

2010

**FLORIDA
PUBLIC
SERVICE
COMMISSION**

ANNUAL REPORT

2020

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PUBLIC
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ANNUAL REPORT



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PUBLIC
SERVICE
COMMISSION

CONTACT INFORMATION

The Florida Public Service Commission's (FPSC or Commission) responsibilities in utility regulation directly affect the public. The FPSC welcomes requests for information about utility regulation or utility-related matters. Inquiries may be made in writing to the address below or by telephone, e-mail, or fax.

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(Detailed telephone contact information is available at <http://www.floridapsc.com/AboutPSC/PhoneDirectory>.)



CHAIRMAN'S MESSAGE

The Florida Public Service Commission (FPSC) was created to assure Floridians safe and reliable utility services at a reasonable cost. We carry out our broad legislative mandate—in the public interest—for more than 21 million Floridians. Historically, our somewhat complex regulatory subject matter and decisions have not generated customer awareness. But, times are changing.

Change is constant in today's utility industry, and customers are more engaged. As regulators, traditional ratemaking is still a primary role, but that's changing, too. We're interested in ever-evolving technology to boost resiliency and reliability. How will solar's rapid growth and other renewables change the grid, and, as regulators, we need to ensure any change maintains grid reliability and affordable rates for customers.

In many instances, the FPSC's 2019 decisions considered this changing environment, as outlined in this annual report. Here are some highlights of our accomplishments this year:

- By using utilities' savings from the lower tax rates of the federal Tax Cuts and Jobs Act of 2017 to offset hurricane surcharges, the FPSC avoided what could have been sharp rate increases for several electric and gas utilities' customers.
- The FPSC approved the development of more solar projects for Florida Power & Light Company, Duke Energy Florida, LLC, and Tampa Electric Company that will generate clean energy, diversify the utility's fuel mix, and save customers millions of dollars.
- The FPSC began looking into the need to modernize the Florida Energy Efficiency and Conservation Act (FEECA) and voted not to change energy conservation goals established under the current provisions of FEECA.
- We also approved new storm protection rules, requiring utilities to create ten-year storm protection plans to reduce restoration costs and outage times associated with extreme weather events.

As the Florida PSC continues its forward-looking approach in achieving our legislative mandate to protect the public interest, I invite you to learn more about us and see how we strive to make Florida's utility industry more reliable and secure. That never changes.

Art Graham

Chairman



FPSC ANNUAL REPORT

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Office of Consumer Assistance & Outreach

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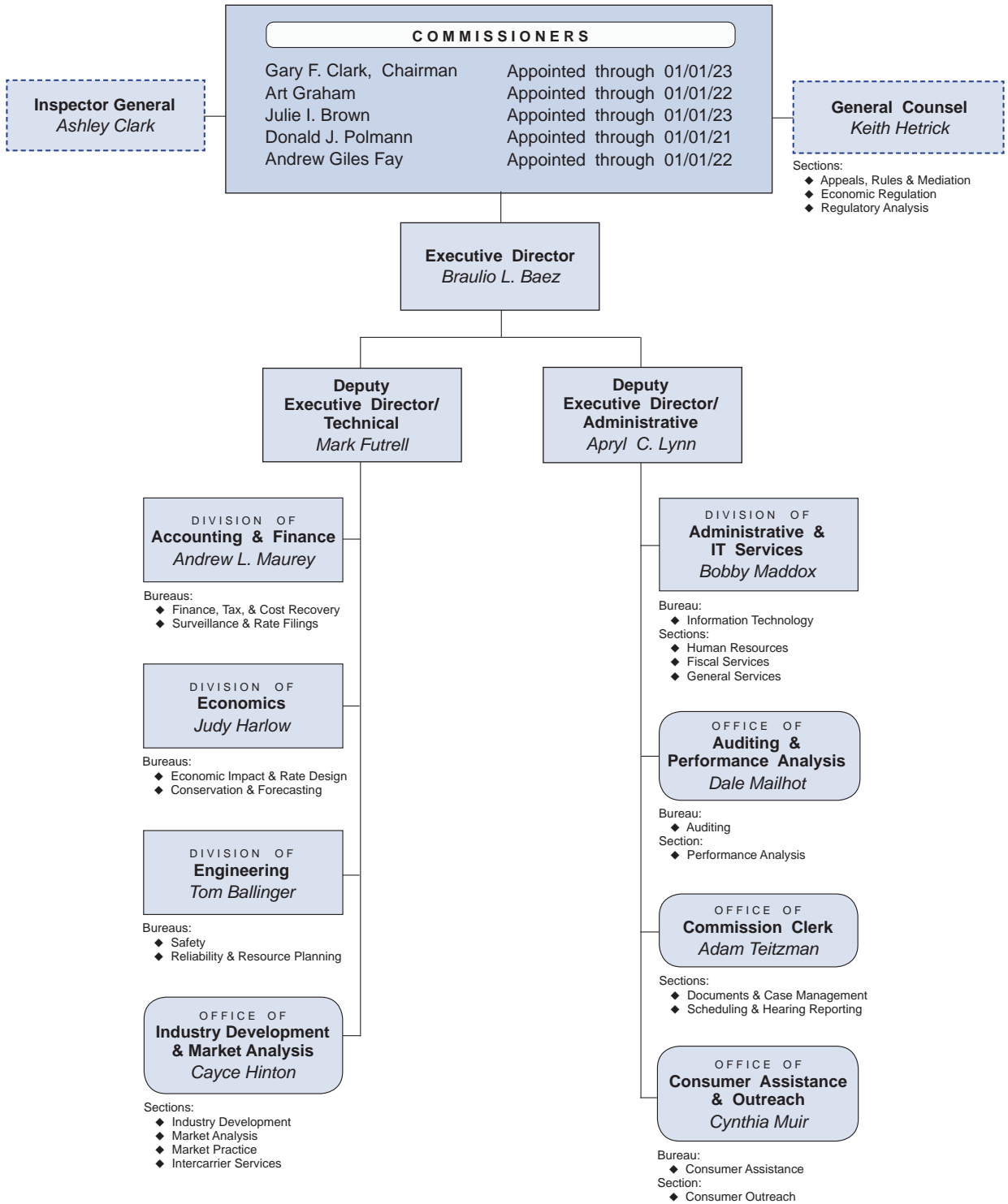
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FPSC ORGANIZATIONAL CHART

