

Table of Contents  
Commission Conference Agenda  
May 2, 2023

1	<b>Docket No. 20220212-GU</b> – Petition for approval of depreciation rate and subaccount for renewable natural gas facilities leased to others, by Peoples Gas System, Inc. <b>Docket No. 20220219-GU</b> – Petition for approval of 2022 depreciation study, by Peoples Gas System, Inc. <b>Docket No. 20230023-GU</b> – Petition for rate increase by Peoples Gas System, Inc. .... 1
2	<b>Docket No. 20230036-EI</b> – Petition for approval of modifications to rate schedule tariff sheet Nos. 2.0, 2.7, 6.383, and 7.500, by Duke Energy Florida, LLC..... 2
3	<b>Docket No. 20230045-EI</b> – Petition for approval of revisions to underground residential tariff, underground commercial differential tariff, and overhead to underground conversion tariff, by Florida Power & Light Company. .... 3
4	<b>Docket No. 20230042-EI</b> – Petition for approval of revised underground residential distribution tariff, by Tampa Electric Company. .... 4
5	<b>Docket No. 20230043-EI</b> – Petition for approval of revised underground residential distribution tariffs, by Duke Energy Florida, LLC..... 5

# Item 1

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

## -M-E-M-O-R-A-N-D-U-M-

**DATE:** April 20, 2023

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Accounting and Finance (Andrews, Norris) *ALM*  
Division of Economics (Hampson) *JGH*  
Office of the General Counsel (Sandy, Thompson) *JSC*

**RE:** Docket No. 20220212-GU – Petition for approval of depreciation rate and subaccount for renewable natural gas facilities leased to others, by Peoples Gas System, Inc.  
  
Docket No. 20220219-GU – Petition for approval of 2022 depreciation study, by Peoples Gas System, Inc.  
  
Docket No. 20230023-GU – Petition for rate increase by Peoples Gas System, Inc.

**AGENDA:** 05/02/23 – Regular Agenda – Participation is at the discretion of the Commission

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Passidomo

**CRITICAL DATES:** 6/03/2023 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

### Case Background

On April 4, 2023, Peoples Gas System, Inc. (PGS or Company) filed a petition in Docket No. 20230023-GU seeking the Florida Public Service Commission’s (Commission) approval of a rate increase and associated depreciation rates. PGS is a natural gas local distribution company providing sales and transportation delivery of natural gas, and is a public utility subject to the Commission’s regulatory jurisdiction under Section 366.02, Florida Statutes (F.S.). As a wholly

owned subsidiary of TECO Gas Operations, Inc., PGS currently serves approximately 470,000 residential, commercial, industrial, and electric power generation customers in 39 counties.

PGS requested an increase of approximately \$139.3 million in base rates. Of that amount, about \$11.7 million is associated with revenue requirements transferred from the Cast Iron/Base Steel Replacement Rider (CI/BSR). The remaining \$127.6 million is necessary, according to PGS, for the Company to earn a fair return on its investment. PGS based its request on a 13-month average rate base of \$2.4 billion for the projected test year ending December 31, 2024. The requested overall rate of return is 7.42 percent based on a mid-point return on equity of 11.00 percent.

On December 15, 2022, PGS filed a petition in Docket No. 20220212-GU (RNG Depreciation Docket) seeking approval of a new depreciation rate and subaccount for renewable natural gas facilities leased to others. On December 28, 2022, PGS filed a petition seeking approval of the Company's 2022 Depreciation Study in Docket No. 20220219-GU (Depreciation Study Docket). On April 4, 2023, PGS filed a motion seeking to consolidate the RNG Depreciation Docket, the Depreciation Study Docket, and the rate proceeding in Docket No. 20230023-GU. By Order No. PSC-2023-0128-PCO-GU, issued April 12, 2023, the three dockets were consolidated.

This recommendation addresses the suspension of PGS's proposed final rates and charges. PGS did not request interim rate relief in this proceeding.

The Company's last rate case, in Docket No. 20200051-GU, was resolved by the Commission's approval of a settlement agreement (2020 Agreement).<sup>1</sup> The Commission-approved 2020 Agreement allowed PGS to generate an additional \$58 million in revenues for the projected test year ended December 31, 2021. The 2020 Agreement also authorized a return on equity of 9.90 percent. The 2020 Agreement will expire on December 31, 2023.

Pursuant to Sections 366.06(2) and (4), F.S., PGS requested this rate case be considered using the Commission's hearing process. Accordingly, in compliance with Section 366.06(2), F.S., an administrative hearing has been scheduled for August 29 through September 1, 2023. The Commission has jurisdiction over this request under Section 366.06, F.S.

---

<sup>1</sup>Order No. PSC-2020-0485-FOF-GU, issued December 10, 2020, in Docket No. 20200051- GU, *In re: Petition for rate increase by Peoples Gas System*.

### **Discussion of Issues**

**Issue 1:** Should PGS's proposed tariffs to implement the request for a permanent increase in rates and charges be suspended?

