

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, March 4, 2025, 9:30 a.m.

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

DATE ISSUED: February 20, 2025

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).

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Table of Contents
 Commission Conference Agenda
 March 4, 2025

1**	Consent Agenda	1
2**	Docket No. 20250018-GU – Amendment of Rule 25-12.005, F.A.C., Codes and Standards Adopted; Rule 25-12.008, F.A.C., New Reconstructed or Converted Facilities, Rule 25-12.027, F.A.C., Welder Qualification, Rule 25-12.045, F.A.C., Inactive Gas Service Lines, and Rule 25-12.052, F.A.C., Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline; and adoption of new Rule 25-12.100, F.A.C., Penalty.....	2
3**	Docket No. 20250019-EU – Amendment of Rule 25-6.034, F.A.C., Standard of Construction; and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities.....	3
4**	Docket No. 20250020-GU – Adoption of new Rule 25-7.150, F.A.C., Natural Gas Facilities Relocation Cost Recovery Clause.....	4
5**PAA	Docket No. 20240147-TP – Petition to expand eligible telecommunications service area to statewide, by Assurance Wireless USA, L.P.	5
6**PAA	Docket No. 20240163-EG – Petition for approval of proposed demand-side management plan and demand-side management program standards, by Tampa Electric Company.....	6
7**PAA	Docket No. 20240166-EG – Petition for approval of 2025 demand-side management plan, by Orlando Utilities Commission.	7
8**PAA	Docket No. 20240167-EG – Petition for approval of demand-side management plan, by JEA.....	8
9**PAA	Docket No. 20240169-EG – Petition for approval of proposed demand-side management plan and demand-side management program standards, by Duke Energy Florida, LLC.....	9
10**PAA	Docket No. 20240170-EG – Petition for approval of proposed demand-side management plan, by Florida Public Utilities Company.	10
11**PAA	Docket No. 20240011-WU – Application for certificate to provide water service in St. Johns County, by Riverdale Utility Holding, Inc.	12
12**PAA	Docket No. 20240104-WS – Application for grandfather certificate to operate water and wastewater utility in Citrus County, by Tarawood Utilities, LLC.	15
13	Docket No. 20250023-WS – Application for staff-assisted rate case in Polk County, by North Carolina Real Estate Projects LLC d/b/a Grenelefe Utility.	18
14**PAA	Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.	20

Table of Contents
Commission Conference Agenda
March 4, 2025

15**PAA	Docket No. 20240171-EU – Joint petition for approval of temporary services by Tampa Electric Company and City of Lakeland.....	31
16**PAA	Docket No. 20240107-GU – Petition for approval of modifications to cast iron/bare steel pipe replacement rider, by Peoples Gas System, Inc.	33
17**PAA	Docket No. 20240157-GU – Petition for approval to establish a new regulatory subaccount and an amortization rate and to reclassify customer software investment and reserve balance, by Peoples Gas System, Inc.	34
18	Docket No. 20250026-GU – Petition for approval to modify swing service charge, individual transportation service rider, and off-system service rate schedule, by Peoples Gas System, Inc.	35

ITEM NO.

CASE

1**

Consent Agenda

PAA

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

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>
20240164-TX	ExteNet LVS, LLC
20250028-TX	Conexon Connect LLC
20240156-TX	Dense Air Networks US, LLC

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

ITEM NO.

CASE

2**

Docket No. 20250018-GU – Amendment of Rule 25-12.005, F.A.C., Codes and Standards Adopted; Rule 25-12.008, F.A.C., New Reconstructed or Converted Facilities, Rule 25-12.027, F.A.C., Welder Qualification, Rule 25-12.045, F.A.C., Inactive Gas Service Lines, and Rule 25-12.052, F.A.C., Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline; and adoption of new Rule 25-12.100, F.A.C., Penalty.

Rule Status: Proposed – New Rule 25-12.100, F.A.C., must be proposed by April 1, 2025, pursuant to Section 120.74(5), F.S.

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: GCL: Rubottom

ECO: Guffey

ENG: Brown

(Proposal Should Not Be Deferred)

Issue 1: Should the Commission propose the amendment of Rule 25-12.005, F.A.C., Codes and Standards Adopted; Rule 25-12.008, F.A.C., New Reconstructed or Converted Facilities, Rule 25-12.027, F.A.C., Welder Qualification; Rule 25-12.045, F.A.C., Inactive Gas Service Lines; and Rule 25-12.052, F.A.C., Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline; and propose the adoption of new Rule 25-12.100, F.A.C., Penalties?

Recommendation: Yes. The Commission should propose the amendment of Rules 25-12.005, 25-12.008, 25-12.027, 25-12.045, and 25-12.052, F.A.C., and should propose the adoption of new Rule 25-12.100, F.A.C., as set forth in Attachment A of staff's memorandum dated February 20, 2025. Pursuant to Section 120.695, F.S., the Commission should also certify that the rules are not rules the violation of which would be a minor violation. The Commission should also delegate administrative authority to staff to conduct an annual review of the penalties established in Rule 25-12.100, F.A.C., to determine whether a revision of the penalties is necessary, as required by Section 368.061, F.S.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing or comments from the Joint Administrative Procedures Committee (JAPC) are filed, and no proposal for a lower cost regulatory alternative is submitted, the rules may be filed with the Department of State for adoption, and the docket should be closed.

ITEM NO.

CASE

3**

Docket No. 20250019-EU – Amendment of Rule 25-6.034, F.A.C., Standard of Construction; and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities.

Rule Status: Proposed

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: GCL: Rubottom

ECO: Guffey

ENG: Brown

(Proposal May Be Deferred)

Issue 1: Should the Commission propose the amendment of Rule 25-6.034, F.A.C., Standard of Construction, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities?

Recommendation: Yes. The Commission should propose the amendment of Rules 25-6.034 and 25-6.0345, F.A.C., as set forth in Attachment A of staff's memorandum dated February 20, 2025. The Commission should also certify that the rules are not rules the violation of which would be a minor violation, pursuant to Section 120.695, F.S.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing or JAPC comments are filed, and no proposal for a lower cost regulatory alternative is submitted, the rules may be filed with the Department of State for adoption, and the docket should be closed.

ITEM NO.

CASE

4**

Docket No. 20250020-GU – Adoption of new Rule 25-7.150, F.A.C., Natural Gas Facilities Relocation Cost Recovery Clause.

