

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, April 4, 2023, 9:30 a.m.

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

DATE ISSUED: March 23, 2023

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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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. 20230025-WS – Proposed amendment of Rule 25-30.455, F.A.C., Staff Assistance in Rate Cases; Rule 25-30.456, F.A.C., Staff Assistance in Alternate Rate Setting; and Rule 35-30.457, F.A.C., Limited Alternative Rate Increase.

Rule Status: Proposal Should Not Be Deferred. The Rules Must Be Effective July 1, 2023.

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo

Staff: GCL: Sapoznikoff

AFD: Richards

ECO: Guffey

Issue 1: Should the Commission propose the amendment of Rule 25-30.455, F.A.C., Staff Assistance in Rate Cases, Rule 25-30.456, F.A.C., Staff Assistance in Alternative Rate Setting, and Rule 25-30.457, F.A.C., Limited Alternative Rate Increase?

Recommendation: Yes. The Commission should propose the amendment of Rules 25-30.455, 25-30.456, and 25-30.457, F.A.C., as set forth in Attachment A of staff's memorandum dated March 23, 2023. The Commission should also certify the rules as minor violation rules.

Issue 2: Should this docket be closed?

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

ITEM NO.

CASE

2**

Docket No. 20230001-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, G. Kelley, Zaslow

ECO: Hampson

GCL: Brownless, Sandy

Issue 1: Should the Commission modify FPL’s currently-approved fuel cost recovery factors for the purpose of incorporating its projected 2023 fuel cost reduction?

Recommendation: Yes. Staff recommends the Commission approve adjustments to FPL’s fuel cost recovery factors for the purpose of incorporating a portion of the Company’s projected 2023 fuel cost reduction. Accordingly, FPL’s currently-approved 2023 fuel cost recovery factors should be reduced by \$378,598,949.

Issue 2: If approved by the Commission, what is the appropriate effective date for FPL’s revised fuel cost recovery factors?

Recommendation: The fuel cost recovery factors, as shown on Appendix A of staff’s memorandum dated March 23, 2023, should become effective with the first billing cycle of May 2023.

Issue 3: Should this docket be closed?

Recommendation: No. The 20230001-EI docket is an on-going proceeding and should remain open.

ITEM NO.

CASE

3**PAA

Docket No. 20220210-EI – Petition requesting approval of an AFUDC rate, effective January 1, 2023, by Florida Public Utilities Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: AFD: D. Buys, Mouring

GCL: Dose

Issue 1: Should the Commission approve FPUC's request to establish an AFUDC rate of 5.12 percent?

Recommendation: Yes. The appropriate AFUDC rate for FPUC is 5.12 percent based on a 13-month average capital structure for the period ended September 30, 2022.

Issue 2: What is the appropriate monthly compounding rate to achieve FPUC's requested annual AFUDC of 5.12 percent?

Recommendation: The appropriate monthly compounding rate to achieve an annual AFUDC rate of 5.12 percent is 0.004170.

Issue 3: Should the Commission approve FPUC's requested effective date of October 1, 2022, for implementing the AFUDC rate?

Recommendation: Yes. The AFUDC rate should be effective October 1, 2022, for all purposes.

Issue 4: 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. 20230031-EI – Request for approval of change in rate used to capitalize allowance for funds used during construction (AFUDC) from 6.22% to 6.37%, effective January 1, 2023, by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: AFD: D. Buys, Mouring

GCL: Watrous

Issue 1: Should the Commission approve FPL's request to increase its AFUDC rate from 6.22 percent to 6.37 percent?

Recommendation: Yes. The appropriate AFUDC rate for FPL is 6.37 percent based on a 13-month average capital structure for the period ended December 31, 2022.

Issue 2: What is the appropriate monthly compounding rate to achieve FPL's requested annual AFUDC rate of 6.37 percent?

Recommendation: The appropriate monthly compounding rate to achieve an annual AFUDC rate of 6.37 percent is 0.005159.

Issue 3: Should the Commission approve FPL's requested effective date of January 1, 2023, for implementing the new AFUDC rate?

Recommendation: Yes. The AFUDC rate should be effective January 1, 2023, for all purposes.