**Recommendation:** Yes. Staff recommends that PGS's proposed tariffs to implement the requested permanent increase in rates and charges be suspended. (Hampson)

**Staff Analysis:** Staff recommends that PGS's proposed tariffs be suspended to allow staff and the parties time to analyze the case and for the Commission to conduct an administrative hearing.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change, a reason, or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

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

**Recommendation:** No. This docket should remain open pending the Commission's final resolution of the Company's requested rate increase. (Sandy, Thompson)

**Staff Analysis:** This docket should remain open pending the Commission's final resolution of the Company's requested rate increase.

# Item 2

State of Florida



## Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

**DATE:** April 20, 2023

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Economics (Ward, Hampson)  
Office of the General Counsel (Thompson)

*JGH*  
*JSC*

**RE:** Docket No. 20230036-EI – Petition for approval of modifications to rate schedule tariff sheet Nos. 2.0, 2.7, 6.383, and 7.500, by Duke Energy Florida, LLC.

**AGENDA:** 05/02/23 – Regular Agenda – Tariff Suspension – Participation is at the discretion of the Commission

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 05/21/23 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

### Case Background

On March 22, 2023, Duke Energy Florida, LLC (Duke) filed a petition for approval of modifications to rate schedule Tariff Sheet Nos. 2.0, 2.7, 6.383, and 7.500. Specifically, Duke is proposing modifications to Tariff Sheet Nos. 2.0 and 2.7 to reflect current Advanced Metering Infrastructure (AMI) technology and cost structure. These tariffs are voluntary and are available to certain commercial customers who want to review reports of their historic consumption data. Duke asserts that AMI technology has made data on daily use available at a lower cost and it is proposing to eliminate the monthly and weekly option while reducing the cost of the daily option offered under the tariff.

Additionally, Duke is proposing modifications to Tariff Sheet Nos. 6.383 and 7.500 to make changes to its economic development program in order to reflect the experience gained from implementing the program. Duke is proposing to add two additional criteria (geographic location



Docket No. 20230036-EI

Date: April 20, 2023

benefits and economic multiplier) to the program, which Duke asserts will allow it to properly value a customer's new or expanded load. The load determined by the criteria impacts the overall discount offered under the tariff.

This recommendation is to suspend the proposed tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

## Discussion of Issues

**Issue 1:** Should Duke's proposed tariffs be suspended?

**Recommendation:** Yes. Staff recommends that the tariffs 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 tariff proposals. (Ward)

**Staff Analysis:** Staff recommends that the tariffs 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 tariff proposals.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change a reason or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

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

**Recommendation:** This docket should remain open pending the Commission's decision on the proposed tariffs. (Thompson)

**Staff Analysis:** This docket should remain open pending the Commission's decision on the proposed tariffs.

# Item 3

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

## -M-E-M-O-R-A-N-D-U-M-

**DATE:** April 20, 2023

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Economics (Ward, Hampson) *JGH*  
Office of the General Counsel (Thompson) *JSC*

**RE:** Docket No. 20230045-EI – Petition for approval of revisions to underground residential tariff, underground commercial differential tariff, and overhead to underground conversion tariff, by Florida Power & Light Company.

**AGENDA:** 05/02/23 – Regular Agenda – Tariff Suspension – Participation is at the discretion of the Commission

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 05/30/23 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

### Case Background

On March 31, 2023, Florida Power & Light Company (FPL) filed a petition for approval of revisions to its underground residential and commercial differential tariffs. These tariffs represent the additional costs, if any, FPL incurs to provide underground service in place of overhead service. The petition was filed pursuant to Rule 25-6.078(3), Florida Administrative Code (F.A.C.), which states, in part, “If the cost differential as calculated in Form PSC 1031 (08/20) varies from the Commission-approved differential by plus or minus 10 percent or more, the utility shall file a written policy and supporting data and analyses as prescribed in subsections (1), (4), and (5) of this rule on or before April 1 of the following year.” FPL’s last URD tariff filing was required in 2022; however, by Order No. PSC-2022-0191-FOF-EI issued in Docket

Docket No. 20230045-EI

Date: April 20, 2023

No. 20220012-EI, FPL was granted a temporary waiver to defer filing its next revised URD tariff until April 1, 2023.<sup>1</sup>

In its petition, FPL is seeking approval to update the cost differential for residential and commercial underground service and their respective associated tariff sheets. Additionally, FPL is requesting approval of revisions to its overhead to underground conversion tariff and associated underground facilities conversion agreement. Specifically, FPL is proposing to revise the conversion tariff to exclude the existing facilities cost for all non-hardened overhead distribution facilities (i.e., both feeders and laterals) from the contribution-in-aid-of-construction calculation. This recommendation is to suspend the proposed tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

