FLORIDA PUBLIC SERVICE COMMISSION COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, March 1, 2022, 9:30 a.m.

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

DATE ISSUED: February 17, 2022

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.

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ITEM NO. CASE

1**

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

Rule Status: Rule Hearing

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: GCL: Harper, Cowdery, Sunshine

IDM: Wendel

<u>Issue 1:</u> Should the Commission make changes to proposed Rule 25-18.010, F.A.C., Pole Attachment Complaints?

Recommendation: Yes. The Commission should change proposed Rule 25-18.010, F.A.C., Pole Attachment Complaints, as shown in Attachment A of staff's memorandum dated February 17, 2022.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending further rulemaking steps under Section 120.54, F.S. In addition, the docket should remain open until the Commission provides certification to the FCC as required by Section 366.04(8)(g), F.S.

ITEM NO. CASE

2**

Docket No. 20210138-PU – Proposed adoption of Rule 25-18.020, F.A.C., Pole Safety, Inspection, Maintenance, and Vegetation Management.

Rule Status: Rule Must be Proposed by April 1, 2022

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: GCL: DuVal, Harper

ENG: P. Buys, King, Maloy, Ramos

<u>Issue 1:</u> Should the Commission propose the adoption of Rule 25-18.020, F.A.C., Pole Safety, Inspection, Maintenance, and Vegetation Management?

Recommendation: Yes, the Commission should propose the adoption of Rule 25-18.020, F.A.C., Pole Safety, Inspection, Maintenance, and Vegetation Management, as set forth in Attachment A of staff's memorandum dated February 17, 2022. Also, the Commission should certify that Rule 25-18.020, F.A.C., is not a minor violation rule.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing or Joint Administrative Procedures Committee (JAPC) comments are filed, this rule should be filed with the Department of State, and the docket should be closed.

3**

Docket No. 20220001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: AFD: Higgins

ECO: Draper, Coston GCL: Brownless

<u>Issue 1:</u> Should the Commission modify TECO's currently-approved fuel and capacity factors for purposes of addressing currently-projected under-recoveries of 2022 fuel and capacity costs?

Recommendation: Yes. Staff recommends the Commission approve adjustments to TECO's currently-approved fuel cost recovery factors to incorporate the total projected period-ending 2022 under-recovery of fuel costs of \$165,639,603. Staff further recommends the Commission approve adjustments to TECO's capacity cost recovery factors to incorporate the projected period-ending 2022 under-recovery of capacity costs of \$3,037,188.

<u>Issue 2:</u> If approved by the Commission, what is the appropriate effective date for TECO's revised fuel and capacity cost recovery factors?

Recommendation: Staff recommends that the fuel cost recovery and capacity cost recovery factors as shown on Appendix A of staff's memorandum dated February 17, 2022, become effective with the first billing cycle of April 2022.

Issue 3: Should this docket be closed?

Recommendation: No. The 20220001-EI docket is an on-going proceeding and should remain open.

ITEM NO. CASE

4**

Docket No. 20210153-EI – Application for authority to issue and sell securities for 12 months ending December 31, 2022, by Tampa Electric Company.

Critical Date(s): None

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

Staff: AFD: Mathis, D. Buys, Cicchetti

GCL: Sandy

(Final Action)

<u>Issue 1:</u> Should the Commission approve TECO's petition to amend the authority granted in Order No. PSC-2021-0414-FOF-EI by increasing TECO's limit on short-term debt for 2022 from \$800 million to \$1 billion?

Recommendation: Yes. TECO's petition to amend the authority granted in Order No. PSC-2021-0414-FOF-EI by increasing TECO's limit on short-term debt for 2022 from \$800 million to \$1 billion should be approved.

Issue 2: Should this docket be closed?

Recommendation: For monitoring purposes, this docket should remain open until May 5, 2023, to allow the Company time to file the required Consummation Report.

5**PAA

Docket No. 20210093-WS – Application for transfer of water and wastewater systems of Aquarina Utilities, Inc., water Certificate No. 517-W, and wastewater Certificate No. 450-S to CSWR-Florida Utility Operating Company, LLC, in Brevard County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ENG: M. Watts, Ramos

AFD: Blocker, Fletcher

ECO: Bruce GCL: J. Crawford

(Proposed Agency Action for Issues 2 and 3.)

<u>Issue 1:</u> Should the transfer of Certificate Nos. 517-W and 450-S in Brevard County from Aquarina Utilities, Inc. to CSWR-Florida Utility Operating Company, LLC be approved?

