Table of Contents
Commission Conference Agenda
December 1, 2026

1** **Consent Agenda** 1

2** **Docket No. 20260158-EU** – Petition to initiate rulemaking under Section 120.54(7), F.S., to designate the measurement and reporting methodology for large load customers under 366.043, F.S., by Green Recursive Utility Service LLC. 2

3 **Docket No. 20260045-EI** – Formal complaint of Justin Gage against Duke Energy Florida, LLC for alleged violations of Commission rules, orders, and statutes governing electric utility safety standards, compliance certifications, and truthfulness in Commission filings. 3

4** **Docket No. 20260011-GU** – Natural gas facilities relocation cost recovery clause. 4

5** **Docket No. 20260159-EI** – Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricane Isaias, by Florida Power & Light Company. 5

6**PAA **Docket No. 20260005-WS** – Annual reestablishment of price increase or decrease index of major categories of operating costs incurred by water and wastewater utilities pursuant to Section 367.081(4)(a), F.S. 6

7**PAA **Docket No. 20260054-WS** – Application for transfer of facilities of FIMC Hideaway, Inc., water Certificate No. 426-W, and wastewater Certificate No. 362-S to DAD SIG LLC d/b/a Hideaway Springside, in Levy County. 7

8** **Docket No. 20260095-WS** – Application for transfer of majority organizational control of First Coast Regional Utilities, Inc., holder of water Certificate No. 680-W and wastewater Certificate No. 578-S in Duval, Baker, and Nassau Counties, from Roberts Utility Holdings, LLC to Florida Water Holdings, Inc. 9

9**PAA **Docket No. 20260105-WU** – Application for transfer of majority organizational control of Bocilla Utilities, Inc., holder of Certificate No. 662-W in Charlotte County. 10

10** **Docket No. 20260139-EI** – Petition to Implement 2027 subsequent year adjustment, by Tampa Electric Company. 12

11**PAA **Docket No. 20260025-EU** – Joint petition for approval of first amendment to amended territorial agreement in Orange and Osceola Counties, by Central Florida Tourism Oversight District (f/k/a Reedy Creek Improvement District) and Duke Energy Florida, LLC. 13

12**PAA **Docket No. 20260121-EU** – Joint petition for approval of amended and restated territorial agreement in Gadsden County, by Talquin Electric Cooperative and Town of Havana. 14

13** **Docket No. 20260133-GU** – Petition for approval of GUARD true-up cost recovery factors, by Florida Public Utilities Company. 16

14** **Docket No. 20260134-GU** – Petition for approval of safety, access, and facility enhancement program true-up and 2027 cost recovery factors, by Florida City Gas. 17

15** **Docket No. 20260136-GU** – Petition for approval of 2025 true-up, projected 2026 true-up; and 2027 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider; and request to extend rider from 1/28 through 12/31, by Peoples Gas System, Inc. 18

16 **Docket No. 20260039-WS** – Application for increase in water and wastewater rates in Seminole County by Hometown Palm Valley, LLC d/b/a Palm Valley Utilities..... 19

Item 1

FILED 11/17/2026
DOCUMENT NO. 07914-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of Industry Development and Market Analysis (Deas, Mallow) CH
Office of the General Counsel (Marquez) SPS

RE: Applications for Certificate of Authority to Provide Telecommunications Service

AGENDA: 12/1/2026 - Consent Agenda - Proposed Agency Action - Interested Persons May Participate

SPECIAL INSTRUCTIONS: None

Please place the following Applications for Certificate of Authority to Provide Telecommunications Service on the consent agenda for approval.

DOCKET NO.	COMPANY NAME	CERT. NO.
20260147-TX	Lyina LEC LLC	9021
20260157-TX	Rover Holdings US LLC	9023

The Commission is vested with jurisdiction in this matter pursuant to Section 364.335, Florida Statutes. Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee if the certificate is active during any portion of the calendar year. A Regulatory Assessment Fee Return Notice will be mailed each December to the entities listed above for payment by January 30.

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State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of Industry Development and Market Analysis (Deas, Fogleman) CH
Office of the General Counsel (Imig) SPS

RE: Application for Certificate of Authority to Provide Pay Telephone Service

AGENDA: 12/1/2026 - Consent Agenda - Proposed Agency Action - Interested Persons May Participate

SPECIAL INSTRUCTIONS: None

Please place the following Application for Certificate of Authority to Provide Pay Telephone Service on the consent agenda for approval.

DOCKET NO.	COMPANY NAME	CERT. NO.
20260165-TC	Yorkstream Communications LLC	9022

The Commission is vested with jurisdiction in this matter pursuant to Section 364.3375, Florida Statutes. Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee if the certificate is active during any portion of the calendar year. A Regulatory Assessment Fee Return Notice will be mailed each December to the entity listed above for payment by January 30.

Item 2

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State of Florida

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of the General Counsel (Sapoznikoff) *SMC*
Division of Economics (Hampson) *EJD*

RE: Docket No. 20260158-EU – Petition to initiate rulemaking under 120.54(7), F.S., to designate the measurement and reporting methodology for large load customers under 366.043, F.S., by Green Recursive Utility Service LLC.

AGENDA: 12/01/26 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Ortega

CRITICAL DATES: 12/01/26 (The Commission must grant or deny the Petition by this date.)

RULE STATUS May Not Be Deferred

SPECIAL INSTRUCTIONS: None

Case Background

On October 30, 2026, Green Recursive Utility Service, LLC (Green Recursive or Petitioner) filed a Petition for Rulemaking (Petition). The Petition requests that the Commission initiate rulemaking pursuant to Section 120.54(7), Florida Statutes (F.S.), to adopt a new rule within Chapter 25-6 of the Florida Administrative Code (F.A.C), which chapter pertains to electric utilities. The Petitioner requests that this new rule incorporate by reference GRUS-STD-60084 v2.0-U (Uniform Edition), DOI 10.5281/zenodo.23246001 (proposed standard), "as the measurement and reporting methodology for large load service under § 364.043, Florida Statutes." The Petitioner states that it is the creator of the proposed standard.

Pursuant to Section 120.54(7)(a), F.S., any person regulated by an agency or having a substantial interest in an agency rule may petition an agency to adopt, amend, or repeal a rule. The Petitioner alleges it has a substantial interest in an agency rule, and the Petition specifies the proposed rule and action requested.[1]

This recommendation addresses whether the Commission should initiate rulemaking or deny the Petition. This recommendation does not address the merits of the Petitioner's suggested rule language or whether the Petitioner's suggested rule satisfies the requirements of Section 120.52 and 120.54, F.S. The Commission has jurisdiction pursuant to Section 120.54, 350.127(2), and 366.05(1), F.S.

[1] As discussed further in the Recommendation, based on the facts alleged in the Petition, the Petitioner may not have demonstrated it has a substantial interest in whether the Commission adopts a rule implementing Section 366.043, F.S.

Discussion of Issues

Issue 1: Should the Commission grant Green Recursive's Petition to Initiate Rulemaking?

Recommendation: No. The Commission should deny the Petition. (Sapoznikoff, Hampson)

Staff Analysis:

The Petition

The Petitioner states it is a Texas limited liability company that is the author and publisher of GRUS-STD-60084, which it indicates is "a measurement standard for data centers and large load water and energy consumption." The Petitioner requests that the Commission adopt a new rule under Chapter 25-6, F.A.C. to incorporate by reference GRUS-STD-60084 v2.0-U (Uniform Edition), DOI 10.5281/zenodo.23246001 "as the measurement and reporting methodology for large load service under § 364.043, Florida Statutes."

In its Petition, Green Recursive alleges the following to demonstrate that it has a substantial interest in whether the Commission initiates rulemaking:

> **1. Petitioner is the author of the subject matter of the proposed rule**. The rule proposed in Annex A designates a single measurement and reporting methodology for large load service under § 366.043: **GRUS-STD-60084 v2.0-U (Uniform Edition), DOI 10.5281/zenodo.23246001**. Petitioner wrote that standard, publishes it, maintains it, and is the person answerable for its content. A Commission decision to designate the standard makes Petitioner's own work product the operative measurement method for Florida large load service; a decision to refuse designation, or to designate a different or no method, determines with equal directness the standing of that same work product. No other person stands in that relation to the proposed rule.
>
> **2. Petitioner is a practitioner under the proposed rule, not a commentator on it.** Petitioner performs facility consumption audits in the standard's audit form (GRUS-AUD), including the granular consumption audit of the Circle T facility in Texas (GRUS-AUD-CTDC-R1, September 2026), which was submitted to the City of Keller and the Texas Commission on Environmental Quality and sworn into the record of that proceeding, with third parties standing on it. If the Commission designates the methodology, Petitioner's audit practice is the practice the designation describes; the rule regulates the form of work Petitioner itself performs.
>
> **3. The interest is direct, particular, and distinct from the general public's.** Petitioner does not plead the interest of a Florida ratepayer, and does not rest on the public's interest in sound ratemaking, which it shares with everyone. It pleads the interest of the standard's author and of an audit practitioner in the designation decision itself — an interest that exists whether or not Petitioner ever takes

> electric service in Florida, and that is affected by the Commission's grant or denial of this petition in a way no member of the general public's interest is.
>
> **4. No proprietary stake is asserted.** The standard is dedicated to the public domain under CC0. Designation creates no royalty, license fee, or proprietary dependency running to Petitioner or to any party; Petitioner's interest is the authorial and professional interest stated above, stated openly so the Commission can weigh it for exactly what it is.

The Petitioner alleges rulemaking is necessary because although "Florida has ordered the cost determination; it has not designated a method for making it." The Petitioner asserts:

> The Legislature specified the threshold measurement and the conclusion the numbers must support, and left the production of every other number to convention. Three utilities have now produced three tariffs on three conventions, and the Commission's staff, reviewing them, has recommended three different procedural outcomes. There is nothing in any of the three records that would let the Commission — or a ratepayer, or this Petitioner — restate Duke's figures, Tampa Electric's figures, and FPL's figures in a common form and test them against the same test.

In addition, the Petitioner alleges in its Petition that the large load dockets of Duke Energy Florida,[2] Tampa Electric Company,[3] and Florida Power & Light Company[4] demonstrate "the absence of a designated method." The Petition alleges "Timing is the substance." The Petition states:

> The first § 366.043 tariffs are being acted on now, and the compliance conventions adopted in these first dockets — by approval, by suspension orders, or by refiled tariffs — are the conventions later proceedings must displace if a common method is adopted afterward. A method placed before the Commission while the first generation of tariffs is still open can be built into the template those tariffs set; the same method offered after the template hardens arrives as a request to reopen finished work.

Finally, the Petitioner states that the proposed standard it created should be used for three reasons:

> *First*, it classifies each facility by measured characteristics — a consumption classification (water-use categories W-1 through W-3 crossed with consumption classes C-1 through C-5) computed from the facility's filed load and site conditions, not from the facility's own description of itself. *Second*, it accounts granularly — load, energy, and water (withdrawal, consumption, and evaporation, by source and by use) — at the granularity a full-cost determination requires if it is to be checked

[2] Docket No. 20260064-EI.
[3] Docket No. 20260146-EI.
[4] Docket No. 20260149-EI.

rather than credited. *Third*, it carries its own verification protocol in audit form (GRUS-AUD), under which a reported figure is checked against metered records, so a compliance showing is a verifiable document rather than an attestation.

The Requested Rule Language

The Petition requests that the Commission adopt the following rule language:

> **ANNEX A — PROPOSED RULE TEXT**
> **New rule, Chapter 25-6, Florida Administrative Code (numbering to be assigned by the Commission): Measurement and reporting methodology for large load service.**
>
> **1. Purpose and applicability.** This rule designates the measurement and reporting methodology for service to a large load customer, as defined in § 366.043(2)(d), Florida Statutes, under the tariffs required by § 366.043, Florida Statutes. It applies to each public utility providing or offering electric service to a large load customer.
>
> **2. Definitions.** *Large load customer* — as defined in § 366.043(2)(d), Florida Statutes. *Standard* — GRUS-STD-60084 v2.0-U (Uniform Edition), published by Green Recursive Utility Service LLC, DOI 10.5281/zenodo.23246001, dedicated to the public domain under CC0 1.0, incorporated by reference.
>
> **3. Measurement method.** The anticipated and actual peak load, energy consumption, and associated resource consumption (including water consumed for cooling) figures on which a public utility's tariff, cost-of-service showing, compliance filing, or report for large load service rests shall be measured and stated in accordance with the Standard, including: (a) metered measurement of load and consumption at or near the point of delivery, with peak load stated consistently with § 366.043(2)(d), Florida Statutes; (b) a statement accompanying each filing or report of the metered quantities and the measurement method from which each reported figure is derived; and (c) the consumption classification of the facility served, computed under the Standard.
>
> **4. Verification.** A filing or report stating figures measured under this rule is subject to verification in the audit form of the Standard (GRUS-AUD), under which reported quantities are checked against metered records.
>
> **5. Availability.** The Standard is available to the Commission, to public utilities, and to the public at no cost at DOI 10.5281/zenodo.23246001. Incorporation by reference creates no license fee or royalty obligation.
>
> **6. No other effect.** This rule designates a measurement and reporting methodology only. It prescribes no rate, charge, contract term, or service condition, and does not modify any requirement of § 366.043, Florida Statutes, or of any tariff.

The thrust of the suggested rule language is to incorporate by reference GRUS-STD-60084 v2.0-U (Uniform Edition), a "standard" created by the Petitioner. However, that standard was not provided as part of the filing by the Petitioner.[5]

[5] Although the suggested rule language and the Petition indicate that the standard is publicly available, cursory searches of the internet for "GRUS-STD-60084" and DOI 10.5281/zenodo.23246001" most frequently return links to Facebook postings. There is some indication that the standard is a 72-page document. However, the proposed standard ("Annex A") attached to the Petitioner's filing in Texas, which the Petitioner purports to be the same

Analysis

Staff recommends that the Commission deny the Petition. Staff believes that no new rule is required or necessary at this time to implement Section 366.043, F.S.

In enacting Section 366.043, F.S., the Florida Legislature did not require the Commission adopt rules to implement the new statute. Moreover, Section 366.043, F.S., is facially clear, and staff does not believe an additional rule is needed at this time to obtain information not required by the statute or an existing rule.[6]

Section 366.043, F.S., requires certain utilities to file a tariff that complies with specified "minimum tariff and service requirements." Those "minimum tariff and service requirements" are the types of things that the Commission already considers in setting tariffs and for which the Commission already has rules, to the extent rules are necessary. These include cost of service, involvement of foreign entities, contributions in aid of construction, demand charges, incremental generation charges, financial guarantees, minimum load factors, "take-or-pay provisions," and minimum period of service contract requirements.

The fact that the Commission is applying its existing rules on a case-by-case basis according to the unique nature of each utility is not a fault as alleged by the Petitioner. Rather, staff believes it demonstrates that additional rules are not needed at this time. As the Commission reviews the large load tariffs submitted by the required utilities and specifically considers how these tariffs are implemented, the Commission can determine if any additional rules are required and what type of rules most appropriately address the nature of large loads in Florida.

In addition, as mentioned above, the Petitioner did not attach to the Petition nor otherwise provide the proposed standard it seeks the Commission to incorporate by reference. While the Petition alleges the standard "is available to the Commission, to public utilities, and to the public at no cost," the Commission should not bear the responsibility to search for and obtain that foundational information.

The Petitioner's failure to provide the proposed standard it seeks the Commission to incorporate by reference in the rule deprives the Commission of the ability to assess the necessity and appropriateness of the proposed standard. According to the Petition, this proposed standard has been unsuccessfully marketed to Texas, Ohio, Arizona, New Jersey, Kansas, and Virginia. *See* "E. Record Elsewhere (one line)" in the Petition. Staff believes that the fact that this same standard apparently has been presented as appropriate to so many diverse jurisdictions, each having its own, differing enabling legislation, raises concern. Moreover, from staff's investigation, it does not appear that the proposed standard is officially recognized or adopted by

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standard to be incorporated here, is only 30 pages. Additionally, the attachment to the Texas filing is illegible. Finally, the document identified as "GRUS-STD-60084" (version 2) on the Petitioner's own website appears to be an October 6, 2026, companion document to the October 1, 2026, Texas filing.

[6] A rule is "an agency statement of general applicability that implements, interprets, or prescribes law or policy or describes the procedure or practice requirements of an agency and includes any form which imposes any requirement or solicits any information not specifically required by statute or by an existing rule." Section 120.52(16), F.S.

any national utility metering standard-setting organization (such as ANSI, IEEE, or the American Water Works Association).

As a side note, staff questions whether the Petitioner actually has a substantial interest in the rule as required by Section 120.54(7)(a), F.S., and as alleged in the Petition. The Petitioner is not a utility regulated by the Commission. The Petitioner is not a customer of any utility regulated by the Commission. The Petitioner merely has a product it wants the Commission to use.

While the proposed standard is purportedly publicly available and provides "no royalty, license fee, or proprietary dependency running to Petitioner," incorporation of this proposed standard into a Commission rule could establish a market for the Petitioner's own downstream third-party auditing services and/or hardware optimization licenses. The Petition states:

> **The Petitioner is a practitioner under the proposed rule, not a commentator on it.** Petitioner performs facility consumption audits in the standard's audit form (GRUS-AUD), ... If the Commission designates the methodology, Petitioner's audit practice is the practice the designation describes; the rule regulates the form of work Petitioner itself performs.

A substantial interest "is one based on a legal entitlement, and not on a mere unilateral expectation." *Herold v. Univ. of S. Fla*., 806 So. 2d 638, 640 (Fla. 2d DCA 2002) A claim based on economic interests is not sufficient. *See Gadsden Jai Alai, Inc. v. State*, 26 So. 3d 68, 69 (Fla. 1st DCA 2010)(regarding standing of a third party to intervene in or initiate an administrative proceeding). Accordingly, it is staff's opinion that the Petitioner does not have a substantial interest in the requested rulemaking and, even if it did, for the reasons expressed above, staff believes rulemaking is not required or necessary.

Conclusion

For the reasons stated above, the Commission should deny the Petition to Initiate Rulemaking.

Issue 2: Should this docket be closed?

Recommendation: Yes, if the Commission approves staff's recommendation in Issue 1, this docket should be closed. (Sapoznikoff)

Staff Analysis: If the Commission approves staff's recommendation in Issue 1, this docket should be closed.

Item 3

FILED 11/17/2026
DOCUMENT NO. 07925-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of the General Counsel (Crawford) JSC
Division of Engineering (Brown) LVK

RE: Docket No. 20260045-EI – Formal complaint of Justin Gage against Duke Energy Florida, LLC for alleged violations of Commission rules, orders, and statutes governing electric utility safety standards, compliance certifications, and truthfulness in Commission filings.

AGENDA: 12/01/26 – Regular Agenda – Motion to Dismiss – Oral Argument not requested; participation is at the discretion of the Commission

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On October 17, 2025, Mr. Justin Gage (Mr. Gage) filed Informal Complaint No 1488062E, alleging that a PME-4 switchgear unit[1] administered by Duke Energy Florida, LLC (DEF) located near his house was out of compliance with the National Electrical Safety Code (NESC). In particular, Mr. Gage alleged that the PME-4 unit had missing or improper safety stickers, was improperly sealed at the base, and that the door of the unit was too close to nearby bushes to be fully opened.

[1] A switchgear is composed of electrical disconnect switches, fuses, or circuit breakers used to control, protect, and isolate electrical equipment.

Mr. Gage had previously been in contact with DEF regarding the PME-4. On September 4, 2025, Mr. Gage reported that a loud boom had come from the PME-4. A DEF technician arrived onsite and confirmed that Mr. Gage had power. At that time Mr. Gage raised his concerns with the PME-4 with the technician. The technician told Mr. Gage that his concerns would be investigated and put a safety sticker on the unit. A DEF investigation found that the PME-4 was in compliance with the NESC and that Mr. Gage was not served by that PME-4 but by a nearby transformer. Mr. Gage then filed an informal complaint with the Commission under Rule 25-22.032, Florida Administrative Code (F.A.C.).

While the informal complaint was being processed at the Commission, Mr. Gage also filed a complaint with the Occupational Safety and Health Administration (OSHA). OSHA reached out to DEF about the complaint and a DEF Supervisor and Safety Professional examined the PME-4 on November 25, 2025. They found no OSHA or NESC violations. On or about that date, DEF removed the bushes that were near the PME-4. In early December, OSHA informed Mr. Gage that his case was being closed because the bushes were removed.

On January 6, 2026, Commission engineering safety staff examined the PME-4 unit and found no violations of the NESC. Mr. Gage was unsatisfied and the matter was referred to the Commission's Process Review Team (PRT) for review. In March, Commission staff advised Mr. Gage that his informal complaint had been reviewed by the PRT, and it did not appear that DEF had violated any Commission statutes, rules, orders, or its tariff in its handling of the matter, and that the Commission did not have jurisdiction to award damages.

On March 27, 2026, Mr. Gage filed a formal complaint against DEF under Rule 25-22.036(3)(b), F.A.C., alleging the same material facts contained in his informal complaint. The formal complaint asserts that the PME-4 unit was out of compliance with the NESC from September 2025 to December 2025. Mr. Gage further alleged that DEF made false or misleading statements to the Commission regarding the PME-4's compliance, and that Commission staff failed to properly review his informal complaint. DEF moved to dismiss the formal complaint, arguing that the complaint failed to contain competent substantial evidence that any action taken by DEF constitutes a violation of any applicable statute, rule, Commission order, or the company tariff. Mr. Gage filed a response to the motion to dismiss, asserting that the complaint sets forth photographic evidence of NESC violations.[2]

The motion to dismiss the formal complaint was presented at the Commission's On July 7, 2026, Agenda Conference. The Commissioners agreed with staff's recommendation that DEF did not appear to violate a statute, rule, order, or applicable provision of DEF's Commission-approved tariff. The Commission denied DEF's motion to dismiss, and also denied Mr. Gage's formal complaint, by proposed agency action (PAA) Order PSC-2026-0259-PAA-EI, issued July 24, 2026.

On July 30, 2026, Mr. Gage timely filed a petition for formal administrative hearing and protest of PAA Order PSC-2026-0259-PAA-EI,[3] alleging substantial interests affected and disputed

[2] Mr. Gage's OSHA complaint and the referenced photographs are attached to his formal complaint, Document No. 01812-2026, filed March 27, 2026, in Docket No. 20260045-EI.
[3] Document No. 04793-2026

material facts. On August 19, 2026, DEF filed a Motion to Dismiss the Petition,[4] to which Mr. Gage filed a response on August 25, 2026.[5] No request for oral argument was made.[6] Staff believes oral argument is not necessary, as the pleadings are sufficient on their face to enable the Commission to make a decision; however, if the Commission wishes to hear oral argument on this item, staff recommends allowing three minutes per side.

This recommendation addresses whether DEF's Motion to Dismiss the PAA protest should be granted. The Commission has jurisdiction over this matter pursuant to Section 366.04, Florida Statutes (F.S.).

[4] Document No. 05314-2026
[5] Document No. 05766-2026
[6] Rule 25-22.0022(1) and (7)(a), F.A.C., provides that the failure to timely request oral argument on dispositive motions (including motions to dismiss) constitutes waiver thereof. However, Rule 25-22.0022(1) and (7)(b), F.A.C., provides that the Commission has the discretion to request oral argument on a dispositive motion if it decides that oral argument would aid in the understanding and disposition of matter.

Discussion of Issues

Issue 1: Should the Commission grant DEF's Motion to Dismiss?

Recommendation: Yes, the Commission should grant DEF's Motion to Dismiss, and Mr. Gage's PAA protest should be dismissed without prejudice. Any amended petition protesting Order No. PSC-2026-0259-PAA-EI should be filed no later than 14 days following the issuance of the Commission's order. If no amended protest is timely filed, or if the amended complaint fails to state an appropriate cause of action as set forth below, Order No. PSC-2026-0259-PAA-EI should be reinstated and made final by issuance of a consummating order. (Rauch, Crawford)

Staff Analysis:

Legal Standard

To sustain a motion to dismiss, the moving party must show that, accepting all allegations as true, the petition fails to state a cause of action for which relief may be granted. *Varnes v. Dawkins*, 624 So. 2d 349, 350 (Fla. 1st DCA 1993). The moving party must specify the grounds for the motion to dismiss, and all material allegations must be construed against the moving party in determining if the petitioner has stated the necessary allegations. A determination of the petition's sufficiency is confined to the petition and the documents incorporated therein and the grounds asserted in the motion to dismiss. *Id*. All allegations in the petition must be viewed as true and in the light most favorable to the petitioner in order to determine whether there is a cause of action upon which relief may be granted. *Id*. The dismissal of a petition shall, at least once, be without prejudice to petitioner's filing a timely amended petition curing the defect, unless it conclusively appears from the face of the petition that the defect cannot be cured.[7]

Under Rule 25-22.029(3), F.A.C., one whose substantial interests may or will be affected by the Commission's proposed action may file a petition for a Section 120.569 or 120.57, F.S., hearing, in the form provided by Rule 28-106.201, F.A.C. Any such petition shall be filed within the time stated in the notice issued pursuant to subsection (1) of the rule, and shall identify the particular issues in the proposed action that are in dispute.

The rule should be read in concert with the standard for participation in a formal administrative proceeding, under the two-prong standing test set forth in *Agrico Chemical Company v. Department of Environmental Regulation*, 406 So. 2d 478, 482 (Fla. 2d DCA 1981). The petitioner must show that (1) he will suffer injury in fact that is of sufficient immediacy to entitle him to a Section 120.57, F.S., hearing and (2) the substantial injury is of a type or nature that the proceeding is designed to protect. The first aspect of the test deals with the degree of injury. The second deals with the nature of the injury. The "injury in fact" must be both real and immediate and not speculative or conjectural. *International Jai-Alai Players Assn. v. Florida Pari-Mutuel Commission*, 561 So. 2d 1224, 1225-26 (Fla. 3d DCA 1990). *See also Village Park Mobile Home Assn., Inc. v. State Dept. of Business Regulation*, 506 So. 2d 426, 434 (Fla. 1st DCA 1987), *rev. den.*, 513 So. 2d 1063 (Fla. 1987) (speculation on the possible occurrence of injurious events is too remote).

[7] Section 120.569(2)(c), F.S.

Petition for Formal Administrative hearing and Protest of PAA

Mr. Gage's formal Petition for Formal Administrative Hearing and Protest of PAA asserts that he is entitled to an evidentiary hearing relating to disputed issues of material fact that affect substantial interests. Mr. Gage states six (6) examples of affected interests: risk of delayed or unsafe emergency response, increased risk of electrical hazards, inability to inspect and maintain equipment, safety of utility workers affecting nearby residents, exposure to consequences of equipment failure, and the historical condition does not nullify his current condition. To support these claims, Mr. Gage supplied photographs purporting to show the violations with explanatory text and materials from the July 7, 2026 Commission meeting.

DEF's Motion to Dismiss

DEF's Motion to Dismiss states that the Petitioner "failed to state a cause of action upon which relief can be granted," and that the Commissioners "supported Staff's Recommendation and noted no violations were found." DEF states that it has repeatedly inspected the PME-4 and have found no NESC violations. DEF further states that it has never made false or misleading statements to the Commission regarding the inspections of the PME-4. Mr. Gage's response to DEF's Motion to Dismiss reiterates the claims made in the formal complaint about the physical condition of the PME-4.

Analysis

The Commission has previously held pro se litigants, such as Mr. Gage, to a relaxed pleading standard, in order to prevent delay and promote resolution of litigants' claims. The Comission is asked to consider whether Mr. Gage's request for hearing presents sufficient allegations to demonstrate that his substantial interests are affected, and therefore warrant a hearing. Viewing the allegations raised in it as true and in the light most favorable to the petitioner, staff recommends that the request for hearing fails to demonstrate a cause of action upon which relief should be granted.

Mr. Gage's complaint alleges safety concerns relating to an approximately three-month period in which the DEF switchgear unit had missing or improper safety stickers, was improperly sealed at the base, and that the door of the unit was too close to nearby bushes to be fully opened. Mr. Gage concedes that the condition was remedied many months ago, but contends that his interests are nevertheless adversely affected by the Commission's denial of his complaint. As referenced above, his alleged interests are: (1) risk of delayed or unsafe emergency response, (2) increased risk of electrical hazards near his home, (3) risk from DEF's inability to inspect and maintain its equipment, (4) improper conditions affecting the safety of utility workers and nearby residents, (5) the potential that a future equipment failure could affect his ability to safely occupy his home, and (6) that even though DEF has corrected the access and clearance condition, his substantial interests were affected for the three months that the switchgear unit was impeded by vegetation.

Mr. Gage does not allege in his complaint or request for hearing that there was an interruption of his electric service, or harm to his person or property,[8] due to the overgrowth of vegetation or condition of the switchgear unit. The interests he presents are a generalized concern for his safety, the safety of his neighbors, and the safety of DEF personnel. These alleged injuries are too speculative, indirect, and not of sufficient immediacy to confer standing to request an administrative hearing under Section 120.57, F.S.[9]

In dismissing Mr. Gage's formal complaint, the Commission considered whether to exercise its safety jurisdiction for the three-month period while the switchgear unit was out of compliance, and declined to do so: "We find that DEF did not violate the NESC. Multiple inspections by DEF technicians and Commission staff failed to find any violations of the NESC." Order No. PSC-2026-0259-PAA-EI, p. 4. If the Commission had found a safety violation, the appropriate remedy would be to require DEF to bring the equipment into compliance; however, this was the case before Mr. Gage filed his formal complaint. Under 366.04(6), F.S., the Commission has exclusive jurisdiction to prescribe and enforce safety standards for transmission and distribution facilities of all public electric utilities, cooperatives organized under the Rural Electric Cooperative Law, and electric utilities owned and operated by municipalities. Staff recommends that a customer has no organic or statutory right under Florida law to require the Commission to enforce its safety jurisdiction under these circumstances, for a limited period of alleged non-compliance, when the compliance issue has long since been remedied, and no harm to the petitioner due to the non-compliance has been demonstrated.

Mr. Gage has not established a historical, present, or future injury-in-fact resulting from the period of alleged non-compliance. His generalized concerns regarding safety are speculative and conjectural, and not the type of injury a Section 120.57, F.S., hearing is designed to protect. Therefore, the request for hearing fails to satisfy the requirements under *Agrico*. Even viewing all allegations in the request for hearing as true and in the light most favorable to the petitioner, the request for hearing fails to state a cause of action upon which relief may be granted in an administrative hearing. Therefore, staff recommends that DEF's Motion to Dismiss Mr. Gage's request for hearing on PAA Order PSC-2026-0259-PAA-EI should be granted. Under Section 120.569(2)(c), F.S., the dismissal of a petition shall, at least once, be without prejudice to petitioner's filing a timely amended petition curing the defect, unless it conclusively appears from the face of the petition that the defect cannot be cured. Staff recommends that Mr. Gage's request for hearing should be dismissed without prejudice.

Conclusion

The Commission should grant DEF's Motion to Dismiss, and Mr. Gage's request for hearing should be dismissed without prejudice. Any amended petition protesting Order No. PSC-2026-0259-PAA-EI should be filed no later than 14 days following the issuance of the Commission's

[8] Staff notes that the Commission does not have equity jurisdiction; had allegations of personal injury or property damage been made, the Commission would not have jurisdiction to address such claims.
[9] *See* Order No. 18868, issued February 16, 1988 (protest petition dismissed without prejudice where alleged injury was insufficient to confer standing), and Order No. 19140, issued April 13, 1988 (amended protest dismissed for continued failure to demonstrate substantial interests will be affected; PAA order finalized), in Docket No. 870816-EU, *In re: Joint Petition for Approval of Territorial Agreement between Florida Power and Light Company and Peace River Electric Cooperative, Inc.*

order. If no amended request for hearing is timely filed, or if the amended request for hearing fails to state an appropriate cause of action as set forth above, Order No. PSC-2026-0259-PAA-EI should be reinstated and made final by issuance of a consummating order.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, the docket should remain open to allow the opportunity to file an amended request for hearing on Order No. PSC-2026-0259-PAA-EI. If no amended request for hearing is timely filed, or if the amended request for hearing fails to state an appropriate cause of action, the docket should be closed upon the issuance of a consummating order. If a valid request for hearing is timely filed, the docket should remain open in order to conduct an administrative hearing. (Rauch, Crawford)

Staff Analysis: If the Commission approves staff's recommendation in Issue 1, the docket should remain open to allow the opportunity to file an amended request for hearing to Order No. PSC-2026-0259-PAA-EI. If no amended request for hearing is timely filed, or if the amended request for hearing fails to state an appropriate cause of action, the docket should be closed upon the issuance of a consummating order. If a valid request for hearing is timely filed, the docket should remain open in order to conduct an administrative hearing.

Item 4

FILED 11/17/2026
DOCUMENT NO. 07915-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of Industry Development and Market Analysis (Wooten, Bates, Long, Nave, Pendris)
Division of Accounting and Finance (Gatlin, Norris, Vogel)
Division of Economics (Hampson, Kunkler, Ward)
Division of Engineering (Ellis, Sanchez)
Office of the General Counsel (Marquez, Stiller)

RE: Docket No. 20260011-GU – Natural gas facilities relocation cost recovery clause.

AGENDA: 12/01/26 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

RECOMMENDATION TO BE FILED ON TUESDAY, NOVEMBER 24, 2026.

Item 5

FILED 11/17/2026
DOCUMENT NO. 07912-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Accounting and Finance (Byrne, D. Buys, Gatlin, Higgins, Maxwell, Norris, Vogel) *MC*
Division of Economics (Hampson, Nguyen) *EJD*
Office of the General Counsel (Brownless) *JSC*

RE: Docket No. 20260159-EI – Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricane Isaias, by Florida Power & Light Company.

AGENDA: 12/01/26 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: La Rosa

CRITICAL DATES: 12/29/26 (60-day interim deadline)

SPECIAL INSTRUCTIONS: None

Case Background

On October 30, 2026, Florida Power & Light Company (FPL or Company) filed a petition for a limited preceding seeking authority to implement an interim storm restoration recovery charge to recover $352.9 million for incremental storm restoration costs related to Hurricane Isaias and to replenish its storm reserve to $75 million (Petition). Pursuant to the 2025 Stipulation and Settlement Agreement approved by the Florida Public Service Commission (Commission) in Order No, PSC-2026-0022-S-EI, the recovery of storm costs from customers will begin, on an interim basis, 60 days after the filing of a cost recovery petition and tariff with the Commission.[1] Additionally, the cost recovery is to be based on a 12-month recovery period if the estimated

[1] Order No. PSC-2026-0022-S-EI, issued January 22, 2026, in Docket No. 20250011-EI, In re: Petition for rate increase by Florida Power & Light Company,

storm costs do not exceed $5.00/1,000 kilowatt-hours (kWh) on monthly residential customer bills. FPL requested a 12-month recovery period beginning January 1, 2027, and ending December 31, 2027.

The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.05, 366.06, and 366.076, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Commission authorize FPL to implement an interim storm restoration recovery charge?

Recommendation: Yes. The Commission should authorize FPL to implement an interim storm restoration recovery charge, subject to refund. Once the total actual storm costs are known, FPL should be required to file supporting documentation of those costs for Commission review and true-up of any excess or shortfall. (Byrne)

Staff Analysis: The Petition was filed pursuant to the provisions of the 2025 Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-2026-0022-S-EI. FPL's Petition seeks authority to implement an interim storm restoration charge to recover an estimated total of $352.9 million for incremental storm restoration costs associated with Hurricane Isaias and to replenish its storm reserve. This total includes $273.3 million in estimated net recoverable storm restoration costs and $4.6 million in accompanying interest, and $75 million in storm reserve replenishment.

Paragraph 12(c) of the 2025 Stipulation and Settlement Agreement permits FPL to seek interim recovery of the amount necessary to replenish its storm reserve to the Commission-approved balance of up to $300 million. To reduce customer bill impacts in 2027, FPL has elected in this proceeding to seek recovery of only $75 million toward storm reserve replenishment. Pursuant to paragraph 12 of the 2025 Stipulation and Settlement Agreement, FPL can begin recovery of storm costs 60 days following the filing of a petition for recovery.

In its petition, FPL asserted that it incurred an estimated total retail incremental storm cost for Hurricane Isaias of $480.3 million, offset by $207 million from the estimated storm reserve balance. After accounting for the storm reserve balance, an estimated $273.3 million in net recoverable storm costs for Hurricane Isaias. The Company further asserted that all amounts were calculated in accordance with the Incremental Cost and Capitalization Approach methodology pursuant to Rule 25-6.0143, Florida Administrative Code (F.A.C.).

The approval of an interim storm restoration recovery charge is preliminary in nature and is subject to refund pending further review once the total actual storm restoration costs are known. After the actual costs are reviewed for prudence and reasonableness, and are compared to the actual amount recovered through the interim storm restoration recovery charge, a determination will be made regarding any over or under recovery. The disposition of any over or under recovery, and associated interest, will be considered by the Commission at a later date.

Based on a review of the information provided by FPL in its petition, staff recommends that the Commission authorize the Company to implement an interim storm restoration recovery charge subject to refund. Once the total actual storm costs are known, FPL should be required to file documentation of the storm costs for Commission review and true-up of any excess or shortfall.

Issue 2: What is the appropriate security to guarantee the amount collected subject to refund through the interim storm restoration recovery charge?

Recommendation: The appropriate security to guarantee the funds collected subject to refund is a corporate undertaking. (Maxwell)

Staff Analysis: Staff recommends that all funds collected subject to refund be secured by a corporate undertaking. The criteria for a corporate undertaking include sufficient liquidity, ownership equity, profitability, and interest coverage to guarantee any potential refund. FPL requested a 12-month collection period from January 2027 through December 2027 for Interim storm cost recovery charges of approximately $352.9 million related to Hurricane Isaias. Staff reviewed FPL's three most recent annual reports filed with the Commission (2025, 2024, and 2023) to determine if the Company can support a corporate undertaking to guarantee the funds collected for recovery of incremental storm restoration costs related to the weather event. FPL's financial information demonstrates the Company has acceptable levels of liquidity, ownership equity, profitability, and interest coverage to support a potential refund of $352.9 million. Moreover, it is improbable FPL will be required to refund the entire requested amount.

Staff believes FPL has adequate resources to support a corporate undertaking in the amount requested. Based on this analysis, staff recommends that a corporate undertaking of $352.9 million is acceptable. This brief financial analysis is only appropriate for deciding if the Company can support a corporate undertaking in the amount proposed and should not be considered a finding regarding staff's position on other issues in this proceeding.

Issue 3: Should the Commission approve FPL's proposed interim storm restoration recovery charge tariff as shown in Attachment A of the recommendation?

Recommendation: Yes. The Commission should approve FPL's proposed interim storm restoration recovery tariff and associated surcharges, as shown in Attachment A to this recommendation. The tariff should become effective the first billing cycle of January 2027. (Hampson, Nguyen)

Staff Analysis: FPL calculated the interim storm surcharge for the 12-month period of January 1, 2027 through December 31, 2027, subject to true-up once the final total recoverable storm amount is known and determined. In paragraph 20 of the petition, FPL stated that the surcharges are allocated to the rate classes consistent with the rate design approved in the 2025 Stipulation and Settlement Agreement. Staff has reviewed the allocation to rate classes and believes that the allocations provided in Appendix D to the petition are consistent with those approved in FPL's most recent rate case. Furthermore, staff has reviewed the derivation of the surcharges provided in Appendix D to the petition. Staff agrees that the surcharges have been calculated correctly, using projected kWh sales for January through December 2027.

For residential customers, the proposed surcharge would be 0.348 cents per kWh, which equates to a total surcharge of $3.48 for a 1,000 kWh monthly bill. The storm cost recovery surcharge would be included in the non-fuel energy charge on customer bills.

Staff recommends that the Commission approve FPL's proposed interim storm restoration recovery tariff and associated surcharges, as shown in Attachment A to this recommendation. The tariff should become effective the first billing cycle of January 2027. The interim storm restoration surcharges should be subject to final true-up once the total actual storm costs are known.

Issue 4: Should this docket be closed?

Recommendation: No. This docket should remain open pending final reconciliation of actual recoverable storm costs with the amount collected pursuant to the interim storm restoration recovery charge and the calculation of a refund or additional charge if warranted. (Brownless)

Staff Analysis: No, this docket should remain open pending final reconciliation of actual recoverable storm costs with the amount collected pursuant to the interim storm restoration recovery charge and the calculation of a refund or additional charge if warranted.

FLORIDA POWER & LIGHT COMPANY

~~Eighth~~ Ninth Revised Sheet No. 8.030.7
Cancels ~~Seventh~~ Eighth Revised Sheet No. 8.030.7

(Continued from Sheet No. 8.030.1)

2027 INTERIM STORM RESTORATION RECOVERY

APPLICATION:

The Interim Storm Restoration Recovery Surcharge is designed to recover incremental storm-related costs incurred by the Company related to Hurricane Isaias. The factor is applicable to the Energy Charge under FPL's various rate schedules.

Rate Schedule	¢/kWh
ALL KWH - RS-1, RTR-1, RS-2EV	0.348
GS-1, GST-1	0.315
GSD-1, GSD-1EV, GSDT-1, HLFT-1, SDTR-1	0.158
GSLD-1, GSLD-1EV, GSLDT-1, CS-1, CST-1, HLFT-2, SDTR-2	0.133
GSLD-2, GSLDT-2, CS-2, CST-2, HLFT-3, SDTR-3, GSLD-2EV	0.105
GSLD-3, GSLDT-3, LLCS-1, LLCS-2	0.009
OS-2	0.691
SL-1, OL-1, PL-1, LT-1, OS I/II	0.903
SL-1M	0.206
SL-2	0.116
SL-2M	0.441
SST-1(T), ISST-1(T)	0.008
SST-1(D1), SST-1(D2), SST-1(D3), ISST-1(D)	0.196
CILC-1(D)	0.109
CILC-1(G)	0.127
CILC-1(T)	0.009
MET	0.145
GSCU-1	0.254

~~RESERVED FOR FUTURE USE~~

(Continued on Sheet No. 8.031)

Item 6

FILED 11/17/2026
DOCUMENT NO. 07927-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Accounting and Finance (York, Bardin) *MC*
Office of the General Counsel (Bloom) *JSC*

RE: Docket No. 20260005-WS – Annual reestablishment of price increase or decrease index of major categories of operating costs incurred by water and wastewater utilities pursuant to Section 367.081(4)(a), F.S.

AGENDA: 12/01/26 – Regular Agenda – Proposed Agency Action - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 03/31/26 (Statutory Reestablishment Deadline)

SPECIAL INSTRUCTIONS: None

Case Background

Since March 31, 1981, pursuant to the guidelines established by Section 367.081(4)(a), Florida Statutes (F.S.), and Rule 25-30.420, Florida Administrative Code (F.A.C.), the Commission has established a price increase or decrease index for major categories of operating costs on or before March 31 of each year. This process allows water and wastewater utilities to adjust rates based on current specific expenses without applying for a rate case. Since March 31, 1981, the Commission has received and processed approximately 4,181 index and pass through applications. Staff calculated the proposed 2027 price index by using the Gross Domestic Product Implicit Price Deflator Index (GDPDEF) for the fiscal year ended September 30, 2026. This same procedure has been used each year since 1995 to calculate the price index. The U.S. Department of Commerce (USDOC), Bureau of Economic Analysis (BEA), released its most

recent third quarter figures on October 30, 2026, which staff used in its calculations for the proposed 2027 price index.

The Commission has jurisdiction over this matter pursuant to Section 367.081, F.S.

Discussion of Issues

Issue 1: Which index should be used to determine price level adjustments?

Recommendation: The Gross Domestic Product Implicit Price Deflator Index is recommended for use in calculating price level adjustments. Staff recommends calculating the 2027 Price Index by using a fiscal year, four quarter comparison of the Implicit Price Deflator Index ending with the third quarter of 2026. (York)

Staff Analysis: In 1993, the GDPDEF was established as the appropriate measure for determining the water and wastewater price index. At the same time, the convention of using a four quarter fiscal year comparison was also established, and this practice has been used every year since then.[1] The GDPDEF is prepared by the USDOC BEA. Prior to that time, the Gross National Product Implicit Price Deflator Index (GNPDEF) was used as the indexing factor for water and wastewater utilities. The USDOC switched its emphasis from the GNPDEF to the GDPDEF as the primary measure of US production.

Pursuant to Section 367.081(4)(a), F.S., the Commission, by order, shall establish a price increase or decrease index for major categories of operating costs incurred by utilities subject to its jurisdiction reflecting the percentage of increase or decrease in such costs from the most recent 12-month historical data available. Since 1995, the price index adjustment has been determined by comparing the change in the average GDPDEF for the year ending September 30, instead of the original December 31, in order to more easily meet the statutory deadline.

By Order No. PSC-2025-0453-PAA-WS, issued December 15, 2025, in Docket No. 20250005-WS, the Commission, in keeping with the practice started in 1993, reiterated the alternatives which could be used to calculate the indexing of utility revenues. Past concerns expressed by utilities, as summarized from utility input in previous hearings, are:

1) Inflation should be a major factor in determining the index;

2) Nationally published indices should be vital to this determination;

3) Major categories of expenses are labor, chemicals, materials and supplies, maintenance, transportation, and treatment expense;

4) An area wage survey, Dodge Building Cost Index, Consumer Price Index, and the GDP should be considered;

5) A broad measure index should be used; and

6) The index procedure should be easy to administer.

Based upon these concerns, the Commission has previously explored the following alternatives:

[1] Order No. PSC-1993-0195-FOF-WS, issued February 9, 1993, in Docket No. 19930005-WS, *In re: Annual reestablishment of price increase or decrease index of major categories of operating costs incurred by water and wastewater utilities pursuant to Section 367.081(4)(a), F.S.*

1) Survey of Regulated Water and Wastewater Utilities;

2) Consumer Price Index;

3) Florida Price Level Index;

4) Producer Price Index – previously the Wholesale Price Index; and

5) GDPDEF (replacing the GNPDEF).

Over the years, the Commission found that the Survey of Regulated Water and Wastewater Utilities should be rejected because using the results of a survey would allow utilities to pass on to customers all cost increases, thereby reducing the incentives of promoting efficiency and productivity. The Commission also found that the Consumer Price Index and the Florida Price Level Index should be rejected because of their limited degree of applicability to the water and wastewater industry. Both of these price indices are based upon comparing the advance in prices of a limited number of general goods and, therefore, appear to have limited application to water and wastewater utilities.

The Commission further found that the Producer Price Index (PPI) is a family of indices that measure the average change over time in selling prices received by domestic producers of goods and services. PPI measures price change from the perspective of the seller, not the purchaser, and therefore should be rejected. The bases for these indices have not changed, and staff believes that the conclusions reached in Order PSC-2025-0453-PAA-WS should continue to apply in this case. Since 1993, the Commission has found that the GDPDEF has a greater degree of applicability to the water and wastewater industry. Therefore, staff recommends that the Commission continue to use the GDPDEF to calculate water and wastewater price level adjustments. Staff recommends calculating the 2027 Price Index by using a fiscal year, four quarter comparison of the GDPDEF ending with the third quarter of 2026.

The following information provides a historical perspective of the annual price index.

Table 1-1
Historical Analysis of the Annual Price Index for Water and Wastewater Utilities

Year	Commission Approved Index	Year	Commission Approved Index
2016	1.29%	2022	4.53%
2017	1.51%	2023	7.07%
2018	1.79%	2024	3.24%
2019	2.36%	2025	2.23%
2020	1.79%	2026	2.46%
2021	1.17%	2027	3.73%

The table below shows the historical participation in the index and/or pass-though programs:

Table 1-2
Percentage of Jurisdictional Water and Wastewater Utilities Filing for Indexes and Pass-Throughs

Year	Percentage	Year	Percentage
2015	49%	2021	52%
2016	38%	2022	57%
2017	37%	2023	53%
2018	42%	2024	36%
2019	60%	2025	56%
2020	43%	2026	37%

Issue 2: What rate should be used by water and wastewater facilities for the 2027 Price Index?

Recommendation: The 2027 Price Index for water and wastewater utilities should be 3.73 percent. (York)

Staff Analysis: The USDOC BEA released the most recent third quarter 2026 figures on October 30, 2026. Consistent with the Commission's establishment of the 2026 Price Index last year, staff is using the third quarter amounts to calculate staff's recommended 2027 Price Index. Using the third quarter amounts allows time for the Commission to establish the 2027 Price Index by March 2027, in accordance with Section 367.081(4)(a), F.S. The percentage change in the GDPDEF using the fiscal year comparison ending with the third quarter is 3.73 percent. This number was calculated as follows.

GDPDEF Index for the fiscal year ended 9/30/26	134.127
GDPDEF Index for the fiscal year ended 9/30/25	129.310
Difference	4.817
Divided by 9/30/2025 GDPDEF Index	129.310
2027 Price Index	3.73%

Issue 3: How should water and wastewater utilities be informed of the indexing requirements?

Recommendation: After the expiration of the Proposed Agency Action (PAA) protest period, the Division of Accounting and Finance should send each regulated water and wastewater utility a copy of the PAA Order establishing the index containing the information presented in Attachment 1. A cover letter from the Director of the Division of Accounting and Finance should be included with the order (Attachment 2). The entire package should also be made available on the Commission's website. (York)

Staff Analysis: Staff recommends that the package presented in Attachment 1 be sent to every regulated water and wastewater utility after the expiration of the PAA protest period, along with a copy of the PAA Order once final. The entire package should also be made available on the Commission's website.

In an effort to increase the number of water and wastewater utilities taking advantage of the annual price index and pass-through programs, staff is recommending that the attached cover letter (Attachment 2) from the Director of the Division of Accounting and Finance be included with the PAA Order in order to explain the purpose of the index and pass-through applications and to communicate that Commission staff is available to assist them.

Issue 4: Should this docket be closed?

Recommendation: No. Upon expiration of the 14-day protest period, if a timely protest is not received, the decision should become final and effective upon the issuance of a Consummating Order. Any party filing a protest should be required to prefile testimony with the protest. However, this docket should remain open through the end of the year and be closed upon the establishment of the new docket in January 2027. (Bloom)

Staff Analysis: Rule 25-22.029(1), F.A.C., contains an exception to the procedural requirements set forth in Uniform Rule 28-106.111, F.A.C., providing that "for PAA orders establishing a price index pursuant to Section 367.081(4)(a), F.S., the time for requesting a Section 120.569 or 120.57, F.S., hearing shall be 14 days from issuance of the notice." Staff therefore recommends that the Commission require any protest to the PAA Order in this docket be filed within 14 days of the issuance of the PAA Order, and that any party filing the protest should be required to prefile testimony with the protest. Upon expiration of the protest period, if a timely protest is not received, the decision should become final and effective upon the issuance of a Consummating Order. However, this docket should remain open through the end of the year and be closed upon the establishment of the new docket in January 2027.

FLORIDA PUBLIC SERVICE COMMISSION
PRICE INDEX APPLICATION
APPLICABLE TEST YEAR _____

Department of Environmental Protection Public Water System ID NO. _____
Department of Environmental Protection Wastewater Treatment Plant ID NO. _____

	WATER	WASTEWATER
Operation & Maintenance Expenses[1]	$_____	$_____
LESS:		
(a) Pass-through Items:		
(1) Purchased Power	_____	_____
(2) Purchased Water	_____	_____
(3) Purchased Wastewater Treatment	_____	_____
(4) Sludge Removal	_____	_____
(5) Other[2]	_____	_____
(b) Rate Case Expense Included in Expenses	_____	_____
(c) Adjustments to Operation & Maintenance Expenses from last rate case, if applicable:[3]		
(1)_____	_____	_____
(2)_____	_____	_____
Costs to be Indexed	$_____	$_____ _
Multiply by Annual Commission-Approved Price Index	**3.73**%	**3.73**%
Total Indexed Costs	$_____	$_____
Add Change in Pass-Through Items:[4]		
(1)_____	_____	_____
(2)_____	_____	_____
Divide Index and Pass-Through Sum by Expansion Factor for Regulatory Assessment Fees	**.955**	**.955**
Increase in Revenue	_____	_____
Divide by Applicable Test Year Revenue[5]	$_____	$_____
Percentage Increase in Rates	%	%

FOOTNOTES APPEAR ON THE FOLLOWING PAGE

PAGE 1 FOOTNOTES

[1]This amount must match last year's annual report.

[2]Other expense items may include increases in required Department of Environmental Protection testing, ad valorem taxes, permit fees charged by the Department of Environmental Protection or a local government authority, National Pollutant Discharge Elimination System fees, and regulatory assessment fees. These items should not be currently embedded in the utility's rates.

[3]This may include adjustments that follow a methodology referenced in the Order from a utility's last rate case (i.e. averaged bad debt expense or excessive unaccounted for water percentage applied to chemicals expense).

[4]This may include an increase in purchased power, purchased water, purchased wastewater treatment, sludge hauling, required Department of Environmental Protection testing, ad valorem taxes, and permit fees charged by the Department of Environmental Protection or a local government authority providing that those increases have been incurred within the 12-month period prior to the submission of the pass-through application. Pass-through National Pollutant Discharge Elimination System fees and increases in regulatory assessment fees are eligible as pass-through costs but not subject to the twelve month rule. All pass-through items require invoices. See Rule 25-30.425, F.A.C. for more information.

[5]If rates changed after January 1 of the applicable test year, the book revenues must be adjusted to show the changes, and an explanation of the calculation should be attached to this form. See Annualized Revenue Worksheet for instructions and a sample format.

ANNUALIZED REVENUE WORKSHEET

Have the rates charged for customer services changed since January 1, of the applicable test year?

( ) If no, the utility should use actual revenues. This form may be disregarded.

( ) If yes, the utility must annualize its revenues. Read the remainder of this form.

Annualizing calculates the revenues the utility would have earned based upon the previous year's customer consumption at the most current rates in effect. To complete this calculation, the utility will need consumption data for the previous year to apply to the existing rate schedule. Below is a sample format which may be used.

CALCULATION OF ANNUALIZED REVENUES*
Consumption Data for Applicable Test Year

	Number of Bill/Gal. Sold	X	Current Rates	Annualized Revenues
Residential Service:				
Bills:				
5/8"x3/4" meters	_____		_____	_____
1" meters	_____		_____	_____
1 2" meters	_____		_____	_____
2" meters	_____		_____	_____
Gallons Sold	_____		_____	_____
General Service:				
Bills:				
5/8"x3/4" meters	_____		_____	_____
1" meters	_____		_____	_____
1 2" meters	_____		_____	_____
2" meters	_____		_____	_____
3" meters	_____		_____	_____
4" meters	_____		_____	_____
6" meters	_____		_____	_____
Gallons Sold	_____		_____	_____

Total Annualized Revenues for the Applicable Test Year $ _____

*Annualized revenues must be calculated separately if the utility consists of both a water system and a wastewater system. This form is designed specifically for utilities using a base facility charge rate structure. If annualized revenues must be calculated and further assistance is needed, contact the Commission Staff at (850) 413-6900.

AFFIRMATION

I, _____, hereby affirm that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause _____ to exceed the range of its last authorized rate of return on
(name of utility)
equity, which is _____.

I, the undersigned/officer of the above-named utility, have read the foregoing and declare that, to the best of my knowledge and belief, the information contained in this application is true and correct.

This affirmation is made pursuant to my request for a price index and/or pass-through rate increase, in conformance with Section 367.081(4), Florida Statutes.

Further, I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

Signature: _____
Title: _____
Telephone Number: _____
Fax Number: _____

Sworn to and subscribed before me this _____ day of _____, 20__.

My Commission expires:

(SEAL)

_____
Notary Public
State of Florida

STATEMENT OF QUALITY OF SERVICE

Pursuant to paragraphs 25-30.420(2)(h) and (i), Florida Administrative Code,

_____
(name of utility)

[ ] does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Protection (DEP) or the County Health Departments.

[ ] does have the attached active written complaint(s), corrective order(s), consent order(s), or outstanding citation(s) with the DEP or the County Health Department(s). The attachment(s) includes the specific system(s) involved with DEP permit number and the nature of the active complaint, corrective order, consent order, or outstanding citation.

This statement is intended such that the Florida Public Service Commission can make a determination of quality of service pursuant to Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420(4)(a), Florida Administrative Code.

Name: _____
Title: _____
Telephone Number: _____
Fax Number: _____
Date: _____

Exception

_____ hereby waives the right to implement
(name of utility)

a pass-through rate increase within 45 days of filing, as provided by Section 367.081(4)(b), Florida Statutes, in order that the pass-through and index rate increase may both be implemented together 60 days after the official filing date of this notice of intention.

Signature: _____

Title: _____

(To be used if an index and pass-through rate increase are requested jointly.)

NOTICE TO CUSTOMERS

Pursuant to Section 367.081(4)(a), Florida Statutes, water and wastewater utilities are permitted to adjust the rates and charges to its customers without those customers bearing the additional expense of a public hearing. These adjustments in rates would depend on increases or decreases in non-controllable expenses subject to inflationary pressures such as chemicals, and other general operation and maintenance costs.

On _____, _____filed its notice of
(date) (name of utility)
intention with the Florida Public Service Commission to increase water and wastewater rates in _____ County pursuant to this Statute. The filing is subject to review by the Commission Staff for accuracy and completeness. Water rates will increase by approximately _____% and wastewater rates by _____%. These rates should be reflected for service rendered on or after _____.

NOTICE TO CUSTOMERS

Pursuant to Section 367.081(4)(b), Florida Statutes, water and wastewater utilities are permitted to pass through, without a public hearing, a change in rates resulting from: an increase or decrease in rates charged for utility services received from a governmental agency or another regulated utility and which services were redistributed by the utility to its customers; an increase or decrease in the rates that it is charged for electric power, the amount of ad valorem taxes assessed against its used and useful property, the fees charged by the Department of Environmental Protection in connection with the National Pollutant Discharge Elimination System Program, or the regulatory assessment fees imposed upon it by the Commission; costs incurred for water quality or wastewater quality testing required by the Department of Environmental Protection; the fees charged for wastewater bio solids disposal; costs incurred for any tank inspection required by the Department of Environmental Protection or a local governmental authority; treatment plant and water distribution system operator license fees required by the Department of Environmental Protection or a local governmental authority; water or wastewater operating permit fees charged by the Department of Environmental Protection or a local governmental authority; and consumptive or water use permit fees charged by a water management district.

On _____, _____ filed its notice of
(date) (name of utility)
intention with the Florida Public Service Commission to increase water and wastewater rates in _____ County pursuant to this Statute. The filing is subject to review by the Commission Staff for accuracy and completeness. Water rates will increase by approximately _____% and wastewater rates by _____%. These rates should be reflected on your bill for service rendered on or after _____.
(date)

If you should have any questions, please contact your local utility office. Be sure to have account number handy for quick reference.

COMMISSIONERS:
GABRIELLA PASSIDOMO SMITH, CHAIRMAN
GARY F. CLARK
MIKE LA ROSA
BOBBY PAYNE
ANA ORTEGA

STATE OF FLORIDA

DIVISION OF
ACCOUNTING AND FINANCE
MARK A. CICCHETTI
DIRECTOR
(850) 413-6900

Public Service Commission

Month Day, 2027

All Florida Public Service Commission
Regulated Water & Wastewater Utilities

Re: Docket No. 20260005-WS - 2027 Price Index

Dear Utility Owner:

Since March 31, 1981, pursuant to the guidelines established by Section 367.081(4)(a), Florida Statutes (F.S.), and Rule 25-30.420, Florida Administrative Code (F.A.C.), the Commission has established a price increase or decrease index for major categories of operating costs. This process allows water and wastewater utilities to adjust rates based on current specific expenses without applying for a rate case. The intent of this rule is to ensure that inflationary pressures are not detrimental to utility owners, and that any possible deflationary pressures are not averse to customers. By keeping up with index and pass-through adjustments, utility operations can be maintained at a level sufficient to ensure quality of service for the customers.

Pursuant to Rule 25-30.420(1)(a), F.A.C., all operation and maintenance expenses shall be indexed with the exception of:

a) Pass-through items pursuant to Section 367.081(4)(b), F.S.;

b) Any amortization of rate case expense; and

c) Disallowances or adjustments made in an applicant's most recent rate proceeding.

Please note that all sludge removal expense should now be removed from operation and maintenance expenses for the purpose of indexing. Incremental increases in this category of expense may now be recovered using a pass-through request.

All Florida Public Service Commission
Regulated Water & Wastewater Utilities
Page 2
Month Day, 2027

Upon the filing of a request for an index and/or pass-through increase, staff will review the application and modify existing rates accordingly. If for no other reason than to keep up with escalating costs, utilities throughout Florida should file for this rate relief on an annual basis. Utilities may apply for a 2027 Price Index anytime between April 1, 2026, through March 31, 2027, by mail or by emailing Applications@psc.state.fl.us. The attached package will answer questions regarding what the index and pass-through rate adjustments are, how to apply for an adjustment, and what needs to be filed in order to meet the filing requirements. For your convenience, the Commission-approved Price Index is reflected on Form PSC 1022, attached. While the increase for any given year may be minor, (see chart below), the long-run effect of keeping current with rising costs can be substantial.

