

# FLORIDA PUBLIC SERVICE COMMISSION

## COMMISSION CONFERENCE AGENDA

**CONFERENCE DATE AND TIME:** Tuesday, August 2, 2022, 9:30 a.m.

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

**DATE ISSUED:** July 21, 2022

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### 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.

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Table of Contents  
 Commission Conference Agenda  
 August 2, 2022

1**	<b>Consent Agenda</b> .....	1
2**	<b>Docket No. 20220127-PU</b> – Proposed repeal of Chapter 25-25, F.A.C., concerning purchasing procedures; proposed repeal of Rule 25-22.002, F.A.C., Agenda of Meetings; proposed repeal of Rules 25-22.100, 25-22.101, 25-22.1035, 25-22.104, 25-22.105, and 25-22.107, F.A.C., concerning management of records; and proposed repeal of Rule 25-22.033, F.A.C., Communications Between Commission Employees and Parties. ....	2
3**PAA	<b>Docket No. 20220038-EI</b> – Complaint by Albert Arcuri against Duke Energy Florida, LLC. ....	3
4**PAA	<b>Docket No. 20220058-EI</b> – Complaint by Chris Rosa against Duke Energy Florida, LLC. ....	4
5**PAA	<b>Docket No. 20220019-WU</b> – Application for transfer of water facilities of Neighborhood Utilities, Inc. and water Certificate No. 430-W to CSWR-Florida Utility Operating Company, LLC, in Duval County. ....	5
6	<b>Docket No. 20220106-EI</b> – Petition for approval of new my energy bill+ program with income qualified component, by Duke Energy Florida, LLC. ....	7
7**	<b>Docket No. 20220119-WU</b> – Request for approval for new class of service by Lake Talquin Waterworks.....	8
8	<b>Docket No. 20220067-GU</b> – Petition for rate increase by Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation, Florida Public Utilities Company - Fort Meade, and Florida Public Utilities Company - Indiantown Division.....	9

**ITEM NO.**

**CASE**

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1\*\*

**Consent Agenda**

PAA

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

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
20220104-TX	Ubiquity Florida, LLC
20220109-TX	Accelecom GA LLC
20220116-TL	Gold Data USA Inc.

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

**ITEM NO.**

**CASE**

2\*\*

**Docket No. 20220127-PU** – Proposed repeal of Chapter 25-25, F.A.C., concerning purchasing procedures; proposed repeal of Rule 25-22.002, F.A.C., Agenda of Meetings; proposed repeal of Rules 25-22.100, 25-22.101, 25-22.1035, 25-22.104, 25-22.105, and 25-22.107, F.A.C., concerning management of records; and proposed repeal of Rule 25-22.033, F.A.C., Communications Between Commission Employees and Parties.

**Rule Status:** Proposed

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** La Rosa

**Staff:** GCL: Harper

AIT: Kissell

CLK: Teitzman

**(Proposal May Be Deferred)**

**Issue 1:** Should the Commission propose the repeal all of the rules in Chapter 25-25, F.A.C.?

**Recommendation:** Yes. The Commission should repeal all of the rules in Chapter 25-25, F.A.C., as set forth in Attachment A of staff's memorandum dated July 21, 2022.

**Issue 2:** Should the Commission propose the repeal of Rules 25-22.002, 25-22.100 through 25-22.107, and 25-22.033, F.A.C.?

**Recommendation:** Yes. The Commission should propose the repeal of Rules 25-22.002, 25-22.100 through 25-22.107, and 25-22.033, F.A.C., as set forth in Attachment A of staff's memorandum dated July 21, 2022.

**Issue 3:** Should this docket be closed?

**Recommendation:** Yes. If no requests for hearing or comments are filed, the rules should be filed with the Department of State, and the docket should be closed.

**ITEM NO.**

**CASE**

3\*\*PAA

**Docket No. 20220038-EI** – Complaint by Albert Arcuri against Duke Energy Florida, LLC.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** La Rosa

**Staff:** GCL: J. Crawford

CAO: Plescow

ECO: Coston

**(Motion to Dismiss for Issue 1 (Oral Argument Not Requested; Participation is at the Commission's Discretion) - Proposed Agency Action for Issue 2 (Interested Persons May Participate))**

**Issue 1:** Should the Commission grant Duke's Motion to Dismiss Mr. Arcuri's formal complaint?

**Recommendation:** No, the Commission should deny Duke's Motion.

**Issue 2:** What is the appropriate disposition of Mr. Arcuri's formal complaint?

**Recommendation:** Staff recommends that Mr. Arcuri's formal complaint be denied. Mr. Arcuri's account was properly billed in accordance with Florida statutes and rules and Duke's tariffs. Duke did not violate any applicable statute, rule, company tariff, or order of the Commission in the processing of Mr. Arcuri's account. Further, the Commission lacks equity jurisdiction to award Mr. Arcuri damages.

