FLORIDA PUBLIC SERVICE COMMISSION COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, November 2, 2021, 9:30 a.m.

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

DATE ISSUED: October 21, 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.

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.

1	Election of Commission Chairman for a two-year term beginning January 3, 2022
2**	Consent Agenda
3**	Docket No. 20210137-PU – Proposed adoption of Rule 25-18.010, F.A.C., Pole Attachment Complaints
4**PAA	Docket No. 20210132-EG – Petition of Florida Power & Light Company for approval to integrate 2020-2024 demand-side management plans and approval of regulatory asset.
5**	Docket No. 20210109-WS – Application for amendment of Certificates 496-W and 465-S to extend territory in Lake County, by Utilities, Inc. of Florida
6**PAA	Docket No. 20210131-EU – Joint petition for approval of territorial agreement in Calhoun, Jackson, and Washington Counties between Gulf Coast Electric Cooperative, Inc. and West Florida Electric Cooperative Association, Inc 6
7**PAA	Docket No. 20210126-GU – Petition for approval of variance to modify the Sebastian area extension program true-up and extend the amortization period, by Florida City Gas. — 7
8**	Docket No. 20210147-GU – Joint petition for approval of swing service rider rates for January through December 2022, by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.
9**	Docket No. 20210148-GU – Petition for approval of 2020 true-up, projected 2021 true-up, and 2022 revenue requirements and surcharges associated with cast iron/bare steel replacement rider, by Peoples Gas System
10**	Docket No. 20210149-GU – Petition for approval of safety, access, and facility enhancement program true-up and 2022 cost recovery factors, by Florida City Gas
11**	Docket No. 20210150-GU – Joint petition for approval to implement gas reliability infrastructure program (GRIP) cost recovery factors for January 2022 through December 2022 by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade and the Florida Division of Chesapeake Utilities Corporation.
12**PAA	Docket No. 20170219-WS – Application for staff-assisted rate case in Polk County by River Ranch Water Management, L.L.C

Commission	Conference Agenda
November 2,	2021
13**PAA	Docket No. 20210120-SU – Application for a limited alternative rate increase

Table of Contents

1

ITEM NO. CASE

Election of Commission Chairman for a two-year term beginning January 3, 2022.

ITEM NO.	CASE
2**	Consent Agenda
PAA	A) Application for Certificate of Authority to Provide Telecommunications Service. DOCKET NO. COMPANY NAME 20210162-TX Neo Network Development, Inc.
PAA	B) Docket No. 20210153-EI - Application for authority to issue and sell securities for the fiscal period of 12 months ending December 31, 2022, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Tampa Electric Company.
PAA	C) Docket No. 20210154-EI - Application for authority to issue and sell securities during 12 months ending December 31, 2022, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Duke Energy Florida, LLC.

Recommendation: The Commission should approve the actions requested in the dockets referenced above and close Docket No. 20210162-TX. For monitoring purposes, Docket Nos. 20210153-EI and 20210154-EI should remain open until May 5, 2023, to allow the Company time to file the required Consummation Report.

ITEM NO. CASE

3** **Docket No. 20210137-PU** – Proposed adoption of Rule 25-18.010, F.A.C., Pole

Attachment Complaints.

Rule Status: Proposed

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: GCL: Harper, Cowdery

IDM: Wendel

(Proposal May Be Deferred - Rule must be proposed by January 1, 2022.)

<u>Issue 1:</u> Should the Commission propose the adoption of Rule 25-18.010, F.A.C., Pole Attachment Complaints?

Recommendation: Yes, the Commission should propose the adoption of Rule 25-18.010, F.A.C., Pole Attachment Complaints, as set forth in Attachment A of staff's memorandum dated October 21, 2021. Also, the Commission should certify Rule 25-18.010, F.A.C., as a minor violation rule.

Issue 2: Should this docket be closed?

Recommendation: No, the docket should not be closed. After the proposed rule has been filed with the Department of State for adoption and becomes effective, staff intends to bring a recommendation to the next available Commission Conference for the Commission to issue a certification order as required by Section 366.04(8)(g), F.S.

