

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, April 2, 2024, 9:30 a.m.

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

DATE ISSUED: March 21, 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.

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April 2, 2024

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ITEM NO.	CASE
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1**	Consent Agenda
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PAA	A) Application for Certificate of Authority to Provide Telecommunications Service.								
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<u>DOCKET NO.</u>	<u>COMPANY NAME</u>								
20240029-TX	CBN-Volusia, Inc.								
20240040-TX	Virtu Broadband, LLC								
20240041-TX	United Data Technologies, Inc. d/b/a UDT								

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

ITEM NO.

CASE

2**

Docket No. 20240001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo

Staff: AFD: Higgins, G. Kelley, Zaslow

ECO: Hampson, P. Kelley

GCL: Brownless, Sandy

Issue 1: Should the Commission modify FPL’s currently-authorized fuel cost recovery factors for the purpose of incorporating its projected 2024 fuel cost reduction?

Recommendation: Yes. Staff recommends the Commission authorize adjustments to FPL’s fuel cost recovery factors for the purpose of incorporating the Company’s projected net 2024 fuel cost reduction. Accordingly, FPL’s currently-authorized 2024 fuel cost recovery factors should be reduced by \$661,767,174.

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, should become effective with the first billing cycle of May 2024.

Issue 3: Should this docket be closed?

Recommendation: No. The 20240001-EI docket is an on-going proceeding and should remain open.

ITEM NO.

CASE

3

Docket No. 20240028-GU – Petition to implement long-term debt cost true-up mechanism, by Peoples Gas System, Inc.

Critical Date(s): 04/02/24 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: AFD: Souchik, D. Buys

ECO: Guffey, Hampson

GCL: M. Thompson

(Tariff Suspension - Participation is at the Commission's discretion.)

Issue 1: Should PGS's revised tariffs to implement the Long-Term Debt Cost Rate True-Up Mechanism be suspended?

Recommendation: Yes. Staff recommends that PGS's revised tariffs to implement the Long-Term Debt Cost Rate True-Up Mechanism 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.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission's decision on PGS's proposed implementation of the Long-Term Debt Cost True-Up Mechanism and associated tariff revisions.

ITEM NO.

CASE

4**PAA

Docket No. 20230071-WU – Application for staff-assisted rate case in Polk County by Pinecrest Utilities, LLC.

Critical Date(s): 08/26/24 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: AFD: Richards, Higgins, G. Kelley

ECO: Sibley, Bruce, Hudson

ENG: Thompson, Ellis, King

GCL: Imig, Harper

(Proposed Agency Action - Except for Issue Nos. 13, 14, and 15.)

Issue 1: Is the quality of service provided by Pinecrest satisfactory?

Recommendation: Yes. Pinecrest has been responsive to customer complaints and is currently in compliance with Department of Environmental Protection (DEP) standards; therefore, staff recommends that the quality of service be considered satisfactory.

Issue 2: Are the infrastructure and operating conditions of Pinecrest's water system in compliance with DEP regulations?

Recommendation: Yes. Pinecrest's water treatment facility is currently in compliance with DEP regulations.

Issue 3: What are the used and useful (U&U) percentages of Pinecrest's water treatment plant (WTP) and water distribution system?

Recommendation: Pinecrest's WTP and water distribution system should be considered 100 percent U&U. Additionally, staff recommends that a 47.6 percent adjustment to purchased power and chemicals expenses be made for excessive unaccounted for water (EUW).

Issue 4: What is the appropriate average test year rate base amount for Pinecrest?

Recommendation: The appropriate average test year rate base for Pinecrest is \$88,111.

Issue 5: What is the appropriate return on equity and overall rate of return for Pinecrest?

Recommendation: The appropriate return on equity (ROE) is 8.50 percent with a range of 7.50 percent to 9.50 percent. The appropriate overall rate of return is 8.18 percent.

Issue 6: What is the appropriate test year operating revenue for Pinecrest?

Recommendation: The appropriate test year operating revenue for Pinecrest's water system is \$64,743.