As of January 2, 2020



2020 COMMISSIONERS



Gary F. Clark was reappointed to the Florida Public Service Commission by Governor Rick Scott for a term ending on January 1, 2023 and was first appointed to the Commission in 2017. He was elected to serve as Commission Chairman from January 2020 through January 2022. ♦ Prior to his appointment to the PSC, Chairman Clark served as the Deputy Secretary of Land and Recreation for the Florida Department of Environmental Protection. During this time, he oversaw 174 state parks and trails, as well as the Division of State Lands. In this role, he served as the chair of the Florida Acquisition and Restoration Council and as chairman of the governing board of the Florida Communities Trust. ♦ Earlier in his career, Chairman Clark spent the majority of time at West Florida Electric Cooperative, where he served as the Vice President of Member Services. During his tenure with the

cooperative, he worked in many areas and also led its diversification efforts. He also served for many years as a member of the Association of Energy Engineers where he earned the distinction as Certified Energy Manager. ♦ Chairman Clark is recognized for his leadership and service to his community. He has served in several capacities including Washington County School Board member, Chipola College Board of Trustees, Washington County Chamber of Commerce Board of Directors, and the Northwest Florida Water Management District Governing Board. Because of his noteworthy leadership, he has received numerous awards and recognitions. ♦ Chairman Clark is a graduate of Chipola College and the University of Phoenix and holds a Bachelor of Science in Business Administration. He is a lifelong resident of Washington County, and has owned and managed several small business operations in Northwest Florida. ♦ He and his wife have two children.

Art Graham was appointed to the Florida Public Service Commission by Governor Charlie Crist in July 2010 and was twice reappointed by Governor Rick Scott, most recently for a term through January 2022. He was elected to serve as Commission Chairman from January 2018 through January 2020. He has served two previous terms as Commission Chairman, working with his colleagues and industry representatives to find ways to hold down rates for Florida's consumers and businesses. ♦ Commissioner Graham is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Committee on Electricity. He previously served on NARUC's Committee on Water from 2010 through 2016 and was appointed Co-Vice Chair in January 2015. He currently serves on the IEEE Standards Association subcommittee updating the National Electrical Safety Code's standards for strength and loading of overhead lines. ♦ Prior to his appointment as Commissioner, he served on the Jacksonville City Council. Among his duties as Council Member, Commissioner Graham helped oversee the budget of JEA, a publicly owned electric, water, and wastewater utility, and chaired the Transportation, Energy, and Utilities Committee. Previously he was on the City Council in Jacksonville Beach, which owns and operates the Beaches Energy electric utility. ♦ He is a past chair of the North Florida Transportation Planning Organization and vice president of the Northeast Florida Regional Council. He was President of ART Environmental Consulting Services from 2005 to 2009, having previously worked on electric power generating boilers and wastewater reduction as a recovery engineer with Georgia Pacific Pulp and Paper. ♦ He received a bachelor's degree in chemical engineering from the Georgia Institute of Technology in Atlanta. He is also a 2001 graduate of Leadership Jacksonville and a 2008 graduate of Leadership Florida.

Julie Imanuel Brown was reappointed to the Florida Public Service Commission for a third term beginning January 2, 2019 and ending January 1, 2023. Commissioner Brown served as Commission Chairman from January 2016-January 2018. During her Chairmanship, the State of Florida experienced massive hurricane impacts for the first time in more than a decade. To help minimize future storm impacts, Commissioner Brown led the Commission's review and recommendations of Florida's electric utility storm-hardening actions for years to come. ♦ She was twice reappointed to the Commission by Governor Rick Scott after first being appointed by Governor Charlie Crist in January 2011. Before becoming a Commissioner, she was Associate Legal Counsel of First American Corporation, a Fortune 500 company, where she handled a variety of legal issues in the Eastern, Midwest and Mid-Atlantic Regions, including corporate compliance with regulatory authorities. She also worked as a corporate attorney at Shumaker, Loop and Kendrick, LLP in Tampa, Florida, specializing in mergers and acquisitions and securities law. ♦ Governor Ron DeSantis recently appointed Commissioner Brown to serve as one of 11 on the Florida Women's Suffrage Centennial Commission to ensure the statewide observance of the centennial of women's suffrage in 2020. ♦ Commissioner Brown serves on the Board of Directors and is a member of the National Association of Regulatory Commissioners (NARUC). Commissioner Brown also serves on NARUC's Committee on Gas, Subcommittee on Nuclear Issues-Waste Disposal, and its Presidential Natural Gas Access and Expansion Task Force to help expand

natural gas service in neglected and rural areas. She also serves on the NARUC-U.S. Department of Energy Natural Gas Infrastructure Modernization Partnership, facilitating investments in natural gas infrastructure modernization and repairs to natural gas distribution pipeline networks. Since October 2018, Commissioner Brown has served as Chair of the Gas Technology Institute's Public Interest Advisory Committee after previously serving as its Vice Chair. ♦ Commissioner Brown was appointed to the Southern States Energy Board (SSEB) Blue Ribbon Task Force, a partnership project with the U.S. Department of Energy, to help strategize an electric energy policy and regulatory framework in Puerto Rico. She has also served on the Executive Committee of the Nuclear Waste Strategy Coalition since 2016, to help lead its membership efforts throughout the country. Commissioner Brown currently serves on the Financial Research Institute's Advisory Board and was a previous member of the New Mexico State University's Center for Public Utilities Advisory Council. ♦ Commissioner Brown chaired the Florida Legislature's Study Committee on Investor-Owned Water and Wastewater Utility Systems and Her civic affiliations have included the City of Tampa's Architectural Review Commission, the Board of Directors for the Tampa Firefighters Museum, and the Florida Bar's 13th Judicial Circuit Bar Grievance Committee. ♦ Commissioner Brown graduated magna cum laude with a Bachelor of Science from the University of Florida, where she was the recipient of the Outstanding Female Leader award, President of Florida Blue Key, inducted into the Hall of Fame, and received the Dean's Cup for the College of Journalism and Communications. She earned a Juris Doctorate from the University of Florida Levin College of Law, is a member of the Florida Bar, and a member of Leadership Florida, Class XXXIII. ♦ Commissioner Brown and her husband have two children.

