# FLORIDA PUBLIC SERVICE COMMISSION COMMISSION CONFERENCE AGENDA

**CONFERENCE DATE AND TIME:** Tuesday, October 4, 2022, 9:30 a.m.

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

**DATE ISSUED:** September 26, 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.

<sup>\*</sup>Revised to insert late-filed Items 4-7.

1**	Consent Agenda		
2**	<b>Docket No. 20220146-PU</b> – Joint application for authority to issue and sell securities for year ending December 31, 2023, by Tampa Electric Company and Peoples Gas System. 4		
3**	<b>Docket No. 20210153-EI</b> – Application for authority to issue and sell securities for 12 months ending December 31, 2022, by Tampa Electric Company		
4	<b>Docket No. 20220048-EI</b> – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Tampa Electric Company		
5	<b>Docket No. 20220049-EI</b> – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Florida Public Utilities Company		
6	<b>Docket No. 20220050-EI</b> – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Duke Energy Florida, LLC		
7	<b>Docket No. 20220051-EI</b> – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Florida Power & Light Company		
8**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		
9**PAA	Docket No. 20220085-WS – Application for transfer of water and wastewater facilities of River Grove Utilities, Inc., water Certificate No. 674-W, and wastewater Certificate No. 575-S to Cobblestone II RVG LLC; and amendment of water Certificate No. 674-W, and wastewater certificate 575-S, in Brevard County.  Docket No. 20220090-WS – Application for quick-take amendment of Certificate Nos. 674-W and 575-S, to delete territory in Brevard County by Cobblestone II RVG LLC, a Delaware limited liability company d/b/a River Grove Utility 16		
10**	<b>Docket No. 20220148-EI</b> – Petition to implement 2023 generation base rate adjustment provisions in 2021 agreement, by Tampa Electric Company		
11**PAA	<b>Docket No. 20220123-GU</b> – Petition for approval of transportation service agreement to reflect expansion of St. Cloud by Florida Public Utilities Company and Peninsula Pipeline Company, Inc		
12**	<b>Docket No. 20220151-WU</b> – Petition by Southwest Ocala Utility, Inc. to establish base facility charges for additional meter sizes		
13**PAA	<b>Docket No. 20200185-WS</b> – Application for certificates to provide water and wastewater service in Lake and Sumter Counties, by Gibson Place Utility Company, LLC		

ITEM NO.	CASE  Consent Agenda		
1**			
PAA	A) Applications for	Applications for Certificate of Authority to Provide Telecommunications Service.	
	DOCKET NO.	COMPANY NAME	
	20220132-TX	Cablevision Lightpath LLC	
	20220129-TX	Peering Hub Inc.	

ITEM NO. CASE

1\*\*

Consent Agenda

(Continued from previous page)

**PAA** 

B) Docket No. 20220133-EI - Application for authority to issue and sell securities during calendar years 2023 and 2024, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Florida Power & Light Company and Florida City Gas.

Florida Power & Light Company (FPL or Company) requests authorization to issue and sell and/or exchange any combination of long-tern debt and equity securities and/or to assume liabilities or obligations as guarantor, endorser or surety in an aggregate amount not to exceed \$8.1 billion during calendar year 2023.

In addition, FPL requests authorization to issue and sell short-term securities during the calendar years 2023 and 2024 in an amount or amounts such that the aggregate principal amount of short-term securities outstanding at the time of and including any such sale shall not exceed \$5.15 billion.

Florida City Gas (FCG) requests authorization to make long-term borrowings from FPL in an aggregate amount not to exceed \$300 million during 2023 and make short-term borrowings from FPL in an aggregate principal amount not to exceed \$150 million at any one time during calendar years 2023 and 2024.

In connection with this application, FPL confirms that the capital raised pursuant to this application will be used in connection with the regulated activities of FPL and FPL's subsidiaries, including FCG, and not the nonregulated activities of its subsidiaries and affiliates.

Staff has reviewed FPL's projected capital expenditures. FPL's construction budget forecast for 2023 is \$8.036 billion for FPL and \$53 million for FCG. The amount requested by the Company (\$13.25 billion, of which \$450 million is for FCG) exceeds its expected capital expenditures (\$8.089 billion in 2023). The additional amount requested exceeding the forecasted capital budget expenditures allows for financial flexibility for unexpected events such as hurricanes, financial market disruptions, and other unforeseen circumstances. Staff believes the requested amounts are appropriate. Staff recommends FPL's application for authority to issue securities during calendar years 2023 and 2024 be approved.