Issue 7: What is the appropriate operating expense for Pinecrest?

Recommendation: The appropriate amount of operating expense for Pinecrest is \$79,111.

ITEM NO.

CASE

4**PAA

Docket No. 20230071-WU – Application for staff-assisted rate case in Polk County by Pinecrest Utilities, LLC.

(Continued from previous page)

Issue 8: Does Pinecrest meet the criteria for application of the operating ratio methodology?

Recommendation: No, Pinecrest does not meet the requirement for application of the operating ratio methodology for calculating the revenue requirement.

Issue 9: What is the appropriate revenue requirement for Pinecrest?

Recommendation: The appropriate revenue requirement is \$86,321, resulting in an annual increase of \$21,579 (33.33 percent).

Issue 10: What are the appropriate rate structure and rates for Pinecrest?

Recommendation: The recommended rate structure and monthly water rates are shown on Schedule No. 4 of staff's memorandum dated March 21, 2024. 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 notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

Issue 11: What are the appropriate initial customer deposits for Pinecrest?

Recommendation: The appropriate initial customer deposit for the residential 5/8 inch x 3/4 inch meter size should be \$98. 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 initial customer deposits 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 collect the approved deposits until authorized to change them by the Commission in a subsequent proceeding.

Issue 12: What are the appropriate miscellaneous service charges?

Recommendation: The appropriate miscellaneous service charges are shown on Table 12-4 of staff's memorandum dated March 21, 2024 and should be approved. The Utility 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.

ITEM NO.

CASE

4**PAA

Docket No. 20230071-WU – Application for staff-assisted rate case in Polk County by Pinecrest Utilities, LLC.

(Continued from previous page)

Issue 13: What is the appropriate amount by which rates should be reduced four years after the published effective date to reflect removal of the amortized rate case expense?

Recommendation: The rates should be reduced as shown on Schedule No. 4 of staff's memorandum dated March 21, 2024, to remove rate case expense grossed-up for RAfs and amortized over a four-year period. 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. Pinecrest should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and rationale no later than one month prior to the effective date of the new rates. If the Utility files revised tariffs reflecting this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase and the reduction in the rates due to the amortized rate case expense.

Issue 14: Should the recommended rate be approved for Pinecrest on a temporary basis, subject to refund with interest, in the event of a protest filed by a party other than the Utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund with interest, in the event of a protest filed by a party other than the Utility. Pinecrest should file revised tariff sheets and a proposed customer notice reflecting the Commission-approved rates. The approved rates should be effective for services rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates should not be implemented until staff has approved the proposed notice, and the notice has been received by the customers. Further, prior to implementing any temporary rates, the Utility should provide appropriate financial security.

If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the staff analysis portion of its memorandum dated March 21, 2024. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission's Office of Commission Clerk no later than the 20th of each month indicating both the current monthly and total amount subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

ITEM NO.

CASE

4**PAA

Docket No. 20230071-WU – Application for staff-assisted rate case in Polk County by Pinecrest Utilities, LLC.

(Continued from previous page)

Issue 15: Should Pinecrest be required to notify the Commission within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable NARUC USOA?

Recommendation: Yes. Pinecrest should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission’s decision. The Utility should submit a letter within 90 days of the Commission’s final order in this docket, confirming that the adjustments to all applicable NARUC USOA primary accounts have been made to the Utility’s books and records. In the event the Utility needs additional time to complete the adjustments, a notice providing good cause should be filed not less than seven days prior to the deadline. Upon providing a notice of good cause, staff should be given administrative authority to grant an extension of up to 60 days.

Issue 16: 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. 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.

ITEM NO.

CASE

5**PAA

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

Critical Date(s): 04/02/24 (5-Month Effective Date Waived)

Commissioners Assigned: All Commissioners

Prehearing Officer: La Rosa

Staff: AFD: Thurmond, Norris, Przygocki, Sowards, Veaghn

ECO: Bethea, Bruce

ENG: Davis, Ellis, King

GCL: Dose, J. Crawford

(Proposed Agency Action - Except Issues 24, 25, and 26.)