Year	Annual Commission Approved Index	Year	Annual Commission Approved Index
2002	2.33%	2015	1.57%
2003	1.31%	2016	1.29%
2004	1.60%	2017	1.51%
2005	2.17%	2018	1.76%
2006	2.74%	2019	2.36%
2007	3.09%	2020	1.79%
2008	2.39%	2021	1.17%
2009	2.55%	2022	4.53%
2010	0.56%	2023	7.07%
2011	1.18%	2024	3.24%
2012	2.41%	2025	2.23%
2013	1.63%	2026	2.46%
2014	1.41%	2027	3.73%

Please be aware that pursuant to Section 837.06, F.S., whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty shall be guilty of a misdemeanor of the second degree. Our staff is available at (850) 413-6900 should you need assistance with your filing. If you have any questions, please do not hesitate to call.

Moreover, additional rate relief mechanisms are available to water and wastewater utilities as alternatives to full rate cases. Water and wastewater utilities whose total gross annual operating revenues are $335,000 or less for water service or $335,000 or less for wastewater service, or $670,000 or less on a combined basis, may petition the Commission for staff assistance using alternative rate setting. Please refer to Rule 25-30.456, F.A.C., for additional details.

All Florida Public Service Commission
Regulated Water & Wastewater Utilities
Page 3
Month Day, 2027

Furthermore, water utilities whose total gross annual operating revenues are $335,000 or less and wastewater utilities whose total gross annual operating revenues are $335,000 or less may file an application for a limited alternative rate increase of up to 20 percent applied to metered or flat recurring rates of all classes of service. Please refer to Rule 25-30.457, F.A.C., for additional details.

Finally, the Commission reminds water and wastewater utilities that the Utility Reserve Fund Rule exists to help address concerns over deferred maintenance of critical infrastructure and delays in necessary repairs. The availability of the reserve funds may allow a utility to avoid or defer the need for a future rate case, the expenses of which are ultimately borne by customers. Please refer to Rule 25-30.444, F.A.C., for additional details.

Sincerely,

Mark A. Cicchetti
Director

Enclosures

Item 7

FILED 11/17/2026
DOCUMENT NO. 07920-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Engineering (Wooten, Ellis, King) LVK
Division of Accounting and Finance (Bardin, Fisher, Norris, Sewards, Vogel, York) MC
Division of Economics (Bruce, Sibley) EJD
Office of the General Counsel (J. Crawford) JSC

RE: Docket No. 20260054-WS – Application for transfer of facilities of FIMC Hideaway, Inc., water Certificate No. 426-W, and wastewater Certificate No. 362-S to DAD SIG LLC d/b/a Hideaway Springside, in Levy County.

AGENDA: 12/01/26 – Regular Agenda – Proposed Agency Action for Issues 2 and 3 - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

FIMC Hideaway, Inc. (FIMC, Utility, or Seller) is a Class C water and wastewater utility currently operating in Levy County. FIMC currently provides water and wastewater service to approximately 203 water and 197 wastewater customers. The Utility is in the Suwannee River Water Management District (SRWMD). In its 2025 Annual Report, FIMC reported a net operating loss of $35,232 for water and net operating income of $11,960 for wastewater.

In 1984, the Florida Public Service Commission (Commission) issued water and wastewater Certificate Nos. 426-W and 362-S to FIMC.[1] In 2009, the Commission approved the transfer of the Springside water and wastewater systems to FIMC.[2] The Utility's last staff-assisted rate case (SARC) was in 2018.[3]

On April 7, 2026, DAD SIG LLC d/b/a Hideaway Springside (Hideaway Springside or Buyer) filed an application for transfer of facilities of an exempt entity. Upon review of the application, staff determined that Hideaway Springside did not meet the requirements of Rule 25-30.037(5), Florida Administrative Code (F.A.C.), regarding transfers of exempt entities. On May 7, 2026, Hideaway Springside filed a corrected application with the Commission for the transfer of Certificate Nos. 426-W and 362-S from FIMC to Hideaway Springside. The application was deficient but deficiencies were cured by the Buyer on June 25, 2026. Per the agreement, the sale is subject to Commission approval and if approved will close within 60 days of approval.

This recommendation addresses the transfer of the Utility's water and wastewater systems and Certificate Nos. 426-W and 362-S and continuation of the Utility's existing rates and charges, the appropriate net book value (NBV) of the water and wastewater systems for transfer purposes, and revision of the miscellaneous service charges. The Commission has jurisdiction pursuant to Sections 367.071, 367.121, and 367.081, Florida Statutes (F.S.).

[1] Order No. 13497, issued July 10, 1984, in Docket No. 19830552-WS, *In re: Application of Hideaway Service, Inc. for a certificate to operate a water and sewer utility in Levy County.*
[2] Order No. PSC-09-0279-PAA-WS, issued April 29, 2009, in Docket No. 20080268-WS, *In re: Joint Application for transfer of the Springside water and wastewater systems from Par Utilities, Inc. in Levy County to FIMC Hideaway, Inc.; amendment of Certificates 426-W and 362-S held by FIMC Hideaway, Inc.; and amendment of Certificate 428-W and cancellation of Certificate 366-S held by Par Utilities, Inc.*
[3] Order No. PSC-2018-0389-PAA-WS, issued August 2, 2018, in Docket No. 20170147-WS, *In re: Application for staff-assisted rate case in Levy County by FIMC Hideaway, Inc.*

Discussion of Issues

Issue 1: Should the transfer of Certificate Nos. 426-W and 362-S from FIMC Hideaway, Inc. to DAD SIG LLC d/b/a Hideaway Springside, in Levy County be approved?

Recommendation: Yes. The transfer of the water and wastewater systems and Certificate Nos. 426-W and 362-S is in the public interest and should be approved effective the date of the Commission's vote. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. The Buyer should file copies of its permit transfer application, and a copy of its signed and executed contract for sale to the Commission within 60 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 60 days of the transfer Order, the Buyer should file a status update in the docket file. The Utility's existing rates, the appropriate miscellaneous service charges, initial customer deposits, and service availability charges shown on Schedule No. 1, should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. The Seller is current, with respect to annual reports and regulatory assessment fees (RAFs), through December 31, 2025. Based on the application, the Seller will be responsible for RAFs and annual reports until Commission approval and the Buyer will be responsible for filing annual reports and paying RAFs for all future years. (Wooten, Fisher, Sibley)

Staff Analysis: On May 7, 2026, Hideaway Springside filed a corrected application for the transfer of Certificate Nos. 426-W and 362-S from FIMC to Hideaway Springside. Staff reviewed the application and determined that it is in compliance with Section 367.071, F.S., and Commission rules concerning applications for transfer of certificates.

Legal Standard

Transfers of certificates are governed by Section 367.071, F.S., and by Rule 25-30.037, F.A.C. The statute provides that the Commission may approve the transfer if it is in the public interest and the transferee will fulfill the commitments, obligations, and representations of the utility. To demonstrate that the transferee can do so, the rule requires the transferee to show the financial and technical ability to operate the utility.

Noticing, Territory, and Land Ownership

Hideaway Springside provided notice of the application pursuant to Section 367.071, F.S., and Rule 25-30.030, F.A.C. No objections to the transfer were filed, and the time for doing so has expired. The application contains a description of the service territory, which is appended to this recommendation as Attachment A. In response to staff's deficiency letter, Hideaway Springside provided a copy of a warranty deed as evidence that the Buyer has the rights to long-term use of the land upon which the treatment facilities are located, pursuant to Rule 25-30.037(2)(s), F.A.C.

Purchase Agreement and Financing

Pursuant to Rule 25-30.037(2)(i) and (j), F.A.C., the application contains a statement regarding financing and a copy of the purchase agreement, which includes the purchase price, terms of payment and description of the assets to be transferred. There are no guaranteed revenue contracts, or customer advances of FIMC that must be disposed of with regard to the transfer.

The Buyer also states that all customer deposits will be transferred from FIMC to Hideaway Springside after approval of the transfer. Staff has reviewed the purchase and sale agreement, which stated that the total purchase price for the assets is $225,000 which includes an initial $15,000 deposit made by the Buyer. Furthermore, staff's review of the purchase and sale agreement confirmed that the closing of the agreement is contingent upon Commission approval.

Facility Description and Compliance

The water system includes a water treatment plant (WTP) composed of two wells that have capacities of 158 gallons per minute each. The water is treated via chlorination for disinfection. The water distribution system extends throughout the service area. Hideaway Springside provided a copy of the Utility's current consumptive use permit from the SRWMD.

The wastewater treatment plant (WWTP) is an extended aeration activated sludge plant with a design capacity of 216,000 gallons per day (gpd). The plant is permitted by the Florida Department of Environmental Protection (DEP) to operate at 24,000 gpd, based on the maximum monthly average daily flow. The treatment plant consists of four aeration basins, one clarifier, two aerobic digesters, and one chlorine contact chamber. Additionally, there is a single lift station being utilized for the service territory.

Staff reviewed the most recent DEP sanitary survey for the WTP, issued on September 3, 2025, which identified two minor issues that were corrected, and the facility was determined to be in compliance with the DEP's rules and regulations. Staff also reviewed the results from the Utility's March 19, 2026, water quality tests, including the secondary water quality test. The secondary contaminants results indicated that the system failed for elevated levels of both sulfate and total dissolved solids levels, which were indicated to likely be caused by natural soil leaching. All other primary contaminant results were below the DEP's maximum contaminant levels.

Staff reviewed the most recent DEP compliance evaluation inspections for the WWTP and the Utility was determined to be out-of-compliance. The February 28, 2025, evaluation identified that the Utility had exceeded the fecal coliform, total nitrates, total suspended solids and biochemical oxygen demand limits as required by the wastewater facility permit. The Utility was issued a warning letter on April 22, 2025, and based on the information the DEP received in response to the letter, the WWTP was determined to have returned to in compliance as of May 18, 2026.

Technical and Financial Ability

Pursuant to Rule 25-30.037(2)(m), F.A.C., the application contains statements describing the technical ability of the Buyer to provide service to the proposed service area. Hideaway Springside's application states that the owners of Hideaway Springside have been the water and wastewater operators for the FIMC water and wastewater treatment plant for 20 years and are familiar with the system. Furthermore, the Buyer plans to utilize the same contracted operator, Two Fold Water Engineering Inc., who currently provide routine operation and maintenance of the systems. Billing and customer service is currently handled by a third-party contracted by the Buyer and it intends to continue to provide those services. As the operators have experience with the Utility's facilities, it is reasonable for the Buyer to retain the contract.

In its application, Hideaway Springside provided financial statements and stated that it has the ability and intent to meet all reasonable capital needs arising from the operation of the Utility. Staff has reviewed the financial statements submitted by Hideaway Springside, along with additional financial documentation confirming that the Buyer has secured financing to support any necessary operational costs or capital investments. Based on the above, the Buyer has demonstrated the technical and financial ability to provide service to the existing service territory.

Rates, Charges, and Initial Customer Deposits

The Utility's rates, miscellaneous service charges, service availability charges, and customer deposits were last approved in 2018 in a SARC. Subsequently, the rates were amended by four price index rate adjustments with the last increase approved effective August 30, 2024. Rule 25-9.044(1), F.A.C., provides that, in the case of a change of ownership or control of a utility, the rates, classifications, and regulations of the former owner must continue unless authorized to change by this Commission.

Some of the Utility's existing miscellaneous service charges, which consist of the violation reconnection, premises visit, and late payment charges, are appropriate. However, the remaining miscellaneous service charges do not conform to Rule 25-30.460, F.A.C., and are discussed in Issue 3. Therefore, staff recommends that the Utility's existing rates, the appropriate miscellaneous service charges, initial customer deposits, and service availability charges shown on Schedule No. 1, should remain in effect until a change is authorized by this Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C.

Regulatory Assessment Fees and Annual Report

Staff has verified that the Utility is current on the filing of annual reports and RAFs through December 31, 2025. The Seller will continue to be responsible for filing the Utility's annual reports and paying RAFs until the official closing of the sale, pending Commission approval. Upon closing, Hideaway Springside will be responsible for all future years.

Conclusion

The transfer of the water and wastewater systems and Certificate Nos. 426-W and 362-S is in the public interest and should be approved effective the date of the Commission's vote. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. The Buyer should file copies of its permit transfer application, and a copy of its signed and executed contract for sale to the Commission within 60 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 60 days of the transfer Order, the Buyer should file a status update in the docket file. The Utility's existing rates, the appropriate miscellaneous service charges, initial customer deposits, and service availability charges shown on Schedule No. 1, should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. The Seller is current, with respect to annual reports and RAFs, through December 31, 2025. Based on the application, the Seller will be responsible for RAFs and annual reports until Commission

approval and the Buyer will be responsible for filing annual reports and paying RAFs for all future years.

Issue 2: What is the appropriate net book value for DAD SIG LLC d/b/a Hideaway Springside's water and wastewater systems for transfer purposes?

Recommendation: The NBV of the water and wastewater systems for transfer purposes is $87,235 for water and $167,291 for wastewater as of April 30, 2026. Within 90 days of the date of the Final Order, Hideaway Springside should be required to notify the Commission in writing that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in the Utility's first annual report filed following the closing of the transfer. The Buyer is not requesting a positive acquisition adjustment as part of this transfer docket, but may petition for a positive acquisition adjustment within three years as established in Rule 25-30.0371, F.A.C. (Fisher)

Staff Analysis: Rate base for the water and wastewater systems was last established for the Utility as of June 30, 2017, by Order No. PSC-2018-0389-PAA-WS.[4] The purpose of establishing NBV for transfers is to determine whether an acquisition adjustment should be approved. The Buyer has not requested an acquisition adjustment at this time, however, Hideaway Springside does reserve the right to petition for a positive acquisition adjustment within three years of the approval of the transfer, as provided in Rule 25-30.0371, F.A.C. The NBV does not include normal ratemaking adjustments for used and useful plant or working capital. The Utility's NBV has been updated to reflect balances as of April 30, 2026.

Utility Plant In Service (UPIS)

Due to the unavailability of the Seller's records, audit staff relied on the values established in the prior rate case order and the annual reports provided by the Seller since that time. The balances provided by the Utility were as of December 31, 2024, which was the most recent annual report available at the time of the audit. The Utility has since filed the 2025 Annual Report. The Utility recorded UPIS balances of $155,269 for water and $261,595 for wastewater. Audit staff utilized plant additions and retirements reported in the Utility's annual reports to determine the balances. Audit staff recommends adjustments to increase water by $14,672 and wastewater by $172,339, With these adjustments, staff recommends UPIS balances of $169,941 for water and $433,934 for wastewater, as of April 30, 2026.

Land

In the previous rate case, land and land rights were established as $12,000 for water and $8,488 for wastewater. Audit staff verified that current deeds match the prior proceeding, and no land has since been bought or sold. Therefore, staff recommends reducing the land balance shown on the most recent annual report by $5,422 for water and $45,732 for wastewater to maintain the Commission approved balances of $12,000 for water and $8,488 for wastewater.

Accumulated Depreciation

The Utility reflected accumulated depreciation balances of $171,726 for water and $262,673 for wastewater. Audit staff recalculated accumulated depreciation, using Commission-approved depreciation rates pursuant to Rule 25-30.140, F.A.C., from June 30, 2017, through April 30, 2026. Audit staff recommends an adjustment to decrease the accumulated depreciation of water

[4] Order No. PSC-2018-0389-PAA-WS, issued August 2, 2018, in Docket No. 20170147-WS, *In re: Application for staff-assisted rate case in Levy County by FIMC Hideaway, Inc.*

by $77,020 for water and an adjustment to increase the accumulated depreciation of wastewater by $12,458. With these adjustments, staff recommends accumulated depreciation balances of $94,706 for water and $275,131 for wastewater, as of April 30, 2026.

Contributions-in-Aid-of-Construction (CIAC) and Accumulated Amortization of CIAC

Audit staff reviewed the CIAC and Accumulated Amortization of CIAC balances from the prior Commission order and the annual reports and noted that water and wastewater CIAC were fully amortized in the 2024 Annual Report. Staff recommends CIAC balances of $32,545 for water and $42,228 for wastewater, and accumulated amortization of CIAC balances of $32,545 for water and $42,228 for wastewater, as of April 30, 2026.

Net Book Value

The Utility's 2024 Annual Report reflected NBV of $965 for water and $53,142 for wastewater. Based on the adjustments above, staff recommends that the NBV for the Utility's water and wastewater systems as of April 30, 2026, are $87,235 and $167,291, respectively, for a total NBV of $254,526. Staff's recommended NBV and the National Association of Regulatory Utility Commissioners, Uniform System of Accounts (NARUC USOA) balances for UPIS and accumulated depreciation are shown on Schedule Nos. 2 and 3, as of April 30, 2026.

Acquisition Adjustment

An acquisition adjustment results when the purchase price differs from the NBV at the time of the acquisition. The Utility and its assets were purchased for $255,000. As discussed above, staff has determined the appropriate NBV total to be $254,526 ($87,235 for water and $167,291 for wastewater). Pursuant to Rule 25-30.0371, F.A.C., a positive acquisition adjustment may be appropriate when the purchase price is greater than the NBV. While the Buyer initially requested an Acquisition Adjustment in the application, the Buyer decided not to pursue it. The Buyer is not requesting a positive acquisition adjustment as part of this transfer docket, but may petition for a positive acquisition adjustment within three years as established in Rule 25-30.0371, F.A.C. As such, staff recommends that no positive acquisition adjustment be included at this time.

Conclusion

The NBV of the water and wastewater system for transfer purposes is $87,235 for water and $167,291 for wastewater as of April 30, 2026. Within 90 days of the date of the Final Order, Hideaway Springside should be required to notify the Commission in writing that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in the Utility's first annual report filed following the closing of the transfer. The Buyer is not requesting a positive acquisition adjustment as part of this transfer docket but may petition for a positive acquisition adjustment within three years as established in Rule 25-30.0371, F.A.C.

Issue 3: Should DAD SIG LLC d/b/a Hideaway Springside's miscellaneous service charges be revised to conform to Rule 25-30.460, F.A.C.?

Recommendation: The appropriate revisions to miscellaneous service charges for Hideaway Springside should be the removal of the initial connection and normal reconnection charges and update the definition of the premises visit charge to be consistent with Rule 25-30.460, F.A.C. 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. Furthermore, the approved charges 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. The Utility should be required to charge the approved miscellaneous service charges until authorized to change them by the Commission in a subsequent proceeding. (Sibley)

Staff Analysis: The Utility did not request to revise its existing miscellaneous service charges. Section 367.121, F.S., authorizes the Commission to establish, increase, or change a rate or charge other than monthly rates or service availability charges. The Utility's miscellaneous service charges consist of initial connection and normal reconnection charges. Rule 25-30.460, F.A.C., does not allow for initial connection and normal reconnection charges. The definitions for initial connection charges and normal reconnection charges were subsumed in the definition of the premises visit charge. However, the normal reconnection charge is more than the premises visit charge. Since the premises visit entails a broader range of tasks, staff believes the premises visit charge should reflect the amount of the normal reconnection charge of $15. Therefore, staff recommends that the initial connection and normal reconnection charges be removed, the premises visit charge be revised to $15, and the definition for the premises visit charge be updated to comply with Rule 25-30.460, F.A.C.

Based on the above, staff recommends that the appropriate revisions to miscellaneous service charges for Hideaway Springside should be the removal of initial connection and normal reconnection charges and update the definition of the premises visit charge to be consistent with Rule 25-30.460, F.A.C. 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. Furthermore, the approved charges 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. The Utility should be required to charge the approved miscellaneous service charges until authorized to change them by the Commission in a subsequent proceeding.

Conclusion

The appropriate revisions to miscellaneous service charges for Hideaway Springside should be the removal of the initial connection and normal reconnection charges and update the definition of the premises visit charge to be consistent with Rule 25-30.460, F.A.C. 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. Furthermore, the approved charges 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. The Utility should be required to charge the approved miscellaneous service charges until authorized to change them by the Commission in a subsequent proceeding.

Issue 4: 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, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C., the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision, and that the Buyer has submitted a signed and executed copy of its contract for sale within 60 days of the Commission's Order approving the transfer. (J. Crawford)

Staff Analysis: 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, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C., the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision, and that the Buyer has submitted a signed and executed copy of its contract for sale within 60 days of the Commission's Order approving the transfer.

TERRITORY DESCRIPTION
FIMC Hideaway, Inc.
Levy County
Water and Wastewater Service

Order No. 13497, Hideaway System
As corrected by Order No. PSC-10-0112-FOF-WS

Township 11 South, Range 13 East
Section 25

The following described lands located in portions of Section 25, Township 11 South, Range 13 East, Levy County, Florida.

The Northeast 1/4 of the Southeast 1/4 of Section 25.

Order No. PSC-09-0279-PAA-WS, Springside System

Township 11 South, Range 13 East
Section 25

The North 75 feet of the South 1/2 of the Southeast 1/4 of said Section 25.

And

The Northwest 1/4 of the Southeast 1/4 of said Section 25.

Less

The North 790 feet of the West 760 feet of the North 1/2 of the Southeast 1/4, and the West 200 feet of the East 600 feet of the North 1/2 of the Southeast 1/4 of the said Section 25.

FLORIDA PUBLIC SERVICE COMMISSION
authorizes
FIMC Hideaway, Inc.
pursuant to
Certificate Number 426-W

to provide water service in Levy County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

Order Number	Date Issued	Docket Number	Filing Type
13497	07/10/84	830552-WS	Grandfather Certificate
15432	12/09/85	840235-WS	Original Certificate
23970	01/08/91	900408-WS	Transfer Certificate
25584	01/08/92	910672-WS	Transfer Certificate
PSC-99-2112-FOF-WS	10/25/99	991206-WS	Abandonment
PSC-00-0088-PAA-WS	01/10/00	991206-WS	Appointment Receiver
PSC-04-0610-PAA-WS	06/21/04	030407-WS	Transfer System
PSC-05-0298-PAA-WS	03/18/05	040152-WS	Transfer Majority Control
PSC-09-0279-PAA-WS	04/29/09	080268-WS	Transfer System
PSC-10-0112-FOF-WS	02/25/10	100015-WS	Territory Correction
*	*	20260054-WS	Transfer Certificate

*** Order No. and date to be provided at time of issuance.**

FLORIDA PUBLIC SERVICE COMMISSION
authorizes
FIMC Hideaway, Inc.
pursuant to
Certificate Number 362-S

to provide wastewater service in Levy County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

Order Number	Date Issued	Docket Number	Filing Type
13497	07/10/84	830552-WS	Grandfather Certificate
15432	12/09/85	840235-WS	Original Certificate
23970	01/08/91	900408-WS	Transfer Certificate
25584	01/08/92	910672-WS	Transfer Certificate
PSC-99-2112-FOF-WS	10/25/99	991206-WS	Abandonment
PSC-00-0088-PAA-WS	01/10/00	991206-WS	Appointment Receiver
PSC-04-0610-PAA-WS	06/21/04	030407-WS	Transfer System
PSC-05-0298-PAA-WS	03/18/05	040152-WS	Transfer Majority Control
PSC-09-0279-PAA-WS	04/29/09	080268-WS	Transfer System
PSC-10-0112-FOF-WS	02/25/10	100015-WS	Territory Correction
*	*	20260054-WS	Transfer Certificate

*** Order No. and date to be provided at time of issuance.**

DAD SIG LLC d/b/a Hideaway Springside
Existing FIMC Hideaway, Inc. Monthly Water Rates

Residential and General Service

5/8" x 3/4"	$12.11
3/4"	$18.17
1"	$30.28
1 1/2"	$60.55
2"	$96.88
3"	$193.76
4"	$302.75
6"	$605.50
Charge per 1,000 gallons	$4.96

Irrigation Service

All Meter Sizes	$0.00
Charge per 1,000 gallons	$4.96

Initial Customer Deposits

	Residential Service	General Service
5/8" x 3/4"	$43.00	2x average estimated bill
All other meter sizes	2x average estimated bill	2x average estimated bill

Miscellaneous Service Charges

Violation Reconnection Charge	$15.00
Late Payment Charge	$5.00

Service Availability Charges

Main Extension Charge	
Residential per ERC	$375.00
Meter Installation Charge	
All new connections	$142.40

DAD SIG LLC d/b/a Hideaway Springside
Existing FIMC Hideaway, Inc. Monthly Wastewater Rates

Residential Service (RS1)	
All meter sizes	$13.58
Charge per 1,000 gallons	$7.07
6,000 gallons cap	
Residential Service (RS2)	
Flat Rate	$28.60
General Service	
5/8" x 3/4"	$13.58
3/4"	$20.37
1"	$33.95
1 1/2"	$67.90
2"	$108.64
3"	$217.28
4"	$339.50
6"	$679.00
Charge per 1,000 gallons	$8.47

Initial Customer Deposits

	Residential Service	General Service
5/8" x 3/4"	$55.00	2x average estimated bill
All other meter sizes	2x average estimated bill	2x average estimated bill

Miscellaneous Service Charges

Violation Reconnection Charge	Actual Cost
Late Payment Charge	$5.00

DAD SIG LLC d/b/a Hideaway Springside
Schedule of Water Net Book Value as of April 30, 2026

Description	Balance Per Utility	Adjustments		Staff Recommendation
Utility Plant in Service	$155,269	$14,672	A	$169,941
Land	17,422	(5,422)	B	12,000
CIAC	(32,545)	0		(32,545)
Accumulated Depreciation	(171,726)	77,020	C	(94,706)
Amortization of CIAC	32,545	0		32,545
Total Net Book Value	**$965**	**$86,270**		**$87,235**

DAD SIG LLC d/b/a Hideaway Springside
Explanation of Adjustments to Water Net Book Value as of
April 30, 2026

Explanation	**Amount**
A. Utility Plant in Service To reflect the appropriate balance.	$14,672
B. Land To reflect the appropriate balance.	(5,422)
C. Accumulated Depreciation To reflect the appropriate balance.	77,020
Total Adjustments to Water Net Book Value as of April 30, 2026	**$86,270**

DAD SIG LLC d/b/a Hideaway Springside
Schedule of Staff's Recommended Water Account Balances as of
April 30, 2026

Account No.	Description	UPIS	Accumulated Depreciation
301	Organization	$5,422	($2,602)
303	Land and Land Rights	12,000	0
304	Structures & Improvements	50,427	(28,909)
311	Pumping Equipment	13,652	(13,652)
320	Water Treatment Equipment	6,172	(2,555)
330	Distribution Reservoirs	28,076	(10,493)
331	Transmission & Dist. Lines	22,948	(22,948)
333	Services	33,684	(7,977)
334	Meters & Meter Installations	8,888	(4,900)
336	Backflow Prevention Devices	140	(140)
340	Office Furniture and Equipment	531	(531)
	Total	**$181,941**	**($94,706)**

DAD SIG LLC d/b/a Hideaway Springside
Schedule of Wastewater Net Book Value as of April 30, 2026

Description	Balance Per Utility	Adjustments		Staff Recommendation
Utility Plant in Service	$261,595	$172,339	A	$433,934
Land	54,220	(45,732)	B	8,488
CIAC	(42,228)	0		(42,228)
Accumulated Depreciation	(262,673)	(12,458)	C	(275,131)
Amortization of CIAC	42,228	0		42,228
Total Net Book Value	**$53,142**	**$114,149**		**$167,291**

DAD SIG LLC d/b/a Hideaway Springside
Explanation of Adjustments to Wastewater Net Book Value as of April 30, 2026

Explanation	**Amount**
A. Utility Plant in Service	
To reflect the appropriate balance.	$172,339
B. Land	
To reflect the appropriate balance.	(45,732)
C. Accumulated Depreciation	
To reflect the appropriate balance.	(12,458)
Total Adjustments to Wastewater Net Book Value as of April 30, 2026	**$114,149**

DAD SIG LLC d/b/a Hideaway Springside
Schedule of Staff's Recommended Wastewater Account Balances as of April 30, 2026

Account No.	Description	UPIS	Accumulated Depreciation
351	Organization	$748	($419)
353	Land and Land Rights	8,488	0
354	Structure & Improvements	8,644	(3,660)
355	Power Generation Equipment	13,210	(1,550)
360	Collection Sewers - Force	5,270	(4,495)
361	Collection Sewers - Gravity	241,778	(205,092)
363	Services to Customers	20,068	(4,059)
370	Receiving Wells	3,191	(170)
371	Pumping Equipment	69,591	(14,818)
380	Treatment and Disposal Equipment	30,833	(24,388)
389	Other Plant and Miscellaneous Equipment	6,812	(2,041)
390	Office Furniture and Equipment	1,814	(1,799)
395	Power Operated Equipment	24,197	(10,656)
397	Miscellaneous Equipment	7,778	(1,983)
	Total	**$442,422**	**($275,131)**

Item 8

FILED 11/17/2026
DOCUMENT NO. 07922-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Engineering (Ramirez-Abundez, Brown, King, Ramos, Thompson) LVK
Division of Accounting and Finance (Bardin, Fisher, Norris, Sewards, Vogel) MC
Division of Economics (Bethea, Bruce, McClelland) EJD
Office of the General Counsel (Rauch, J. Crawford) JSC

RE: Docket No. 20260095-WS – Application for transfer of majority organizational control of First Coast Regional Utilities, Inc., holder of water Certificate No. 680-W and wastewater Certificate No. 578-S in Duval, Baker, and Nassau Counties, from Roberts Utility Holdings, LLC to Florida Water Holdings, Inc.

AGENDA: 12/01/26 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: La Rosa

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

The Florida Public Service Commission (Commission) issued an original certificate for First Coast Regional Utilities, Inc. (First Coast or Utility) on May 25, 2022.[1] At the time of issuance, 301 Capital Partners, LLC (301 Capital) held 100 percent ownership of the Utility, with Avery C. Roberts, C. Austen Roberts, Twyla J. Roberts, and Amber Roberts Crawford (the Roberts family) holding 60.7 percent of the membership interests in 301 Capital, and the remaining four members holding 39.3 percent of the membership interests. On March 1, 2023, the members of 301 Capital became direct shareholders of First Coast, with each member retaining the same

[1] Order No. PSC-2022-0193-FOF-WS, issued May 25, 2022, in Docket No. 20190168-WS, *In re: Application for water and wastewater service in Duval, Baker, and Nassau Counties, by First Coast Regional Utilities, Inc.*

percentage of ownership previously held through 301 Capital. On March 16, 2026, the Roberts family became the sole owners of First Coast after the other shareholders redeemed their stock in the Utility. On June 15, 2026, all issued and outstanding stock in First Coast was transferred to Roberts Utility Holdings, LLC (RUH or Seller), which is owned by the Roberts family.[2] As a result, RUH is currently the sole owner of First Coast.

On June 24, 2026, Florida Water Holdings, Inc. (FWH or Buyer), a wholly owned subsidiary of Southeast Utility Systems, Inc. (SEUS), filed an application for transfer of majority organizational control of First Coast to FWH. The application was initially found to be deficient. The Buyer cured the deficiencies on September 23, 2026. Because First Coast's water and wastewater systems are under design and construction, no facilities are currently in operation. First Coast anticipates providing service to approximately 2,500 residential and 1,000 commercial equivalent residential connections (ERCs) within its 14,111-acre service territory. The Utility's service territory is in the St. Johns River Water Management District.

The purchase agreement is structured as a purchase of 100 percent of the issued and outstanding stock and is not an asset acquisition. The transfer of majority organizational control of First Coast pursuant to the purchase agreement is subject to the Commission's approval, and according to the application, the closing will occur within 30 days after approval and satisfaction of all remaining closing conditions.

The Commission has jurisdiction pursuant to Sections 367.071 and 367.091, Florida Statutes (F.S.).

[2] Document No. 04762-2026.

Discussion of Issues

Issue 1: Should the application for transfer of majority organizational control of First Coast Regional Utilities, Inc., holder of water Certificate No. 680-W and wastewater Certificate No. 578-S in Duval, Baker, and Nassau Counties, from Roberts Utility Holdings, LLC to Florida Water Holdings, Inc. be approved?

Recommendation: Yes. The transfer of majority organizational control from RUH to FWH is in the public interest and should be approved effective the date of the Commission vote. The resultant order should serve as the water and wastewater certificates, with the territories described in Attachment A. The Buyer should file a notice of closing in the docket file within 60 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 60 days of the transfer Order, the Buyer should file a status update in the docket file. The Utility's existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code, (F.A.C.). Based on the application, the Buyer will be responsible for filing annual reports and paying regulatory assessment fees (RAFs) after the closing date. (Ramirez-Abundez, Bethea, Fisher, McClelland, Rauch)

Staff Analysis: On June 24, 2026, an application was filed for the transfer of majority organization control of First Coast in Duval, Baker, and Nassau counties from RUH to FWH. Based on staff's review, the application is in compliance with Section 367.071, F.S., and Rule 25-30.037(4), F.A.C., concerning application for transfer of majority organizational control. The purchase agreement is structured as a purchase of 100 percent of the issued and outstanding stock and is not an asset acquisition. The transfer of majority organizational control of First Coast pursuant to the purchase agreement is subject to the Commission's approval, and according to the application, the closing will occur within 30 days after approval and satisfaction of all remaining closing conditions.

Legal Standard

Section 367.071(1), F.S., provides that no utility shall transfer its certificate of authorization, facilities or any portion thereof, or majority organizational control without determination and approval of the Commission that the proposed transfer is in the public interest and that the buyer, assignee, or transferee will fulfill the commitments, obligations, and representations of the utility. However, a transfer of certificate of authorization, facilities or any portion thereof, or majority organizational control may occur prior to Commission approval if the contract for sale, assignment, or transfer is made contingent upon Commission approval.

Noticing and Territory

First Coast provided notice of the application pursuant to Section 367.071, F.S., and Rule 25-30.030, F.A.C. No objections to the transfer were filed with the Commission, and the time for doing so has expired. The notice contained a simplified territory description for First Coast, and the complete description is appended to this recommendation as Attachment A.

Technical and Financial Ability

Pursuant to Rules 25-30.037(2)(l) and (m), F.A.C., the application contains statements describing the technical and financial ability of the Buyer to provide service. According to the application, and as stated in the case background, FWH is wholly owned by SEUS, and both entities are holding companies without direct operations or financial statements. SEUS is an indirectly owned subsidiary of Nexus Water Group, Inc. (Nexus), which is a holding company that has indirectly owned and operated private water and wastewater utilities throughout the state of Florida since 1976. Nexus' Florida subsidiaries, Sunshine Water Services Company (SWS) and Ni Florida, LLC (Ni FL), provide water and wastewater service to over 36,000 water and 33,000 wastewater customers in Florida. A diagram of the complete organizational structure of FWH and its affiliates is included in Attachment B.

FWH indicated that it has the managerial and operational expertise to operate water and wastewater systems by and through the resources and staff of its affiliates. The Buyer stated that First Coast's day-to-day operations will be led by Nexus' Florida management team, which is the same management team that oversees SWS and Ni FL.[3] This management team is expected to provide the support capabilities necessary to successfully operate First Coast, including safety, compliance, operational oversight, financial and project management, billing and customer service, human resources, and administration. In addition, although First Coast's water and wastewater systems are currently under design and construction, FWH expects that First Coast will need additional employees to operate the site facilities once they become operational.

The transfer application states that the Buyer has sufficient financial assets to ensure the continuing operation of the Utility. Staff reviewed the financial statements of the Buyer and believes it has the financial capability to ensure any necessary funding. According to the application, the public interest is served by the Buyer. Based on the above, the Buyer, with the support of its affiliates, has demonstrated the technical and financial ability to provide service to the existing service territory.

Rates, Charges, and Deposits

The Utility's rates, miscellaneous service charges, late payment charge, non-sufficient funds (NSF), initial customer deposits, and service availability charges were established in an original certificate case in 2022.[4] Recently, the Commission approved revised service availability charges.[5] Rule 25-9.044(1), F.A.C., provides that, in the case of a change of ownership or control of a utility the rates, classifications, and regulations of the former owner must continue unless authorized to change by the Commission. Therefore, staff recommends that the Utility's existing rates, charges, and deposits as shown on Schedules No. 1-A and 1-B, should remain in effect, until a change is authorized by the Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C.

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[3] Document No. 06096-2026.

[4] Order No. PSC-2022-0193-FOF-WS, issued May 25, 2022, in Docket No. 20190168-WS, *In re: Application for water and wastewater service in Duval, Baker, and Nassau Counties, by First Coast Regional Utilities, Inc.*

[5] Order No. PSC-2026-0299-PAA-WS, issued August 24, 2026, in Docket No. 20260012-WS, *In re: Application for revised service availability charges and policy for water and wastewater service in Duval, Baker, and Nassau Counties, by First Coast Regional Utilities, Inc.*

Conclusion

Based on the above, staff recommends that the transfer of the majority organizational control from RUH to FWH is in the public interest and should be approved effective the date of the Commission vote. The resultant order should serve as the water and wastewater certificate, with the territories described in Attachment A. The Buyer should file a notice of closing in the docket file within 60 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 60 days of the transfer Order, the Buyer should file a status update in the docket file. The Utility's existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. Based on the application, the Buyer will be responsible for filing annual reports and paying regulatory assessment fees (RAFs) after the closing date.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, this docket should be closed. (Rauch)

Staff Analysis: If the Commission approves staff's recommendation in Issue 1, this docket should be closed.

First Coast Regional Utilities, Inc.

Duval, Baker, and Nassau Counties

Water and Wastewater Service Area

301 Parcel

A portion of Sections 28, 31, 32 and 33, Township 2 South, Range 23 East, all of Sections 4, 5, 6, 7, 8, 9 and 17, and a portion of Sections 3, 10, 15, 16, 18, 19, 20, 21, 28, 29 and 30, Township 3 South, Range 23 East, Duval County, Florida, together with a portion of Sections 25, 26, 27, 33, 34, 35 and 36, Township 2 South, Range 22 East, all of Sections 12, 13 and 24, and a portion of Sections 1, 2, 3, 11, 14, 23, 25 and 26, Township 3 South, Range 22 East, Baker County, Florida, together with a portion of Sections 29, 30 and 31, Township 2 South, Range 23 East, Nassau County, Florida, being more particularly described as follows:
For a Point of Reference, commence at the Southwest corner of Section 31, said Township 2 South, Range 23 East; thence North 00°01'21" West, along the Westerly line of said Section 31, a distance of 2796.10 feet to the Point of Beginning.

From said Point of Beginning, thence continue North 00°01'21" West, along said Westerly line of Section 31, a distance of 279.43 feet to its intersection with the Northerly limited access right of way line of Interstate No. 10 (State Road No. 8), a 300 foot limited access right of way at this point, as presently established; thence Southwesterly along said Northerly limited access right of way line the following 3 courses: Course 1, thence South 77°26'31" West, departing said Westerly line, 4622.69 feet to the point of curvature of a curve concave Southerly having a radius of 11,594.04 feet; Course 2, thence Westerly along the arc of said curve, through a central angle of 14°51'39", an arc length of 3007.15 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South 70°00'41" West, 2998.73 feet; Course 3, thence South 62°34'52" West, 9297.94 feet to its intersection with the Easterly line of Section 4, Township 35, Range 22 East; thence North 00°20'32" West, departing said Northerly limited access right of way line and along said Easterly line, 1181.59 feet; thence North 00°12'44" West, continuing along said Easterly line, 1537.23 feet to the Northeast corner of Section 4, said Township 3 South, Range 22 East; thence South 87°56'40" West, along the Northerly line of last said Section 4, a distance of 2641.22 feet; thence North 12°20'13" West, departing said Northerly line, 1343.87 feet; thence South 89°13'11" West, 320.43 feet; thence North 01°12'19" West, 2541.27 feet to a point lying on the Southerly right of way line of CSX Railroad, a variable width right of way as presently established; thence Easterly along said Southerly right of way line the following 3 courses: Course 1, thence North 77°39'30" East, 1151.90 feet; Course 2, thence North 77°38'43" East, 2042.04 feet; Course 3, thence North 77°37'43" East, 1372.71 feet; thence North 07°53'20" West, departing said Southerly right of way line, 348.00 feet to a point lying on the Southerly right of way line of U.S. Highway No. 90 (State Road No. 10), a variable width right of way as presently established; thence North 77°50'40" East, along said Southerly right of way line, 477.82 feet; thence North 77°49'28" East, continuing along said Southerly right of way line, 4077.64 feet; thence South 12°21'52" West, departing said

Southerly right of way line, 365.87 feet to a point lying on said Southerly right of way line of CSX Transportation Railroad; thence North 77°38'43" East, along said Southerly right of way line, 243.87 feet; thence North 77°40'43" East, continuing along said Southerly right of way line, 1121.92 feet; thence North 11°15'34" West, departing said Southerly right of way line, 329.25 feet to a point lying on said Southerly right of way line of U.S. Highway No. 90; thence Easterly along said Southerly right of way line the following 3 courses: Course 1, thence North 77°49'28" East, 1371.16 feet to the point of curvature of a curve concave Southerly having a radius of 5689.66 feet; Course 2, thence Easterly along the arc of said curve, through a central angle of 04°07'57", an arc length of 410.38 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North 79°53'27" East, 410.29 feet; Course 3, thence North 81°57'25" East, 528.43 feet; thence South 00°57'44" West, departing said Southerly right of way line, 1080.73 feet; thence North 89°39'11" East, 1368.16 feet; thence North 02°26'55" West, 1256.61 feet to a point lying on said Southerly right of way line of U.S. Highway No. 90; thence Northeasterly along the Southerly and Southeasterly right of way line of said U.S. Highway No. 90 the following 13 courses: Course 1, thence North 81°57'25" East, 5326.11 feet; Course 2, thence North 83°43'11" East, 35.46 feet to the point of curvature of a curve concave Northwesterly having a radius of 1465.39 feet; Course 3, thence Northeasterly along the arc of said curve, through a central angle of 17°28'30", an arc length of 446.94 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North 74°58'56" East, 445.21 feet; Course 4, thence North 66°14'41" East, 2919.19 feet; Course 5, thence South 23°45'19" East, 67.00 feet; Course 6, thence North 66°14'41" East, 2423.53 feet to a point lying on the Westerly line of said Section 29, Township 2 South, Range 23 East; Course 7, thence North 01°03'23" East, along said Westerly line, 73.81 feet; Course 8, thence North 66°14'41" East, departing said Westerly line, 473.55 feet; Course 9, thence South 23°45'19" East, 24.28 feet; Course 10, thence North 66°14'41" East, 820.21 feet; Course 11, thence North 23°45'19" West, 24.28 feet; Course 12, thence North 66°14'41" East, 1328.45 feet to the point of curvature of a curve concave Southeasterly having a radius of 1399.39 feet; Course 13, thence Northeasterly along the arc of said curve, through a central angle of 12°25'11", an arc length of 303.34 feet a point on said curve, said arc being subtended by a chord bearing and distance of North 72°27'16" East, 302.75 feet; thence South 00°37'00" West, departing said Southeasterly right of way line, 2636.77 feet to a point lying on the Northerly right of way line of said CSX Railroad; thence Westerly along said Northerly right of way line the following 3 courses: Course 1, thence South 83°25'36" West, 50.82 feet; Course 2, thence South 02°02'34" West, 50.57 feet; Course 3, thence South 83°25'36" West, 430.31 feet; thence North 89°45'25" West, departing said Northerly right of way line, 891.56 feet; thence South 00°17'37" West, 1369.31 feet; thence South 89°48'34" West, 1336.66 feet to a point lying on the Westerly line of said Section 29 Township 25, Range 23 East; thence South 01°03'23" West, along said Westerly line, 1367.61 feet to the Southwest corner of said last Section 29; thence North 89°46'35" East, along the Southerly line of last said Section 29, a distance of 5419.51 feet to the Southeast corner thereof; thence North 00°09'35" East, along the Easterly line of last said Section 29, a distance of 2685.44 feet; thence North 89°51'30" East, departing said Easterly line, 2349.72 feet; thence South 01°00'44" West, 2699.45 feet to a point lying on the Southerly line of said Section 28 Township 25, Range 23 East; thence North 89°56'32" East, along said Southerly line, 990.82 feet to a point lying on the Northerly limited access right of way line of Interstate No. 10 (State Road No. 8) a variable width limited access right of way per Florida Department of

Transportation Right of Way Map Section 72270-2401; thence Southwesterly along said Northerly limited access right of way line the following 3 courses: Course 1, thence South 85°45’37” West, departing said Southerly line, 4434.27 feet to the point of curvature of a curve concave Southerly having a radius of 23068.31 feet; Course 2, thence Westerly along the arc of said curve, through a central angle of 06°33’27”, an arc length of 2640.17 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South 82°28’54” West, 2638.73 feet; Course 3, thence South 79°12’10” West, 3013.43 feet; thence South 46°06’56” West, departing said Northerly limited access right of way line, 4887.43 feet; thence Due South, 438.28 feet; thence South 89°08’52” East, 4708.98 feet; thence North 89°59’13” East, 5245.32 feet; thence South 89°47’34” East, 5252.38 feet; thence North 89°36’51” East, 833.91 feet; thence South 29°17’25” East, 198.21 feet; thence South 50°34’45” East, 114.79 feet; thence South 38°07’06” East, 849.24 feet to the point of curvature of a curve concave Northeasterly having a radius of 520.00 feet; thence Southeasterly along the arc of said curve, through a central angle of 46°18’27”, an arc length of 420.27 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South 61°16’20” East, 408.93 feet; thence South 84°25’33” East, 493.91 feet to the point of curvature of a curve concave Northerly having a radius of 1000.00 feet; thence Easterly along the arc of said curve, through a central angle of 13°01’31”, an arc length of 227.33 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North 89°03’42” East, 226.84 feet; thence North 82°32’56” East, 145.54 feet; thence North 89°27’34” East, 771.07 feet to a point lying on the Westerly right of way line of U.S. Highway No. 301, a variable width right of way as presently established; thence Southwesterly along said Westerly right of way line the following 5 courses: Course 1, thence South 18°55’48” West, 1785.80 feet; Course 2, thence South 18°55’47” West, 5851.81 feet; Course 3, thence South 18°56’27” West, 1781.26 feet; Course 4, thence North 71°02’55” West, 32.00 feet; Course 5, thence South 18°57’05” West, 1024.91 feet; thence North 00°30’52” East, departing said Westerly right of way line, 459.40 feet to a point lying on the Northerly line of said Section 15; thence North 89°30’18” West, departing said Easterly line and along said Northerly line, 105.00 feet, thence North 01°10’37” East, departing said Northerly line of Section 15, a distance of 225.00 feet; thence North 89°30’18” West, 225.00 feet to a point lying on the Westerly line of said Section 10; thence South 01°10’37” West, along said Westerly line, 225.00 feet to the Northwest corner of said Section 15; thence South 00°30’52” West, along the Westerly line of said Section 15, a distance of 990.00 feet; thence South 89°30’18” East, departing said Westerly line, 153.09 feet to a point lying on said Westerly right of way line of U.S. Highway No. 301; thence Southwesterly along said Westerly right of way line the following 9 courses: Course 1, thence South 18°57’05” West, 4565.72 feet; Course 2, thence South 71°18’37” East, 32.09 feet; Course 3, thence South 18°48’12” West, 91.40 feet; Course 4, thence South 19°02’58” West, 1903.63 feet; Course 5, thence South 18°58’32” West, 854.92 feet; Course 6, thence North 71°01’28” West, 22.00 feet; Course 7, thence South 18°58’00” West, 3713.49 feet; Course 8, thence South 71°02’00” East, 22.00 feet; Course 9, thence South 18°58’03” West, 238.56 feet; thence South 89°56’02” West, departing said Westerly right of way line, 1035.38 feet; thence South 00°19’39” West, 1326.85 feet; thence South 89°51’06” East, 586.01 feet to a point lying on said Westerly right of way line of U.S. Highway No. 301; thence South 18°58’03” West, along said Westerly right of way line, 411.90 feet; thence North 71°00’26” West, departing said Westerly right of way line, 161.05 feet; thence South 18°59’34” West, 180.00 feet; thence North 71°00’26” West, 90.00 feet; thence North 18°59’34” East, 180.00 feet; thence North 71°00’26” West, 390.00 feet; thence

South 18°59’34” West, 180.00 feet; thence North 71°00’26” West, 30.00 feet; thence South 18°59’36” West, 80.00 feet; thence South 18°54’10” West, 178.95 feet; thence North 71°05’50” West, 135.00 feet; thence South 18°54’10” West, 258.34 feet; thence South 71°05’50” East, 255.00 feet; thence South 18°54’10” West, 178.34 feet; thence South 71°05’50” East, 45.00 feet; thence North 18°54’10” East, 436.68 feet; thence North 71°05’50” West, 45.00 feet; thence North 18°54’10” East, 178.77 feet; thence South 71°00’26” East, 551.17 feet to a point lying on said Westerly right of way line of U.S. Highway No. 301; thence South 18°58’03” West, along said Westerly right of way line, 356.24 feet; thence North 71°05’50” West, departing said Westerly right of way line, 280.76 feet; thence South 18°54’10” West, 258.34 feet; thence North 71°05’50” West, 45.00 feet; thence South 18°54’10” West, 258.34 feet; thence South 71°05’50” East, 45.00 feet; thence South 18°54’10” West, 356.69 feet; thence North 71°05’50” West, 405.37 feet to a point lying on the Easterly line of said Section 29, Township 3 South, Range 23 East; thence North 00°19’41” East, along said Easterly line, 4219.23 feet to the corner common to said Sections 20, 21, 28 and 29, last said Township and Range; thence North 89°51’06” West, along the Northerly line of last said Section 29, a distance of 2621.91 feet; thence South 00°32’07” West, departing said Northerly line, 3956.58 feet; thence South 89°57’47” East, 1250.59 feet; thence South 00°18’53” West, 1071.87 feet to the Northerly right of way line of County Road No. 228 (Maxville Macclenny Highway), a variable width right of way as presently established; thence Westerly along said Northerly right of way line the following 3 courses: Course 1, thence South 86°24’08” West, 2689.67 feet to the point of curvature of a curve concave Northerly having a radius of 11399.16 feet; Course 2, thence Westerly along the arc of said curve, through a central angle of 03°50’21”, an arc length of 763.84 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South 88°19’19” West, 763.70 feet; Course 3, thence North 89°45’30” West, 2988.94 feet; thence North 00°37’29” West, departing said Northerly right of way line, 1266.06 feet; thence North 89°48’21” West, 1329.53 feet; thence North 89°59’50” West, 1293.71 feet to a point lying on the Westerly line of said Section 30 Township 35, Range 23 East; thence South 00°25’12” West, along said Westerly line, 1197.72 feet to a point lying on the Northeasterly right of way line of said County Road No. 228; thence Northwesterly along said Northeasterly right of way line the following 5 courses: Course 1, thence South 00°27’02” West, continuing along said Westerly line, 10.22 feet to a point on a curve concave Northeasterly having a radius of 2814.79 feet; Course 2, thence Northwesterly, departing said Westerly line and along the arc of said curve, through a central angle of 29°38’35”, an arc length of 1456.29 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North 62°56’16” West, 1440.10 feet; Course 3, thence North 48°06’59” West, 4279.13 feet; Course 4, thence North 48°05’02” West, 1951.98 feet to a point on a curve concave Northeasterly having a radius of 1742.47 feet; Course 5, thence Northwesterly along the arc of said curve, through a central angle of 19°23’33”, an arc length of 589.77 feet to its intersection with the Southerly line of said Section 23, said arc being subtended by a chord bearing and distance of North 38°18’20” West, 586.95 feet; thence North 88°35’30” West, departing said Northeasterly right of way line and along said Southerly line, 330.65 feet; thence North 01°11’40” East, departing said Southerly line, 22.27 feet; thence North 48°06’08” West, 758.73 feet to a point on a curve concave Northeasterly having a radius of 3645.43 feet; thence Northwesterly along the arc of said curve, through a central angle of 43°58’14”, an arc length of 2797.61 feet to a point on said curve, said arc being subtended by a chord bearing and distance of North 26°03’11” West, 2729.46 feet; thence North 04°00’15” West, 7196.95 feet to the point of curvature of a curve concave Westerly

having a radius of 1345.00 feet; thence Northerly along the arc of said curve, through a central angle of 29°32’07”, an arc length of 693.33 feet to a point on said curve, said arc being subtended by a chord bearing and distance of North 18°46’19” West, 685.68 feet; thence North 49°13’56” East, 9.19 feet to a point lying on the Southwesterly right of way line of said County Road No. 228; thence North 40°46’21” West, along said Southwesterly right of way line, 1001.38 feet; thence North 75°50’34” East, departing said Southwesterly right of way line, 1401.89 feet to the point of curvature of a curve concave Northwesterly having a radius of 1909.86 feet; thence Northeasterly, along the arc of said curve, through a central angle of 41°38’58”, an arc length of 1388.32 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North 55°01’07” East, 1357.95 feet; thence North 34°11’36” East, 13246.82 feet to a point lying on the Southerly limited access right of way line of said Interstate No. 10, a 330 foot limited access right of way as presently established; thence North 79°12’10” East, along said Southerly limited access right of way line, 51.63 feet to the Point of Beginning.

Less and Except from the above described lands the following:

Exception Parcel A (Revised)

A portion of Sections 18 and 19, Township 3 South, Range 23 East, Jacksonville, Duval County, Florida, being more particularly described as follows:

For a Point of Reference, commence at the Southwest corner of said Section 19; thence North 00°28’56” East, along the West line of said Section 19, a distance of 1000.02 feet to the Point of Beginning.

From said Point of Beginning, thence continue North 00°28’56” East, along said West line of Section 19, a distance of 4246.29 feet to the Northwesterly corner thereof; thence North 00°28’20” East, along the West line of said Section 18, a distance of 4646.30 feet; thence South 89°40’53” East, departing said West line, 4665.72 feet; thence South 00°54’39” West, 4625.31 feet to a point lying on the South line of said Section 18; thence South 00°53’22” West, 682.99 feet; thence South 89°06’38” East, 616.98 feet to a point lying on the East line of said Section 19; thence South 00°53’22” West, along said East line, 700.02 feet; thence North 89°06’38” West, departing said East line, 616.98 feet; thence South 00°53’22” West, 2871.05 feet; thence North 89°51’04” West, 4600.88 feet to the Point of Beginning.

Exception Parcel B

A portion of Section 20, Township 3 South, Range 23 East, Jacksonville, Duval County, Florida, being more particularly described as follows:

For a Point of Reference, begin at the Northwest corner of said Section 20; thence South 00°53’22” West, along the West line of said Section 20, a distance of 1091.96 feet to the Point of Beginning.

From said Point of Beginning, thence North 89°38’47” East, departing said West line, 1396.84 feet; thence South 73°54’19” East, 624.12 feet; thence South 69°40’09” East, 1692.00 feet; thence South 58°49’25” East, 1913.07 feet to a point lying on the East line of said Section 20; thence South 00°55’09” West, along said East line, 127.49 feet; thence North 48°44’13” West, departing said East line, 57.82 feet; thence North 58°49’25” West, 1910.90 feet; thence North 69°40’09” West, 1678.81 feet; thence North 73°54’19” West, 605.97 feet; thence South 89°38’47” West, 1384.55 feet to a point lying on the West line of said Section 20; thence North 00°53’22” East, along said West line, 100.02 feet to the Point of Beginning.

Exception Parcel C (Revised)

A portion of Section 21, Township 3 South, Range 23 East, Jacksonville, Duval County, Florida, being more particularly described as follows:

For a Point of Reference, commence at the Southwest corner of said Section 21; thence North 00°55’09” East, along the West line of said Section 21, a distance of 2305.48 feet to the Point of Beginning.

From said Point of Beginning, thence continue North 00°55’09” East, along said West line, 127.49 feet; thence South 49°30’26” East, departing said West line, 210.33 feet; thence South 48°44’13” East, 1989.21 feet; thence North 41°15’47” East, 85.00 feet; thence South 48°44’13” East, 217.74 feet to the point of curvature of a curve concave Northeasterly and having a radius of 576.50 feet; thence Southeasterly, along and around the arc of said curve, through a central angle of 11°14’16”, an arc distance of 113.07 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South 54°21’21” East, 112.89 feet; thence South 59°58’29” East, 120.84 feet to the point of curvature of a curve concave Northeasterly and having a radius of 643.90 feet; thence Southeasterly, along and around the arc of said curve, through a central angle of 11°00’00”, an arc distance of 123.62 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South 65°28’29” East, 123.43 feet; thence South 70°58’29” East, 146.25 feet to a point lying on the Westerly right-of-way line of U.S. Highway No. 301, a variable width right of way as presently established; thence South 18°58’00” West, along said Westerly right-of-way line, 397.77 feet; thence North 48°44’13” West, departing said Westerly right-of-way line, 853.10 feet; thence North 41°15’47” East, 57.53 feet; thence North 48°44’13” West, 2116.98 feet to the Point of Beginning.

Exception Parcel D

A portion of Sections 13 and 24, Township 3 South, Range 22 East, Baker County, Florida, being more particularly described as follows:

For a Point of Reference, commence at the Southeast corner of said Section 24; thence North 00°28’56” East, along the East line of said Section 24, a distance of 1513.79 feet to the Point of Beginning.

From said Point of Beginning, thence North 89°29’14” West, departing said East line of Section 24, a distance of 200.14 feet; thence North 00°29’09” East, 5231.52 feet; thence South

89°30’49” East, 199.98 feet to a point lying on the East line of said Section 13; thence South 00°29’20” West, along the East line of said Section 13, a distance of 1499.07 feet to the Northeast corner of said Section 24; thence South 00°28’56” West, along said East line of Section 24, a distance of 3732.53 feet to the Point of Beginning.

Less and Except a portion of Sections 19 and 30, Township 3 South, Range 23 East, Duval County, Florida, being more particularly described as follows.

For a Point of Beginning, commence at the Southwest corner of said Section 19, thence North 00°28’56” East, along the Westerly line of said Section 19, a distance of 1000.02 feet; thence South 89°51’04” East, departing said Westerly line, 4600.88 feet; thence South 00°54’03” West, 6225.09 feet to a point lying on the Northerly right of way line of Maxville Macclenny Highway, a variable width right of way as presently established; thence North 89°45’30” West, along said Northerly right of way line, 1906.17 feet; thence North 00°37’29” West, departing said Northerly right of way line, 1266.06 feet; thence North 89°48’21” West, 1329.53 feet; thence North 89°59’50” West, 1293.71 feet to a point lying on the Westerly line of said Section 30; thence Northerly along said Westerly line the following 3 courses: Course 1, thence North 00°28’42” East, 1318.91 feet; Course 2, thence North 00°27’02” East, 1319.15 feet; Course 3, thence North 00°27’02” East, 1319.77 feet to the Point of Beginning.

Less and Except any portion lying within the limited access right of way of Interstate No. 10 (State Road No. 8), a variable width limited access right of way as presently established.

Less and Except any portion lying within the right of way of County Road No. 228 (Maxville Macclenny Highway), a variable width right of way as presently established.

Less and Except any portion lying within the right of way of CSX Railroad, a variable width right of way as presently established.

Less and except the sovereign lands of the State of Florida, if any.

Containing 14,111.55 acres, more or less.

FLORIDA PUBLIC SERVICE COMMISSION
Authorizes
First Coast Regional Utilities, Inc.
pursuant to
Certificate Number 680-W

to provide water service in Baker, Duval, and Nassau Counties in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

Order Number	Dated Issued	Docket Number	Filing Type
PSC-2022-0193-FOF-WS	05/25/2022	20190168-WS	Original Certificate
PSC-2026-0074-FOF-WS	03/23/2026	20250125-WS	Amendment of Certificate
*	*	20260095-WS	Transfer of Majority Org. Control

* Order Number and date to be provided at time of issuance.

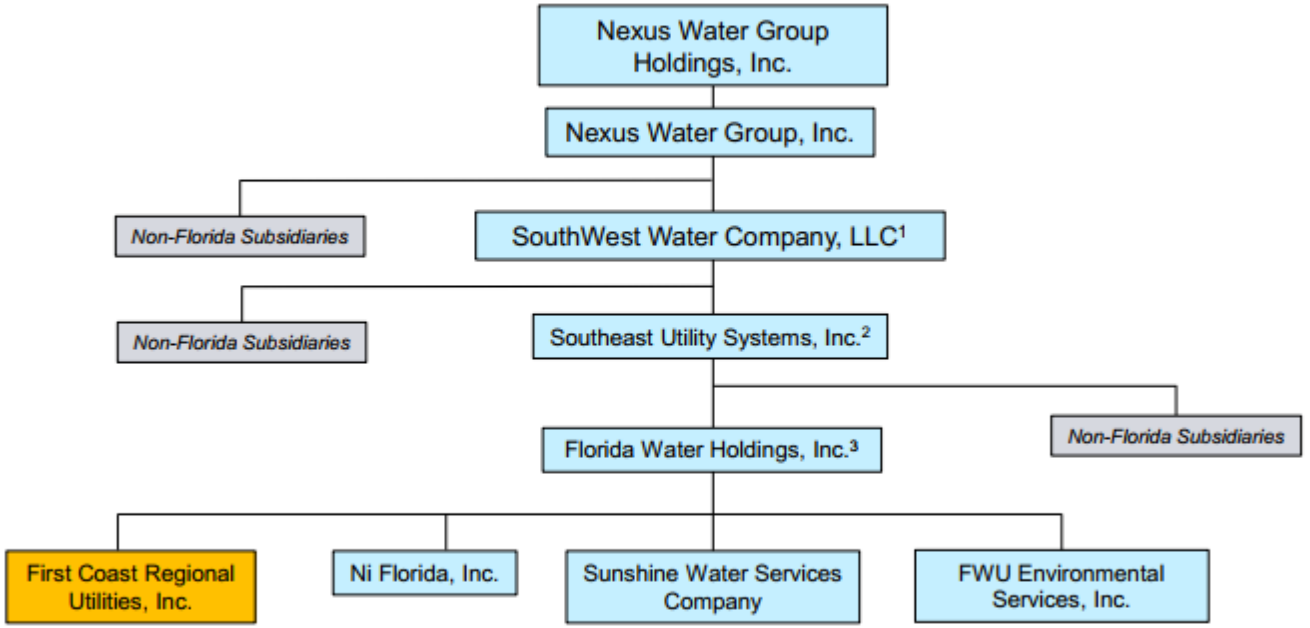
FLORIDA PUBLIC SERVICE COMMISSION
Authorizes
First Coast Regional Utilities, Inc.
pursuant to
Certificate Number 578-S

to provide wastewater service in Baker, Duval, and Nassau Counties in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

Order Number	Date Issued	Docket Number	Filing Type
PSC-2022-0193-FOF-WS	05/25/2022	20190168-WS	Original Certificate
PSC-2026-0074-FOF-WS	03/23/2026	20250125-WS	Amendment of Certificate
*	*	20260095-WS	Transfer of Majority Org. Control

* Order Number and date to be provided at time of issuance.

