FLORIDA PUBLIC SERVICE COMMISSION COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, June 15, 2021, 9:30 a.m.

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

DATE ISSUED: June 3, 2021

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.

Participation may be in person or by telephone.* Any interested person who would like to participate telephonically on any item on the Conference agenda should contact the Office of General Counsel at 850-413-6199 no later than 12:00 p.m. on June 14, 2021. Interested persons may also file written comments with the Agency Clerk in the applicable docket file for all matters to be taken up by the Commission, except any posthearing recommendation. Any written comments must be filed no later than 12:00 p.m. on June 14, 2021.

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.

*Due to COVID-19, the Commission may limit public attendance in Room 148.

1**	Consent Agenda 1
2**	Docket No. 20210050-TP – Commission approval of Florida Telecommunications Relay, Inc.'s fiscal year 2021/2022 proposed budget
3	Docket No. 20200226-SU – Application for certificate to provide wastewater service in Charlotte County, by Environmental Utilities, LLC
4**	Docket No. 20210013-TX – Application for designation as an eligible telecommunications carrier to receive rural digital opportunity fund auction (Auction 904) support for voice and broadband services and request for expedited consideration, by Bright House Networks Information Services (Florida), LLC4
5**PAA	Docket No. 20210070-TX – Petition for designation as eligible telecommunications carrier (ETC) in the State of Florida, by Windstream Communications, LLC
6**PAA	Docket No. 20210006-WS – Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S
7**	Docket No. 20200189-WS – Petition for approval of a regulatory asset to record costs incurred due to COVID-19, by Utilities, Inc. of Florida
8**PAA	Docket No. 20200234-EI – Petition for approval of direct current microgrid pilot program and for variance from or waiver of Rule 25-6.065, F.A.C., by Tampa Electric Company
9**PAA	Docket No. 20210068-EQ – Petition for approval of standard offer contract and request for temporary waiver of rule on annual filing, by Florida Public Utilities Company
10**PAA	Docket No. 20190210-EG – Petition for approval of demand-side management plan, by Peoples Gas System. 10
11**PAA	Docket No. 20200257-EI – Petition for approval of 2020 nuclear decommissioning study, by Florida Power & Light Company
12**	Docket No. 20200093-GU – Petition for approval of tariff modifications for liquified natural gas service by Peoples Gas System
13	Docket No. 20210088-GU – Joint petition to modify tariffs to accommodate receipt and transport of renewable natural gas, by Florida Public Utilities Company, Florida Public Utilities - Indiantown Division, Florida Public Utilities - Fort Meade, and Florida Division of Chesapeake Utilities Corporation

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ITEM NO.		CASE
1**	Consent Agenda	
PAA	 A) Application for Certificate of Authority to Provide Telecommunications Service. DOCKET NO. COMPANY NAME 	
	20210091-TX	Electric Lightwave, LLC d/b/a Allstream

<u>Recommendation</u>: The Commission should approve the action requested in the docket referenced above and close this docket.

CASE

2**

Docket No. 20210050-TP – Commission approval of Florida Telecommunications Relay, Inc.'s fiscal year 2021/2022 proposed budget.

Critical Date(s): None

Commissioners Assigned:All CommissionersPrehearing Officer:La Rosa

Staff: IDM: Williams, Fogleman GCL: Murphy

Issue 1: Should the Commission approve Florida Telecommunications Relay, Inc.'s proposed budget as presented in Attachment A of staff's memorandum dated June 3, 2021 for Fiscal Year 2021/2022, effective August 1, 2021, and should the Commission maintain the current Telecommunications Relay Service (TRS) surcharge at \$0.10 per month?

Recommendation: Staff recommends the Commission approve FTRI's proposed budget expenses of \$4,450,727 for Fiscal Year 2021/2022. Staff recommends the Commission order all local exchange companies to continue billing the \$0.10 TRS surcharge for Fiscal Year 2021/2022. Staff further recommends the Commission require FTRI to conduct a financial break-even analysis of the Regional Distribution Center fee structure and present the results to the Commission with its Fiscal Year 2022/2023 budget filing. **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

3

Docket No. 20200226-SU – Application for certificate to provide wastewater service in Charlotte County, by Environmental Utilities, LLC.