Donald J. Polmann, Ph.D., P.E., was appointed to the Florida Public Service Commission (PSC) by Governor Rick Scott for a term beginning January 2, 2017. ♦ Prior to his appointment to the PSC, Commissioner Polmann served as Director of Science and Engineering for Tampa Bay Water, the largest wholesale drinking water supplier in the Southeastern United States. Commissioner Polmann was responsible for strategic planning, engineering and permitting; future needs analysis incorporating risk and reliability; capital, energy, and conservation plans; water-use and environmental permits and compliance; resource management and supply development; and regulatory agency relations. He also served as a primary negotiator on complex permits, rules, settlements, and contracts. Commissioner Polmann had a major role supporting the agency's public-private partnership engagements for alternative supplies and regional infrastructure. The regional water supply authority meets Tampa Bay's drinking water needs with a diverse, flexible supply network, and state-of-the-art water quality monitoring; the region's water is blended from three different sources: groundwater, surface water, and desalinated seawater. ♦ Commissioner Polmann also served as a consulting engineer in private practice for a decade, most recently at ATKINS as Senior Project Director for public sector clients concerning water and environment. Before this, at AMEC in environmental and water resource engineering for a broad set of public and private clients. ♦ His undergraduate degree in Environmental Engineering, with a Minor in Economics, is from Rensselaer Polytechnic Institute. Commissioner Polmann holds a Master's degree in Environmental Engineering Sciences from the University of Florida and a Ph.D. in Civil Engineering from the Massachusetts Institute of Technology. He is a member of the External Advisory Board for the University of Florida Engineering School of Sustainable Infrastructure and Environment. He was named Florida Government Engineer of the Year and is a current member of the Florida Engineering Society, the American Society of Civil Engineers, the National Society of Professional Engineers, and the American Geophysical Union. Commissioner Polmann is a past member, Board of Directors, WaterReuse Research Foundation. He is a graduate, Class of 2004, of the Florida Engineering Leadership Institute. Dr. Polmann's special interests include volunteer work in public schools. ♦ Commissioner Polmann has lived in Florida since 1969. He is married with two children.

Andrew Giles Fay was appointed to the Florida Public Service Commission (PSC) by Governor Rick Scott in February 2018 for a term ending on January 1, 2022. ♦ Commissioner Fay brings substantial Legislative, Executive, and Judicial experience from a number of significant roles within State Government. Most recently he served as Assistant Attorney General and Special Counsel to Attorney General Pam Bondi and oversaw the divisions of Legislative Affairs, Cabinet Affairs, and Public Policy for the Office of the Attorney General. ♦ As counsel to the Attorney General, Commissioner Fay worked on a myriad of issues including Florida's Power Plant Siting Act where he assisted on issues associated with the Florida Cabinet's consideration of electric facility construction and upgrades. Additionally, Commissioner Fay advised the Attorney General in her role on the Constitution Revision Commission and advocated for the successful passage of more than a dozen significant pieces of legislation, most notably as the lead author and advocate of Florida's Information Protection Act (FIPA). ♦ Commissioner Fay currently represents Florida as a member of the National Association of Regulated Utility Commissioners' (NARUC) Critical Infrastructure Committee where he is focused on protecting both the physical and cyber components of Florida's electric grid. Commissioner Fay was asked to serve as a member of NARUC's Subcommittee on Education and Research while also serving on NARUC's Subcommittee on Supplier and Workforce Diversity where he represents Florida's diverse population by working with other State Commissioners to advance awareness, education, and opportunities for supplier and workforce inclusion. ♦ Commissioner Fay was named by his peers as one of Florida Trend's "Legal Elite Government and Nonprofit Lawyers" and was also named Government Attorney of the Year by the Florida Government Bar Association for his work on a wide array of issues including assisting victims of the attack on the Pulse Nightclub in Orlando. Commissioner Fay was also recently named a Public Utilities Fortnightly Under Forty Rising Star. ♦ Commissioner Fay earned his Bachelor's and Juris Doctorate from Florida State University and is a lifelong Seminole fan. While in Law School, Commissioner Fay served as the Editor-In-Chief of the Florida State Business Review and was also recognized nationally for his work in public service while representing the law school as their Student Bar Association President.

FPSC EXECUTIVE MANAGEMENT



Braulio L. Baez, Executive Director, is responsible for directing, planning, and administering the overall activities of the Commission staff, except the Office of General Counsel. He consults with and advises the Commissioners on regulatory, internal management, and budgetary matters, and acts as an interagency liaison. Reporting directly to him are the Deputy Executive Director-Administrative and the Deputy Executive Director-Technical.



Apryl C. Lynn, Deputy Executive Director-Administrative, supervises and directs the Commission's administrative staff and counsels the Executive Director on Commission personnel, media relations, consumer assistance, and auditing matters. The Division of Administrative & Information Technology Services, and the Offices of Commission Clerk, Auditing & Performance Analysis, and Consumer Assistance & Outreach are under her direction.



Mark Futrell, Deputy Executive Director-Technical, provides direction and leadership for the technical staff and advises the Executive Director in all technical issues pending or presently before the Commission. He has direct authority over the Divisions of Accounting & Finance, Engineering, Economics, and the Office of Industry Development and Market Analysis.



Keith Hetrick, General Counsel, is the Commission's chief legal counsel and chief ethics advisor. The General Counsel advises the Commission on the legal aspects of its regulatory responsibilities, providing legal representation in court and before federal agencies, offering legal counsel to the Office of Executive Director, and assisting in interagency liaison activities. He supervises the Commission's legal personnel and is charged with the administration and delegation of responsibilities to the lead attorneys in his office. He also provides ethical advice to Commissioners and assists in responding to inquiries from the Legislature.



Mary Anne Helton, Deputy General Counsel, provides direction and leadership for the legal staff and advises the General Counsel on legal issues before the Commission. She oversees the Attorney Supervisors who lead the Economic Regulation, Regulatory Analysis, and Appeals and Rules Sections of the Office of General Counsel. She also advises the Commission during public meetings and evidentiary proceedings.

FPSC'S Role

Mission Statement:

To facilitate the efficient provision of safe and reliable utility services at fair prices.

The Commission's work is a balancing act, weighing the needs of consumers with the needs of a utility and its shareholders. For electric, natural gas, and water and wastewater utility companies, the Commission oversees service territories, regulates rates and earnings, and requires utilities to provide service to all who request it. For telecommunications companies, the Commission is responsible for encouraging and promoting fair and reasonable growth within the industry.

The Florida Public Service Commission's (FPSC) mission is to balance the customers' need for reasonable, safe, and reliable utility services with the utility companies' need to provide effective and efficient services. Florida's utilities play a major role in the economic development of cities, regions, and communities working to improve their local business climate. As utilities grapple with industry challenges, FPSC Commissioners are also challenged with difficult decision-making in the public interest. Residential and commercial customers now want more interactive choices from their utility companies and want more information to make smart energy decisions.