Nexus Water Group – Florida



1 = SWWC is 100% owner of SEUS
2 = SEUS is 100% owner of FWH
3 = FWH will be 100% owner of FCRU. Formerly Florida Utility Systems, FWH formed 5/12/2020.

NEXUS WATER GROUP

First Coast Regional Utilities, Inc.
Monthly Water Rates

Residential Service

Base Facility Charge by Meter Size	
5/8″ x 3/4″	$30.72
Charge Per 1,000 gallons – Residential	
0 – 3,000 gallons	$1.19
3,001 – 10,000 gallons	$1.78
Over 10,000 gallons	$3.56

General Service

Base Facility Charge by Meter Size	
5/8″ x 3/4″	$30.72
3/4″	$46.08
1″	$76.80
1-1/2″ Turbine	$153.60
2″ Turbine	$245.76
3″ Turbine	$537.60
Charge Per 1,000 gallons – General Service	$1.53

Initial Customer Deposits

Meter Size	Residential Service	General Service
5/8″ x 3/4″	$83.00	2x average estimated monthly bill
All over 5/8″ x 3/4″	2x average estimated monthly bill	2x average estimated monthly bill

Miscellaneous Service Charges

Violation Reconnection Charge	Actual Cost
Premises Visit Charge	$30.00
Late Payment Charge	$7.50
NSF Check Charge	Pursuant to Section 68.065, F.S.

Service Availability Charges

Main Extension Charge	
Residential per ERC (210 GPD)	$759.00
All others per gallon	$2.81
Plant Capacity Charge	
Residential per ERC (210 GPD)	$1,766.00

All others per gallon	$6.54
Meter Installation Charge	
5/8″ x 3/4″	$285.00
All other meter sizes	Actual Cost
Service Installation Charge	$610.00
Inspection Fee	Actual Cost
Plan Review Charge	Actual Cost

First Coast Regional Utilities, Inc.
Monthly Wastewater Rates

Residential Service

All Meter Sizes	$82.13
Charge Per 1,000 gallons – Residential 10,000 gallon cap	$4.96

General Service

Base Facility Charge by Meter Size	
5/8″ x 3/4″	$82.13
3/4″	$123.20
1″	$205.33
1-1/2″ Turbine	$410.65
2″ Turbine	$657.04
3″ Turbine	$1,437.28
Charge Per 1,000 gallons – General Service	$5.95

General Reuse Service

All Meter Sizes	$0.00
Charge Per 1,000 gallons – Residential	$0.50

Initial Customer Deposits

Meter Size	Residential Service	General Service
5/8″ x 3/4″	$219.00	2x average estimated monthly bill
All over 5/8″ x 3/4″	2x average estimated monthly bill	2x average estimated monthly bill

Miscellaneous Service Charges

Violation Reconnection Charge	Actual Cost
Premises Visit Charge	$30.00
Late Payment Charge	$7.50
NSF Check Charge	Pursuant to Section 68.065, F.S.

Service Availability Charges

Main Extension Charge	
Residential per ERC (200 GPD)	$994.00
All others per gallon	$4.97
Plant Capacity Charge	
Residential per ERC (200 GPD)	$9,281.00

All others per gallon	$46.41
Lateral Installation Charge	Actual Cost
Inspection Fee	Actual Cost
Plan Review Charge	Actual Cost

Item 9

FILED 11/17/2026
DOCUMENT NO. 07923-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Engineering (Shoaibuddin, Ellis) LVK
Division of Accounting and Finance (Bardin, Fisher, Sewards, Vogel) MC
Division of Economics (Bruce, Hudson, McClelland) EJD
Office of the General Counsel (Rauch, J. Crawford) JSC

RE: Docket No. 20260105-WU – Application for transfer of majority organizational control of Bocilla Utilities, Inc., holder of Certificate No. 662-W in Charlotte County.

AGENDA: 12/01/26 – Regular Agenda – Proposed Agency Action for Issue 2 - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Ortega

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

The Florida Public Service Commission (Commission) issued a Grandfather Water Certificate for Bocilla Utilities, Inc. (Bocilla or Utility) on February 12, 2013, following the transfer of utility regulation from Charlotte County to the Commission.[1] At the time of issuance, majority control was held by R Craig Noden, who held 90 percent with an additional interest of 10 percent held by Julie Davis.

[1] Order No.PSC-13-0228-PAA-WU, issued May 29, 2013, in Docket No. 20130067-WU, *In re: Application for grandfather certificate to operate water utility in Charlotte County by Bocilla Utilities, Inc.*

On July 17, 2026, Bocilla filed an application for the transfer of majority organizational control from R. Craig Noden and Julie Davis to Keith Burge (Buyer) pursuant to a Stock Purchase Agreement (Agreement). The closing date of the Agreement was May 1, 2026, with the Agreement contingent upon Commission approval of the transfer. The application was initially found deficient. The Buyer cured deficiencies on September 18, 2026. The Utility is a Class B utility providing water service to approximately 400 customers in Charlotte County.

The Commission has jurisdiction pursuant to Sections 367.071 and 367.091, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the application for transfer of majority organizational control of Bocilla Utilities, Inc., holder of water Certificate No. 662-W in Charlotte County, from R. Craig Noden and Julie Davis to Keith Burge be approved?

Recommendation: Yes. The transfer of majority organizational control from R. Craig Noden and Julie Davis to Keith Burge is in the public interest and should be approved effective the date of the Commission vote. The resultant order should serve as the water certificate, with the territories described in Attachment A for the Utility. The Utility's existing rates and charges, shown on Schedule No. 1, should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code (F.A.C.). Based on the application, the Seller is responsible for all annual reports and regulatory assessment fees (RAFs) through the closing date. The Buyer will be responsible for filing annual reports and paying RAFs after the closing date. (Shoaibuddin, Sewards, McClelland, J. Crawford)

Staff Analysis: On July 17, 2026, the Utility filed an application for the transfer of majority organizational control of Bocilla in Charlotte County from R. Craig Noden and Julie Davis to Keith Burge. Staff reviewed the application and determined that it is in compliance with Section 367.071, F.S., and Rule 25-30.037(4), F.A.C., concerning applications for transfer of majority organizational control. The closing date of the Agreement was May 1, 2026, with the Agreement contingent upon Commission approval of the transfer.

Legal Standard

Section 367.071(1), F.S., provides that no utility shall transfer its certificate of authorization, facilities or any portion thereof, or majority organizational control without determination and approval of the Commission that the proposed transfer is in the public interest and that the buyer, assignee, or transferee will fulfill the commitments, obligations, and representations of the utility. However, a transfer of certificate of authorization, facilities or any portion thereof, or majority organizational control may occur prior to Commission approval if the contract for sale, assignment, or transfer is made contingent upon Commission approval.

Noticing and Territory

Bocilla provided notice of its application pursuant to Section 367.071, F.S., and Rule 25-30.030, F.A.C. Two letters from customers were timely provided with respect to the application.[2] Staff held a telephonic conversation with the customers, asking if they wished their concerns regarding the application to be noted, or whether they were requesting a Section 120.57, F.S., administrative hearing on their objections. In a follow-up letter, legal staff advised that any request for an administrative hearing would need to be filed in writing by no later than November 5, 2026; otherwise, the letters would be placed in the correspondence side of the docket.[3] No request for hearing was timely provided. No other objections to the transfer were filed with the Commission, and the time for doing so has expired. The notice contains a

[2] Docket Nos. 07056-2026 and 07070-2026.
[3] Docket Nos. 07219-2026 and 07220-2026.

description of the territory for Bocilla which is appended to this recommendation as Attachment A.

Technical and Financial Ability

Pursuant to Rules 25-30.037(2)(l) and (m), F.A.C., the application contains statements describing the technical and financial ability of the Buyer to provide service. According to the application, the Buyer, Keith Burge, has nearly 40 years of experience owning and operating water and wastewater utilities, and has been the owner of Gold Coast Utility Corporation, another Commission-regulated utility, since 2006.[4] Staff has reviewed the Transferee's operational history and believes they have the technical ability to provide service to the existing service territory.

The transfer application states that the Buyer has sufficient financial assets to ensure the continuing operation of the Utility. Staff reviewed the financial statements of the Buyer and believes he has the financial capability to ensure any necessary funding. Based on the above, the Buyer has demonstrated the technical and financial ability to provide service to the existing service territory.

Rates, Charges, and Initial Customer Deposits

The Utility's existing rates, meter test deposits, miscellaneous service charges, non-sufficient funds (NSF) charges, and allowance for funds prudently invested (AFPI) charges were approved in 2013 in a grandfather certificate docket.[5] The Utility's rates, late payment charge, initial customer deposits, and service availability charges were last revised in a 2017 file and suspend rate proceeding.[6] Later that same year, the rates were amended by the removal of a return on equity penalty.[7] The Utility has had nine price index increases, with the last increase effective June 1, 2026.

Rule 25-9.044(1), F.A.C., provides that, in the case of a change of ownership or control of a utility, the rates, classifications, and regulations of the former owner must continue unless authorized to change by the Commission. Some of the Utility's existing miscellaneous service charges, which are the violation reconnection, premises visit, late payment, and NSF charges are appropriate. However, the remaining miscellaneous service charges do not conform to Rule 25-30.460, F.A.C., and are discussed in Issue 2. Therefore, staff recommends that the Utility's existing rates, initial customer deposits, appropriate miscellaneous service charges, service availability charges, and AFPI charges shown on Schedule No. 1, should remain in effect, until a change is authorized by the Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date pursuant to Rule 25-30.475(1), F.A.C.

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[4] Order No. PSC-06-0331A-PAA-WS, issued June 26, 2006, in Docket 20050902-WS, *In re: Application to transfer assets and Certificate Nos. 590-W and 508-S in Polk County from Lake Haven Utility Associates, Ltd., d/b/a Lake Wales Utility Company to Gold Coast Utility Corp.*

[5] Order No. PSC-13-0228-PAA-WU, issued May 29, 2013, in Docket No. 20130067-WU, *In re: Application for grandfather certificate to operate water utility in Charlotte County by Bocilla Utilities, Inc.*

[6] Order No. PSC-2017-0209-PAA-WU, issued May 30, 2017, in Docket No. 20160065-WU, *In re: Application for increase in water rates in Charlotte County by Bocilla Utilities, Inc.*

[7] Order No. PSC-2017-0439-PAA-WU, issued November 16, 2017, in Docket No. 20160065-WU, *In re: Application for increase in water rates in Charlotte County by Bocilla Utilities, Inc.*

Conclusion

Based on the above, staff recommends that the transfer of majority organizational control from R. Craig Noden and Julie Davis to Keith Burge is in the public interest and should be approved effective the date of the Commission vote. The resultant order should serve as the water certificate, with the territory described in Attachment A. The Utility's existing rates and charges, shown on Schedule No. 1, should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff sheets reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. Based on the application, the Seller is responsible for all annual reports and RAFs through the closing date. The Buyer will be responsible for filing annual reports and paying RAFs after the closing date.

Issue 2: What are the appropriate revisions to miscellaneous service charges for Bocilla Utilities, Inc.?

Recommendation: The appropriate revisions to miscellaneous service charges for Bocilla should be the removal of initial connection or normal reconnection charges, and update the definition of the premises visit charge to be consistent with Rule 25-30.460, F.A.C. 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(2), F.A.C. In addition, the approved charges 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. Bocilla should be required to charge the approved miscellaneous services charges until authorized to change them by the Commission in a subsequent proceeding. (McClelland)

Staff Analysis: The Utility did not request to revise its existing miscellaneous service charges. Section 367.091, F.S., authorizes the Commission to establish, increase, or change rates or charges other than monthly rates or service availability charges. Rule 25-30.460, F.A.C., does not allow for initial connection or normal reconnection charges. The Utility's initial connection or normal reconnection charges are obsolete and inconsistent with the rule. The definitions for initial connection charges or normal reconnection charges were subsumed in the definition of the premises visit charge. Based on the above, staff recommends that the initial connection or normal reconnection charges be removed, and the definition for the premises visit charge be updated to comply with Rule 25-30.460, F.A.C.

Conclusion

Staff recommends that the appropriate revisions to miscellaneous service charges for Bocilla should be the removal of initial connection or normal reconnection charges and update the definition of the premises visit charge to be consistent with Rule 25-30.460, F.A.C. 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(2), F.A.C. In addition, the approved charges 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. Bocilla should be required to charge the approved miscellaneous services charges until authorized to change them by the Commission in a subsequent proceeding.

Issue 3: Should this docket be closed?

Recommendation: 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, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C. (Rauch, J. Crawford)

Staff Analysis: 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, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C.

DESCRIPTION OF SERVICE TERRITORY
CHARLOTTE COUNTY

All those lands in Section 28, 29, 32 and 33, Township 41 South, Range 20 East and a portion of the lands in Section 4, Township 42 South, Range 20 East, Charlotte County, Florida, lying between the center line of the Intracoastal Waterway (W.C.I.N.D.) and the Gulf of Mexico, bounded on the South and the North by lines described as follows:

For the South boundary line:

COMMENCE AT THE MEANDER CORNER OF A FRACTIONAL SECTION 4 AND 33 ON THE NORTH BOUNDARY OF TOWNSHIP 42 SOUTH, RANGE 20 EAST, TALLAHASSEE MERIDIAN, FLORIDA, ON THE EAST SIDE OF DON PEDRO ISLAND; THENCE S45°06'40"E 1,155.634 FEET TO A CONCRETE MONUMENT; THENCE S89°33'52"E 25.0 FEET MORE OR LESS TO THE MEAN HIGH WATER MARK OF THE INTERCOASTAL WATERWAY ON THE EAST SIDE OF DON PEDRO ISLAND FOR THE POINT OF BEGINNING; THENCE N89°33'52"W 1,651.83 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE GULF OF MEXICO AND THE POINT OF TERMINUS OF SAID LINE.

For the North boundary line:

COMMENCE AT THE SOUTHEAST CORNER OF SAID SECTION 29; THENCE NORTH 00°00′00″ EAST A DISTANCE OF 2,717.15 FEET TO THE INTERSECTION WITH THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 29; THENCE SOUTH 89°58′58″ WEST ALONG SAID SOUTH LINE OF THE NORTH HALF OF SAID SECTION 29 A DISTANCE OF 60 FEET MORE OR LESS TO THE INTERSECTION WITH WESTERLY MEAN HIGH WATER LINE OF LEMON BAY AND THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 89°58′58″ WEST ALONG SAID SOUTH LINE OF THE NORTH HALF OF SAID SECTION 29, TOWNSHIP 41 SOUTH, RANGE 20 EAST, A DISTANCE OF 1,730.0 FEET MORE OR LESS TO THE INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF NORTH GULF BOULEVARD (66 FOOT RIGHT-OF-WAY); THENCE SOUTH 60°34′11″ WEST, A DISTANCE OF 66.0 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF SAID NORTH GULF BOULEVARD; THEN SOUTH 29°25′45″ EAST, ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF NORTH GULF BOULEVARD, A DISTANCE OF 105.0 FEET TO THE POINT OF CURVATURE OF A CIRCULAR CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE IN A NORTHWEST DIRECTION; HAVING A RADIUS DISTANCE OF 100.0 FEET, A CENTRAL ANGLE OF 90°00′00″, WHOSE RADIUS POINT BEARS SOUTH 60°34′15″ WEST, AN ARC DISTANCE OF 157.08 FEET TO THE POINT OF TANGENT OF SAID CURVE; THENCE NORTH 29°25′45″ WEST, A DISTANCE OF 5.0 FT; THENCE SOUTH 60°34′11″ WEST, A DISTANCE OF 342.0 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE GULF OF MEXICO AND THE POINT OF TERMINUS OF SAID LINE.

The above description contains Plats of various units of Palm Island Estates, Don Pedro Beach, various condominiums and other lands.

FLORIDA PUBLIC SERVICE COMMISSION
Authorizes
Bocilla Utilities, Inc.
pursuant to
Certificate Number 662-W

to provide water service in Charlotte County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

Order Number	Date Issued	Docket Number	Filing Type
PSC-13-0228-PAA-WU	05/29/2013	130067-WU	Grandfather Certificate
*	*	20260105-WU	Transfer of Majority Org. Control

***Order Number and date to be provided at time of issuance.**

Bocilla Utilities, Inc.
Existing Monthly Water Rates

Residential and General Service

Base Facility Charge by Meter Size	
5/8″ x 3/4″	$62.90
3/4"	$94.35
1″	$157.25
1-1/2″	$314.50
2″	$503.20
3″	$1,006.40
4″	$1,572.50
6″	$3,145.00
8″	$5,032.00

Charge Per 1,000 gallons – Residential	
0 – 3,000 gallons	$14.31
3,001 – 12,000 gallons	$16.06
Over 12,000 gallons	$24.94

Charge Per 1,000 gallons – General Service	$17.56

Private Fire Protection

Base Facility Charge by Meter Size	
5/8″ x 3/4″	$5.24
3/4"	$7.86
1″	$13.10
1-1/2″	$26.21
2″	$41.93
3″	$83.87
4″	$131.04
6″	$262.08
8″	$419.33

Initial Customer Deposits

Meter Size	Residential Service	General Service
5/8″ x 3/4″	$183.00	2x average estimated monthly bill
All meter sizes	2x average estimated monthly bill	2x average estimated monthly bill

Miscellaneous Service Charges

	Normal Hours	After Hours
Violation Reconnection Charge	$25.00	$50.00
Premises Visit Charge	$25.00	$50.00
NSF Charge	Pursuant to Section 68.065, F.S.	
Late Payment Charge	$7.12	

Service Availability Charges

Meter Installation Charge	
5/8″ x 3/4"	$365.00
All other meter sizes	Actual Cost
Main Extension Charge	
Residential – per ERC (300 GPD)	$1,421.00

Allowance for Funds Prudently Invested - Wastewater

	1992	1993	1994	1995
January		$121.81	$517.73	$963.86
February		$153.03	$552.91	$1,003.50
March		$184.56	$588.44	$1,043.54
April		$216.41	$624.32	$1,083.98
May		$248.57	$660.56	$1,124.82
June		$281.06	$697.17	$1,166.07
July		$313.87	$734.14	$1,207.73
August		$347.01	$771.48	$1,249.81
September		$380.48	$809.19	$1,292.31
October	$30.00	$414.28	$847.28	
November	$60.30	$448.42	$885.75	
December	$90.90	$482.90	$924.61	

Item 10

FILED 11/17/2026
DOCUMENT NO. 07931-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Nguyen, Hampson) *EJD*
Office of the General Counsel (Brownless) *JSC*

RE: Docket No. 20260139-EI – Petition to Implement 2027 subsequent year adjustment, by Tampa Electric Company.

AGENDA: 12/01/26 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 05/03/27 (8-Month Effective Date)

SPECIAL INSTRUCTIONS: None

RECEIVED-FPSC
2026 NOV 17 PM 2:27
COMMISSION CLERK

Case Background

On September 3, 2026, Tampa Electric Company (TECO or utility) filed a petition seeking approval to implement its 2027 subsequent year adjustment (SYA). The Commission previously approved the 2027 SYA in its final order addressing TECO's request for base rate increase, Order No. PSC-2025-0038-FOF-EI (Rate Case Order).[1] Pages 150-169 of the Rate Case Order discuss the 2027 SYA, including the specific projects and their associated incremental operating and maintenance expense, depreciation expense, and investment tax credit amortization. Based on Commission-approved adjustments to each of the projects, the total 2027 SYA revenue requirement is $9,089,346.[2]

[1] Order No. PSC-2025-0038-FOF-EI, issued February 3, 2025, in Docket Nos. 20240026-EI, 20230139-EI, and 20230090-EI, *In re: Petition for rate increase by Tampa Electric Company.*
[2] *Ibid.*, page 167.

The Rate Case Order further required TECO to file its proposed 2027 SYA rates for approval in September 2026, with rates effective the first billing cycle of January 2027. In addition, the Rate Case Order required TECO to verify the in-service dates of all projects and use the then-current billing determinants.

By Order No. PSC-2026-0358-PCO-EI, the Commission suspended the proposed tariffs for further review by staff. During evaluation of the petition, staff issued two data requests to the utility, for which responses were received on October 15 and November 5, 2026.[3] This is staff's recommendation to approve the proposed 2027 SYA and associated tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.041, 366.05, and 366.06, Florida Statutes.

[3] Document No. 07353-2026, filed October 15, 2026, Document No. 07735-2026, filed November 5, 2026.

Discussion of Issues

Issue 1: Should the Commission approve TECO's proposed rates and associated tariffs to implement its 2027 subsequent year adjustment?

Recommendation: Yes. The Commission should approve TECO's proposed rates and associated tariffs to implement its 2027 SYA, because the project timelines, rates, and associated tariffs are consistent with the Commission's prior decision in the Rate Case Order. The rates have been calculated to recover a total 2027 SYA revenue requirement of $9,089,346 as previously approved by the Commission and as presented in Exhibit 1 of TECO's petition. Consistent with the Rate Case Order, the associated tariffs, included as Attachment A to this recommendation, should become effective with the first billing cycle of January 2027. (Nguyen)

Staff Analysis: With respect to the project timelines, TECO stated that the South Tampa Resilience Project went into service on December 15, 2025, the Polk Unit 4 Fuel Diversity upgrade is expected to be in service in November 2026, and the Polk Unit 5 Fuel Diversity upgrade was placed into service on August 8, 2026. TECO submitted sworn affidavits in support thereof. In response to staff's discovery, TECO provided additional detail regarding the in-service dates identified in the Rate Case Order, most recent anticipated in-service dates, and an explanation for any adjustments to the projects. All relevant projects are on track to meet the timeframes contained in the Rate Case Order.

TECO's petition included the proposed tariff sheets, the allocation of the revenue increase to the various rate classes, and calculations showing the revenue from the sale of electricity by rate schedule under current and proposed rates. Consistent with the Rate Case Order, the total amount to be collected through the 2027 SYA is $9,089,346. Exhibit 1 of TECO's petition presents a calculation of this amount. Also, consistent with the Rate Case Order, TECO states that the utility used the most recent billing determinants, which were also used for TECO's cost recovery clause projection filings, to calculate the 2027 SYA base rates.[4] Furthermore, staff compared the billing determinants used to calculate the 2027 SYA to the billing determinants from TECO's cost recovery clause projection and confirmed that they are equivalent.

The base rate portion of a monthly residential electric bill for 1,000 kilowatt-hours would increase from $102.98 to $103.54, which is an increase of $0.56. In response to staff's second data request, TECO stated they would provide notice of the proposed rate increase to customers with its December bills.

Conclusion

The Commission should approve TECO's proposed rates and associated tariffs to implement the 2027 SYA because the project timelines, rates, and associated tariffs are consistent the Commission's prior decision in the Rate Case Order. The rates have been calculated to recover a total 2027 SYA revenue requirement of $9,089,346 as previously approved by the Commission and as presented in Exhibit 1 of TECO's petition. Consistent with the Rate Case Order, the associated tariffs, included as Attachment A to this recommendation, should become effective with the first billing cycle of January 2027.

[4] Page 3, paragraph 9 of the petition.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the Order by a person whose substantial interests are affected, the tariff should remain in effect, with any incremental 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. (Brownless)

Staff Analysis: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the Order by a person whose substantial interests are affected, the tariff should remain in effect, with any incremental 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.

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 1 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

THIRTY-FIFTH ~~THIRTY-FOURTH~~ REVISED SHEET NO. 6.030
CANCELS THIRTY-FOURTH ~~THIRTY-THIRD~~ REVISED SHEET NO. 6.030

RESIDENTIAL SERVICE

SCHEDULE: RS

AVAILABLE: Entire service area.

APPLICABLE: To residential consumers in individually metered private residences, apartment units, and duplex units. All energy must be for domestic purposes and should not be shared with or sold to others. In addition, energy used in commonly-owned facilities in condominium and cooperative apartment buildings will qualify for this rate schedule, subject to the following criteria:

1. 100% of the energy is used exclusively for the co-owners' benefit.
2. None of the energy is used in any endeavor which sells or rents a commodity or provides service for a fee.
3. Each point of delivery will be separately metered and billed.
4. A responsible legal entity is established as the customer to whom the Company can render its bills for said service.

Resale not permitted.

Billing charges shall be prorated for billing periods that are less than 25 days or greater than 35 days. If the billing period exceeds 35 days and the billing extension causes energy consumption, based on average daily usage, to exceed 1,000 kWh, the excess consumption will be charged at the lower monthly Energy and Demand Charge.

LIMITATION OF SERVICE: This schedule includes service to single phase motors rated up to 7.5 HP. Three phase service may be provided where available for motors rated 7.5 HP and over.

RATES:

Basic Service Charge:
$0.45 per day.

Energy and Demand Charge:

First 1,000 kWh	~~8.948~~9.004¢ per kWh
All additional kWh	~~9.948~~10.004¢ per kWh

MINIMUM CHARGE: The Basic Service Charge.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

Continued to Sheet No. 6.031

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

91

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 2 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

THIRTY-SIXTH ~~THIRTY-FIFTH~~ REVISED SHEET NO. 6.050
CANCELS THIRTY-FIFTH ~~THIRTY-FOURTH~~ REVISED SHEET NO. 6.050

GENERAL SERVICE - NON DEMAND

SCHEDULE: GS

AVAILABLE: Entire service area.

APPLICABLE: For lighting and power in establishments not classified as residential whose energy consumption has not exceeded 9,000 kWh in any one of the prior twelve (12) consecutive billing periods ending with the current billing period. For any billing period that exceeds 35 days, the energy consumption shall be prorated to that of a 30-day amount for purposes of administering this requirement. Resale not permitted.

CHARACTER OF SERVICE: Single or 3 phase, 60 cycles and approximately 120 volts or higher, at Company's option.

LIMITATION OF SERVICE: All service under this rate shall be furnished through one meter. Standby service permitted on Schedule GST only.

RATES:

Basic Service Charge:

Metered accounts	$0.66 per day
Un-metered accounts	$0.37 per day

Energy and Demand Charge:
8.~~668~~724¢ per kWh

MINIMUM CHARGE: The Basic Service Charge.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be 0.~~256~~258¢ per kWh of billing energy. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

Continued to Sheet No. 6.051

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

92

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 3 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

THIRTY-FIFTH ~~THIRTY-FOURTH~~ REVISED SHEET NO. 6.080
CANCELS THIRTY-FOURTH ~~THIRTY-THIRD~~ REVISED SHEET NO. 6.080

GENERAL SERVICE - DEMAND

SCHEDULE: GSD

AVAILABLE: Entire service area.

APPLICABLE: To any customer whose energy consumption has exceeded 9,000 kWh in any one of the prior twelve (12) consecutive billing periods ending with the current billing period. Also available to customers with energy consumption at any level below 9,000 kWh per billing period who agree to remain on this rate for at least twelve (12) months. For any billing period that exceeds 35 days, the energy consumption shall be prorated to that of a 30-day amount for purposes of administering this requirement. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at any standard Company voltage.

LIMITATION OF SERVICE: Standby service is permitted only for customers who generate less than 20% of their on-site load requirements or whose generating equipment is used for emergency purposes.

RATES:

STANDARD		OPTIONAL	
Basic Service Charge:		Basic Service Charge:	
Secondary Metering Voltage	$ 1.~~12~~13 per day	Secondary Metering Voltage	$ 1.~~12~~13 per day
Primary Metering Voltage	$12.~~17~~23 per day	Primary Metering Voltage	$12.~~17~~23 per day
Subtrans. Metering Voltage	$37.~~16~~36 per day	Subtrans. Metering Voltage	$37.~~16~~36 per day
Demand Charge:		Demand Charge:	
$19.~~06~~16 per kW of billing demand		$0.00 per kW of billing demand	
Energy Charge:		Energy Charge:	
0.~~815~~819¢ per kWh		8.~~226~~270¢ per kWh	

The customer may select either standard or optional. Once an option is selected, the customer must remain on that option for twelve (12) consecutive months.

Continued to Sheet No. 6.081

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

93

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 4 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

THIRTIETH ~~TWENTY-NINTH~~ REVISED SHEET NO. 6.081
CANCELS TWENTY-NINTH ~~TWENTY-EIGHTH~~ REVISED SHEET NO. 6.081

Continued from Sheet No. 6.080

BILLING DEMAND: The highest measured 30-minute interval kW demand during the billing period.

MINIMUM CHARGE: The Basic Service Charge and any Minimum Charge associated with optional riders.

TEMPORARY DISCONTINUANCE OF SERVICE: Where the use of energy is seasonal or intermittent, no adjustments will be made for a temporary discontinuance of service. Any customer prior to resuming service within 12 months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.

METERING VOLTAGE ADJUSTMENT: When the customer takes energy metered at primary voltage, a discount of 1% will apply to the Demand Charge, Energy Charge, Delivery Voltage Credit, and Emergency Relay Power Supply Charge.

When the customer takes energy metered at subtransmission or higher voltage, a discount of 2% will apply to the Demand Charge, Energy Charge, Delivery Voltage Credit, and Emergency Relay Power Supply Charge.

DELIVERY VOLTAGE CREDIT: When a customer under the standard rate takes service at primary voltage, a discount of $1.~~42~~ 43 per kW of billing demand will apply. A discount of $5.~~90~~ 93 per kW of billing demand will apply when a customer under the standard rate takes service at subtransmission or higher voltage.

When a customer under the optional rate takes service at primary voltage, a discount of 0.~~365~~367¢ per kWh will apply. A discount of 1.~~509~~517¢ per kWh will apply when a customer under the optional rate takes service at subtransmission or higher voltage.

Continued to Sheet No. 6.082

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

94

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 5 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

NINETEENTH ~~EIGHTEENTH~~ REVISED SHEET NO. 6.082
CANCELS EIGHTEENTH ~~SEVENTEENTH~~ REVISED SHEET NO. 6.082

Continued from Sheet No. 6.081

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~02 per kW of billing demand for customers taking service under the standard rate and 0.~~256~~257¢/kWh for customer taking service under the optional rate. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

95

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 6 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTEENTH ~~FIFTEENTH~~ REVISED SHEET NO. 6.140
CANCELS FIFTEENTH ~~FOURTEENTH~~ REVISED SHEET NO. 6.140

GENERAL SERVICE - LARGE DEMAND
PRIMARY

SCHEDULE: GSLDPR

AVAILABLE: Entire Service Area.

APPLICABLE: To all primary voltage served customers with a registered demand of 1000 kW or above once in the last 12 months. Customer must take service at the primary voltage level. Once a customer has gone (12) consecutive months of less than 1000 kW registered demand the customer will then be billed under the rate schedule GSD. For any billing period that exceeds 35 days, the energy consumption shall be prorated to that of a 30-day amount for the purposes of administering this requirement. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase, at primary voltage.

LIMITATION OF SERVICE: Standby service is permitted only for customers who generate less than 20% of their on-site load requirements or whose generating equipment is used for emergency purposes.

RATES:

Daily Basic Service Charge:	$22.~~03~~15 per day
Demand Charge:	$14.~~14~~22 per kW of billing demand
Energy Charge:	1.~~166~~172¢ per kWh

Continued to Sheet No. 6.145

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

96

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 7 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.145
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.145

Continued from Sheet No. 6.140

BILLING DEMAND: The highest measured 30-minute interval kW demand during the month.

MINIMUM CHARGE: The Daily Basic Service Charge and any Minimum Charge associated with optional riders.

TEMPORARY DISCONTINUANCE OF SERVICE: Where the use of energy is seasonal or intermittent, no adjustments will be made for a temporary discontinuance of service. Any customer prior to resuming service within 12 months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.

METERING VOLTAGE ADJUSTMENT: When the customer takes energy metered at subtransmission or higher voltage, a discount of 1% will apply to the Demand Charge, Energy Charge, Power Factor billing and Emergency Relay Power Supply Charge.

POWER FACTOR: Power factor will be calculated for customers with measured demands of 1,000 kW in any billing period out of twelve (12) consecutive billing periods ending with the current billing period. When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~02 per kW of registered demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Nos. 6.020 and 6.022

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

97

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 8 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.160
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.160

GENERAL SERVICE - LARGE DEMAND
SUBTRANSMISSION

SCHEDULE: GSLDSU

AVAILABLE: Entire Service Area.

APPLICABLE: To all subtransmission voltage served customers with a registered demand of 1000 kW or above once in the last 12 months. Customer must take service at the subtransmission voltage level. Once a customer has gone (12) consecutive months of less than 1000 kW registered demand the customer will then be billed under the rate schedule GSD. For any billing period that exceeds 35 days, the energy consumption shall be prorated to that of a 30-day amount for the purposes of administering this requirement. Resale not permitted

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase, at subtransmission voltage.

LIMITATION OF SERVICE: Standby service is permitted only for customers who generate less than 20% of their on-site load requirements or whose generating equipment is used for emergency purposes.

RATES:

Daily Basic Service Charge:	~~$133.76~~134.58 a day
Demand Charge:	$12.~~84~~92 per kW of billing demand
Energy Charge:	1.~~228~~235¢ per kWh

Continued to Sheet No. 6.165

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

98

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 9 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.165
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.165

Continued from Sheet No. 6.160

BILLING DEMAND: The highest measured 30-minute interval kW demand during the month.

MINIMUM CHARGE: The Daily Basic Service Charge and any Minimum Charge associated with optional riders.

TEMPORARY DISCONTINUANCE OF SERVICE: Where the use of energy is seasonal or intermittent, no adjustments will be made for a temporary discontinuance of service. Any customer prior to resuming service within 12 months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.

POWER FACTOR: Power factor will be calculated for customers with measured demands of 1,000 kW in any billing period out of twelve (12) consecutive billing periods ending with the current billing period. When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~02 per kW of registered demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

99

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 10 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

FORTY-THIRD ~~FORTY-SECOND~~ REVISED SHEET NO. 6.290
CANCELS FORTY-SECOND ~~FORTY-FIRST~~ REVISED SHEET NO. 6.290

CONSTRUCTION SERVICE

SCHEDULE: CS

AVAILABLE: Entire service area.

APPLICABLE: Single phase temporary service used primarily for construction purposes.

LIMITATION OF SERVICE: Service is limited to construction poles and services installed under the TUG program. Construction poles are limited to a maximum of 70 amperes at 240 volts for construction poles. Larger (non-TUG) services and three phase service entrances must be served under the appropriate rate schedule, plus the cost of installing and removing the temporary facilities is required.

RATES:
Basic Service Charge: $0.66 per day

Energy and Demand Charge: 8.~~668~~724¢ per kWh

MINIMUM CHARGE: The Basic Service Charge.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

100

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 11 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

THIRTY-FIFTH ~~THIRTY-FOURTH~~ REVISED SHEET NO. 6.320
CANCELS THIRTY-FOURTH ~~THIRTY-THIRD~~ REVISED SHEET NO. 6.320

TIME-OF-DAY
GENERAL SERVICE - NON DEMAND
(OPTIONAL)

SCHEDULE: GST

AVAILABLE: Entire service area.

APPLICABLE: For lighting and power in establishments not classified as residential whose energy consumption has not exceeded 9,000 kWh in any one of the prior twelve (12) consecutive billing periods ending with the current billing period. All of the electric load requirements on the customer's premises must be metered at one (1) point of delivery. For any billing period that exceeds 35 days, the energy consumption shall be prorated to that of a 30-day amount for purposes of administering this requirement. Resale not permitted.

CHARACTER OF SERVICE: Single or 3 phase, 60 cycles and approximately 120 volts or higher, at Company's option.

LIMITATION OF SERVICE: All service under this rate shall be furnished through one meter. Standby service permitted.

RATES:

Basic Service Charge:
$0.66 per day

Energy and Demand Charge:
13.~~579~~667¢ per kWh during peak hours
~~6.980~~7.025¢ per kWh during off-peak hours

Continued to Sheet No. 6.321

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

101

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 12 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWENTY-EIGHTH ~~TWENTY-SEVENTH~~ REVISED SHEET NO. 6.321
CANCELS TWENTY-SEVENTH ~~TWENTY-SIXTH~~ REVISED SHEET NO. 6.321

Continued from Sheet No. 6.320

DEFINITIONS OF THE USE PERIODS: All time periods stated in clock time. (Meters are programmed to automatically adjust for changes from standard to daylight saving time and vice-versa.)

	April 1 - October 31	November 1 - March 31
Peak Hours: (Monday-Friday)	12:00 Noon - 9:00 PM	6:00 AM - 10:00 AM and 6:00 PM - 10:00 PM

Off-Peak Hours: All other weekday hours, and all hours on Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be off-peak.

MINIMUM CHARGE: The Basic Service Charge.

TERMS OF SERVICE: A customer electing this optional rate shall have the right to transfer to the standard applicable rate at any time without additional charge for such transaction, except that any customer who requests this optional rate for the second time on the same premises will be required to sign a contract to remain on this rate for at least one (1) year.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be 0.~~256~~ 258¢ per kWh of billing energy. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

Continued to Sheet No. 6.322

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

102

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 13 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

THIRTY-SIXTH ~~THIRTY-FIFTH~~ REVISED SHEET NO. 6.330
CANCELS THIRTY-FIFTH ~~THIRTY-FOURTH~~ REVISED SHEET NO. 6.330

TIME-OF-DAY
GENERAL SERVICE - DEMAND
(OPTIONAL)

SCHEDULE: GSDT

AVAILABLE: Entire service area.

APPLICABLE: To any customer whose energy consumption has exceeded 9,000 kWh in any one of the prior twelve (12) consecutive billing periods ending with the current billing period. Also available to customers with energy consumption at any level below 9,000 kWh per billing period who agree to remain on this rate for at least twelve (12) months. For any billing period that exceeds 35 days, the consumption shall be prorated to that of a 30-day amount for purposes of administering this requirement. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at any standard Company voltage.

LIMITATION OF SERVICE: Standby service is permitted only for customers who generate less than 20% of their on-site load requirements or whose generating equipment is used for emergency purposes.

RATES:

Basic Service Charge:

Secondary Metering Voltage	$ 1.~~12~~ 13 per day
Primary Metering Voltage	$12.~~17~~ 23 per day
Subtransmission Metering Voltage	$37.~~16~~ 36 per day

Demand Charge:
$ 6.~~73~~ 76 per kW of billing demand, plus
$12.~~34~~ 41 per kW of peak billing demand

Energy Charge:
1.~~322~~329¢ per kWh during peak hours
0.~~633~~636¢ per kWh during off-peak hours

Continued to Sheet No. 6.331

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

103

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 14 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

THIRTY-FIRST ~~THIRTIETH~~ REVISED SHEET NO. 6.332
CANCELS THIRTIETH ~~TWENTY-NINTH~~ REVISED SHEET NO. 6.332

Continued from Sheet No. 6.331

METERING VOLTAGE ADJUSTMENT: When the customer takes energy metered at primary voltage, a discount of 1% will apply to the Demand Charge, Energy Charge, Delivery Voltage Credit, and Emergency Relay Power Supply Charge.

When the customer takes energy metered at subtransmission or higher voltage, a discount of 2% will apply to the Demand Charge, Energy Charge, Delivery Voltage Credit, and Emergency Relay Power Supply Charge.

DELIVERY VOLTAGE CREDIT: When the customer takes service at primary voltage a discount of $1.~~42~~ 43 per kW of billing demand will apply. When the customer takes service at subtransmission or higher voltage, a discount of $5.~~90~~ 93 per kW of billing demand will apply.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~ 02 per kW of billing demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

104

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 15 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTEENTH ~~FIFTEENTH~~ REVISED SHEET NO. 6.370
CANCELS FIFTEENTH ~~FOURTEENTH~~ REVISED SHEET NO. 6.370

TIME-OF-DAY
GENERAL SERVICE LARGE - DEMAND
PRIMARY
(OPTIONAL)

SCHEDULE: GSLDTPR

AVAILABLE: Entire service area.

APPLICABLE: To all primary voltage served customers with a registered demand of 1000 kW or above once in the last 12 months. Customer must take service at the primary voltage level. Once a customer has gone (12) consecutive months of less than 1000 kW registered demand the customer will then be billed under the rate schedule GSDT. For any billing period that exceeds 35 days, the consumption shall be prorated to that of a 30-day amount for purposes of administering this requirement. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at primary voltage.

LIMITATION OF SERVICE: Standby service is permitted only for customers who generate less than 20% of their on-site load requirements or whose generating equipment is used for emergency purposes.

RATES:

Daily Basic Service Charge: $22.~~03~~15 a day

Demand Charge:
$4.~~15~~17 per kW of billing demand, plus
$10.~~01~~06 per kW of peak billing demand

Energy Charge:
1.~~771~~781¢ per kWh during peak hours
0.~~947~~952¢ per kWh during off-peak hours

Continued to Sheet No. 6.375

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

105

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 16 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.380
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.380

Continued from Sheet No. 6.375

METERING VOLTAGE ADJUSTMENT: When the customer takes energy metered at subtransmission voltage or higher, a discount of 1% will apply to the Demand Charge, Energy Charge, Power Factor Billing and Emergency Relay Power Supply Charge.

POWER FACTOR: Power factor will be calculated for customers with measured demands of 1,000 kW in any billing period out of twelve (12) consecutive billing periods ending with the current billing period. When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~02 per kW of billing demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

106

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 17 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWELFTH ~~ELEVENTH~~ REVISED SHEET NO. 6.400
CANCELS ELEVENTH ~~TENTH~~ REVISED SHEET NO. 6.400

TIME-OF-DAY
GENERAL SERVICE LARGE - DEMAND
SUBTRANSMISSION
(OPTIONAL)

SCHEDULE: GSLDTSU

AVAILABLE: Entire service area.

APPLICABLE: To all subtransmission voltage served customers with a registered demand of 1000 kW or above once in the last 12 months. Customer must take service at the subtransmission voltage level. Once a customer has gone (12) consecutive months of less than 1000 kW registered demand the customer will then be billed under the rate schedule GSDT. For any billing period that exceeds 35 days, the consumption shall be prorated to that of a 30-day amount for purposes of administering this requirement. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at subtransmission voltage.

LIMITATION OF SERVICE: Standby service is permitted only for customers who generate less than 20% of their on-site load requirements or whose generating equipment is used for emergency purposes.

RATES:

Daily Basic Service Charge: $~~133.76~~134.58 a day

Demand Charge:
$1.~~61~~ 62 per kW of billing demand, plus
$11.~~22~~ 29 per kW of peak billing demand

Energy Charge:
1.~~478~~487¢ per kWh during peak hours
1.~~449~~156¢ per kWh during off-peak hours

Continued to Sheet No. 6.405

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

107

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 18 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.410
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.410

Continued from Sheet No. 6.405

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~ 02 per kW of billing demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

POWER FACTOR: Power factor will be calculated for customers with measured demands of 1,000 kW in any billing period out of twelve (12) consecutive billing periods ending with the current billing period. When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

108

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 19 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWENTY-THIRD ~~TWENTY-SECOND~~ REVISED SHEET NO. 6.565
CANCELS TWENTY-SECOND ~~TWENTY-FIRST~~ REVISED SHEET NO. 6.565

Continued from Sheet No. 6.560

RATES:

Basic Service Charge:	$0.45 per day
Energy and Demand Charges:	9.~~435~~494¢ per kWh (for all pricing periods)

MINIMUM CHARGE: The Basic Service Charge.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

Continued to Sheet No. 6.570

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

109

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 20 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWENTY-THIRD ~~TWENTY-SECOND~~ REVISED SHEET NO. 6.600
CANCELS TWENTY-SECOND ~~TWENTY-FIRST~~ REVISED SHEET NO. 6.600

STANDBY AND SUPPLEMENTAL SERVICE DEMAND

SCHEDULE: SBD

AVAILABLE: Entire service area.

APPLICABLE: To all secondary voltage served customers. Also to primary and subtransmission served customers with a registered demand of 999 kW or below in all of the last 12 months. Required for all applicable self-generating Customers whose generating capacity in kilowatts (exclusive of emergency generation equipment) exceeds 20% of their site load in kilowatts. Also available to applicable self-generating Customers whose generating capacity in kilowatts does not exceed 20% of their site load in kilowatts, but who agree to all the terms and conditions of this rate schedule. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at any standard company voltage.

LIMITATION OF SERVICE: A customer taking service under this tariff must sign a Tariff Agreement for the Purchase of Standby and Supplemental Service. (See Sheet No. 7.600)

RATES:

Daily Basic Service Charge:

Secondary Metering Voltage	$ 1.~~12~~13
Primary Metering Voltage	$ 12.~~17~~23
Subtransmission Metering Voltage	$ 37.~~16~~36

CHARGES FOR STANDBY SERVICE:

Demand Charge:

$4.~~02~~04 per kW/Month of Standby Demand (Local Facilities Reservation Charge)

plus the greater of:

$2.~~28~~30 per kW/Month of Standby Demand (Power Supply Reservation Charge) or

$0.91 per kW/Day of Actual Standby Billing Demand (Power Supply Demand Charge)

Energy Charge:

0.~~949~~ 954 ¢ per Standby kWh

Continued to Sheet No. 6.601

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027 ~~January 1, 2026~~

110

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 21 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWENTY-SIXTH ~~TWENTY-FIFTH~~ REVISED SHEET NO. 6.601
CANCELS TWENTY-FIFTH ~~TWENTY-FOURTH~~ REVISED SHEET NO. 6.601

Continued from Sheet No. 6.600

CHARGES FOR SUPPLEMENTAL SERVICE:

Demand Charge:
$19.~~06~~16 per kW-Month of Supplemental Billing Demand (Supplemental Billing Demand Charge)

Energy Charge:
0.~~815~~819¢ per Supplemental kWh

DEFINITIONS OF THE USE PERIODS: All time periods stated in clock time. (Meters are programmed to automatically adjust for changes from standard to daylight saving time and vice-versa.)

	April 1 - October 31	November 1 - March 31
Peak Hours: (Monday-Friday)	12:00 Noon - 9:00 PM	6:00 AM - 10:00 AM and 6:00 PM - 10:00 PM

Off-Peak Hours: All other weekday hours, and all hours on Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be off-peak.

BILLING UNITS:

Demand Units:

Metered Demand - The highest measured 30-minute interval kW demand served by the company during the month.

Site Load - The highest kW total of Customer generation plus deliveries by the company less deliveries to the Company, occurring in the same 30-minute interval, during the month.

Normal Generation - The generation level equaled or exceeded by the Customer's generation 10% of the metered intervals during the previous twelve months.

Supplemental Billing Demand - The amount, if any, by which the highest Site Load during any 30-minute interval in the month exceeds Normal Generation, but no greater than Metered Demand.

Continued to Sheet No. 6.602

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

111

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 22 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

ELEVENTH ~~TENTH~~ REVISED SHEET NO. 6.602
CANCELS TENTH ~~NINTH~~ REVISED SHEET NO. 6.602

Continued from Sheet No. 6.601

Contract Standby Demand - As established pursuant to the Tariff Agreement for the Purchase of Standby and Supplemental Service. Anytime a customer registers a Standby Demand that is higher than the existing Contract Standby Demand, that Standby Demand will become the new Contract Standby Demand, beginning with the following period.

Standby Demand - The greater of Contract Standby Demand or the amount by which Metered Demand exceeds Supplemental Billing Demand, but no greater than Normal Generation.

Actual Standby Billing Demand - The summation of the daily amounts by which the highest on-peak measured 30-minute interval kW demands served by the Company exceed the monthly Supplemental Billing Demand.

Energy Units: Energy provided by the Company during each 30-minute period up to the Supplemental Demand level shall be billed as Supplemental kWh. The remaining energy shall be billed as Standby kWh.

MINIMUM CHARGE: The Daily Basic Service Charge, Local Facilities Reservation Charge, Power Supply Reservation Charge, and any Minimum Charge associated with optional riders.

TERM OF SERVICE: Any customer receiving service under this schedule will be required to give the Company written notice at least 60 months prior to transferring to a non-standby schedule. Such notice shall be irrevocable unless the Company and the customer should mutually agree to void the notice.

TEMPORARY DISCONTINUANCE OF SERVICE: Where the use of energy is seasonal or intermittent, no adjustments will be made for a temporary discontinuance of service. Any customer prior to resuming service within 12 months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.

POWER FACTOR: When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

Continued to Sheet No. 6.603

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

112

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 23 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWENTY-SEVENTH ~~TWENTY-SIXTH~~ REVISED SHEET NO. 6.603
CANCELS TWENTY-SIXTH ~~TWENTY-FIFTH~~ REVISED SHEET NO. 6.603

Continued from Sheet No. 6.602

METERING VOLTAGE ADJUSTMENT: When the customer takes energy metered at primary voltage, a discount of 1% will apply to the Demand Charge, Energy Charge, Delivery Voltage Credit, Power Factor billing, and Emergency Relay Power Supply Charge.

When the customer takes energy metered at subtransmission or higher voltage, a discount of 2% will apply to the Demand Charge, Energy Charge, Delivery Voltage Credit, Power Factor billing, and Emergency Relay Power Supply Charge.

DELIVERY VOLTAGE CREDIT: When the customer takes service at primary voltage, a discount of $1.~~42~~ 43 per kW of Supplemental Demand and $3.~~61~~ 63 per kW of Standby Demand will apply.

When the customer takes service at subtransmission or higher voltage, a discount of $5.~~90~~ 93 per kW of Supplemental Demand and $4.~~79~~ 82 per kW of Standby Demand will apply.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~ 02 per kW of Supplemental Demand and Standby Demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022. Note: Standby fuel charges shall be based on the time of use (i.e., peak and off-peak) fuel rates for Rate Schedule SBD. Supplemental fuel charges shall be based on the standard fuel rate for Rate Schedule SBD .

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

113

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 24 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWENTIETH ~~NINETEENTH~~ REVISED SHEET NO. 6.605
CANCELS NINETEENTH ~~EIGHTEENTH~~ REVISED SHEET NO. 6.605

TIME-OF-DAY
STANDBY AND SUPPLEMENTAL DEMAND SERVICE
(OPTIONAL)

SCHEDULE: SBDT

AVAILABLE: Entire service area.

APPLICABLE: To all secondary voltage served customers. Also to primary and subtransmission served customers with a registered demand of 999 kW or below in all of the last 12 months. Required for all applicable self-generating Customers whose generating capacity in kilowatts (exclusive of emergency generation equipment) exceeds 20% of their site load in kilowatts and who take firm service from the utility. Also available to applicable self-generating Customers whose generating capacity in kilowatts does not exceed 20% of their site load in kilowatts, but who agree to all the terms and conditions of this rate schedule. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at any standard company voltage.

LIMITATION OF SERVICE: A Customer taking service under this tariff must sign a Tariff Agreement for the Purchase of Standby and Supplemental Service. (See Sheet No. 7.600)

RATES:

Daily Basic Service Charge:

Secondary Metering Voltage	$ 1.~~12~~13
Primary Metering Voltage	$ 12.~~17~~23
Subtransmission Metering Voltage	$ 37.~~16~~36

CHARGES FOR STANDBY SERVICE:

Demand Charge:

$4.~~02~~04 per kW/Month of Standby Demand (Local Facilities Reservation Charge)

plus the greater of:

$2.~~29~~ 30 per kW/Month of Standby Demand (Power Supply Reservation Charge) or

$0.91 per kW/Day of Actual Standby Billing Demand (Power Supply Demand Charge)

Energy Charge:

0.~~949~~954¢ per Standby kWh

Continued to Sheet No. 6.606

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

114

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 25 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWENTY-THIRD ~~TWENTY-SECOND~~ REVISED SHEET NO. 6.606
CANCELS TWENTY-SECOND ~~TWENTY-FIRST~~ REVISED SHEET NO. 6.606

Continued from Sheet No. 6.605

CHARGES FOR SUPPLEMENTAL SERVICE

Demand Charge:

$6.~~73~~ 77	per kW-Month of Supplemental Demand (Supplemental Billing Demand Charge), plus
$12.~~34~~41	per kW-Month of Supplemental Peak Demand (Supplemental Peak Billing Demand Charge)

Energy Charge:

1.~~322~~329¢	per Supplemental kWh during peak hours
0.~~633~~636¢	per Supplemental kWh during off-peak hours

DEFINITIONS OF THE USE PERIODS: All time periods stated in clock time. (Meters are programmed to automatically adjust for changes from standard to daylight saving time and vice-versa.)

	April 1 - October 31	November 1 - March 31
Peak Hours: (Monday-Friday)	12:00 Noon - 9:00 PM	6:00 AM - 10:00 AM and 6:00 PM - 10:00 PM

Off-Peak Hours: All other weekday hours, and all hours on Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be off-peak.

BILLING UNITS:

Demand Units: Metered Demand - The highest measured 30-minute interval kW demand served by the Company during the month.

Metered Peak Demand - The highest measured 30-minute interval kW demand served by the Company during the peak hours.

Site Load - The highest kW total of Customer generation plus deliveries by the company less deliveries to the company, occurring in the same 30-minute interval, during the month.

Continued to Sheet No. 6.607

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

115

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 26 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

TWENTY-SECOND ~~TWENTY-FIRST~~ REVISED SHEET NO. 6.608
CANCELS TWENTY-FIRST ~~TWENTIETH~~ REVISED SHEET NO. 6.608

Continued from Sheet No. 6.607

TERM OF SERVICE: Any customer receiving service under this schedule will be required to give the Company written notice at least 60 months prior to transferring to a non-standby schedule. Such notice shall be irrevocable unless the Company and the customer should mutually agree to void the notice.

TEMPORARY DISCONTINUANCE OF SERVICE: Where the use of energy is seasonal or intermittent, no adjustments will be made for a temporary discontinuance of service. Any customer prior to resuming service within 12 months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.

POWER FACTOR: When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

METERING VOLTAGE ADJUSTMENT: When the customer takes energy metered at primary voltage, a discount of 1% will apply to the Demand Charges, Energy Charges, Delivery Voltage Credit, Power Factor billing, and Emergency Relay Power Supply Charge.

When the customer takes energy metered at subtransmission or higher voltage, a discount of 2% will apply to the Demand Charges, Energy Charges, Delivery Voltage Credit, Power Factor billing, and Emergency Relay Power Supply Charge.

DELIVERY VOLTAGE CREDIT: When the customer takes service at primary voltage, a discount of $1.~~42~~ 43 per kW of Supplemental Demand and $3.~~61~~ 63 per kW of Standby Demand will apply.

When the customer takes service at subtransmission or higher voltage, a discount of $5.~~90~~ 93 per kW of Supplemental Demand and $4.~~79~~ 82 per kW of Standby Demand will apply.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~ 02 per kW of Supplemental Demand and Standby Demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

Continued to Sheet No. 6.609

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

116

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 27 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

FOURTEENTH ~~THIRTEENTH~~ REVISED SHEET NO. 6.610
CANCELS THIRTEENTH ~~TWELFTH~~ REVISED SHEET NO. 6.610

STANDBY- LARGE - DEMAND
PRIMARY

SCHEDULE: SBLDPR

AVAILABLE: Entire service area.

APPLICABLE: To all primary voltage served customers with a registered demand of 1000 kW or above once in the last 12 months. Customer must take service at the primary voltage level. Required for all applicable self-generating Customers whose generating capacity in kilowatts (exclusive of emergency generation equipment) exceeds 20% of their site load in kilowatts. Also available to all applicable self-generating Customers whose generating capacity in kilowatts does not exceed 20% of their site load in kilowatts, but who agree to all the terms and conditions of this rate schedule. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at primary voltage.

LIMITATION OF SERVICE: A customer taking service under this tariff must sign a Tariff Agreement for the Purchase of Standby and Supplemental Service. (See Sheet No. 7.600)

RATES:

Basic Service Charge: ~~$22.90~~23.02 a day

CHARGES FOR STANDBY SERVICE:

Demand Charge:

~~$3.00~~ 02 per kW/Month of Standby Demand
(Local Facilities Reservation Charge)

plus the greater of:

$1.~~70~~ 71 per kW/Month of Standby Demand
(Power Supply Reservation Charge) or

$0.68 per kW/Day of Actual Standby Billing Demand
(Power Supply Demand Charge)

Energy Charge:

0.~~958~~963¢ per Standby kWh

Continued to Sheet No. 6.615

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

117

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 28 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.615
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.615

Continued from Sheet No. 6.610

CHARGES FOR SUPPLEMENTAL SERVICE:

Demand Charge:
$ 14.~~14~~22 per kW-Month of Supplemental Billing Demand (Supplemental Billing Demand Charge)

Energy Charge:
1.~~166~~172¢ per Supplemental kWh

DEFINITIONS OF THE USE PERIODS: All time periods stated in clock time. (Meters are programmed to automatically adjust for changes from standard to daylight saving time and vice-versa.)

	April 1 - October 31	November 1 - March 31
Peak Hours: (Monday-Friday)	12:00 Noon - 9:00 PM	6:00 AM - 10:00 AM and 6:00 PM - 10:00 PM

Off-Peak Hours: All other weekday hours, and all hours on Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be off-peak.

BILLING UNITS:

Demand Units: Metered Demand - The highest measured 30-minute interval kW demand served by the company during the month.

Site Load - The highest kW total of Customer generation plus deliveries by the company less deliveries to the Company, occurring in the same 30-minute interval, during the month.

Normal Generation - The generation level equaled or exceeded by the Customer's generation 10% of the metered intervals during the previous twelve months.

Supplemental Billing Demand - The amount, if any, by which the highest Site Load during a 30-minute interval in the month exceeds Normal Generation, but no greater than Metered Demand.

Continued to Sheet No. 6.620

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

118

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 29 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

THIRTEENTH ~~TWELFTH~~ REVISED SHEET NO. 6.625
CANCELS TWELFTH ~~ELEVENTH~~ REVISED SHEET NO. 6.625

Continued from Sheet No. 6.625

POWER FACTOR: Power factor will be calculated for customers with measured demands of 1,000 kW in any billing period out of twelve (12) consecutive billing periods ending with the current billing period. When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

METERING VOLTAGE ADJUSTMENT: When the customer takes energy metered at subtransmission or higher voltage, a discount of 1% will apply to the Demand Charge, Energy Charge, Power Factor Billing and Emergency Relay Power Supply Charge.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~02¢ per kW of Supplemental Demand and Standby Demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022. Note: Standby fuel charges shall be based on the time of use (i.e., peak and off-peak) fuel rates for Rate Schedule SBLDPR. Supplemental fuel charges shall be based on the standard fuel rate for Rate Schedule SBLDPR.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

119

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 30 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.630
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.630

STANDBY-LARGE DEMAND
SUBTRANSMISSION

SCHEDULE: SBLDSU

AVAILABLE: Entire service area.

APPLICABLE: To all subtransmission voltage served customers with a registered demand of 1000 kW or above once in the last 12 months. Customer must take service at the subtransmission voltage level. Required for all applicable self-generating Customers whose generating capacity in kilowatts (exclusive of emergency generation equipment) exceeds 20% of their site load in kilowatts. Also available to all applicable self-generating Customers whose generating capacity in kilowatts does not exceed 20% of their site load in kilowatts, but who agree to all the terms and conditions of this rate schedule. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at subtransmission voltage.

LIMITATION OF SERVICE: A customer taking service under this tariff must sign a Tariff Agreement for the Purchase of Firm Standby and Supplemental Service. (See Sheet No. 7.600)

RATES:

Daily Basic Service Charge: ~~$134.63~~135.45 a day

CHARGES FOR STANDBY SERVICE:

Demand Charge:
~~$1.38~~39 per kW/Month of Standby Demand
(Local Facilities Reservation Charge)

plus the greater of:
~~$1.55~~56 per kW/Month of Standby Demand
(Power Supply Reservation Charge) or
$0.61 per kW/Day of Actual Standby Billing Demand
(Power Supply Demand Charge)

Energy Charge:

0.~~914~~920¢ per Standby kWh

Continued to Sheet No. 6.635

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

120

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 31 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.635
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.635

Continued from Sheet No. 6.630

CHARGES FOR SUPPLEMENTAL SERVICE:

Demand Charge:
$12.~~84~~92 per kW-Month of Supplemental Billing Demand (Supplemental Billing Demand Charge)

Energy Charge:
1.~~228~~235¢ per Supplemental kWh

DEFINITIONS OF THE USE PERIODS: All time periods stated in clock time. (Meters are programmed to automatically adjust for changes from standard to daylight saving time and vice-versa.)

