

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, March 5, 2024, 9:30 a.m.

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

DATE ISSUED: February 22, 2024

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 <https://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 (<https://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.

Table of Contents
 Commission Conference Agenda
 March 5, 2024

1**	Docket No. 20240019-PU – Proposed amendment of Rule 25-14.004, F.A.C., Effect of Parent Debt on Federal Corporate Income Tax.	1
2**	Docket No. 20230123-WS – Proposed Rule 25-30.0372, Alternative Procedure for Establishing Rate Base Value of Acquired Utility System.	2
3**	Docket No. 20240022-WS – Proposed amendment of Rule 25-30.0371, FAC, Acquisition Adjustments.....	3
4	Docket No. 20230128-EU – Petition for declaratory statement regarding Rule 25-6.049, F.A.C., by 1150 WHG, LLC.....	4
5	Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.....	5
6	Docket No. 20210015-EI – Petition for rate increase by Florida Power & Light Company.	7
7**PAA	Docket No. 20230129-EI – Petition for approval of revised purchased power agreement with Pasco County, by Tampa Electric Company.....	9
8**	Docket No. 20230110-GU – Petition for approval of tariff modifications to implement transportation balancing charge rider, by Florida City Gas.....	10
9**PAA	Docket No. 20230135-GU – Petition for approval of transportation service agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc.....	11

ITEM NO.

CASE

1**

Docket No. 20240019-PU – Proposed amendment of Rule 25-14.004, F.A.C., Effect of Parent Debt on Federal Corporate Income Tax.

Rule Status: Proposed – May Be Deferred

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: GCL: Sapoznikoff

AFD: Cicchetti

ECO: Guffey

Issue 1: Should the Commission propose the amendment of Rule 25-14-004, F.A.C., Effect of Parent Debt on Federal Corporate Income Tax?

Recommendation: Yes. The Commission should propose the amendment of Rule 25-14.004, F.A.C., as set forth in Attachment A of staff’s memorandum dated February 22, 2024. The Commission should certify the rule as a minor violation rule.

Issue 2: Should this docket be closed?

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

ITEM NO.

CASE

2**

Docket No. 20230123-WS – Proposed Rule 25-30.0372, Alternative Procedure for Establishing Rate Base Value of Acquired Utility System.

Rule Status: Proposed - May Not Be Deferred. Rule must be proposed by April 1, 2024, pursuant to Section 120.74(5), F.S.

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo

Staff: GCL: Sapoznikoff, Dike
AFD: Cicchetti, Higgins, Mouring
ECO: Guffey, Hudson
ENG: Ballinger, King, Ramos, Watts

Issue 1: Should the Commission propose the adoption of Rule 25-30.0372, F.A.C., Alternative Procedure for Establishing Rate Base Value of Acquired Utility System?

Recommendation: Yes. The Commission should propose the adoption of Rule 25-30.0372, F.A.C., as set forth in Attachment A of staff's memorandum dated February 22, 2024. The Commission should also certify the rule as a minor violation rule.

Issue 2: Should this docket be closed?

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

ITEM NO.

CASE

3**

Docket No. 20240022-WS – Proposed amendment of Rule 25-30.0371, FAC, Acquisition Adjustments.

Rule Status: Proposed– May Be Deferred

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: GCL: Sunshine

AFD: Cicchetti

ECO: Guffey

Issue 1: Should the Commission propose the amendment of Rule 25-30.0371, F.A.C., Acquisition Adjustments?

Recommendation: Yes. The Commission should propose the amendment of Rule 25-30.0371, F.A.C., as set forth in Attachment A of staff’s memorandum dated February 22, 2024. The Commission should certify the rule as a minor violation rule.

Issue 2: Should this docket be closed?

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

ITEM NO.

CASE

4

Docket No. 20230128-EU – Petition for declaratory statement regarding Rule 25-6.049, F.A.C., by 1150 WHG, LLC.

Critical Date(s): 03/25/24 (Final Order on Petition for Declaratory Statement Must be Issued by this Date Pursuant to Petitioner's Waiver of Section 120.565(3), Florida Statutes)

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: GCL: Dike, Sapoznikoff

ECO: Hampson, Kelley

(Decision on Declaratory Statement - Participation is at the Discretion of the Commission)

Issue 1: Should the Commission grant WHG's Petition for Declaratory Statement?