In the midst of industry and technological change, the FPSC's focus remains constant: how do we best ensure safety, reliability, and affordability for all customers. In doing so, the FPSC exercises regulatory authority over utilities in three key areas: rate base/economic regulation; competitive market oversight; and the monitoring of safety, reliability, and service.

- Rate base/economic regulation involves analyzing requested rate changes and conducting earnings surveillance to ensure that regulated utilities are not exceeding their authorized rates of return.
- Competitive market oversight facilitates the development of competitive markets and managing issues associated with them.
- Safety, reliability, and service monitoring contributes to an uninterrupted supply of utility services to the general public and confirms that such services are provided in a reasonable and timely manner with minimal risks.

In each of these areas, the Commission provides consumer assistance, protection, and education services, including responding to consumer questions and complaints and distributing information about using utility services.

A more detailed description of the FPSC's role in these key areas follows.

RATE BASE / ECONOMIC REGULATION

Companies file annual reports which are reviewed to determine their earnings for the prior year. If it appears that a company will experience excessive earnings in the coming year, the FPSC fully analyzes the company's books and records and reduces its rates. The FPSC may determine earnings are subject to refund if the review indicates possible overearnings.

When a company believes its earnings are below a reasonable level, the company can petition the FPSC for a change in rates. After an extensive review of the company's earnings, the Commission determines the company's fair rates and earnings to decide a reasonable rate of return. The Commission also analyzes the actual rates charged by the company, allocates revenue requirements between classes of customers, and develops appropriate rate structures within rate classes.

ENERGY

In addition to annual reports, the investor-owned electric and natural gas companies also file earnings information monthly, quarterly, or semi-annually, depending upon each company's size. These more frequent company filings allow the FPSC to monitor earnings levels on an ongoing basis. Customer rates can be quickly adjusted if a company appears to be overearning.

Annually, the FPSC thoroughly reviews each regulated utility's fuel, capacity, conservation, and environmental costs and authorizes recovery of prudently incurred expenses. Other areas of economic regulation for the energy industry include special contracts, new tariff offerings, conservation programs, depreciation, amortization, nuclear decommissioning studies, and fossil fuel dismantlement studies.

WATER & WASTEWATER

In the water and wastewater industries, the FPSC processes a significant number of cases each year. The majority of these cases involve requests for rate increases or limited proceeding increases resulting from the increased cost of providing service. Other cases involve overearnings investigations to determine if a rate reduction is necessary.

The Commission processes water and/or wastewater certification requests, with the majority involving the transfer or amendment of authorization certificates to provide service. Other cases can involve certifying a new utility and setting its initial rates and charges. The Commission also acknowledges abandonments and cancels certificates for systems transferred to exempt entities.

The Legislature has recognized the benefit of reuse to Florida and has enacted provisions in the statutes for the Florida Department of Environmental Protection (DEP), the five water management districts (WMD), and wastewater utilities to employ reuse as a means of effluent disposal and as a method of water conservation. The FPSC's charge is to identify reuse issues related to its jurisdiction and to establish policies that are consistent with statewide goals.

Water conservation is vital to Florida's economy. Rates and rate structure have a direct bearing on water usage and water resource allocation. The FPSC has a Memorandum of Understanding (MOU) with DEP as well as MOUs with four of the five WMDs to coordinate efforts to improve statewide water quality and meet statewide conservation goals. These agencies provide expert testimony, as necessary, on water quality and conservation issues in rate cases before the FPSC.

As an economic regulator, the FPSC is actively involved in demand-side water conservation through rates and rate structure review.



COMPETITIVE MARKET OVERSIGHT

The FPSC addresses competitive market structure and regulatory issues in the telecommunications industry, which has transitioned from a monopoly to a competitive market. Two catalysts for the change to a competitive market were innovative technologies that add new markets to established regulated companies and increased service options that provide customer choices.

A key FPSC focus is facilitating competition in the local telephone market, which includes arbitrating agreements between incumbent local exchange companies and competitive local exchange companies when negotiations fail. After interconnection agreements are executed, the FPSC is then charged with interpreting and enforcing the agreements, if requested by one of the affected carriers. The FPSC is responsible for resolving other intercarrier disputes including, but not limited to, federal law addressing resale of services, local interconnection, unbundling, number portability, dialing parity, access to rights-of-way, access to poles and conduits, and reciprocal compensation. The FPSC is also active in monitoring and assessing the status of local competition, processing negotiated agreements, and providing input on legislative and Federal Communications Commission (FCC) initiatives.

Another critical aspect of competitive market oversight in the telecommunications industry is the certification process. Most landline telecommunications companies (excluding interexchange companies) conducting business in Florida are required by state law to be certificated by the FPSC.

By conducting regular reviews of industry practices, the FPSC determines whether entities are engaging in actions that could impede the development of competition. Other major responsibilities involve oversight of numbering resources, the Lifeline Assistance program which helps low-income residents have access to telephone and broadband services, and the Relay program. The Relay program facilitates telephone use for the deaf, hard of hearing, or speech impaired.



A key FPSC focus is facilitating competition in the telecommunications market.

RELIABILITY, SAFETY & SERVICE ISSUES

Through performance and operations investigations, the FPSC obtains information on reliability, service quality, and service availability for review and enforcement.

ENERGY

Electric Reliability

In the electric industry, the FPSC reviews regulated utilities' Ten-Year Site Plans to assess how utilities will meet Florida's energy needs over a ten-year planning horizon. The FPSC considers petitions for the determination of need for electric power plants, transmission lines, and intrastate natural gas pipelines so that adequate generation and transmission facilities will be available to meet the state's power needs.

Electric Distribution Reliability and Infrastructure Hardening

The FPSC also monitors investor-owned utilities' (IOUs) performance by reviewing each company's Electric Distribution Reliability Report, filed annually on or before March 1. In this filing, each IOU reports the latest available data on its various reliability indices, such as System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI). The reliability indices are based on statistical data that measure each IOU's service quality and reliability. The reports also describe the status of each IOU's storm hardening efforts related to ten ongoing initiatives established by the FPSC, including vegetation management, hardening of existing structures, joint-use agreements, auditing pole attachments, and natural disaster preparedness. The Commission reviews these reports to verify the

utilities' compliance with Commission requirements and ensure that Florida's utilities are maintaining quality service that is safe and reliable.