Critical Date(s): None

Commissioners Assigned:All CommissionersPrehearing Officer:Graham

Staff: ENG: Kistner, Ellis, Thompson AFD: Norris, Thurmond ECO: Bruce, Hudson GCL: Osborn, J. Crawford

(Decision on Motion for Reconsideration - Oral argument not requested; participation is at the Commission's discretion.)

Issue 1: Should the Commission grant Ms. Cotherman's Motion for Reconsideration, as amended, of Order No. PSC-2021-0087-CFO-SU?

Recommendation: No. The Motion for Reconsideration, as amended, should be denied because Ms. Cotherman has failed to identify a point of fact or law that was overlooked or that the Prehearing Officer failed to consider in rendering the Order.

Issue 2: Should this docket be closed?

Recommendation: No. The docket should remain open pending the Commission's action on the Utility's application for an original wastewater certificate.

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CASE

Docket No. 20210013-TX – Application for designation as an eligible telecommunications carrier to receive rural digital opportunity fund auction (Auction 904) support for voice and broadband services and request for expedited consideration, by Bright House Networks Information Services (Florida), LLC.

Critical Date(s): None

Commissioners Assigned:All CommissionersPrehearing Officer:Graham

Staff: IDM: Deas, Fogleman, Wendel GCL: Murphy

(Revised Recommendation – Initial Recommendation was deferred at the March 2, 2021 Commission Conference)

<u>Issue 1</u>: Should the Commission grant Bright House Networks Information Services (Florida), LLC ETC status in Florida to Receive Rural Digital Opportunity Fund Auction (Auction 904) Support for Voice and Broadband Services?

Recommendation: Yes. Bright House Networks Information Services (Florida), LLC is a telecommunications company certificated to provide service in Florida and meets all of the requirements for designation as an ETC under Section 364.10, F.S., and applicable federal law. The Company has acknowledged the requirement to comply with Sections 364.10 and 364.105, F.S., and Rule 25-4.0665, F.A.C., which govern Lifeline service and provide for a transitional discount for those customers no longer eligible for Lifeline. **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 Proposed Agency Action Order, this docket should be closed upon the issuance of a consummating order.

ITEM NO.	CASE
5**PAA	Docket No. 20210070-TX – Petition for designation as eligible telecommunications carrier (ETC) in the State of Florida, by Windstream Communications, LLC.
	Critical Date(s): None
	Commissioners Assigned: All Commissioners Prehearing Officer: Fay
	Staff: IDM: Yglesias de Ayala, Deas, Fogleman GCL: Weisenfeld
	<u>Issue 1:</u> Should the Commission grant Windstream Communications, LLC ETC status in Florida to Receive Rural Digital Opportunity Fund Auction (Auction 904) Support for Voice and Broadband Services?
	Recommendation: No. Staff recommends that the Commission lacks jurisdiction to grant Windstream Communications, LLC ETC status in Florida. Staff further recommends that, as a provider of non-jurisdictional VoIP and broadband services, Windstream Communications, LLC should apply directly to the FCC for a Florida ETC
	designation. <u>Issue 2:</u> Should this docket be closed?
	Recommendation: Yes. If no person whose substantial interests are affected by the

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 Proposed Agency Action Order, this docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE 6**PAA Docket No. 20210006-WS – Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S. Critical Date(s): None **Commissioners Assigned:** All Commissioners **Prehearing Officer:** Graham Staff: AFD: Osorio, D. Buys, Cicchetti GCL: Lherisson **Issue 1:** What is the appropriate range of returns on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.? **Recommendation:** Staff recommends that the current leverage formula approved by the Commission in Order No. PSC-2020-0222-PAA-WS continue to be used until readdressed in 2022. Accordingly, staff recommends the following leverage formula: $ROE = 6.05\% + (1.80 \div Equity Ratio)$ Where the Equity Ratio = Common Equity ÷ (Common Equity + Preferred Equity + Long-Term and Short-Term Debt) Range: 7.85 percent at 100 percent equity to 10.55 percent at 40 percent equity The Commission should cap returns on common equity at 10.55 percent for all WAW

The Commission should cap returns on common equity at 10.55 percent for all WAW utilities with equity ratios less than 40 percent. Imposing a cap serves to discourage imprudent financial risk. This cap is consistent with the methodology approved by Order No. PSC-2020-0222-PAA-WS.