Recommendation: Yes. The transfer of the water and wastewater systems and Certificate Nos. 517-W and 450-S is in the public interest and should be approved effective the date that the sale becomes final. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. The Buyer should submit the executed and recorded deed for continued access to the land upon which its facilities are located and copies of its permit transfer applications to the Commission within 60 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 60 days of the transfer Order, the Buyer should file a status update in the docket file. The Utility's existing rates and charges, including the modification to miscellaneous service charges pursuant to Rule 25-30.460, Florida Administrative Code (F.A.C.), should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. The Seller is current with respect to annual reports and regulatory assessment fees (RAFs) through December 31, 2020. The Seller should be responsible for filing annual reports and paying RAFs for 2021, and the Buyer should be responsible for filing the annual reports and paying RAFs for all future years.

ITEM NO. CASE

5**PAA

Docket No. 20210093-WS – Application for transfer of water and wastewater systems of Aquarina Utilities, Inc., water Certificate No. 517-W, and wastewater Certificate No. 450-S to CSWR-Florida Utility Operating Company, LLC, in Brevard County.

(Continued from previous page)

<u>Issue 2:</u> What is the appropriate net book value for the CSWR-Aquarina potable water, non-potable water, and wastewater systems for transfer purposes?

Recommendation: For transfer purposes, the net book value (NBV) of potable water, non-potable water, and wastewater systems is \$278,878, \$262,867, and \$82,768, respectively, as of August 16, 2021. Within 90 days of the date of the Consummating Order, CSWR-Aquarina should be required to notify the Commission in writing, that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in CSWR-Aquarina's 2022 Annual Report when filed.

<u>Issue 3:</u> Should a positive acquisition adjustment be recognized for ratemaking purposes?

Recommendation: No. Pursuant to Rule 25-30.0371, F.A.C., a positive acquisition adjustment should not be granted as the Buyer failed to demonstrate extraordinary circumstances.

Issue 4: Should this docket be closed?

Recommendation: Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff's verification that the revised tariff sheets have been filed, the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision, that the Buyer has submitted the executed and recorded warranty deed and that the Buyer has submitted copies of its applications for permit transfers to the DEP and the SJRWMD, within 60 days of the Commission's Order approving the transfer.

6**PAA

Docket No. 20210095-WU – Application for transfer of water facilities of Sunshine Utilities of Central Florida, Inc. and water Certificate No. 363-W to CSWR-Florida Utility Operating Company, LLC, in Marion County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ENG: Maloy, Ramos

AFD: Blocker, Fletcher

ECO: Sibley GCL: Lherisson

(Proposed Agency Action for Issues 2 and 3.)

<u>Issue 1:</u> Should the transfer of Certificate No. 363-W in Marion County from Sunshine Utilities of Central Florida, Inc. to CSWR-Florida Utility Operating Company, LLC be approved?

Recommendation: Yes. The transfer of the water system and Certificate No. 363-W is in the public interest and should be approved effective the date that the sale becomes final. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. The Buyer should submit the executed and recorded deed for continued access to the land upon which its facilities are located and copies of its permit transfer applications to the Commission within 60 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 60 days of the resultant Order, the Buyer should file a status update in the docket file. The Utility's existing rates and charges, including the modification to miscellaneous service charges pursuant to Rule 25-30.460, Florida Administrative Code (F.A.C.), should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. The Seller is current with respect to annual reports and regulatory assessment fees (RAFs) through December 31, 2020. The Buyer should be responsible for filing annual reports and paying RAFs for all future years.

<u>Issue 2:</u> What is the appropriate net book value for the CSWR-Sunshine water system for transfer purposes?

Recommendation: For transfer purposes, the net book value (NBV) of the water system is \$248,089 as of May 31, 2021. Within 90 days of the date of the Consummating Order, CSWR-Sunshine should be required to notify the Commission in writing, that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in CSWR-Sunshine's 2022 Annual Report when filed.

ITEM NO. CASE

6**PAA

Docket No. 20210095-WU – Application for transfer of water facilities of Sunshine Utilities of Central Florida, Inc. and water Certificate No. 363-W to CSWR-Florida Utility Operating Company, LLC, in Marion County.

(Continued from previous page)

<u>Issue 3:</u> Should a positive acquisition adjustment be recognized for ratemaking purposes?

Recommendation: No. Pursuant to Rule 25-30.0371, F.A.C., a positive acquisition adjustment should not be granted as CSWR-Sunshine failed to demonstrate extraordinary circumstances.

Issue 4: Should this docket be closed?