Issue 1: Is the overall quality of service provided by Pluris satisfactory?

Recommendation: Yes. Pluris is meeting all Department of Environmental Protection (DEP) primary and secondary standards and has been responsive to customer complaints. Therefore, the quality of service provided by Pluris should be considered satisfactory.

Issue 2: Are the infrastructure and operating conditions of Pluris' water and wastewater systems in compliance with DEP regulations?

Recommendation: Yes. Pluris' water and wastewater systems are currently in compliance with DEP regulations.

Issue 3: Should the audit adjustments to rate base be made?

Recommendation: Based on the audit adjustments agreed to by the Utility, as well as further adjustments made by staff, the following adjustments should be made to rate base as set forth in staff's analysis portion of its memorandum dated March 21, 2024.

Table 3-1

	Water	Wastewater
Utility Plant in Service	\$36,796	(\$15,765)
Accumulated Depreciation	\$39,740	\$68,782
Depreciation Expense	\$6,218	(\$14,964)
Contribution-in-Aid-of-Construction (CIAC)	(\$8,409)	-
Accum. Amortization of CIAC	(\$22,924)	(\$63,138)
Amortization Expense	\$273	\$285

ITEM NO.

CASE

5**PAA

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

(Continued from previous page)

Issue 4: What are the Used and Useful (U&U) percentages of the Utility's water and wastewater systems and what adjustments to rate base are necessary?

Recommendation: Staff recommends that Pluris' water treatment plant (WTP), storage, and distribution systems, as well as its wastewater collection system, be considered 100 percent U&U. The WWTP should be treated as 94.3 percent U&U. Additionally, staff recommends no adjustments to purchased power and chemical expenses be made for excessive unaccounted for water (EUW) and infiltration and inflow (I&I). Additionally, the Utility's wastewater rate base adjustment should be increased by \$97. Corresponding adjustments should be made to decrease Pluris' adjusted net wastewater depreciation expense by \$389, and to decrease wastewater property tax by \$646.

Issue 5: Should any adjustments be made the Utility's pro forma plant additions?

Recommendation: Staff recommends that Pluris' proposed asbestos-cement pipe replacement is necessary in order to reduce or eliminate water leaks. However, the Utility has not provided an adequate justification for the approximate 602 percent increase in mobilization costs. As such, staff recommends allowing pro forma in the amount of the original bid of \$2,515,214. Also, based on the reclassification of the pro forma project to different plant accounts, the associated accumulated depreciation should be decreased by \$810 and depreciation expense should be decreased by \$5,859 for water. An additional adjustment should be made to increase corresponding property taxes by \$30,932.

Issue 6: Should adjustments be made to Pluris' working capital allowance?

Recommendation: Yes, Pluris' working capital allowance (WCA) should be increased by \$19,842 and \$19,717 for the water and wastewater systems, respectively.

Issue 7: What is the appropriate rate base for the test year ended December 31, 2022?

Recommendation: Consistent with staff's recommended adjustments, the appropriate rate base for the test year ended December 31, 2022, is \$7,373,975 for water and \$1,327,085 for wastewater.

Issue 8: What is the appropriate return on equity?

Recommendation: Based in the Commission leverage formula currently in effect, the appropriate return on equity (ROE) is 8.79 percent with an allowed range of plus or minus 100 basis points

Issue 9: What is the appropriate weighted average cost of capital including the proper components, amounts, and cost rates associated with the capital structure?

Recommendation: The appropriate weighted average cost of capital for the test year ended December 31, 2022, is 8.22 percent.

ITEM NO.

CASE

5**PAA

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

(Continued from previous page)

Issue 10: Should any adjustments be made to test year operating revenues for Pluris' water and wastewater systems?

Recommendation: Yes. Test year operating revenues should be decreased by \$27,488 for water and increased by \$5,776 for wastewater.

Issue 11: Should the audit adjustments to net operating income be made?

Recommendation: Based on the audit adjustments agreed to by the Utility, O&M expense should be decreased by \$4,964 and \$6,059 for the water and wastewater systems, respectively.