Issue 4: 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. 20220186-EI – Petition for approval of purchased power agreement between Tampa Electric Company and Pasco County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: ENG: Davis, Ellis

GCL: M. Thompson, J. Crawford

Issue 1: Should the Commission approve cost recovery of the negotiated purchased power agreement between Pasco and TECO?

Recommendation: Yes, the fixed energy priced agreement should be approved. However, in order to minimize risks to ratepayers, all transmission costs above the negotiated cost cap contained in the agreement and future costs associated with renewable energy credits should not be approved for cost recovery at this time.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action.

ITEM NO.

CASE

6**PAA

Docket No. 20210189-WU – Application for transfer of water facilities of Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility and Certificate No. 647-W to Windward Camachee Marina Owner LLC d/b/a Camachee Cove Yacht Harbor Utility, in St. Johns County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ENG: Lewis, Ramos
AFD: Veaghn, Sowards
ECO: Bethea, Hudson
GCL: Sandy

(Proposed Agency Action for Issues 2 and 3.)

Issue 1: Should the transfer of Certificate No. 647-W in St. Johns County from Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility to Windward Camachee Marina Owner LLC d/b/a Camachee Cove Yacht Harbor Utility, be approved?

Recommendation: Yes. The transfer of the water system and Certificate No. 647-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 Utility's existing rates and late payment charge, as shown on Schedule No. 3 of staff's memorandum dated March 23, 2023, 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 Utility is current with respect to regulatory assessment fees (RAFs) and annual reports and should be responsible for filing annual reports and paying RAFs for all future years.

Issue 2: What is the appropriate net book value for the Windward Camachee Marina Owner LLC d/b/a Camachee Cove Yacht Harbor Utility water system for transfer purposes, and should an acquisition adjustment be approved?

Recommendation: The appropriate net book value (NBV) of the water system for transfer purposes is \$228,846, as of August 31, 2021. No acquisition adjustment is warranted as the purchase price is equal to 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 the Utility's 2022 Annual Report when filed.

ITEM NO.

CASE

6**PAA

Docket No. 20210189-WU – Application for transfer of water facilities of Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility and Certificate No. 647-W to Windward Camachee Marina Owner LLC d/b/a Camachee Cove Yacht Harbor Utility, in St. Johns County.

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Issue 3: Should Windward Camachee Marina Owner LLC d/b/a Camachee Cove Yacht Harbor Utility'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 the initial connection and normal reconnection charges. Windward 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 charge should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice. Windward should be required to charge the approved miscellaneous services charges until authorized to change them by the Commission in a subsequent proceeding.

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, and proof that appropriate noticing has been done pursuant to Rule 25-30.4345, F.A.C.

ITEM NO.

CASE

7**PAA

Docket No. 20230032-GU – Petition for approval of transportation service agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: ECO: Ward, Hampson

GCL: Thompson

Issue 1: Should the Commission approve the proposed Transportation Agreement dated March 1, 2023 between FPUC and Peninsula?

Recommendation: Yes, the Commission should approve the proposed Transportation Agreement dated March 1, 2023 between FPUC and Peninsula. The proposed Transportation Agreement is reasonable and meets the requirements of Section 368.105, F.S. Furthermore, the proposed Transportation Agreement benefits FPUC's current and potential future customers by ensuring that there is an uninterrupted supply of natural gas to Lake Wales, Florida.

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**PAA

Docket No. 20230012-EU – Joint petition for approval of first amendment to a territorial agreement, by Tampa Electric Company and City of Bartow, Electric Department.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ECO: Ward, Hampson

GCL: Dose

Issue 1: Should the Commission approve the joint petition by TECO and Bartow to amend their territorial agreement related to the boundaries in Polk County?

Recommendation: Yes, the Commission should approve the joint petition by TECO and Bartow to amend their territorial agreement related to the boundaries in Polk County. The approval of this amendment would enable TECO and Bartow to redefine their existing service boundary to better serve future customers in Polk County and will not be a detriment to the public interest. Furthermore, it appears that the proposed territorial amendment eliminates any potential uneconomic duplication of facilities and will not cause a decrease in the reliability of electric service.

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 the Consummating Order.