ITEM NO. CASE

4**PAA

Docket No. 20210132-EG – Petition of Florida Power & Light Company for approval to integrate 2020-2024 demand-side management plans and approval of regulatory asset.

Critical Date(s): None

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ENG: Wooten, Ellis, King

AFD: Sewards, Mouring

ECO: Barrett

GCL: Imig, Trierweiler

Issue 1: If the Commission approves FPL's pending request for unified rates in Docket No. 20210015-EI, should the Commission also approve FPL's proposed Integrated DSM Plan, associated updated Program Standards and the Company's proposal to create a regulatory asset associated with Gulf's Energy Select DSM program?

Recommendation: Yes. FPL's Integrated DSM Plan is the combination of FPL and Gulf's previously approved DSM plans, and is projected to meet the conservation goals established in the 2019 FEECA Goal Setting proceeding. A brief description of each program included in the Integrated DSM Plan is included as Attachment A of staff's memorandum dated October 21, 2021. Staff recommends that costs associated with the Integrated DSM Plan should be eligible for cost recovery through FPL's ECCR factor.

Based on staff's review, the retirement of capital assets associated with the Energy Select program should be approved and the associated unrecovered plant balance in the amount of \$22.7 million should be recorded as a regulatory asset. Additionally, the recovery of the regulatory asset through the ECCR over a 5-year period should also be approved.

If the Commission does not approve unified rates in Docket No. 20210015-EI, no action is needed to create a regulatory asset for the Energy Select program, and the existing DSM plans should be continued until the new DSM plans are approved by the Commission.

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 PAA Order, a Consummating Order should be issued and the docket should be closed.

ITEM NO. CASE

5**

Docket No. 20210109-WS – Application for amendment of Certificates 496-W and 465-S to extend territory in Lake County, by Utilities, Inc. of Florida.

Critical Date(s): None

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ENG: M. Watts, Knoblauch

ECO: Bethea, Hudson GCL: Trierweiler

<u>Issue 1:</u> Should the Commission approve UIF's application for amendment of Certificate Nos. 496-W and 465-S to extend its water and wastewater territory in Lake County?

Recommendation: Yes. The Commission should amend Certificate Nos. 496-W and 465-S to include the territory as described in Attachment A of staff's memorandum dated October 21, 2021, effective the date of the Commission's vote. The resultant order should serve as UIF's amended certificate and should be retained by the Utility. The Utility should charge future customers in the territory added herein the rates and charges contained in its current tariffs until a change is authorized by the Commission in a subsequent proceeding.

Issue 2: Should this docket be closed?

Recommendation: If the Commission approves staff's recommendation, no further action will be necessary, and this docket should be closed upon issuance of the order.

ITEM NO. CASE

6**PAA

Docket No. 20210131-EU – Joint petition for approval of territorial agreement in Calhoun, Jackson, and Washington Counties between Gulf Coast Electric Cooperative, Inc. and West Florida Electric Cooperative Association, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: ECO: Guffey

GCL: Sandy, J. Crawford

Issue 1: Should the Commission approve the proposed Territorial Agreement in Calhoun, Jackson, and Washington counties between Gulf Coast Electric Cooperative, Inc. (Gulf Coast) and West Florida Electric Cooperative Association, Inc. (West Florida)? **Recommendation:** Yes, the Commission should approve the proposed Territorial Agreement in Calhoun, Jackson, and Washington counties between Gulf Coast and West Florida. The approval of this Agreement will not be a detriment to the public interest and it will enable Gulf Coast and West Florida to avoid duplication of facilities and expenditures, avoid hazardous conditions, and serve their current and future customers in a safe manner. The proposed Agreement between Gulf Coast and West Florida should become effective on the date the Commission order approving the Agreement becomes final and no longer subject to judicial review.

Issue 2: Should this docket be closed?

Recommendation: If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ITEM NO. CASE

7**PAA

Docket No. 20210126-GU – Petition for approval of variance to modify the Sebastian area extension program true-up and extend the amortization period, by Florida City Gas.