Issue 12: Should any adjustments be made to Contractual Services - Management Fees?

Recommendation: Yes, Contractual Services – Management Fees should be reduced by \$264,427 and \$265,903 for the water and wastewater systems, respectively. Further, the Utility should be responsible for providing information that details the relationship of all parent-level and above related parties, total expenses on all levels, and the allocation of expenses and duties performed by employees associated with each entity.

Issue 13: What is the appropriate amount of rate case expense and over what period should it be amortized?

Recommendation: The appropriate amount of rate case expense is \$93,539. This expense should be recovered over four years for an annual expense of \$11,730 for water and \$11,655 for wastewater. Therefore, annual rate case expense should be decreased by \$3,681 for water and \$3,659 for wastewater, from the respective levels of expense included in the MFRs.

Issue 14: Should further adjustments be made to the Utility's O&M expense?

Recommendation: Yes, O&M expenses should be further reduced by \$45,314 and \$56,640, for the water and wastewater systems, respectively.

Issue 15: What is the appropriate amount of income tax expense?

Recommendation: The appropriate amount of income tax expense is \$0 for water and \$0 for wastewater. Income tax expense should be reduced by \$163,539 and \$29,748 for the water and wastewater systems, respectively.

Issue 16: Should adjustments be made to Taxes Other Than Income?

Recommendation: Yes, Taxes Other Than Income (TOTI) should be decreased by \$21,266 for the water system and should be decreased by \$27,508 for the wastewater system.

ITEM NO.

CASE

5**PAA

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

(Continued from previous page)

Issue 17: What is the appropriate revenue requirement for the test year ended December 31, 2022?

Recommendation: Consistent with staff's recommendation on rate base, cost of capital, and net operating income, the following revenue requirement should be approved:

System	Test Year Revenues	\$ Increase	Revenue Requirement	% Increase
Water	\$1,600,131	\$652,164	\$2,252,295	40.76%
Wastewater	\$1,057,726	\$155,864	\$1,213,590	14.74%

Issue 18: What are the appropriate rates and rate structure for the Pluris water and wastewater systems?

Recommendation: The recommended rate structures and monthly water and wastewater rates are shown on Schedule Nos. 4-A and 4-B of staff's memorandum dated March 21, 2024. 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 notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

Issue 19: What are the appropriate miscellaneous service charges?

Recommendation: The appropriate miscellaneous service charges are shown on Table 19-5 of staff's memorandum dated March 21, 2024 and should be approved. The Utility 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.

ITEM NO.

CASE

5**PAA

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

(Continued from previous page)

Issue 20: What are the appropriate initial customer deposits for Pluris' water and wastewater systems?

Recommendation: The appropriate initial customer deposits for the residential 5/8 inch x 3/4 inch meter size should be \$188 for water and \$114 for wastewater. 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 initial customer deposits 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 collect the approved deposits until authorized to change them by the Commission in a subsequent proceeding.

Issue 21: Should Pluris' two private fire protection customers be granted a refund?

Recommendation: Yes, Pluris' two private fire protection customers should be granted a refund. The Utility should be required to refund the difference between the total revenues collected and the appropriate revenues calculated based on one-twelfth of the BFC that is relative to the size of the line since the fire protection customers began receiving service. Staff should be given administrative authority to approve the refund amount based on the aforementioned calculation. The refund amount should be provided to staff for approval within 14 days of the Commission Order. The refunds should be made with interest in accordance with Rule 25-30.360(4), F.A.C. Pursuant to Rule 25-30.360(7), 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.

Issue 22: Should the temporary hydrant meter deposit requested by Pluris be approved?

Recommendation: Yes. Pluris' requested temporary hydrant meter deposit should be approved. Once the temporary meter service is terminated, staff recommends that the Utility credit the customer with the reasonable salvage value of the service facilities and materials pursuant to Rule 25-30.315(2), F.A.C. The approved temporary meter deposit 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 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.

ITEM NO.