Issue 2: Should this docket be closed?

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

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CASE

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: Norris GCL: Trierweiler, J. Crawford, Stiller

(Notice of Voluntary Dismissal)

<u>Issue 1</u>: Should the Commission acknowledge UIF's Notice of Voluntary Dismissal Without Prejudice?

Recommendation: Yes, the Commission should acknowledge UIF's voluntary dismissal of its Petition without prejudice. With the voluntary dismissal of UIF's petition, the Commission is divested of jurisdiction and Proposed Agency Action Order No. PSC-2020-0403-PAA-WS is a nullity. The Commission should further find that UIF is dismissed from the June 16, 2021 hearing, and there are no further actions required with respect to this docket.

Issue 2: Should this docket be closed?

Recommendation: Yes. No further action by the Commission is required in this docket and the docket should be closed.

ITEM NO.	CASE

8**PAA **Docket No. 20200234-EI** – Petition for approval of direct current microgrid pilot program and for variance from or waiver of Rule 25-6.065, F.A.C., by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned:All CommissionersPrehearing Officer:Administrative

Staff: ENG: Wooten, Doehling, Ellis, King, Ramos AFD: Mouring ECO: Kunkler, Wu GCL: Brownless

Issue 1: Should the Commission approve TECO's proposed DC Pilot program?

Recommendation: Yes, the Commission should approve the proposed DC Pilot program with the following modifications: 1) costs associated with the DC Pilot program should be capped at \$1.99 million, and 2) the Company should provide annual reports to the Commission as detailed in the petition as well as a survey, in year three, of the DC Pilot on the participants' willingness to pay a monthly surcharge for increased reliability. While participating customers will not realize direct energy savings similar to traditional customer-owned or leased solar installations, the participants may experience a slightly higher level of reliability when compared to other customers in the same sub-division. In addition, the potential system benefits of the DC Pilot program as proposed are dependent on participating customers' willingness to pay a premium for incremental reliability benefits. Staff recommends that the Pilot commence on the date the consummating order is issued and terminate four years from that date, if no request for hearing is timely filed. If a request for hearing is timely filed, the Pilot shall be held in abeyance pending final hearing.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by this proposed agency action files a request for a hearing within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order. If a request for hearing is timely filed, this docket shall remain open pending final hearing.

order.

ITEM NO.	CASE
9**PAA	Docket No. 20210068-EQ – Petition for approval of standard offer contract and request for temporary waiver of rule on annual filing, by Florida Public Utilities Company.
	Critical Date(s): 06/30/2021 (The Commission must vote to grant or deny the rule waiver by this date.)
	Commissioners Assigned:All CommissionersPrehearing Officer:Administrative
	Staff: ENG: Phillips, Ellis GCL: Weisenfeld
	<u>Issue 1</u> : Should the Commission grant FPUC's petition for a temporary waiver of Rule 25-17.250(1), F.A.C.?
	Recommendation: Yes. Staff recommends that FPUC's petition for a temporary waiver of Rule 25-17.250(1) should be granted.
	<u>Issue 2</u> : Should the Commission approve the proposed standard offer contract filed by FPUC?
	Recommendation: Yes. The provisions of FPUC's standard offer contract conform to all requirements of Rules 25-17.200 through 25-17.310, F.A.C. The proposed standard offer contract provides flexibility in the arrangements for payments so that a developer of renewable generation may select the payment stream best suited to its financial needs. Issue 3: 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 Proposed Agency Action Order, this docket should be closed upon the issuance of a consummating

ITEM NO.

CASE

10**PAA **Docket No. 20190210-EG** – Petition for approval of demand-side management plan, by Peoples Gas System.

Critical Date(s): None

Commissioners Assigned:All CommissionersPrehearing Officer:Administrative

Staff: ENG: Thompson GCL: Weisenfeld

<u>Issue 1</u>: Should the Commission approve Peoples Gas Systems' proposed DSM Plan and program standards?