Rule Status: Proposed – Rule must be proposed by April 1, 2025, pursuant to Section 120.74(5), F.S.

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: GCL: Sapoznikoff

ECO: Guffey

IDM: Hinton

(Proposal May Not Be Deferred)

Issue 1: Should the Commission propose the adoption of Rule 25-7.150, F.A.C., Natural Gas Facilities Relocation Cost Recovery Clause?

Recommendation: Yes. The Commission should propose the adoption of Rule 25-7.150, F.A.C., as set forth in Attachment A of staff’s memorandum dated February 20, 2025. The Commission should also certify the rule as a minor violation rule.

Issue 2: Should the docket be closed?

Recommendation: Yes. If no request for hearing is made or comments from the Joint Administrative Procedures Committee (JAPC) are filed, and no proposal for a lower cost regulatory alternative is submitted pursuant to Section 120.541(1)(a), F.S., the rule should be filed for adoption with the Department of State, and the docket should be closed.

ITEM NO.

CASE

5**PAA

Docket No. 20240147-TP – Petition to expand eligible telecommunications service area to statewide, by Assurance Wireless USA, L.P.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: IDM: Day, Fogleman

GCL: Augspurger, Imig

Issue 1: Should Assurance be granted a statewide ETC designation to provide Lifeline service in the area depicted in Attachment A of staff’s memorandum dated February 20, 2025?

Recommendation: Yes. Assurance should be granted a statewide ETC designation to provide Lifeline service in the area depicted in Attachment A of staff’s memorandum dated February 20, 2025. Staff also recommends that if there is a future change of Company ownership, the new owners should be required to file a petition with the Commission to demonstrate that it is in the public interest to maintain the Company’s ETC designation.

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 Proposed Agency Action Order, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

6**PAA

Docket No. 20240163-EG – Petition for approval of proposed demand-side management plan and demand-side management program standards, by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ENG: Wooten, Ellis, Ramos

GCL: Farooqi, Imig

(Staff recommends the Commission simultaneously consider Docket Nos. 20240163-EG, 20240166-EG, 20240167-EG, 20240169-EG, and 20240170-EG.)

Issue 1: Should the Commission approve Tampa Electric Company’s proposed DSM Plan and program standards?

Recommendation: Yes. TECO’s DSM Plan is consistent with the proposed programs used to establish its DSM goals and is projected to meet the annual numeric conservation goals approved by the Commission in the 2024 Goalsetting Order. TECO’s proposed DSM Plan is overall cost-effective based upon the Participants, Rate Impact Measure (RIM), and Total Resource Cost (TRC) tests. In addition, Staff has reviewed TECO’s administrative program standards and they appear to be consistent with the Utility’s proposed DSM Plan submitted for approval by the Commission. Therefore, staff recommends that the Commission allow TECO to file for cost recovery of the programs included in its proposed DSM Plan in the Energy Conservation Cost Recovery (ECCR) proceeding. However, TECO must demonstrate that the expenditures to implement its DSM programs are reasonable and prudent in order to recover those expenditures. In addition, staff requests that TECO notify the Commission prior to modifying its DSM Plan or program standards.

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.

ITEM NO.

CASE

7**PAA

Docket No. 20240166-EG – Petition for approval of 2025 demand-side management plan, by Orlando Utilities Commission.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ENG: Sanchez, Ellis, Ramos

GCL: Augspurger, Imig

(Staff recommends the Commission simultaneously consider Docket Nos. 20240163-EG, 20240166-EG, 20240167-EG, 20240169-EG, and 20240170-EG.)

Issue 1: Should the Commission approve Orlando Utilities Commission’s DSM Plan and program standards?

Recommendation: Yes. OUC’s DSM Plan is consistent with the proposed programs used to establish its DSM goals and is projected to meet or exceed the numeric conservation goals approved by the Commission in the 2024 Goalsetting Order. Staff has reviewed OUC’s program participation and administrative standards and they appear to be consistent with OUC’s DSM Plan. Therefore, staff recommends that OUC’s DSM plan and program standards be approved. OUC’s local governing body will make its own determination as to whether expenditures are reasonable and prudent. In addition, staff requests that OUC notify the Commission prior to modifying its DSM Plan or program standards.

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.

ITEM NO.

CASE

8**PAA

Docket No. 20240167-EG – Petition for approval of demand-side management plan, by JEA.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ENG: Sanchez, Ellis, Ramos

GCL: Sparks, Imig

(Staff recommends the Commission simultaneously consider Docket Nos. 20240163-EG, 20240166-EG, 20240167-EG, 20240169-EG, and 20240170-EG.)

Issue 1: Should the Commission approve JEA’s DSM Plan and program standards?

Recommendation: Yes. JEA’s DSM Plan is consistent with the proposed programs used to establish its DSM goals and is projected to meet the annual numeric conservation goals approved by the Commission in the 2024 Goalsetting Order. Staff has reviewed JEA’s program participation and administrative standards and they appear to be consistent with JEA’s DSM Plan. Therefore, staff recommends that JEA’s DSM plan and program standards be approved. JEA’s local governing body will make its own determination as to whether expenditures are reasonable and prudent. In addition, staff requests that JEA notify the Commission prior to modifying its DSM Plan or program standards.

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.

ITEM NO.

CASE

9**PAA

Docket No. 20240169-EG – Petition for approval of proposed demand-side management plan and demand-side management program standards, by Duke Energy Florida, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ENG: Thompson, Ellis, Ramos

GCL: Marquez, Imig

(Staff recommends the Commission simultaneously consider Docket Nos. 20240163-EG, 20240166-EG, 20240167-EG, 20240169-EG, and 20240170-EG.)

Issue 1: Should the Commission approve Duke Energy Florida, LLC’s proposed DSM Plan and program standards?

Recommendation: Yes. DEF’s DSM Plan is consistent with the proposed programs used to establish its DSM goals and is projected to meet the annual numeric conservation goals approved by the Commission in the 2024 Goalsetting Order. The programs included in DEF’s proposed DSM Plan are also cost-effective based upon the Participants, Rate Impact Measure (RIM), and Total Resource Cost (TRC) tests. In addition, staff has reviewed DEF’s program participation standards and they appear to be consistent with DEF’s DSM Plan. Therefore, staff recommends that the Commission should allow DEF to file for cost recovery of the programs included in its proposed DSM Plan in the Energy Conservation Cost Recovery (ECCR) clause proceeding. However, DEF must demonstrate that the expenditures to implement its DSM programs are reasonable and prudent in order to recover those expenditures.