ITEM NO. CASE

1\*\* Consent Agenda

(Continued from previous page)

**Recommendation:** The Commission should approve the actions requested in the dockets referenced above and close Docket Nos. 20220132-TX and 20220129-TX. For monitoring purposes, Docket No. 20220133-EI should remain open until May 3, 2024, to allow the Company time to file the required Consummation Report.

ITEM NO. CASE

2\*\*

**Docket No. 20220146-PU** – Joint application for authority to issue and sell securities for year ending December 31, 2023, by Tampa Electric Company and Peoples Gas System.

Critical Date(s): None

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

**Staff:** AFD: D. Buys, Mouring GCL: Watrous, Sandy

<u>Issue 1:</u> Should the Commission approve Tampa Electric Company's application for authority to issue and/or sell securities for the calendar year ending December 31, 2023? **Recommendation:** Yes. The amount of all equity and long-term debt securities issued during calendar year 2023 should not exceed \$1.5 billion, and the maximum amount of short-term debt outstanding at any one time during calendar year 2023 should not exceed \$2.2 billion.

<u>Issue 2:</u> Should the Commission approve Peoples Gas System, Inc.'s application for authority to issue and/or sell securities for the calendar year ending December 31, 2023. **Recommendation:** Yes. The amount of all equity and long-term debt securities issued

during calendar year 2023 should not exceed \$1.4 billion, and the maximum amount of short-term debt outstanding at any one time during calendar year 2023 should not exceed \$1.2 billion.

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

**Recommendation:** No. This docket should remain open to allow the Companies time to file the required Consummation Reports.

ITEM NO. CASE

3\*\*

**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: D. Buys, Mouring

GCL: Sandy

<u>Issue 1:</u> Should the Commission approve Tampa Electric's petition to amend the authority granted in Order No. PSC-2022-0114-FOF-EI by increasing Tampa Electric's limit on the maximum amount of short-term debt outstanding during calendar year 2022 from \$1.0 billion to \$2.2 billion?

**Recommendation:** Yes. Tampa Electric's petition to amend the authority granted in Order No. PSC-2022-0114-FOF-EI to increase the Company's maximum amount of short-term debt outstanding at any one time during calendar year 2022 from \$1.0 billion to \$2.2 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.

ITEM NO. CASE

**Docket No. 20220048-EI** – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Tampa Electric Company.

Critical Date(s): October 8, 2022 - 180-day Statutory Deadline Per 366.96(5), Florida

Statutes.

Commissioners Assigned: All Commissioners

**Prehearing Officer:** La Rosa

Staff: ENG: P. Buys, King, Maloy, Ramos

GCL: Trierweiler, Imig

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

<u>Issue 1A:</u> Does TECO's Storm Protection Plan contain all of the elements required by Rule 25-6.030, Florida Administrative Code?

**Recommendation:** Yes. TECO appears to have met the criteria and intent of Rule 25-6.030, F.A.C., Storm Protection Plan, with its filings. Thus, the Commission has adequate information in order to make a determination on the TECO SPP.

<u>Issue 2A:</u> To what extent is TECO's Storm Protection Plan expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability?

**Recommendation:** TECO utilized a Storm Resilience Model to support its proposed 2022 SPP program evaluation and prioritization. The results of this model estimate that TECO's SPP is projected to reduce restoration costs and outage times associated with extreme weather events.

<u>Issue 3A:</u> To what extent does TECO's Storm Protection Plan prioritize areas of lower reliability performance?

**Recommendation:** TECO's SPP appears to prioritize areas of lower reliability performance.

<u>Issue 4A:</u> To what extent is TECO's Storm Protection Plan regarding transmission and distribution infrastructure feasible, reasonable, or practical in certain areas of the Company's service territory, including, but not limited to, flood zones and rural areas?

**Recommendation:** With the exceptions discussed in Issues 6A and 10A, TECO's SPP appears feasible, reasonable, and practical within the Company's service territory.