Critical Date(s): None

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Ward, Coston

GCL: Sandy

<u>Issue 1:</u> Should the Commission approve FCG's proposed AEP tariff variance to modify the Sebastian AEP Project true-up timeline and extend the amortization period?

Recommendation: Yes, the Commission should approve FCG's tariff variance request to waive the year seven true-up requirement, extend the amortization period from ten years to fifteen years, and add additional true-up requirements to years thirteen and fourteen for the Sebastian AEP Project.

Issue 2: 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.

ITEM NO. CASE

8**

Docket No. 20210147-GU — Joint petition for approval of swing service rider rates for January through December 2022, 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: 4/30/22

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Guffey, Coston GCL: Sandy, J. Crawford

(Tariff Filing)

<u>Issue 1:</u> Should the Commission approve the Companies' proposed swing service rider rates and tariffs for the period January through December 2022?

Recommendation: No. The Commission should deny the proposed swing service rider rates and tariffs for the period January through December 2022, as filed. However, the Companies should be given the option to file revised rates and tariffs within 10 days of the Commission's vote, for administrative approval by staff, that reflect the removal of \$8,093 in legal fees from the calculation, for the period January through December 2022.

Issue 2: Should this docket be closed?

Recommendation: If the Commission approves staff's recommendation in Issue 1, the Companies timely file revised rates and tariffs meeting the conditions of the order, and a protest is filed within 21 days of the issuance of the order, the revised tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If the Companies timely file revised rates and tariffs and no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

If the Commission approves staff's recommendation in Issue 1, the Companies do not timely file revised rates and tariffs meeting the conditions of the order, and a protest is filed within 21 days of the issuance of the order, the rates and charges originally requested in the Companies' August 31, 2021, filing could be placed into effect, with any revenues held subject to refund, pending resolution of the protest. If the Companies do not timely file revised rates and tariffs and no timely protest is filed, the docket should be closed upon the issuance of a consummating order.

ITEM NO. CASE

9**

Docket No. 20210148-GU – Petition for approval of 2020 true-up, projected 2021 true-up, and 2022 revenue requirements and surcharges associated with cast iron/bare steel replacement rider, by Peoples Gas System.

Critical Date(s): 5/1/22 (8-Month Effective Date); 60-Day Suspension waived by the

utility.

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Ward, Coston

GCL: Osborn

(Tariff Filing)

<u>Issue 1:</u> Should the Commission approve Peoples' proposed CI/BSR Rider surcharges for the period January through December 2022?

Recommendation: Yes, the Commission should approve Peoples' proposed CI/BSR Rider surcharges for the period January through December 2022.

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. 20210149-GU – Petition for approval of safety, access, and facility enhancement program true-up and 2022 cost recovery factors, by Florida City Gas.

Critical Date(s): 8-month effective date: 5/1/22

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Forrest, Coston

GCL: Osborn, J. Crawford

(Tariff Filing)

<u>Issue 1:</u> Should the Commission approve FCG's proposed SAFE tariff for the period January through December 2022?

Recommendation: Yes. The Commission should approve FCG's proposed SAFE tariff for the period January through December 2022.

Issue 2: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved and a protest is filed within 21 days of 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 remain closed upon the issuance of a consummating order.

ITEM NO. CASE

11**

Docket No. 20210150-GU — Joint petition for approval to implement gas reliability infrastructure program (GRIP) cost recovery factors for January 2022 through December 2022 by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade and the Florida Division of Chesapeake Utilities Corporation.

Critical Date(s): 8-Month Effective Date: 04/30/22

Commissioners Assigned: All Commissioners **Prehearing Officer:** Administrative

Staff: ECO: Hampson

GCL: Sandy, J. Crawford

(Tariff Filing)

<u>Issue 1:</u> Should the Commission approve FPUC's, Chesapeake's, and Fort Meade's proposed GRIP surcharges for the period January through December 2022?