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.

ITEM NO.

CASE

10**PAA

Docket No. 20240170-EG – Petition for approval of proposed demand-side management plan, by Florida Public Utilities Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ENG: Davis, Ellis, Ramos

AFD: Higgins

GCL: Marquez, Farooqi

(Staff recommends the Commission simultaneously consider Docket Nos. 20240163-EG, 20240166-EG, 20240167-EG, 20240169-EG, and 20240170-EG.)

Issue 1: Should the Commission approve Florida Public Utility Company’s proposed DSM Plan and program standards?

Recommendation: Yes. FPUC’s DSM Plan is consistent with the proposed programs used to establish its DSM goals and is projected to meet the annual numeric conservation goals approved by the Commission in the 2024 Goalsetting Order. In addition, staff has reviewed FPUC’s program participation standards and they appear to be consistent with FPUC’s DSM Plan. Therefore, staff recommends that the Commission should allow FPUC to file for cost recovery of the programs included in its proposed DSM Plan in the Energy Conservation Cost Recovery (ECCR) proceeding. However, FPUC must demonstrate that the expenditures to implement its DSM programs are reasonable and prudent in order to recover those expenditures.

Issue 2: Should the Commission approve FPUC's LED Lighting program and associated program standards?

Recommendation: Staff recommends approval of FPUC’s proposed LED Lighting program with three proposed modifications: (1) remove communication expenses, (2) remove net base rate items for new LEDs, and (3) adjust the amount to be recovered and the credit to reflect the remaining balance and number of fixtures as of the date of the Commission’s approval. The Commission should approve FPUC’s request to create a regulatory asset related to the unrecovered amount of the non-LED lighting as adjusted. Further, the Commission should find that the approval to record the regulatory asset for accounting purposes does not limit the Commission’s ability to review the amounts and recovery period for reasonableness in a future proceeding in which the regulatory asset is included. The Commission should also grant staff administrative authority to approve the revised program standards.

ITEM NO.

CASE

10**PAA

Docket No. 20240170-EG – Petition for approval of proposed demand-side management plan, by Florida Public Utilities Company.

(Continued from previous page)

Issue 3: 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.

ITEM NO.

CASE

11**PAA

Docket No. 20240011-WU – Application for certificate to provide water service in St. Johns County, by Riverdale Utility Holding, Inc.

Critical Date(s): 01/31/25 (90-Day Deadline to Grant or Deny Application waived by Riverdale Utility Holding, Inc. to March 4, 2025)

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ENG: M. Watts, King, Ramos, Smith II

AFD: Norris, Sowards

ECO: Bethea, Bruce, Lenberg

GCL: Sandy

(Proposed Agency Action for Issues 2-7)

Issue 1: Should the application of Riverdale Utility Holding, Inc. for a water certificate be approved?

Recommendation: Yes. The Commission should grant Riverdale Utility Holding, Inc. Certificate No. 686-W to serve the territory described in Attachment A of staff's memorandum dated February 20, 2025, effective the date of the Commission's vote. The resultant order should serve as Riverdale's water certificate and it should be retained by the Utility. Further, the Utility should file a copy of its recorded deed in the docket file within 60 days of the issuance of the order granting the certificate.

Issue 2: What are the appropriate water rates and return on investment for Riverdale?

Recommendation: Staff's recommended water rates, shown on Schedule No. 4 of staff's memorandum dated February 20, 2025, are reasonable and should be approved. The approved rates should be effective for services rendered as of the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge the approved rates until authorized to change them by the Commission in a subsequent proceeding. The overall cost of capital should be set at 8.64 percent. A return on equity (ROE) of 10.23 percent with a range of plus or minus 100 basis points should also be approved.

Issue 3: Should Riverdale Utility Holding, Inc.'s requested initial customer deposits be approved?

Recommendation: No. The appropriate initial customer deposit is \$324 for water service for the residential 5/8" x 3/4" meter size. 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 customer deposits should be effective for service rendered on or after the stamped approval date on the tariff 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.

ITEM NO.

CASE

11**PAA

Docket No. 20240011-WU – Application for certificate to provide water service in St. Johns County, by Riverdale Utility Holding, Inc.

(Continued from previous page)

Issue 4: What are the appropriate service availability charges for Riverdale Utility Holding, Inc.?

Recommendation: The appropriate service availability charges are shown on Table 4-1 of staff’s memorandum dated February 20, 2025 and should be approved. The recommended main extension and plant capacity charges should be based on an estimated 250 gallons per day (gpd) of water demand. The approved charges should be effective for services rendered or connections made on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge the approved charges until authorized to change them by the Commission in a subsequent proceeding.

Issue 5: Should the temporary meter deposit requested by Riverdale Utility Holding, Inc. be approved?

Recommendation: Yes. The Utility’s requested temporary meter deposit for general service customers at actual cost pursuant to Rules 25-30.315 and 25-30.345, F.A.C., is reasonable and should be approved. The approved temporary meter deposit should be effective for service rendered on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, F.A.C. Riverdale 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.

Issue 6: Should Riverdale Utility Holding, Inc.’s request for a meter tampering charge be approved?

Recommendation: Yes. The Utility’s request for meter tampering charge at actual cost should be approved. The approved charge should be effective for service rendered or connections made on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge its approved charge until authorized to change them by the Commission in a subsequent proceeding.

Issue 7: What are the appropriate miscellaneous service charges for Riverdale Utility Holding, Inc.?

Recommendation: The appropriate miscellaneous service charges are shown on Table 7-3 of staff’s memorandum dated February 20, 2025 and should be approved. The Utility should file revised tariff sheets to reflect the Commission-approved charges. The approved charges should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. The Utility should be required to charge the approved miscellaneous service charges until authorized to change them by the Commission in a subsequent proceeding.

ITEM NO.

CASE

11**PAA

Docket No. 20240011-WU – Application for certificate to provide water service in St. Johns County, by Riverdale Utility Holding, Inc.

(Continued from previous page)

Issue 8: Should this docket be closed?

Recommendation: Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff’s verification that the revised tariff sheets have been filed, the utility has verified in writing that it has adjusted its books in accordance with the Commission’s decision, and that the utility has submitted the executed and recorded warranty deed within 60 days of the Commission’s Order.