Recommendation: No. The Commission should deny WHG's Petition for Declaratory Statement and instead declare that WHG does not qualify for the grandfather exception under Rule 25-6.049, F.A.C., and that WHG must use individual metering on its property.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission votes to either grant or deny the Petition for Declaratory Statement, a final order will be issued and the docket should be closed.

ITEM NO.

CASE

5

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: AFD: Cicchetti, Norris, Sowards

ECO: Bethea, McClelland

ENG: Davis, Ellis

GCL: J. Crawford, Dose

(Motion for Reconsideration - Oral Argument Requested; Participation is at the Discretion of the Commission)

Issue 1: Should OPC's Request for Oral Argument on its Motion for Reconsideration of Order No. PSC-2023-0387-PCO-WS be granted?

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

Issue 2: Should OPC's Motion for Reconsideration of Order No. PSC-2023-0387-PCO-WS be granted?

Recommendation: OPC's Motion for Reconsideration should be granted in part and denied in part. With respect to the Specific Equity Adjustment, Management Fees, and Recovery of the Judgment and Legal Fees Associated with the Lawsuit, staff recommends that OPC's Motion should be denied because it fails to raise a point of fact or law that the Commission overlooked or failed to consider in rendering its decision. Staff believes that the Equity Adjustments that were made are consistent with prior Commission practice. Staff further does not believe that there is any methodology from the prior rate case to support OPC's position regarding Management Fees. Staff disagrees with OPC's contention that reclassification of two recorded current and accrued liabilities as equity allows the Utility to recover the judgment and legal fees associated with a lawsuit against the Utility and constitutes retroactive ratemaking.

Staff agrees with OPC's position regarding Advances from Associated Companies and Used and Useful; therefore, reconsideration is appropriate as to these issues. However, both of the adjustments urged by OPC would have the effect of raising interim rates. To avoid confusion and promote rate stability, staff recommends leaving interim rates unchanged due to the short time period during which interim rates will be in effect before PAA rates are established.

ITEM NO.

CASE

5

Docket No. 20230083-WS – Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC.

(Continued from previous page)

Issue 3: Should this docket be closed?

Recommendation: No, this docket should remain open to allow the Commission to address the Utility's requested rates.

ITEM NO.

CASE

6

Docket No. 20210015-EI – Petition for rate increase by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: GCL: Stiller

AFD: Buys, Cicchetti, Mouring

ECO: Galloway, McNulty

ENG: Ellis, King, Ramos

(Post-Hearing Decision - Participation is at the Commission's Discretion for Issues 1 and 2; Participation on Issue 3 is Limited to Commissioners and Staff)

Issue 1: Should Floridians Against Increased Rates, Inc.'s Motion to Reopen the Evidentiary Record be granted?

Recommendation: No. FAIR seeks to reopen the record for the purpose of submitting evidence that was not in existence at the time the Commission voted and issued the 2021 Final Order. Because the Commission could not have relied on this evidence when the original decision was made, staff believes it would be improper to do so now and admit the FEECA Report. Moreover, staff believes that granting the Motion would create numerous fundamental procedural issues.

Issue 2: Should Florida Rising's, League of United Latin American Citizens', and Environmental Confederation of Southwest Florida's Motion for Evidentiary Hearing be granted?

Recommendation: No. Florida Rising's request that the Commission conduct a limited hearing specifically on FEECA is beyond the scope of this remand. As to the request to submit additional documentary evidence, virtually all of the evidence Florida Rising seeks to submit for Commission consideration was not in existence at the time the Commission issued the 2021 Final Order. Because the Commission could not have relied on this evidence when the original decision was made, staff believes it would be improper to now admit the various reports cited by Florida Rising (or have an evidentiary hearing on them). Moreover, staff believes that granting the Motion would create numerous fundamental procedural issues. These same procedural concerns apply to the materials proffered by Florida Rising that were in existence when the Commission made its prior decision. Reopening the record for purposes of admitting these materials would result in, essentially, a new hearing, when these materials could have been but were not admitted in the original rate case.