	April 1 - October 31	November 1 - March 31
Peak Hours: (Monday-Friday)	12:00 Noon - 9:00 PM	6:00 AM - 10:00 AM and 6:00 PM - 10:00 PM

Off-Peak Hours: All other weekday hours, and all hours on Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be off-peak.

BILLING UNITS:
Demand Units: Metered Demand - The highest measured 30-minute interval kW demand served by the company during the month.

Site Load - The highest kW total of Customer generation plus deliveries by the company less deliveries to the Company, occurring in the same 30-minute interval, during the month.

Normal Generation - The generation level equaled or exceeded by the Customer's generation 10% of the metered intervals during the previous twelve months.

Supplemental Billing Demand - The amount, if any, by which the highest Site Load during any 30-minute interval in the month exceeds Normal Generation, but no greater than Metered Demand.

Continued to Sheet No. 6.640

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

121

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 32 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.645
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.645

Continued from Sheet No. 6.640

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~ 02 per kW of Supplemental Demand and Standby Demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

POWER FACTOR: When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022. Note: Standby fuel charges shall be based on the time of use (i.e., peak and off-peak) fuel rates for Rate Schedule SBLDSU. Supplemental fuel charges shall be based on the standard fuel rate for Rate Schedule SBLDSU.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

122

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 33 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.650
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.650

TIME-OF-DAY
STANDBY AND SUPPLEMENTAL SERVICE
LARGE-DEMAND
PRIMARY
(OPTIONAL)

SCHEDULE: SBLDTPR

AVAILABLE: Entire service area.

APPLICABLE: To all primary voltage served customers with a registered demand of 1000 kW or above once in the last 12 months. Customer must take service at the primary voltage level. Required for all applicable self-generating Customers whose generating capacity in kilowatts (exclusive of emergency generation equipment) exceeds 20% of their site load in kilowatts. Also available to all applicable self-generating Customers whose generating capacity in kilowatts does not exceed 20% of their site load in kilowatts, but who agree to all the terms and conditions of this rate schedule. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at primary voltage.

LIMITATION OF SERVICE: A Customer taking service under this tariff must sign a Tariff Agreement for the Purchase of Standby and Supplemental Service. (See Sheet No. 7.600)

RATES:

Daily Basic Service Charge: ~~$22.90~~23.02 a day

CHARGES FOR STANDBY SERVICE:

Demand Charge:
~~$3.00~~02 per kW/Month of Standby Demand
(Local Facilities Reservation Charge)

plus the greater of:
~~$1.70~~71 per kW/Month of Standby Demand
(Power Supply Reservation Charge) or

$0.68 per kW/Day of Actual Standby Billing Demand
(Power Supply Demand Charge)

Energy Charge:
0.~~958~~963¢ per Standby kWh

Continued to Sheet No. 6.655

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

123

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 34 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.655
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.655

Continued from Sheet No. 6.650

CHARGES FOR SUPPLEMENTAL SERVICE

Demand Charge:

$ 4.~~15~~17	per kW-Month of Supplemental Demand (Supplemental Billing Demand Charge), plus
$ 10.~~01~~06	per kW-Month of Supplemental Peak Demand (Supplemental Peak Billing Demand Charge)

Energy Charge:

1.~~771~~781¢	per Supplemental kWh during peak hours
0.~~947~~952¢	per Supplemental kWh during off-peak hours

DEFINITIONS OF THE USE PERIODS: All time periods stated in clock time. (Meters are programmed to automatically adjust for changes from standard to daylight saving time and vice-versa.)

	April 1 - October 31	November 1 - March 31
Peak Hours: (Monday-Friday)	12:00 Noon - 9:00 PM	6:00 AM - 10:00 AM and 6:00 PM - 10:00 PM

Off-Peak Hours: All other weekday hours, and all hours on Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be off-peak.

BILLING UNITS:

Demand Units: Metered Demand - The highest measured 30-minute interval kW demand served by the Company during the month.

Metered Peak Demand - The highest 30-minute interval kW demand served by the Company during the peak hours.

Site Load - The highest kW total of Customer generation plus deliveries by the company less deliveries to the company, occurring in the same 30-minute interval, during the month.

Peak Site Load - The highest 30-minute customer generation plus deliveries by the Company less deliveries to the Company during the peak hours.

Normal Generation - The generation level equaled or exceeded by the customer's generation 10% of the metered intervals during the previous twelve months.

Continued to Sheet No. 6.660

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

124

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 35 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.665
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.665

Continued from Sheet No. 6.660

METERING VOLTAGE ADJUSTMENT: When the customer takes energy metered at subtransmission or higher voltage, a discount of 1% will apply to the Demand Charges, Energy Charges, Power Factor Billing and Emergency Relay Power Supply Charge.

POWER FACTOR: When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~02 per kW of Supplemental Demand and Standby Demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

125

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 36 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.670
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.670

TIME-OF-DAY
STANDBY AND SUPPLEMENTAL SERVICE
LARGE-DEMAND
SUBTRANSMISSION
(OPTIONAL)

SCHEDULE: SBLDTSU

AVAILABLE: Entire service area.

APPLICABLE: To all subtransmission voltage served customers with a registered demand of 1000 kW or above once in the last 12 months. Customer must take service at the subtransmission voltage level. Required for all applicable self-generating Customers whose generating capacity in kilowatts (exclusive of emergency generation equipment) exceeds 20% of their site load in kilowatts and who take service from the utility. Also available to all applicable self-generating Customers whose generating capacity in kilowatts does not exceed 20% of their site load in kilowatts, but who agree to all the terms and conditions of this rate schedule. Resale not permitted.

CHARACTER OF SERVICE: A-C; 60 cycles; 3 phase; at subtransmission voltage.

LIMITATION OF SERVICE: A Customer taking service under this tariff must sign a Tariff Agreement for the Purchase of Standby and Supplemental Service. (See Sheet No. 7.600)

RATES:

Daily Basic Service Charge: $ ~~134.63~~135.45 per day

CHARGES FOR STANDBY SERVICE:

Demand Charge:
$1.~~38~~39 per kW/Month of Standby Demand (Local Facilities Reservation Charge)

plus the greater of:
$1.~~55~~56 per kW/Month of Standby Demand (Power Supply Reservation Charge) or
$0.61 per kW/Day of Actual Standby Billing Demand (Power Supply Demand Charge)

Energy Charge:
0.~~914~~920¢ per Standby kWh

Continued to Sheet No. 6.675

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

126

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 37 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.675
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.675

Continued from Sheet No. 6.670

CHARGES FOR SUPPLEMENTAL SERVICE

Demand Charge:

$1.~~61~~62	per kW/Month of Supplemental Demand (Supplemental Billing Demand Charge), plus
$11.~~22~~29	per kW/Month of Supplemental Peak Demand (Supplemental Peak Billing Demand Charge)

Energy Charge:

1.~~478~~487¢	per Supplemental kWh during peak hours
1.~~149~~156¢	per Supplemental kWh during off-peak hours

DEFINITIONS OF THE USE PERIODS: All time periods stated in clock time. (Meters are programmed to automatically adjust for changes from standard to daylight saving time and vice-versa.)

	April 1 - October 31	November 1 - March 31
Peak Hours: (Monday-Friday)	12:00 Noon - 9:00 PM	6:00 AM - 10:00 AM and 6:00 PM - 10:00 PM

Off-Peak Hours: All other weekday hours, and all hours on Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be off-peak.

BILLING UNITS:

Demand Units: Metered Demand - The highest measured 30-minute interval kW demand served by the Company during the month.

Metered Peak Demand - The highest measured 30-minute interval kW demand served by the Company during the peak hours.

Site Load - The highest kW total of Customer generation plus deliveries by the company less deliveries to the company, occurring in the same 30-minute interval, during the month.

Peak Site Load - The highest 30-minute customer generation plus deliveries by the Company less deliveries to the Company during the peak hours.

Normal Generation - The generation level equaled or exceeded by the customer's generation 10% of the metered intervals during the previous twelve months.

Continued to Sheet No. 6.680

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

127

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 38 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTH ~~FIFTH~~ REVISED SHEET NO. 6.685
CANCELS FIFTH ~~FOURTH~~ REVISED SHEET NO. 6.685

Continued from Sheet No. 6.680

EMERGENCY RELAY POWER SUPPLY CHARGE: The monthly charge for emergency relay power supply service shall be $1.~~01~~02 per kW of Supplemental Demand and Standby Demand. This charge is in addition to the compensation the customer must make to the Company as a contribution-in-aid of construction.

POWER FACTOR: When the average power factor during the month is less than 85%, the monthly bill will be increased 0.~~214~~215¢ for each kVARh by which the reactive energy numerically exceeds 0.619744 times the billing energy. When the average power factor during the month is greater than 90%, the monthly bill will be decreased 0.~~108~~109¢ for each kVARh by which the reactive energy is numerically less than 0.484322 times the billing energy.

FUEL CHARGE: See Sheet Nos. 6.020 and 6.022.

ENERGY CONSERVATION RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.022.

CAPACITY RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

CLEAN ENERGY TRANSITION MECHANISM: See Sheet Nos. 6.023 and 6.025.

ENVIRONMENTAL RECOVERY CHARGE: See Sheet Nos. 6.020 and 6.022.

FLORIDA GROSS RECEIPTS TAX: See Sheet No. 6.023.

FRANCHISE FEE CHARGE: See Sheet No. 6.023.

PAYMENT OF BILLS: See Sheet No. 6.023.

STORM SURCHARGE: See Sheet No. 6.024.

STORM PROTECTION PLAN RECOVERY CHARGE: See Sheet Nos. 6.021 and 6.023.

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

128

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 39 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

SIXTEENTH ~~FIFTEENTH~~ REVISED SHEET NO. 8.070
CANCELS FIFTEENTH ~~FOURTEENTH~~ REVISED SHEET NO. 8.070

Continued from Sheet No. 8.061

CHARGES/CREDITS TO QUALIFYING FACILITY

A. Basic Service Charges

A Basic Service Charge will be rendered for maintaining an account for a Qualifying Facility engaged in either an As-Available Energy or Firm Capacity and Energy transaction and for other applicable administrative costs. Actual charges will depend on how the QF is interconnected to the Company.

QFs not directly interconnected to the Company, will be billed $990 monthly as a Basic Service Charge.

Daily Basic Service charges, applicable to QFs directly interconnected to the Company, by Rate Schedule are:

Rate Schedule	Basic Service Charge ($)	Rate Schedule	Basic Service Charge ($)
RS	0.45	GST	0.66
GS	0.66	GSDT (secondary)	1.~~12~~13
GSD (secondary)	1.~~12~~13	GSDT (primary)	12.~~17~~23
GSD (primary)	12.~~17~~23	GSDT (subtrans.)	37.~~16~~36
GSD (subtrans.)	37.~~16~~36	SBDT (secondary)	1.~~12~~13
SBD (secondary)	1.~~12~~13	SBDT (primary)	12.~~17~~23
SBD (primary)	12.~~17~~23	SBDT (subtrans.)	37.~~16~~36
SBD (subtrans.)	37.~~16~~36	GSLDTPR	22.~~03~~15
GSLDPR	22.~~03~~15	GSLDTSU	~~133.76~~134.58
GSLDSU	~~133.76~~134.58	SBLDTPR	~~22.90~~23.02
SBLDPR	~~22.90~~23.02	SBLDTSU	~~134.63~~135.45
SBLDSU	~~134.63~~135.45		

When appropriate, the Basic Service Charge will be deducted from the Qualifying Facility's monthly payment. A statement of the charges or payments due the Qualifying Facility will be rendered monthly. Payment normally will be made by the twentieth business day following the end of the billing period.

Continued to Sheet No. 8.071

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

129

TAMPA ELECTRIC COMPANY
2027 SUBSEQUENT YEAR ADJUSTMENT
EXHIBIT 8
PAGE 40 OF 40
FILED: SEPTEMBER 3, 2026

TECO TAMPA ELECTRIC AN EMERA COMPANY

NINTH ~~EIGHTH~~ REVISED SHEET NO. 8.312
CANCELS EIGHTH ~~SEVENTH~~ REVISED SHEET NO. 8.312

Continued from Sheet No. 8.308

Should the CEP elect a Net Billing Arrangement, the hourly net capacity and energy sales delivered to the purchasing utility shall be purchased at the utility's avoided capacity and energy rates, where applicable, in accordance with FPSC Rules 25-17.0825 and 25-17.0832, F.A.C. Purchases from the interconnecting utility shall be billed at the retail rate schedule, under which the CEP load would receive service as a customer of the utility.

Although a billing option may be changed in accordance with FPSC Rule 25-17.082, F.A.C., the Contracted Capacity may only change through mutual negotiations satisfactory to the CEP and the Company.

Basic Service charges that are directly attributable to the purchase of firm capacity and energy from the CEP are deducted from the CEP's total monthly payment. A statement covering the charges and payments due the CEP is rendered monthly and payment normally is made by the 20th business day following the end of the Monthly Period.

CHARGES/CREDITS TO THE CEP:

1. **Basic Service Charges:** A Basic Service Charge will be rendered for maintaining an account for the CEP engaged in either an As-Available Energy or firm capacity and energy transaction and for other applicable administrative costs. Actual charges will depend on how the CEP is interconnected to the Company.

   CEPs not directly interconnected to the Company, will be billed $990 monthly as a Basic Service Charge.

   Daily Basic Service charges, applicable to CEPs directly interconnected to the Company, by Rate Schedule are:

Rate Schedule	Basic Service Charge ($)	Rate Schedule	Basic Service Charge ($)
RS	0.45	GST	0.66
GS	0.66	GSDT (secondary)	1.~~12~~13
GSD (secondary)	1.~~12~~13	GSDT (primary)	12.~~17~~23
GSD (primary)	12.~~17~~23	GSDT (subtrans.)	37.~~16~~36
GSD (subtrans.)	37.~~16~~36	SBDT (secondary)	1.~~12~~13
SBD (secondary)	1.~~12~~13	SBDT (primary)	12.~~17~~23
SBD (primary)	12.~~17~~23	SBDT (subtrans.)	37.~~16~~36
SBD (subtrans.)	37.~~16~~36	GSLDTPR	22.~~03~~15
GSLDPR	22.~~03~~15	GSLDTSU	~~133.76~~134.58
GSLDSU	~~133.76~~134.58	SBLDTPR	~~22.90~~23.02
SBLDPR	~~22.90~~23.02	SBLDTSU	~~134.63~~135.45
SBLDSU	~~134.63~~135.45		

Continued to Sheet No. 8.314

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE: January 1, 2027
~~January 1, 2026~~

130

Item 11

FILED 11/17/2026
DOCUMENT NO. 07917-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Clark, Barrett, Nguyen)
Office of the General Counsel (Rauch, Crawford)

RE: Docket No. 20260025-EU – Joint petition for approval of first amendment to amended territorial agreement in Orange and Osceola Counties, by Central Florida Tourism Oversight District (f/k/a Reedy Creek Improvement District) and Duke Energy Florida, LLC.

AGENDA: 12/01/26 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Ortega

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On February 16, 2026, Duke Energy Florida, LLC (DEF) and Central Florida Tourism Oversight District (CFTOD) (collectively the joint petitioners or Utilities), filed a joint petition seeking Commission approval of an amended territorial agreement in Orange and Osceola Counties. Due to staff concerns regarding the lack of clarity of certain territorial agreement terms and conditions contained in the originally filed joint petition, including the absence of the current agreement, proposed territorial boundary lines, and incorrect references. The Utilities refiled the joint petition with attached Amended Territorial Agreement (Amended Agreement), dated October 9, 2026, with a 30 year term, modifying the territorial boundary lines in Orange and Osceola Counties. The Amended Agreement includes the necessary corrections identified by staff.

On November 4, 2026, DEF acknowledged a typographical error on one page of the Amended Agreement, and submitted a substitute for page 15 to the Amended Agreement. The Amended Agreement with the substituted page 15, along with all maps and written descriptions, is included as Attachment A.

Since the Commission's approval in 1994, DEF and CFTOD (f/k/a Reedy Creek Improvement District, or RCID) have been parties to a territorial agreement delineating their respective service territories in Orange and Osceola Counties.[1] The 1994 territorial agreement was amended and approved by the Commission in 2010 for the purposes of boundary modification in one area of Orange County.[2] In 2017, the 1994 territorial agreement was further amended due to boundary modifications including two areas being de-annexed by RCID and subsequently served by DEF, and another area to be served by RCID. This is the territorial agreement currently in effect, with an expiration date of November 22, 2047.[3]

In 2022 and 2023, the Florida Legislature and Governor Ron DeSantis passed two primary laws concerning RCID. Senate Bill 4-C ordered the dissolution of the RCID, effective June 1, 2023. CS/HB 9-B established a new state-appointed district and renamed RCID to the Central Florida Tourism Oversight District, effective February 2023. CFTOD has succeeded to all of RCID's rights and obligations under the current agreement.[3]

During the review process, staff issued a data request to the joint petitioners, for which responses were received on November 4, 2026.

The Commission has jurisdiction over this matter pursuant to Sections 366.04, Florida Statutes (F.S.), and Rule 25-6.0440, Florida Administrative Code, (F.A.C.).

[1] Order No. PSC-94-0580-FOF-EU, issued May 17, 1994, in Docket No. 19940071-EU, *In re: Joint Petition for approval of territorial agreement between Florida Power Corporation and Reedy Creek Improvement District*.
[2] Order No. PSC-10-0269-CO-EU, issued April 29, 2010, in Docket No. 20090530-EU, *In re: Joint Petition for approval to amend territorial agreement by Progress Energy Florida, Inc. and Reedy Creek Improvement District*.
[3] Order No. PSC-2017-0455-CO-EU, issued November 22, 2017, in Docket No. 20170175-EU, *In re: Joint petition for approval of amended territorial agreement in Orange and Osceola Counties, by Duke Energy Florida, LLC and Reedy Creek Improvement District*.

Discussion of Issues

Issue 1: Should the Commission approve the Amended Agreement between DEF and CFTOD in Orange and Osceola Counties, dated October 9, 2026?

Recommendation: Yes, the Commission should approve the Amended Agreement between DEF and CFTOD in Orange and Osceola Counties, as consistent with the Standards for Approval set forth in Rule 25-6.0440(2), F.A.C. The Amended Agreement, if approved, amends the respective boundary lines between the Utilities, thereby supporting operational efficiencies and customer service improvements. The agreement would also facilitate the joint petitioners' efforts to avoid duplication of services and wasteful expenditures, as well as protect the public health and safety from potentially hazardous conditions. Also, the terms of the agreement require the Utilities to seek Commission approval of any temporary service, including inadvertent service, expected to last more than one year. (Clark)

Staff Analysis: Pursuant to Section 366.04(2)(d), F.S., and Rule 25-6.0440(2), (F.A.C.), the Commission has jurisdiction to approve territorial agreements between and among rural electric cooperatives, municipal electric utilities, and investor-owned electric utilities. Unless the Commission determines that the agreement will cause a detriment to the public interest, the Amended Agreement should be approved.[4]Rule 25-6.0440(2), F.A.C., addresses the standards the Commission should consider for approving territorial agreements for electric utilities. The rule states:

> (2) Standards for Approval. In approving territorial agreements, the Commission may consider:
> (a) The reasonableness of the purchase price of any facilities being transferred;
> (b) the reasonable likelihood that the agreement, in and of itself, will not cause a decrease in the reliability of electrical service to the existing or future ratepayers of any utility party to the agreement;
> (c) The reasonable likelihood that the agreement will eliminate existing or potential uneconomic duplication of facilities; and
> (d) Any other factor the Commission finds relevant in reaching a determination that the territorial agreement is in the public interest.

Proposed Amended Agreement

DEF and CFTOD executed the Amended Agreement addressing common boundaries over Orange and Osceola Counties on October 9, 2026, to further amend the existing 2017 agreement. The joint petitioners assert that the Amended Agreement will accomplish three main objectives:

(1) Avoid duplication of services and wasteful expenditures;
(2) Protect the public health and safety from potentially hazardous conditions; and
(3) Update and correct territorial boundary lines to continue operational efficiencies and customer service improvements.

[4] *Utilities Commission of the City of New Smyrna Beach v. Florida Public Service Commission*, 469 So. 2d 731 (Fla. 1985).

Collectively, these objectives are expected to aid the Utilities in eliminating circumstances that give rise to the uneconomic duplication of service facilities and hazardous conditions.[5]

The Amended Agreement includes nine maps depicting the new territorial boundaries, written descriptions of the territorial areas, and comprehensive terms and conditions the joint petitioners negotiated. The Amended Agreement contains terms addressing the provision of new and temporary service, methods and obligations each utility will follow for correcting inadvertent service errors, and procedures for the transfer of customers.

Pursuant to Section 6.1, the Amended Agreement, if approved, would remain in effect for thirty years from the date the Commission issues its order approving the Amended Agreement in its entirety, and the order is no longer subject to judicial review. Upon the expiration of the initial thirty-year term, the Amended Agreement would remain in effect in perpetuity unless either party provides written notice of termination that such written notice be provided as contemplated by Section 8.3 and provided no less than twelve months prior to the date of termination. The thirty-year term associated with the proposed Amended Agreement would supersede and replace the duration of the existing 2017 agreement.

Proposed Boundary Changes

The joint petitioners negotiated and are proposing boundary line changes to establish clear service boundaries, minimize potential service encroachments, support appropriate allocation of service responsibility, and avoid uneconomic duplication of facilities.[6] The boundary line modifications include the following:

(1) Approximately 100 acres along Hartzog Road going from CFTOD to DEF that was excluded from the boundaries of CFTOD when the Florida Legislature enacted the CFTOD Charter in 2023;[7]
(2) Other areas going from DEF to CFTOD that are currently included in CFTOD's government jurisdictional boundary;[7] and
(3) Several other areas going from CFTOD to DEF, as shown in the joint petitioners' Response to Staff's First Data Request No. 3, including locations adjoining State Road 530 and 400 (Interstate 4).[7,8]

The Utilities also state there are presently no inadvertent connections, and therefore, the boundary line modifications do not change or correct any inadvertent connections.[9]

With respect to the property on Hartzog Road, the joint petitioners assert that the Amended Agreement is being executed in connection with a development underway, and at the request of CFTOD, DEF will provide electrical service as the development is currently located in CFTOD's

[5] Document No. 07718-2026, joint petitioners' Response to Staff's First Data Request, No. 2.
[6] Document No. 07718-2026, joint petitioners' Response to Staff's First Data Request, No. 4.
[7] Document No. 07279-2026, joint petition for approval of territorial agreement, petition paragraph 6 and Revised Exhibit A, Map Page 1, and Document No. 07718-2026, joint petitioners' Response to Staff's First Data Request, No. 1.
[8] Document No. 07718-2026, joint petitioners' Response to Staff's First Data Request, No. 3.
[9] Document No. 07718-2026, joint petitioners' Response to Staff's First Data Request, No. 5.

territory.[10] The development currently underway is Project Luca, an attainable housing apartment development, located in the area along Hartzog Road discussed in the previous paragraph, and the area is being transferred from CFTOD to DEF.[11]

Proposed Customer Transfers, Notifications, and Bills

There are no customers proposed to be transferred as a result of the Amended Agreement. As such, the Utilities did not need to follow the guidelines of Rule 25-6.0440(1)(d), F.A.C., and no notifications or bill comparisons were provided to affected customers.

There are no facilities proposed to be transferred as a result of the Amended Agreement. As such, the guidelines of Rule 25-6.0440(1)(d), F.A.C., regarding notification of customers to be transferred does not apply in this instance. Thus, the Utilities did not issue any notifications or bill comparisons.

Staff Review

In its review, staff analyzed the Amended Agreement for compliance with each component of Rule 25-6.0440(2), F.A.C. Staff notes that no purchase price, construction cost estimates, or detailed engineering drawings were presented to staff for review due to the joint petitioners stating that there are no know facilities to be transferred.[12]

Staff also evaluated the agreement according to Rule 25-6.0440(2)(b), F.A.C., which addresses electrical system reliability for existing and future customers. As it relates to Project Luca, the joint petitioners assert that DEF providing electric service to the development will be a more efficient allocation of electric service responsibilities. DEF currently has three-phase electrical facilities located on the north, west, and east boundaries of the parcels where the development is located. For CFTOD to provide electrical service, one option would be for CFTOD to construct electric facilities through the wetlands to the south, which would potentially result in reliability concerns for the relevant parcels' end-use customers.[11]

Under the Amended Agreement, the joint petitioners assert that the agreement will avoid the uneconomic duplication of facilities as referenced in Rule 25-6.0440(2)(c), F.A.C. The Utilities state the Amended Agreement establishes clear allocation of service responsibility minimizing the potential for overlapping facilities and interference between the Utilities' electric systems. For Project Luca, the Utilities have asserted that DEF providing electric service will avoid the need for duplicative electric facilities.[11] For CFTOD to provide electrical service without constructing electric facilities through wetlands to the south, CFTOD would be required to cross DEF facilities resulting in uneconomic duplication.[11] The joint petitioners also state there are no existing uneconomic duplication of facilities present at the time of their response to staff's first data request.[5] Staff agrees with the Utilities and reasonably believes DEF's provision of electric service to Project Luca would avoid uneconomic duplication.

[10] Document No. 07279-2026, joint petition for approval of territorial agreement, paragraph 8.
[11] Document No. 07718-2026, joint petitioners' Response to Staff's First Data Request, No. 1.
[12] Amended Agreement, Article III – Transfer of Customers and Facilities.

The Commission has broad discretion under Rule 25-6.0440(2)(d), F.A.C, to consider any other factors that it may believe are relevant to it in reaching a public interest determination. Staff is not aware of any other relevant factors concerning Rule 25-6.0440(2)(d) at this time.

Conclusion

Staff recommends the Commission should approve the Amended Agreement between DEF and CFTOD in Orange and Osceola Counties, as consistent with the Standards for Approval set forth in Rule 25-6.0440(2), F.A.C. The Amended Agreement, if approved, amends the respective boundary lines between the Utilities, thereby supporting operational efficiencies and customer service improvements. The agreement would also facilitate the joint petitioners' efforts to avoid duplication of services and wasteful expenditures, as well as protect the public health and safety from potentially hazardous conditions. Also, the terms of the agreement require the Utilities to seek Commission approval of any temporary service, including inadvertent service, expected to last more than one year.

Issue 2: Should this docket be closed?

Recommendation: Yes, this docket should be closed upon the issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action. (Rauch, Crawford)

Staff Analysis: This docket should be closed upon the issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of Central Florida Tourism Oversight District and Duke Energy Florida, LLC for approval of a Territorial Agreement in Orange and Osceola Counties.

Docket No. 20260025-EU

JOINT PETITION TO APPROVE AMENDED TERRITORIAL AGREEMENT

Central Florida Tourism Oversight District CFTOD ("CFTOD"), and Duke Energy Florida, LLC ("DEF") (collectively, the "Joint Petitioners") pursuant to Section 366.04(2)(d), F.S., and Rule 25-6.0440, F.A.C., jointly petition the Florida Public Service Commission ("the Commission") for approval of the Amended Territorial Agreement between Central Florida Tourism Oversight District and Duke Energy Florida, LLC (the "Amended Agreement").

In support hereof, the Joint Petitioners represent as follows;

1. DEF is an electric utility organized under the laws of Florida and is subject to the regulatory jurisdiction of the Florida Public Service Commission pursuant to Section 366.04(2), F.S. DEF's principal offices are located in St. Petersburg, Florida.

2. CFTOD is a special district, organized and existing under the laws of the State of Florida, and is authorized to furnish electric power to areas of Orange and Osceola Counties in Florida.

3. For purposes of this Joint Petition, the contact information of the Joint Petitioners shall be that of their respective undersigned attorneys and all pleadings, notices, and other communications in this matter should be served on the Joint Petitioners' undersigned attorneys.

4. The Joint Petitioners territorial agreement was previously approved by this Commission in 1994 (Order No. PSC-94-0580-FOF-EU, issued May 17, 1994, in Docket No. 940071-EU, In re: Joint Petition for approval of territorial agreement between Florida Power Corporation and Reedy Creek Improvement District); and amended in 2010 (Order No. PSC-94-0580-FOF-EU, issued May 17, 1994, in Docket No. 940071-EU, In re: Joint Petition for approval of territorial agreement between Florida Power Corporation and Reedy Creek Improvement District; Order No. PSC-10-0206-PAA-EU, issued April 5, 2010, in Docket No. 090530-EU, In re: Joint Petition for approval to amend territorial agreement by Progress Energy Florida, Inc. and Reedy Creek Improvement District) and amended again in 2017 ("Existing Agreement"). The Existing Agreement expires November 22, 2047. The Existing Agreement was approved by Commission in Docket No. 20170175-EU, Order No. PSC-2017-0414-PAA-EU.

5. To best avoid duplication of services and wasteful expenditures as well as to best protect the public health and safety from potentially hazardous conditions, the Joint Petitioners desire to update and correct certain changes in their respective service boundaries in Orange and Osceola Counties. The Amended Agreement is attached hereto as Attachment A in clean and legislative formats along with accompanying maps and written descriptions delineating the territorial boundaries to which the Parties have agreed.

6. The Joint Petitioners have determined that the updated and corrected territorial boundary line is represented herein in Revised Exhibit A. Revised Exhibit A supersedes and replaces Exhibit A to the Existing Agreement. The territorial boundary modifications include the following: (i) including in DEF's service area the property located in Section 8, Township 24S, Range 27E along Hartzog Road containing approximately 100 acres which was excluded from the political boundaries of CFTOD when the Florida Legislature enacted the CFTOD Charter in 2023; (ii) including in CFTOD's service area portions of Section 16, Township 24S, Range 27E that are currently included in CFTOD's government jurisdictional boundary; and (iii) including in DEF's service area portions of State Road 530 and State Road 400 (Interstate 4).

7. Except for the foregoing modifications to the territorial boundary lines, the Existing Agreement remains unmodified and is hereby ratified and affirmed by both Joint Petitioners.

8. There are no customer transfers associated with this Amended Agreement and therefore no affected customers requiring notification under Rule 25-6.0440(1)(d), F.A.C. This Amendment is being executed in connection with the development currently underway and at the request of the Central Florida Tourism Oversight District that Duke Energy provide service. This modification is deemed to be in the best interest of both parties and is expected to support operational efficiency.

9. The Commission has long recognized that properly constructed territorial agreements between adjacent utilities are in the public interest. This Amended Agreement will avoid duplication of services and wasteful expenditures, as well as protect the public

health and safety from potentially hazardous conditions. For these reasons, the Joint Petitioners believe and therefore represent that the Commission's approval of this Amended Agreement is in the public interest.

WHEREFORE, CFTOD and DEF respectfully request that the Commission grant this Joint Petition and approve the Amended Agreement to replace the Existing Agreement and to update the Existing Agreement to better avoid duplication of services and wasteful expenditures, as well as protect the public health and safety from potentially hazardous conditions.

Respectfully submitted,



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Attorney for Central Florida Tourism Oversight District

Attachment A

Amended Territorial Agreement

Central Florida Tourism Oversight District

and

Duke Energy Florida, LLC.

AMENDED TERRITORIAL AGREEMENT

Central Florida Tourism Oversight District, CFTOD("CFTOD"), Duke Energy Florida, LLC. ("DEF") (collectively, the "Parties") enter into this Amended Territorial Agreement (the "Amended Agreement") on this 9th day of October2026.

WITNESSETH:

WHEREAS, CFTOD, a special district organized and existing by virtue of legislative authority, and DEF, an electric utility organized under the laws of Florida and is subject to the regulatory jurisdiction of the Florida Public Service Commission pursuant to Section 366.04(2), F.S., are each authorized, empowered and obligated by their corporate charters and laws of the State of Florida to furnish retail electric service to persons upon request within their respective service areas in Orange and Osceola Counties; and

WHEREAS, CFTOD and DEF are Parties to a territorial agreement delineating their respective service territories in Orange and Osceola Counties which was approved by the Florida Public Service Commission ("Commission") in Order No. PSC-94-0580-FOF-EU, issued on May 17, 1994, in Docket No. 940071-EU, and amended by Commission Order No. PSC-10-0168-PAA-EU, issued April 5, 2010, in Docket No. 090530-EU, and further amended by Commission Order No. PSC-2017-0414-PAA-EU, issued November 22, 2017, in Docket No. 20170175-EU (the "Existing Agreement"); and

WHEREAS, the Parties desire to further amend the Existing Agreement through this Amended Agreement pertaining to Orange and Osceola Counties in order to

continue operational efficiencies and customer service improvements in the aforesaid Counties, while continuing to eliminate circumstances that could give rise to the uneconomic duplication of service facilities and hazardous situations that territorial agreements are intended to avoid; and

WHEREAS, the Commission is empowered by the Florida legislature, pursuant to section 366.04(2)(d), Florida Statutes, to approve territorial agreements and the Commission, as a matter of long-standing regulatory policy, has encouraged retail territorial agreements between electric utilities subject to its jurisdiction based on its findings that such agreements, when property established and administered by the parties and actively supervised by the Commission, avoid uneconomic duplication of facilities, promote safe and efficient operations by utilities in rendering electric service provided to their customers, and therefore serve the public interest.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, which shall be construed as being interdependent, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1: Territorial Boundary Line. As used herein, the term "Territorial Boundary Line" shall mean the boundary line(s) depicted on the maps attached hereto as Revised Exhibit A which delineate and differentiate the Parties' respective Territorial Areas in Orange and Osceola Counties. Additionally, pursuant to Rule 25-6.0440 (10)(a), a written description of the territorial areas served by each Party is attached

hereto as Revised Exhibit B.

Section 1.2: CFTOD Territorial Area. As used herein, the term "CFTOD Territorial" shall mean the geographic areas in Orange and Osceola Counties allocated to CFTOD as its retail service territory and labeled as "Central Florida Tourism Oversight District" on the maps contained in Revised Exhibit A.

Section 1.3: Duke Energy Territorial Area. As used herein, the term "Duke Energy Territorial Area" shall mean the geographic areas in Orange and Osceola Counties allocated to Duke Energy as its retail service territory and labeled as "Duke Energy" on the maps contained in Revised Exhibit A.

Section 1.4: Point of Use. As used herein, the term "Point of Use" shall mean the location within the Territorial Area of a Party where a customer's end-use facilities consume electricity, wherein such Party shall be entitled to provide electric service under this Amended Agreement, irrespective of where the customer's point of delivery or metering is located.

Section 1.5: Existing Customers. As used herein, the term "Existing Customer" shall mean any person receiving retail electric service from either CFTOD or DEF on the Effective Date of this Amended Agreement.

Section 1.6: New Customers. As used herein, the term "New Customers" shall mean those customers applying for electric service during the term of this Amended Agreement at a Point of Use in the territorial area of either Party which has not previously been served by either utility.

Section 1.7: Temporary Service Customers. As used herein, the term

"Temporary Service Customers" shall mean customers who are being temporarily served under the temporary service provisions of the Amended Agreement.

Section 1.8: Commission. As used herein, the term "Commission" shall mean the Florida Public Service Commission.

Section 1.9: Effective Date. As used herein, the term "Effective Date" shall mean the date on which the final Order of the Commission granting approval of this Amended Agreement in its entirety becomes no longer subject to judicial review.

ARTICLE II

RETAIL ELECTRIC SERVICE

Section 2.1: In General. Except as otherwise specifically provided herein, CFTOD shall have the exclusive authority to furnish retail electric service within the CFTOD Territorial Area and DEF shall have the exclusive authority to furnish retail electric service within the DEF Territorial Area. The Territorial Boundary Line shall not be altered or affected by any change that may occur in the corporate limits of any municipality or county lying within the CFTOD Territorial Area or the DEF Territorial Area, through annexation or otherwise, unless such change is agreed to in writing by the Parties and approved by the Commission.

Section 2.2: Service to New Customers. The Parties agree that neither will knowingly serve nor attempt to serve any New Customer whose Point of Use is located within the Territorial Area of the other Party, except as specifically provided in Sections 2.3, 4.2, and 4.3 below. However, in those instances where the Territorial Boundary

Line traverses the property of an individual New Customer or prospective New Customer, the Party in whose service area the preponderance of the Customer's electric energy usage is expected to occur shall be entitled to serve all of the Customer's usage. The Parties will promptly notify the Commission if one Party is going to serve a New Customer whose property spans both Parties' Territorial Areas pursuant to this Section.

Section 2.3: Temporary Service. The Parties recognize that in exceptional circumstances, economic constraints or good engineering practices may indicate that a New Customer's Point of Use either cannot or should not be immediately served by the Party in whose Territorial Area such Point of Use is located. In such instances, upon written request by the Party in whose Territorial Area the New Customer's Point of Use is located, the other Party may, in its sole discretion, agree in writing to temporarily provide service to such New Customer until such time as the requesting Party provides written notice of its intent to serve the Point of Use. Prior to the commencement of Temporary Service, the Party providing such service shall inform the New Customer of the temporary nature of its service and that the other Party will ultimately serve the New Customer. Any such agreement for Temporary Service which lasts, or is anticipated to last, for more than one year shall be submitted to the Commission for approval in accordance with Section 5.1 hereof. Such Temporary Service shall be discontinued upon written notice from the requesting Party of its intent to provide service, which the Parties shall coordinate to minimize any inconvenience to the customer. The Party providing Temporary Service hereunder shall not be required to pay the other Party for any loss of revenue associated with the provision of such Temporary Service, nor shall the Party

providing temporary service be required to pay the other party any going concern value.

Section 2.4: Referral of Service Request. In the event that a prospective New Customer requests or applies for service from either party to be provided to a Point of Use located in the Territorial Area of the other Party, the Party receiving the request or application shall advise the prospective New Customer that such service is not permitted under this Amended Agreement as approved by the Commission, and shall refer the prospective New Customer to the other Party.

Section 2.5: Correction of Inadvertent Service Errors. If any situation is discovered during the term of this Amended Agreement in which either Party has begun to inadvertently provide retail electric service to a customer's Point of Use located within the Territorial Area of the other Party after the Effective Date of this Amended Agreement, service to such customer will be transferred to such other Party at the earliest practical time, but in any event within twelve months of the date the inadvertent service error was discovered. Until service by the other Party can be reasonably established, the inadvertent service will be deemed to be Temporary Service provided and governed in accordance with Section 2.3 above.

ARTICLE III

TRANSFER OF CUSTOMERS AND FACILITIES

Section 3.1: In General. There are no known customers or facilities to be transferred pursuant to this Amended Agreement.

In the event circumstances arise during the term of this Amended Agreement in which the Parties agree that, based on sound economic considerations or good

engineering practices, an area located in the Territorial Area of one Party would be better served if reallocated to the service territory of the other Party, the Parties shall jointly petition the Commission for approval of a modification of the Territorial Boundary line that places the area in question (the "Reallocated Area") within the Territorial Area of the other Party and transfer of the customers located in the Reallocated Area to the other Party.

ARTICLE IV

OPERATION AND MAINTENANCE

Section 4.1: Facilities to Remain. Other than as expressly provided for herein, no generating plant, transmission line, substation, distribution line or related equipment shall be subject to transfer or removal hereunder; provided, however, that each Party shall operate and maintain its lines and facilities in a manner that minimizes any interference with the operations of the other Party.

Section 4.2: CFTOD Facilities to be Served. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of CFTOD to serve any facility of CFTOD located in the DEF Territorial Area which is used exclusively in connection with CFTOD business as an electric utility; provided, however, that CFTOD shall construct, operate, and maintain said lines and facilities in such manner as to minimize any interference with the operation of DEF in the Duke Energy Territorial Area.

Section 4.3: Duke Energy Facilities to be Served. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of DEF to serve any DEF facility located in the CFTOD Territorial Area which is used exclusively in

connection with DEF business as an electric utility; provided, however, that DEF shall construct, operate, and maintain said lines and facilities in such manner as to minimize any interference with the operation of CFTOD in the CFTOD Territorial Area.

ARTICLE V

PREREQUISITE APPROVAL

Section 5.1: Commission Approval. The provisions and the Parties' performance of this Amended Agreement are subject to the regulatory authority of the Commission, and appropriate approval by the Commission of this Amended Agreement in its entirety shall be an absolute condition precedent to the validity, enforceability, and applicability hereof. This Amended Agreement shall have no effect whatsoever until Commission approval has been obtained. Any proposed modification to this Amended Agreement shall be submitted to the Commission for approval. In addition, the Parties agree to jointly petition the Commission to resolve any dispute concerning the provisions of this Amended Agreement or the Parties' performance hereunder.

Upon approval of the Commission, this Amended Agreement shall be deemed to replace the Existing Agreement between Parties regarding their respective retail service areas in Orange and Osceola Counties.

Section 5.2: Liability in the Event of Disapproval. In the event approval pursuant to Section 5.1 is not obtained, neither Party shall have claim against the other Party arising under this Amended Agreement and the terms of the Existing Agreement shall remain in full force and effect.

ARTICLE VI

DURATION

Section 6.1: Term. This Agreement shall continue and remain in effect for a period of thirty years from the Effective Date of the Amended Agreement. After expiration of the thirty year term provided herein, this Amended Agreement shall remain in effect until and unless either Party provides written notice of termination. Such written notice shall be provided as contemplated by Section 8.3 and shall be provided no less than twelve months prior to the date of termination.

ARTICLE VII

CONSTRUCTION OF AGREEMENT

Section 7.1: Other Electric Utilities. Nothing in this Amended Agreement is intended to define, establish, or affect in any manner, the rights of either Party hereto relative to any other electric utility not a party to this Amended Agreement with respect to the furnishing of retail electric service, but not limited to, the service territory of either Party. The Parties understand that CFTOD or DEF may, from time to time and subject to Commission approval, enter into territorial agreements with other electric utilities that have adjacent or overlapping service areas and that, in such event, nothing herein shall be construed to prevent CFTOD or DEF from designating any portion of its Territorial Area under this Amended Agreement as the retail service area of such other electric utility.

Section 7.2: Intent and Interpretation. It is hereby declared to be the purpose and intent of the Parties that this Amended Agreement shall be interpreted and construed, among other things, to further Florida's policy of actively regulating and supervising the

service territories of electric utilities; supervising the planning, development, and maintenance of a coordinated electric power grid throughout Florida; avoiding uneconomic duplication of generation, transmission, and distribution facilities; and encouraging the installation and maintenance of facilities necessary to fulfill the Parties respective obligations to serve.

ARTICLE VIII

MISCELLANEOUS

Section 8.1: Negotiations. Whatever terms or conditions may have been discussed during the negotiations leading up to the execution of this Amended Agreement, the only terms and conditions agreed upon are those set forth herein, and no alteration, modification, enlargement, or supplement to this Amended Agreement shall be binding upon either of the Parties hereto unless agreed to in writing by both Parties, and approved by the Commission.

Section 8.2: Successors and Assigns. Nothing in this Amended Agreement, expressed or implied, is intended or shall be construed to confer upon or give to any person or corporation, other than the Parties, any right, remedy, or claim under or by reason of this Amended Agreement or any provision or conditions hereof; and all of the provisions, representations, covenants, and conditions herein contained shall inure to the sole benefit of and shall be binding only upon the Parties and their respective representatives, successors, and assigns.

Section 8.3: Notices. Notices and other written communications contemplated.

By the Existing Agreement (as amended hereby) shall be deemed to have been given if sent by certified mail, postage prepaid, by prepaid private courier as follows:

To CFTOD:	To Duke Energy Florida LLC:
Stephanie Kopelousos, District Administrator	Melissa Seixas, , State President
Central Florida Tourism Oversight District	Duke Energy Florida, LLC
PO Box 690519	PO Box 14042
Orlando, FL 32869-0519	St. Petersburg, Florida 33733

Either Party may change its designated representative or address to which such notices or communications shall be sent by giving written notice thereof to the other Party in the manner herein provided.

Section 8.4: Incorporation and Ratification. This Amendment shall be incorporated into and made part of the Existing Agreement, and all provisions of the Existing Agreement not expressly modified hereby shall remain in full force and effect. As amended hereby, the Existing Agreement is hereby ratified and reaffirmed by the Parties hereto.

IN WITNESS WHEREOF, the Parties have caused this Amended Agreement to be executed in their respective corporate names and their corporate seals affixed by their duly authorized officers on the day and year first above written.

ATTEST:

District Secretary

CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT

By: _____

District Administrator

DUKE ENERGY FLORIDA, LLC

By: _____
State President

ATTEST:
_____
Associate General Counsel

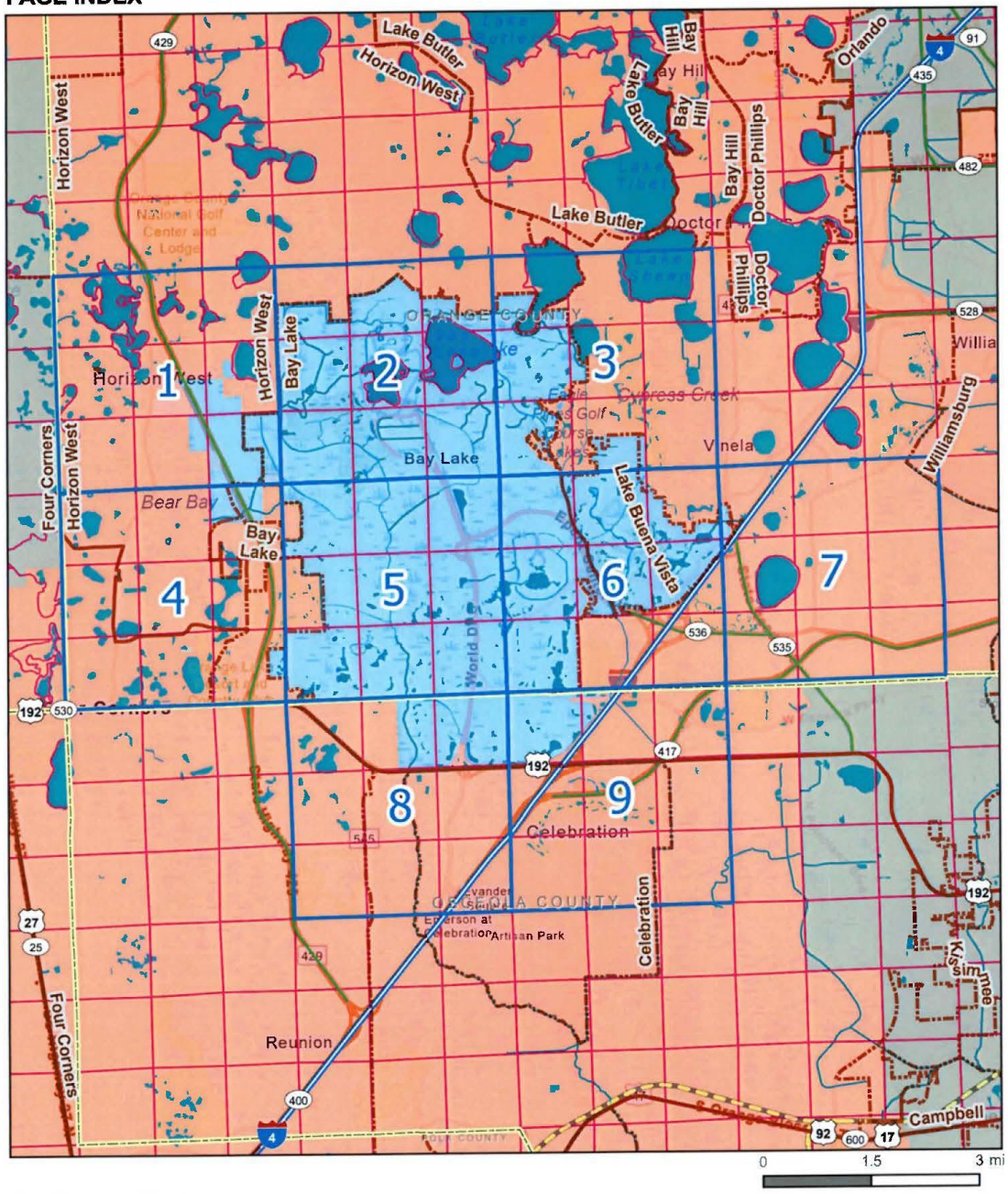
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Revised Exhibit A

(Supersedes and Replaces Exhibit A to the Existing Territorial Agreement)

Revised Territorial Agreement Maps Delineating the Territorial Service Boundaries in Orange and Osceola Counties

DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT
TERRITORIAL AGREEMENT
ORANGE & OSCEOLA
PAGE INDEX

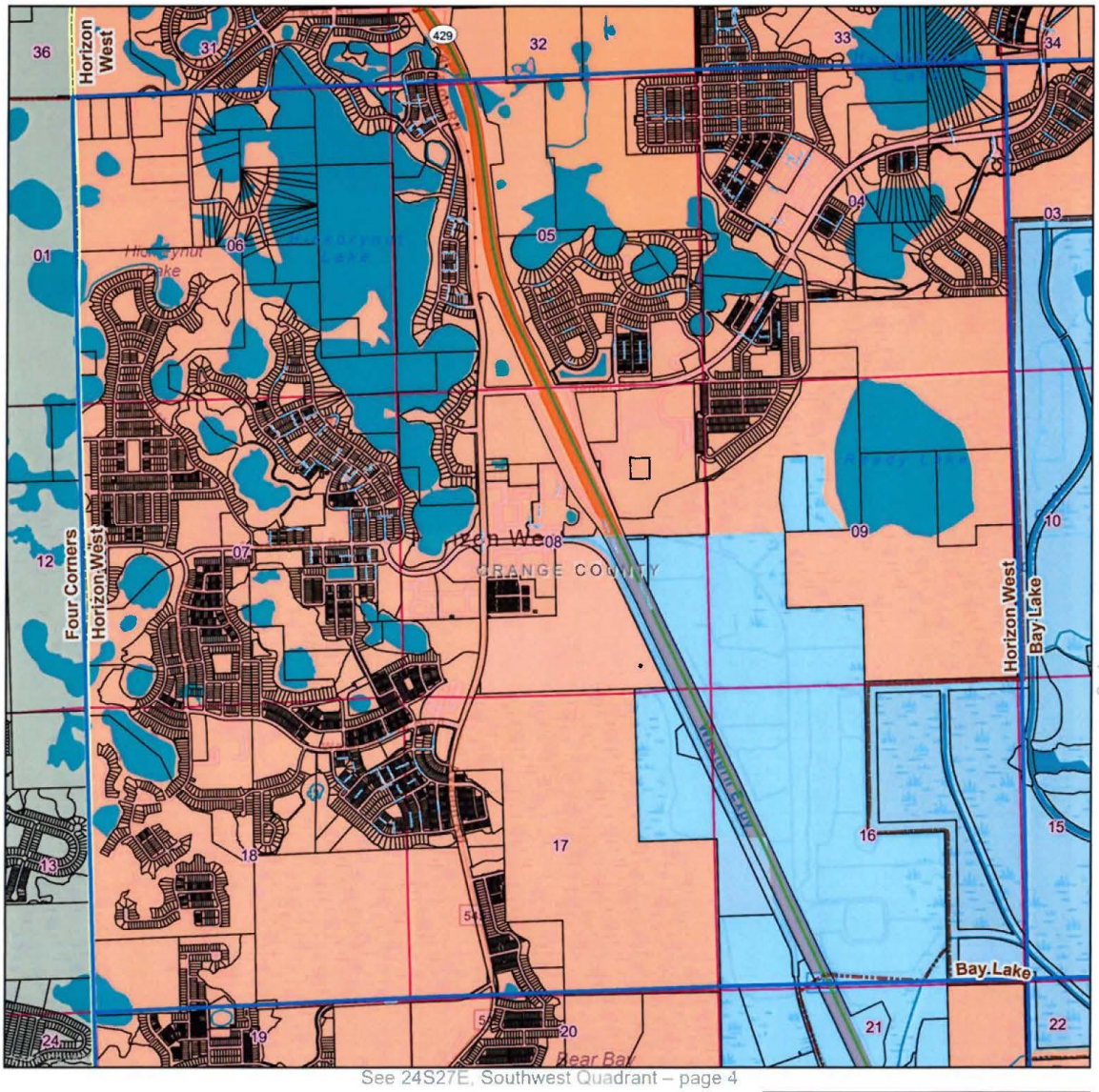


Service Territory
- Duke Energy Florida
- CFTOD
- Not Part of Agreement

- City Boundary
- County
- Section
- Water

- Interstate
- US Highway
- Major Road
- Rail

DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
ORANGE COUNTY, FL

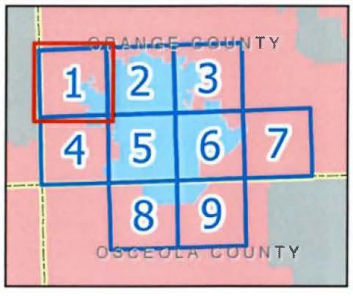


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County: ORANGE

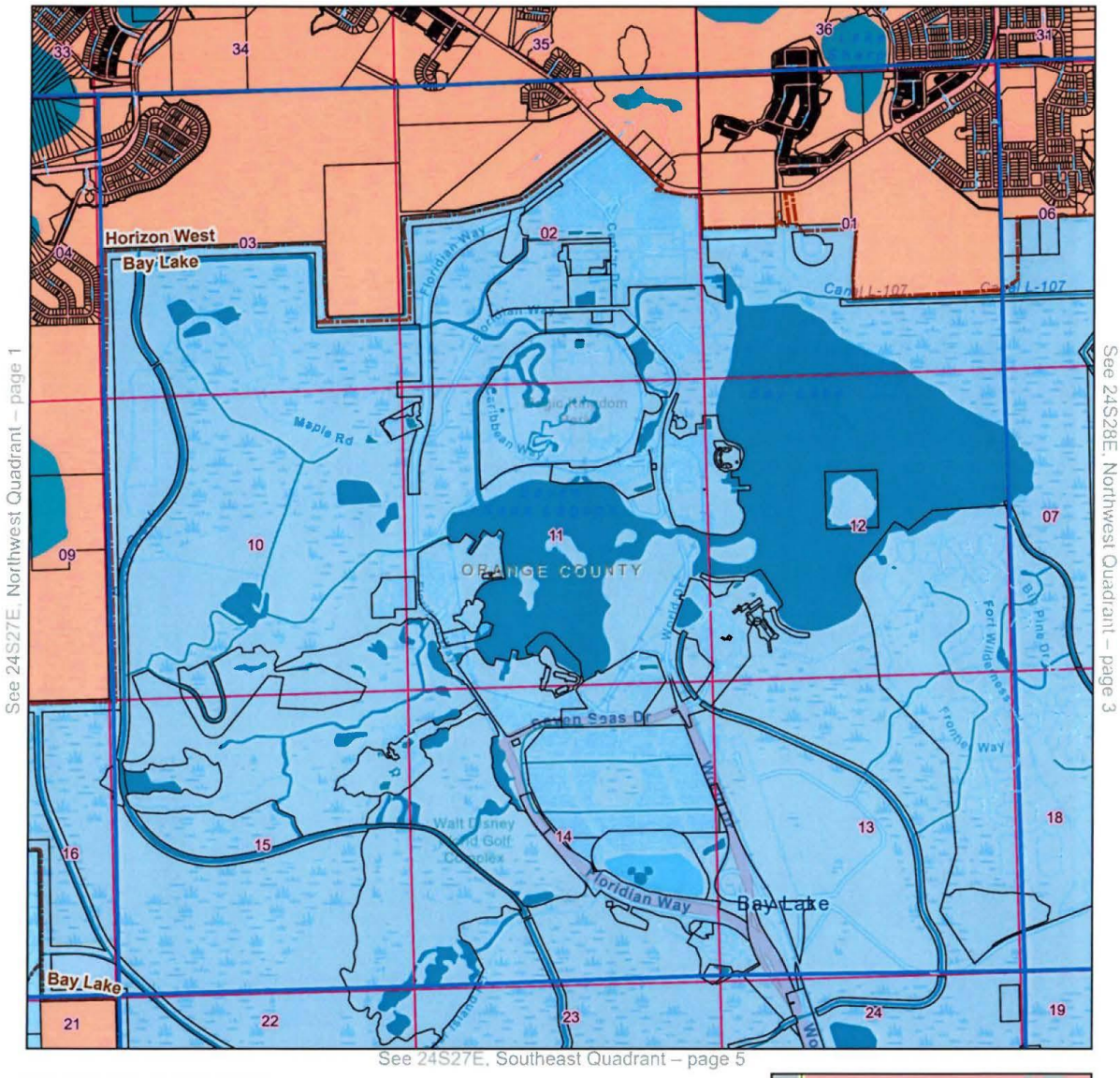
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Service Territory
- Duke Energy Florida
- CFTOD
- Not Part of Agreement

Map Grid
Section
Parcels
City Boundary
County
Water
Interstate
US Highway
Major Road
Rail



DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
ORANGE COUNTY, FL

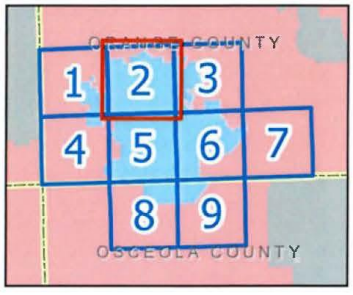


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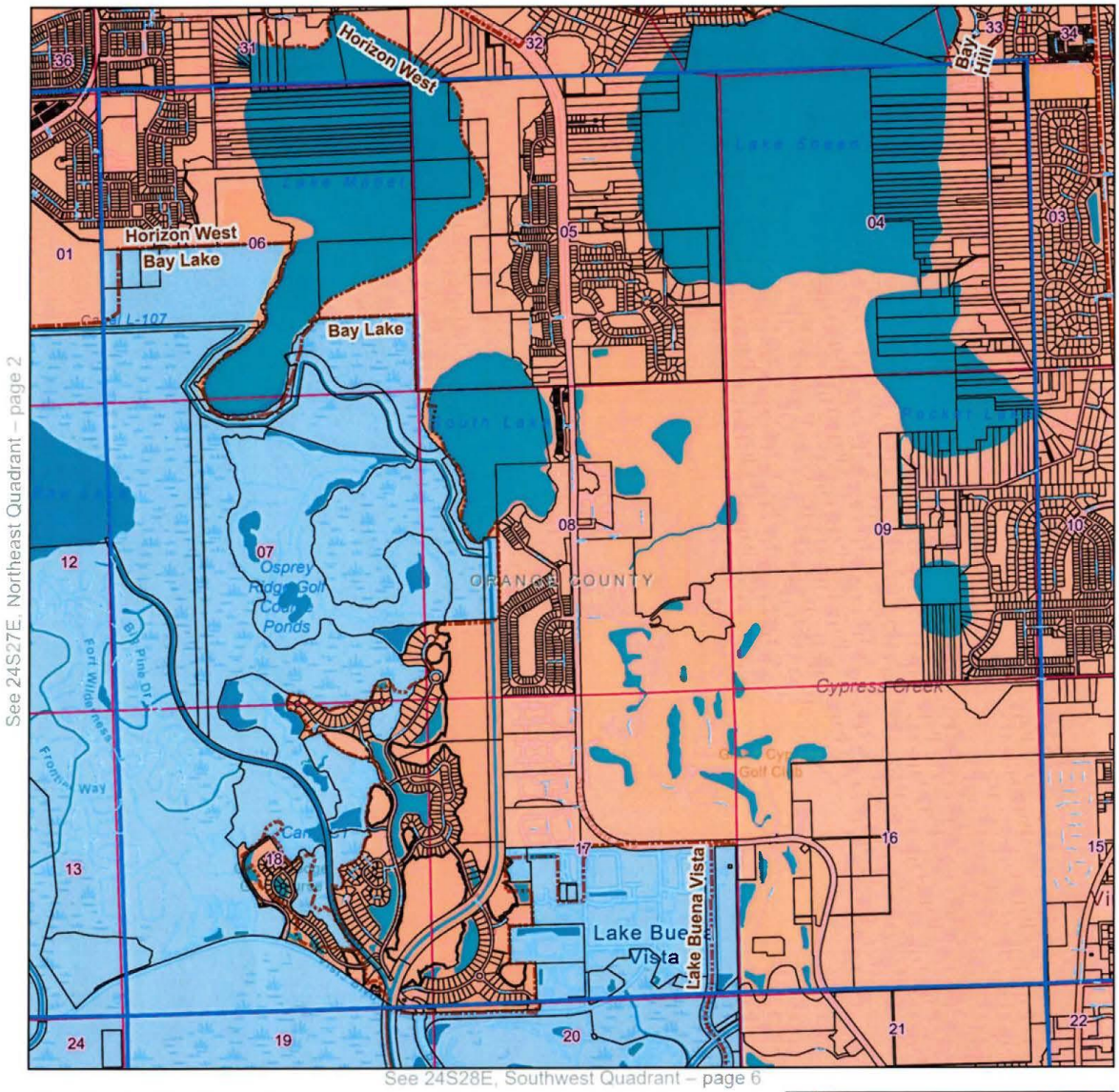
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- CFTOD
- Not Part of Agreement

Map Grid
Section
Parcels
City Boundary
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US Highway
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DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
ORANGE COUNTY, FL