ITEM NO.

CASE

12**PAA

Docket No. 20240104-WS – Application for grandfather certificate to operate water and wastewater utility in Citrus County, by Tarawood Utilities, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: ENG: Ramirez-Abundez, Smith II

AFD: Bardin, Cicchetti, Norris, Swards

ECO: Bruce, Chambliss

GCL: Dose

(Proposed Agency Action for Issues 3-6)

Issue 1: Should Tarawood Utilities, LLC’s application for grandfather water and wastewater certificates in Citrus County be acknowledged?

Recommendation: Yes. Tarawood’s application should be approved and the Utility should be issued Certificate Nos. 685-W and 584-S, effective May 28, 2024, to serve the territory described in Attachment A of staff’s memorandum dated February 20, 2025. The resultant order should serve as Tarawood’s certificate and should be retained by the Utility.

Issue 2: What rates, charges, and deposits should be approved for Tarawood Utilities, LLC?

Recommendation: Of the Utility’s rates, charges, and deposits for water and wastewater service that were in effect when Citrus County transferred jurisdiction to the Commission, only the rates, charges, and initial customer deposits shown in Schedule Nos. 1 and 2 of staff’s memorandum dated February 20, 2025, are appropriate and should be approved. The rates, charges, and initial customer deposits shown in Schedule Nos. 1 and 2 should be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets. The Utility should be required to charge the approved rates, charges, and initial customer deposit shown in Schedule Nos. 1 and 2 until authorized to change them by the Commission in a subsequent proceeding.

Issue 3: Should the Utility’s current terms of payment be revised to conform to Rule 25-30.335(6), F.A.C.?

Recommendation: Yes. The Utility’s current terms of payment should be revised to conform to Rule 25-30.335(6), F.A.C. The Utility should file revised tariff sheets to reflect the appropriate terms of payment pursuant to Rule 25-30.335(6), F.A.C. The approved tariffs should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. In addition, the tariff sheets will be approved upon staff’s verification that the tariffs are consistent with the Commission’s decision and that the proposed customer notice is adequate.

ITEM NO.

CASE

12**PAA

Docket No. 20240104-WS – Application for grandfather certificate to operate water and wastewater utility in Citrus County, by Tarawood Utilities, LLC.

(Continued from previous page)

Issue 4: What are the appropriate meter test deposit charges for Tarawood Utilities, LLC?

Recommendation: Staff recommends that the appropriate meter test deposits be revised to conform to Rule 25-30.266(2)(a), F.A.C. The Utility should file a revised tariff sheet to reflect the appropriate meter test deposits pursuant to Rule 25-30.335(6), F.A.C. The approved tariff should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. In addition, the tariff sheet will be approved upon staff’s verification that the tariffs are consistent with the Commission’s decision and that the proposed customer notice is adequate.

Issue 5: What are the appropriate water and wastewater miscellaneous service charges for Tarawood Utilities, LLC?

Recommendation: The appropriate water and wastewater miscellaneous service charges are shown on Table 5-2 of staff’s memorandum dated February 20, 2025. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, F.A.C. In addition, the tariff sheets will be approved upon staff’s verification that the tariffs are consistent with the Commission’s decision and that the proposed customer notice is adequate.

Issue 6: Should Tarawood Utilities, LLC’s water and wastewater charge for readiness to serve be classified as guaranteed revenue charges?

Recommendation: The Utility’s water and wastewater charge for readiness to serve should be classified as guaranteed revenue charges. The charges should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets, provided customers have received notice pursuant to Rule 25-30.475, F.A.C. In addition, the tariff sheets should be approved upon staff’s verification that the tariffs are consistent with the Commission’s decision and that the proposed customer notice is adequate.

ITEM NO.

CASE

12**PAA

Docket No. 20240104-WS – Application for grandfather certificate to operate water and wastewater utility in Citrus County, by Tarawood Utilities, LLC.

(Continued from previous page)

Issue 7: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action portion of this recommendation 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 this action is complete, this docket should be closed administratively.

ITEM NO.

CASE

13

Docket No. 20250023-WS – Application for staff-assisted rate case in Polk County, by North Carolina Real Estate Projects LLC d/b/a Grenelefe Utility.

Critical Date(s): 03/11/25 (60-day Decision on Interim Rates)

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ENG: Ramirez-Abundez, Ramos, Smith II, King

AFD: Folkman, G. Kelley

ECO: Sibley, Bruce

GCL: Imig, Augspurger

(Decision on Interim Rates - Participation is at the Discretion of the Commission)

Issue 1: Should an interim revenue increase be approved?

Recommendation: Yes, Grenelefe should be authorized to collect an interim revenue increase of \$64,840 for water and \$341,994 for wastewater as shown below:

	Test Year Revenues	Increase (\$)	Revenue Requirement	Increase (%)
Water	\$359,309	\$64,840	\$424,149	18.05%
Wastewater	\$225,428	\$341,994	\$567,422	151.71%

Issue 2: What are the appropriate interim water and wastewater rates for Grenelefe?

Recommendation: The interim rate increase of 18.05 percent for water and 151.71 percent for wastewater should be applied as an across-the-board increase to the water and wastewater rates, respectively. The rates, as shown on Schedule No. 1 of staff's memorandum dated February 20, 2025 should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code (F.A.C.) The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. In addition, the approved rates should not be implemented until the required security has been filed, 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 3: What is the appropriate security to guarantee the interim increase?

Recommendation: The appropriate security to guarantee the funds collected subject to refund is a corporate undertaking, guaranteed by the Utility's owner.

ITEM NO.

CASE

13

Docket No. 20250023-WS – Application for staff-assisted rate case in Polk County, by North Carolina Real Estate Projects LLC d/b/a Grenelefe Utility.

(Continued from previous page)

Issue 4: Should this docket be closed?