Recommendation: Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff's verification that the revised tariff sheets have been filed, the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision, that the Buyer has submitted the executed and recorded warranty deed and that the Buyer has submitted copies of its applications for permit transfers to the DEP and the SJRWMD, within 60 days of the Commission's Order approving the transfer, which is final agency action.

ITEM NO. CASE

7**PAA

Docket No. 20210133-SU – Application for transfer of facilities of North Peninsula Utilities Corporation and wastewater Certificate No. 249-S to CSWR-Florida Utility Operating Company, LLC, in Volusia County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ENG: M. Watts, Ramos

AFD: Thurmond, Fletcher ECO: Bruce, Hudson GCL: Sandy, J. Crawford

(Proposed Agency Action for Issues 2 and 3.)

<u>Issue 1:</u> Should the transfer of Certificate No 249-S in Volusia County from North Peninsula Utilities Corporation to CSWR-Florida Utility Operating Company, LLC be approved?

Recommendation: Yes. The transfer of the wastewater system and Certificate No. 249-S is in the public interest and should be approved effective the date that the sale becomes final. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. The Buyer should submit the executed and recorded deed for continued access to the land upon which its facilities are located and copies of its permit transfer application to the Commission within 60 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 60 days of the transfer Order, the Buyer should file a status update in the docket file. The Utility's existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), Florida Administrative Code, (F.A.C.). The Seller is current with respect to annual reports and regulatory assessment fees (RAFs) through December 31, 2020. The Seller should be responsible for filing annual reports and paying RAFs for 2021, and the Buyer should be responsible for filing the annual reports and paying RAFs for all future years.

<u>Issue 2:</u> What is the appropriate net book value for CSWR-North Peninsula's wastewater system for transfer purposes?

Recommendation: For transfer purposes, the net book value (NBV) of the wastewater system is \$247,528 as of July 31, 2021. Within 90 days of the date of the consummating Order, CSWR-North Peninsula should be required to notify the Commission in writing, that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in the Utility's 2022 Annual Report when filed.

ITEM NO. CASE

7**PAA

Docket No. 20210133-SU – Application for transfer of facilities of North Peninsula Utilities Corporation and wastewater Certificate No. 249-S to CSWR-Florida Utility Operating Company, LLC, in Volusia County.

(Continued from previous page)

<u>Issue 3:</u> Should a positive acquisition adjustment be recognized for ratemaking purposes?

Recommendation: No. Pursuant to Rule 25-30.0371, F.A.C., a positive acquisition adjustment should not be granted as the Buyer failed to demonstrate extraordinary circumstances.

<u>Issue 4:</u> Should this docket be closed?

Recommendation: Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff's verification that the revised tariff sheets have been filed, the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision, that the Buyer has submitted the executed and recorded warranty deed and that the Buyer has submitted a copy of its application for permit transfer to the DEP, within 60 days of the Commission's Order approving the transfer.

8**PAA

Docket No. 20210181-EI – Petition for approval of depreciation rates for direct current microgrid pilot equipment by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: ECO: Wu

GCL: Brownless

<u>Issue 1:</u> Should TECO's request to establish new depreciation subaccounts applicable to its Direct Current Microgrid Pilot be approved, and, if so, what are the appropriate corresponding depreciation rates?

Recommendation: Yes. Staff recommends that the Commission approve TECO's request to establish the Pilot-related new depreciation subaccounts with corresponding depreciation parameters and annual depreciation rates as listed in Table 1 of staff's memorandum dated February 17, 2022.

<u>Issue 2:</u> What should be the effective date if TECO's petitioned new depreciation subaccounts, parameters and rates discussed in Issue 1 are approved?

Recommendation: Staff recommends that the newly-approved depreciation subaccounts and the corresponding parameters and rates become effective on the date that Pilotrelated Block Energy System is placed in-service.

Issue 3: 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

9**PAA

Docket No. 20210197-EU – Joint petition for approval of amendment to territorial agreement, by Tampa Electric Company and Withlacoochee River Electric Cooperative, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ECO: Ward GCL: Sandy

<u>Issue 1:</u> Should the Commission approve the joint petition by TECO and WREC to amend their territorial agreement related to the boundaries of Two Rivers Ranch in Pasco County?

Recommendation: Yes, the Commission should approve the joint petition by TECO and WREC to amend their territorial agreement related to the boundaries of Two Rivers Ranch in Pasco County. The approval of this amendment would enable TECO and WREC to redefine their existing service boundary to better serve their existing and future customers in Pasco County, and will not be a detriment to the public interest.

<u>Issue 2:</u> 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.