FLORIDA PUBLIC SERVICE COMMISSION COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, September 12, 2023, 9:30 a.m.

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

DATE ISSUED: September 1, 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.

The Commission Conference has a live video broadcast the day of the conference, which is available from the FPSC website. Upon completion of the conference, the archived video will be available from the website by selecting *Conferences & Meeting Agendas*, then *Audio and Video Event Coverage*.

EMERGENCY CANCELLATION OF CONFERENCE: If a named storm or other disaster requires cancellation of the Conference, Commission staff will attempt to give timely notice. Notice of cancellation will be provided on the Commission's website (http://www.floridapsc.com) under the Hot Topics link on the home page. Cancellation can also be confirmed by calling the Office of Commission Clerk at 850-413-6770.

If you have any questions, contact the Office of Commission Clerk at 850-413-6770 or Clerk@psc.state.fl.us.

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1** Consent Agenda

PAA A) Application for Certificate of Authority to Provide Telecommunications Service.

DOCKET NO.	COMPANY NAME		
20230034-TX	Skywire, LLC		
20230086-TX	Cincinnati Bell Extended Territories LLC		
	d/b/a altafiber connected services		

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

ITEM NO. CASE

2**PAA

Docket No. 20230017-EI – Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricanes Ian and Nicole, by Florida Power & Light Company.

Critical Date(s): 11/01/23 (date by which Petition must be ruled on pursuant to Section

120.542, F.S.)

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: GCL: Stiller, Dose

AFD: Andrews, Norris

ECO: Draper ENG: King

<u>Issue 1:</u> Should the Commission grant Florida Power & Light Company's Petition for a temporary waiver or variance from Rule 25-6.0143(1)(g), F.A.C.?

Recommendation: Yes. The Commission should grant Florida Power & Light Company's Petition for a temporary variance or waiver of Rule 25-6.0143(1)(g), F.A.C., to allow FPL to file its petition and documentation supporting the review and true-up of the total actual incremental storm restoration costs related to Hurricanes Ian and Nicole no later than December 31, 2023.

Issue 2: Should this docket be closed?

Recommendation: No. Disposition of this petition for a waiver or variance serves only to extend the deadline for the Florida Power & Light Company to submit its petition and documentation supporting the review and true-up of the total actual incremental storm restoration costs related to Hurricanes Ian and Nicole. This docket should remain open until that review is complete and the Commission has approved the final disposition. 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 granting the petition and this docket should remain open.

ITEM NO. CASE

3**

Docket No. 20230076-TP – 2024 State certification under 47 C.F.R. §54.313 and §54.314, annual reporting requirements for high-cost recipients and certification of support for eligible telecommunications carriers.

Critical Date(s): 10/02/23 (Filing deadline with the Federal Communications

Commission and the Universal Service Administrative Company)

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: IDM: Nave, Wooten

GCL: Sparks

<u>Issue 1:</u> Should the Commission certify to USAC and the FCC that Bright House Networks Information Services (Florida), LLC; CenturyLink of Florida, Inc.; Consolidated Communications of Florida Company; Frontier Florida LLC; ITS Telecommunications Systems, LLC d/b/a Blue Stream Fiber; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; and Smart City Telecommunications LLC d/b/a Smart City Telecom are eligible to receive federal high-cost support?

Recommendation: Yes. The Commission should certify to USAC and the FCC that Bright House Networks Information Services (Florida), LLC; CenturyLink of Florida, Inc.; Consolidated Communications of Florida Company; Frontier Florida LLC; ITS Telecommunications Systems, LLC d/b/a Blue Stream Fiber; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; and Smart City Telecommunications LLC d/b/a Smart City Telecom are eligible to receive federal high-cost support.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a Final Order.

ITEM NO. CASE

4**PAA

Docket No. 20220201-WS – Request by Florida Community Water Systems, Inc. for a revenue-neutral rate restructuring in Brevard, Lake, and Sumter Counties.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: ECO: Bethea, Bruce, Hudson

AFD: Norris, Sewards ENG: Lewis, Ramos GCL: Thompson, Sandy

<u>Issue 1:</u> Should the Commission approve the refunds proposed by Florida Community Water Systems, Inc. to address overearnings?

Recommendation: Yes. FCWS should make the refunds outlined below. Pursuant to Rule 25-30.360, F.A.C., the refund should be made within 90 days of the Commission's order. During the processing of the refund, monthly reports on the status of the refund should be made by the 20th of the following month. In addition, a preliminary report should be made within 30 days after the date the refund is completed and again 90 days thereafter. A final report should be made after all administrative aspects of the refund are completed.