<u>Issue 5A:</u> What are the estimated costs and benefits to TECO and its customers of making the improvements proposed in the Storm Protection Plan?

**Recommendation:** The estimated costs of TECO's SPP programs are shown in Table 5A-1 of staff's memorandum dated September 26, 2022. The estimated benefits, ranging from 12 percent to 55 percent reduction in customer minutes of interruption, are discussed in Issue 2A.

ITEM NO. CASE

**Docket No. 20220048-EI** – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Tampa Electric Company.

(Continued from previous page)

<u>Issue 6A:</u> What is the estimated annual rate impact resulting from implementation of TECO's Storm Protection Plan during the first 3 years addressed in the plan?

**Recommendation:** The estimated annual rate impact, as provided by TECO, is projected to increase approximately 97 percent for the first three years of its Storm Protection Plan. In order to mitigate the rate impact to TECO's customers, staff recommends TECO's Distribution Lateral Undergrounding Program continue at the 2021 annual spending levels, approximately \$79.5 million per year, beginning in 2023.

<u>Issue 10A:</u> Is it in the public interest to approve, approve with modification, or deny TECO's Storm Protection Plan?

**Recommendation:** Staff recommends TECO's SPP meets the requirements of Rule 25-6.030, F.A.C., as discussed in Issue 1A. Staff recommends that TECO's SPP, with the following modifications, is in the public interest and should be approved: (1) continue the level of spending for the Distribution Lateral Undergrounding Program at the 2021 level; and, (2) remove the Transmission Access Enhancement Program. TECO should file an amended SPP within 30 days of issuance of the final order for administrative approval by Commission staff.

**Issue 11A:** Should this be closed?

**Recommendation:** No. As discussed in Issue 10A, TECO should file an amended SPP within 30 days of the final order for administrative approval by Commission staff. Therefore, the docket shall remain open for staff's verification that the amended SPP has been filed and complies with the Commission's order. Once these actions are complete, this docket should be closed administratively.

ITEM NO. CASE

**Docket No. 20220049-EI** – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Florida Public Utilities Company.

Critical Date(s): October 8, 2022 - 180-day Statutory Deadline Per 366.96(5), Florida

Statutes.

Commissioners Assigned: All Commissioners

**Prehearing Officer:** La Rosa

Staff: ENG: P. Buys, King, Lewis, Ramos

GCL: Trierweiler, Imig

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

<u>Issue 1B:</u> Does FPUC's Storm Protection Plan contain all of the elements required by Rule 25-6.030, Florida Administrative Code?

**Recommendation:** Yes. FPUC met the criteria and intent of the SPP Rule with its filing and the Commission has adequate information in order to satisfy its statutory requirements.

<u>Issue 2B:</u> To what extent is FPUC's Storm Protection Plan expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability?

**Recommendation:** FPUC utilized historical and scientific data to support its 2022 SPP program evaluation and development. The data was used to target and prioritize system infrastructure for hardening in order to reduce restoration costs and outage times associated with extreme weather events.

<u>Issue 3B:</u> To what extent does FPUC's Storm Protection Plan prioritize areas of lower reliability performance?

**Recommendation:** FPUC's SPP appears to prioritize areas of lower reliability performance.

<u>Issue 4B:</u> To what extent is FPUC's Storm Protection Plan regarding transmission and distribution infrastructure feasible, reasonable, or practical in certain areas of the Company's service territory, including, but not limited to, flood zones and rural areas?

**Recommendation:** With the exceptions discussed in Issue 10B, FPUC's SPP appears feasible, reasonable, and practical within the Company's service territory.

<u>Issue 5B:</u> What are the estimated costs and benefits to FPUC and its customers of making the improvements proposed in the Storm Protection Plan?

**Recommendation:** The estimated costs of FPUC's SPP programs are shown in Table 5B-1 of staff's memorandum dated September 26, 2022. The benefits are described in Section 3 of its proposed SPP and are discussed in Issue 2B.

ITEM NO. CASE

**Docket No. 20220049-EI** – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Florida Public Utilities Company.

(Continued from previous page)

<u>Issue 6B:</u> What is the estimated annual rate impact resulting from implementation of FPUC's Storm Protection Plan during the first 3 years addressed in the plan?