Electric Safety

By statute, the FPSC is responsible for the safety of the electric grid. The Commission has adopted the National Electrical Safety Code (NESC) as the applicable safety standard for transmission and distribution facilities subject to the FPSC's safety jurisdiction. In addition, Commission rules set requirements for accident reports, quarterly utility compliance reports, and FPSC facility inspections. Electric safety engineers inspect utility electric transmission and distribution construction sites that are selected from utility work orders. In 2019, FPSC engineers examined more than 45,400 electric safety inspection points to ensure the reliability and safety of Florida's electric grid. Any variances from the NESC are corrected through its quality control program.

Natural Gas Pipeline Safety

Approximately 43,000 miles of pipeline comprise Florida's natural gas system. Safety compliance evaluations are conducted annually on all natural gas systems. Evaluations generally result in written notifications of gas safety violations such as failure to repair gas leaks, failure to odorize natural gas, or failure to use qualified welders. All violations must be corrected or scheduled for corrective action pursuant to the Commission's enforcement procedures.



Safety compliance evaluations focus on corrosion control, leak surveys, leak repairs, emergency response, drug testing, employee training and qualification, maintenance, operation, and new construction.

In April 2011, the U.S. Department of Transportation and the Pipeline and Hazardous Materials Safety Administration urged states to replace all bare unprotected steel and cast iron pipelines due to accidents in other parts of the U.S. involving aging infrastructure. The FPSC's Bureau of Safety requested all companies in Florida with aged infrastructure to provide a replacement plan. In September 2012, the Commission approved replacement programs for TECO Peoples Gas System, the Florida Division of Chesapeake Utilities, and Florida Public Utilities Company (FPUC). These three utilities began with a total of 157 miles of cast iron and 760 miles of unprotected steel pipe needing replacement. As of December 2018 approximately 18 miles of cast iron and 207 miles of bare steel remain to be replaced. FPUC-Fort Meade also has a Commission approved replacement program for approximately 250 steel service customer connections.

Emergency Operations Center

The Commission is designated as the Lead Response Agency for power and natural gas emergencies for the Office of the Governor. Through the Division of Emergency Management at the state's Emergency Operations Center (EOC), the FPSC provides 24 hours/7 days a week staffing for Emergency Support Function-12 Energy (ESF-12) during state emergencies. ESF-12 coordinates responses to electric and natural gas emergencies and provides information and assistance to a variety of federal and state agencies at the EOC.

The Commission also maintains contact with electric and natural gas utilities serving the affected areas to assess damage and service restoration efforts. Data collected and maintained from these coordination efforts include areas affected, number of customers without electrical power or natural gas, status of generation fuel supply, and estimated restoration time for normal service. This information is used by the EOC to determine the most efficient allocation of resources in response to regional recovery efforts.

In May 2019, the FPSC participated in a four-day Statewide Hurricane Exercise sponsored by the Division of Emergency Management and the Apalachee Regional Planning Council. In September 2019, the FPSC supported the EOC during Hurricane Dorian, a Category 5 storm that made landfall in the Bahamas on Abaco Island with sustained winds of 185 mph on September 1. While Dorian never made landfall in Florida, it caused millions of dollars in damage as it moved up the state's east coast.

In the water and wastewater industries, the FPSC monitors quality-of-service issues such as water pressure and capacity. When a consumer complaint regarding water and/or wastewater quality of service is received, if justified, a staff engineer is assigned to work with the consumer and utility personnel to determine the cause of the concern.

Service quality issues are also addressed when a utility files an application for a rate change. The Commission conducts customer meetings or service hearings as a part of the rate case process. Consumer comments at these meetings typically include service quality issues. The FPSC reviews consumer concerns and works with the utility to resolve service issues. When a complaint results from possible violations of DEP public health rules, FPSC staff works with DEP to resolve the issue.

CONSUMER ASSISTANCE, PROTECTION & EDUCATION

By providing effective consumer assistance, protection, and education, the FPSC assists consumers and educates the public about the Commission's regulatory role.

The FPSC participates in a variety of outreach events such as consumer forums, community meetings, and customer meetings and hearings, by presenting pertinent information and distributing a variety of consumer publications. Easy access to agency information ensures that consumers can make informed decisions about utility services.

With Florida's annual, unpredictable hurricane season and fluctuating fuel costs, consumers have concerns about storm restoration and expenses, which impact the natural gas, electric, and water/wastewater industries. The FPSC website and publications explain the rules that keep utilities prepared for storms, keep fuel costs reasonable, and also highlight the Commission's statutory obligation to protect consumers by ensuring public safety.

The FPSC assists consumers with analyzing their utility bills and verifying the accuracy of charges to help resolve disputes between regulated companies and their customers in a fair and efficient manner.

The Commission's Transfer Connect system offers consumers a quick, efficient option to resolve complaints. When a consumer calls the FPSC's toll-free consumer assistance line (1-800-342-3552) with a question or a complaint regarding utility services, an FPSC analyst, with the customer's approval, will transfer the call directly to the utility for handling. Once the consumer's call is transferred, the utility pays for the call until completion. Each company subscribing to Transfer Connect must provide "live" customer service personnel to handle the transferred calls. Consumers benefit when they can have all of their needs met with a single toll-free call. The Transfer Connect option also allows FPSC staff to consult with a utility representative and pass on caller information, so the caller doesn't have to repeat it.

Florida consumers also contact the FPSC regarding water and/or wastewater quality concerns. These concerns are recorded in the FPSC's Complaint Tracking System and forwarded to the appropriate water and/or wastewater utility for response. DEP is charged with protecting the quality of Florida's water and protecting the environment from the improper handling and disposal of solid waste. Therefore, the FPSC provides a copy of all water and/or wastewater complaints to DEP on a weekly basis for the agency's review.



The FPSC participates in a variety of outreach events such as consumer forums.