**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**

4\*\*PAA

**Docket No. 20220058-EI** – Complaint by Chris Rosa against Duke Energy Florida, LLC.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** La Rosa

**Staff:** GCL: Sandy

CAO: Calhoun, Plescow, Valdez De Gonzalez

ECO: Coston

**(Motion to Dismiss for Issue 1 (Oral Argument Not Requested; Participation is at the Commission's Discretion); Proposed Agency Action for Issue 2 (Interested Persons May Participate))**

**Issue 1:** Should the Commission grant Duke's Motion to Dismiss Ms. Rosa's formal complaint?

**Recommendation:** No, the Commission should deny Duke's Motion.

**Issue 2:** What is the appropriate disposition of Ms. Rosa's complaint?

**Recommendation:** Ms. Rosa's formal complaint should be denied and she should pay any outstanding account balance. It appears that Ms. Rosa's account was properly billed in accordance with Duke's tariffs along with Commission rules and statutes. Furthermore, it does not appear that Duke has violated any jurisdictionally applicable provision of the Florida Statutes, the Florida Administrative Code, or its tariff in the handling of Ms. Rosa's account.

**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**

5\*\*PAA

**Docket No. 20220019-WU** – Application for transfer of water facilities of Neighborhood Utilities, Inc. and water Certificate No. 430-W to CSWR-Florida Utility Operating Company, LLC, in Duval County.

**Critical Date(s):** None

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Graham

**Staff:** ENG: Maloy, Ramos

AFD: Thurmond, Sowards

ECO: Bruce, Hudson

GCL: J. Crawford

**(Proposed Agency Action for Issues 2, 3, and 4 - Interested Persons May Participate)**

**Issue 1:** Should the transfer of Certificate No. 430-W in Duval County from Neighborhood Utilities, Inc. to CSWR-Florida Utility Operating Company, LLC be approved?

**Recommendation:** Yes. The transfer of the water system and Certificate No. 430-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 90 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 90 days of the resultant Order, the Buyer should file a status update in the docket file. The Utility’s existing rates, late payment charge, service availability charges, non-sufficient funds charges, and initial customer deposits as shown on Schedule No. 2 of staff’s memorandum dated July 21, 2022, should remain in effect, until a change is authorized by this 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, 2021, and the Buyer should be responsible for filing annual reports and paying RAFs for all future years.

**Issue 2:** What is the appropriate net book value for CSWR-Florida Utility Operating Company, LLC’s water system for transfer purposes?

**Recommendation:** For transfer purposes, the net book value (NBV) of the water system is \$60,063 as of January 31, 2022. Within 90 days of the date of the consummating order, CSWR-Neighborhood 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**

5\*\*PAA

**Docket No. 20220019-WU** – Application for transfer of water facilities of Neighborhood Utilities, Inc. and water Certificate No. 430-W to CSWR-Florida Utility Operating Company, LLC, in Duval County.

(Continued from previous page)

**Issue 3:** 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 CSWR-Florida Utility Operating Company, LLC’s miscellaneous service charges be revised to conform to amended Rule 25-30.460, F.A.C.?

**Recommendation:** Yes. The miscellaneous service charges should be revised to conform to the recent amendment to Rule 25-30.460, F.A.C. The tariff should be revised to reflect the removal of initial connection and normal reconnection charges. CSWR-Neighborhood 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. CSWR-Neighborhood should provide proof of the date notice was given within 10 days of the date of the notice. CSWR-Neighborhood should be required to charge the approved miscellaneous service charges until authorized to change them by the Commission in a subsequent proceeding.

**Issue 5:** 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, proof that appropriate noticing has been done pursuant to Rule 25-30.4345, F.A.C., and 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 90 days of the Commission’s Order approving the transfer.



**ITEM NO.**

**CASE**

6

**Docket No. 20220106-EI** – Petition for approval of new my energy bill+ program with income qualified component, by Duke Energy Florida, LLC.

**Critical Date(s):** 08/02/22 (60-Day Suspension Date)

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECO: Forrest

GCL: Brownless

**(Tariff Suspension - Participation is at the Commission's Discretion)**

**Issue 1:** Should the Commission suspend Duke's proposed My Energy Bill+ program tariffs?

**Recommendation:** Yes. The proposed My Energy Bill+ program tariffs should 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 proposed new program and associated tariffs.

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

**Recommendation:** No, this docket should remain open pending the Commission decision on the proposed tariff changes.

**ITEM NO.**

**CASE**

7\*\*

**Docket No. 20220119-WU** – Request for approval for new class of service by Lake Talquin Waterworks.

**Critical Date(s):** 08/08/22 (60-Day Suspension Date)

**Commissioners Assigned:** All Commissioners

**Prehearing Officer:** Administrative

**Staff:** ECO: Hudson

GCL: J. Crawford

**(Tariff Filing)**

**Issue 1:** Should the utility's proposed tariffs containing the BFCs for additional meter sizes for the residential and general service classes be approved?