**Recommendation:** The estimated annual rate impact, as provided by FPUC, is projected to increase approximately 130 percent the first three years of its Storm Protection Plan. While staff is not recommending any implementation alternatives to mitigate rates, staff is recommending removal of the Future T&D Enhancements and the Transmission and Substation Resiliency Programs from FPUC's SPP because these programs do not enhance existing infrastructure.

<u>Issue 10B:</u> Is it in the public interest to approve, approve with modification, or deny FPUC's Storm Protection Plan?

**Recommendation:** Staff recommends FPUC's SPP meets the requirements of Rule 25-6.030, F.A.C., as discussed in Issue 1B. Staff recommends that FPUC's SPP, with the following modifications, is in the public interest and should be approved: (1) remove the Future T&D Enhancement Program; and (2) remove the Transmission & Substation Resiliency Program. FPUC should file an amended SPP within 30 days of the issuance of the final order for administrative approval by Commission staff.

**Issue 11B:** Should this docket be closed?

**Recommendation:** No. As discussed in Issue 10B, FPUC should file an amended SPP within 30 days of the issuance of the final order for administrative approval by Commission staff. Therefore, the docket should remain open for staff's verification that the amended SPP has been filed and complies with the Commission's order. Once these actions are complete, this docket should be closed administratively.

ITEM NO. CASE

**Docket No. 20220050-EI** – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Duke Energy Florida, LLC.

Critical Date(s): October 8, 2022 - 180-day Statutory Deadline Per 366.96(5), Florida

Statutes.

Commissioners Assigned: All Commissioners

**Prehearing Officer:** La Rosa

Staff: ENG: P. Buys, King, Knoblauch, Ramos

GCL: Trierweiler, Imig

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

<u>Issue 1C:</u> Does DEF's Storm Protection Plan contain all of the elements required by Rule 25-6.030, Florida Administrative Code?

**Recommendation:** Yes, DEF appears to have met the criteria and intent of the SPP Rule with its filing and the Commission has adequate information in order to satisfy its statutory requirements.

<u>Issue 2C:</u> To what extent is DEF's Storm Protection Plan expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability?

**Recommendation:** DEF utilized the Guidehouse model to support its 2023 SPP program evaluation and prioritization. The results of this model demonstrate that DEF's SPP is projected to reduce restoration costs and outage times associated with extreme weather events.

<u>Issue 3C:</u> To what extent does DEF's Storm Protection Plan prioritize areas of lower reliability performance?

**Recommendation:** DEF's SPP appears to prioritize areas of lower reliability performance.

<u>Issue 4C:</u> To what extent is DEF's Storm Protection Plan regarding transmission and distribution infrastructure feasible, reasonable, or practical in certain areas of the Company's service territory, including, but not limited to, flood zones and rural areas?

**Recommendation:** With the exceptions discussed in Issues 6C and 10C, DEF's SPP appears feasible, reasonable, and practical within the Company's service territory.

<u>Issue 5C:</u> What are the estimated costs and benefits to DEF and its customers of making the improvements proposed in the Storm Protection Plan?

**Recommendation:** The estimated costs of DEF's SPP programs are shown in Table 5C-1 of staff's memorandum dated September 26, 2022. The estimated benefits, characterized by the reduction in CMI, are discussed in Issue 2C.

ITEM NO. CASE

**Docket No. 20220050-EI** – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Duke Energy Florida, LLC.

(Continued from previous page)

<u>Issue 6C:</u> What is the estimated annual rate impact resulting from implementation of DEF's Storm Protection Plan during the first 3 years addressed in the plan?

**Recommendation:** The estimated annual rate impact, as provided by DEF, is projected to increase approximately 108 percent the first three years of its Storm Protection Plan. In order to mitigate the rate impact to DEF's customers, staff recommends DEF's Distribution Lateral Hardening Program continue at the 2022 annual spending levels, approximately \$187.3 million per year, beginning in 2023.

<u>Issue 10C:</u> Is it in the public interest to approve, approve with modification, or deny DEF's Storm Protection Plan?