ITEM NO.

CASE

6

Docket No. 20210015-EI – Petition for rate increase by Florida Power & Light Company.

(Continued from previous page)

Issue 3: How should the Commission respond to the Florida Supreme Court’s decision in *Floridians Against Increased Rates, Inc. v. Clark*, 371 So. 3d 905 (Fla. 2023)?

Recommendation: Staff recommends that the Commission approve and enter the attached Supplemental Order. This Order affirms the Commission’s prior approval of the 2021 Settlement and provides the additional explanation requested by the Florida Supreme Court.

Issue 4: Should this docket be closed?

Recommendation: Yes. After the Supplemental Order on Remand is issued, this docket should be closed.

ITEM NO.

CASE

7**PAA

Docket No. 20230129-EI – Petition for approval of revised purchased power agreement with Pasco County, by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: ENG: Ramirez-Abundez, Ellis, Wooten

GCL: Imig

Issue 1: Should the Commission approve cost recovery of the negotiated purchase power agreement between Tampa Electric Company and Pasco County?

Recommendation: Yes. Based on staff's review, the negotiated PPA improves TECO's fuel diversity with the addition of renewable energy and is cost-effective based on current forecasts, saving a projected \$7.3 million in Net Present Value (NPV), with savings beginning the first year of the PPA. The Contract has adequate security and performance guarantees to protect ratepayers in the event of a default or non-performance by Pasco. In addition, consistent with Order No. PSC-2023-0132-PAA-EI, the Company will not seek cost recovery for any transmission studies or upgrades.

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 interest are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action.

ITEM NO.

CASE

8**

Docket No. 20230110-GU – Petition for approval of tariff modifications to implement transportation balancing charge rider, by Florida City Gas.

Critical Date(s): 05/26/24 (8-Month Effective Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: McClelland, Hampson, Barrett

GCL: M. Thompson

(Tariff Filing)

Issue 1: Should the Commission approve Florida City Gas' proposed transportation balancing charge and associated tariffs?

Recommendation: Yes. Staff recommends the Commission should approve Florida City Gas' proposed transportation balancing charge and associated tariff, as provided in Attachment A of staff's memorandum dated February 22, 2024. The proposed rider would allow FCG to recover capacity and storage costs in a more equitable manner between transportation and sales customers and reduce cross-subsidization between transportation and sale customers. FCG should incorporate actual revenues received from the balancing charge as a credit in the monthly PGA filings and in the annual final actual PGA true-up filing. The utility should notify staff when the billing system modifications have been completed. The proposed tariffs should become effective once all necessary billing system modifications have been completed.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, any revenues collected once the tariff becomes effective should be 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

9**PAA

Docket No. 20230135-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: Clark

Staff: ECO: P. Kelley, Hampson

GCL: Dose

Issue 1: Should the Commission approve the proposed firm transportation service agreement dated December 11, 2023, between FPUC and Peninsula?

Recommendation: Yes, the Commission should approve the proposed firm transportation service agreement associated with the Boynton Beach project dated December 11, 2023, between FPUC and Peninsula. The firm transportation service agreement is reasonable and meets the requirements of Section 368.105, F.S. Furthermore, the proposed firm transportation service agreement benefits FPUC’s current and potential future customers by ensuring that there is a sufficient supply of natural gas to Boynton Beach, Florida.

Issue 2: Should the Commission approve the proposed amendment to the firm transportation service agreement associated with the New Smyrna Beach project, dated December 11, 2023, between FPUC and Peninsula?

Recommendation: Yes, the Commission should approved the proposed amendment to the firm transportation service agreement associated with the New Smyrna Beach project dated December 11, 2023, between FPUC and Peninsula. The amendment to the firm transportation service agreement is reasonable and meets the requirements of Section 368.105, F.S. Furthermore, the proposed amendment to the firm transportation service agreement benefits FPUC’s current and potential future customers by ensuring that there is a sufficient supply of natural gas to New Smyrna Beach, Florida

Issue 3: Should this docket be closed?

Recommendation: Yes. If no protest is filled 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.