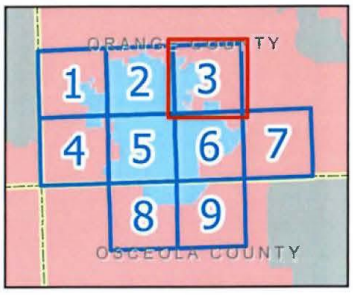


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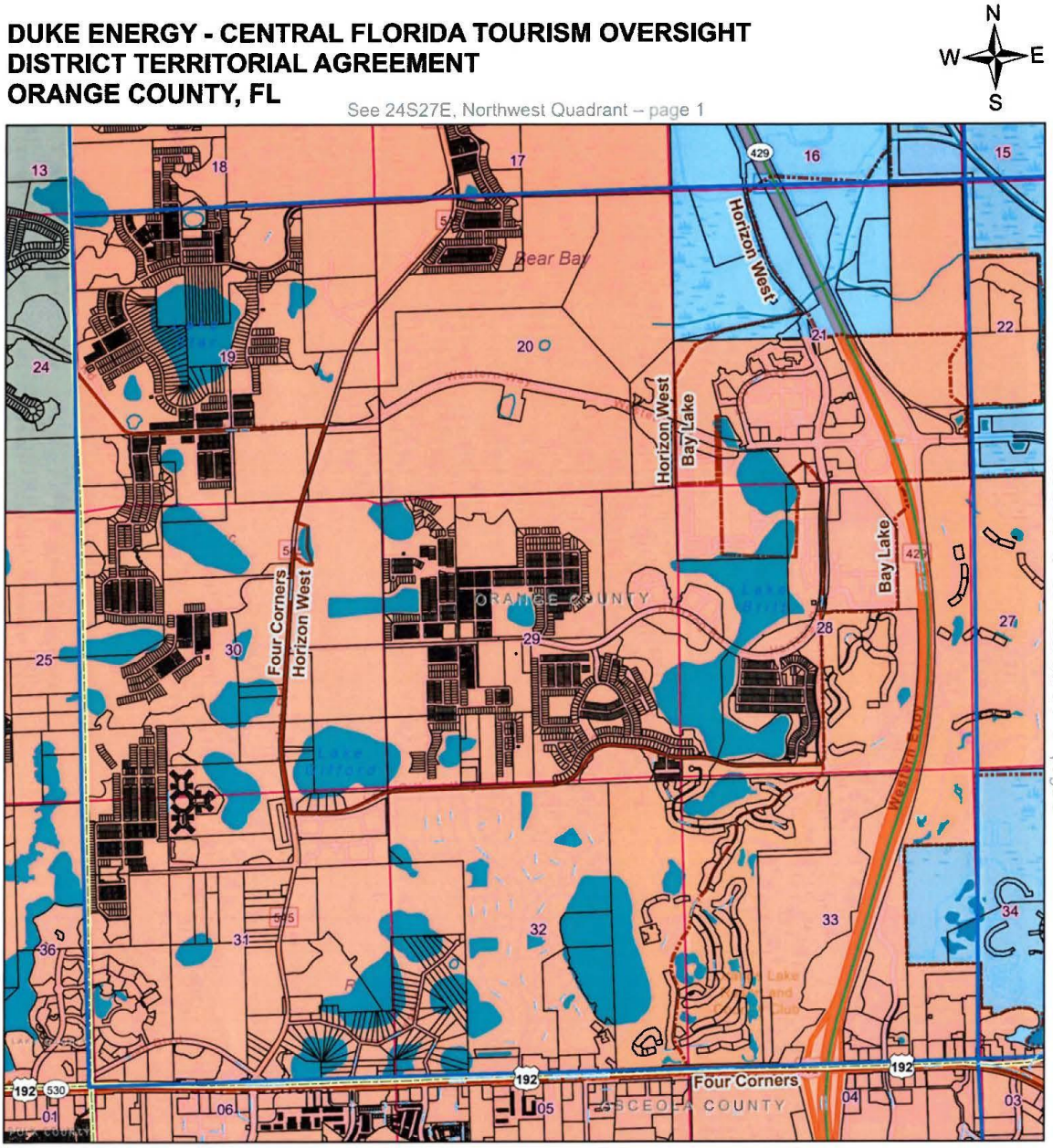
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Service Territory
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- CFTOD
- Not Part of Agreement

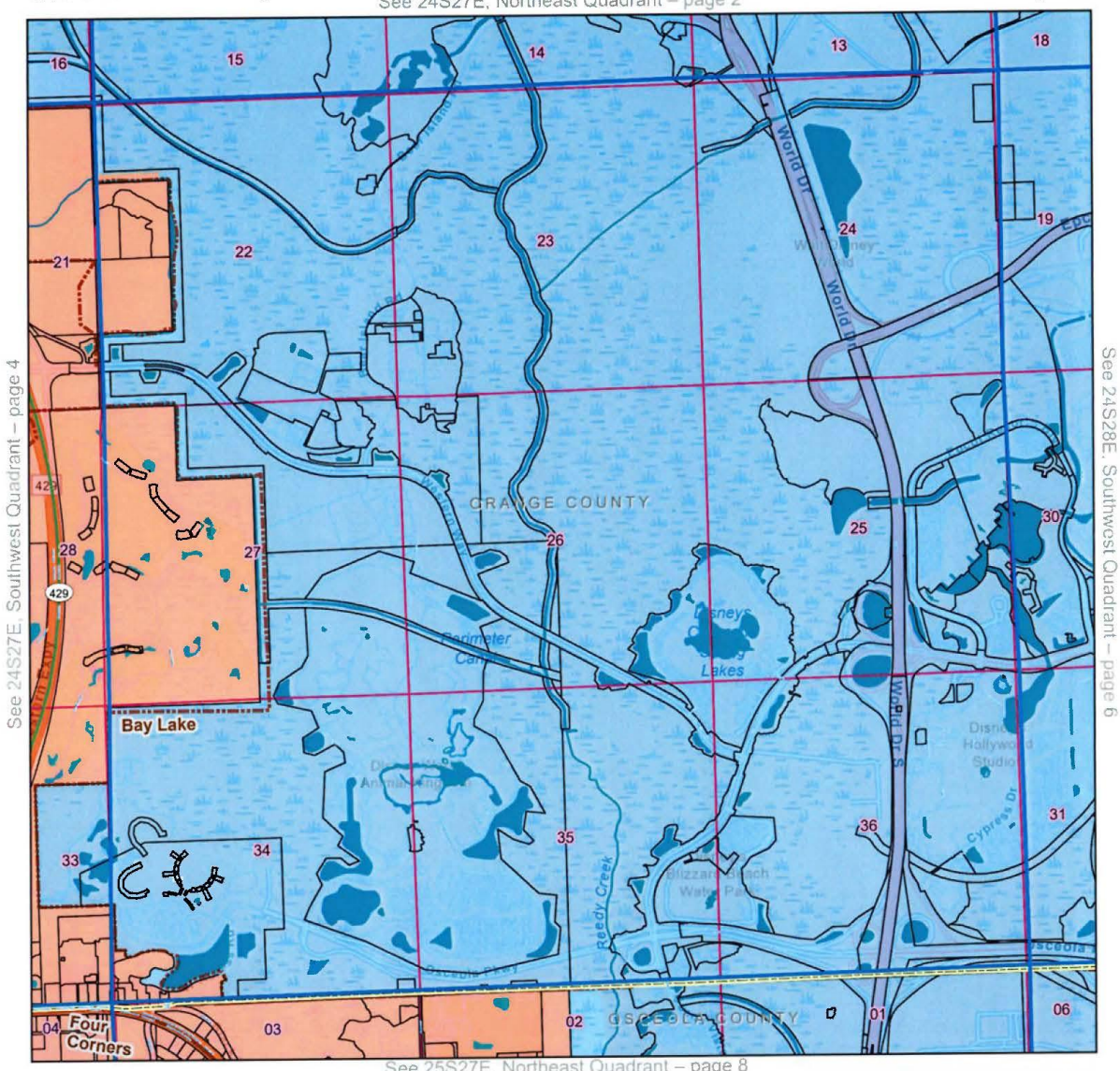
Map Grid
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City Boundary
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Interstate
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DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
ORANGE COUNTY, FL



DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
ORANGE COUNTY, FL

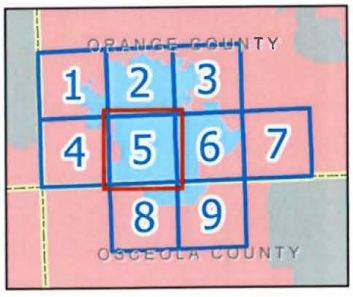


Quadrant: Southeast
Township: 24S
Range: 27E
County: ORANGE

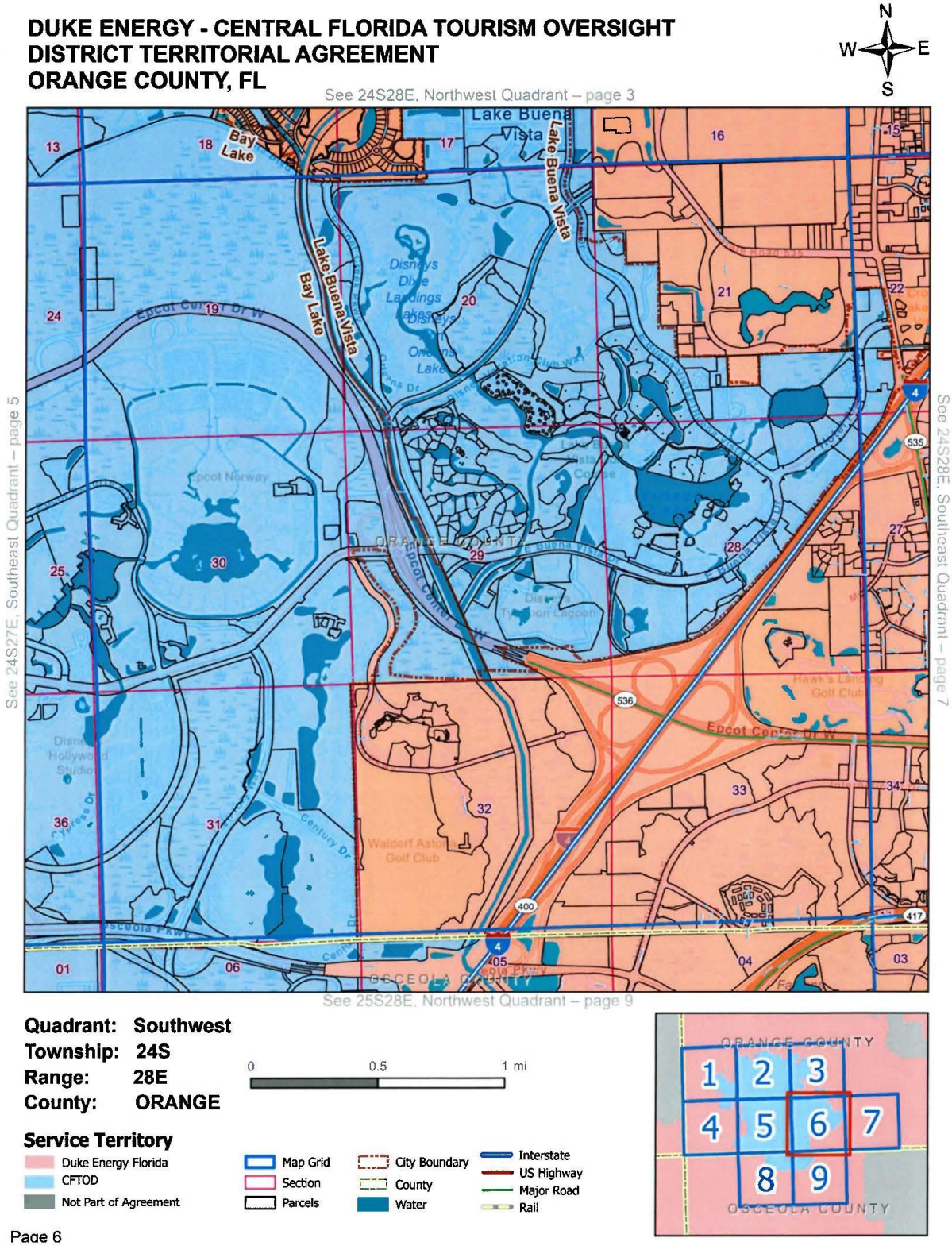
0 0.5 1 mi

Service Territory
- Duke Energy Florida
- CFTOD
- Not Part of Agreement

- Map Grid
- Section
- Parcels
- City Boundary
- County
- Water
- Interstate
- US Highway
- Major Road
- Rail



DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
ORANGE COUNTY, FL



Quadrant: Southwest
Township: 24S
Range: 28E
County: ORANGE

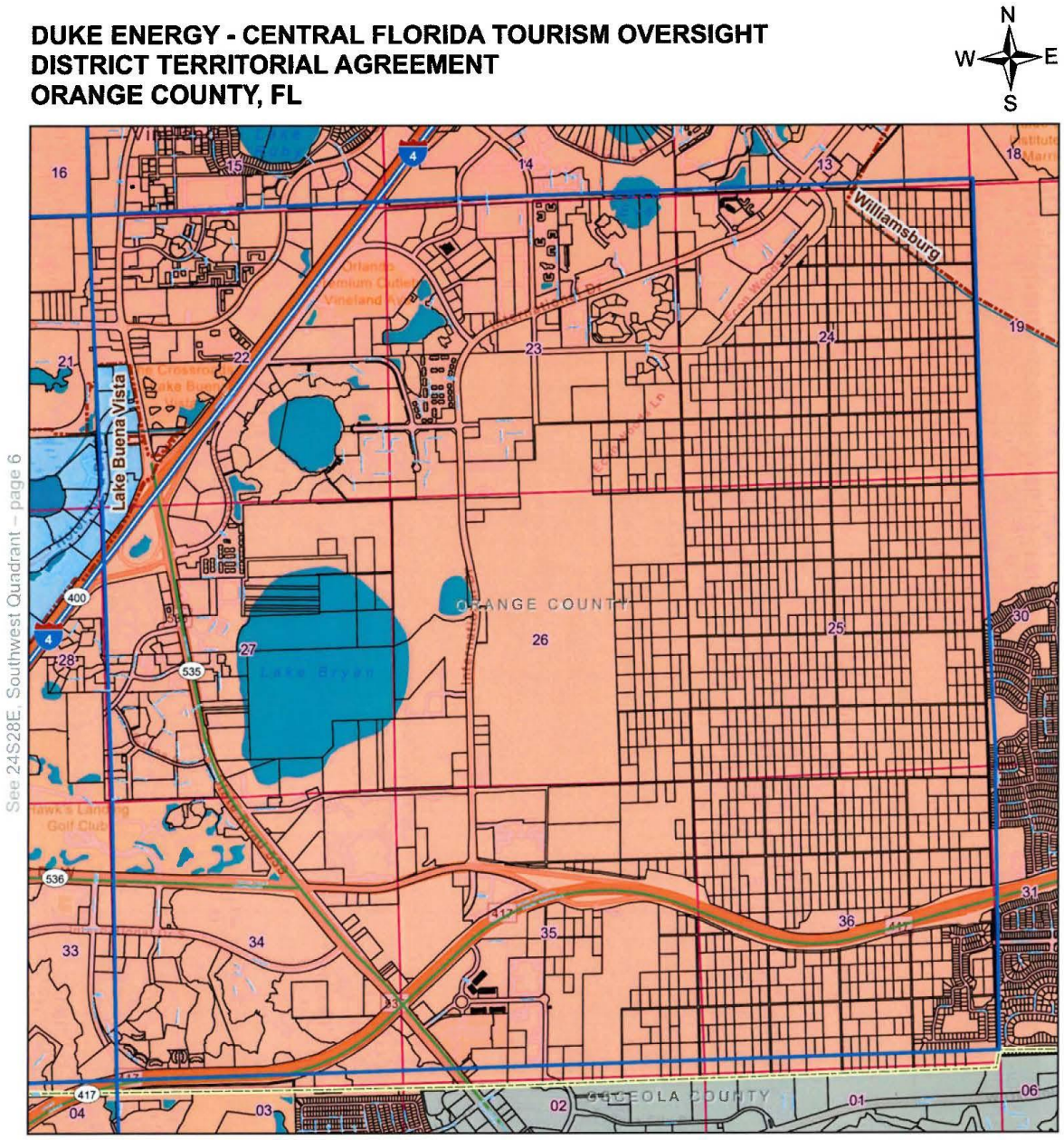
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Service Territory

- Duke Energy Florida
- CFTOD
- Not Part of Agreement

- Map Grid
- Section
- Parcels
- City Boundary
- County
- Water
- Interstate
- US Highway
- Major Road
- Rail

DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
ORANGE COUNTY, FL

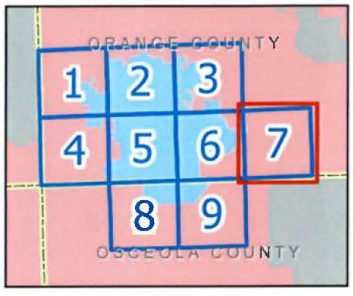


Quadrant: Southeast
Township: 24S
Range: 28E
County: ORANGE

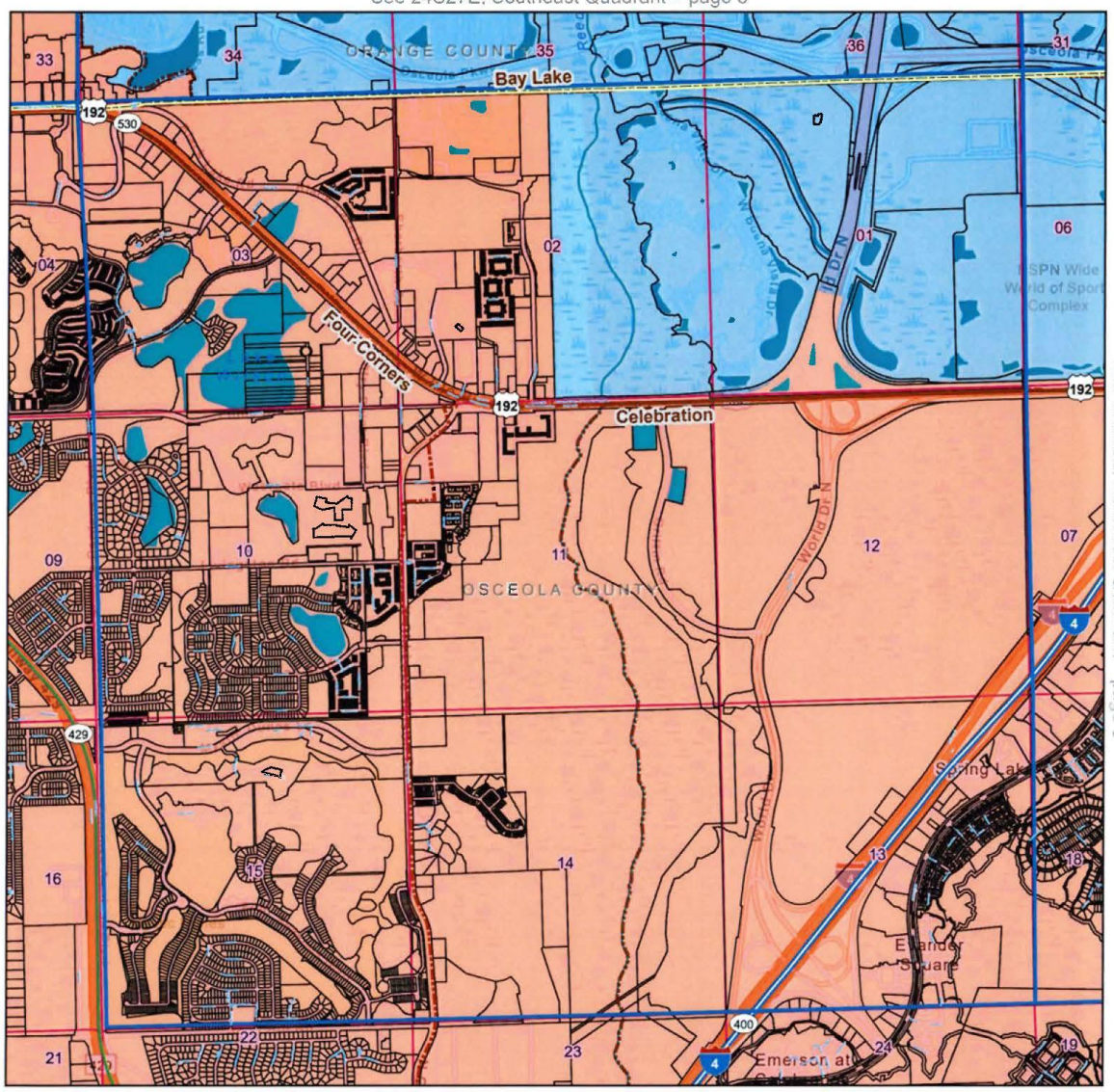
0 0.5 1 mi

Service Territory
- Duke Energy Florida
- CFTOD
- Not Part of Agreement

Map Grid
Section
Parcels
City Boundary
County
Water
Interstate
US Highway
Major Road
Rail



DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
OSCEOLA COUNTY, FL

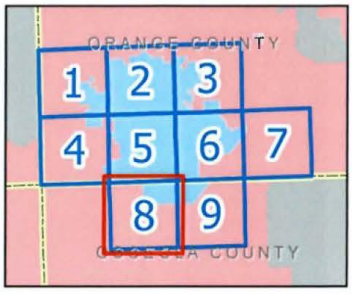


Quadrant: Northeast
Township: 25S
Range: 27E
County: OSCEOLA

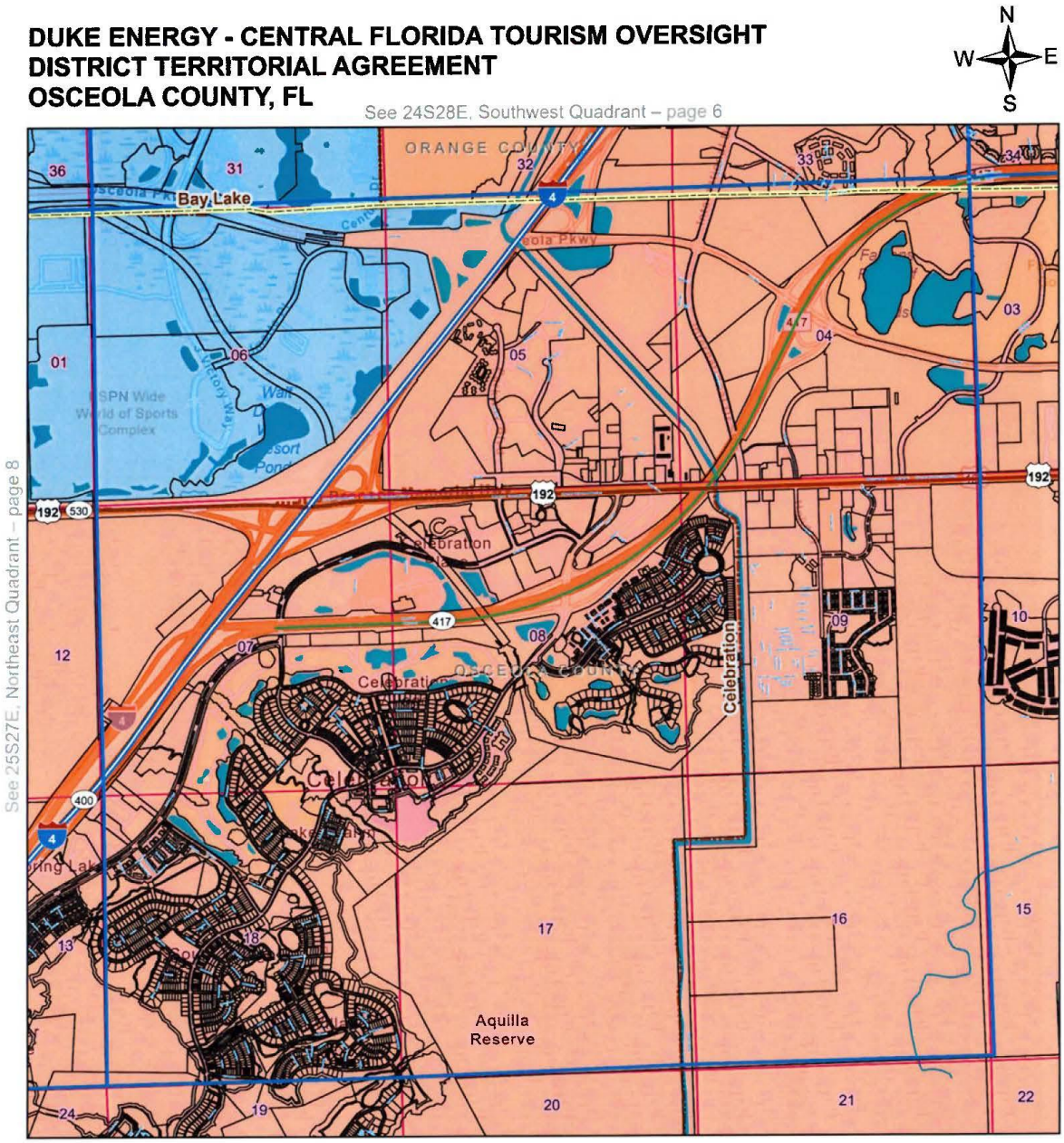
0 0.5 1 mi

Service Territory
- Duke Energy Florida
- CFTOD
- Not Part of Agreement

Map Grid
Section
Parcels
City Boundary
County
Water
Interstate
US Highway
Major Road
Rail



DUKE ENERGY - CENTRAL FLORIDA TOURISM OVERSIGHT DISTRICT TERRITORIAL AGREEMENT
OSCEOLA COUNTY, FL



Quadrant: Northwest
Township: 25S
Range: 28E
County: OSCEOLA

0 0.5 1 mi

Service Territory
- Duke Energy Florida
- CFTOD
- Not Part of Agreement

- Map Grid
- Section
- Parcels
- City Boundary
- County
- Water
- Interstate
- US Highway
- Major Road
- Rail

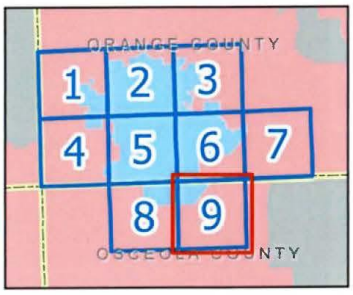


Exhibit B

Written Descriptions of the Territorial Areas Served in Orange and Osceola Counties

Map Page	County	Quarter	Township/Range	Section(s)	Description/Notes
1	Orange	NW	T24S, R27E	4, 5, 6, 7	The entire section is served by DEF. No areas are served by CFTOD.
1	Orange	NW	T24S, R27E	8	DEF serves this section except for the southeastern corner area that is served by CFTOD.
1	Orange	NW	T24S, R27E	9	DEF serves this section except for the southwestern corner area that is served by CFTOD.
1	Orange	NW	T24S, R27E	16	This entire section is served by CFTOD. No areas are served by DEF.
1	Orange	NW	T24S, R27E	17	DEF serves this section except for the northeastern corner area that is served by CFTOD.
1	Orange	NW	T24S, R27E	18	The entire section is served by DEF. No areas are served by CFTOD.
2	Orange	NE	T24S, R27E	1, 2, 3	DEF serves the northern area of these sections. CFTOD serves the southern area of these sections.
2	Orange	NE	T24S, R27E	10, 11, 12, 13, 14, 15	The entire section is served by CFTOD. No areas are served by DEF.
3	Orange	NW	T24S, R28E	4, 5	The entire section is served by DEF. No areas are served by CFTOD.
3	Orange	NW	T24S, R28E	6	DEF serves the northwestern area of the section. CFTOD serves the south & southeastern area of the section.
3	Orange	NW	T24S, R28E	7	CFTOD serves this section except for 8 full parcels and half of 2 parcels that are served by DEF.
3	Orange	NW	T24S, R28E	8	DEF serves this section except for the southwestern area by the Bay Lake area that is served by CFTOD.
3	Orange	NW	T24S, R28E	9, 16	The entire section is served by DEF. No areas are served by CFTOD.
3	Orange	NW	T24S, R28E	17	DEF serves this section except for the southeastern area within Lake Buena Vista area that is served by CFTOD.
3	Orange	NW	T24S, R28E	18	CFTOD serves this section except for the northeastern area near the Osprey Ridge Golf Course, Vista Blvd, and the City Boundary line area that is served by DEF which includes about 176 parcels and half of 3 parcels.
4	Orange	SW	T24S, R27E	19, 20	The entire section is served by DEF. No areas are served by CFTOD.
4	Orange	SW	T24S, R27E	21	DEF serves this entire section except for the northwestern area in the Horizon West City Boundary line that is served by CFTOD.
4	Orange	SW	T24S, R27E	28, 29, 30, 31, 32, 33	DEF serves the entire section. No areas are served by CFTOD.

5	Orange	SE	T24S, R27E	22	CFTOD serves the entire section except for one area on the western side by the City Boundary line that is served by DEF.
5	Orange	SE	T24S, R27E	23, 24, 25, 26	CFTOD serves the entire section. No areas are served by DEF.
5	Orange	SE	T24S, R27E	27	CFTOD serves the entire section except for one area on the western side by the City Boundary line that is served by DEF.
5	Orange	SE	T24S, R27E	34	CFTOD serves the entire section except for the southwestern area that includes 10 parcels that are served by DEF.
5	Orange	SE	T24S, R27E	35, 36	CFTOD serves the entire section. No areas are served by DEF.
6	Orange	SW	T24S, R28E	19, 20	This entire section is served by CFTOD. No areas are served by DEF.
6	Orange	SW	T24S, R28E	21	DEF serves the northeastern area of the section. CFTOD serves the southwestern area by E Buena Vista Dr of the section.
6	Orange	SW	T24S, R28E	28	DEF serves the southeastern area of the section. CFTOD serves the northwestern area within E Buena Vista Dr and Village Lake.
6	Orange	SW	T24S, R28E	29	CFTOD serves the entire section except for a small area on the southern border of the section within the City Boundary line towards the end of the Epcot Center Dr W Road.
6	Orange	SW	T24S, R28E	30, 31	This entire section is served by CFTOD. No areas are served by DEF.
6	Orange	SE	T24S, R28E	32, 33	The entire section is served by DEF. No areas are served by CFTOD.
7	Orange	SE	T24S, R28E	22	DEF serves this section except for the southwest area within the City of Lake Buena Vista that's served by CFTOD.
7	Orange	SE	T24S, R28E	23, 24, 25, 26	The entire section is served by DEF. No areas are served by CFTOD.
7	Orange	SE	T24S, R28E	27	DEF serves this section except for the top western corner area within the City of Lake Buena Vista that's served by CFTOD.
7	Orange	SE	T24S, R28E	34, 35, 36	The entire section is served by DEF. No areas are served by CFTOD.
8	Osceola	NE	T25S, R27E	1	This entire section is served by CFTOD except for the southern side of World Dr N that is served by DEF.

8	Osceola	NE	T25S, R27E	2	This section is split in the middle. The eastern area is served by CFTOD. The western area is served by DEF.
8	Osceola	NE	T25S, R27E	3, 10, 11, 12, 13, 14, 15	The entire section is served by DEF. No areas are served by CFTOD.
9	Osceola	NW	T25S, R28E	4	The entire section is served by DEF. No areas are served by CFTOD.
9	Osceola	NW	T25S, R28E	5	The entire section is served by DEF except for the northwestern area within the north and south body of waters that is served by CFTOD.
9	Osceola	NW	T25S, R28E	6	The entire section is served by CFTOD except the southern area near the W Ilro Bronson Memorial HWY that is served by DEF.
9	Osceola	NW	T25S, R28E	7, 8, 9, 16, 17, 18	The entire section is served by DEF. No areas are served by CFTOD.

Item 12

FILED 11/17/2026
DOCUMENT NO. 07918-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Prewett, Barrett, Clark, McNulty)
Office of the General Counsel (Crawford, Rauch)

RE: Docket No. 20260121-EU – Joint petition for approval of amended and restated territorial agreement in Gadsden County, by Talquin Electric Cooperative and Town of Havana.

AGENDA: 12/1/26 – Regular Agenda – Proposed Agency Action - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On August 20, 2026, Talquin Electric Cooperative (Talquin) and the Town of Havana (Havana) (collectively the joint petitioners or Utilities), filed a petition seeking Commission approval of a territorial agreement in Gadsden County (2026 Territorial Agreement) with a 30-year term. The 2026 Territorial Agreement provides details on the boundary line changes and includes maps depicting the new territorial boundaries and written descriptions that are attached hereto as Attachment A.

Since 2006, Talquin and Havana have been parties to an agreement in Gadsden County, which expired in 2026 (2006 Agreement).[1] Since the expiration of that agreement, the joint petitioners

[1] Order No. PSC-06-0341-PAA, issued April 24, 2006, in Docket No. 060034-EU, *In re: Joint Petition for approval of territorial agreement in Gadsden County.*

have been working on the 2026 Territorial Agreement, which is intended to replace the expired agreement in the above-referenced county. Although the 2006 Agreement expired, the Utilities have continued to meet their obligations under that agreement while negotiations for the 2026 Territorial Agreement were underway.

As discussed in this recommendation, the negotiated 2026 Territorial Agreement, in part, is intended to facilitate the orderly transfer of two facilities from Talquin to Havana, to align the territorial boundary with the current parcel boundaries, and to provide for historical changes in service.[2] Other boundary line changes are proposed to allow extra-territorial customers to remain with the electric utility to which they are currently connected.[3]

The proposed 2026 Territorial Agreement provides in Section 2.4 that Talquin may continue to serve a current member located in Havana, until one of the following occurs: (1) the member requests to become a customer of Havana, (2) the service location is sold, assigned, or otherwise transferred, or (3) a new customer applies for service at that location. Section 2.4 is a pivotal consideration in staff's evaluation of the 2026 Territorial Agreement and primary and alternate recommendations are presented for the Commission to consider.

On October 14, 2026, the designated representative of the Talquin customer residing in Havana, contacted the Commission with questions about this matter. The email and staff's written reply to the representative is filed as Correspondence in this docket. On November 3, 2026, the Talquin customer mailed a letter formally objecting to the account's electric service being transferred to Havana; the letter is filed as Correspondence in the docket.

This recommendation presents two staff perspectives on one provision of the proposed 2026 Territorial Agreement. Staff agrees on the remaining provisions, but differs on Section 2.4, which would allow Talquin to continue serving one longstanding residential customer within Havana's proposed service territory, thereby creating an extra-territorial customer, until a specified event triggers transfer. The primary recommendation supports this accommodation under the customer's particular circumstances, with a reporting requirement. The alternative recommends removing the exception because of concerns about continued uneconomic duplication over an unspecified period. The staff analysis explains the basis for each recommendation.

During the review process, staff issued two data requests to the joint petitioners, for which responses were received September 15 and October 15, 2026. The Commission has jurisdiction over this matter pursuant to Section 366.04, Florida Statues (F.S.).

[2] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 1.
[3] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 4(a).

Discussion of Issues

Issue 1: Should the Commission approve the 2026 Territorial Agreement between Talquin and Havana in Gadsden County, dated August 20, 2026?

Primary Recommendation: Yes, subject to the condition detailed below, the Commission should approve the 2026 Territorial Agreement between Talquin and Havana in Gadsden County, as consistent with the Standards for Approval set forth in Rule 25-6.0440(2), F.A.C. The 2026 Territorial Agreement, if approved, amends the respective boundary lines between the Utilities, thereby eliminating most extra-territorial connections. The agreement would also facilitate the joint petitioners' efforts to avoid uneconomic duplication of service facilities, wasteful expenditures, and hazardous conditions, as well as the transfer of two facilities from Talquin to Havana. Additionally, the territorial boundary changes will provide the joint petitioners with greater certainty to plan for growth and avoid future disputes. Talquin should be required to notify the Commission in writing within 30 days of the date it permanently discontinues electric service to the customer in Havana. (Prewett, Barrett)

Alternative Recommendation: All aspects of the proposed 2026 Territorial Agreement between Talquin and Havana in Gadsden County are appropriate except for Section 2.4, which would allow Talquin to provide electric service for an unspecified amount of time to an address located in Havana's service area until one of three conditions are met. This exception to compliance with the proposed boundary lines contemplated in Section 2.4 may result in continued uneconomic duplication in the immediate geographic area for an unspecified period, such that the Agreement represents a detriment to the public interest. After providing required transfer notification and comparative utility rate information to the customer in Havana, the joint petitioners should be required to submit a revision to the proposed 2026 Territorial Agreement that is exclusive of the provisions contained in Section 2.4. (Clark, McNulty)

Staff Analysis: Pursuant to Section 366.04(2)(d), F.S., and Rule 25-6.0440(2), (F.A.C.), the Commission has jurisdiction to approve territorial agreements between and among rural electric cooperatives, municipal electric utilities, and investor-owned electric utilities. Unless the Commission determines that the Agreement will cause a detriment to the public interest, it should be approved.[4]

Rule 25-6.0440(2), F.A.C., addresses the standards the Commission should consider for approving territorial agreements for electric utilities. The rule states:

> (2) Standards for Approval. In approving territorial agreements, the Commission may consider:
> (a) The reasonableness of the purchase price of any facilities being transferred;
> (b) The reasonable likelihood that the agreement, in and of itself, will not cause a decrease in the reliability of electrical service to the existing or future ratepayers of any utility party to the agreement;

[4] *Utilities Commission of the City of New Smyrna Beach v. Florida Public Service Commission*, 469 So. 2d 731 (Fla. 1985).

(c) The reasonable likelihood that the agreement will eliminate existing or potential uneconomic duplication of facilities; and
(d) Any other factor the Commission finds relevant in reaching a determination that the territorial agreement is in the public interest.

Proposed 2026 Territorial Agreement

Talquin and Havana executed the 2026 Territorial Agreement addressing common boundaries over the Gadsden County area on August 20, 2026, to replace and supersede the existing territorial agreement from 2006. The joint petitioners assert that the 2026 Territorial Agreement will primarily align the territorial boundaries with the current parcel boundaries and also provide for historical changes in service. [5]

The 2026 Territorial Agreement includes nine maps depicting the new territorial boundaries, written descriptions of the territorial areas, and comprehensive terms and conditions the joint petitioners negotiated. Among other things, the terms address the provision of new and temporary service, the correction of inadvertent service errors, and the procedures for the transfer of facilities. The 2026 Territorial Agreement also includes the joint petitioners' negotiated terms regarding the method of compensation for transferred facilities. The joint petitioners' filing does not include a sample copy of notification letters provided to customers, as there are no customers subject to transfer.

There are two sections of Talquin electric utility lines and associated facilities that are proposed to be transferred from Talquin to Havana. These facilities are identified in Exhibit B-1 and B-2 of the proposed Agreement.[6] Section 3.3 of the proposed Agreement outlines the compensation for the transferring facilities. Within six months of the Commission's approval of the proposed Agreement, the two sections of Talquin facilities located within Havana's territory would be transferred to Havana. Additionally, upon approval of the Agreement, there will be two Talquin distribution lines remaining in Havana's territory that would not be transferred, including 1. A short electric line segment along Iron Bridge Road (found on Map Page 7), and 2. A longer electric line segment currently serving a Talquin customer, as discussed in Section 2.4.

Pursuant to Section 5.1, the 2026 Territorial Agreement, if approved, would remain in effect for 30 years from the date the Commission issues its consummating order approving the agreement in its entirety. Upon the expiration of the initial 30-year term, the agreement will automatically renew for successive five-year terms, unless either party provides written notice of termination to the other party no fewer than 18 months prior to the effective date of the termination.

Proposed Boundary Changes

The joint petitioners assert that the proposed boundary line changes are primarily needed to align the territorial boundaries with the current parcel boundaries, which will provide the Utilities with greater certainty to plan or growth and avoid future disputes as the area surrounding Havana continues to grow. Additionally, the joint petitioners assert future developments will benefit from

[5] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 1.
[6] Document No. 05336-2026, filed August 20, 2026, in Docket No. 202601013-EU, *In re: Joint petition for approval of amended and restated territorial agreement in Gadsden County, by Talquin Electric Cooperative and Town of Havana, Exhibit B.*

the easy and efficiency of working with one utility to meet their electrical service requirements, therefore avoiding duplication of services and wasteful expenditures.[7]

The joint petitioners negotiated and are proposing boundary line changes, in part, as a corrective measure to address extra-territorial customers each party identified in their respective territories.[8] While collaborating, the joint petitioners discovered some of the inadvertent connections while analyzing the territorial service boundaries related to the instant pleading.

Some of the proposed boundary line changes address the 24 extra-territorial customer connections (21 extra-territorial Havana customers in Talquin's territory and 3 extra-territorial Talquin customers in Havana's territory) that are not subject to transfer due to the uneconomic cost of switching utility facilities. Instead, the Utilities have agreed to modify their service territory boundaries to eliminate service to these extra-territorial customers. Per the 2026 Territorial Agreement, the modified boundaries will not eliminate Talquin's service to the current Talquin customer located in Havana, even though that customer will reside within Havana's service area.[9]

The joint petitioners conducted a recent review of the Havana and Talquin facilities along Conyers Street and identified some safety issues primarily related to telecommunication attachments and their proximity to the utilities' electrical lines.[10] In a follow-up response, the joint petitioners stated that these safety issues have been addressed.[11]

Proposed Customer Transfers, Notifications, and Bills

No customer transfers are proposed in the 2026 Territorial Agreement. As such, the guidelines of Rule 25-6.0440(1)(d), F.A.C., regarding notification of customers to be transferred does not apply in this instance. Thus, the Utilities did not issue any notifications or bill comparisons.

The proposed Agreement includes specific language in Section 2.4, which applies to a current Talquin customer that will become extra-territorial under the proposed 2026 Territorial Agreement. The Utilities agreed that the residential customer receiving service will become extra-territorial until one of three conditions are met: (1) the customer requests a service change from Talquin to Havana, (2) the residence being served by Talquin is sold, assigned, or otherwise transferred, or (3) a new customer applies for service at the address. Upon this transfer of service from Talquin to Havana, Talquin will remove all facilities providing service to this address or sell them for the amount calculated in Section 3.3.[12]

Primary Staff Review

Primary staff analyzed the 2026 Territorial Agreement for compliance with each component of Rule 25-6.0440(2), F.A.C. Primary staff notes that while no specific purchase price was

[7] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 1.
[8] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 2.
[9] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 4.
[10] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 5(d).
[11] Document No. 07362-2026, joint petitioners' response to Staff's Second Data Request, No. 5.
[12] Document No. 05336-2026, filed August 20, 2026, in Docket No. 202601013-EU, *In re: Joint petition for approval of amended and restated territorial agreement in Gadsden County, by Talquin Electric Cooperative and Town of Havana, Section 2.4.*

provided, the joint petitioners do address the method of setting a compensation amount for asset transfers based on replacement cost. Specifically, Talquin will transfer two electric lines and associated facilities to Havana using the method found in Section 3.3 of the proposed Agreement. The joint petitioners also assert that the transfer will allow Havana to avoid the significant expenses of installing new facilities.[13] Primary staff believes the facility purchase arrangements per the Agreement are acceptable.

Primary staff also evaluated the agreement according to Rule 25-6.0440(2)(b), F.A.C., which addresses electrical system reliability for existing or future customers. The joint petitioners assert the approval of the 2026 Territorial Agreement is not expected to result in a decrease in reliability to existing or future customers of either utility. The joint petitioners contend that the reliability of service to existing or future Talquin or Havana customers would not decline because of the proposed Agreement.

Under the 2026 Territorial Agreement, the joint petitioners have conceded that the current configuration may constitute uneconomic duplication, but argue that the 2026 Territorial Agreement, as proposed, will ensure that any uneconomic duplication will not further expand or continue forever. The current customer residing in Havana has been a Talquin customer for more than 50 years and the joint petitioners have determined that Talquin's continued service to this location was reasonable and would not result in uneconomic duplication for an indefinite period of time.[14]

The joint petitioners stated that at least five years is expected to pass before future uneconomic duplication would occur (including expenses such as routine maintenance, tree trimming, and pole inspections) for the facilities serving the Havana customer.[15] Primary staff believes any potential uneconomic duplication proposed under the 2026 Territorial Agreement is not a strong argument favoring disapproval, provided the Utilities follow the condition attached to staff's recommended approval. The 2026 Territorial Agreement provides for conditions as to when the account would be transferred from Havana to Quincy. Primary staff weighed these circumstances against the agreement's broader benefits, including correcting other extra-territorial connections, transferring facilities, and establishing clearer boundaries to avoid future duplication and disputes.

On balance, primary staff finds that the 2026 Territorial Agreement, including its limited exception for one customer with unique circumstances, is reasonable and particular to this case. Primary staff also believes Commission approval of this agreement will not recognize customer preference or longevity alone as sufficient grounds for an exception; any future proposal would require its own public-interest evaluation.

The Utilities addressed the subject of existing facilities in the area of Conyers Street and 1st Street, where the Talquin and Havana each have overhead electric facilities on opposite sides of the streets. The joint petitioners stated that they believe the current configuration is safe and

[13] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 6.
[14] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 5.
[15] Document No. 07362-2026, joint petitioners' response to Staff's Second Data Request, No. 2.

reliable.[16] The joint petitioners further explained that the poles of both Utilities are the appropriate distance from the roadway in accordance with the requirements from the Florida Department of Transportation, and both Utilities believe their respective facilities meet the requirements of the National Electric Safety Code (NESC) and, therefore, there is no negative impact on the safety experienced by vehicular traffic, pedestrians, and residents in the area.[17] Based on the responses provided by the Utilities, primary staff believes that the presence of duplicative facilities does not appear to present safety issues along Conyers Street and 1st Street. The placement of Talquin's and Havana's overhead lines and poles is shown in the supplemental response provided by the Utilities.[18]

Primary staff acknowledges that Section 2.4 is an agreement the Utilities forged, although primary staff believes acceptance of the proposed 2026 Territorial Agreement should be accompanied with a reporting obligation. Primary staff believes requiring a reporting obligation as a condition of approval will provide the Commission with a clear record of when the triggering events contemplated by Section 2.4 have occurred. Because there is uncertainty about when such events that would trigger the transfer of service may occur, primary staff believes it is reasonable to require that Talquin inform the Commission when Section 2.4 is triggered and it discontinues service to its customer in Havana, and all related facilities are de-energized. Primary staff believes this notification will help ensure that the potential for continued extra-territorial service and associated uneconomic duplication does not extend beyond the circumstances contemplated by the 2026 Territorial Agreement.

Primary Conclusion

The Commission should approve the 2026 Territorial Agreement between Talquin and Havana in Gadsden County, as consistent with the Standards for Approval set forth in Rule 25-6.0440(2), F.A.C. The 2026 Territorial Agreement, if approved, amends the respective boundary lines between the Utilities, thereby eliminating most extra-territorial connections. The Agreement would also facilitate the joint petitioners' efforts to avoid uneconomic duplication of service facilities, wasteful expenditures, and hazardous conditions, as well as the transfer of two electric lines with associated facilities from Talquin to Havana. Additionally, the territorial boundary changes will provide the joint petitioners with greater certainty to plan for growth and avoid future disputes. Talquin should be required to notify the Commission in writing within 30 days of the date it permanently discontinues electric service to the residence in Havana.

Alternative Staff Review

Alternate staff does not support approving the 2026 Territorial Agreement, for reasons set forth below. In Section 2.4 of the 2026 Territorial Agreement, the joint petitioners proposed an arrangement for a specific Talquin residential customer located within the proposed territorial boundary of Havana. In part, Section 2.4 states:

> . . . The Parties agree that COOPERATIVE [Talquin] may continue to serve its current Member with service located at 902 1st Street, Havana, Florida (the "1st Street Service Location") until one of the following occurs: (i) the Member

[16] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 4.
[17] Document No. 07362-2026, joint petitioners' response to Staff's Second Data Request, No. 6.
[18] Document No. 07001-2026, joint petitioners' supplement response to Staff's First Data Request, No. 5(d).

> requests to become a customer of TOWN [Havana], (ii) the 1st Street Service Location is sold, assigned, or otherwise transferred, or (iii) a New Customer applies for service at the 1st Street Service Location. Upon transferring service to TOWN, the COOPERATIVE must either remove all facilities within the TOWN'S Territorial Area previously used for providing electric service to the 1st Street Service Location or sell the facilities to TOWN for the amount calculated in Section 3.3. . ..

Alternate staff believes the provisions in Section 2.4 appear to be counter to previously Commission-approved territorial agreements in one important respect: the Commission has not approved a territorial agreement that, in effect, creates an extra-territorial customer for an indefinite period of time. In previous decisions, the Commission has allowed utilities to address transfer arrangements for existing extra-territorial customers over a set period of time. However, the instant case involves a customer who is currently not extra-territorial but would become one as a result of the proposed boundary change.

The joint petitioners assert that the negotiated language in Section 2.4 recognizes the age of the Talquin customer in Havana, as well as the customer's longevity as a Talquin member (more than 50 years).[19] In response to a data request, the joint petitioners acknowledge Talquin's facilities are located on the east side and Havana's are located on the west side of Conyers Street in Havana, Florida. Talquin's facilities currently serve the Havana customer and consists of approximately 1,380 feet of single phase primary line (two conductors for a total of 2,760 feet of energized conductors).[20] The joint petitioners contend that approval of the 2026 Territorial Agreement "would not result in permanent uneconomic duplication for an indefinite period of time."[21] Alternate staff notes that this acknowledgement of uneconomic duplication of services is concerning for several reasons.

First, the acknowledgement of existing uneconomic duplication by the joint petitioners is in conflict with the specific references noted earlier in Rule 25-6.0440(2)(c) F.A.C., which allows the Commission to consider "the reasonable likelihood that the agreement will eliminate existing or potential uneconomic duplication of facilities." Alternative staff notes that the joint petitioner's boundary redraw for the Conyers Street location, thereby transferring service area from Talquin to Havana, is an essential step in eliminating the uneconomic duplication the utilities recognize exists. However, the inclusion of Section 2.4 of the proposed 2026 Territorial Agreement makes the redraw meaningless for purposes of eliminating uneconomic duplication for an undetermined period of time. Although Section 2.4 is a negotiated term like others in the 2026 Territorial Agreement, the language contained in Section 2.4 does not appear to "eliminate existing" uneconomic duplication as referenced in the rule. Instead, alternate staff believes the provisions in Section 2.4 of the 2026 Territorial Agreement effectively creates an extra-territorial customer.

[19] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 4(a).
[20] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 5(d), and Document No. 07362-2026, joint petitioners' response to Staff's Second Data Request, No. 1(a).
[21] Document No. 06685-2026, joint petitioners' response to Staff's First Data Request, No. 4(a).

Second, alternate staff considered the specific ways in which duplicated services would continue to be uneconomic in the future. Talquin acknowledged the on-going expenses to inspect and maintain the facilities serving the customer located in Havana. In response to a data request, Talquin asserts its next tree trimming cycle will be in the 2030-2032 timeframe, and its expenditures for the last trim cycle were about $7,250 for the pole line near Conyers Street. Talquin stated the most recent expense for routine pole inspections were about $400, and that expense will reoccur in about the same time frame as the tree trimming.[22] In addition to these scheduled maintenance costs, other costs related to equipment failure or accidents may also impact the expenses required to keep the electric line energized going forward. Accounting for the expenses associated with tree trimming, pole inspections, and potential equipment failure and/or accidents, it would be more cost-effective to address the issue of uneconomic duplication at this time. Talquin states the removal of the facilities would approximately take one month to schedule and complete, costing approximately $3,600.[23] Meanwhile, Havana could connect the customer by installing a service drop.[23]

Alternative Conclusion

All aspects of the proposed 2026 Territorial Agreement between Talquin and Havana in Gadsden County are appropriate except for Section 2.4, which would allow Talquin to provide electric service for an unspecified amount of time to an address located in Havana's service area until one of three conditions are met. This exception to compliance with the proposed boundary lines contemplated in Section 2.4 may result in continued uneconomic duplication in the immediate geographic area for an unspecified period, such that the Agreement represents a detriment to the public interest. After providing required transfer notification and comparative utility rate information to the customer in Havana, the joint petitioners should be required to submit a revision to the proposed 2026 Territorial Agreement that is exclusive of the provisions contained in Section 2.4.

[22] Document No. 07362-2026, joint petitioners' response to Staff's Second Data Request, Nos. 1(b). and 1(c).
[23] Document No. 07362-2026, joint petitioners' response to Staff's Second Data Request, No. 3.

Issue 2: Should this docket be closed?

Recommendation: If the Commission approves the primary staff recommendation, and 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. If the Commission approves the alternative staff recommendation, this docket should remain open until the Commission's disposition of a revised 2026 Territorial Agreement. (Crawford, Rauch)

Staff Analysis: If the Commission approves the primary staff recommendation, and 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. If the Commission approves the alternative staff recommendation, this docket should remain open until the Commission's disposition of a revised 2026 Territorial Agreement.

JOINT PETITION - EXHIBIT "1"

AMENDED AND RESTATED TERRITORIAL AGREEMENT

AMENDED AND RESTATED AGREEMENT

Section 0.1 THIS AMENDED AND RESTATED AGREEMENT ("Agreement"), is made and entered into this 28 day of July, 2026, by and between TALQUIN ELECTRIC COOPERATIVE, INC., an electric cooperative corporation organized and existing under the laws of the State of Florida (herein called the "COOPERATIVE"), and TOWN OF HAVANA, a municipal corporation organized and existing under the laws of the State of Florida (herein called the "TOWN").

W I T N E S S E T H:

Section 0.2 WHEREAS, the COOPERATIVE, by virtue of Florida Statutes, Chapter 425, and the Charter issued to it thereunder, is authorized and empowered to furnish electricity and power to its Members, governmental agencies, political subdivisions, private individuals, corporations and others, as defined by the laws of Florida, and pursuant to such authority, presently furnishes electricity and power to Members in areas of Leon, Liberty, Wakulla, and Gadsden County, Florida; and

Section 0.3 WHEREAS, the TOWN, by virtue of its Charter, is authorized and empowered to furnish electricity and power to persons, firms and corporations, both within and without its corporate limits, and presently furnishes electricity and power to customers in areas of Gadsden County, Florida; and

Section 0.4 WHEREAS, the COOPERATIVE and the TOWN are parties to a territorial agreement delineating their respective service territories in Gadsden County, Florida, which was approved by the Florida Public Service Commission in Order No. PSC-06-0341-PPA-EU issued on April 24, 2006, in Docket No. 060034 (the "2006 Agreement"). The 2006 Agreement has a 20-year term through April 24, 2026; and

Section 0.5 WHEREAS, the respective areas of retail service of the parties hereto are

contiguous in many places with the result that in the future substantial duplication of service facilities may occur unless such duplication is precluded; and

Section 0.6 WHEREAS, the Florida Public Service Commission (the "Commission") has previously recognized that any such duplication of said service facilities by the parties results in needless and wasteful expenditures and creates hazardous situations; both being detrimental to the public interest; and

Section 0.7 WHEREAS, the parties desire to continue to avoid and eliminate the circumstances giving rise to the aforesaid duplications and possible hazards and to that end desire to operate within delineated retail service areas for the period hereinafter fixed and set forth; and

Section 0.8 WHEREAS, in order to accomplish these goals, the parties have delineated boundary lines in portions of Gadsden County, Florida, hereinafter referred to as "Territorial Boundary Lines", and said meandrous boundary lines define and delineate the retail service areas of the parties in portions of Gadsden County, Florida; and

Section 0. 9 WHEREAS, subject to the provisions hereof, the herein defined "Cooperative Territorial Area" will be allocated to the COOPERATIVE as its service area and the herein defined "Town Territorial Area" will be allocated to the TOWN as its service area; and

Section 0.10 WHEREAS, the Florida Public Service Commission has recognized on several occasions the wisdom of retail territorial agreements between competing utilities and has adhered to the general opinion that retail territorial agreements, when properly presented to the Commission, in the proper circumstances, are advisable and in the public interest; and

Section 0.11 WHEREAS, the Florida Public Service Commission is empowered by the Florida legislature to approve territorial agreements; and the Commission, as a matter of long-standing regulatory policy, has encouraged retail territorial agreements between electric utilities

subject to its jurisdiction based on its findings that such agreements, when properly established and administered by the parties and actively supervised by the Commission, avoid uneconomic duplication of facilities, promote safe and efficient operations by utilities in rendering electric service provided to their customers, and therefore serve the public interest;

Section 0.12 WHEREAS, the parties desire to amend the 2006 Agreement to, among other things, extend the term of the 2006 Agreement, without lapse, and modify the Territorial Boundary Lines set forth therein;

Section 0.13 NOW, THEREFORE, in fulfillment of the purposes and desires aforesaid, and in consideration of the mutual covenants and agreements herein contained, which shall be construed as being interdependent, the parties hereto, subject to and upon the terms and conditions herein set forth, do hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Territorial Boundary Lines - As used herein, the term "Territorial Boundary Lines" shall mean the boundary line(s) as depicted on the maps attached hereto as Composite Exhibit A-1 which delineate and differentiate the parties' respective Territorial Areas in Gadsden County. A written description of the territorial boundaries is included in Exhibit A-2 as required by Rule 25-6.0440(1)(a), F.A.C. Maps depicting the changes in the territorial boundaries from the 2006 Agreement to this Agreement are attached hereto as Exhibit A-3.

Section 1.2 Cooperative Territorial Area - As used herein the term "Cooperative Territorial Area" shall mean all of the territory and lands in Gadsden County, Florida, lying within Territorial Boundary Lines and labeled "Cooperative Territorial Area" on Composite Exhibit A-1.

Section 1.3 Town Territorial Area - As used herein the term "Town Territorial Area" shall mean all of the territory and lands in Gadsden County, Florida, lying within Territorial Boundary

Lines and labeled "Town Territorial Area" on Composite Exhibit A-1.

Section 1.4 New Customers - As used herein, the term "New Customer" shall mean all retail electric consumers applying for service to either TOWN or COOPERATIVE after the date of entry of the order from the Florida Public Service Commission contemplated in Section 4.1 of this Agreement.

Section 1.5 Existing Customers – As used herein, the term "Existing Customer" shall mean any person receiving retail electric service from either COOPERATIVE or TOWN at the location for which the service is existent on the Effective Date of this Agreement (as defined in Section 4.1). The term Existing Customer shall include the widow, widower, or divorced spouse of an Existing Customer who received retail electric service at the same location as of the Effective Date of this Agreement.

Section 1.6 Person – As used herein, the term "Person" shall have the same inclusive meaning given to it in Section 1.01(3), Florida Statutes (2026).

Section 1.7 Point of Use – As used herein, the term "Point of Use" shall mean the location within the Territorial Area of a party where a customer's end-use facilities consume electricity, wherein such party shall be entitled to provide retail electric service under this Agreement, irrespective of the customer's point of delivery where metering is located. The point of use – not the point of connect or metering – shall be determinative as to who shall be the provider of the electric service under this Agreement.

Section 1.8 Express Distribution Lines – As used herein, the term "Express Distribution Lines" shall mean a line and related facilities, at distribution voltage, that transports power through the other party's Territorial Area but serves no load within such territory.

Section 1.9 Temporary Service Customers. As used herein, "Temporary Service

Customers" shall mean those customers who are being temporarily served under the temporary service provisions of this Agreement.

ARTICLE II
AREA ALLOCATIONS AND NEW CUSTOMERS

Section 2.1 Allocations – The Cooperative Territorial Area, as herein defined, will be exclusively allocated to the COOPERATIVE as its service area for the period of time hereinafter specified; and the Town Territorial Area, as herein defined, will be exclusively allocated to the TOWN as its service area for the same period; and, except as otherwise specifically provided herein, neither party shall deliver any electric energy across any Territorial Boundary for use at retail in any of the service areas, as herein defined, of the other.

Section 2.2 New Customers - Neither party shall hereafter knowingly serve or offer to serve a New Customer whose Point of Use is located in the Territorial Area of the other party, except as provided in Section 2.3 below.

The parties acknowledge that there are instances where the Territorial Boundary Line will traverse the property of a New Customer and, in some instances, the information needed to locate the New Customer's various points of use in relation to the Territorial Boundary Line with reasonable certainty may be unavailable or difficult to determine. Therefore, the parties agree that in such event, the Party with the greater portion of the New Customer's property that makes use of electric service in its Territorial Area (i.e., where the preponderance of the Customer's electric energy usage is expected to occur), shall be entitled to serve all of the New Customer's usage.

Notwithstanding the foregoing, unless mutually agreed upon otherwise, the parties agree that if a distinct phase of a construction development is being constructed at a single period in time and falls on both sides of the Territorial Boundary Line, then the Territorial Boundary Line shall be altered by amendment to this Agreement so that the utility serving the predominant number of

customers of that current phase of the construction development would be entitled to serve the entirety of that current phase of the construction development. Any amendment to the Territorial Boundary line pursuant to this Section shall be submitted to the Commission for approval.