**Recommendation:** Yes, the utility's proposed tariffs containing the BFCs for additional meter sizes for the residential and general service classes should be approved. The utility should file a proposed customer notice to reflect the Commission-approved rates. Lake Talquin's Second Revised Sheet No. 12.0 and Second Revised Sheet No. 13.0 should be approved as filed. The approved rates should be effective for service rendered on or after the stamped approval date of the tariffs pursuant to Rule 25-30.475(1), Florida Administrative Code (F.A.C.), provided that the notice of the tariff has been received by the two general service customers impacted. The utility should provide proof of the date notice was given within 10 days of the date of the notice.

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

**Recommendation:** Yes. If Issue 1 is approved, the tariff sheets should become effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. If a protest is filed within 21 days of the issuance of the Order, the tariff should remain in effect with the revenues held subject to refund pending resolution of the protest, and the docket should remain open. If no timely protest is filed, the docket should be closed upon the issuance of a Consummating Order.

**ITEM NO.**

**CASE**

8

**Docket No. 20220067-GU** – Petition for rate increase by Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation, Florida Public Utilities Company - Fort Meade, and Florida Public Utilities Company - Indiantown Division.

**Critical Date(s):** 08/02/22 (60-day provision of Section 366.071(2), F.S., waived by Company until 08/02/22)

**Commissioners Assigned:** Clark, Fay, Passidomo

**Prehearing Officer:** Passidomo

**Staff:** ECO: Hampson, Coston, Draper, Guffey

AFD: Norris, Andrews, D. Buys, Osorio

GCL: Sandy, J. Crawford

**(Decision on Interim Rates - Participation is at the Commission's Discretion)**

**Issue 1:** Are FPUC's, Chesapeake's, Indiantown's, and Ft. Meade's proposed interim rate bases appropriate?

**Recommendation:** Yes. The appropriate interim rate base for FPUC, Chesapeake, Indiantown, and Ft. Meade should be \$319,224,069, \$111,929,536, \$1,998,095, and \$1,294,682, respectively.

**Issue 2:** Are FPUC's, Chesapeake's, Indiantown's, and Ft. Meade's proposed interim returns on equity and overall rates of return appropriate?

**Recommendation:** Yes, in part, and no, in part. The appropriate return on equity for FPUC, Chesapeake, Indiantown, and Ft. Meade should be 9.85 percent, 9.80 percent, 10.50 percent, and 9.85 percent, respectively, and the overall cost of capital should be 5.50 percent, 5.33 percent, 6.86 percent, and 4.28 percent, respectively, for purposes of determining interim rates.

**Issue 3:** Are FPUC's, Chesapeake's, Indiantown's, and Ft. Meade's proposed interim test year net operating incomes appropriate?

**Recommendation:** No. The appropriate historical base year ended December 31, 2021 net operating income for FPUC, Chesapeake, Indiantown, and Ft. Meade should be \$17,555,780, \$5,961,365, \$137,069, and \$55,412, respectively.

**Issue 4:** Are FPUC's, Chesapeake's, Indiantown's, and Ft. Meade's proposed interim net operating income multipliers appropriate?

**Recommendation:** No. FPUC, Chesapeake, Indiantown, and Ft. Meade should be granted interim net operating income (NOI) multipliers of 1.3599, 1.3506, 1.3652, and 1.3807, respectively.

**ITEM NO.**

**CASE**

8

**Docket No. 20220067-GU** – Petition for rate increase by Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation, Florida Public Utilities Company - Fort Meade, and Florida Public Utilities Company - Indiantown Division.

(Continued from previous page)

**Issue 5:** Should FPUC, Chesapeake, Indiantown, and Ft. Meade's requested interim revenue increases be granted?

**Recommendation:** Yes, in part, and no, in part. Indiantown and Ft. Meade's requested interim revenue increases of \$31,095 and \$35,138, respectively, should be granted. However, the appropriate interim revenue increase for FPUC and Chesapeake should be \$5,284,334 and \$2,329,697, respectively.

**Issue 6:** Should FPUC, Chesapeake, Indiantown, and Ft. Meade's proposed interim rates and associated tariffs be approved?

**Recommendation:** Yes, in part, and no, in part. Indiantown and Ft. Meade's proposed interim rates and associated tariffs should be approved. However, the interim rates for FPUC and Chesapeake should be adjusted to recover the staff-recommended interim revenue increase, as discussed in Issue 5. If the staff-recommended adjustments are approved by the Commission, the Company should file revised interim tariffs for FPUC and Chesapeake for administrative approval by staff. The interim rates should be made effective for all meter readings occurring on or after thirty days from the date of the Commission vote. In addition, pursuant to Rule 25-22.0406(8), F.A.C., the Company should provide notice to customers of the revised rates with the first bill containing the new rates.

**Issue 7:** What is the appropriate security to guarantee the amount subject to refund?

**Recommendation:** The appropriate security to guarantee the funds collected subject to refund is a corporate undertaking.

**Issue 8:** Should this docket be closed?

**Recommendation:** No. This docket should remain open to process the revenue increase request of the Company.