**Recommendation:** Staff recommends DEF's SPP meets the requirements of Rule 25-6.030, F.A.C., as discussed in Issue 1C. Staff recommends that DEF's SPP, with the following modifications, is in the public interest and should be approved: (1) continue the level of spending for the Distribution Lateral Hardening Program at the 2022 level; and, (2) remove the Transmission Loop Radially Fed Substation Program. DEF should file an amended SPP within 30 days of issuance of the final order for administrative approval by Commission staff.

**Issue 11C:** Should this docket be closed?

**Recommendation:** No. As discussed in Issue 10C, DEF should file an amended SPP within 30 days of issuance of the final order for administrative approval by Commission staff. Therefore, the docket should remain open for staff's verification that the amended SPP has been filed and complies with the Commission's order. Once these actions are complete, this docket should be closed administratively.

ITEM NO. CASE

7 **Docket No. 20220051-EI** – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Florida Power & Light Company.

Critical Date(s): October 8, 2022 - 180-day Statutory Deadline Per 366.96(5), Florida

Statutes.

Commissioners Assigned: All Commissioners

**Prehearing Officer:** La Rosa

Staff: ENG: Buys, King, Ramos

GCL: Trierweiler, Imig

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

<u>Issue 1D:</u> Does FPL's Storm Protection Plan contain all of the elements required by Rule 25-6.030, Florida Administrative Code?

**Recommendation:** Yes, FPL appears to have met the criteria and intent of the SPP Rule with its filing and the Commission has adequate information in order to satisfy its statutory requirements.

<u>Issue 2D:</u> To what extent is FPL's Storm Protection Plan expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability?

**Recommendation:** FPL utilized historical data to support its 2023 SPP program evaluation and prioritization. The historical data demonstrates that FPL's SPP may reduce restoration costs and outage times associated with extreme weather events.

<u>Issue 3D:</u> To what extent does FPL's Storm Protection Plan prioritize areas of lower reliability performance?

**Recommendation:** FPL's SPP appears to prioritize areas of lower reliability performance.

<u>Issue 4D:</u> To what extent is FPL's Storm Protection Plan regarding transmission and distribution infrastructure feasible, reasonable, or practical in certain areas of the Company's service territory, including, but not limited to, flood zones and rural areas?

**Recommendation:** With the exceptions discussed in Issues 6D, 9, and 10D, FPL's SPP appears feasible, reasonable, and practical within the Company's service territory.

<u>Issue 5D:</u> What are the estimated costs and benefits to FPL and its customers of making the improvements proposed in the Storm Protection Plan?

**Recommendation:** The estimated costs of FPL's SPP programs are shown in Table 5D-1 of staff's memorandum dated September 26, 2022. The estimated benefits, characterized by the reduction in CMH and outage times, are discussed in Issue 2D.

**Issue 6D:** What is the estimated annual rate impact resulting from implementation of FPL's Storm Protection Plan during the first 3 years addressed in the plan?

ITEM NO. CASE

**Docket No. 20220051-EI** – Review of Storm Protection Plan, pursuant to Rule 25-6.030, F.A.C., Florida Power & Light Company.

(Continued from previous page)

**Recommendation:** The estimated annual rate impact, as provided by FPL, is projected to increase approximately 65 percent the first three years of its Storm Protection Plan. In order to mitigate the rate impact to FPL's customers, staff recommends FPL's Distribution Lateral Hardening Program continue at the 2022 annual spending levels, approximately \$368.2 million per year, starting in 2023.

<u>Issue 9:</u> Should the Commission approve, approve with modification, or deny FPL's new Transmission Access Enhancement Program?

**Recommendation:** FPL's new Transmission Access Enhancement Program should be denied and excluded from its 2023 SPP.

<u>Issue 10D:</u> Is it in the public interest to approve, approve with modification, or deny FPL's Storm Protection Plan?

**Recommendation:** Staff recommends FPL's SPP meets the requirements of Rule 25-6.030, F.A.C., as discussed in Issue 1D. Staff recommends that FPL's SPP, with the following modifications, is in the public interest and should be approved: (1) continue the level of spending for the Distribution Lateral Hardening Program at the 2022 level; (2) remove the new Transmission Access Enhancement Program; and, (3) remove the transmission looping initiative from the Transmission Hardening Program. FPL should file an amended SPP within 30 days of issuance of the final order for administrative approval by Commission staff.

