To ensure overearnings will not occur because of these rate increases, Commission staff will conduct earning reviews of the twelve-month period following the implementation of the revenue increase. If overearnings occur, such overearnings, up to the amount held

	Percent	Revenue
System Name	Increase	Increase
Alturas Water	14.05%	\$3,466
East Marion (water)	8.71%	\$2,717
East Marion (wastewater)	5.88%	\$2,586
Pinecrest	6.67%	\$4,046
Sunrise Water	20.00%	\$11,731

subject to refund, with interest, must be disposed of for the benefit of the customers. If Commission staff determines that a utility did not exceed the range of its last authorized

return on equity, the revenue increase will no longer be held subject to refund.

### CASE

13\*\*PAA **Docket No. 20200152-WS** – Application for a limited alternative rate increase proceeding in Polk and Marion Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, and East Marion Utilities, LLC.

(Continued from previous page)

**Issue 2:** What are the appropriate monthly service rates for Alturas, East Marion, Pinecrest, and Sunrise?

**Recommendation:** The existing service rates for the utilities should be increased as shown below to generate the recommended revenue increase in accordance with Rule 25-30.457, F.A.C.

Utility	% Rate Increase
Alturas	14.05%
East Marion (water)	8.71%
East Marion (wastewater)	5.88%
Pinecrest	6.67%
Sunrise	20.00%

The appropriate staff recommended service rates are shown on Schedule No. 1 of staff's memorandum dated September 24, 2020. The utilities 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 utilities should provide proof of the date notice was given no less than 10 days after the date of the notice.

**Issue 3:** What is the appropriate amount by which the rates should be reduced 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 rates should be reduced, as shown in Schedule No. 1 of staff's memorandum dated September 24, 2020, to remove rate case expenses grossed-up for RAFs and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the rate case expense recovery period, pursuant to Section 367.081(8), F.S. Alturas, East Marion, and Pinecrest should be required to file revised tariffs and proposed customer notices setting forth the lower rates and the reason for the reductions no later than one month prior to the actual date of the required rate reductions. If this reduction is filed in conjunction with price index or pass-through increase or decrease and the reductions in the rates due to the amortized rate case expenses. (Bruce, Richards, D. Brown)

### CASE

13\*\*PAA **Docket No. 20200152-WS** – Application for a limited alternative rate increase proceeding in Polk and Marion Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, and East Marion Utilities, LLC.

(Continued from previous page)

**Issue 4:** Should the recommended rates be approved for Alturas, East Marion, Pinecrest, and Sunrise 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(9), F.A.C., in the event of a protest of the Proposed Agency Action (PAA) Order by a substantially affected person other than one of the aforementioned utilities, the utilities should be authorized to implement the rates established in the LARI PAA Order on a temporary basis subject to refund upon filing a SARC application within 21 days from the date the protest is filed.

Each 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(9), F.A.C., if a 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. (Richards, D. Brown) **Issue 5:** Should this docket be closed?

**Recommendation:** No. In the event of a protest, the utilities 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 the protest is filed. If the utilities fail to file a SARC within 21 days, the utility's petition for a LARI will be deemed withdrawn pursuant to Rule 25-30.457(9), 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 PAA Order, a Consummating Order should be issued. The docket should remain open for staff's verification that the revised tariff sheets reflecting the Commission-approved rates, and the customer notice, have been filed by the utilities and approved by staff, so that staff may conduct an earnings review of the utility pursuant to Rule 25-30.457(8), 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(8), F.A.C., this docket should be closed administratively.

### ITEM NO. CASE 14\*\* Docket No. 20200170-EI – Petition for approval of optional electric vehicle public charging pilot tariffs, by Florida Power & Light Company. Critical Date(s): 10/06/20 (60-day file and suspend waiver provided by the utility until 10/06/20.) Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative **Administrative** Staff: ECO: Coston AFD: Mouring GCL: Stiller, Crawford Issue 1: Should FPL's proposed optional electric vehicle public charging pilot tariffs be suspended? Recommendation: Yes. Staff recommends that the tariffs be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposals.

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

**Recommendation:** No. This docket should remain open pending the Commission's decision on the proposed tariffs.