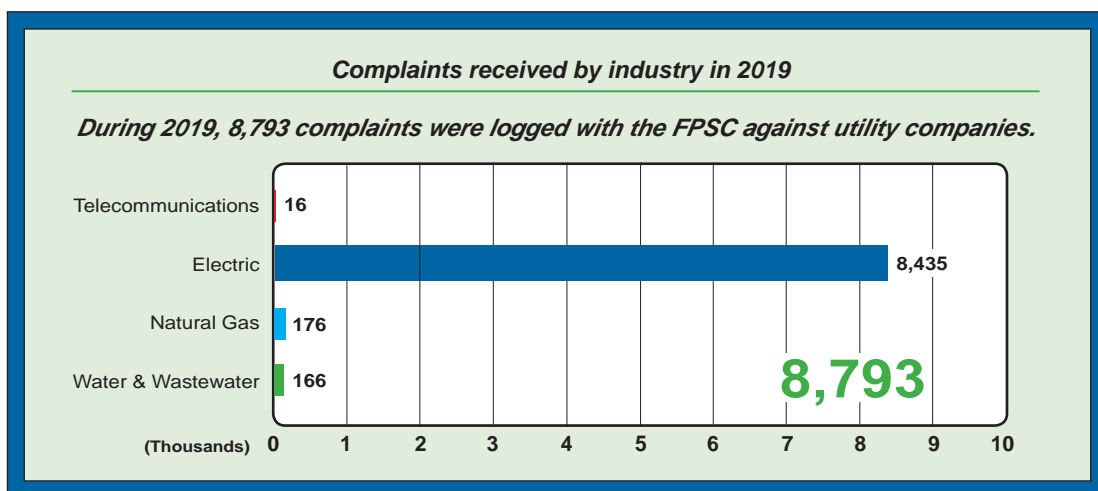
Resolving Consumer Complaints

Assisting consumers is a FPSC priority. Consumers can find a variety of fact sheets, brochures, and consumer tips on the Commission's website. Residential and business customers needing additional assistance to resolve complaints with Florida's regulated utilities can receive help from the FPSC's experienced analysts, who can also provide information on utility payment plans, statutes and rules governing utility companies, and the status of pending cases before the Commission.

Contact the FPSC in the following ways:

- | | |
|--|--|
| ■ Complete an online complaint form | ■ Send correspondence to: |
| ■ E-mail: contact@psc.state.fl.us | Florida Public Service Commission |
| ■ Call toll-free: 1-800-342-3552 | Office of Consumer Assistance & Outreach |
| ■ Fax toll-free: 1-800-511-0809 | 2540 Shumard Oak Boulevard |
| | Tallahassee, Florida 32399-0850 |

For more information, visit the FPSC's website at: www.FloridaPSC.com.



Note: Includes non-certificated complaints logged, complaints transferred via the telephone transfer-connect or e-transfer process, and complaints logged and resolved under the three-day rule.

Effective July 1, 2012, FPSC jurisdiction over telecommunications companies changed.

Telecommunications complaints include, Lifeline Assistance program, Florida Relay, and payphone service.

Since consumer service and protection are integral to the FPSC's mission, the Commission encourages early, continuous, and meaningful public participation throughout its regulatory process. As part of the FPSC's education program, information is compiled and relayed to consumers who are offered many opportunities to express comments and ideas to the Commissioners before final decisions occur. The FPSC also provides consumers with the information needed to know their rights as utility customers.

The FPSC closely monitors informal consumer inquiries and complaints to identify trends affecting consumers and then produces related outreach materials to address those needs.

Consumers receive information in a variety of ways, including the FPSC website, news releases, consumer newsletters, Twitter, phone or fax, publications, brochures, scheduled FPSC meetings open to the public, and community events. The FPSC's website, www.FloridaPSC.com, is continuously updated to keep information current and user-friendly. In addition to obtaining information on the website, consumers may file online complaints and inquiries about their utility services. Commission events and meetings are usually accessible online as live or archived video and/or audio broadcasts.

CONSUMER OUTREACH

Each year the FPSC provides educational packets, including FPSC publications and brochures in English and Spanish to Florida public libraries across the state for consumer distribution. The FPSC's Library Outreach Campaign reached 622 state public libraries and branches in 2019. The FPSC sends

materials via a CD that includes a print-ready copy of FPSC brochures for easy reproduction. Following the Campaign, many libraries request additional publications. Their continuing support helps the FPSC reach consumers throughout the state.

National Consumer Protection Week (NCPW), highlighting consumer protection and education efforts, was instrumental to the Commission's 2019 conservation education efforts. Chairman Art Graham recognized the 21st Annual NCPW (March 3-9, 2019) with the importance of education and awareness about utility services and about avoiding scams. The Commission keeps consumers informed year-round through outreach awareness and education events, free resources, and hearings, meetings and workshops. Also during the week, the Commission made presentations to consumers statewide, showing them how to save money through energy and water conservation and how to avoid scams.

In October, the U.S. Department of Energy (DOE) sponsors National Energy Awareness Month to promote smart energy choices and highlight economic and job growth, environmental protection, and increased energy independence. To highlight Energy Awareness Month 2019, the Commission spearheaded a Twitter campaign, highlighting an innovative energy tip each work day in October. Consumer-related articles about the FPSC's regulatory work are also regularly featured in the *Elder Update*, a bimonthly publication of the Florida Department of Elder Affairs. The popular publication is enjoyed by thousands of Florida seniors free of charge by mail and is also available online.

With its interactive design, the Commission's quarterly *Consumer Connection E-Newsletter* features current energy and water conservation topics, consumer tips, and general Commission information. Consumer tips highlighted through video and text during 2019 include *Fix A Leak Week*, *Free Amplified Phones for Hard-of-Hearing*, *Telephone Revolutionized Communication*, and *On the Line Florida Channel* coverage. The *Consumer Connection E-Newsletter* is available under Consumer Corner on the Commission's homepage, and distributed to consumers via Twitter, and by subscribing to the free newsletter online.

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Consumer Connection E-Newsletters

Each quarter, the Commission recognizes a small business for implementing Commission-approved, cost effective conservation programs. Covering the state's five major geographic areas, the Commission presents its Triple E Award-for Energy Efficiency Efforts to a local business that has accomplished superior energy efficiency by working with its local utility to help reduce its energy footprint. Triple E Award recipients receive an award plaque; are featured under Hot Topics on the homepage, www.FloridaPSC.com; and are highlighted in a statewide press release, tweeted @floridapsc, and archived on the website.

To help consumers who might need assistance paying their utility bills, the FPSC compiled *A Guide to Utility Assistance in Florida* that includes contact information for all electric utilities in the state. The booklet gives consumers a way to call their utility to tap into the large network of social service organizations located throughout their area. Many of Florida's electric utilities also have company programs designed to provide emergency assistance funds to customers unable to pay their electric bill, so consumers in need can benefit by contacting their utilities.

Each quarter, the FPSC highlights a partner agency or organization whose clients are eligible for the federal Lifeline Assistance telephone/broadband discount program or need help reducing energy and water bills. Through these *FPSC Helping Hand* partnerships, the Commission shares information to help consumers avoid scams and stretch their resources to meet monthly bills.

To assist Florida legislators and other government officials whose constituents might be affected by a specific case before the FPSC, the Commission produces an informational report, the *Florida Public Service Commission Bulletin*. The *Bulletin* provides a background for cases where customer input is considered and helps answer constituent inquiries.