Section 2.3 Temporary Service – It shall be the responsibility of each party to furnish electric service to all customers located within its Territorial Area; however, the parties recognize that in exceptional circumstances, economic constraints or good engineering practices may indicate that a New Customer's Point of Use either cannot or should not be immediately served by the Party in whose Territorial Area the New Customer's Point of Use is located (the "Requesting Party"). In such instances, upon written approval by Requesting Party, the other party (the "Temporary Serving Party") may, in its sole discretion, agree in writing to provide temporary service to such New Customer (the "Temporary Service Customer"), subject to the following terms:

a) Prior to the commencement of the temporary service, the Requesting Party shall reimburse the Temporary Serving Party the cost required (including both labor and materials) for the Temporary Serving Party to provide service to the Temporary Service Customer (the "Temporary Service Cost in Aid of Construction").

b) Prior to the commencement of the temporary service, the Temporary Serving Party shall inform the Temporary Service Customer of the temporary nature of its service and that the Requesting Party may ultimately serve the New Customer if service can be provided by the Requesting Party within 24-months from the date of commencement of service (the "24-month Temporary Service Period").

c) Within the 24-month Temporary Service Period, the Requesting Party may provide written notice of its intent and ability to permanently serve the Temporary Service

Customer so long as the effective date of the commencement of service falls within the initial 24-month period. The parties shall coordinate the transfer of the service to minimize the inconvenience to the Temporary Service Customer. Within sixty (60) days of the commencement of permanent service by the Requesting Party to the former Temporary Service Customer, the Temporary Serving Party shall reimburse the Requesting Party for the salvage costs of any materials retained following removal of the facilities less the labor costs incurred to remove the facilities.

d) The Parties shall notify the Commission of any Temporary Service that extends beyond 12-months.

e) The Parties agree that after the 24-month Temporary Service Period, the service is no longer considered "temporary" and the Temporary Serving Party shall be entitled to permanently serve the Temporary Service Customer.

f) Following the 24-month Temporary Service Period, the Parties agree to jointly petition the Commission to seek approval of an amendment to this Agreement to amend the Territorial Boundary Lines to reflect the transfer of the parcel being served to the Territorial Area of the Temporary Serving Party that provided 24-months of continuous service to the Temporary Service Customer. Upon approval of the amendment to the Territorial Boundary Lines by the Commission, the former Temporary Serving Party shall notify the former Temporary Service Customer of the permanent status of the service.

g) Within sixty (60) days after Commission approval of the amended Territorial Boundary Lines the Requesting Party shall be entitled to reimbursement of the full

amount paid for the Temporary Service Cost in Aid of Construction.

Under no circumstances shall the Requesting Party be entitled to compensation for any loss of revenues for the period during which such temporary service was provided by the Temporary Serving Party.

Notwithstanding the foregoing, it is understood that the COOPERATIVE must furnish its service mainly to its Members in order to preserve its tax-exempt status; therefore, if the proposed recipient of temporary service will not join the COOPERATIVE, the COOPERATIVE may decline such request by the TOWN, when in the judgment of the COOPERATIVE, the income produced thereby would exceed that percentage of gross income which the COOPERATIVE may accept from non-Members and maintain its tax-exempt status.

Section 2.4 Existing Customers – Notwithstanding anything to the contrary herein, this Agreement is intended to apply to New Customers, as herein defined; and nothing in this Agreement shall be interpreted as precluding either party from continuing to serve all customers other than New Customers located in the Territorial Area of the other as of the date of this Agreement. The Parties agree that COOPERATIVE may continue to serve its current Member with service located at 902 1st Street, Havana, Florida (the "1st Street Service Location") until one of the following occurs: (i) the Member requests to become a customer of TOWN, (ii) the 1st Street Service Location is sold, assigned, or otherwise transferred, or (iii) a New Customer applies for service at the 1st Street Service Location. Upon transferring service to TOWN, the COOPERATIVE must either remove all facilities within the TOWN's Territorial Area previously used for providing electric service to the 1st Street Service Location or sell the facilities to TOWN for the amount calculated in Section 3.3.

Section 2.5 Referral of Service Request – In the event that a prospective New Customer

requests or applies for service from either party to be provided to a Point of Use located in the Territorial Area of the other party, the party receiving the request or application shall advise the prospective New Customer that such service is not permitted under this Agreement and shall refer the prospective New Customer to the other party.

Section 2.6 Non-Solicitation – The parties shall not solicit potential or existing electric utility customers within the other party's Territorial Area.

Section 2.7 Correction of Inadvertent Service Errors – If any situation is discovered during the term of this Agreement in which either party is inadvertently providing retail electric service to a customer's Point of Use located within the Territorial Area of the other party, service to such customer by the proper party will be established at the earliest practicable time, but in any event within twenty-four (24) months of the date the inadvertent service error was discovered. Until service by the proper party can be reasonably established, the inadvertent service will be deemed to be a temporary service provided and governed in accordance with Section 2.3, above, with the date the inadvertent service error was discovered serving as the commencement date of the 24-month Temporary Service Period.

Section 2.8 Annexation or De-Annexation – The Territorial Boundary Line shall not be affected by any change that may occur in the corporate limits of TOWN lying within the Cooperative Territorial Area or the Town Territorial Area; provided, however, that COOPERATIVE customers annexed into the municipal boundaries of the Town of Havana, Florida, may be subject to a franchise fee pursuant to an applicable franchise agreement between TOWN and COOPERATIVE.

Section 2.9 Facilities to be Served – This Agreement does not restrict TOWN's right to provide retail electric service to TOWN's utility facilities located in COOPERATIVE's Territorial

Area that (i) are used exclusively in connection with TOWN's business as an electric, water, wastewater, or natural gas utility; (ii) does not in any way interfere or hinder the COOPERATIVE from serving its Members in the COOPERATIVE's Territorial Area; and (iii) does not result in duplication of COOPERATIVE's operations and facilities.

Before constructing any facilities within COOPERATIVE's Territorial Area intended to serve a TOWN utility facility, TOWN must (i) provide written notice to the other party not less than ninety (90) days in advance of the proposed construction commencement date; (ii) furnish for review construction plans (including design drawings, route maps, construction methods, and anticipated construction timeline); (c) allow the other party thirty (30) days from receipt of the construction plans to review and provide any comments or objections in writing; and (d) reasonably consider and provide a written response to any comments or objections raised by COOPERATIVE addressing them within fifteen (15) days of receipt and before commencing construction.

Section 2.10 New Facilities in Territorial Area of the Other Party – Except pursuant to section 2.9, neither party shall construct any Distribution Line in the territory of the other party without the express written consent of the other party.

Section 2.11 Bulk Power for Resale – Nothing in this Agreement shall be construed to prevent either party from providing bulk power supply to other electric utilities for resale purposes wheresoever such other electric utilities may be located, including the location of transmission lines in the other party's territorial area. Further, no other provision of this Agreement shall be construed as applying to bulk power supply for resale. Bulk Power for Resale shall be construed as defined in the Final Judgement dated August 19, 1971, in United States of America v. Florida Power Corporation and Tampa Electric Company, United States for the Middle District of Florida,

Case No. 68-297-Civ-T ("the Final Judgement").

ARTICLE III OPERATION AND MAINTENANCE

Section 3.1 Facilities to Remain - All Generating Plant, Transmission Lines, Substations, Distribution Lines and related facilities now or hereafter constructed and/or used by either party in conjunction with their respective electric utility systems, and which are directly or indirectly used and useful in serving customers in their respective service area, shall be allowed to remain where situated and shall not be subject to removal hereunder; provided, however, that each party shall operate and maintain said lines and facilities in such a manner as to minimize any interference with the operations of the other party.

Section 3.2 Joint Use - The parties hereto realize that it may be necessary, under certain circumstances and in order to carry out this Agreement, to make arrangements for the joint use of their respective service facilities, in which event such arrangements shall be made by separate instruments incorporating prudent engineering practices and providing proper clearances with respect thereto.

Section 3.3 Compensation for Transferred Facilities – This Section shall only apply in the event facilities must be transferred from one party to the other and the compensation amount for those facilities has not already been expressly determined by this Agreement. In those circumstances, the receiving party shall compensate the transferring party for the electric distribution facilities used exclusively for providing electric service to the transferred customers. The compensation amount shall be based upon the "Replacement Cost" defined as the current, total expenditure required to replace and rebuild the utility facilities with new materials of like kind and quality, including all associated labor costs, without deduction for depreciation cost, at the time of the proposed transfer. This amount shall be adjusted by subtracting: (i) depreciation

calculated on a straight-line basis over the life of the asset (facility) as determined from the transferring party's books and records; and (ii) any costs incurred by the transferring party for the reintegration of its remaining system to the extent such reintegration costs are reasonably required by sound utility practices.

Section 3.4 Time of Payment – All payments from the receiving party to the transferring party determined in accordance with this Section shall be made in cash at or prior to closing on the transfer.

Section 3.5 Transfer Instruments – For each transfer made under this Agreement, the transferring party will make, execute, and deliver to the receiving party a conveyance, deed, bill of sale or other instrument of transfer, as is appropriate, in order to convey all rights, titles and interests of the transferring party in any facilities, right-of-way, easements, road permits, or other rights to the receiving party.

Section 3.6 RUS Approval – The parties acknowledge that a property transfer from COOPERATIVE to TOWN may be subject to approval and release from security documents by the United States of American Department of Agriculture and Rural Utilities Service ("RUS") or other lenders.

Section 3.7 Express Distribution Lines – Nothing herein shall be construed to prevent or in any way prohibit the right of each party to keep, re-construct, operate, and maintain Express Distribution Lines within the Territorial Area of the other party which exist as of the Effective Date of this Agreement.

For the construction of any new Express Distribution Lines within the Territorial Area of the other party after the Effective Date, prior to commencing any such construction, the constructing party shall: (a) provide written notice to the other party not less than ninety (90) days

in advance of the proposed construction commencement date; (b) furnish for review construction plans (including design drawings, route maps, construction methods, and anticipated construction timeline); (c) allow the other party thirty (30) days from receipt of the construction plans to review and provide any comments or objections in writing; and (d) reasonably consider and provide a written response to any comments or objections raised by the other party addressing them within fifteen (15) days of receipt and before commencing construction.

Each party shall keep, construct, re-construct, operate, and maintain such Express Distribution Lines in a safe and workmanlike manner and in coordination with the other party so as to avoid any interference with the operation of the other party's facilities and operations.

Section 3.8. Facilities to be Transferred. Talquin agrees to transfer to Town the following facilities in exchange for compensation pursuant to Sections 3.3 and 3.4:

- Section 1: all facilities, materials, and equipment associated with the section of electric utility line running along the east side of State Road 159 commencing at Pole No. 02-62-3 at the North end and continuing South to include Pole Nos. 02-62-4, 02-63-5, 02-62-6, 02-62-7, 02-62-8, 02-62-9, 02-62-10, and terminating at Pole No. 02-62-11 at the southernmost point of the facilities to be transferred, as depicted in the image attached hereto as Exhibit B-1.
- Section 2: all facilities, materials, and equipment associated with the section of electric utility line running along the east side of U.S. Highway 27 commencing at Pole No. N3-27-10 at the North end and continuing South to include Pole No. N3-27-9 and terminating at Pole No. N3-27-8 at the southernmost point of the facilities to be transferred, as depicted in the image attached hereto as Exhibit B-2.

For each transfer the parties shall mutually agree on a closing date within six (6) months of the Effective Date of this Agreement.

ARTICLE IV
PREREQUISITE APPROVAL

Section 4.1 Florida Public Service Commission - The provisions of this Agreement are subject to the regulatory authority of the Florida Public Service Commission; and appropriate approval by that body of the provisions of this Agreement shall be an absolute condition precedent to the validity, enforceability, and applicability hereof. This Agreement shall have no effect whatsoever until that approval has been obtained and the date of the Commission's Consummating Order, if any, granting approval of this Agreement shall be deemed the "Effective Date" of this Agreement. Any proposed modification to this Agreement shall be submitted to the Commission for approval. In addition, the parties agree to jointly petition the Commission to resolve any dispute concerning the provisions of this Agreement or the parties' performance of this Agreement.

Section 4.2 Liability in the Event of Disapproval - In the event approval pursuant to Section 4.1, is not obtained, neither party will have an action against the other arising under this Agreement.

Section 4.3 Supersedes Prior Agreements – Upon its approval by the Commission, this Agreement shall be deemed to specifically supersede all prior agreements between the parties defining the boundaries of their respective Territorial Areas within Gadsden County, Florida.

ARTICLE V
DURATION

Section 5.1 Term – This Agreement shall continue and remain in effect for a period of thirty (30) years from the date of the rendering of the Florida Public Service Commission's Order approving this Agreement pursuant to Section 4.1. Upon the expiration of the initial thirty (30)

year Term, this Agreement shall automatically renew for successive five-year renewal terms. Either party may terminate this Agreement, provided that such termination becomes effective at the end of or after the initial thirty (30) year term by providing notice of termination to the other party no fewer than eighteen (18) months prior to the effective date of the termination. The notice shall be provided in accordance with Section 7.3 and shall state the effective date of termination.

ARTICLE VI
CONSTRUCTION OF AGREEMENT

Section 6.1 Intent and Interpretation - It is hereby declared to be the purpose and intent of this Agreement, in accordance with which all provisions of this Agreement shall be interpreted and construed, to further this State's policy for actively regulating and supervising the service territories of electric utilities; supervising the planning, development, and maintenance of a coordinated electric power grid throughout Florida, avoiding uneconomic duplication of generation, transmission, and distribution facilities; and encouraging the installation and maintenance of facilities necessary to fulfill the parties' respective obligations to serve.

Section 6.2 Other Electric Utilities – Nothing in this Agreement is intended to define, establish, or affect in any manner the rights of either party hereto relative to any other electric utility not a party to this Agreement with respect to furnishing of retail electric service, including, but not limited to, the service territory of either party hereto relative to the service territory of any other electric utility not a party to this Agreement.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Negotiations - Whatever terms or conditions may have been discussed during the negotiations leading up to the execution of this Agreement, the only ones agreed upon are those set forth herein; and no alteration, modification, enlargement or supplement to this Agreement

COOPERATIVE in its name by its President, and its corporate seal hereto affixed by the Secretary of the COOPERATIVE, and by the TOWN in its name by its Town Manager, duly authorized thereto by a resolution of the Town Council adopted on the 28th day of July 2026, and its corporate seal hereto affixed and attested by the TOWN Clerk, on the day and year first above written; and one of said duplicate copies has been delivered to each of the parties hereto.

TALQUIN ELECTRIC COOPERATIVE, INC.

By _____
Joseph Alexander
President

(Corporate Seal)

ATTEST:

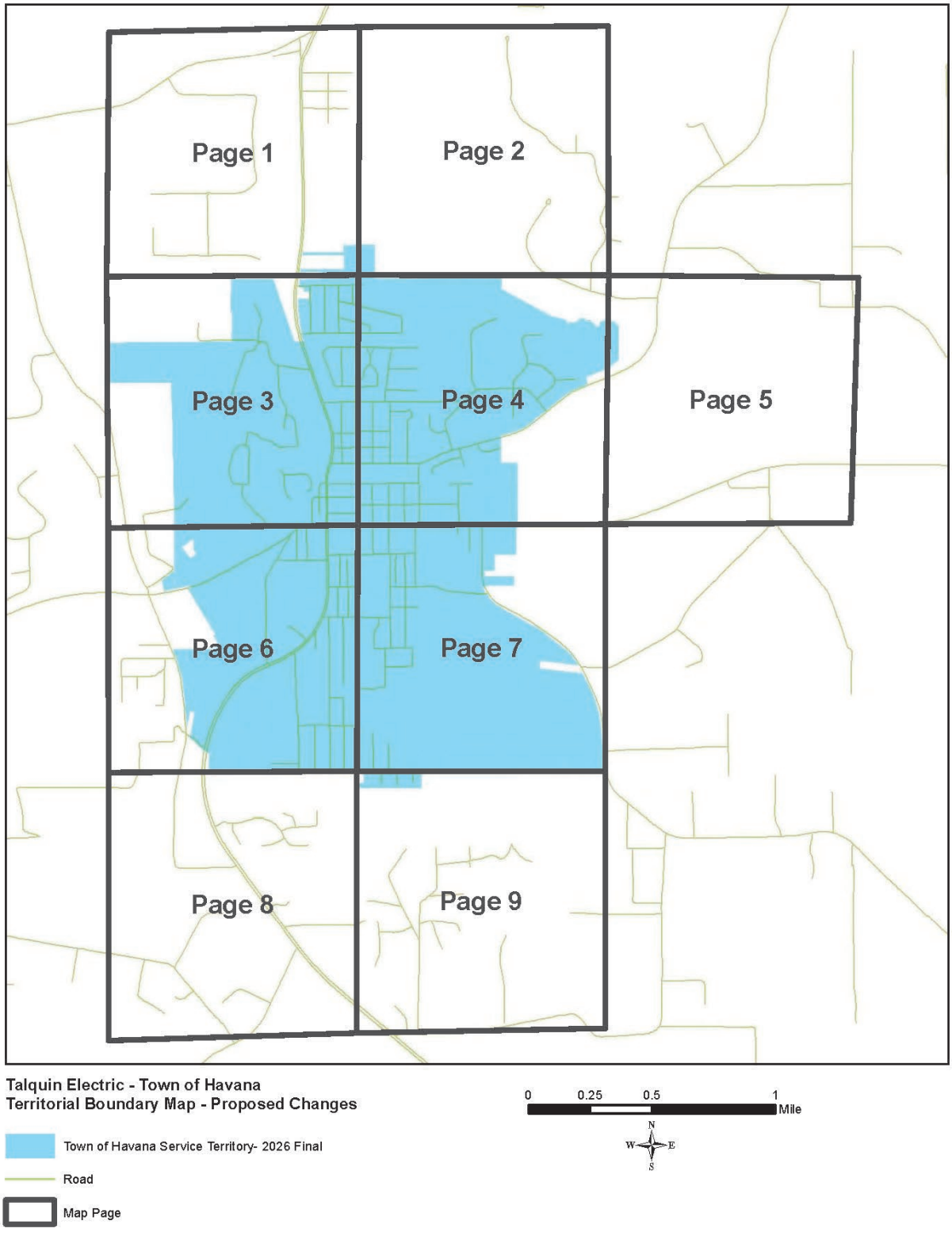
By _____
Town Clerk

TOWN OF HAVANA

By _____
Edward N. Bass, Jr.
Mayor

(Corporate Seal)

COMPOSITE EXHIBIT A-1

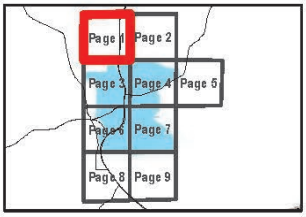

Page 1
Page 2
Page 3
Page 4
Page 5
Page 6
Page 7
Page 8
Page 9
Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Town of Havana Service Territory- 2026 Final
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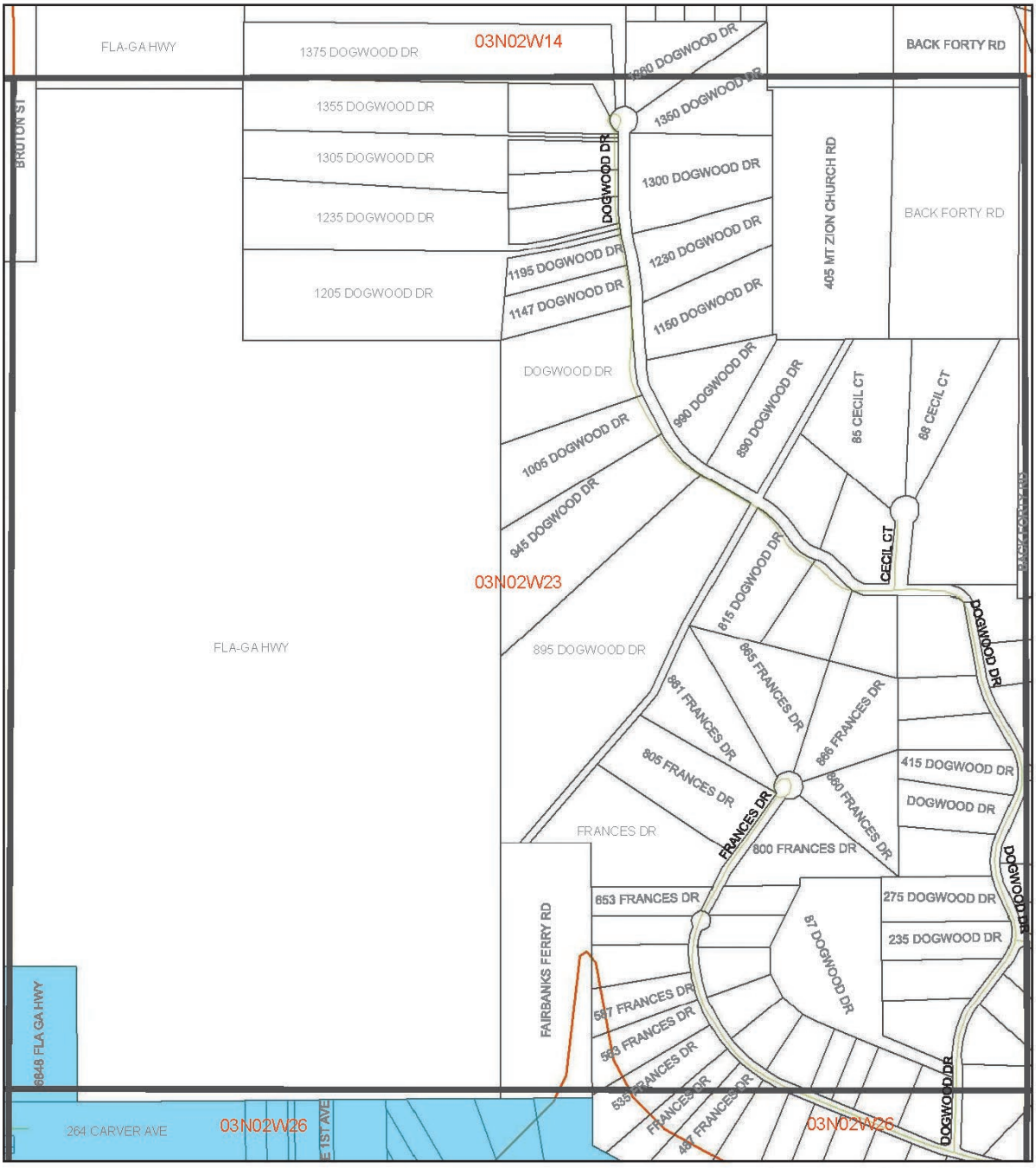


Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 1

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Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page

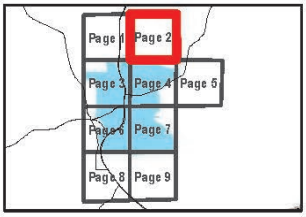


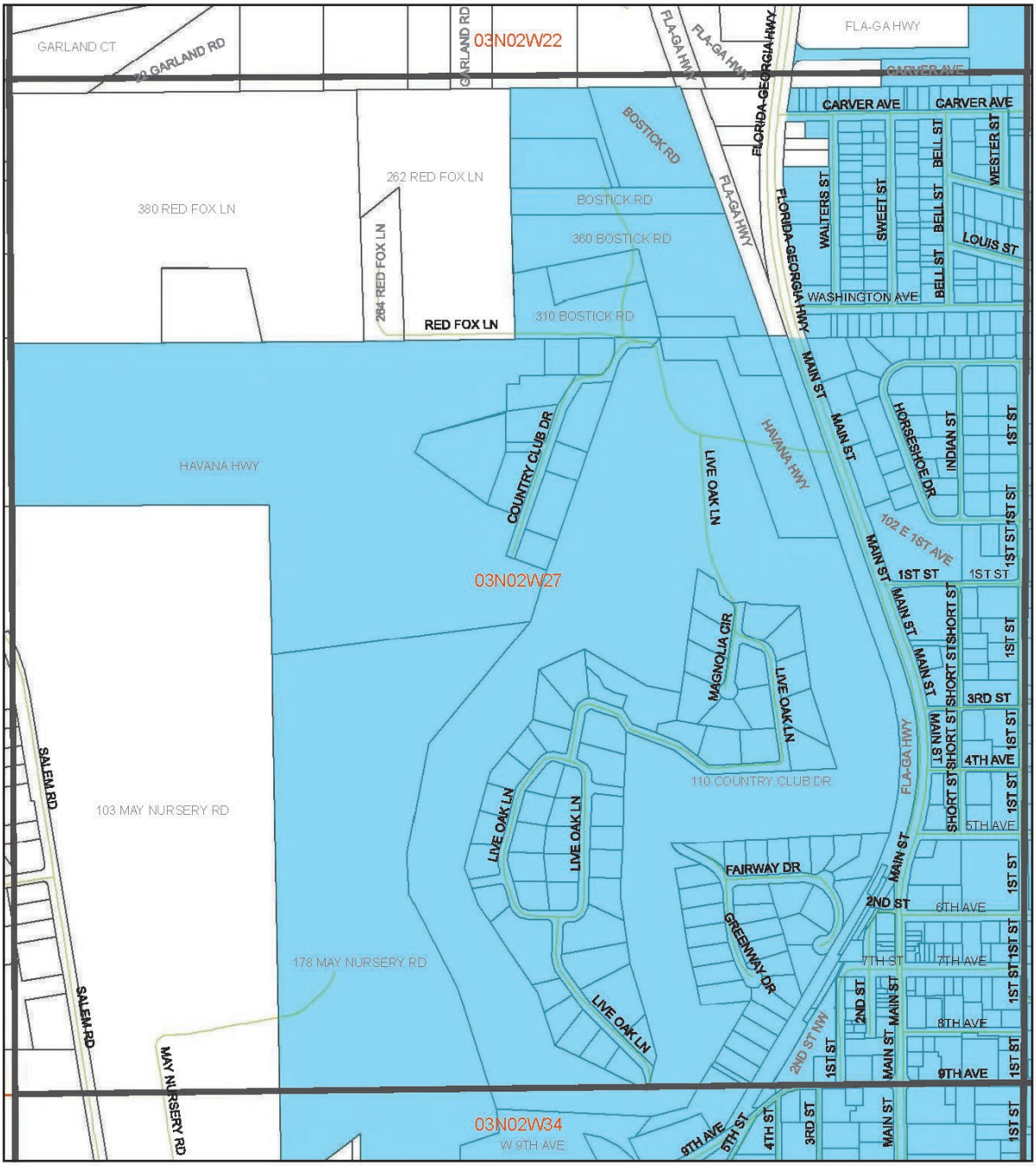


Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 2

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Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page



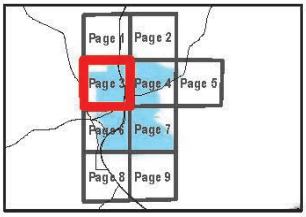


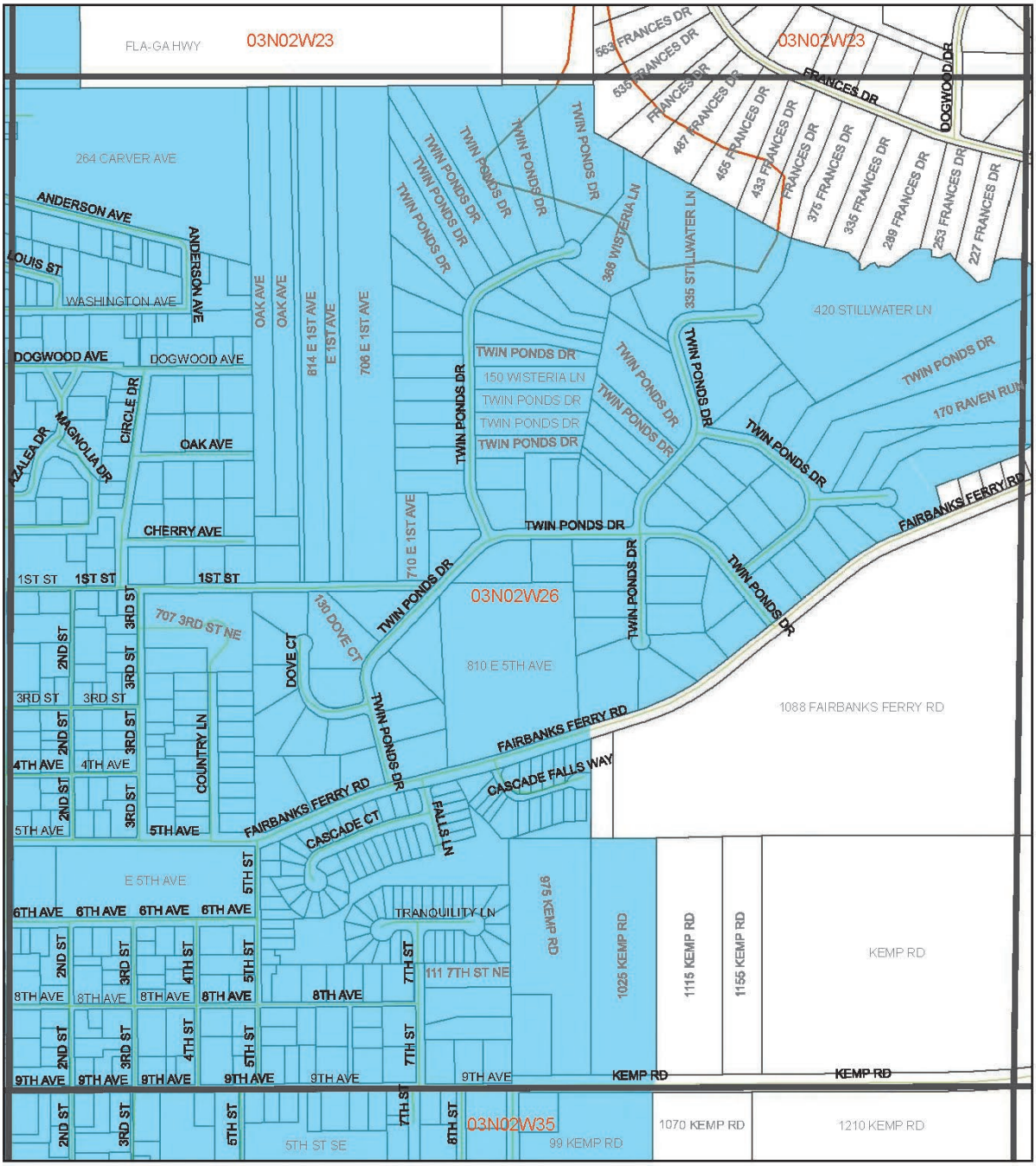
Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 3

0 250 500 1,000 Feet

Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page

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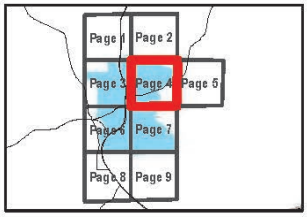




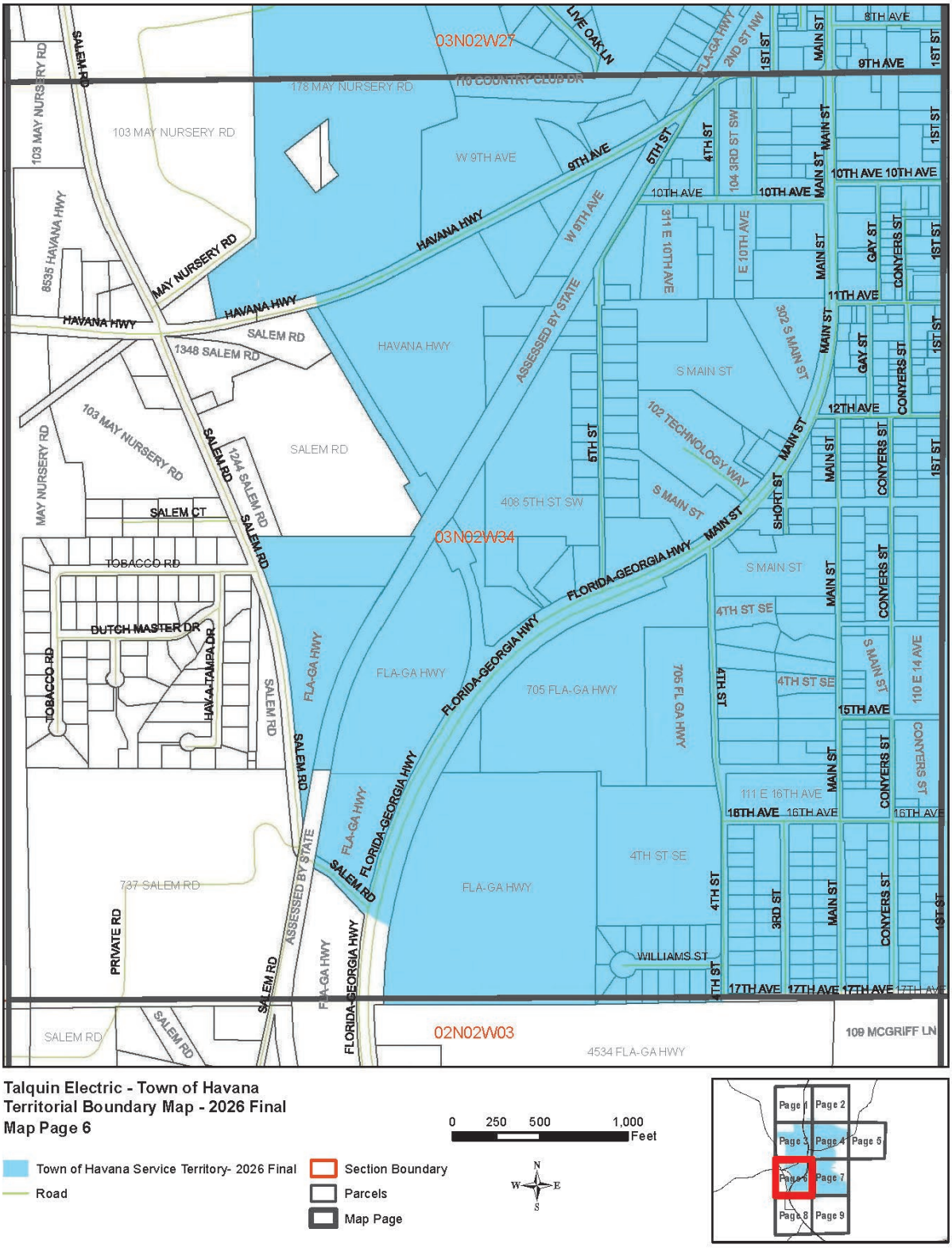
Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 4

0 250 500 1,000 Feet

Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page



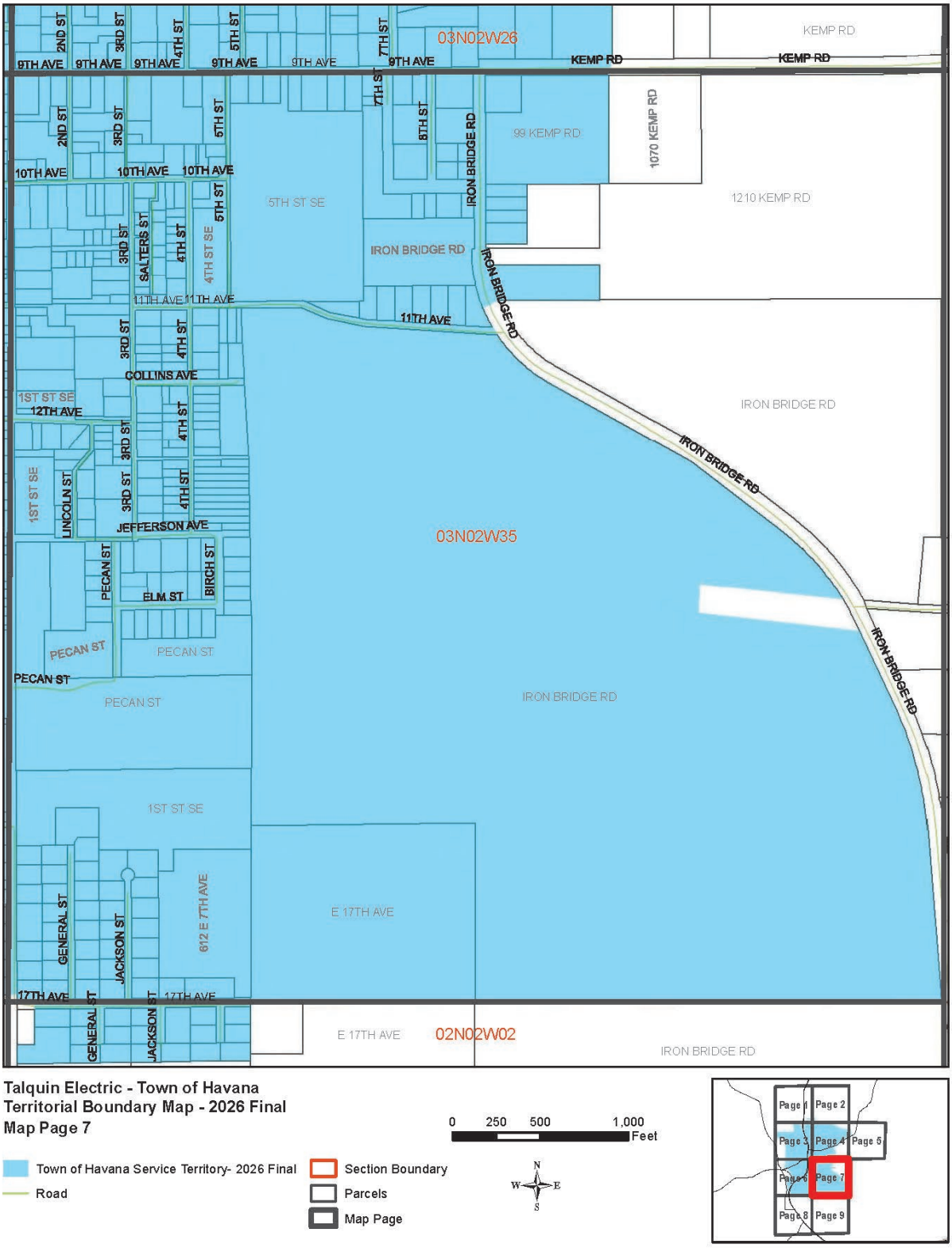

03N02W24
76 TURKEY POINT DR
124 FRANCES DR
120 FRANCES DR
FRANCES DR
1808 FAIRBANKS FERRY RD
1844 FAIRBANKS FERRY RD
450 COLLINS RD I
490 COLLINS RD I
584 COLLINS RD I
655 COLLINS RD I
LANGSTON LN
903 COLLINS RD I
530 COLLINS RD I
750 COLLINS RD I
760 COLLINS RD I
780 COLLINS RD I
950 COLLINS RD I
1088 FAIRBANKS FERRY RD
2229 KEMP RD
2423 KEMP RD
03N02W25
1947 KEMP RD
2159 KEMP RD
1825 KEMP RD
1925 KEMP RD
2441 KEMP RD
1747 KEMP RD
1855 KEMP RD
1549 KEMP RD
2172 KEMP RD
2350 KEMP RD
2434 KEMP RD
2540 KEMP RD
1896 KEMP RD
LESLIE LEWIS RD
1548 KEMP RD
921 LESLIE LEWIS RD
855 LESLIE LEWIS RD
03N02W36
206 KELLY FARM RD
605 LESLIE LEWIS RD
Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 5
0 250 500 1,000 Feet
Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page
N
W E
S
Page 1
Page 2
Page 3
Page 4
Page 5
Page 6
Page 7
Page 8
Page 9



Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 6

0 250 500 1,000 Feet

Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page



Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 7

0 250 500 1,000 Feet

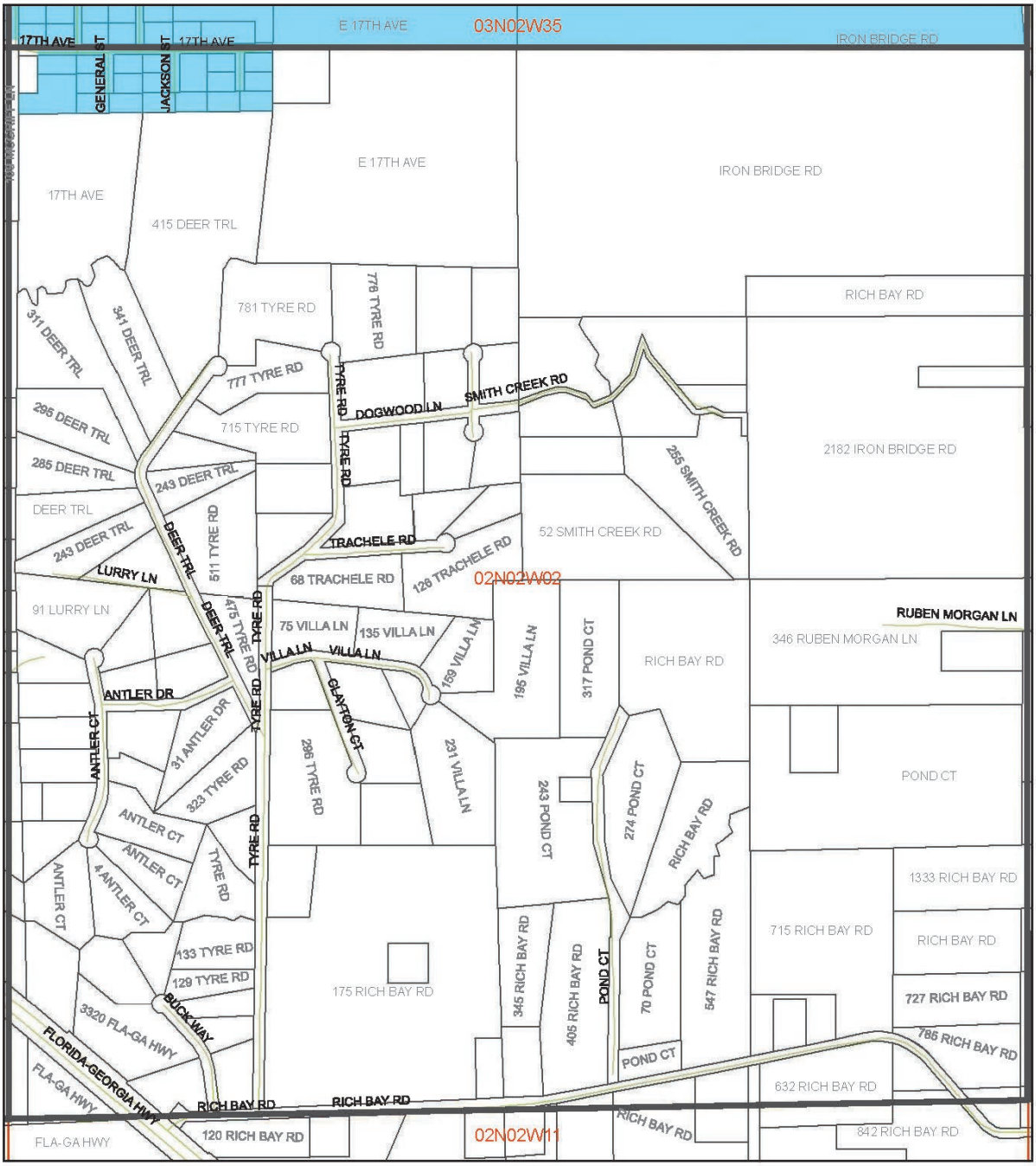
Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page



Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 8

0 250 500 1,000 Feet

Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page


03N02W35
02N02W02
02N02W11
E 17TH AVE
17TH AVE
IRON BRIDGE RD
GENERAL ST
JACKSON ST
415 DEER TRL
781 TYRE RD
776 TYRE RD
777 TYRE RD
715 TYRE RD
311 DEER TRL
341 DEER TRL
296 DEER TRL
285 DEER TRL
243 DEER TRL
DEER TRL
511 TYRE RD
TYRE RD
DOGWOOD LN
SMITH CREEK RD
2182 IRON BRIDGE RD
255 SMITH CREEK RD
52 SMITH CREEK RD
TRACHELE RD
68 TRACHELE RD
126 TRACHELE RD
LURRY LN
91 LURRY LN
475 TYRE RD
75 VILLA LN
135 VILLA LN
VILLA LN
159 VILLA LN
195 VILLA LN
317 POND CT
RICH BAY RD
RUBEN MORGAN LN
346 RUBEN MORGAN LN
ANTLER DR
ANTLER CT
31 ANTLER DR
323 TYRE RD
GLAYTON CT
296 TYRE RD
231 VILLA LN
243 POND CT
274 POND CT
POND CT
1333 RICH BAY RD
715 RICH BAY RD
4 ANTLER CT
133 TYRE RD
129 TYRE RD
175 RICH BAY RD
345 RICH BAY RD
405 RICH BAY RD
70 POND CT
547 RICH BAY RD
727 RICH BAY RD
786 RICH BAY RD
632 RICH BAY RD
842 RICH BAY RD
BUCK WAY
3920 FLA-GA HWY
FLORIDA-GEORGIA HWY
FLA-GA HWY
120 RICH BAY RD
Talquin Electric - Town of Havana
Territorial Boundary Map - 2026 Final
Map Page 9
0 250 500 1,000 Feet
Town of Havana Service Territory- 2026 Final
Road
Section Boundary
Parcels
Map Page
N
W
E
S
Page 1
Page 2
Page 3
Page 4
Page 5
Page 6
Page 7
Page 8
Page 9

COMPOSITE EXHIBIT A-2
BOUNDARY LINE DESCRIPTION

Approved By:

Tracy Bensley
General Manager, Talquin Electric Cooperative, Inc.

Leigh Davis
Town Manager, Town of Havana, Florida

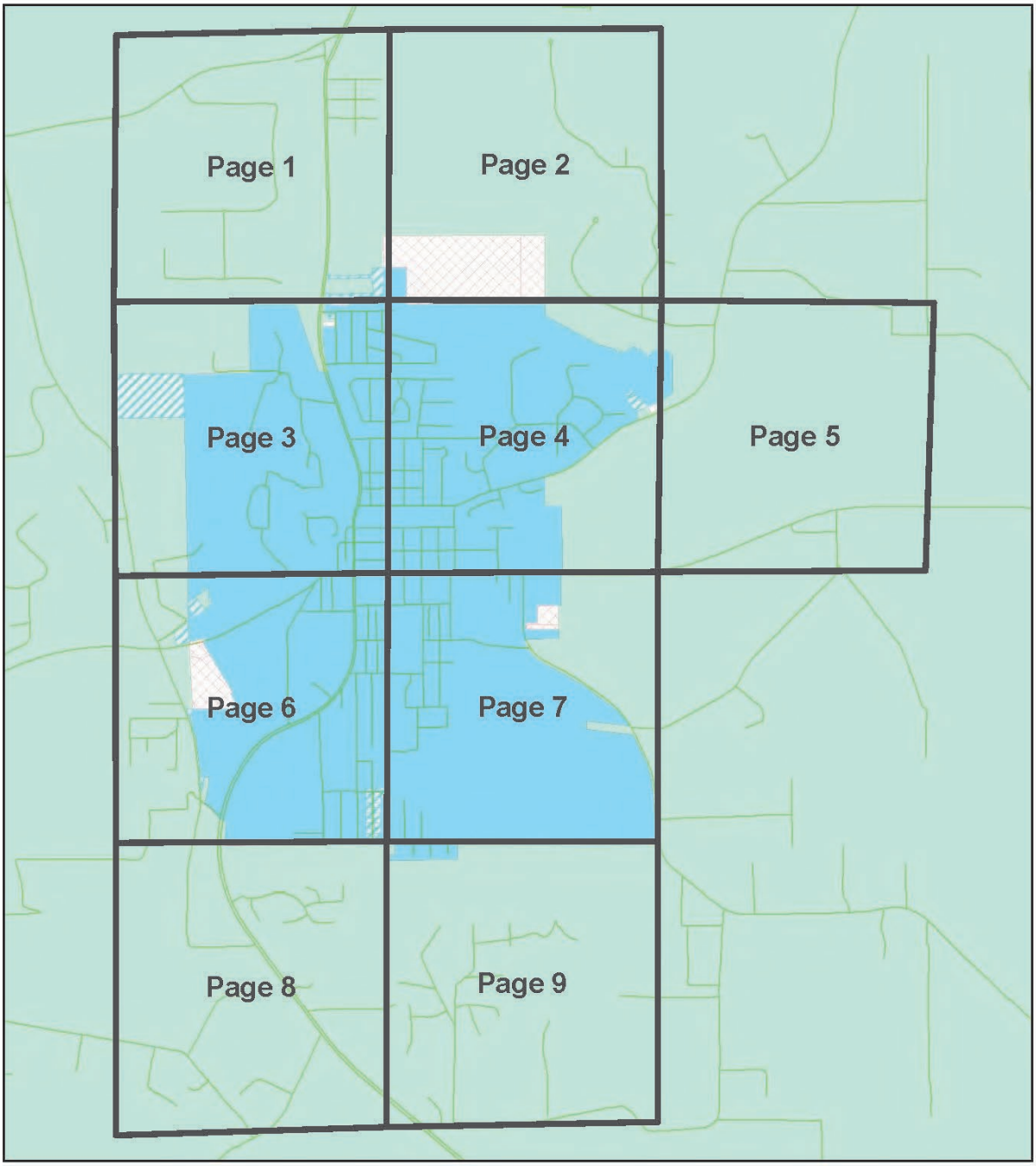
BOUNDARY LINE WRITTEN DESCRIPTION

If there are any descrepancies between this Written Description and the Maps in Exhibit A-1, the Maps in Exhibit A-1 shall prevail.

Exhibit A-1 Map Page	Township	Range	Section(s)	Description/Notes
1	03N	02W	22	Entire Section Cooperative Territorial Area except for Parcel No. 2-22-3N-2W-0000-00444-0100 & Parcel No. 2-22-3N-2W-0000-00443-1200.
2	03N	02W	23	Entire Section Cooperative Territorial Area except for Parcel No. 2-22-3N-2W-0000-00444-0100.
3	03N	02W	27	Entire Section Town Territorial Area except for Parcel No. 2-22-3N-2W-0000-00434-0200, Parcel No. 2-22-3N-2W-0000-00122-0100, Parcel No. 2-22-3N-2W-0175-00000-0230, Parcel No.2-22-3N-2W-0175-00000-0220, Parcel No. 2-22-3N-2W-0175-00000-0211, Parcel No. 2-22-3N-2W-0175-00000-0210, Parcel No. 2-22-3N-2W-0175-00000-0200, Parcel No. 2-22-3N-2W-0175-00000-0130, Parcel No. 2-22-3N-2W-0175-00000-0181, Parcel No. 2-22-3N-2W-0175-00000-0180, Parcel No. 2-27-3N-2W-0000-00220-0000, Parcel No. 2-27-3N-2W-0000-00224-0100, Parcel No. 2-27-3N-2W-0000-00210-0700, Parcel No. 2-27-3N-2W-0000-00210-0300, Parcel No. 2-27-3N-2W-0000-00120-0100, Parcel No. 2-27-3N-2W-0000-00121-0300, Parcel No. 2-27-3N-2W-0000-00121-0100, Parcel No. 2-27-3N-2W-0000-00121-0200, Parcel No. 2-22-3N-2W-0000-00443-1000, Parcel No. 2-26-3N-2W-0210-0000A-0300, Parcel No. 2-26-3N-2W-0210-0000A-0280, Parcel No. 2-26-3N-2W-0210-0000A-0250, & Parcel No. 2-27-3N-2W-0000-00320-0000 (and all parcels west thereof), and those portions of rights-of-way comprising U.S. Highway 27 and the
4	03N	02W	26	Entire Section Town Territorial Area except for Parcel No. 2-25-3N-2W-0163-00000-0360, Parcel No. 2-25-3N-2W-0163-00000-0003, Parcel No. 2-25-3N-2W-0163-00000-0350, Parcel No. 2-25-3N-2W-0163-00000-0340, Parcel No. 2-25-3N-2W-0163-00000-0330, Parcel No. 2-25-3N-2W-0163-00000-0320, Parcel No. 2-25-3N-2W-0163-00000-0310, Parcel No. 2-25-3N-2W-0163-00000-0300, Parcel No. 2-25-3N-2W-0163-00000-0290, Parcel No. 2-25-3N-2W-0163-00000-0280, Parcel No. 2-25-3N-2W-0163-00000-0270, Parcel No. 2-25-3N-2W-0163-00000-0260, Parcel No. 2-26-3N-2W-0000-00134-0100, Parcel No.2-26-3N-2W-0000-00134-0200, Parcel No. 2-26-3N-2W-0000-00134-0300, Parcel No. 2-26-3N-2W-0000-00134-0400, Parcel No. 2-26-3N-2W-0000-00410-0000, Parcel No. 2-26-3N-2W-0000-00423-0100, Parcel No. 2-26-3N-2W-8040-00000-0040, Parcel No. 2-26-3N-2W-8040-00000-0050, & Parcel No. 2-26-3N-2W-0000-00440-0100, and those portions of rights-of-way comprising the Fairbanks Ferry Road and the westerly segment of Kemp Road, as identified on page 4 of Composite Exhibit A-1.
5	03N	02W	25	Entire Section Cooperative Territorial Area except for Parcel No. 2-26-3N-2W-1542-0000C-0160, Parcel No. 2-26-3N-2W-1542-0000C-0110, Parcel No. 2-26-3N-2W-1542-0000C-0100, Parcel No. 2-26-3N-2W-1542-0000C-0080, & Parcel No. 2-26-3N-2W-1542-0000C-0060
6	03N	02W	34	All parcels West of Salem Road, Parcel No. 2-27-3N-2W-0000-00320-0000, Parcel No. 2-34-3N-2W-0000-00224-0100, Parcel No. 2-34-3N-2W-0000-00212-0200, Parcel No. 2-34-3N-2W-0000-00212-0300, Parcel No. 2-34-3N-2W-0000-00231-0600, Parcel No. 2-34-3N-2W-0000-00231-0700, Parcel No. 2-34-3N-2W-0000-00231-0400, Parcel No. 2-34-3N-2W-0000-00243-0000, Parcel No. 2-34-3N-2W-0000-00231-0500, Parcel No. 2-34-3N-2W-0000-00330-0000, & Parcel No. 2-34-3N-2W-0000-00341-0200, and those portions of rights-of-way comprising Havana Highway, the Florida Gulf and Atlanta Railroad, U.S. Highway 27, the southernly portion of Salem Road, and 17th Avenue, as identified on page 6 of Composite Exhibit A-1.

Exhibit A-1 Map Page	Township	Range	Section(s)	Description/Notes
7	03N	02W	35	Entire Section Town Territorial Area except for Parcel No. 2-35-3N-2W-0000-00121-0500, Parcel No. 2-35-3N-2W-0000-00124-0100, Parcel No. 2-35-3N-2W-0000-00110-0000, Parcel No. 2-36-3N-2W-0000-00300-0000, Parcel No. 2-36-3N-2W-0000-00322-0300, Parcel No. 2-36-3N-2W-0000-00322-0500, Parcel No. 2-36-3N-2W-0000-00323-0100, Parcel No. 2-36-3N-2W-0000-00332-0200, Parcel No. 2-35-3N-2W-0000-00420-0000 to the East of Iron Bridge Road (CR 153) together with the portion of Parcel No. 2-35-3N-2W-0000-00420-0000 to the West of Iron Bridge Road (CR 153) which is a generally a rectangular area of appoximately 3.28 acres (being approximately 821 feet long along its north side, approximately 198.52 feet along its east side, approximately 920.55 feet along its south side, and approximately 163.53 feet along its west side) that is situated just west of the intersection of Iron Bridge Road and Leslie Lewis Road, having generally a west to northwesterly orientation, as identified on Composite Exhibit A-1; and those portions of rights-of-way comprising a portion of Iron Bridge Road, as identified on page 7 of Composite Exhibit A-1.
8	02N	02W	3	Entire Section Cooperative Territorial Area except for Parcel No. 2-34-3N-2W-0000-00341-0100, Parcel No. 2-34-3N-2W-0291-0000E-0080, Parcel No. 2-34-3N-2W-0291-0000E-0070, Parcel No. 2-34-3N-2W-0291-0000E-0060, Parcel No. 2-34-3N-2W-0291-0000E-0050, Parcel No. 2-34-3N-2W-0291-0000E-0040, Parcel No. 2-34-3N-2W-0291-0000E-0030, Parcel No. 2-34-3N-2W-0291-0000E-0020, & Parcel No. 2-34-3N-2W-0291-0000E-0010.
9	02N	02W	2	Entire Section Cooperative Territorial Area except for Parcel No. 3-02-2N-2W-0000-00222-2100, Parcel No. 3-02-2N-2W-0000-00222-1600, Parcel No. 3-02-2N-2W-0000-00222-1100, Parcel No. 3-02-2N-2W-0000-00222-1500, Parcel No. 3-02-2N-2W-0000-00222-1900, Parcel No. 3-02-2N-2W-0000-00222-0600, Parcel No. 3-02-2N-2W-0000-00222-1200, Parcel No. 3-02-2N-2W-0000-00222-2000, Parcel No. 3-02-2N-2W-0000-00222-0300, Parcel No.3-02-2N-2W-0000-00222-0900, Parcel No. 3-02-2N-2W-0000-00222-1400, Parcel No. 3-02-2N-2W-0000-00222-0800, Parcel No. 3-02-2N-2W-0000-00222-1300, Parcel No. 3-02-2N-2W-0000-00222-0200, Parcel No. 3-02-2N-2W-0000-00222-0710, Parcel No. 3-02-2N-2W-0000-00222-0700, Parcel No. 3-02-2N-2W-0000-00222-1000, Parcel No. 3-02-2N-2W-0000-00222-0400 Parcel No. 3-02-2N-2W-0000-00222-0500, and those portions of rights-of-way comprising 17th Avenue, General Street, Jackson Street, and Yolanda Street, as identified on page 9 of Composite Exhibit A-1.