Recommendation: This docket should remain open pending the Commission's final action on the Utility's requested rate increase

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

Critical Date(s): 02/20/25 (5-Month Effective Date - PAA Rate Case)

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo Smith

Staff: ECO: Guffey, Barrett, Galloway, Hampson, Hudson, P. Kelley, Kunkler, McNulty, Prewett, Wu

AFD: D. Buys, Cicchetti, Ferrer, Folkman, Higgins, G. Kelley, McGowan, Quigley, Richards, Souchik, Vogel, Zaslou

ENG: Ellis, King, Ramirez-Abundez, Ramos, Smith II, Thompson

GCL: Brownless

IDM: Eichler, Hitchins, Roberts, Rogers, Wooten

(Proposed Agency Action for All Issues, Except for Issues 63 and 64)

Issue 1: Is FPUC's projected test period for the twelve months ending December 31, 2025, appropriate?

Recommendation: Yes, FPUC's projected test period for the twelve months ending December 31, 2025, is appropriate.

Issue 2: Are FPUC's forecasts of customers, energy, and demand by revenue and rate class for the projected test year appropriate?

Recommendation: Yes, FPUC's forecasts of customers, energy, and demand by revenue and rate class are appropriate.

Issue 3: Are FPUC's estimated revenues from sales of electricity by rate class at present rates for the projected test year appropriate? If not, what adjustments should be made?

Recommendation: Yes, FPUC's estimated revenues from sales of electricity by rate class at present rates for the projected test year are appropriate. No adjustments are necessary.

Issue 4: What are the appropriate inflation, customer growth, and other non-payroll trend factors for use in forecasting the 2024 and 2025 test year budgets?

Recommendation: The non-payroll trend factors appropriate for forecasting the 2024 and 2025 test year budgets are: 2.84 percent for inflation, 0.30 percent for customer growth, and 0.34 percent for the revenue trend factor (for 2024), and 2.31 percent for inflation, 0.31 percent for customer growth, and (0.09) percent for revenue (for 2025). The combination of customer and inflation trend factors for 2024 and 2025 are also appropriately used for this purpose.

Issue 5: Is the quality of electric service provided by FPUC adequate?

Recommendation: Yes. Staff recommends that FPUC's overall quality of service is adequate.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 6: Should FPUC’s proposed acquisition and replacement of substations and transmission assets be included in the 2025 projected test year?

Recommendation: Yes. FPUC’s proposed acquisition and replacement of substations and transmission assets should be included in the 2025 projected test year. These projects will allow FPUC to maintain and improve the reliability and integrity of its electric system and provide savings to customers. Further, staff recommends the Commission authorize FPUC to increase its base rates by the incremental revenue requirement associated with the substation and transmission projects once these assets are in service. FPUC should be required to file its step increase calculations and tariffs for staff review. The Commission should give staff administrative authority to approve FPUC’s revised tariffs.

Issue 7: Should FPUC’s proposed reliability projects be included in the 2025 projected test year? What, if any, adjustments should be made?

Recommendation: Yes. FPUC’s proposed reliability projects, with a total estimated capital cost of approximately \$4.2 million, should be included in the 2025 projected test year with no adjustments. These projects will allow FPUC to maintain and improve the reliability of its electric system.

Issue 8: Should FPUC’s proposed safety projects be included in the 2025 projected test year? What, if any, adjustments should be made?

Recommendation: Yes. FPUC’s proposed safety projects, with a total estimated capital cost of approximately \$1.6 million, should be included in the 2025 projected test year with no adjustments. Staff recommends that these projects are necessary to improve the safety and reliability of FPUC’s system, and to reduce risk to life and property.

Issue 9: Should FPUC’s proposed security camera project be included in the 2025 projected test year? What, if any, adjustments should be made?

Recommendation: Yes. The proposed security camera project, with a capital cost of \$326,430 and annual O&M expense of \$63,024, should be included in the 2025 projected test year without any adjustments. Staff recommends that this project is needed to improve security and monitoring to align with North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) standards and to also ensure the security of FPUC’s assets.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 10: Should FPUC’s proposed two-way communication system be included in the 2025 projected test year? What, if any, adjustments should be made?

Recommendation: Yes. The proposed two-way communication system, with a capital cost of \$326,430 should be included in the 2025 projected test year. This results in a reduction to rate base of \$940,711 and a reduction to depreciation expense of \$187,357. Staff recommends that this project is needed to improve employee safety and increase restoration efficiency.

Issue 11: Should FPUC’s proposed New Customer Information System (CIS) be included in the 2025 projected test year? What, if any, adjustments should be made?

Recommendation: Yes. The proposed CIS, with a capital cost of \$6.9 million and O&M expense of \$356,083, should be included in the 2025 projected test year without any adjustments. Staff recommends that the project is needed to replace software that is at the end of its life, and will improve the customer billing system and cybersecurity, which will protect FPUC’s system and customer information.

Issue 12: Has FPUC made the appropriate adjustments to remove all non-utility activities from Plant in Service, Accumulated Depreciation, and Working Capital in the 2025 projected test year? What, if any, adjustments should be made?

Recommendation: Yes. Staff believes the Company has made the appropriate adjustments to remove all non-utility activities from Plant in Service and Accumulated Depreciation in the 2025 projected test year. No adjustments to Working Capital are necessary.

Issue 13: What level of Plant in Service should be approved for the 2025 projected test year?

Recommendation: The appropriate level of Plant in Service for the 2025 projected test year is \$203,856,204.

Issue 14: What level of Accumulated Depreciation should be approved for the 2025 projected test year?

Recommendation: Staff recommends the Commission approve an accumulated depreciation level of \$80,674,837 for the 2025 projected test year.

Issue 15: What level of Working Capital should be approved for the 2025 projected test year?

Recommendation: The appropriate level of Working Capital for the 2025 projected test year is \$12,767,460.

Issue 16: What level of Construction Work in Progress should be approved for the 2025 test year?

Recommendation: The appropriate level of Construction Work in Progress for the 2025 projected test year is \$8,221,809.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 17: What level of Property Held for Future Use should be approved for the 2025 projected test year?

Recommendation: Staff recommends that the appropriate level of Property Held for Future Use is \$0.

Issue 18: What is the level of rate base that should be approved for the 2025 projected test year?

Recommendation: Staff recommends that the appropriate level of rate base for the 2025 projected test year is \$144,170,635.

Issue 19: What amount of accumulated deferred taxes should be approved for inclusion in the capital structure for the 2025 projected test year?

Recommendation: The amount of accumulated deferred income taxes to be included in the 2025 projected test year capital structure is \$13,497,717.

Issue 20: What amount and cost rate for customer deposits should be approved for inclusion in the capital structure for the 2025 projected test year?