**Issue 11D:** Should this docket be closed?

**Recommendation:** No. As discussed in Issue 10D, FPL should file an amended SPP within 30 days of the final order for administrative approval by Commission staff. Therefore, the docket shall remain open for staff's verification that the amended SPP has been filed and complies with the Commission's order. Once these actions are complete, this docket should be closed administratively.

ITEM NO. CASE

8\*\*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, Sewards ECO: Bruce, Hudson GCL: J. Crawford

#### (Proposed Agency Action for Issues 2, 3, and 4.)

<u>Issue 1:</u> 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 September 22, 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.

<u>Issue 2:</u> 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

8\*\*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)

<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 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

9\*\*PAA

**Docket No. 20220085-WS** – Application for transfer of water and wastewater facilities of River Grove Utilities, Inc., water Certificate No. 674-W, and wastewater Certificate No. 575-S to Cobblestone II RVG LLC; and amendment of water Certificate No. 674-W, and wastewater certificate 575-S, in Brevard County.

**Docket No. 20220090-WS** – Application for quick-take amendment of Certificate Nos. 674-W and 575-S, to delete territory in Brevard County by Cobblestone II RVG LLC, a Delaware limited liability company d/b/a River Grove Utility.

Critical Date(s): None

**Commissioners Assigned:** All Commissioners **Prehearing Officer:** Graham (20220085-WS)

Administrative (20220090-WS)

Staff: ENG: Lewis, Ramos

AFD: Sewards ECO: Bethea GCL: Sandy

## (Proposed Agency Action for Issues 2 and 3.)

<u>Issue 1:</u> Should the transfer of Certificate Nos. 674-W and 575-S from River Grove Utilities, Inc., to Cobblestone II RVG LLC, be approved?

**Recommendation:** Yes. The transfer of Certificate Nos. 674-W and 575-S is in the public interest and should be approved effective the date of the Commission's vote. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. The existing rates and charges shown on Schedule No. 2 of staff's memorandum dated September 22, 2022 should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariffs reflecting the transfer should be effective for services rendered or connections made on or after the stamped approval date on the tariffs pursuant to Rule 25-30.475, Florida Administrative Code (F.A.C.). The Seller is current with respect to annual reports and Regulatory Assessment Fees (RAFs) through December 31, 2021. The Buyer should be responsible for filing the Utility's annual reports and paying RAFs after April 21, 2022, and all future years.

ITEM NO. CASE

9\*\*PAA

**Docket No. 20220085-WS** – Application for transfer of water and wastewater facilities of River Grove Utilities, Inc., water Certificate No. 674-W, and wastewater Certificate No. 575-S to Cobblestone II RVG LLC; and amendment of water Certificate No. 674-W, and wastewater certificate 575-S, in Brevard County.

**Docket No. 20220090-WS** – Application for quick-take amendment of Certificate Nos. 674-W and 575-S, to delete territory in Brevard County by Cobblestone II RVG LLC, a Delaware limited liability company d/b/a River Grove Utility.

(Continued from previous page)

<u>Issue 2:</u> What is the appropriate net book value (NBV) for the River Grove water and wastewater systems for transfer purposes, and should an acquisition adjustment be approved?

**Recommendation:** The appropriate NBV of the water and wastewater systems for transfer purposes are \$159,093 and \$2,250, respectively, as of April 1, 2022. No acquisition adjustment is necessary as the purchase price is equal to the NBV. Within 90 days of the date of the final order, the Utility 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 Cobblestone's 2022 Annual Report when filed.

<u>Issue 3:</u> Should Cobblestone's miscellaneous service charges be revised to conform to amended Rule 25-30.460, F.A.C.?

**Recommendation:** Yes. Staff recommends the miscellaneous service charges 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. 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. Cobblestone should be required to charge the approved miscellaneous service charges until authorized to change them by the Commission in a subsequent proceeding.

<u>Issue 4:</u> Should the Commission approve Cobblestone's application for amendment of Certificate Nos. 674-W and 575-S to delete territory from its certificated service area in Brevard County?

**Recommendation:** Yes. The Commission should approve the application filed by Cobblestone to delete a portion of its service territory, as reflected in Attachment A of staff's memorandum dated September 22, 2022. The resultant Order should serve as Cobblestone's amended certificates and should be retained by the Utility.