Throughout the year, FPSC Commissioners and/or staff attend customer hearings and meetings around the state. For each hearing or meeting, customers receive a *Rate Case Overview* that explains the case

being reviewed and encourages their participation. In 2019, FPSC staff organized and attended 16 customer hearings and meetings, where they addressed citizen questions and concerns and distributed relevant brochures. The FPSC is also required to live stream all off-site meetings attended by two or more Commissioners. This provides greater customer access and participation in FPSC proceedings.

The Commission features many brochures online and in print to help consumers save energy, conserve water, avoid utility-related scams, or learn about the Lifeline Assistance program and other relevant topics. Brochures may be viewed and printed directly from the website <http://www.FloridaPSC.com/publications/>, ordered free online, or requested by mail or phone.

This year, the FPSC participated in consumer programs and distributed energy and water conservation materials through partnerships with governmental entities, consumer groups, and many other service organizations.

Examples of events where FPSC information was shared during 2019 include:

- Senior Day at the Capitol
- 20th Active Living Expo
- Jacksonville Senior Expo
- Florida Department of Agriculture and Consumer Services' Consumer Protection Fair – L. Claudia Allen Senior Center
- Chaires 15th Anniversary Celebration
- Renaissance Senior Center
- Marks Street Senior Center
- Lunch and Learn – Ft. Braden Community Center (2)
- Lunch and Learn – Miccosukee Community Center (2)
- Lunch and Learn – Bradfordville Community Center (2)
- Lunch and Learn – Woodville Community Center
- Lunch and Learn – Chaires Community Center
- Senior Citizens Council of Madison County
- 36th Annual Florida Children's Day - Florida Museum of History
- Suwannee River Economic Council
- Groveland Senior Center
- Clermont Arts and Recreation Center
- Polk City Activity Center
- Lakeland Activity Center for Seniors
- Advent Christian Village Health and Wellness Fair – Suwannee County
- Washington Council on Aging – 2019 Senior Citizen Expo
- Friendship Senior Center – Venice
- Friendship Senior Center – Sarasota
- Ormond Beach Senior Activity Center & Neighborhood Dining Site
- North County Senior Center – Palm Beach Gardens
- Mid County Senior Center – Palm Springs
- Town N' Country Senior Center
- Lutz Senior Center
- Titusville Adult Social Center
- Martin Anderson Senior Center
- Lake Mary Senior Center
- 2019 Elder Abuse and Fraud Prevention Summit
- Hamilton County Senior Service Center
- Union Congregational Church – Tavares
- One Senior Place – Altamonte Springs
- Milton Community Center
- Edgar Johnson Senior Center
- Clay County Senior Services of Aging True
- George Wickline Senior Center
- Eagle Lake Senior Center
- NU-HOPE Elder Care Services, Inc.
- Marion Café
- Belleview Church of Christ

Highlights

FPSC's Regulatory Actions for the Calendar Year 2019

In 2019, the FPSC regulated 5 investor-owned electric utilities, 8 investor-owned natural gas utilities, and 131 investor-owned water and/or wastewater utilities and had competitive market oversight for 312 telecommunications companies in Florida.

The number of certificated telecommunications companies as of November 2019 included:

- 10 incumbent local exchange companies
- 268 competitive local exchange companies
- 34 pay telephone companies

The FPSC does not regulate the rates and service quality of publicly owned municipal or cooperative electric utilities; however, the Commission does have jurisdiction regarding rate structure, territorial boundaries, bulk power supply operations, and power supply planning over 35 municipally owned electric systems and 18 rural electric cooperatives. The FPSC has jurisdiction regarding territorial boundaries and safety, over 27 municipally owned natural gas utilities and 4 gas districts. In addition, the Commission exercises safety authority over all electric and natural gas systems operating in the state.



The FPSC's mission is to facilitate the efficient provision of safe and reliable utility services at fair prices.

During 2019 the Commission handled a number of significant regulatory issues are summarized in the following sections.

TAX CUTS AND JOBS ACT OF 2017

The Tax Cuts and Jobs Act of 2017 (Act) was signed into law on December 22, 2017, and applies after December 31, 2017. The Act affected sections of the Internal Revenue Code that will impact the federal tax liability of regulated utilities. Four areas of the Act that affected regulated utilities include: 1) tax rate reduction for corporations from 35 percent to 21 percent; 2) loss of bonus depreciation; 3) flow back of excess deferred taxes caused by the reduction in the corporate tax rate, and 4) treating Contributions in Aid of Construction (CIAC) as taxable income for water and wastewater utilities.

Corporate Rate Change

The Act lowered the tax rate for corporations from 35 percent to 21 percent. Regulated utilities, like other corporate entities, will realize a reduction of 14 percentage points from the previous rate. For unregulated corporations, a lower tax rate means more cash flow and higher earnings. For most regulated utilities, the tax cut will benefit customers. For electric, natural gas, and certain water and wastewater utilities, taxes are part of the utilities' cost-of-service calculation. Therefore, a lower tax rate may translate into lower utility rates for customers.

Loss of Bonus Depreciation

The law limits the interest expense corporations can deduct to lower their tax bill. The limit is set at 30 percent of EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) and then drops to a more restrictive measure of 30 percent of EBIT (leaving out the depreciation and amortization). Regulated utilities, however, have a 100 percent exemption. Although regulated utilities maintained their 100 percent

exemption, they lost bonus depreciation (which allows quicker recovery of capital investments for tax purposes) and utilities cannot write-off capital investments to expense in the year the investment is made as unregulated companies can do under the new law. That puts utilities back on the modified accelerated cost recovery system (MACRS) which is beneficial, but not as beneficial as bonus depreciation or immediate write-off.

Deferred Taxes

Generally, deferred taxes arise for regulated utilities due to the book-tax timing difference allowing utilities to book higher depreciation expense (accelerated depreciation) for tax purposes as compared to the straight-line depreciation required by regulation. Regulators require straight-line depreciation to allocate the recovery of investments in equal annual amounts over the life of the investments. Deferred taxes can also arise from various other book-tax timing differences.

Because taxes have been paid by the customer before the company pays them to the government, deferred taxes are recorded on the company's balance sheet as a regulatory liability. Deferred taxes are a cost-free source of capital to the utility, and for regulatory purposes, can be included in the capital structure as zero cost capital or used to reduce rate base. Both treatments have exactly the same effect on the revenue requirement. In Florida, deferred taxes are included as a cost-free source of capital in the capital structure. Deferred taxes reverse over time as the annual straight-line depreciation expense exceeds the annual accelerated depreciation expense in the later years of an asset's useful life. This treatment is required by the Internal Revenue Service (IRS) and is known as normalization accounting (i.e. spreading the benefit over time as opposed to flowing it immediately through to customers).