---

<sup>1</sup> Order No. PSC-2022-0062-PAA-EI, issued Feb. 17, 2022, in Docket No. 20220012-EI, *In re: Petition for temporary waiver of Rule 25-6.078(3), F.A.C., by Florida Power & Light Company.*

### Discussion of Issues

**Issue 1:** Should FPL's proposed underground differential tariffs be suspended?

**Recommendation:** Yes. The 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 tariff proposals. (Ward)

**Staff Analysis:** Staff recommends that the tariffs 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 tariff proposals.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change a reason or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

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

**Recommendation:** This docket should remain open pending the Commission's decision on the proposed tariffs. (Thompson)

**Staff Analysis:** This docket should remain open pending the Commission's decision on the proposed tariffs.



# Item 4

State of Florida



## Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

**DATE:** April 20, 2023

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Economics (P. Kelley, Hampson) *JGH*  
Office of the General Counsel (Dose) *JSC*

**RE:** Docket No. 20230042-EI – Petition for approval of revised underground residential distribution tariff, by Tampa Electric Company.

**AGENDA:** 05/02/23 – Regular Agenda – Tariff Suspension – Participation is at the discretion of the Commission

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 05/30/23 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

### Case Background

On March 31, 2023, Tampa Electric Company (TECO) filed a petition for approval of revisions to its underground residential distribution tariffs and associated charges. These tariffs represent the additional costs, if any, TECO incurs to provide underground service in place of overhead service in new residential subdivisions. The petition was filed pursuant to Rule 25-6.078(3), Florida Administrative Code (F.A.C.), which states, in part, “If the cost differential as calculated in Form PSC 1031 (08/20) varies from the Commission-approved differential by plus or minus 10 percent or more, the utility shall file a written policy and supporting data and analyses as prescribed in subsections (1), (4) and (5) of this rule on or before April 1 of the following year.”

In this petition, TECO is proposing revised URD charges to reflect changes in cost differentials between overhead and underground service. For example, TECO proposes to decrease the per service lateral underground charge for low density subdivisions. TECO is also proposing to

Docket No. 20230042-EI

Date: April 20, 2023

increase the cost to underground new service laterals, as well as to increase the cost to convert existing overhead service laterals to underground. Finally, TECO is proposing to increase the non-refundable deposit to convert existing overhead distribution facilities to underground facilities. This recommendation is to suspend the proposed tariffs.

The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

### Discussion of Issues

**Issue 1:** Should TECO's proposed underground residential distribution tariffs be suspended?

**Recommendation:** Yes. The 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 tariff proposals. (P. Kelley, Hampson)

**Staff Analysis:** Staff recommends that the tariffs 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 tariff proposals.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change a reason or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

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

**Recommendation:** This docket should remain open pending the Commission's decision on the proposed tariffs. (Dose)

**Staff Analysis:** This docket should remain open pending the Commission's decision on the proposed tariffs.

# Item 5

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

---

**DATE:** April 20, 2023

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Economics (Lang, Barrett, Hampson) *JGH*  
Office of the General Counsel (Watrous) *JSC*

**RE:** Docket No. 20230043-EI – Petition for approval of revised underground residential distribution tariffs, by Duke Energy Florida, LLC.

**AGENDA:** 05/02/23 – Regular Agenda – Tariff Suspension – Participation is at the discretion of the Commission

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 05/30/23 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

---

## Case Background

On March 31, 2023, Duke Energy Florida, LLC (DEF) filed a petition for approval of revisions to its underground residential differential tariffs (URD) and associated charges. These tariffs represent the estimated additional cost, if any, DEF incurs to provide underground service in place of overhead service in new residential subdivisions. The petition was filed pursuant to Rule 25-6.078(3), Florida Administrative Code (F.A.C.), which states, in part, “If the cost differential as calculated in Form PSC 1031 (08/20) varies from the Commission-approved differential by plus or minus 10 percent or more, the utility shall file a written policy and supporting data and analyses as prescribed in subsections (1), (4) and (5) of this rule on or before April 1 of the following year.”

In its petition, DEF is proposing revised URD charges reflecting changes in cost differentials between overhead and underground services. For example, revisions are proposed for the per-

Docket No. 20230043-EI

Date: April 20, 2023

foot charges for the feeder differential where DEF is installing the circuit and for the per lot charge for high-density subdivisions where DEF is supplying and installing the underground conduit. In addition, DEF states that higher material and labor costs are increasing for both overhead and underground construction estimates, but more so for underground construction. This recommendation is to suspend the proposed tariffs.

The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).



### Discussion of Issues

**Issue 1:** Should DEF's proposed underground differential tariffs be suspended?

**Recommendation:** Yes. Staff recommends that the tariffs 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 tariff proposals. (Lang)

**Staff Analysis:** Staff recommends that the tariffs 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 tariff proposals.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change a reason or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

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

**Recommendation:** This docket should remain open pending the Commission's decision on the proposed tariffs. (Watrous)

**Staff Analysis:** This docket should remain open pending the Commission's decision on the proposed tariffs.