ITEM NO. CASE

9\*\*PAA

**Docket No. 20220085-WS** – Application for transfer of water and wastewater facilities of River Grove Utilities, Inc., water Certificate No. 674-W, and wastewater Certificate No. 575-S to Cobblestone II RVG LLC; and amendment of water Certificate No. 674-W, and wastewater certificate 575-S, in Brevard County.

**Docket No. 20220090-WS** – Application for quick-take amendment of Certificate Nos. 674-W and 575-S, to delete territory in Brevard County by Cobblestone II RVG LLC, a Delaware limited liability company d/b/a River Grove Utility.

(Continued from previous page)

**<u>Issue 5:</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 within 90 days of the date of the final order, the buyer has notified Commission staff in writing that it has adjusted its books in accordance with the Commission's Order approving the transfer.

ITEM NO. CASE

10\*\*

**Docket No. 20220148-EI** – Petition to implement 2023 generation base rate adjustment provisions in 2021 agreement, by Tampa Electric Company.

Critical Date(s): 10/25/22 (60-Day Suspension Date)

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

Staff: ECO: Forrest, Draper

AFD: Gatlin, Norris ENG: Ellis, Phillips GCL: Stiller, J. Crawford

#### (Tariff Filing)

**Issue 1:** Should the Commission approve the updated GBRA amount of \$91,011,994? **Recommendation:** Yes, the updated 2023 GBRA amount of \$91,011,994 should be approved.

<u>Issue 2:</u> Should the Commission approve TECO's revised tariffs to implement the GBRA increase effective January 2023?

**Recommendation:** Yes, the Commission should approve TECO's revised tariffs to implement the GBRA increase effective with the first billing cycle of January 2023 as approved in the settlement order.

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

**Recommendation:** If Issues 1 and 2 are 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

11\*\*PAA

**Docket No. 20220123-GU** – Petition for approval of transportation service agreement to reflect expansion of St. Cloud by Florida Public Utilities Company and Peninsula Pipeline Company, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

**Prehearing Officer:** La Rosa

**Staff:** ECO: Guffey GCL: Brownless

<u>Issue 1:</u> Should the Commission approve the proposed firm transportation Agreement dated June 20, 2022 between FPUC and Peninsula?

**Recommendation:** Yes, the Commission should approve the proposed firm transportation Agreement dated June 20, 2022 between FPUC and Peninsula. The proposed Agreement is reasonable and meets the requirements of Section 368.105, F.S. Furthermore, the proposed Agreement benefits FPUC's current and potential future customers by having an additional source of gas for the growing areas in Osceola County. **Issue 2:** Should this docket be closed?

**Recommendation:** Yes. If no protest is filed by a person whose substantial interest 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

12\*\*

**Docket No. 20220151-WU** – Petition by Southwest Ocala Utility, Inc. to establish base facility charges for additional meter sizes.

Critical Date(s): 10/09/22 (60-Day Suspension Date)

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

**Staff:** ECO: Ward, Draper

GCL: Dose

### (Tariff Filing)

<u>Issue 1:</u> Should the utility's proposed tariffs containing the BFCs for additional meter sizes for the general service and private fire protection classes be approved?

**Recommendation:** Yes, the utility's proposed tariffs containing the BFCs for additional meter sizes for the general service and revised and additional BFCs for the private fire protection classes conform to the American Water Works Association's meter equivalent factors and should be approved. Southwest Ocala's Fourth Revised Sheet No. 12.0 and Fourth Revised Sheet No. 13.1 should be approved as filed. The approved tariffs should be effective on the date of the Commission vote. Since no current customers are affected by the proposed tariff revisions, no customer notices are required.

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

**Recommendation:** Yes. If Issue 1 is approved, the tariff sheets should become effective on the date of the Commission vote. 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

13\*\*PAA

**Docket No. 20200185-WS** – Application for certificates to provide water and wastewater service in Lake and Sumter Counties, by Gibson Place Utility Company, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

**Prehearing Officer:** Clark

Staff: ENG: M. Watts, Ramos

AFD: Bennett, Sewards ECO: Bethea, Hudson GCL: Stiller, J. Crawford

<u>Issue 1:</u> What are the appropriate water and wastewater rates and return on investment for Gibson Place Utility Company, LLC?