Recommendation: Yes. The DSM Plan proposed by PGS is projected to exceed the annual numeric conservation goals approved by the Commission in the 2019 Goalsetting Order. PGS's proposed DSM Plan is primarily a continuation, with some minor modifications, of its preliminary DSM portfolio used to establish the goals approved by the Commission in 2019 Goalsetting Order. The programs within PGS's proposed DSM Plan are projected to be cost-effective based upon both the G-RIM and Participants Tests.

Therefore, staff recommends that the Commission should allow PGS to file for cost recovery of the programs included in its proposed DSM Plan in the Natural Gas Conservation Cost Recovery (NGCCR) proceeding. However, PGS must demonstrate that the expenditures to implement its DSM programs are reasonable and prudent in order to recover those expenditures.

PGS also submitted its administrative program standards with its proposed DSM Plan. Staff has reviewed PGS's administrative program standards and recommends that they are consistent with the Utility's proposed DSM Plan submitted for approval by the Commission. Staff requests that PGS notify the Commission prior to any changes being made to the program standards as filed.

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, this docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE 11**PAA Docket No. 20200257-EI – Petition for approval of 2020 nuclear decommissioning study, by Florida Power & Light Company. Critical Date(s): None Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: ECO: Smith II, Barrett, Galloway, Kunkler, McNulty, Shrum AFD: Brown, D. Buys, Cicchetti, Higgins, Mathis, Osorio GCL: Brownless, J. Crawford

Issue 1: What are the current total estimated costs to decommission Florida Power & Light Company's Turkey Point Nuclear Units 3 and 4, and St. Lucie Nuclear Units 1 and 2, valued in 2020 dollar terms?

Recommendation: Staff recommends the Commission find that FPL's total current estimated cost valued in 2020 dollars for decommissioning Turkey Point Nuclear Units 3 and 4 of \$1,361,192,000, and for St. Lucie Nuclear Units 1 and 2 of \$1,745,462,000 is reasonable.

Issue 2: What are the appropriate annual accruals, in equal dollar amounts, necessary to recover the future decommissioning costs of Florida Power & Light Company's St. Lucie Nuclear Units 1 and 2, and Turkey Point Nuclear Units 3 and 4?

Recommendation: Staff recommends the appropriate jurisdictional accrual amounts necessary to recover future decommissioning costs over the remaining life of each nuclear power plant remain at the currently-authorized zero dollars per year as last approved by Order No. PSC-16-0250-PAA-EI.

Issue 3: Should the amortization expense associated with the unrecovered value of Endof-Life Materials and Supplies inventories that will exist at the nuclear site following shut down be revised?

Recommendation: Yes. Staff recommends that the Commission recognize the revised annual amortization expense associated with End-of-Life Materials and Supplies inventories for FPL of \$1.647 million (system), based on the proposed January 1, 2022 effective date of new customer rates in FPL's current rate case proceeding, Docket No. 20210015-EI. FPL should address the amortization of End-of-Life Materials and Supplies inventories in its subsequent decommissioning studies so the related annual accruals can be revised, if warranted.

CASE

11**PAA **Docket No. 20200257-EI** – Petition for approval of 2020 nuclear decommissioning study, by Florida Power & Light Company.

(Continued from previous page)

<u>Issue 4</u>: Should the amortization expense associated with the cost of the Last Core of nuclear fuel be revised?

Recommendation: Yes. Staff recommends that the Commission recognize the revised annual amortization expense associated with the cost of the Last Core of nuclear fuel at FPL nuclear units of \$3.564 million (system), based on the proposed January 1, 2022 effective date of new customer rates in FPL's current rate case proceeding, Docket No. 20210015-EI. FPL should address the costs associated with the Last Core in subsequent decommissioning studies so the related annual accruals can be revised, if warranted.

Issue 5: What should be the effective date for adjusting the annual decommissioning accrual amounts for TP3, TP4, SL1, SL2, amortization of nuclear EOL M&S inventories, and amortization of the costs associated with the Last Core?