Recommendation: The amount and cost rate for customer deposits that should be included in the 2025 projected test year capital structure is \$4,001,097 at a cost rate of 2.20 percent.

Issue 21: What is the appropriate amount and cost rate for short-term debt to include in the capital structure for the 2025 projected test year?

Recommendation: The appropriate amount for short-term debt to include in the capital structure for the 2025 projected test year is \$6,906,199 at a cost rate of 5.81 percent.

Issue 22: What amount and cost rate for long-term debt should be approved for inclusion in the capital structure for the 2025 projected test year?

Recommendation: The amount of long-term debt to include in the capital structure for the 2025 projected test year is \$54,153,162 at a cost rate of 4.51 percent.

Issue 23: What equity ratio should be approved for use in the capital structure for ratemaking purposes for the 2025 projected test year?

Recommendation: An equity ratio of 50.04 percent, based on investor sources, should be approved for use in the capital structure for ratemaking purposes for the 2025 projected test year.

Issue 24: What return on common equity should be approved for use in establishing FPUC's revenue requirement for the 2025 projected test year?

Recommendation: A return on common equity of 10.15 percent, with a range of 9.15 percent to 11.15 percent, should be approved for use in establishing FPUC's revenue requirement for the 2025 projected test year.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 25: What capital structure and weighted average cost of capital should be approved for use in establishing FPUC’s revenue requirement for the 2025 projected test year?

Recommendation: A capital structure consisting of 50.04 percent common equity, 44.31 percent long-term debt, and 5.65 percent short-term debt as a percentage of investor sources should be approved for the 13-month average test year ending December 31, 2025. A weighted average cost of capital of 6.34 percent should be approved for establishing FPUC’s 2025 projected test year revenue requirement.

Issue 26: What amount of Miscellaneous Service Revenue should be approved for the 2025 projected test year?

Recommendation: The amount of \$163,225 in Miscellaneous Service Revenue should be approved for the 2025 projected test year.

Issue 27: What amount of Total Operating Revenue should be approved for the 2025 projected test year?

Recommendation: The appropriate amount of Total Operating Revenue for the 2025 projected test year is \$25,353,946.

Issue 28: Should FPUC’s proposed costs for the S&P Global Platts package be approved for the 2025 projected test year? What, if any, adjustments should be made?

Recommendation: Yes. FPUC’s proposed costs associated with the S&P Global Platts package should be approved for the 2025 projected test year.

Issue 29: Has FPUC made the appropriate test year adjustments to remove fuel revenues and fuel expenses recoverable through the Fuel and Purchased Power Cost Recovery Clause?

Recommendation: Yes. FPUC has made the appropriate test year adjustments to remove fuel revenues and fuel expenses recoverable through the Fuel and Purchased Power Cost Recovery Clause.

Issue 30: Has FPUC made the appropriate test year adjustments to remove conservation revenues and conservation expenses recoverable through the Conservation Cost Recovery Clause?

Recommendation: Yes. FPUC has made the appropriate test year adjustments to remove conservation revenues and conservation expenses recoverable through the Conservation Cost Recovery Clause.

Issue 31: Should FPUC’s proposed addition of Electric Line Operation Supervisor in both the Northeast and Northwest Territory be included in O&M Expense for the 2025 projected test year? What, if any, adjustments should be made?

Recommendation: Yes. FPUC’s proposed addition of an Electric Line Operation Supervisor in both its Northeast and Northwest territories, with a salary of \$105,000 for each position, should be included in the 2025 projected test year with no adjustments.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 32: Has FPUC made the appropriate test year adjustments to remove all storm hardening revenues and expenses recoverable through the Storm Protection Plan Cost Recovery Clause?

Recommendation: Yes. Staff recommends that FPUC has made the appropriate test year adjustments to remove all storm hardening revenues and expenses recoverable through the SPPCRC.

Issue 33: Is FPUC’s proposed reserve target level and annual storm damage accrual for the 2025 projected test year appropriate? If not, what adjustment should be made?

Recommendation: Yes. FPUC’s proposed increase to its annual accrual is reasonable and therefore, staff recommends that FPUC’s proposed reserve target level of \$1.5 million and annual storm damage accrual of \$446,979 for the 2025 projected test year are appropriate and should be approved without any adjustments.

Issue 34: What amount of advertising expense should be approved for the 2025 projected test year?

Recommendation: An advertising expense of \$103,998 should be approved for the 2025 projected test year.

Issue 35: What amount of economic development expense should be approved for the 2025 projected test year?

Recommendation: An amount of \$19,055 should be approved for the 2025 projected test year.

Issue 36: What annual rate case expense should be approved for the 2025 projected test year?

Recommendation: Staff recommends the Commission approve a total rate case cost of \$1,530,907 with a four-year amortization period. The corresponding annual amortization expense is \$382,727.

Issue 37: What are the appropriate cost allocation methodologies and what, if any, adjustments should be made to the allocated costs and charges with affiliated companies for FPUC for the 2025 projected test year?

Recommendation: Staff recommends that FPUC’s cost allocation methodologies are reasonable and that no adjustments are necessary.

Issue 38: What amount of salaries and benefits, including incentive compensation, should be approved for the 2025 projected test year?

Recommendation: Staff recommends the amount of salaries and benefits is \$11,388,043 for the 2025 projected test year.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 39: What amount of Bad Debt expense should be approved for the 2025 projected test year?

Recommendation: Staff recommends that the appropriate amount of Bad Debt expense for the 2025 projected test year is \$602,010 and an average bad debt rate of 0.5227 percent be incorporated into the Revenue Expansion Factor.

Issue 40: What amount of distribution O&M expense should be approved for the 2025 projected test year?

Recommendation: FPUC's distribution O&M expense should be \$3,935,481 for the 2025 projected test year. Staff recommends that the overall distribution O&M expense is reasonable, including the costs associated with the engineering and supervision of plant improvement projects due to the increased workload associated with the acquisition and replacement/rebuild of the substation assets discussed in Issue 6, and increased position responsibilities. This amount is based on directly projecting known distribution O&M expenses, and increasing historic test year distribution O&M expenses for inflation and customer growth, consistent with FPUC's prior base rate proceedings.

Issue 41: What amount of transmission O&M expense should be approved for the 2025 projected test year?