**Recommendation:** Staff's recommended water and wastewater rates, shown on Schedule Nos. 4-A and 4-B of staff's memorandum dated September 22, 2022, are reasonable and should be approved. The approved rates should be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge the approved rates until authorized to change them by the Commission in a subsequent proceeding. A return on equity (ROE) of 7.84 percent with a range of plus or minus 100 basis points should also be approved.

<u>Issue 2:</u> What are the appropriate miscellaneous service charges for Gibson Place Utility Company, LLC?

**Recommendation:** The appropriate miscellaneous service charges are shown on Schedule No. 4-C of staff's memorandum dated September 22, 2022 and should be approved. The Utility should file revised tariff sheets to reflect the Commission-approved charges. The approved charges 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. Gibson should be required to charge the approved miscellaneous service charges until authorized to change them by the Commission in a subsequent proceeding.

<u>Issue 3:</u> Should the meter tampering charge requested by Gibson Place Utility Company, LLC be approved?

**Recommendation:** Yes. The Utility's requested meter tampering charge of actual cost should be approved. The approved charge should be effective for service rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. Gibson should be required to charge the approved charge until authorized to change it by the Commission in a subsequent proceeding.

ITEM NO. CASE

13\*\*PAA

**Docket No. 20200185-WS** – Application for certificates to provide water and wastewater service in Lake and Sumter Counties, by Gibson Place Utility Company, LLC.

(Continued from previous page)

<u>Issue 4:</u> Should the Utility's request to implement a backflow prevention assembly testing charge be approved?

**Recommendation:** Yes. The Utility's requested backflow prevention assembly testing charge for general service customers at actual cost should be approved. The approved charge should be effective for service rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. Gibson should be required to charge the approved charge until authorized to change it by the Commission in a subsequent proceeding.

<u>Issue 5:</u> Should the collection device cleaning charge requested by Gibson Place Utility Company, LLC be approved?

**Recommendation:** Yes. The Utility's requested collection device cleaning charge at actual cost for general service customers should be approved. The approved charge should be effective for service rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. Gibson should be required to charge the approved charge until authorized to change it by the Commission in a subsequent proceeding.

<u>Issue 6:</u> Should the temporary meter deposit requested by Gibson Place Utility Company, LLC be approved?

**Recommendation:** Yes. The Utility's requested temporary meter deposit for general service customers at actual cost pursuant to Rules 25-30.315 and 25-30.345, F.A.C., is reasonable and should be approved. The approved deposit should be effective for service rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. Gibson should be required to collect the approved deposit, which covers the anticipated costs of installing and removing facilities and materials for temporary service, until authorized to change it by the Commission in a subsequent proceeding.

**Issue 7:** Should the Utility's requested initial customer deposits be approved?

**Recommendation:** No. The appropriate initial customer deposits are \$46 for water and \$95 for wastewater service for the residential 5/8" x 3/4" meter size. The initial customer deposits for all other residential meter sizes and all general service meter sizes should be two times the average estimated bill. The approved customer deposits should be effective for service rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. The Utility should be required to collect the approved deposits until authorized to change them by the Commission in a subsequent proceeding.

ITEM NO. CASE

13\*\*PAA

**Docket No. 20200185-WS** – Application for certificates to provide water and wastewater service in Lake and Sumter Counties, by Gibson Place Utility Company, LLC.

(Continued from previous page)

<u>Issue 8:</u> What are the appropriate service availability charges for Gibson Place Utility Company, LLC?

**Recommendation:** The appropriate service availability charges are a meter installation charge of \$571.50 for the residential 5/8" x 3/4" meter size and actual cost for all other residential and general service meter sizes. The main extension charge of \$823 per ERC and plant capacity charge of \$306 per ERC for the Utility's water system should be approved. Additionally, a main extension charge of \$1,131 per ERC and a plant capacity charge of \$1,034 per ERC for the Utility's wastewater system should be approved. The recommended main extension and plant capacity charges should be based on an estimated 80 gallons per day (gpd) of water demand. The approved charges should be effective for connections made on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge the approved charges until authorized to change them by the Commission in a subsequent proceeding.

**Issue 9:** Should this docket be closed?

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