Recommendation: Yes, the Commission should approve FPUC's, Chesapeake's, and Fort Meade's proposed GRIP surcharges for the period January through December 2022.

<u>Issue 2:</u> 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**PAA

Docket No. 20170219-WS – Application for staff-assisted rate case in Polk County by River Ranch Water Management, L.L.C.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ECO: Bruce, Hudson

GCL: DuVal

<u>Issue 1:</u> Is it appropriate to recommend a base facility charge and gallonage charge rate structure for River Ranch's water and wastewater systems?

Recommendation: No. Staff does not recommend a base facility charge and gallonage charge rate structure for River Ranch's water and wastewater systems at this time. Staff recommends a continuation of its existing flat rate structure. In addition, the utility should be put on notice that it should address its unaccounted for water issue in anticipation of the implementation of metered rates in its next rate proceeding before the Commission.

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 the docket should be closed.

ITEM NO. CASE

13**PAA

Docket No. 20210120-SU – Application for a limited alternative rate increase proceeding, by TKCB, Inc.

Critical Date(s): 11/12/21 - 90 day deadline pursuant to Rule 25-30.457(11), F.A.C.

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo

Staff: ECO: Bruce, Hudson

AFD: Casper, Richards ENG: Ellis, Kistner GCL: Trierweiler

(Proposed Agency Action - Except Issue Nos. 3 and 4.)

<u>Issue 1:</u> Should the Commission approve TKCB's application for a LARI?

Recommendation: Yes. The Commission should approve TKCB's application for a LARI with staff's modifications. The increase for the utility is 19.75 percent, which results in an increase in revenues of \$19,668. Pursuant to Rule 25-30.457(7), F.A.C., the utility is required to hold any revenue increase granted subject to refund. To ensure overearnings will not occur due to the implementation of the rate increase, staff will conduct an earnings review of the 12-month period following the implementation of the revenue increase. If overearnings occur, such overearnings, up to the amount held subject to refund, with interest, must be disposed of for the benefit of the customers. If staff determines that the utility did not exceed the range of its last authorized return on equity, the revenue increase will no longer be held subject to refund.

Issue 2: What are the appropriate monthly service rates for TKCB?

Recommendation: The existing service rates for TKCB should be increased by 19.75 percent in accordance with Rule 25-30.457, F.A.C. The appropriate service rates are shown on Schedule No. 1 of staff's memorandum dated October 21, 2021. The utility should file tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the rates should not be implemented until staff has approved the proposed customer notice. The utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

ITEM NO. CASE

13**PAA

Docket No. 20210120-SU – Application for a limited alternative rate increase proceeding, by TKCB, Inc.

(Continued from previous page)

<u>Issue 3:</u> 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 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 October 21, 2021, 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. TKCB 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 the utility files this reduction in conjunction with price index or pass-through rate adjustments, separate data should be filed for the price index and/or pass-through increase or decrease and the reductions in the rates due to the amortized rate case expenses. (Bruce, Casper, Richards) **Issue 4:** Should the recommended rates be approved for TKCB 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 the utility, the utility 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. The utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates should not be implemented until staff has approved the proposed notice, and the notice has been received by the customers. If the recommended rates are approved on a temporary basis, the incremental increase collected by the utility will be subject to the refund provisions outlined in Rule 25-30.360, F.A.C. Pursuant to Rule 25- 30.457(9), F.A.C., if the utility fails to file a SARC application within 21 days in the event there is a protest, the application for a LARI will be deemed withdrawn. (Casper, Richards)

ITEM NO. CASE

13**PAA

Docket No. 20210120-SU – Application for a limited alternative rate increase proceeding, by TKCB, Inc.

(Continued from previous page)

Issue 5: Should this docket be closed?

Recommendation: No. In the event of a protest, TKCB 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 TKCB fails to file a SARC within 21 days, the utility's petition for a LARI will be deemed withdrawn pursuant to Rule 25-30.457(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 which reflect the Commission-approved rates, and the customer notice, have been filed by TKCB and approved by staff, and 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)(a), F.A.C., this docket should be closed administratively.