COMPOSITE EXHIBIT A-3



Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes

0 0.25 0.5 1 Mile

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- Town of Havana Service Territory
- Talquin Electric Service Territory
- To TEC
- Road
- To Town of Havana
- Map Page

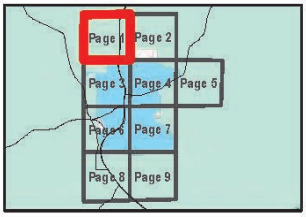


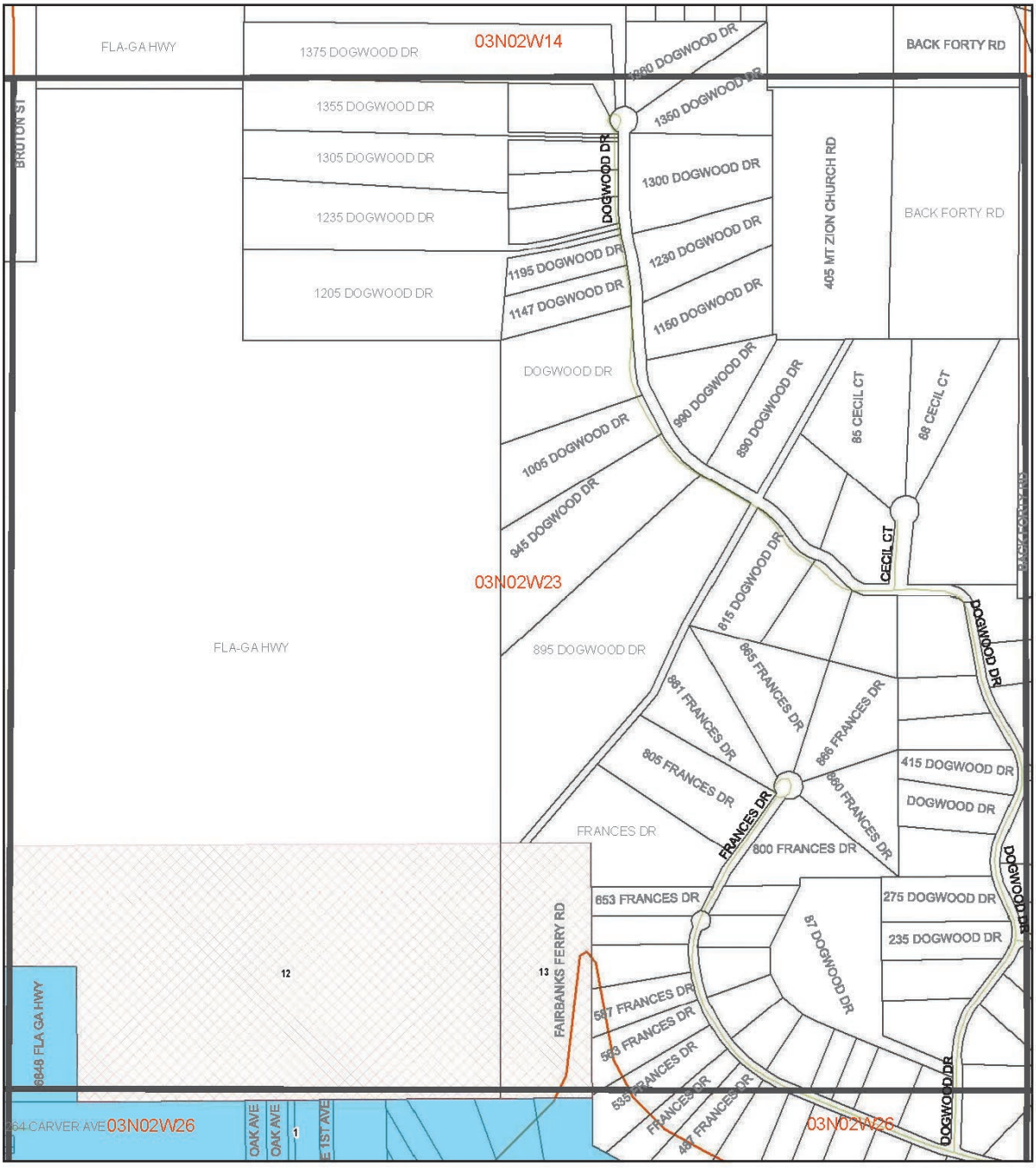
Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 1

- Town of Havana Service Territory
- To TEC
- To Town of Havana
- Road
- Section Boundary
- Parcels
- Map Page

0 250 500 1,000 Feet

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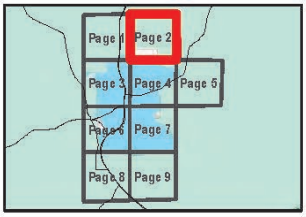


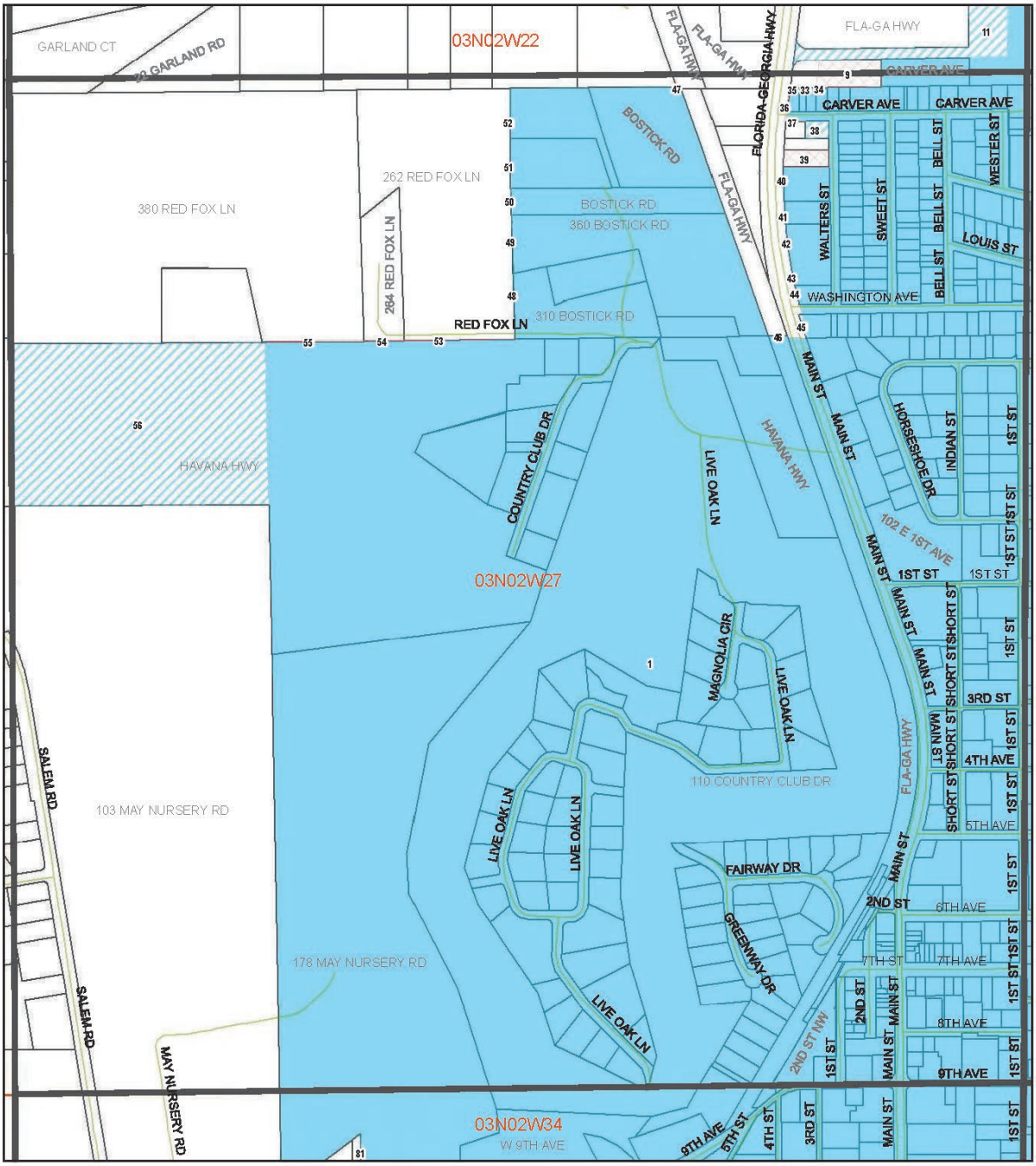
Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 2

- Town of Havana Service Territory
- To TEC
- To Town of Havana
- Road
- Section Boundary
- Parcels
- Map Page

0 250 500 1,000 Feet

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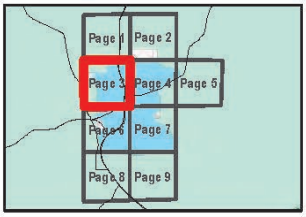


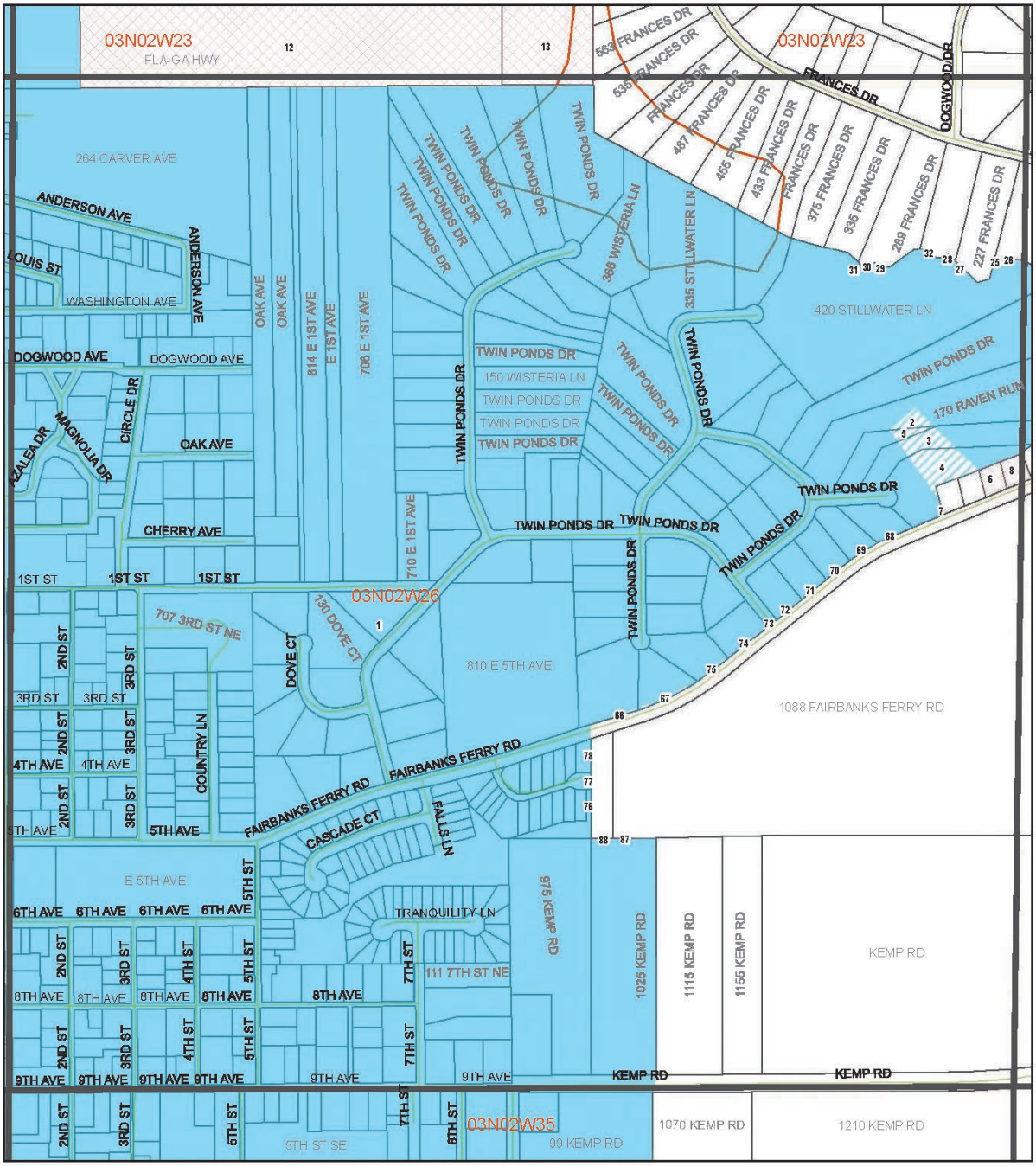
Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 3

- Town of Havana Service Territory
- To TEC
- To Town of Havana
- Road
- Section Boundary
- Parcels
- Map Page

0 250 500 1,000 Feet

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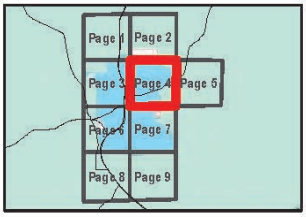


Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 4

- Town of Havana Service Territory
- To TEC
- To Town of Havana
- Road
- Section Boundary
- Parcels
- Map Page

0 250 500 1,000 Feet

N W E S



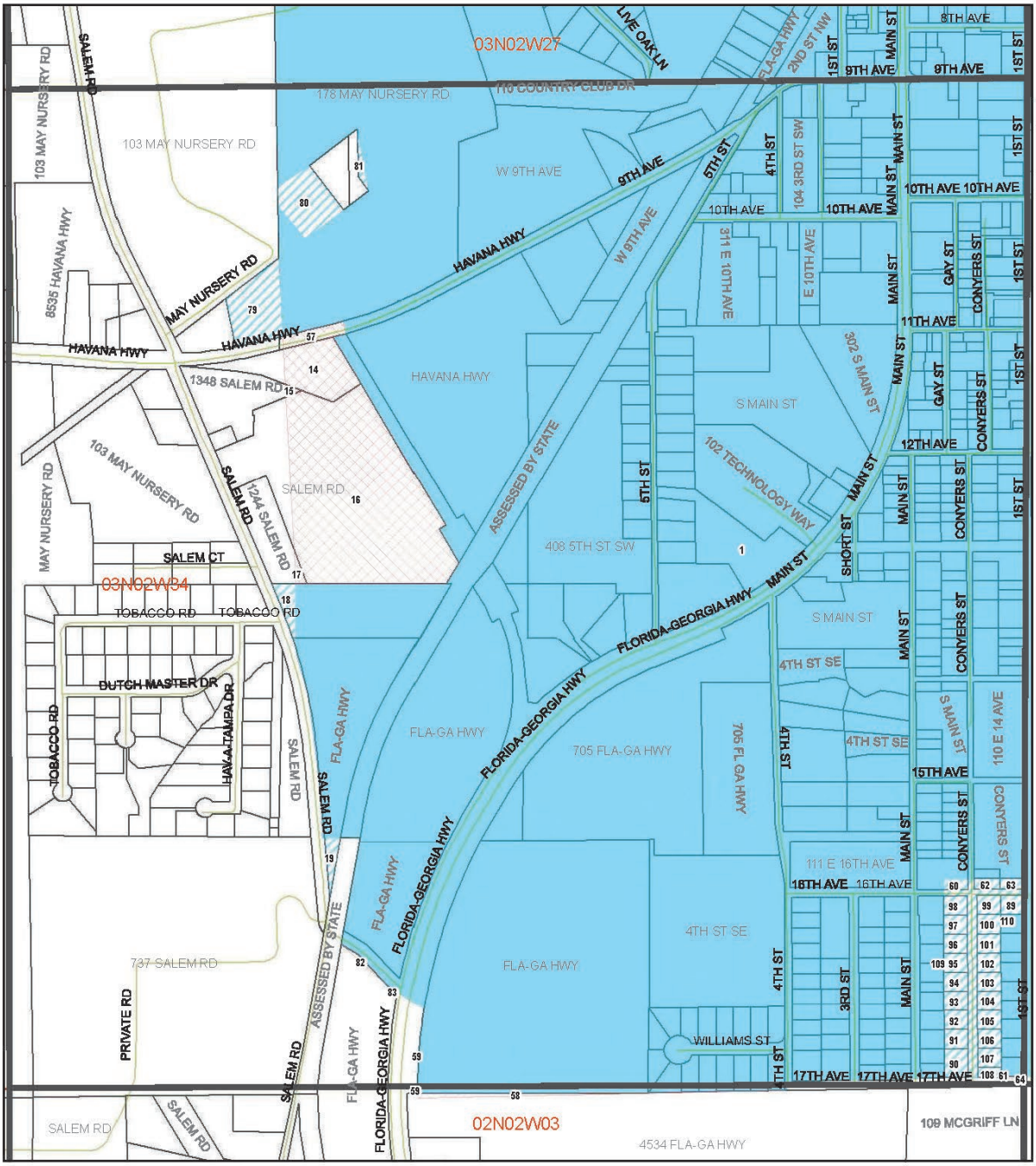


Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 5

- Town of Havana Service Territory
- To TEC
- To Town of Havana
- Road
- Section Boundary
- Parcels
- Map Page

0 250 500 1,000 Feet

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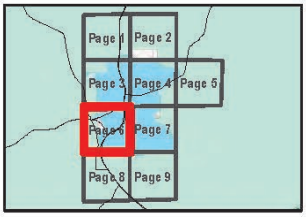


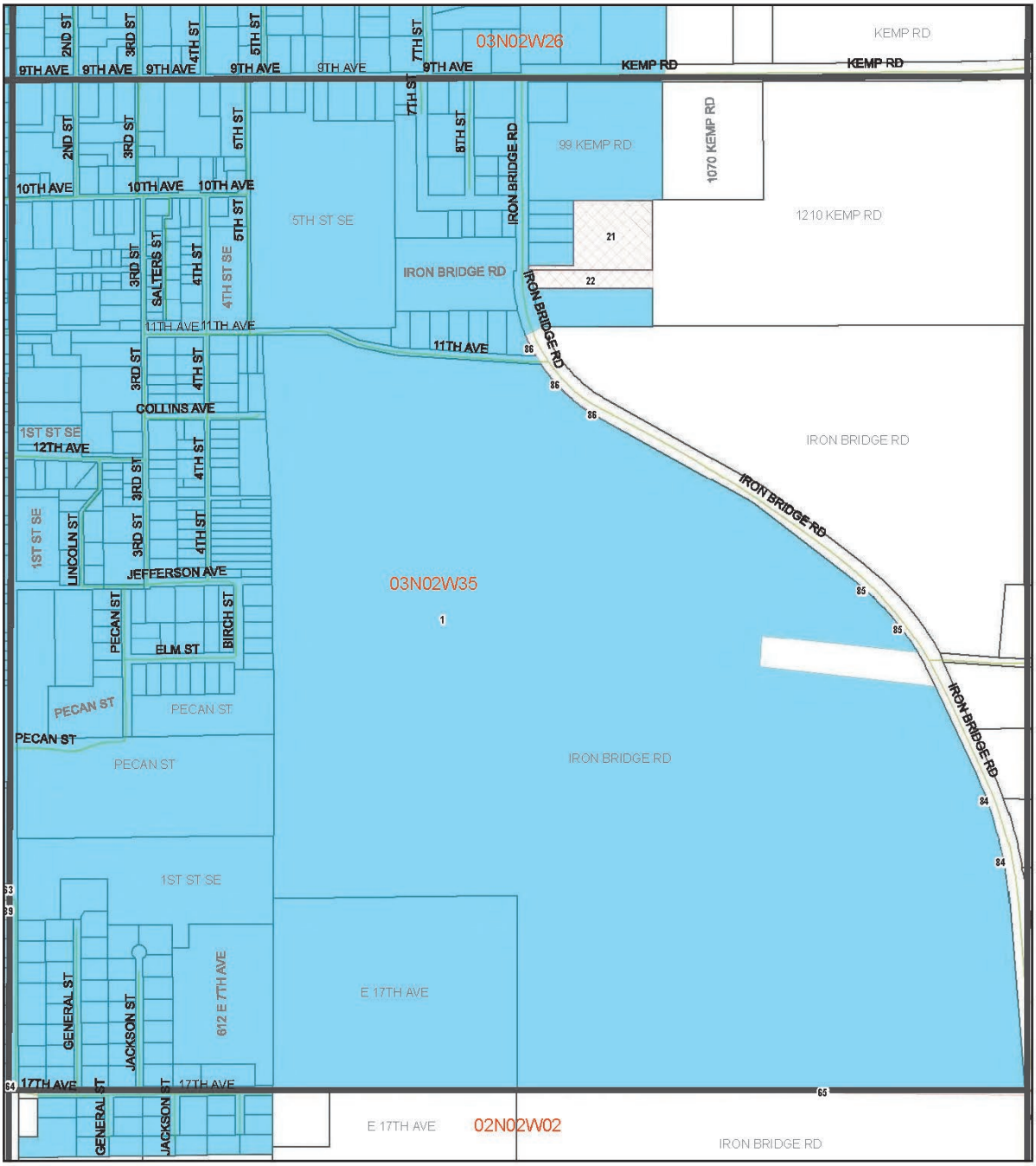
Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 6

- Town of Havana Service Territory
- To TEC
- To Town of Havana
- Road
- Section Boundary
- Parcels
- Map Page

0 250 500 1,000 Feet

N W E S




03N02W26
KEMP RD
KEMP RD
KEMP RD
99 KEMP RD
1070 KEMP RD
1210 KEMP RD
IRON BRIDGE RD
IRON BRIDGE RD
IRON BRIDGE RD
IRON BRIDGE RD
IRON BRIDGE RD
IRON BRIDGE RD
03N02W35
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9TH AVE
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COLLINS AVE
JEFFERSON AVE
ELM ST
PECAN ST
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3RD ST
4TH ST
5TH ST
7TH ST
8TH ST
SALTERS ST
LINCOLN ST
BIRCH ST
GENERAL ST
JACKSON ST
612 E 7TH AVE
E 17TH AVE
5TH ST SE
4TH ST SE
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Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 7
Town of Havana Service Territory
To TEC
To Town of Havana
Road
Section Boundary
Parcels
Map Page
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Page 1
Page 2
Page 3
Page 4
Page 5
Page 6
Page 7
Page 8
Page 9

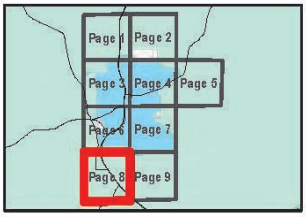


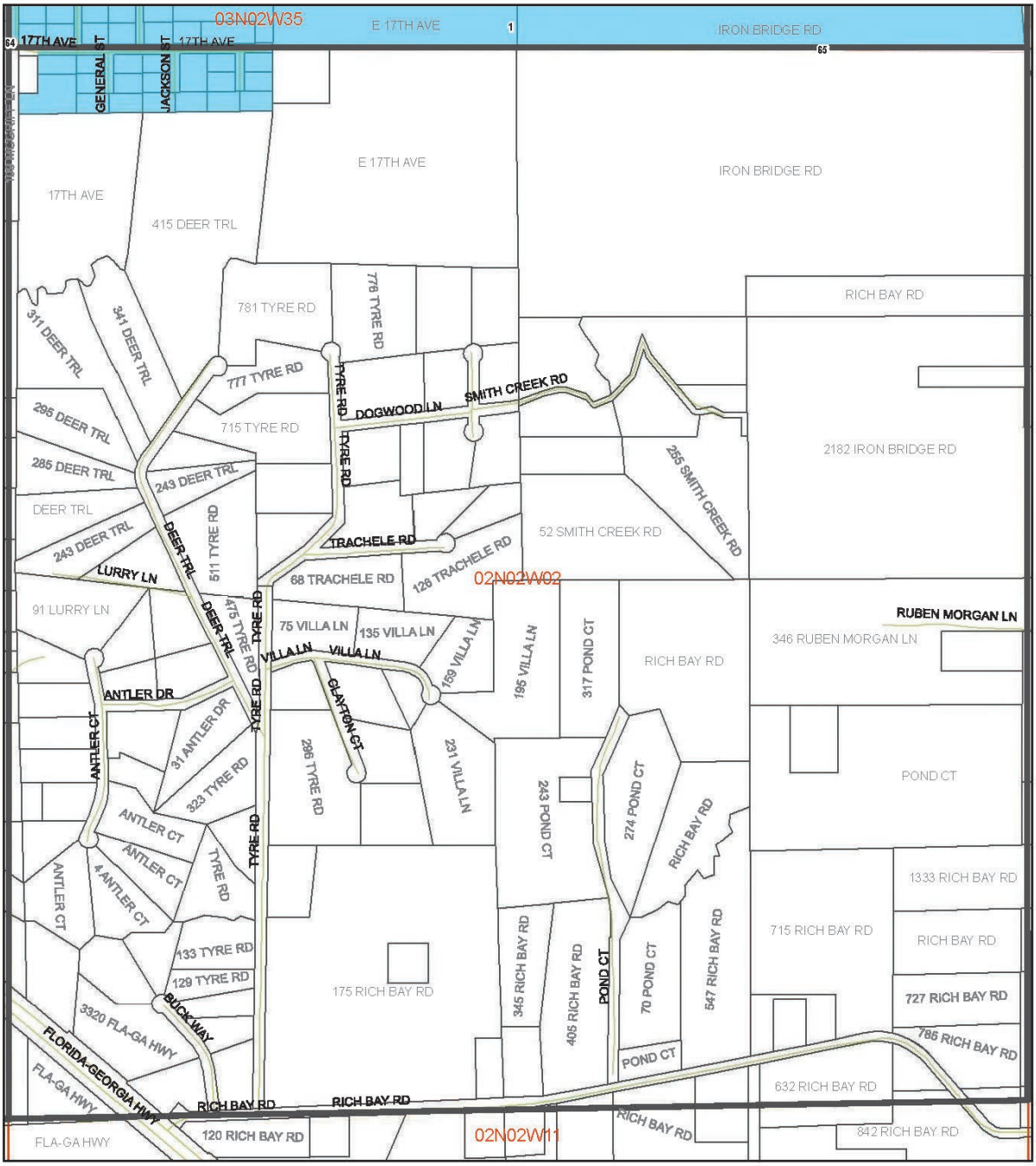
Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 8

- Town of Havana Service Territory
- To TEC
- To Town of Havana
- Road
- Section Boundary
- Parcels
- Map Page

0 250 500 1,000 Feet

N W E S





Talquin Electric - Town of Havana
Territorial Boundary Map - Proposed Changes
Map Page 9

- Town of Havana Service Territory
- To TEC
- To Town of Havana
- Road
- Section Boundary
- Parcels
- Map Page

0 250 500 1,000 Feet

N W E S

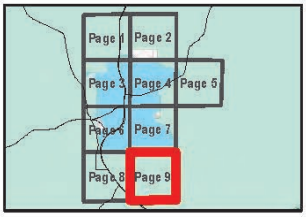


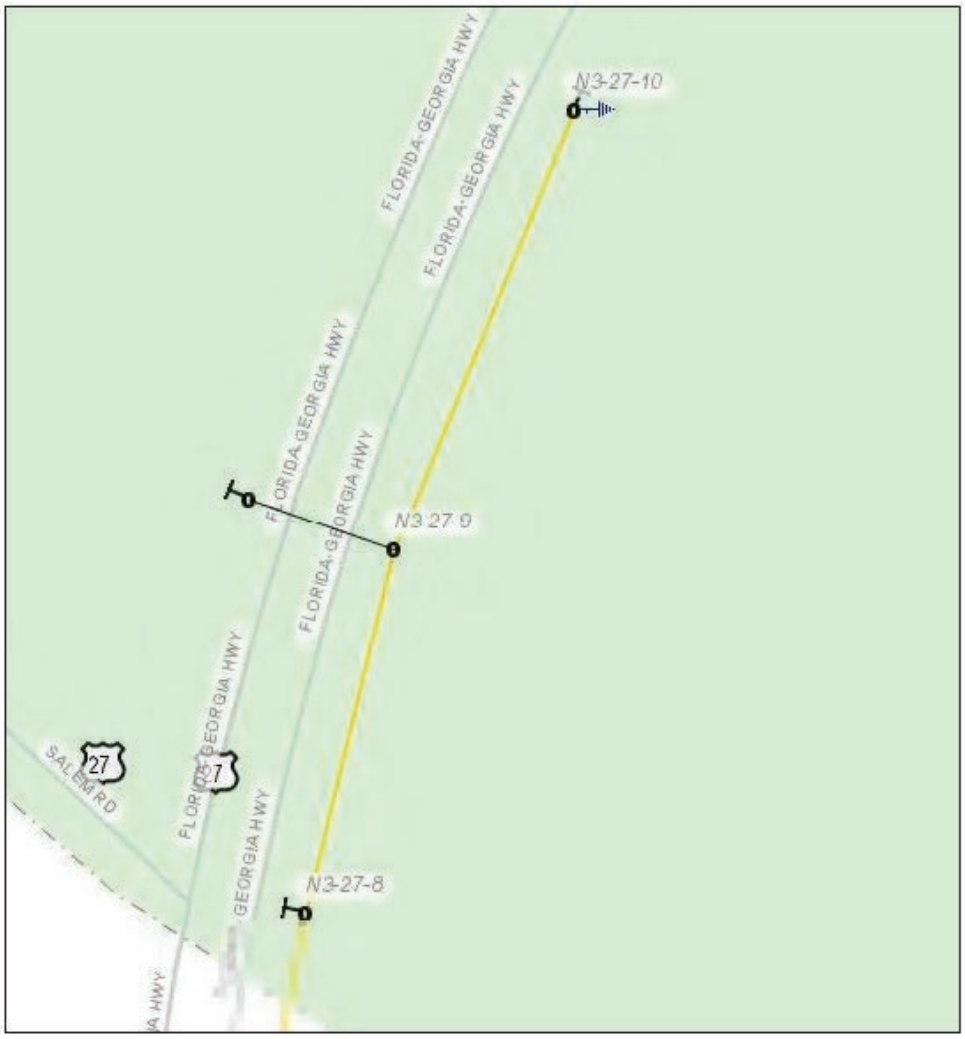
EXHIBIT B-1

Section 1:



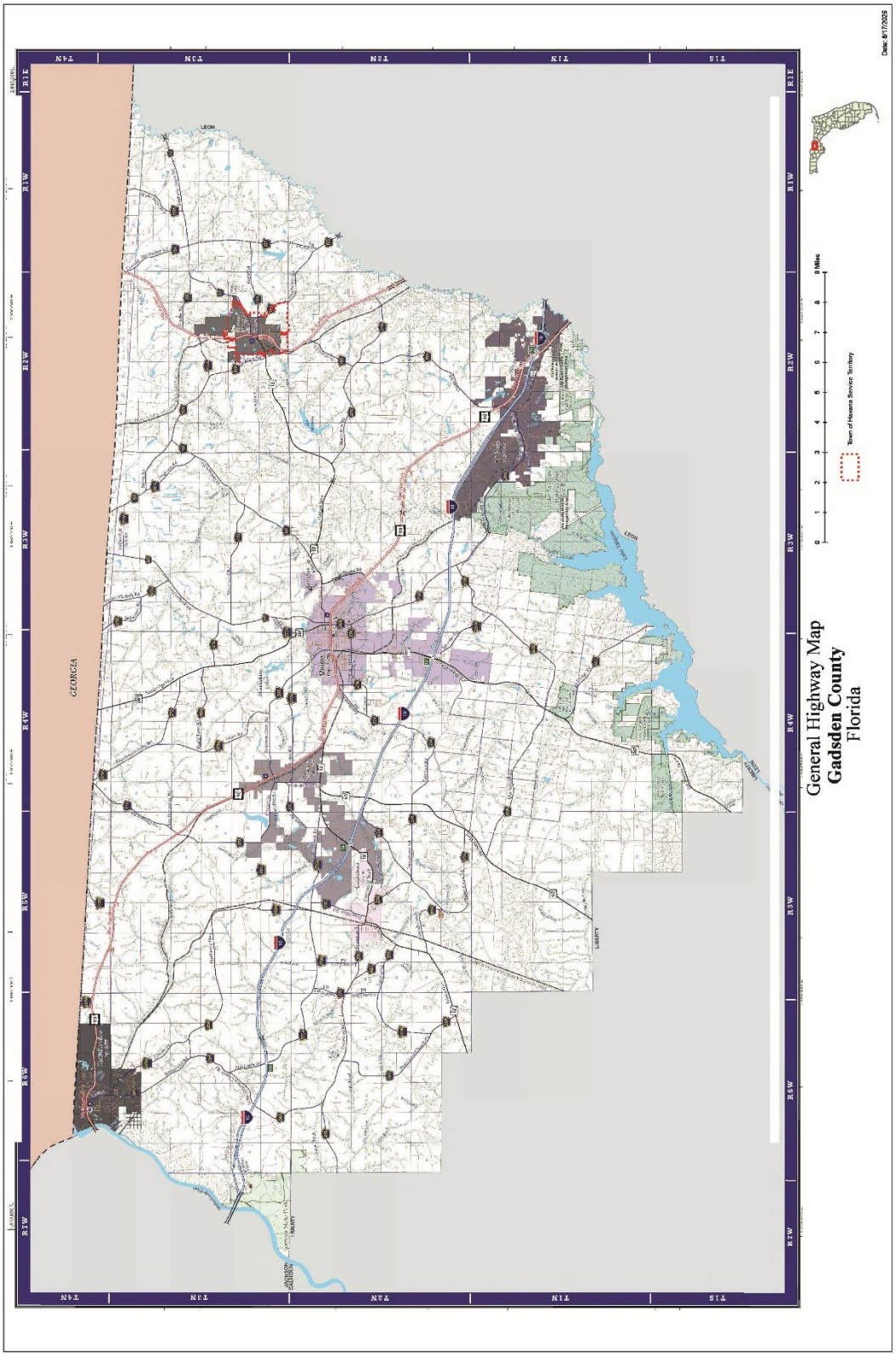
EXHIBIT B-2

Section 2:



JOINT PETITION - EXHIBIT "2"

FLORIDA DOT GENERAL HIGHWAY COUNTY MAP


General Highway Map
Gadsden County
Florida
GEORGIA
LEON
LIBERTY
Town of Havana Service Territory
0 1 2 3 4 5 6 7 8 9 Miles

Item 13

FILED 11/17/2026
DOCUMENT NO. 07919-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Hampson) EJD
Office of the General Counsel (Marquez) SPS

RE: Docket No. 20260133-GU – Petition for approval of GUARD true-up cost recovery factors, by Florida Public Utilities Company.

AGENDA: 12/01/26 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 05/03/27 (8-Month Effective Date)

SPECIAL INSTRUCTIONS: None

Case Background

On September 1, 2026, Florida Public Utilities Company (FPUC) filed a petition for approval of its Gas Utility Access and Replacement Directive (GUARD) cost recovery factors for the period January through December 2027. By Order No. PSC-2023-0235-PAA-GU (2023 Order), the Commission approved FPUC's 10-year GUARD program, consisting of (1) replacement of problematic pipes and facilities and (2) relocation of mains and service lines located in rear easement and other difficult to access areas to the front lot easements.[1] The 2023 Order allows FPUC to recover the revenue requirements of expedited programs to replace problematic pipes and facilities and enhance the safety and accessibility of portions of FPUC's natural gas distribution system through a monthly surcharge on customers' bills.

[1] Order No. PSC-2023-0235-PAA-GU, issued August 15, 2023, amended by Order No. PSC-2023-0235A-PAA-GU, issued August 18, 2023, in Docket No. 20230029-GU, *In re: Petition for approval of gas utility access and replacement directive, by Florida Public Utilities Company.*

The Commission further ordered FPUC to: (1) include all calculations to show a final true-up, actual-estimated true-up, projected year investments and associated revenue requirements, and the calculations of the GUARD factors by rate class; (2) provide a report including the location, date, description, and associated costs of all replacement projects completed and all projects scheduled for the following year; and (3) include any remaining Gas Replacement and Infrastructure Program (GRIP) over- or under-recovery in the GUARD cost recovery. The methodology to calculate the GUARD program surcharges is the same that was approved for FPUC's concluded GRIP.[2] The Commission approved FPUC's 2026 GUARD factors in Order No. PSC-2025-0450-TRF-GU.[3]

By Order No. PSC-2026-0374-PCO-GU, the Commission suspended FPUC's revised 2027 GUARD tariff.[4] Staff issued one data request to FPUC on September 29, 2026, for which responses were received October 13, 2026.[5] This is staff's final recommendation on the proposed tariffs for FPUC's 2027 GUARD factors. Included in this recommendation are Attachment A - list of GUARD projects for 2025–2027 Actual/Forecast, and Attachment B - Fourth Revised Tariff Sheet No. 7.403 legislative version. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.041, 366.05, and 366.06, Florida Statutes (F.S.).

[2] Order No. PSC-12-0490-TRF-GU, issued September 24, 2012, in Docket No. 120036-GU, *In re: Joint petition for approval of Gas Reliability Infrastructure Program (GRIP) by Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation*.
[3] Order No. PSC-2025-0450-TRF-GU, issued December 11, 2025, in Docket No. 20250109-GU, *In re: Petition for approval of gas utility access and replacement directive cost recovery factors for January 2026 through December 2026, by Florida Public Utilities Company*.
[4] Order No. PSC-2026-0374-PCO-GU, issued October 26, 2026, in Docket No. 20260133-GU, *In re: Petition for approval of GUARD true-up cost recovery factors, by Florida Public Utilities Company*.
[5] Document No. 07325-2026.

Discussion of Issues

Issue 1: Should the Commission approve FPUC's 2027 GUARD cost recovery factors and associated tariff sheet for the period January to December 2027?

Recommendation: Yes. The Commission should approve FPUC's 2027 GUARD cost recovery factors and associated Fourth Revised Tariff Sheet No. 7.403, included in Attachment B to this recommendation, to be effective for the first billing cycle of January 2027 through the last billing cycle of December 2027. After reviewing FPUC's filings and supporting documentation, the calculations of the 2027 GUARD factors appear consistent with the methodology approved in the 2023 Order and are reasonable and accurate. (Hampson)

Staff Analysis: The GUARD program is driven by risks identified under FPUC's Distribution Integrity Management Program and risk assessments performed by an independent contractor. As stated by witness Dayton and in responses to staff's First Data Request, the GUARD projects are based upon risk assessment categorized as high, medium, and low risk, by an independent contractor. Projects in high consequence areas and those of high risk continue to be a priority. The prioritized projects for 2026 and 2027 are included in Attachment A to this recommendation.

FPUC's True-Ups by Year

FPUC's calculation for the 2027 GUARD revenue requirement includes a final true-up for 2025, actual/estimated true-up for 2026, and projected costs for 2027.

Final 2025 GUARD True-Up

Witness Dayton states that the January through December 2025 true-up resulted in an under-recovery of $829,663, inclusive of interest. As shown in Schedule C-1 of the petition, the 2024 ending balance was an under-recovery of $701,549. Combined with the 2025 under-recovery of $115,206, and year-end monthly interest expense of $12,907 associated with any over- and under-recoveries results in a final 2025 under-recovery of $829,663.

Actual/Estimated 2026 GUARD True-Up

As shown in Schedule C-2, the 2026 actual (January through June) and forecasted (July through December) GUARD true-up is an over-recovery of $590,622 (inclusive of interest), resulting in an overall under-recovery of $239,042.[6] As shown in Table 1-1 below, this under-recovery is applied to the 2027 GUARD revenue requirement, resulting in a higher revenue requirement to be recovered from customers in 2027.

Projected 2027 GUARD Revenue Requirement

For 2027, FPUC plans to invest $25,419,383 ($19,553,425 for mains, $5,030,958 for service lines, and $835,000 for meters), resulting in a total qualified investment of $142,804,193 (including the year-end 2026 investment). The GUARD program revenue requirement, which includes a return on investment, depreciation expense, extending customer-owned fuel lines (to connect to meters which require to be relocated due to safety issues), customer notification expense, and property taxes, is $13,959,191. All expenses are dependent upon the level of

[6] The 2026 overall under-recovery does not add due to rounding.

investment costs. After adding the 2026 under-recovery true-up amount of $239,042, the 2027 GUARD revenue requirement to be recovered through the proposed surcharges is $14,198,233.

Table 1-1
2027 GUARD Revenue Requirement Calculation

2027 Total Qualified Investment	**$142,804,193**
2027 Return on Investment	$9,411,098
Depreciation Expenses	$2,169,370
Fuel Line Expenses	$132,000
Property/Ad Valorem Tax Expense	$2,171,616
Customer Notification Expense	$75,107
2027 Net GUARD Revenue Requirement	$13,959,191
Plus 2026 Under-Recovery	$239,042
2027 Total Revenue Requirement	**$14,198,233**

Source: Witness Dayton's Testimony Exhibit BD-1, Schedule C-2, Page 4 of 7.

Proposed 2027 GUARD Surcharges

As approved in the 2023 Order, the total 2027 revenue requirement is allocated to the rate classes using the same methodology used for the allocation of mains and service lines in the cost of service study used in the Company's most recent rate case. The respective percentages were multiplied by the 2027 revenue requirement and divided by each rate class's projected therm sales to provide the GUARD surcharge for each rate class. The Commission initially approved the methodology by Order No. PSC-12-0490-TRF-GU when approving FPUC's GRIP.[7]

In 2026, the monthly bill impact was $5.20 for a residential customer using 20 therms per month. The proposed 2027 GUARD surcharge for FPUC's residential customers who use 20 therms a month on the Residential Service tariff (RES-2) would pay $0.37704 per therm compared to the 2026 GUARD surcharge of $0.26015 per therm. The monthly bill impact for 2027 would be $7.54 for a residential customer using 20 therms per month.

Conclusion

The Commission should approve FPUC's 2027 GUARD cost recovery factors and associated Fourth Revised Tariff Sheet No. 7.403, included in Attachment B to this recommendation, to be effective for the first billing cycle of January 2027 through the last billing cycle of December 2027. After reviewing FPUC's filings and supporting documentation, the calculations of the 2027 GUARD factors appear consistent with the methodology approved in the 2023 Order and are reasonable and accurate.

[7] Order No. PSC-12-0490-TRF-GU, issued September 24, 2012, in Docket No. 120036-GU, *In re: Joint petition for approval of Gas Reliability Infrastructure Program (GRIP) by Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation.*

Issue 2: Should this docket be closed?

Recommendation: If a protest is filed within 21 days of the issuance of the order by a person whose substantial interests are affected, the tariff 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. (Marquez)

Staff Analysis: If a protest is filed within 21 days of the issuance of the order by a person whose substantial interests are affected, the tariff 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.

GUARD Projects 2025-2027 Actual/Forecast

Schedule F-1
Exhibit_____
Bryan Dayton (BD-1)
Page 7 of 7

Project Name	Location City/Town	Location County	Program Category	Program Sub-Category	Construction Estimate Start Qtr	Construction Estimate Completed Qtr	Projects Status	Actual/Forecasted Investment Cost	Actual/Forecasted Installed Footages	Actual/Forecasted Installed Miles	Actual/Forecasted Installed Services
American Superior	Winter Haven	Polk	Problematic	Span	2024- Q3	2025 - Q2	Completed	$645,133.47	5,156	0.98	-
Caribbean Distillers	Lake Alfred	Polk	Problematic	Under Building	2024- Q3	2025 - Q1	Completed	$86,962.45	210	0.04	-
Highland Winter Springs	Winter Springs	Polk	Accessiblity	Rear-to-Front	2025 - Q2	2026 - Q2	Completed	$1,793,904.83	15,583	2.95	-
Lake Blue Downrate	Winter Haven	Polk	Problematic	Obsolete	2026 - Q3	2026 - Q4	Completed	$377,331.45	2,176	0.41	64
Fort Meade Phase 1	Fort Meade	Polk	Problematic	Obsolete	2026 - Q3	2026 - Q4	Completed	$899,228.00	7,418	1.40	274
900 S. Ocean Blvd	Boca Raton	Palm Beach	Problematic	Obsolete/Aldyl-A	2024- Q4	2025 -Q1	Completed	$179,261.10	803	0.15	2
Forest Hill Villages	West Palm Beach	Palm Beach	Accessiblity	Rear-to-Front	2024- Q1	2025 -Q1	Completed	$5,707,811.43	36,054	6.83	439
Grammercy Park	Riviera Beach	Palm Beach	Accessiblity	Rear-to-Front	2024- Q3	2025 -Q2	Completed	$2,660,600.00	26,663	5.05	162
Le Chalet	Boynton Beach	Palm Beach	Problematic	Obsolete/Aldyl-A	2024- Q4	2025 -Q2	Completed	$1,272,535.00	11,763	2.23	110
Seacrest West	Boynton Beach	Palm Beach	Accessiblity	Rear-to-Front	2024- Q2	2025 -Q1	Completed	$2,266,012.00	25,677	4.86	146
Seacrest East	Boynton Beach	Palm Beach	Accessiblity	Rear-to-Front	2024- Q3	2025 -Q1	Completed	$1,346,140.00	19,398	3.67	53
Edgecliff Estates	Lake Worth Beach	Palm Beach	Accessiblity	Rear-to-Front	2024 - Q3	2025 -Q3	Completed	$1,993,839.00	32,131	6.09	699
Lantana Lee Estates	Lake Worth Beach	Palm Beach	Accessiblity	Rear-to-Front	2025 - Q1	2025 -Q3	Completed	$2,572,484.16	10,259	1.94	242
Whispering Palms	Lake Worth Beach	Palm Beach	Accessiblity	Rear-to-Front	2025 - Q1	2025 -Q3	Completed	$2,293,445.90	18,659	3.53	64
Southside WPB	West Palm Beach	Palm Beach	Accessiblity	Rear-to-Front	2025 - Q2	2025 -Q4	Completed	$4,018,625.79	25,480	4.83	294
SW 3RD ST	Delray Beach	Palm Beach	Accessiblity	Rear-to-Front	2025 - Q2	2025 -Q3	Completed	$1,140,248.84	9,087	1.72	46
NE 32nd St Boca Raton	Boca Raton	Palm Beach	Accessiblity	Rear-to-Front	2025 - Q2	2025 -Q4	Completed	$2,222,423.19	17,427	3.30	102
Heights - Riviera Beach	Riviera Beach	Palm Beach	Accessiblity	Rear-to-Front	2025 - Q3	2025 -Q4	Completed	$2,909,215.75	19,884	3.77	100
Monroe Heights - RB	Riviera Beach	Palm Beach	Accessiblity	Rear-to-Front	2025 - Q1	2025 -Q3	Completed	$2,031,699.71	18,050	3.42	83
Federal Gardens	Riviera Beach	Palm Beach	Accessiblity	Rear-to-Front	2025 - Q3	2025 -Q4	Completed	$1,389,351.24	8,592	1.63	97
Concept Homes	Lake Worth Beach	Palm Beach	Accessiblity	Rear-to-Front	2026 - Q1	2026 -Q4	In Progress	$6,201,881.66	31,614	5.99	568
Lantana Lee Crossings	Lake Worth Beach	Palm Beach	Accessiblity	Rear-to-Front	2026 - Q2	2026 -Q4	In Progress	$5,105,083.74	24,751	4.69	476
Second St Station	West Palm Beach	Palm Beach	Problematic	Station	2025 - Q3	2026 -Q3	In Progress	$1,778,198.58	-	-	-
Delray Seaspray Estates	Delray Beach	Palm Beach	Problematic	Obsolete/Aldyl-A	2026 - Q2	2026 -Q3	In Progress	$1,472,545.95	7,411	1.40	67
Boynton Beach Glen Arbor	Boynton Beach	Palm Beach	Accessiblity	Rear-to-Front	2026 - Q3	2026 -Q4	In Progress	$1,088,604.35	6,450	1.22	20
Boca Raton Pine Haven	Boca Raton	Palm Beach	Accessiblity	Rear-to-Front	2026 - Q3	2027 -Q1	In Progress	$2,935,265.35	15,430	2.92	104
West Palm Beach Westfield	West Palm Beach	Palm Beach	Accessiblity	Rear-to-Front	2026 - Q4	2027 -Q2	In Progress	$3,241,651.78	17,097	3.24	88
Lantana Seminole Manor	Lantana	Palm Beach	Accessiblity	Rear-to-Front	2026 - Q4	2027 -Q1	In Progress	$2,383,861.86	14,280	2.70	101
James St and Carolina St	West Palm Beach	Palm Beach	Accessiblity	Obsolete/Aldyl-A	2026 - Q1	2026 -Q3	In Progress	$1,419,451.01	4,451	0.84	5
Cherry Lane Townhomes	West Palm Beach	Palm Beach	Accessiblity	Rear Easement	2026 - Q1	2026 -Q3	In Progress	$1,585,641.47	7,064	1.34	87
Pickwick Park	West Palm Beach	Palm Beach	Accessiblity	Rear Easement	2025 - Q4	2026 -Q2	Completed	$1,457,317.08	10,115	1.92	27
Span-Boca NW 7th ST	West Palm Beach	Palm Beach	Problematic	Span	2026 - Q3	2026 -Q3	In Progress	$412,500.46	576	0.11	-
N. Shore Dr at C-17 WPB	West Palm Beach	Palm Beach	Problematic	Span	2026 - Q1	2026 -Q1	Completed	$1,364,029.47	877	0.17	-
Span-45th @ Coorprate Way	West Palm Beach	Palm Beach	Problematic	Span	2026 - Q3	2026 -Q4	In Progress	$327,918.73	614	0.12	-
Sanford Airport	Sanford	Seminole	Problematic	Shallow	2024 - Q4	2025 - Q1	Completed	$1,325,640.00	20,500	3.88	7
Sanford - San Lanta	Sanford	Seminole	Accessiblity	Rear-to-Front	2025 - Q1	2025 - Q1	Completed	$1,241,897.01	19,852	3.76	41
Longwood Windtree West	Longwood	Seminole	Accessiblity	Rear Easement	2026 - Q3	2027 - Q1	In Progress	$1,747,258.80	16,810	3.18	199
Lincoln Heights	Sanford	Seminole	Accessiblity	Rear Easement	2026 - Q1	2026 - Q3	In Progress	$1,538,802.18	11,976	2.27	38
Jungle Rd - Temple St	New Smyrna	Volusia	Problematic	Span	2025 - Q1	2025 - Q4	Completed	$135,446.00	218	0.04	-
Burma Rd - Temple St	Lake Alfred	Volusia	Problematic	Under Building	2025 - Q1	2025 - Q4	Completed	$103,663.00	211	0.04	-
Edgewater - Meadow Lake	Edgewater	Volusia	Accessiblity	Rear Easement	2025 - Q1	2026 - Q1	Completed	$737,022.68	4,219	0.80	50
Edgewater Fernald and Chadwick Hat	Edgewater	Volusia	Problematic	Obsolete/Aldyl-A	2026 - Q2	2026 - Q3	In Progress	$115,526.75	6,258	1.19	28
Edgewater (Mobile Home Park)	Edgewater	Volusia	Problematic	Obsolete/Steel Tubing	Qtr 2 - 2027	Qtr 2 - 2027	Future Projects	$256,895.00	3,449	0.65	24
Beresford Main Replacement	DeLand	Volusia	Problematic	Obsolete/Steel Tubing	Qtr 4 - 2027	Qtr 1 - 2028	Future Projects	$285,030.28	1,563	0.30	1
Australian Ave	West Palm Beach	Palm Beach	Accessiblity	Rear Easement	Qtr 1 - 2027	Qtr 2 - 2027	Future Projects	$1,375,020.96	7,420	1.41	16
Boca Raton Country Club Village	Boca Raton	Palm Beach	Accessiblity	Rear Easement	Qtr 1 - 2027	Qtr 3 - 2027	Future Projects	$2,944,750.00	26,885	5.09	85
Boca Raton Spanish Village	Boca Raton	Palm Beach	Problematic	Rear Easement	Qtr 3 - 2027	Qtr 1 - 2028	Future Projects	$990,251.25	6,391	1.21	26
PBC Waterside Dr	Palm Springs	Palm Beach	Problematic	Obsolete/Aldyl-A	Qtr 4 - 2027	Qtr 1 - 2028	Future Projects	$898,221.00	3,565	0.68	83
Palm Springs Lake Arbor	Palm Springs	Palm Beach	Accessiblity	Obsolete/Aldyl-A	Qtr 4 - 2027	Qtr 2 - 2028	Future Projects	$1,088,788.50	5,165	0.98	78
Bahama Heights	West Palm Beach	Palm Beach	Accessiblity	Rear Easement	Qtr 4 - 2027	Qtr 1 - 2028	Future Projects	$1,182,446.00	6,171	1.17	70
Boynton Rolling Green Ridge	Boynton Beach	Palm Beach	Accessiblity	Rear Easement	Qtr 2 - 2027	Qtr 4 - 2027	Future Projects	$3,112,690.20	27,803	5.27	145
Boca Raton Pine Haven	Boca Raton	Palm Beach	Accessiblity	Obsolete/CP	Qtr 3 - 2026	Qtr 1 - 2027	Future Projects	$635,828.00	3,792	0.72	-
Chillingworth Park WPB	Delray Beach	Palm Beach	Accessiblity	Rear Easement	Qtr 4 - 2027	Qtr 1 - 2028	Future Projects	$803,346.50	5,613	1.06	38
Lantana Seminole Manor	Atlantis	Palm Beach	Accessiblity	Rear Easement	Qtr 3 - 2026	Qtr 2 - 2027	Future Projects	$1,786,300.50	10,700	2.03	76
West Palm Beach Westfield	West Palm Beach	Palm Beach	Accessiblity	Rear Easement	Qtr 3 - 2026	Qtr 1 - 2027	Future Projects	$2,126,701.50	12,823	2.43	90
Span-Congress at Ware	West Palm Beach	Palm Beach	Problematic	Span	Qtr 3 - 2027	Qtr 3 - 2027	Future Projects	$487,500.00	650	0.12	-
Span-Congress at I95	West Palm Beach	Palm Beach	Problematic	Span	Qtr 1 - 2027	Qtr 1 - 2027	Future Projects	$849,041.00	1,710	0.32	-
Span-Congress Ave south of Lantana	Lantana	Palm Beach	Problematic	Span	Qtr 2 - 2027	Qtr 2 - 2027	Future Projects	$331,506.63	534	0.10	-
Span - 36th ST @ Australian Ct	West Palm Beach	Palm Beach	Problematic	Span	Qtr 1 - 2027	Qtr 1 - 2027	Future Projects	$283,850.00	507	0.10	-
Stations-NFRC District Station	Boca Raton	Palm Beach	Problematic	Station	Qtr 2 - 2027	Qtr 2 - 2027	Future Projects	$440,000.00	-	-	-
Fort Meade Problematic 2	Ft Meade	Polk	Problematic	Obsolete/Aldyl-A	Qtr 1 - 2027	Qtr 2 - 2027	Future Projects	$2,935,000.00	26,750	5.07	100
Fort Meade Problematic 3	Ft Meade	Polk	Problematic	Obsolete/Aldyl-A	Qtr 4 - 2027	Qtr 2 - 2028	Future Projects	$125,000.00	1,105	0.21	134
Stations-Pinedale District Station	Mulberry	Polk	Problematic	Station	Qtr 1 - 2027	Qtr 2 - 2027	Future Projects	$395,000.00	-	-	-
Longwood Windtree West	Longwood	Seminole	Accessiblity	Rear Easement	Qtr 3 - 2026	Qtr 1 - 2027	Future Projects	$279,790.30	2,915	0.55	32
Longwood Danbury Mill	Longwood	Seminole	Accessiblity	Rear Easement	Qtr 2 - 2027	Qtr 4 - 2027	Future Projects	$1,054,775.00	8,385	1.59	212
Longwood West Lake Manor	Longwood	Seminole	Accessiblity	Rear Easement	Qtr 2 - 2027	Qtr 3 - 2027	Future Projects	$751,650.00	3,792	0.72	161
								$100,944,843.83	**$ 698,933.83**	**$ 132.37**	**$ 6,254.46**

Florida Public Utilities Company
FPSC Tariff
Original Volume No. 2

~~Third~~ Fourth Revised Sheet No. 7.403
Replaces ~~Second~~ Third Sheet No. 7.403

GAS UTILITY ACCESS AND REPLACEMENT DIRECTIVE (GUARD)

Applicability:
The bill for Regulated Gas Sales Service or Transportation Service, as applicable, supplied to a Customer in any Billing Period shall be adjusted as follows:

The GUARD factors for the period from the first billing cycle for January 202~~7~~6 through the last billing cycle for December 202~~7~~6 are as follows:

Rate Schedule	Rates per Therm
RES-1 and REST-1	$0.603000.44986
RES-2 and REST-2	$0.377040.26015
RES-3 and REST-3	$0.092980.07144
RES-SG and SGT	$0.318920.26120
GS-1 and GTS-1	$0.044720.04418
GS-2 and GTS-2	$0.098110.07111
GS-3 and GTS-3	$0.096950.06678
GS-4 and GTS-4	$0.097210.06711
GS-5 and GTS-5	$0.081810.05608
GS-6 and GTS-6	$0.088200.05948
GS-7 and GTS-7	$0.066010.04616
GS-8A and GTS-8A	$0.087830.04291
GS-8B and GTS-8B	$0.087830.04291
GS-8C and GTS-8C	$0.087830.04291
GS-8D and GTS-8D	$0.087830.04291
COM-INT and COM-INTT	$0.041950.02758
COM-NGV and COM-NGVT	$0.075210.05497
COM-OL and COM-OLT	$0.143880.06469
COM-SG and COM-SGT	$0.300350.21564

Issued by: Jeffrey Sylvester, Chief Operating Officer
Florida Public Utilities Company

Effective: January 202~~7~~6

Item 14

FILED 11/17/2026
DOCUMENT NO. 07916-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Kelley) *EJD*
Office of the General Counsel (Marquez) *SPS*

RE: Docket No. 20260134-GU – Petition for approval of safety, access, and facility enhancement program true-up and 2027 cost recovery factors, by Florida City Gas.

AGENDA: 12/01/26 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 05/03/27 (8-Month Effective Date)

SPECIAL INSTRUCTIONS: None

Case Background

On September 1, 2026, Florida City Gas (FCG or Utility) filed a petition for approval of its Safety, Access, and Facility Enhancement (SAFE) program true-up and 2027 cost recovery factors. By Order No. PSC-15-0390-TRF-GU (2015 Order), the Commission approved FCG's 10-year SAFE program which allows recovery of the cost of relocating on an expedited basis certain existing gas mains and associated facilities from rear lot easements to the street front.[1] In the 2015 Order, the Commission found that the relocation of mains and services to the street front provided for more direct access to the facilities and enhanced the level of service provided to all customers through improved safety and reliability. The SAFE factor is a fixed surcharge on customers' bills.

[1] Order No. PSC-15-0390-TRF-GU, issued September 15, 2015, in Docket No. 20150116-GU, *In re: Petition for approval of safety, access, and facility enhancement program and associated cost recovery methodology, by Florida City Gas*.

In the 2015 Order, the Commission required FCG to file an annual petition, beginning in 2016, for review and resetting of the SAFE factors to true-up any prior over- or under-recovery and to set the surcharge for the coming year. The SAFE program was originally approved as a 10-year program and was planned to finish in 2025. However, during FCG's 2022 rate case, the Commission not only approved the continuation of the SAFE program beyond its 2025 expiration date but also the program's expansion to include the relocation of an additional approximately 150 miles of mains and services and the replacement of approximately 160 miles of "orange pipe."[2]

In 2024, the Commission approved FCG's petition to modify its SAFE program to include replacing span pipes, burying shallow and exposed pipeline, and replacing obsolete pipe and related facilities.[3] The total estimated cost for the program modifications was $49.8 million over a ten-year period.[4] The additional program modifications are included in this proceeding for recalculation of the SAFE surcharges. The current 2026 SAFE factors were approved by Order No. PSC-2025-0458-TRF-GU.[5]

In FCG's rate case, Docket No. 20260026-GU, FCG proposed to transfer FCG's SAFE investments as of December 31, 2026, into base rates. Therefore, in this petition, FCG only proposed for recovery any true up amounts and SAFE investments above the amount being transferred to base rates, resulting in a reduction of the proposed 2027 SAFE factors. Also in FCG's rate case, the Utility proposed to consolidate the residential rate classes and to restructure the commercial rate schedules. The rate case docket is currently scheduled to be addressed at the December 1, 2026 Agenda Conference.

By Order No. PSC-2026-0375-PCO-GU, the Commission suspended the proposed tariffs to allow staff sufficient time to analyze the Utility's filing, pursuant to Section 366.06(3), Florida Statutes (F.S.). Commission staff issued its first data request to FCG on September 14, 2026, for which FCG provided a response on September 29, 2026.

FCG's annual progress in the SAFE program is shown in Attachment A to the recommendation. The proposed 2027 SAFE factors are shown in Attachment B to the recommendation on Ninth Revised Sheet No. 79. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.041, 366.05, and 366.06, F.S.

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[2] Order No. PSC-2023-0177-FOF-GU, issued June 9, 2023, in Docket No. 20220069-GU, *In re: Petition for rate increase by Florida City Gas*, p. 72. "Orange pipe" is a specific plastic material used in the 1970s and 1980s that was studied by the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration and shown through industry research to exhibit premature failure in the form of cracking. *Id.*

[3] Order No. PSC-2024-0438-PAA-GU, issued October 2, 2024, in Docket No. 20240071-GU, *In re: Petition for approval of safety, access, and facility enhancement program modifications, by Florida City Gas*.

[4] *Id.* at 4.

[5] Order No. PSC-2025-0458-TRF-GU, issued December 17, 2025, in Docket No. 20250111-GU, *In re: Petition for approval of safety, access, and facility enhancement program true-up and 2026 cost recovery factors, by Florida City Gas*.

Discussion of Issues

Issue 1: Should the Commission approve FCG's proposed SAFE tariffs for the period January through December 2027?

Recommendation: Yes. The Commission should approve FCG's proposed SAFE tariff for the period January through December 2027. After reviewing FCG's filings and supporting documentation, the calculations of the 2027 SAFE factors appear consistent with the methodology approved in the 2015 Order and are reasonable and accurate. If the Commission approves the consolidation of the residential rate classes and the restructuring of the commercial rate classes in rate case Docket No. 20260026-GU, then FCG should refile its SAFE tariff for administrative approval by staff to reflect the restructured rate classes. (Kelley)

Staff Analysis: As required by the 2015 Order, the Utility's calculations for the 2027 revenue requirement and SAFE factors include a final true-up for 2025, an estimated/actual true-up for 2026, and projected costs for 2027. During 2026, FCG replaced 14 miles of mains and 705 services as shown in Attachment A to the petition. FCG also replaced 21.8 miles of mains and 1,589 services associated with orange pipe in 2026.

In Attachment B to its petition, the Utility provided a description of the SAFE program projects undertaken in 2025 and 2026 and forecast for 2027. In response to staff's First Data Request, FCG explained that it prioritizes its replacement projects based on a risk assessment and to complete all projects in a cost-effective manner the Utility uses a competitive bidding process.[6] FCG stated that work is awarded based on lowest bid, capacity to complete the work, and historical performance. FCG further explained that due to limited internal resources it utilizes contract labor to complete the replacement work.

Final True-ups for 2025

FCG stated that the revenues collected for 2025 were $7,192,482 compared to a revenue requirement of $8,697,649 resulting in an under-recovery of $1,505,167. Adding in the 2024 final under-recovery of $865,219, including interest, results in a final 2025 under-recovery of $2,422,508.[7]

Actual/Estimated 2026 True-up

FCG provided actual revenues for January through June 2026 and forecasted revenues for July through December 2026, totaling $14,264,313 as compared to a projected revenue requirement of $12,775,274, resulting in an over-recovery of $1,489,039. Adding the 2025 under-recovery of $2,422,510 to the 2026 over-recovery of $1,489,039, this results in total 2026 true-up, including interest, is an under-recovery of $995,506.

Projected 2027 Costs

The Utility's projected average net investment for 2027 is $33,116,902 for its SAFE program. The revenue requirement, which includes a return on investment, depreciation, and taxes is

[6] Document No. 07062-2026, pp. 2–3.
[7] Due to rounding, the total amount in Attachment C, Schedule 2 comes out to $2,422,508, rather than $2,422,510 when calculated.

$2,490,603. The return on investment calculation includes federal income taxes, regulatory assessment fees, and bad debt. After adding the 2026 under-recovery, the total 2027 revenue requirement is $3,486,109. Table 1-1 displays the projected 2027 SAFE program revenue requirement calculation.

Table 1-1
2027 SAFE Program Revenue Requirements Calculation

2027 Projected Average Net Investment	$33,116,902
Return on Investment	1,802,603
Depreciation Expense	339,046
Property Tax Expense	348,954
2027 Revenue Requirement	$2,490,603
Plus 2026 Under-recovery	995,506
Total 2027 Revenue Requirement	$3,486,109

Source: Attachment C, Schedule 4 of the petition.