CASE

5**PAA

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

(Continued from previous page)

Issue 23: Should Pluris’ existing service availability charges be revised, and if so, what are the appropriate charges?

Recommendation: Yes. Pluris’ existing service availability charges should be revised. The Utility’s requested meter installation charge of \$674 should be approved. The water system capacity charge of \$640 should be reclassified as the main extension charge. The wastewater system capacity charge should be discontinued. There are no other service availability charges applicable. The Utility should file a revised tariff sheet and a proposed notice to reflect the Commission-approved meter installation and main extension charges. Pluris should provide notice to property owners who have requested service beginning 12 months prior to the establishment of this docket. The approved charge should be effective for connections made on or after the stamped approval date on the tariff sheet. The utility should provide proof of noticing within 10 days of rendering the approved notice.

Issue 24: Should any portion of the interim revenue increase granted be refunded?

Recommendation: Yes. The appropriate refund amounts should be calculated by using the same data used to establish final rates, excluding rate case expense and other items not in effect during the interim period. The revised revenue requirements for the interim collection period should be compared to the amount of interim revenues granted. Based on these calculations, staff recommends interim refunds of 3.31 percent and 7.67 percent for the water and wastewater systems, respectively. The refunds should be made with interest in accordance with Rule 25-30.360(4), F.A.C. The Utility should be required to submit proper refund reports pursuant to Rule 25-30.360(7), F.A.C. The Utility should treat any unclaimed refunds as CIAC pursuant to Rule 25-30.360(8), F.A.C. Once the appropriate amounts of interim revenues are refunded and the refund amounts are verified by staff, the corporate undertaking should be released.

ITEM NO.

CASE

5**PAA

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

(Continued from previous page)

Issue 25: What is the appropriate amount by which rates should be reduced to reflect the removal of amortized rate case expense for water and wastewater, as required by Section 367.081(8), F.S.?

Recommendation: The water and wastewater rates should be reduced, as shown in Schedule Nos. 4-A and 4-B of staff’s memorandum dated March 21, 2024, respectively, to remove the annual amortization of rate case expense grossed-up for RAFs. The decrease in rates should become effective immediately following the expiration of the rate case expense recovery period. Pluris 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, separate data should be filed for the price index and/or pass through increase or decrease and the reduction in the rates due to the amortized rate case expense.

Issue 26: Should the Utility be required to notify, within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) associated with the Commission approved adjustments?

Recommendation: Yes. The Utility should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission’s decision. Pluris should submit a letter within 90 days of the final order in this docket, confirming that the adjustments to all the applicable NARUC USOA accounts have been made to the Utility’s books and records. In the event the Utility needs additional time to complete the adjustments, notice should be provided within seven days prior to deadline. Upon providing good cause, staff should be given administrative authority to grant an extension of up to 60 days.

Issue 27: 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, the Utility has notified staff that the adjustments for all the applicable NARUC USOA primary accounts have been made, and the interim refund report has been filed. Once these actions are complete, this docket should be closed administratively.

ITEM NO.

CASE

6**PAA

Docket No. 20230114-WS – Application for certificates to provide water and wastewater service in Volusia County, by Applegate Utility, LLC.

Critical Date(s): 04/02/24 (Statutory deadline for original certificate pursuant to Section 367.031, Florida Statutes)

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo

Staff: ENG: Watts, Ramirez-Abundez, Ramos

AFD: Przygocki, Sowards

ECO: Bruce, Sibley

GCL: Sparks

(Proposed Agency Action - Except for Issue 1.)

Issue 1: Should the application for a water and wastewater certificate by Applegate Utility, LLC be approved?

Recommendation: Yes. Applegate should be granted Certificate Nos. 682-W and 582-S to serve the territory described in Attachment A, which is appended to staff's memorandum dated March 21, 2024, effective the date of the Commission's vote. The resultant order should serve as Applegate's water and wastewater certificates and should be retained by the Utility. Applegate should submit the recorded deeds for continued access to the land upon which its facilities are located to the Commission within 60 days of the Order granting the certificates, which is final agency action.