Recommendation: FPUC's transmission O&M expense should be \$144,837 for the 2025 projected test year. This amount is based on directly projecting known transmission O&M expenses, and increasing historic test year transmission O&M expenses for inflation and customer growth, consistent with FPUC's prior base rate proceedings. Therefore, staff recommends that FPUC's transmission O&M expense is reasonable and should be approved.

Issue 42: What total amount of O&M expense should be approved for the 2025 projected test year?

Recommendation: Staff recommends O&M expense for the 2025 projected test year of \$16,169,022.

Issue 43: What amount of depreciation expense should be approved for the 2025 projected test year?

Recommendation: Staff recommends the Commission approve a depreciation expense of \$5,119,891 for the 2025 projected test year.

Issue 44: What amount of Taxes Other Than Income should be approved for the 2025 projected test year?

Recommendation: Staff recommends Taxes Other Than Income taxes for the 2025 projected test year of \$2,357,780.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 45: What amount of Income Tax expense should be approved for the 2025 projected test year?

Recommendation: Staff recommends that the amount of Income Tax expense for the 2025 projected test year is (\$2,415,324).

Issue 46: What amount of Net Operating Income should be approved for the 2025 projected test year?

Recommendation: Staff recommends that the appropriate Net Operating Income is \$1,673,316 for the 2025 projected test year.

Issue 47: What revenue expansion factor and net operating income multiplier should be approved for the 2025 projected test year, including the appropriate elements and rates?

Recommendation: Staff recommends that the appropriate 2025 projected test year revenue expansion factor is 74.2015 percent and the net operating income multiplier is 1.3477. The appropriate elements and rates are discussed in the analysis portion of staff's memorandum dated February 20, 2025.

Issue 48: What amount of annual operating revenue increase should be approved for the 2025 projected test year?

Recommendation: The amount of annual operating revenue increase that should be approved for the projected 2025 test year is \$9,898,162.

Issue 49: What is the appropriate cost of service methodology to be used in designing FPUC's rates?

Recommendation: The appropriate cost of service study methodology utilizes the 12 Monthly Coincident Peak (CP) method for the allocation of transmission costs; non-coincident peak and customer maximum demand for distribution plant; and classifies only the meter, service drop, and customer-service components of the distribution system as customer-related. The appropriate cost of service study is contained in MFR Schedule E and is consistent with FPUC's last rate case filing. FPUC should file a revised cost of service study, including rates and tariffs, that reflect the Commission vote on all issues by March 10, 2025, close of business.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 50: If a revenue increase is granted, how should the increase be allocated to rate classes?

Recommendation: The appropriate allocation of the increase in revenue requirement, after recognizing any additional revenues realized in other operating revenues, should track, to the extent practical, the revenue deficiency of each class as determined from the approved cost of service study and move the classes toward parity to the extent practicable. The increase should be allocated to the rate classes in a manner that moves the class rate of return indices as close to parity as practicable based on the approved cost allocation methodology, subject to the following constraints: (1) no class should receive an increase greater than 1.5 times the system average percentage increase in total, and (2) no class should receive a decrease.

Issue 51: What are the appropriate customer facilities charges?

Recommendation: The final customer facilities charges are a fall-out issue and will be decided at the March 20, 2025 Commission Conference. The calculation of the customer facilities charges is dependent on the Commission’s vote on the final revenue requirement. FPUC should be required to recalculate the customer facilities charges based on the Commission’s vote on all prior issues.

Issue 52: What are the appropriate demand charges?

Recommendation: The final demand charges are a fall-out issue and will be decided at the March 20, 2025 Commission Conference. The calculation of the customer facilities charges is dependent on the Commission’s vote on the final revenue requirement. FPUC should be required to recalculate the demand charges based on the Commission’s vote on all prior issues.

Issue 53: What are the appropriate energy charges?

Recommendation: The final energy charges are a fall-out issue and will be decided at the March 20, 2025 Commission Conference. The calculation of the customer facilities charges is dependent on the Commission’s vote on the final revenue requirement. FPUC should be required to recalculate the energy charges based on the Commission’s vote on all prior issues.

Issue 54: Should FPUC’s proposal to delete standby service be approved?

Recommendation: Yes, FPUC’s proposal to delete standby service should be approved. Accordingly, the standby service tariff should be closed once the Commission’s decision in this docket has become final.

Issue 55: Should the proposed modifications to the temporary service charges be approved?

Recommendation: Yes, the proposed modifications to the temporary service charges should be approved.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 56: Should the proposed modifications to deposit amounts to prepare requested binding cost estimates for new underground construction and overhead conversions be approved?

Recommendation: Yes. The proposed modifications to deposit amounts to prepare requested binding cost estimates for new underground construction and overhead conversions should be approved.

Issue 57: What are the appropriate Miscellaneous Service Charges (Tariff Sheet No. 6.027)?

Recommendation: The appropriate Miscellaneous Service Charges are contained in Table 57-1 of staff's memorandum dated February 20, 2025 and should be approved.

Issue 58: Is FPUC's proposal to close the Non-Firm Energy Program-Experimental (Tariff Sheet No. 7.023) to new customers appropriate?

Recommendation: Yes, FPUC's proposal to close the Non-Firm Energy Program-Experimental to new customers and subsequently end the program by September 1, 2025, is appropriate and should be approved. Staff believes it is reasonable to close the program because the program has not benefitted the general body of ratepayers as intended.

Issue 59: Should the new Technology Cost Recovery Rider and associated Tariff Sheets (Nos. 7.027 through 7.029) be approved?

Recommendation: No. The new Technology Cost Recovery Rider (TCRR or Rider) and associated Tariff Sheets (Original Sheet Nos. 7.027 through 7.029) should be denied. The proposed TCRR program and associated costs are still in a development stage and are part of the Company's normal operations and, therefore, more appropriately addressed through traditional ratemaking processes.

Issue 60: Should the Commission approve FPUC's proposal to recover the Hurricane Michael storm recovery surcharge from General Service - Large Demand 1 (GSLD 1) customers as a fixed charge?

Recommendation: Yes, the Commission should approve FPUC's proposal to recover the Hurricane Michael storm recovery surcharge from GSLD 1 customers as a fixed charge, as opposed to a variable energy charge. Recovery of Hurricane Michael costs through a fixed charge should not impact the total recovery of the surcharge.

Issue 61: What is the appropriate effective date for FPUC's revised rates and charges?

Recommendation: This is a fallout issue and will be decided at the March 20, 2025 Commission Conference.