Proposed 2026 SAFE Factors

The SAFE factors are fixed monthly charges. FCG's cost allocation methodology was approved in the 2015 Order and was used in the instant filing. The approved methodology allocates the current cost of a 2-inch pipe to all customers on a per customer basis and allocates the incremental cost of replacing a 4-inch pipe to customers who use over 6,000 therms per year. For customers who require 4-inch pipes, the cost takes into account that the minimum pipe is insufficient to serve their demand, and therefore, allocates an incremental per foot cost in addition to the all-customer cost. The resulting allocation factors are applied to the 2027 total revenue requirement to develop the monthly SAFE factors.

Because the methodology is based on the size on the pipe and commercial customer therm use, the restructuring of commercial customer schedules should have little to no effect in changing the revenue requirement. Any change would be trued-up in next year's SAFE docket.

The proposed fixed monthly SAFE factor is $2.16 for customers using less than 6,000 therms per year (compared to the current factor of $8.70). The proposed fixed monthly SAFE factor for customers using more than 6,000 therms per year is $2.74 (compared to the current factor of $11.01). FCG stated that it will provide notice to customers of the approved 2027 SAFE factors through a customer bill message and update the rate schedules posted online.

Conclusion

The Commission should approve FCG's proposed SAFE tariff for the period January through December 2027. After reviewing FCG's filings and supporting documentation, the calculations of the 2027 SAFE factors appear consistent with the methodology approved in the 2015 Order and are reasonable and accurate. If the Commission approves the consolidation of the residential rate classes and the restructuring of the commercial rate classes in rate case Docket No. 20260026-GU, then FCG should refile its SAFE tariff for administrative approval by staff to reflect the restructured rate classes.

Issue 2: Should this docket be closed?

Recommendation: If a protest is filed within 21 days of the issuance of the order by a person whose substantial interests are affected, the tariff 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. (Marquez)

Staff Analysis: If a protest is filed within 21 days of the issuance of the order by a person whose substantial interests are affected, the tariff 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.

ATTACHMENT A
Florida City Gas
SAFE Program
Actual and Forecasted Replacements

	SAFE Replacements						Orange Pipe Replacements					
Year	Replaced (miles)	Remaining at Year End (miles)	Total Miles Remaining	Replaced Services (No.)	Remaining Services at year end	Total Remaining Services	Replaced (miles)	Remaining at Year End (miles)	Total Miles Remaining	Replaced Services (No.)	Remaining Services at year end	Total Remaining Services
2014	-	254.3	254.3	-	11,443	11,443	-	-	-	-	-	-
2015	-	254.3	254.3	49	11,394	11,394	-	-	-	-	-	-
2016	17.1	237.2	237.2	1,433	9,961	9,961	-	-	-	-	-	-
2017	37.5	199.7	199.7	1,551	8,410	8,410	-	-	-	-	-	-
2018	27.6	172.1	172.1	1,634	6,776	6,776	-	-	-	-	-	-
2019	37.8	134.3	134.3	1,183	5,593	5,593	-	-	-	-	-	-
2020	25.5	108.8	108.8	1,186	4,407	4,407	-	-	-	-	-	-
2021	26.0	82.8	82.8	1,105	3,302	3,302	-	-	-	-	-	-
2022	29.0	53.8	53.8	830	2,472	2,472	-	-	-	-	-	-
2023	23.7	30.1	30.1	1,189	1,283	1,283	-	160.0[a]	160.0[a]	-	8,059	8,059
2024	23.7	6.4	6.4	1,189	94	94	5.6	154.4	154.4	378	7,681	7,681
2025	31.7	134.6[b]	131.6[b]	1,244	12,630	12,630	23.6	130.9	130.9	1,185	6,496	6,496
2026	14.0	117.6	117.6	705	11,925	11,925	21.8	109.1	109.1	1,589	4,907	4,907
2027	14.5	103.1	103.1	2,114	9,811	9,811	4.7	104.4	104.4	201	4,706	4,706
2028	14.0	89.1	89.1	1,495	8,316	8,316	12.5	91.9	91.9	482	4,224	4,224
2029	12.5	76.6	76.6	1,356	6,960	6,960	12.5	79.4	79.4	482	3,742	3,742
2030	12.0	64.6	64.6	1,120	5,840	5,840	11.0	68.4	68.4	375	3,367	3,367
2031	11.5	53.1	53.1	968	4,872	4,872	14.0	54.4	54.4	758	2,609	2,609
2032	10.0	43.1	43.1	950	3,922	3,922	14.5	39.9	39.9	754	1,855	1,855
2033	10.5	32.6	32.6	1,080	2,842	2,842	14.5	25.4	25.4	693	1,162	1,162
2034	16.5	16.1	16.1	1,778	1,064	1,064	13.4	12.0	12.0	625	537	537
2035	16.1	-	-	1,064	-	-	12.0	-	-	537	-	-

Notes:

[a] The expansion of the SAFE program to include the capital investments necessary for the expedited replacement of approximately 160 miles of orange pipe installed before 1990 was approved by Commission Order No. PSC-2023-0177-FOF-GU.

[b] The continuation of the SAFE program beyond its 2025 expiration date and inclusion of an additional approximately 150 miles of mains and services was approved by Commission Order No. PSC-2023-0177-FOF-GU.

[c] The future-dated items herein are provided for estimation purposes only and do not constitute the actual allocation for the respective year. The actual figures shall be adjusted accordingly in accordance with applicable regulations and standards with each annual filing.

Florida City Gas
FPSC Natural Gas Tariff
79
Volume No. 11
No. 79

NinthEighth Revised Sheet No.

Cancels SeventhEighth Revised Sheet

RIDER "D"

SAFETY, ACCESS AND FACILITY ENHANCEMENT (SAFE) PROGRAM
(Continued)

i. all Customers regarding the implementation of the SAFE Program and the approved surcharge factors;

ii. the immediately affected Customers where the eligible infrastructure is being replaced; and

iii. the general public through publications (newspapers) covering thegeographic areas of the eligible infrastructure replacement activities;

4. Ad valorem taxes; and

5. Federal and state income taxes.

The Company is utilizing a surcharge mechanism in order to recover the costs associated with the SAFE Program. The Company has developed the revenue requirement for the SAFE Program using the same methodology approved in its most recent rate case. The SAFE revenue requirement will be allocatedto each Customer class (Rate Schedule) using allocation factors established by the Florida Public ServiceCommission for the SAFE Program. The per Customer SAFE surcharge is calculated by dividing the revenuerequirement allocated to each Customer class by the number of Customers in the class.

The cost recovery factors including tax multiplier for the twelve-month period from January 1, 20276 through December 31, 20276 are:

Rate Class	Rates Per Customer
Rate Schedule RS-1	$2.16~~$8.70~~
Rate Schedule RS-100	$2.16~~$8.70~~
Rate Schedule RS-600	$2.16~~$8.70~~
Rate Schedule GS-1	$2.16~~$8.70~~
Rate Schedule GS-6K	$2.74~~$11.01~~
Rate Schedule GS-25K	$2.74~~$11.01~~
Rate Schedule GS-120K	$2.74~~$11.01~~
Rate Schedule GS-1,250K	$2.74~~$11.01~~
Rate Schedule GS-11M	$0.00
Rate Schedule GS-25M	$2.74~~$11.01~~
Rate Schedule GL	$2.16~~$8.70~~

Issued by: Jeffrey Sylvester, Chief Operating Officer
Florida City Gas

Effective: January 01, ~~2026~~2027

Item 15

FILED 11/17/2026
DOCUMENT NO. 07921-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Ward) CJP
Division of Engineering (Brown, Graves) LVK
Office of the General Counsel (Brownless) JSC

RE: Docket No. 20260136-GU – Petition for approval of 2025 true-up, projected 2026 true-up; and 2027 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider; and request to extend rider from 1/28 through 12/31, by Peoples Gas System, Inc.

AGENDA: 12/01/26 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 05/03/27 (8-Month Effective Date)

SPECIAL INSTRUCTIONS: None

Case Background

On September 1, 2026, Peoples Gas System, Inc. (Peoples or utility) filed a petition for approval of its final 2025 true-up, projected 2026 true-up, and 2027 revenue requirement and surcharges associated with the cast iron/bare steel replacement rider (CI/BSR Rider or rider). Additionally, Peoples requested to extend the rider from January 1, 2028, to December 31, 2031. In a letter dated October 22, 2026, Peoples filed a letter with an attached revised Exhibit H that replaced the Exhibit H filed in the original petition.[1]

The rider was originally approved by Order No. PSC-12-0476-TRF-GU (2012 Order) to recover the cost of accelerating the replacement of cast iron and bare steel pipes through a surcharge on

[1] DN 07484-2026.

customers' bills over a 10-year period, with replacement projects being completed by the end of 2022.[2] In addition, replaced infrastructure would roll in to rate base during a rate case and CI/BSR would be "reset to zero." By Order No. PSC-17-0066-AS-GU, the Commission approved a comprehensive settlement agreement (2017 Agreement) between Peoples and the Office of Public Counsel that allowed the inclusion of problematic plastic pipe (PPP) to be an eligible replacement under the CI/BSR beginning in 2017 and continuing through December 31, 2027.[3]

In December 2023, the Commission approved Peoples' petition for rate increase, which contained two provisions that would impact the CI/BSR Rider.[4] First, Peoples moved its CI/BSR investments as of December 31, 2023, into rate base, as required by the 2012 Order approving the rider and the surcharge was set to zero. Second, the Commission approved Peoples' request for the Long-Term Debt Cost Rate (LTDR) true-up mechanism, which allowed Peoples to make a one-time adjustment to the estimated cost of long-term debt for the projected test year ending December 31, 2024.[5] The Commission approved the recovery of any incremental revenue requirement from the LTDR greater than $500,000 through the CI/BSR Rider.

Peoples' last rate case was in 2025 and was settled with a stipulation and settlement agreement (2025 Agreement), which was approved by Order No. PSC-2025-0413-S-GU.[6] Pursuant to paragraph 3(a) of the 2025 Agreement, $6,733,295 of CI/BSR revenues were transferred into base rates. Additionally, pursuant to paragraph 5(b) of the 2025 Agreement, Peoples is prohibited from seeking recovery through the CI/BSR any PPP costs associated with the Tampa Downtown project or any other PPP costs included for recovery in the 2025 rate case filing.

During the review process of the utility's petition, staff issued two data requests, for which responses were received on October 19, 2026, and November 3, 2026, respectively. By Order No. PSC-2026-0382-PCO-GU, the petition was suspended to allow staff a sufficient opportunity to gather and evaluate all pertinent information related to the tariff proposals in order to present the Commission with an informed recommendation.[7] The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

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[2] Order No. PSC-12-0476-TRF-GU, issued September 18, 2012, in Docket No. 20110320-GU, *In re: Petition for approval of Cast iron/Bare Steel Pipe Replacement Rider (Rider CI/BSR), by Peoples Gas System.*

[3] Order No. PSC-17-0066-AS-GU, issued February 28, 2017, in Docket No. 20160159-GU, *In re: Petition for approval of settlement agreement pertaining to Peoples Gas System's 2016 depreciation study, environmental reserve account, problematic plastic pipe replacement, and authorized ROE.*

[4] Order No. PSC-2023-0388-FOF-GU, issued December 27, 2023, in Docket No. 20230023-GU, *In re: Petition for rate increase by Peoples Gas System, Inc.*

[5] *See* pages 107-109 of Order No. PSC-2023-0388-FOF-GU.

[6] Order No. PSC-2025-0413-S-GU, issued October 31, 2025, in Docket No. 20250029-GU, *In re: Petition for rate increase, by Peoples Gas System, Inc.*

[7] Order No. PSC-2026-0382-PCO-GU, issued October 26, 2026, in Docket No. 20260136-GU, *In re: Petition for approval of 2025 true-up, projected 2026 true-up; and 2027 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider; and request to extend rider from 1/28 through 12/31, by Peoples Gas System, Inc.*

Discussion of Issues

Issue 1: Should the Commission approve Peoples' proposed CI/BSR Rider extension from January 1, 2028, to December 31, 2031?

Recommendation: Yes, the Commission should approve Peoples' proposed CI/BSR Rider extension from January 1, 2028, to December 31, 2031. Staff believes the CI/BSR Rider extension proposal is reasonable and that accelerated replacement of PPP is in the best interest of the utility and its customers due to its unique safety risk. (Ward, Graves)

Staff Analysis:

Rider Extension Request

In its petition, Peoples listed three reasons for why the proposed CI/BSR Rider extension is needed. First, the utility stated that since it began PPP replacement in 2017, it has continued to discover additional PPP in its system that was not included in its initial estimate. The utility stated that these discoveries typically involved small sections of pipe and occurred in portions of the utility's system that were acquired from another utility and for which records are incomplete. In response to staff's second data request, Peoples provided a list of portions of the system with incomplete records that included the utility they were acquired from and the year they were acquired. Peoples also explained that to identify sections of pipe in these portions of the system with incomplete records it performs manual reviews of records that may be in its Geographical Information System, but not associated with specific attributes.

Additionally, the utility stated that it discovered 82 miles of PPP infrastructure in unique circumstances. In response to staff's first data request, Peoples explained that 62 miles of the additional PPP was identified in its Jacksonville service area through a review of infrastructure in the service area.[8] The utility stated that this review determined that these facilities were previously misidentified as non-problematic due to a time/date stamp conversion error. The utility stated that it also identified 20 miles of PPP in its' Panama City service area during design work for a project on the system. Peoples explained that during the design work, records were reviewed, and it was determined that certain facilities did not have installation dates associated with them. The utility stated that, through further research, it determined the facilities were PPP installed prior to 1984.

The second reason that Peoples listed as to why the CI/BSR Rider extension is needed is that the utility's replacement schedule has experienced delays due to factors outside of the utility's control. In its petition, Peoples stated that construction delays and labor shortages slowed the company's ability to timely complete its scheduled PPP replacement projects. Additionally, the utility stated that long lead times in obtaining easement, permit, and railroad approvals interfered with the utility's replacement project workflow.

The final reason the utility believes the CI/BSR Rider extension is needed is that an extension will allow the utility to prudently complete the remaining PPP replacement work while continuing to advance the safety objectives underlying the rider. In its petition, Peoples stated

[8] DN 07422-2026, response No. 16.

that the concern about premature brittle-like cracking of plastic pipe manufactured and used for gas service before 1983 that served as the basis for including PPP as an eligible replacement remains a safety risk today. The utility stated that the continued accelerated replacement of PPP with modern materials that have a longer useful life is in the public interest and in the best interests of the utility and its customers.

Scope of the Rider Extension

In its petition, Peoples stated that it estimates 150 miles of PPP infrastructure will remain in its system when the current PPP program expires on December 31, 2027. The utility explained that most of this infrastructure will be located in Panama City (approximately 32 miles), St. Petersburg (approximately 37 miles), and Jacksonville (approximately 59 miles). A map depicting the six service areas where replacement projects will occur during the extension period and the estimated miles in each area was included in the petition as Exhibit F.

In paragraph 23 of the petition, the utility stated that the workplan for the four-year extension includes four years of PPP replacement projects targeting an annual average of 46 miles for the first three years, with 11 miles to be completed in the fourth year. Peoples stated that this activity is dependent upon permitting approvals from municipalities, the Florida Department of Transportation, railroads, and other third parties that can materially impact when individual projects can proceed. The utility explained that the fourth year of the extension period serves as a prudent contingency period to address unavoidable project delays, complete restoration work, facilitate the efficient deployment of contractor resources, and allow for the replacement of any additional PPP infrastructure discovered during the extension period. In response to staff's first data request, Peoples stated that it would seek to recover the associated replacement costs of any additional PPP discovered during the period eligible for recovery under the rider.[9]

Conclusion

Staff recommends that the Commission approve Peoples' proposed CI/BSR Rider extension from January 1, 2028, to December 31, 2031. Staff believes the CI/BSR Rider extension proposal is reasonable and that accelerated replacement of PPP is in the best interest of the utility and its customers due to its unique safety risk.

[9] DN 07422-2026, response No. 12.

Issue 2: Should the Commission approve Peoples' proposed CI/BSR Rider surcharges for the period January through December 2027

Recommendation: Yes, the Commission should approve Peoples' proposed CI/BSR Rider surcharges to be effective for the first billing cycle of January through the last billing cycle of December 2027. Staff has reviewed Peoples' filings and supporting documentation and believes that the calculations are consistent with the methodology approved in the 2012 Order and are reasonable and accurate. (Ward)

Staff Analysis: The CI/BSR Rider surcharges have been in effect since January 2013 and were projected to be in effect for 10 years with replacement projects completed by the end of 2022. In a response to staff's first data request in the 2024 docket, Peoples stated that the COVID-19 pandemic environment greatly contributed to replacement efforts going beyond the 10-year period.[10] Contributing factors include construction contractor labor shortages, consulting firm availability, supply chain challenges, and extensive permitting challenges. The utility stated that multiple CI/BSR projects in Dade-Broward incurred continued delays in 2025 due to construction moratoriums and lengthy permitting processes. Peoples stated that some PPP projects also experienced delays in 2025, with some projects delayed or continuing into 2026.

In 2026, Peoples' cast iron/bare steel replacement activity focused in Dade and Broward Counties. Peoples stated that some of this work required activities to confirm that the pipe material is cast iron or bare steel. Peoples' 2026 PPP replacement activity focused in the areas of Dade-Broward, St. Petersburg, Orlando, Lakeland, Daytona, Jacksonville, Panama City, and Jupiter. For 2027, Peoples stated it will continue working through all the remaining known CI/BSR projects, including completing any remaining verification necessary to confirm the material.

Peoples stated it will continue the design and permitting of PPP replacement projects in the areas of St. Petersburg, Orlando, Daytona, Jacksonville, Panama City, Eustis, and Dade-Broward, releasing projects to construction as plans and permits become available. Peoples provided a detailed description of the projects in response to staff's first data request.[11] Attachment A to this recommendation contains Table 1, which consolidates actual and projected CI/BSR and PPP miles, replaced investment, and revenue requirements for each year of the replacement program.[12] Additionally, Peoples provided tables that display the replacement progress and forecasts for the CI/BSR Rider (Table 2) and for PPP (Table 3).[13]

True-ups by Year

Peoples' calculation for the 2027 revenue requirement and surcharges includes a final true-up for 2025, an actual/estimated true-up for 2026, and projected costs for 2027. Pursuant to the 2012 Order, the capital expenditures for 2026 and 2027 exclude the first $1 million of facility replacements each year because that amount is included in rate base. Peoples has included

[10] DN 09444-2024, response No. 4.
[11] DN 07422-2026, response No. 5.

depreciation expense savings as discussed in the 2012 Order; however, the utility has not identified any operations and maintenance savings.

Final True-up for 2025

Exhibit A of the petition shows that the revenues collected for 2025 were $3,631,812 compared to a revenue requirement of $2,842,283, resulting in an over-recovery of $789,529. The final 2024 under-recovery of $331,724, 2025 over-recovery of $789,529, and interest associated with any over- and under-recoveries ($15,675), results in a total 2025 over-recovery of $473,480. In response to staff's first data request, Peoples explained that three factors led to the 2025 over-recovery.[14] First, higher therm sales than projected resulted in higher revenues collected. Second, less infrastructure replacement investment than projected resulted in a lower return on investment. Lastly, variances between projected in-service dates and actual in-service dates resulted in lower depreciation than projected.

Actual/Estimated 2026 True-up

In Exhibit B of the petition, Peoples provided actual revenues for January through July and forecast revenues for August through December of 2026, totaling $3,243,014, compared to an actual/estimated revenue requirement of $1,767,967, resulting in an over-recovery of $1,475,047. The final 2025 over-recovery of $473,480, 2026 over-recovery of $1,475,047, and interest associated with any over- and under-recoveries ($65,332), results in a total 2026 over-recovery of $2,013,859.

Projected 2027 Costs

Exhibit C of the petition shows Peoples projects investments or capital expenditures of $75,992,318 for the replacement of cast iron/bare steel infrastructure and PPP in 2027, excluding the $1 million adjustment to rate base. The return on investment, depreciation expense (less savings), and property tax expense associated with that investment are $10,259,222. After adding the total 2026 over-recovery of $2,013,859, the total 2027 revenue requirement is $8,245,363. Table 1-1 displays the 2027 revenue requirement calculation. In response to staff's first data request, Peoples provided updated investment and revenue requirement projections for CI/BSR and PPP which is contained in Table 1 of Attachment A.

Table 1-1
2027 CI/BSR Rider Revenue Requirement

2027 Projected Expenditures	$75,992,318
Return on Investment	$8,297,941
Depreciation Expense (less savings)	1,265,687
Property Tax Expense	695,594
2027 Revenue Requirement	$10,259,222
Less 2026 Over-recovery	2,013,859
Total 2027 Revenue Requirement	$8,245,363

Source: Page 2 of 2 in Exhibit C in petition (Docket No. 20260136-GU)

[14] DN 07422-2026, response No. 9.

Proposed Surcharges

As established in the 2012 Order, the total 2027 revenue requirement is allocated to rate classes using the same methodology that was used for the allocation of mains and services in the cost of service study used in Peoples' most recently approved rate case. After calculating the percentage of total plant costs attributed to each rate class, the respective percentages were multiplied by the 2027 revenue requirement resulting in the revenue requirement by rate class. Dividing each rate class's revenue requirement by projected therm sales provides the rider surcharge for each rate class.

If the Commission approves this recommendation, the proposed 2027 rider surcharge for residential customers would be $0.04342 per therm (compared to the current surcharge of $0.01593). The 2027 monthly bill impact would be $0.87 for a residential customer who uses 20 therms. The proposed tariff sheet, as filed in the amended petition, is provided in this recommendation as Attachment B.

Conclusion

Staff recommends that the Commission approve Peoples' proposed CI/BSR Rider surcharges to be effective for the first billing cycle of January through the last billing cycle of December 2027. Staff has reviewed Peoples' filings and supporting documentation and believes that the calculations are consistent with the methodology approved in the 2012 Order and are reasonable and accurate.

Issue 3: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariff 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. (Brownless)

Staff Analysis: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariff 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.

Table 1
Peoples' CI/BSR Replacement Program Progress

Year	CI/BS Miles Replaced	PPP Miles Replaced	CI/BS Investment[a]	PPP Investment[b]	CI/BS Revenue Requirement	PPP Revenue Requirement
2017	51	-	$17,588,366	$2,915,802	$6,868,302	$74,021
2018	62	56	$27,035,678	$15,890,424	$8,510,823	$848,201
2019	52	42	$35,821,371	$17,425,589	$11,075,229	$2,706,161
2020	55	43	$32,317,184	$11,115,571	$14,817,804	$4,358,010
2021	14	38	$23,726,642	$19,812,603	$1,347,321[c]	($160,452)[c]
2022	10.4	29	$13,079,280	$15,486,397	$3,120,580	$1,899,547
2023	2.3	44	$5,815,954	$18,210,943	$3,927,032	$3,604,313
2024	2.4	10	$5,798,611	$15,279,982	$224,372[d]	$382,518[d]
2025	1.7	14.8	$2,758,012	$25,061,299	$672,129	$2,170,154
2026*	1.4	55.6	$2,574,720	$59,055,197	($158,312)[e]	$1,926,278[e]
2027*	6.0	59.7	$11,160,404	$64,831,914	$749,081	$9,510,141
2028*	[f]	49.8	[f]	$49,211,981	$1,538,009	$16,486,971
2029*	[f]	49.8	[f]	$41,645,419	$1,542,512	$21,819,336
2030*	[f]	39.5	[f]	$33,512,447	$1,527,561	$26,115,779
2031*	[f]	11.0	[f]	$13,119,878	$1,514,886[g]	$28,744,324

* Projected

[a] Cast Iron/Bare Steel (CI/BS) Investment includes removal of initial $1 million for years prior to and including 2025.

[b] PPP Investment includes removal of initial $1 million for years after 2025.

[c] Revenue requirement based on current year investment only as investment for prior years was rolled into rate base pursuant to the 2020 rate case.

[d] Revenue requirement based on current year investment only as investment for prior years was rolled into rate base pursuant to the 2023 rate case.

[e] Revenue Requirement based on current year investment only as investment for prior years was rolled into rate base pursuant to the 2025 rate case.

[f] Peoples' petition for extension of the Rider CI/BSR does not include any miles replaced and associated investment for CI/BS pipe replacement during the extension years.

[g] The revenue requirement for CI/BS was excluded from Schedule H of the utility's petition filed in this docket. The utility will file a revised Schedule H.

Table 2
Peoples' CI/BSR Replacement Progress

Year	Main Replacements (miles)					Service Line Replacements (count)	
	Replaced CI	Replaced BS	Remaining CI	Remaining BS	Remaining CI/BS	Replaced	Remaining
2012	-	-	100	354	454	-	14,978
2013	13	38	87	316	403	907	14,071
2014	2	15	85	298[a]	383	7,964	6,107
2015	26	60	59	238	297	1,019	5,088
2016	15	35	44	203	247	1,050	6,963[b]
2017	15	36	29	178[a]	207	1,135	4,279[b]
2018	10	52	18[a]	126	144	1,970	2,309
2019	8	44	10	83[a]	93	649	1,660
2020	4	51	6	35[a]	41	423	1,237
2021	3.5	10.5	2[a]	24[a]	26	191	1,089[b]
2022	1.3	9.1	0.9[a]	14.6[a]	15.5	74	994[b]
2023	0.3	2.0	0.6	12.4[a]	13	25	941[b]
2024	0.1	2.3	0.3[a]	5.6[a]	5.9	97	807[b]
2025	0	1.7	0.3	7.6	7.9	34	709[b]
2026*	0	1.4	0.3	6.2	6.5	Tbd	Tbd
2027*	0	6	0.3	0.2	0.5	Tbd	Tbd
2028	[c]	c	c	c	c	Tbd	Tbd
2029	c	c	c	c	c	Tbd	Tbd
2030	c	c	c	c	c	Tbd	Tbd
2031	c	c	c	c	c	Tbd	Tbd

* Projected

[a] Miles of pipe added or subtracted after reclassification or identification.

[b] Service lines added or subtracted after reclassification or identification.

[c] Peoples' petition for extension of the Rider CI/BSR does not include any miles replaced and associated investment for CI/BS pipe replacement during the extension years.

Table 3
Peoples' PPP Replacement Program Progress

Year	Main Replacements (miles)		Service Line Replacements (count)	
	Replaced PPP Mains	Remaining PPP Mains	Replaced PPP Service Lines	Remaining PPP Service Lines
2017	-	509	1,396	26,841
2018	56	461[a]	3,941	24,741[b]
2019	42	419[a]	2,349	20,420[b]
2020	43	370[a]	1,702	18,718
2021	38	337[a]	882	17,683[b]
2022	29	306[a]	837	17,229[b]
2023	44	281[a]	883	16,346
2024	10	296[a]	637	15,499[b]
2025	14.8	265.3[a]	599	14,901[b]
2026*	55.6	209.8	Tbd	Tbd
2027*	59.7	150.4	Tbd	Tbd
2028*	49.8	100.2	Tbd	Tbd
2029*	49.8	50.5	Tbd	Tbd
2030*	39.5	11	Tbd	Tbd
2031*	11	0	Tbd	Tbd

* Projected

[a] Miles of pipe added or subtracted after reclassification or identification.

[b] Service lines added or subtracted after reclassification or identification.

Peoples Gas System, Inc.
Original Volume No. 3

Seventeenth ~~Sixteenth~~ Revised Sheet No. 7.806
Cancels Sixteenth ~~Fifteenth~~ Revised Sheet No. 7.806

CAST IRON/BARE STEEL REPLACEMENT RIDER
RIDER CI/BSR

The monthly bill for Gas Service in any Billing Period shall be increased by the CI/BSR Surcharge determined in accordance with this Rider. CI/BSR Surcharges approved by the Commission for bills rendered for meter readings taken on or after January 1, 202~~6~~7, are as follows with respect to Customers receiving Gas Service under the following rate schedules:

Rate Schedule	CI/BSR Surcharge
Residential/Residential Standby Generator / Residential Gas Heat Pump Service	$ 0.~~0159~~04342 per therm
Small General Service	$ 0.~~0137~~03750 per therm
General Service – 1/ Commercial Standby Generator Service / Commercial Gas Heat Pump Service	$ 0.~~0014~~00399 per therm
General Service – 2	$ 0.~~0025~~00697 per therm
General Service – 3	$ 0.~~0024~~00673 per therm
General Service – 4	$ 0.~~0020~~00537 per therm
General Service – 5	$ 0.~~0014~~00467 per therm
Commercial Street Lighting	$ 0.~~0008~~00233 per therm
Wholesale	$ 0.~~0012~~00618 per therm
Small Interruptible Service	$ 0.~~0010~~00291 per therm
Interruptible Service	$ 0.~~0004~~00193 per therm
Interruptible Service – Large Volume	$ 0.00000 per therm

The CI/BSR Surcharges set forth above shall remain in effect until changed pursuant to an order of the Commission.

CI/BSR Surcharges shall be determined in accordance with the provisions of this Rider set forth below.

Definitions

For purposes of this Rider:

"Eligible Replacements" means the following Company plant investments that (i) do not increase revenues by directly connecting new customers to the plant asset, (ii) are in service and used and useful in providing utility service and (iii) were not included in the Company's rate base for purposes of determining the Company's base rates in its most recent general base rate proceeding:

> Mains and service lines, as replacements for existing materials recognized/identified by the Pipeline Safety and Hazardous Materials Administration as being obsolete and that present a potential safety threat to operations and the general public, including cast iron, wrought iron, bare steel, and specific polyethylene/plastic facilities, and regulators and other pipeline system components the installation of which is required as a consequence of the replacement of the aforesaid facilities.

"CI/BSR Revenues" means the revenues produced through CI/BSR Surcharges, exclusive of revenues from all other rates and charges.

Item 16

FILED 11/17/2026
DOCUMENT NO. 07930-2026
FPSC - COMMISSION CLERK

State of Florida

Public Service Commission

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

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

DATE: November 17, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Bethea, Bruce, McClelland) CJP
Division of Accounting and Finance (Bardin, D. Buys, Maxwell, Sewards) MC
Division of Engineering (Ellis, Sanchez)
Office of the General Counsel (J. Crawford, Imig, Rauch) JSC

RE: Docket No. 20260039-WS – Application for increase in water and wastewater rates in Seminole County by Hometown Palm Valley, LLC d/b/a Palm Valley Utilities.

AGENDA: 12/01/26 – Regular Agenda – Decision on Suspension of Rates and Interim Rates – Participation is at the Discretion of the Commission

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Ortega

CRITICAL DATES: 60-Day Suspension and Interim Date waived until 12/01/26

SPECIAL INSTRUCTIONS: None

Case Background

Hometown Palm Valley, LLC. d/b/a Palm Valley Utilities (Palm Valley or Utility) is a Class B utility providing water and wastewater service to approximately 834 residential and 8 general service customers in Seminole County. The Utility's last rate case was in 2009.[1] In 2025, Palm Valley recorded total company operating revenues of $219,078 for water and $547,914 for wastewater and operating expenses of $228,381 for water and $674,919 for wastewater.

[1] Order No. PSC-10-0606-PAA-WS, issued October 4, 2010, in Docket No. 20090447-WS, *In re: Application for staff-assisted rate case in Seminole County by CWS Communities d/b/a Palm Valley Utilities.*

On March 18, 2026, Palm Valley filed a letter requesting approval of a historic test year ended December 31, 2025, for its application for interim and final water and wastewater rate increases, which it anticipated filing no later than July 31, 2026. Subsequently, on June 18, 2026, the Utility filed a letter requesting an extension of the minimum filling requirements (MFRs) filing deadlines from July 31, 2026, to September 30, 2026. The Utility filed its MFRs on September 18, 2026. On October 16, 2026, staff sent the Utility a letter indicating deficiencies in the filing of its MFR, and the deadline to correct its deficiencies was November 16, 2026. The Utility filed its responses to the MFRs on November 9, 2026, which are currently being reviewed. To date, the Utility's official filing date has not been established.

The Utility's application for interim and final water and wastewater rates is based on the historical 13-month average period that ended December 31, 2025. Palm Valley is requesting rates sufficient to recover all expenses incurred by the Utility on a going-forward basis and provide a fair rate of return on its investment in property considered 100 percent used and useful in providing service.

The Utility requested interim rates designed to generate revenues of $299,473 for water and $775,295 for wastewater. This results in a revenue increase of $87,985, or 41.60 percent, for water and $221,973, or 40.12 percent, for wastewater. The Utility requested final rates designed to generate annual revenues of $483,023, for water and $1,758,360 for wastewater. This represents revenue increases of $271,535, or 128.39 percent for water, and $1,205,037, or 217.78 percent for wastewater.

The original 60-day statutory deadline for the Commission to suspend Palm Valley's requested final rates and address its interim rate request was November 18, 2026. However, by letter dated September 28, 2026, and a clarifying letter dated October 19, 2026, the Utility agreed to extend the statutory time frame by which the Commission is required to address the suspension of Palm Valley's final rates and its interim rate request, to December 1, 2026. This recommendation addresses the suspension of the Utility's requested final rates and its requested interim rates. The Commission has jurisdiction pursuant to Sections 367.081, and 367.082, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Utility's proposed final water and wastewater rates be suspended?

Recommendation: Yes, Palm Valley's proposed final water and wastewater rates should be suspended. (Bethea)

Staff Analysis: Section 367.081(6), F.S., provides that the Commission may, for good cause, withhold consent to the implementation of the requested rates within 60 days after the date the rate request is filed. Further, Section 367.081(10), F.S., permits the proposed rates to go into effect (secured and subject to refund) at the expiration of five months from the official date of filing if: (1) the Commission has not acted upon the requested rate increase; or (2) if the Commission's PAA action is protested by a party other than the Utility.

Staff has reviewed the filing and has considered the information filed in support of the rate application and the proposed final rates. Staff believes that it is reasonable and necessary to require further elaboration and explanation regarding this data and to require the production of additional and/or corroborative data. To date, staff has initiated an audit of Palm Valley's books and records. The audit report is tentatively due on January 12, 2027. Staff believes additional requests will be necessary to process this case. Based on the foregoing, staff recommends suspension of the Utility's proposed rate increase.

Issue 2: Should any interim revenue increase be approved?

Recommendation: Yes, Palm Valley should be authorized to collect annual water and wastewater revenues as indicated below:

	Adjusted Test Year Revenues	$ Increase	Revenue Requirement	% Increase
Water	$211,488	$96,815	$308,303	45.78%
Wastewater	$553,323	$232,660	$785,983	42.05%

(Sewards)

Staff Analysis: Pursuant to Section 367.082(1), F.S., the Commission may authorize the collection of interim rates during any proceeding for a change of rates upon petition from any party or on its own motion. To establish a prima facie entitlement for interim relief, the Utility shall demonstrate that it is earning outside the range of reasonableness on its rate of return. Pursuant to Section 367.082(2)(a), F.S., in a proceeding for an interim increase in rates, the Commission shall authorize, within 60 days of the filing for such relief, the collection of rates sufficient to earn the minimum of the range of return on equity (ROE) approved in the last rate proceeding.

On September 18, 2026, Palm Valley filed rate base, cost of capital, and operating income schedules to support its requested interim increase. Pursuant to Section 367.082(5)(b)1., F.S., the achieved rate of return for interim purposes must be calculated by applying adjustments consistent with those used in the Utility's most recent rate proceeding and annualizing any rate changes. Staff reviewed Palm Valley's interim request and Order No. PSC-2010-0606-PAA-WS, from its last rate case (2010 Rate Case Order).[2] Staff has attached accounting schedules to illustrate its recommended rate base, capital structure, and test year operating income amounts. The rate base schedules are labeled as Schedule Nos. 1-A, 1-B, and 1-C. The capital structure schedule is labeled Schedule No. 2. The operating income schedules are labeled as Schedule Nos. 3-A, 3-B, and 3-C. Staff's recommended adjustments are discussed below.

Interim Rate Base

In its filing, the Utility calculated a rate base of $979,264 for the water system, and $1,286,591 for the wastewater system. Palm Valley adjusted used and useful (U&U) amounts based on non-used and useful percentages established in the Utility's last rate case. Palm Valley also made working capital adjustments based on corresponding adjustments to operation and maintenance (O&M) expense. Staff believes additional adjustments to accumulated depreciation and working capital are necessary for interim purposes.

Accumulated Depreciation

In its MFRs, Palm Valley calculated an accumulated depreciation balance of $2,977 for Account No. 339.4, and a balance of $0 for Account No. 348.5. The Utility clarified the balance of $2,977

[2] Order No. PSC-2010-0606-FOF-WS, issued October 4, 20130, in Docket No. 20090447-WS, *In re: Application for staff-assisted rate case in Seminole County by CWS Communities d/b/a Palm Valley Utilities.*

should be reclassified to Account No. 348.5.[3] This results in a net zero adjustment to accumulated depreciation for the water system.

Used & Useful

Staff reviewed the Utility's interim U&U calculations on a per system basis. The review is based upon previous Commission decisions and available usage and capacity data contained in Palm Valley's MFR schedules. Consistent with Commission practice, staff recommends no adjustments for all distribution and collection systems, storage, and reuse facilities that have been determined to be 100 percent U&U by the prior rate case order.[4] Staff also recommends no adjustments to the water treatment plant (WTP) and wastewater treatment plant (WWTP) U&U values of 78 percent and 81 percent respectively contained in Palm Valley's interim rate base as approved in the prior rate case order.

Palm Valley made net non-U&U adjustments of $35,670 to the water system, and $180,501 to the wastewater system. Staff does not have any adjustment to these balances. As such, staff recommends net non-U&U adjustments of $35,670 to the water system, and $180,501 to the wastewater system.

Working Capital Allowance

Pursuant to Rule 25-30.433(3), Florida Administrative Code (F.A.C.), working capital allowance for Class B utilities is calculated using the formula method, which is one-eighth of O&M expenses. In its filing, Palm Valley reflected a total working capital allowance balance of $15,630 for the water system and $49,106 for the wastewater system. Based on staff's recommended adjustments to O&M discussed below, staff has reduced working capital allowance by $126 for the water system and $224 for the wastewater system. Therefore, staff recommends a working capital allowance balance of $15,504 for the water system and $48,882 for the wastewater system.

Based on the above, staff recommends that Palm Valley's interim rate base should be $979,138 for the water system and $1,286,367 for the wastewater system. The schedules for rate base are attached as Schedules 1-A, 1-B, and 1-C.

Interim Cost of Capital

In its filing, the Utility reflected an ROE of 9.76 percent on MFR interim schedule D-1. However, Palm Valley used a ROE of only 8.76 percent in its calculation of the revenue requirements. According to the 2010 Rate Case Order, the minimum of the Utility's authorized range of return on equity is 9.76 percent. Pursuant to Section 367.082, F.S., an interim increase should be calculated using the minimum of the range of the ROE authorized in the Utility's last rate case. Staff reached out to the Utility and confirmed that its calculation using the lower ROE was an error. As such, staff recommends using the minimum of the range of the ROE established in the last order of 9.76 percent.

[3] Document No. 07832-2026.
[4] Order No. PSC-2010-0606-PAA-WS, issued October 4, 2010, in Docket No. 20090447-WS, *In re: Application for staff-assisted rate case in Seminole County by CWS Communities d/b/a Palm Valley Utilities.*

The Utility's capital structure is a simple average derived from the prior year balance and the test year balance. The resulting capital structure was reconciled to rate base consistent with the Utility's last rate case.

Based on an analysis of the MFRs and the 2010 Rate Case Order, and adjustments to rate base discussed above, staff recommends an overall rate of return of 9.76 percent. The schedule for cost of capital is attached as Schedule 2.

Interim Net Operating Income

In its filing, Palm Valley calculated test year revenues of $299,473 for water and $775,296 for wastewater. To calculate the appropriate amount of interim test year operating revenues, staff removed the Utility's requested interim revenue increase of $87,985 from water and $221,973 from wastewater. Staff does not have any adjustment to the Utility's interim test year revenues. Based on the above, staff recommends that the appropriate interim test year revenues, before any increase, are $211,488 for water and $553,323 for wastewater.

Operating Expenses

In its filing, the Utility calculated operating expenses of $213,690 for the water system, and $662,590 for the wastewater system. Palm Valley included adjustments to O&M expense, depreciation expense, and Taxes Other Than Income expense (TOTI). Staff believes additional adjustments to Operating Expenses are necessary for interim purposes.

O&M Expense

Palm Valley's MFRs reflect an O&M expense of $125,039 for the water system, and $392,846 for the wastewater system. In its filing, the Utility proposed total decreases of $26,115 for the water system and $23,474 for the wastewater system. The majority of the adjustments were to reclassify expenses from one account to another, resulting in net zero adjustments. The Utility also included adjustments to remove RAFs and rate case expense incurred during the test year. Staff believes these are appropriate adjustments. Staff has further adjustments to chemicals expense and contractual services – other expense as discussed below.

Chemicals Expense

As part of its MFR schedules, Palm Valley included an adjustment for chemicals per dosage schedule in addition to the adjustment approved by the prior rate case order. This additional adjustment was not approved by the Commission.

Per Palm Valley's last order, the Commission determined an excessive unaccounted water (EUW) reduction of 3 percent, and an inflow and infiltration (I&I) reduction of 19 percent should be made to the Utility's chemicals and purchased power expenses.

In its MFRs, Palm Valley reflected chemicals expense of $15,809 for the water system and $31,616 for the wastewater system. This includes EUW and I&I adjustments to reduce chemicals expense by $516 for the water system, and $6,476 for the wastewater system. However, the calculations did not include the adjustment per dosage schedule discussed above. Staff has recalculated EUW and I&I based on chemicals expense including these adjustments. As such, staff recommends an adjustment to reduce the EUW adjustment to water by $26 and increase the

I&I adjustment to wastewater by $761. This represents a total EUW adjustment of $490 to the water system and a total I&I adjustment of $7,237 to the wastewater system. As such, staff recommends total chemicals expense of $15,835 for the water system and $30,855 for the wastewater system.

Contractual Services – Other Expense

In its MFRs, the Utility included $52,138 and $223,312 in contractual services – other expense for the water and wastewater systems, respectively. Palm Valley included adjustments to increase contractual services – other by $1,030 for both the water and wastewater systems to account for two months of missing invoices for meter reading. However, staff believes these adjustments are improper for interim purposes. Rule 25-30.437(2)(d), F.A.C., states that for the utility to "demonstrate that it is earning outside the range of reasonableness" on its rate of return "the utility must submit schedules of rate base, cost of capital and net operating income on an historical basis, with all adjustments thereto." Staff believes these adjustments would misrepresent the historical contractual services – other expenses that were incurred during the test year. Staff believes these adjustments are appropriate for consideration in the final rate increase but violate the nature of the interim process. As such, staff recommends removal of $1,030 from contractual services – other for both the water and wastewater systems.

Based on the adjustments above, staff recommends reducing O&M expense by $1,004 ($26 - $1,030) for the water system, and $1,791 (-$761 - $1,030) for the wastewater system. This reflects total recommended O&M expenses of $124,035 for the water system and $391,056 for the wastewater system.

Depreciation Expense

In its filing, the Utility reflected depreciation expense of $63,051 for the water system and $219,829 for the wastewater system. This included adjustments to decrease water depreciation expense by $2,053 and wastewater depreciation expense by $23,743 due to a corresponding non-U&U adjustment. Upon investigation of the Excel version of the MFRs, staff discovered Palm Valley calculated the non-U&U adjustment for wastewater using an incorrect set of depreciation expense accounts. Staff has recalculated the non-U&U adjustment using the correct depreciation expense accounts and recommends the non-U&U adjustment for wastewater should be decreased by $333. In total, staff recommends a non-U&U adjustment of $2,053 for the water system, and $23,410 for the wastewater system based on the corresponding non-U&U adjustments discussed above. This results in a total depreciation expense of $63,051 and $220,162 for the water and wastewater systems, respectively.

TOTI

In its filing, Palm Valley calculated TOTI balances of $25,600 for water and $49,915 for wastewater. Staff is recommending RAF adjustments to decrease water and wastewater TOTI by $3,959 and $9,989, respectively, based on the removal of the Utility's requested increase as discussed above. Staff also recommends decreasing TOTI by $326 and $1,154 for water and wastewater, respectively, to remove property taxes associated with staff's recommended non-U&U adjustments. As such, staff recommends TOTI balances of $21,315 ($25,600 - $3,959 - $326) and $38,772 ($49,915 - $9,989 - $1,154) for water and wastewater, respectively.

Summary

Based on the above, staff recommends a total decrease of $5,289 (-$1,004 - $4,285) to water Operating Expenses and $12,602 (-$1,791 + $333 - $11,143) to wastewater Operating Expenses. As such, staff recommends total Operating Expenses of $208,401 for water and $649,988 for wastewater.

Interim Revenue Requirement

In its filing, the Utility requested interim revenue requirements to generate annual revenue of $299,473 for water and $775,296 for wastewater. Based on the above adjustments, staff's recommended interim rate of return resulted in a revenue requirement that exceeded what Palm Valley requested. In such circumstances, it has been Commission practice to limit the revenue requirement to the level requested by a Utility.[5] However, the Utility's request is held artificially low because it did not reflect the correct ROE as established in the 2010 Rate Case Order. Staff recommends using the minimum of the range of the ROE authorized in the Utility's last rate case, pursuant to Section 367.082, F.S.

As such, staff recommends an interim revenue requirement of $308,303 for the water system, and $785,983 for the wastewater system. This represents interim increases in annual revenues of $96,815, or 45.78 percent, for water and $232,660, or 42.05 percent, for wastewater. The schedules for operating income are attached as Schedules 3-A, 3-B, and 3-C.

[5] Order Nos. PSC-13-0673-FOF-WS, issued December 19, 2013, in Docket No. 130212-WS, *In re: Application for increase in water/wastewater rates in Polk County by Cypress Lakes Utilities, Inc.*; PSC-10-0018-PCO-WS, issued January 6, 2010, in Docket No. 090402-WS, *In re: Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation*; PSC-06-0675-PCO-SU, issued August 7, 2006, in Docket No. 060255-SU, *In re: Application for increase in wastewater rates in Pinellas County by Tierra Verde Utilities, Inc.*; PSC-05-0287-PAA-SU, issued March 17, 2005, in Docket No. 040972-SU, *In re: Application for rate increase in Pinellas County by Ranch Mobile WWTP, Inc.*; and PSC-95-0191-FOF-WS, issued February 9, 1995, in Docket No. 940917-WS, *In re: Application for rate increase for increased water and wastewater rates in Seminole, Orange, and Pasco Counties by Utilities, Inc. of Florida.*

Issue 3: What are the appropriate interim water and wastewater rates?

Recommendation: The interim rate increase of 45.97 percent for water and 42.11 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 Nos. 4-A and 4-B 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. 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. (Bethea)

Staff Analysis: Staff recommends that interim service rates for Palm Valley be designed to allow the Utility the opportunity to generate annual operating revenues of $308,303 for water and $785,983 for wastewater. Before removal of miscellaneous revenues, this would result in an increase of $96,815 (or 45.78 percent) for water and $232,660 (or 42.05 percent) for wastewater. To determine the appropriate percentage increase to apply to the service rates, miscellaneous revenues should be removed from test year operating revenues. The calculation is as follows:

Table 3-1
Percentage Service Rate Increase

	Water	Wastewater
1 Total Test Year Operating Revenues	$211,488	$553,323
2 Less: Miscellaneous Revenues	$875	$875
3 Test Year Revenues from Service Rates	$210,613	$552,448
4 Revenue Increase	$96,815	$232,660
5 Percentage Service Rate Increase (Line 4/ Line 3)	45.97%	42.11%

Source: Staff's Interim Recommended Revenue Requirement

The interim rate increase of 45.97 percent for water and 42.11 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 Nos. 4-A and 4-B 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. 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 4: 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 by Hometown Communities Limited Partnership (Hometown Communities) on behalf of its subsidiary, Palm Valley. Hometown Communities should be required to provide a written guarantee that it will support a corporate undertaking on behalf of Palm Valley in the amount of $222,570. (Maxwell)

Staff Analysis: Pursuant to Section 367.082, F.S., revenues collected under interim rates shall be placed under bond, escrow, letter of credit, or corporate undertaking subject to refund with interest at a rate ordered by the Commission. As recommended in Issue 1, the total interim increase is $329,475. In accordance with Rule 25-30.360, F.A.C., staff calculated the potential refund of revenues and interest collected under interim conditions to be $222,570. This amount is based on an estimated 8-month collection period of interim rates.

The criterion for a corporate undertaking includes sufficient liquidity, equity ownership, and profitability to guarantee any potential refund. Staff reviewed Palm Valley's parent company, Hometown Communities' 2023, 2024, and 2025 confidential financial statements filed with the Commission to determine if Palm Valley can support a corporate undertaking for the requested amount.[6] Staff's analysis indicated that over the three-year period ending December 31, 2025, the Utility's parent, Hometown Communities, has sufficient profitability, interest coverage, and equity ownership over the period. However, its liquidity is insufficient due to negative working capital but has an acceptable level of cash available which is sufficient to support a corporate undertaking in the amount of $222,570.

Based on the analysis of Hometown Communities' financial position, staff recommends that Palm Valley can support a corporate undertaking in the amount of $222,570. Staff's recommendation is contingent upon Hometown Communities providing a signed letter by a corporate officer or partner that it will support Palm Valley in its corporate undertaking endeavor. A parent company supporting a corporate undertaking on behalf of its subsidiary for interim purposes is consistent with Commission practice in prior rate cases.[7]

This brief financial analysis is only appropriate for determining if the Utility, through its parent, can support a corporate undertaking in the amount proposed and should not be considered a finding regarding staff's position on other issues in this proceeding. In no instance should maintenance and administrative costs associated with any refund be borne by the customers. Such costs are the responsibility of, and should be borne by, the Utility.

Pursuant to Rule 25-30.360(6), F.A.C., the Utility should provide a report by the 20th day of each month indicating the monthly and total revenue collected subject to refund. Should a refund

[6] Document No. 07726-2026, filed on November 4, 2026.
[7] Order No. PSC-2023-0387-PCO-WS, issued December 27, 2023, in Docket No. 20230083-WS, *In re: Application for increase in water and wastewater rates in Orange County by Pluris Wedgefield, LLC;* Order No. PSC-2025-0361-PCO-WS, issued September 24, 2025, in Docket No. 20250052-WS, *In re: Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia County by CSWR-Florida Utility Operating Company.*

be required, the refund should be with interest and undertaken in accordance with Rule 25-30.360, F.A.C.

Issue 5: Should this docket be closed?

Recommendation: The docket should remain open pending the Commission's final action on the Utility's requested rate increase. (Rauch)

Staff Analysis: The docket should remain open pending the Commission's final action on the Utility's requested rate increase.

Hometown Palm Valley, LLC. d/b/a Palm Valley Utilities — **Schedule No. 1-A**
Schedule of Water Rate Base — **Docket No. 20260039-WS**
Test Year Ended 12/31/2025

	Description	Test Year Per Utility	Utility Adjust-ments	Adjusted Test Year Per Utility	Staff Adjust-ments	Staff Adjusted Test Year
1	Plant in Service	$2,263,177	$0	$2,263,177	$0	$2,263,177
2	Land and Land Rights	2,433	0	2,433	0	2,433
3	Non-used and Useful Components	0	(35,670)	(35,670)	0	(35,670)
4	Accumulated Depreciation	(1,235,064)	0	(1,235,064)	0	(1,235,064)
5	CIAC	(352,139)	0	(352,139)	0	(352,139)
6	Amortization of CIAC	320,897	0	320,897	0	320,897
7	Working Capital Allowance	0	15,630	15,630	(126)	15,504
8	**Rate Base**	$999,304	($20,040)	$979,264	($126)	$979,138

Hometown Palm Valley, LLC. d/b/a Palm Valley Utilities — **Schedule No. 1-B**
Schedule of Wastewater Rate Base — **Docket No. 20260039-WS**
Test Year Ended 12/31/2025

	Description	Test Year Per Utility	Utility Adjust-ments	Adjusted Test Year Per Utility	Staff Adjust-ments	Staff Adjusted Test Year
1	Plant in Service	$5,286,613	$0	$5,286,613	$0	$5,286,613
2	Land and Land Rights	96,409	0	96,409	0	96,409
3	Non-used and Useful Components	0	(180,501)	(180,501)	0	(180,501)
4	Accumulated Depreciation	(3,965,036)	0	(3,965,036)	0	(3,965,036)
5	CIAC	(562,161)	0	(562,161)	0	(562,161)
6	Amortization of CIAC	562,161	0	562,161	0	562,161
7	Working Capital Allowance	0	49,106	49,106	(224)	48,882
8	**Rate Base**	$1,417,986	($131,395)	$1,286,591	($224)	$1,286,367

Hometown Palm Valley, LLC. d/b/a Palm Valley Utilities
Adjustments to Rate Base
Test Year Ended 12/31/2025

Schedule No. 1-C
Docket No. 20260039-WS

	Explanation	Water	Wastewater
	Accumulated Depreciation		
1	To correct accumulated depreciation for Account No. 339.4.	$2,977	$0
2	To correct accumulated depreciation for Account No. 348.5.	(2,977)	0
	Total	$0	$0
	Working Capital	($126)	($224)

Hometown Palm Valley, LLC. d/b/a Palm Valley Utilities
Capital Structure-Simple Average
Test Year Ended 12/31/2025

Schedule No. 2
Docket No. 20260039-WS

	Description	Total Capital	Specific Adjust-ments	Subtotal Adjusted Capital	Prorata Adjust-ments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost
Per Utility									
1	Long-term Debt	$0	$0	$0	$0	$0	0.00%	0.00%	0.00%
2	Short-term Debt	0	0	0	0	0	0.00%	0.00%	0.00%
3	Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%
4	Common Equity	2,357,809	0	2,357,809	(92,531)	2,265,278	99.97%	8.76%	8.76%
5	Customer Deposits	576	0	576	0	576	0.03%	2.00%	0.00%
6	Deferred Income Taxes	0	0	0	0	0	0.00%	0.00%	0.00%
7	**Total Capital**	$2,358,385	$0	$2,358,385	($92,531)	$2,265,854	100.00%		8.76%
Per Staff									
8	Long-term Debt	$0	$0	$0	$0	$0	0.00%	0.10%	0.00%
9	Short-term Debt	0	0	0	$0	0	0.00%	0.00%	0.00%
10	Preferred Stock	0	0	0	$0	0	0.00%	0.00%	0.00%
11	Common Equity	2,357,809	0	2,357,809	(92,857)	2,264,952	99.98%	9.76%	9.76%
12	Customer Deposits	576	0	576	(23)	553	0.02%	2.00%	0.00%
13	Deferred Income Taxes	0	0	0	$0	0	0.00%	0.00%	0.00%
14	**Total Capital**	$2,358,385	$0	$2,358,385	($92,880)	$2,265,505	100.00%		9.76%

	LOW	HIGH
RETURN ON EQUITY	9.76%	11.76%
OVERALL RATE OF RETURN	9.76%	11.76%

Hometown Palm Valley, LLC. d/b/a Palm Valley Utilities
Statement of Water Operations
Test Year Ended 12/31/2025

Schedule No. 3-A
Docket No. 20260039-WS

	Description	Test Year Per Utility	Utility Adjust-ments	Adjusted Test Year Per Utility	Staff Adjust-ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1	**Operating Revenues:**	$219,078	$80,395	$299,473	($87,985)	$211,488	$96,815 45.78%	$308,303
	Operating Expenses							
2	Operation & Maintenance	$151,154	($26,115)	$125,039	($1,004)	$124,035		$124,035
3	Depreciation	65,104	(2,053)	63,051	0	63,051		63,051
4	Amortization	0	0	0	0	0		0
5	Taxes Other Than Income	12,124	13,476	25,600	(4,285)	21,315	4,357	25,671
6	Income Taxes	0	0	0	0	0	0	0
7	**Total Operating Expense**	228,382	(14,692)	213,690	(5,289)	208,401	4,357	212,758
8	**Operating Income**	($9,304)	$95,087	$85,783	($82,696)	$3,087	$92,458	$95,545
9	**Rate Base**	$999,304		$979,264		$979,138		$979,138
10	**Rate of Return**	-0.93%		8.76%		0.32%		9.76%

Hometown Palm Valley, LLC. d/b/a Palm Valley Utilities
Statement of Wastewater Operations
Test Year Ended 12/31/2025

Schedule No. 3-B
Docket No. 20260039-WS

	Description	Test Year Per Utility	Utility Adjust-ments	Adjusted Test Year Per Utility	Staff Adjust-ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1	**Operating Revenues:**	$547,914	$227,382	$775,296	($221,973)	$553,323	$232,660 42.05%	$785,983
	Operating Expenses							
2	Operation & Maintenance	$416,320	($23,474)	$392,846	($1,791)	$391,055		$391,055
3	Depreciation	243,572	(23,743)	219,829	333	220,162		220,162
4	Amortization	0	0	0	0	0		0
5	Taxes Other Than Income	15,026	34,889	49,915	(11,143)	38,772	10,470	49,242
6	Income Taxes	0	0	0	0	0	0	0
7	**Total Operating Expense**	674,918	(12,328)	662,590	(12,602)	649,988	10,470	660,458
8	**Operating Income**	($127,004)	$239,710	$112,706	($209,371)	-$96,665	$222,190	$125,525
9	**Rate Base**	$1,417,986		$1,286,591		$1,286,367		$1,286,367
10	**Rate of Return**	-8.96%		8.76%		-7.51%		9.76%

Hometown Palm Valley, LLC. d/b/a Palm Valley Utilities
Adjustment to Operating Income
Test Year Ended 12/31/2025

Schedule 3-C
Docket No. 20260039-WS

	Explanation	Water	Wastewater
	Operating Revenues		
	Remove requested interim revenue increase.	($87,985)	($221,973)
	Operation and Maintenance Expense		
1	To correct chemicals EUW and I&I calculation.	$26	($761)
2	To remove invoice adjustment from contractual Services - other.	(1,030)	(1,030)
	Total	($1,004)	($1,791)
	Depreciation Expense - Net		
	To remove net depreciation on non-U&U adjustment above.	$0	$333
	Taxes Other Than Income		
1	To remove RAFs on requested revenue adjustments above.	($3,959)	($9,989)
2	To removeproperty tax on non-U&U adjustment above.	(326)	(1,154)
	Total	($4,285)	($11,143)

HOMETOWN PALM VALLEY LLC. D/B/A PALM VALLEY UTILITIES				SCHEDULE NO. 4-A
TEST YEAR ENDED DECEMBER 31, 2025				DOCKET NO. 20260039-WS
MONTHLY WATER RATES				
	UTILITY CURRENT RATE	UTILITY REQUESTED INTERIM RATES	UTILITY REQUESTED FINAL RATES	STAFF RECOMMENDED INTERIM RATES
Residential and General Service				
Base Facility Charge by Meter Size				
5/8"X3/4"	$12.56	$17.79	$28.69	$18.33
3/4"	$18.84	$26.69	$43.03	$27.50
1"	$31.40	$44.48	$71.72	$45.83
1-1/2"	$62.80	$88.95	$143.43	$91.65
2"	$100.48	$142.32	$229.49	$146.64
3"	$200.96	$284.64	$458.98	$293.28
4"	$314.00	$444.75	$717.15	$458.25
6"	$628.00	$889.50	$1,434.31	$916.50
Gallonage Charge - Residential and General Service				
Charge per 1,000 gallons	$3.03	$4.29	$6.92	$4.42
Typical Residential 5/8" x 3/4" Meter Bill Comparison				
3,000 Gallons	$21.65	$30.66	$49.45	$31.59
6,000 Gallons	$30.74	$43.53	$70.21	$44.85
8,000 Gallons	$36.80	$52.11	$84.05	$53.69

HOMETOWN PALM VALLEY LLC. D/B/A PALM VALLEY UTILITIES				SCHEDULE NO. 4-B
TEST YEAR ENDED DECEMBER 31, 2025				DOCKET NO. 20260039-WS
MONTHLY WASTEWATER RATES				
	UTILITY CURRENT RATE	UTILITY REQUESTED INTERIM RATES	UTILITY REQUESTED FINAL RATES	STAFF RECOMMENDED INTERIM RATES
Residential Service				
Base Facility Charge - All Meter Sizes	$29.30	$41.05	$93.11	$41.64
Charge Per 1,000 gallons				
6,000 gallon cap	$11.25	$15.76	$35.75	$15.99
General Service				
Base Facility Charge by Meter Size				
5/8" x 3/4"	$29.30	$41.05	$93.11	$41.64
3/4"	$43.95	$61.58	$139.67	$62.46
1"	$73.25	$102.63	$232.78	$104.10
1-1/2"	$146.50	$205.25	$465.55	$208.20
2"	$234.40	$328.40	$744.88	$333.12
3"	$468.80	$656.80	$1,489.76	$666.24
4"	$732.50	$1,026.25	$2,327.75	$1,041.00
6"	$1,465.00	$2,052.50	$4,655.51	$2,082.00
Charge per 1,000 gallons	$13.46	$18.86	$42.77	$19.13
Reuse Service				
Base Facility Charge - All Meter Sizes	$0.00	$0.00	$0.00	$0.00
Charge Per 1,000 gallons	$1.29	$1.81	$4.10	$1.83
Typical Residential 5/8" x 3/4" Meter Bill Comparison				
3,000 Gallons	$63.05	$88.33	$200.36	$89.61
6,000 Gallons	$96.80	$135.61	$307.61	$137.58
8,000 Gallons	$96.80	$135.61	$307.61	$137.58