	2021		2022	
Former System Name	\$ Amt	%	\$ Amt	%
Black Bear Water System	N/A	N/A	\$ 4,720	3.08%
Brevard Water System	N/A	N/A	\$ 4,078	2.62%
Lakeside Water System	,			
Water	N/A	N/A	\$ 8,456	9.79%
Wastewater	\$ 7,403	8.43%	\$ 5,564	6.30%
Harbor Water System	\$ 44,012	9.50%	\$ 23,041	4.92%

<u>Issue 2:</u> Should Florida Community Water System's request for a revenue-neutral rate restructuring limited proceeding for uniform rates be approved?

Recommendation: Yes. The Commission should approve FCWS's request for a revenue-neutral rate restructuring limited proceeding for uniform rates.

<u>Issue 3:</u> What is the appropriate revenue requirement for restructuring the rates?

Recommendation: The appropriate revenue requirement for restructuring the rates is \$1,216,076 for water and \$248,255 for wastewater.

ITEM NO. CASE

4**PAA

Docket No. 20220201-WS – Request by Florida Community Water Systems, Inc. for a revenue-neutral rate restructuring in Brevard, Lake, and Sumter Counties.

(Continued from previous page)

<u>Issue 4:</u> What are the appropriate rate structures and rates for the water and wastewater systems?

Recommendation: The staff recommended rate structures and rates for the water and wastewater systems are shown on Schedule Nos. 1-A and 1-B of staff's memorandum dated August 29, 2023. The utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates 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. In addition, the approved rates should not be implemented until staff has approved the proposed customer notices and the notices have been received by the customers. The utility should provide proof of the date notices were given within 10 days of the date of the notice.

<u>Issue 5:</u> What is the appropriate amount of rate case expense and what is the appropriate amount by which rates should be reduced four years after the published effective date to reflect the removal of the amortized rate case expense?

Recommendation: The appropriate amount of rate case expense is \$19,868. The total rate case expense should be amortized over four years, resulting in an annual expense of \$4,967. The rates should be reduced as shown on Schedule Nos. 1-A and 1-B of staff's memorandum dated August 29, 2023, to remove rate case expense grossed-up for RAFs and amortized over a four-year period. In addition, for prior unamortized rate case expense, the rates should be reduced as shown on Schedule No. 2 of staff's memorandum dated August 29, 2023. Pursuant to Section 367.081(8), F.S., the decrease in rates should become effective immediately following the expiration of the rate case expense recovery period. FCWS should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the utility files this reduction in conjunction with a price index or pass-through rate adjustment, the utility should file separate data for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

ITEM NO. CASE

4**PAA

Docket No. 20220201-WS – Request by Florida Community Water Systems, Inc. for a revenue-neutral rate restructuring in Brevard, Lake, and Sumter Counties.

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Issue 6: 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 Proposed Agency Action Order, a consummating order should be issued. This docket should remain open to allow staff to verify completion of the refund discussed in Issue 1. Furthermore, the docket should remain open for staff's verification that the revised tariff sheets and customer notices have been filed by the utility and approved by staff. Upon staff's approval of the tariff sheets and customer notices, along with staff's completion of the refund discussed in Issue 1, this docket should be closed administratively if no adjustments are necessary.

ITEM NO. CASE

5 **Docket No. 20220069-GU** – Petition for rate increase by Florida City Gas.

Critical Date(s): None

Commissioners Assigned: Fay, Passidomo, La Rosa

Prehearing Officer: Fay

Staff: GCL: Cibula, Harper, Sparks

AFD: Cicchetti, Norris

ECO: Galloway, McNulty, Smith II, Wu

ENG: Ellis, King, Knoblauch, Ramos, Thompson

(Oral Argument Requested)

<u>Issue 1:</u> Should OPC's Request for Oral Argument on its Motion for Reconsideration be granted?

Recommendation: No. Staff believes that the pleadings are sufficient on their face for the Commission to evaluate and decide OPC's Motion for Reconsideration. However, if the Commission wants to exercise its discretion to hear oral argument, staff recommends 5 minutes per party as sufficient.

Issue 2: Should OPC's Motion for Reconsideration be granted?

Recommendation: No. OPC's Motion for Reconsideration should be denied as to both points raised within. However, staff recommends clarifying the Final Order so that it is clear that the Commission has the authority to approve the RSAM-adjusted depreciation parameters under section 366.06(1), F.S. The Order should be clarified to state that the Commission has the authority under 366.06(1), F.S., to set depreciation rates using another utility's depreciation parameters as long as the parameters are applied to the utility's own used and useful assets, such as in this case.

Issue 3: Should this docket be closed?

Recommendation: No. This docket shall remain open while OPC's appeal is processed at the Florida Supreme Court.