Issue 2: What rates and charges should be approved for Applegate Utility, LLC?

Recommendation: The rates and charges shown on Schedule No. 1 of staff's memorandum dated March 21, 2024 should be approved for Applegate. The Utility should be authorized to bill all customers on a monthly basis. The Utility should be required to notice all customers of the approved rates and charges. The notice should be approved by staff prior to publication and the Utility should provide proof of the date notice was given, within 10 days of the date of the notice. The approved rates and charges should be effective for service rendered on or after the effective date of the tariffs, pursuant to Rule 25-30.475, F.A.C.

ITEM NO.

CASE

6

Docket No. 20230114-WS – Application for certificates to provide water and wastewater service in Volusia County, by Applegate Utility, LLC.

(Continued from previous page)

Issue 3: What are the appropriate initial customer deposits for the water and wastewater systems of Applegate Utility, LLC?

Recommendation: The appropriate initial customer deposits for the residential 5/8 inch x 3/4 inch meter size should be \$82 for water and \$84 for wastewater. 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 initial customer deposits 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 collect the approved deposits until authorized to change them by the Commission in a subsequent proceeding.

Issue 4: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency actions in Issues 2 and 3 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.

ITEM NO.

CASE

7**PAA

Docket No. 20230140-EU – Joint petition for approval of modification to territorial agreement in Sumter County, by Sumter Electric Cooperative, Inc. and the City of Bushnell.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ECO: Kaymak, Barrett

GCL: Dose

Issue 1: Should the Commission approve the proposed second amendment for proposed modification to territorial agreement in Sumter County by SECO and Bushnell, which transfers two parcels from Bushnell to SECO?

Recommendation: Yes, the Commission should approve the joint petition for proposed modification to territorial agreement in Sumter County by SECO and Bushnell, which transfers two parcels from Bushnell to SECO. The proposed second amendment would facilitate the provision of economical and reliable electric service by SECO to the two residential customers in the transferred parcels thereby avoiding potential uneconomic duplication of facilities. Should the utilities find themselves in similar circumstances in the future, staff recommends the parties should be required to promptly notify Commission staff and state how the boundary is expected to change. The notification should also include the date service was first connected and when a petition to modify the territorial boundary will be filed. The petition, when filed, should contain sufficient detail for staff and the Commission to fully understand the timing and circumstances of the territorial modification.

Issue 2: Should this docket be closed?

Recommendation: 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**

Docket No. 20230136-PU – Petition for approval of revisions to budget billing tariffs, by Florida Public Utilities Company.

Critical Date(s): 08/15/24 (8-Month Effective Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Guffey

GCL: Stiller

(Tariff Filing)

Issue 1: Should the Commission approve FPUC's proposed revisions to its optional budget billing program tariffs for its electric and natural gas divisions, including the expansion of the program to small general service customers?

Recommendation: Yes. The Commission should approve FPUC's proposed revisions to its optional budget billing program tariffs for its electric and natural gas divisions, including the expansion of the program to small general service customers. The proposed revised tariffs are included in Attachment A of staff's memorandum dated March 21, 2024. The proposed tariffs should be effective on the actual date of the transition of the existing CIS platform to the new CIS platform expected to occur in August 2024. No later than 30 days prior to the transition date, the Company should notify the Commission in writing of the actual transition date.

Issue 2: Should this docket be closed?

Recommendation: Yes. If 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

9**PAA

Docket No. 20230124-GU – Petition for approval of limited variance from area extension program (AEP) tariff, by Florida Public Utilities Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Ward, Hampson

GCL: Stiller

Issue 1: Should the Commission approve FPUC’s request for a limited variance from its AEP tariff?

Recommendation: Yes, the Commission should approve FPUC’s request for a limited variance from its AEP tariff. Based on staff’s review, FPUC’s proposal to include costs related to the acquisition and conversion of two Community Gas Systems in Newberry into the AEP calculation and charge the AEP on a volumetric basis provides benefits to affected customers.

Issue 2: Should this docket be closed?

Recommendation: Yes. 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.