Recommendation: If the staff recommendations in Issues 1 and 2 are approved, there is no change to the current approved zero decommissioning accrual. Therefore, an effective date for adjusting the annual decommissioning accrual is moot. If the staff recommendations in Issues 3 and 4 are approved, the revised annual amortization amounts relating to EOL M&S inventories (Issue 3) and the Last Core (Issue 4) should be effective at the time new base rates are approved.

Issue 6: When should FPL file its next nuclear decommissioning study?

Recommendation: FPL's next decommissioning cost study for the Turkey Point Nuclear Generating Station and the St. Lucie Nuclear Power Plant should be filed no later than December 14, 2025.

Issue 7: Should this docket be closed?

Recommendation: If no protest to this proposed agency action is filed by a substantially affected person within 21 days of the issuance of the order, a consummating order should be issued and the docket should be closed.

CASE

12** Docket No. 2020

Docket No. 20200093-GU – Petition for approval of tariff modifications for liquified natural gas service by Peoples Gas System.

Critical Date(s): Company waived the 12-month Effective Date

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

Staff: ECO: Coston, Ward GCL: Trierweiler

(Tariff Filing)

Issue 1: Should the Commission approve Peoples' amended proposed LNG tariff?

Recommendation: Yes. Staff recommends that the Commission should approve Peoples' amended proposed LNG tariff, as shown in Attachment A of staff's memorandum dated June 3, 2021, effective on June 15, 2021. The LNG tariff would provide Peoples with an opportunity to provide storage and regasification LNG services to interested customers. A participating customer would enter into a contract with Peoples and all capital and operating costs associated with the LNG facility would be borne by the customer. If Peoples petitions the Commission to evaluate cost recovery for any tariff default or under-recovery in a future rate petition, the utility should be put on notice that, as part of its review, the Commission will complete a thorough analysis of the utility's due diligence in entering into the contract, including the sufficiency of contract provisions designed to protect the general body of ratepayers.

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	Docket No. 20210088-GU – Joint petition to modify tariffs to accommodate receipt and transport of renewable natural gas, by Florida Public Utilities Company, Florida Public Utilities - Indiantown Division, Florida Public Utilities - Fort Meade, and Florida Division of Chesapeake Utilities Corporation.
	Critical Date(s): 06/21/21 (60-Day Suspension Date)
	Commissioners Assigned:All CommissionersPrehearing Officer:Administrative
	Staff: ECO: Forrest GCL: Osborn, Crawford
	(Tariff Suspension - Participation is at the Commission's discretion.) <u>Issue 1:</u> Should the Companies' proposed Renewable Natural Gas Service tariff and associated tariff revisions be suspended?
	Recommendation: Yes, staff recommends that the proposed tariffs be suspended to allow staff sufficient time to review the petition and gather all pertinent information in

suspended to information in order to present the Commission with an informed recommendation on the proposed tariffs.

Issue 2: Should this docket be closed?

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

ITEM NO. CASE 14** Docket No. 20210078-TX – Compliance investigation of local exchange Certificate No. 8511, issued to SH Services LLC, for apparent fourth-time violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies. Critical Date(s): None

Commissioners Assigned: Staff

Prehearing Officer: Administrative

Staff: ECO: Kunkler, Galloway GCL: Murphy, Tan

Issue 1: Should the Commission impose a penalty and a cost of collection, together totaling \$4,000 or cancel the SH Services tariff and remove SH Services, TX797, from the register for an apparent fourth violation of Section 364.336, F.S., and Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunication Companies?

Recommendation: The Commission should impose a penalty and the cost of collection, together totaling \$4,000, but should not cancel the SH Services tariff nor remove the Company's name from the register.

Issue 2: Should this docket be closed?

Recommendation: Staff recommends that the Order issued from this recommendation should become final and effective upon issuance of a Consummating Order. Thereupon, this docket should be closed administratively either upon acknowledgment that SH Services has paid in full the appropriate 2020 RAF, including accrued statutory late payment charges, along with the \$4,000 penalty, for a total amount due of \$4,708, or upon cancellation of the Company's local exchange certificate and removal of its name from the register.