Issue 62: Should the Commission give staff administrative authority to approve tariffs reflecting Commission approved rates and charges?

Recommendation: This is a fallout issue and will be decided at the March 20, 2025 Commission Conference.

ITEM NO.

CASE

14**PAA

Docket No. 20240099-EI – Petition for rate increase by Florida Public Utilities Company.

(Continued from previous page)

Issue 63: Should any portion of the interim increase granted be refunded to customers?

Recommendation: No. Based on staff’s recommended final revenue increase; an interim-related refund is not required. Further, upon issuance of the final order in this docket, the corporate undertaking should be released.

Issue 64: Should FPUC be required to file, within 90 days after the date of the final order in this docket, a description of all entries or adjustments to its annual report, rate of return reports, and books and records which will be required as a result of the Commission’s findings in this rate case?

Recommendation: Yes. FPUC should be required to file, within 90 days after the date of the final order in this docket, a description of all entries or adjustments to its annual report, rate of return reports, and books and records which will be required as a result of the Commission’s findings in this rate case.

Issue 65: Should this docket be closed?

Recommendation: No. This docket should remain open for the Commission to make its final determination regarding the requested rate increase at the March 20, 2025 Special Agenda Conference.

ITEM NO.

CASE

15**PAA

Docket No. 20240171-EU – Joint petition for approval of temporary services by Tampa Electric Company and City of Lakeland.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ECO: Prewett, Barrett, Guffey

GCL: Stiller

Issue 1: Should the Commission approve the joint petitioners request regarding the provision of temporary retail electric service between Lakeland and TECO?

Recommendation: Yes, the Commission should approve the joint petitioners' request regarding the proposed provision of temporary retail electric service between Lakeland and TECO. The circumstances supportive of such approval include: (1) a clear indication that no uneconomic duplication of service would result from the proposed service extensions; (2) no customers will be transferred and no service reliability issues are expected to occur; and (3) the timing of relatively large-scale developments of the impacted land parcels, and the complexity of the anticipated boundary changes, has contributed to the urgency of the provision of temporary electric service. Thus, the Commission should approve the joint petitioners motion regarding the provision of temporary electric service between Lakeland and TECO, subject to the following conditions:

- A. The joint petitioners must continue their good faith effort to meet all of the respective obligations set forth in the joint petition's Letter of Intent including filing a comprehensive territorial amendment for the subject parcels identified in the joint petition with the Florida Public Service Commission on or before June 30, 2025; and
- B. In the event the joint petitioners do not file a comprehensive territorial amendment on or before June 30, 2025, they must, by that date, provide a detailed report explaining the progress made towards filing such amendment, the reasons why an amendment could not be timely filed, and when the joint petitioners expect to file the territorial amendment.
- C. The joint petitioners should be encouraged to consider amending Section 2.2 of the Original Agreement to either include an appropriate definition of services currently described as "temporary" and identify criteria under which those services could be provided, or to delete all references to the provision of temporary services.

ITEM NO.

CASE

15**PAA

Docket No. 20240171-EU – Joint petition for approval of temporary services by Tampa Electric Company and City of Lakeland.

(Continued from previous page)

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

16**PAA

Docket No. 20240107-GU – Petition for approval of modifications to cast iron/bare steel pipe replacement rider, by Peoples Gas System, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Ward, Hampson

ENG: Ellis, Sanchez, Thompson

GCL: Sandy

Issue 1: Should the Commission approve Peoples' proposed modifications to the CI/BS Rider?

Recommendation: Yes, in part. The Commission should approve Peoples' expansion of the rider program to include: (1) maximum allowable operating pressure (MAOP) reconfirmation and material verification, (2) pipeline spans and shallow/exposed pipe, and (3) the relocation of facilities in rear easements. These components of the proposed rider expansion are reasonable additions that are required by recent changes to the United States Pipeline and Hazardous Materials Administration (PHMSA) regulations and/or are consistent with approved items in previous Commission Orders.

The Commission should deny the inclusion of (1) pipeline pressurization monitoring and management, (2) pipeline damages and leaks, (3) pipeline within casings, (4) undetectable facilities, and (5) system enhancement projects, as they are not required by PHMSA regulations and/or are part of the utility's normal operations and, therefore, more appropriately addressed through traditional ratemaking processes.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ITEM NO.

CASE

17**PAA

Docket No. 20240157-GU – Petition for approval to establish a new regulatory subaccount and an amortization rate and to reclassify customer software investment and reserve balance, by Peoples Gas System, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ECO: Kunkler, Galloway, Wu

GCL: Bloom, J. Crawford

Issue 1: Should PGS’s request to establish a new subaccount with a new applicable amortization rate for the WAM software be approved, and if so, what is the appropriate account classification and the associated amortization rate?

Recommendation: Yes. Staff recommends approval of PGS’s petition for establishing a new subaccount for FERC Account 303 – Miscellaneous Intangible Plant: Account 303.02 – Customized Software - 20 Years, with a 15-year amortization period (annual amortization rate of 5.0 percent). Further, staff believes the Commission should approve PGS’s request to reclassify its customized software systems/platforms-related plant and reserve, in the amounts of \$40,634,908 and \$4,087,761, respectively, from Account 303.01 to the newly-created Account 303.02.

Issue 2: If the Commission approves staff’s recommendation in Issue 1, what is the appropriate implementation date for the new Account 303.02, as well as the reclassification of PGS’s WAM software from Account 303.01 to Account 303.02?

Recommendation: Staff recommends January 1, 2025, as the effective date for the new Account 303.02, and the transfer of the associated plant and reserve balances of the WAM software.

Issue 3: Should this docket be closed?

Recommendation: If no person whose substantial interests are affected by the proposed agency action, files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

18

Docket No. 20250026-GU – Petition for approval to modify swing service charge, individual transportation service rider, and off-system service rate schedule, by Peoples Gas System, Inc.

Critical Date(s): 03/14/25 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: McClelland

GCL: Sandy

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

Issue 1: Should the Commission suspend Peoples' proposed revisions to the tariffs associated with its Swing Service Rider, Individual Transportation Service Rider, and Off System Service?

Recommendation: Yes. Staff recommends that Peoples' proposed tariffs associated with its Swing Service Rider, Individual Transportation Service Rider, and Off System Service 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.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission decision on the proposed revised tariffs.