The deferred taxes currently on utilities' balance sheets were calculated at a 35 percent rate. However, the new lower 21 percent rate means the deferred taxes eventually will be paid to the government at a lower rate. This is a benefit (lower cost) for customers. The new law and normalization accounting require that the deferred tax difference between the 35 percent and 21 percent be booked as a regulatory liability and flowed back (returned) to customers over the regulatory remaining life of the asset. For Florida utilities, the annual flow back of the excess deferred taxes will benefit customers, but will be slightly offset by the gradual reduction of zero cost capital in the capital structure, since this can increase the overall cost of capital.

Contributions in Aid of Construction

The previous law included a carve-out for water and wastewater utilities that excluded CIAC from gross income (i.e. non-taxable). The new law removed that carve-out, thereby making CIAC taxable for water and wastewater utilities. Consequently, water and wastewater utilities that receive and record CIAC will need to petition the Commission to gross-up CIAC for taxes, thereby increasing the cost to customers.

Commission Actions

The Act lowered federal income tax expense for regulated utilities. On February 6, 2018, the Commission voted to establish jurisdiction over all tax savings associated with the Act for all utilities under its jurisdiction. Commission staff opened individual dockets to consider the impacts of the Act for all electric and natural gas utilities subject to Commission jurisdiction and opened a generic docket for water and wastewater utilities. As of December 2019, the Commission has issued final orders resolving all issues associated with the Act for all utilities, except one water utility, which has a hearing scheduled in March 2020.

The Commission took the following actions to ensure customers benefitted from the reduction in federal income taxes assessed on utilities:

Florida Power & Light Company (FPL) - In 2019, the Commission held hearings to determine how the tax impacts associated with the Act should be treated for FPL. In June of 2019, the Commission determined that the terms of the Settlement Agreement between FPL and Office of Public Counsel (OPC), the Florida Retail Federation (FRF), and the South Florida Hospital and Healthcare Association (SFHHA) did not require FPL to reduce rates for tax savings attributed to the Act.

Duke Energy Florida, LLC (DEF) - On November 2, 2018, DEF filed a Joint Motion with OPC to approve stipulations to resolve all issues associated with the Tax Cuts and Jobs Act of 2017. In 2019, the Commission voted to approve stipulations which required DEF to implement a base rate reduction after all prudently-incurred storm recovery costs associated with Hurricane Irma and Hurricane Michael have

been recovered. DEF and the OPC, representing DEF customers, agreed on all issues related to the federal tax impacts.

Tampa Electric Company (TECO) - In August 2018, the Commission voted to require TECO to reduce customer rates by \$102.7 million as a result of savings attributed to the Act. This base rate reduction was stipulated to and supported by OPC. The Florida Retail Federation and the Florida Industrial Power Users Group (FIPUG) also supported this action.

Gulf Power Company (Gulf) - In April 2018, the Commission approved a negotiated plan between Gulf and OPC, the Florida Retail Federation, the Florida Industrial Power Users Group, and the Southern Alliance for Clean Energy, to recognize cost savings resulting from the Act. The plan saved Gulf customers \$103.2 million. In October 2018, the Commission voted to approve an additional \$9.6 million rate reduction for Gulf customers attributed to the Act.

Florida Public Utilities Company (FPUC) - In December 2018, the Commission approved a Settlement between FPUC and OPC. Under the terms of the Settlement, the utility's base rates have been reduced by more than \$925,000 annually attributed to the Act with additional tax savings used to recover damages attributed to Hurricane Michael. Effective January 1, 2021, base rates will be further reduced by \$238,230. During 2018, the Commission also voted to return savings resulting from the Act to customers of Florida City Gas, Peoples Gas System, Inc., and Florida Public Utilities Companies (Gas) and its related divisions. The rate reductions for the benefit of these customers are in excess of \$13.8 million.

ENERGY

Electric Rate Cases

Florida Power & Light Company

On March 15, 2016, FPL filed a petition requesting a revenue increase of \$866 million effective January 1, 2017, a subsequent adjustment of \$262 million effective January 1, 2018, and a \$209 million limited-scope adjustment effective upon the commercial in-service date of the Okeechobee Clean Energy Center. FPL requested a return on equity (ROE) of 11.50 percent, which included a 50-basis point performance adder to reflect its prior efforts to deliver superior value to its customers and to provide an incentive to promote further improvements in customer value.

On October 6, 2016, a Joint Motion for Approval of Settlement Agreement (Agreement) was filed by FPL, OPC, SFHHA, and FRF. FIPUG took no position on the Agreement, FEA and Walmart did not oppose the Agreement, and AARP, the Larsons, and the Sierra Club objected to the Agreement. The minimum Agreement term covers January 1, 2017 through December 31, 2020. Under the Agreement terms, FPL is permitted to: 1) increase its base rates by \$400 million, effective January 1, 2017; 2) implement a subsequent increase of \$211 million, effective January 1, 2018; 3) implement a \$200 million increase effective on the commercial operation date of the Okeechobee Clean Energy Center, projected for June 2019; and 4) set an ROE at 10.55 percent with an authorized range of 9.60 to 11.60 percent. The Agreement also allows FPL the flexibility to amortize up to \$1 billion of the theoretical reserve surplus, and any remaining surplus from its 2012 Settlement Agreement, to maintain its earned ROE within the authorized range.

Under the Agreement, FPL may seek approval to recover the cost of solar generation projects undertaken during the Agreement term subject to a yearly threshold of 300 MW. FPL would also implement a 50 MW Battery Storage Project and would pursue cost recovery for the project in its next general base rate case. FPL will also terminate its natural gas financial hedging for the Agreement term.



Florida's utilities play a major role in the economic development of cities, regions, and communities.

The Commission approved the Agreement on November 29, 2016. On January 20, 2017, Sierra Club appealed the Commission's order approving the Agreement to the Florida Supreme Court (Court). On May 17, 2018, the Court found that the Commission properly applied its public interest standard in reviewing the Agreement, which was supported by competent, substantial evidence; therefore, the Court affirmed the Commission's Order.

Duke Energy Florida, LLC

On August 29, 2017, DEF filed a petition for limited proceeding seeking approval of a proposed 2017 Second Revised and Restated Stipulation and Settlement Agreement (2017 Agreement). Parties to the 2017 Agreement include: DEF, OPC, FIPUG, FRF, White Springs Agriculture Chemicals, Inc. d/b/a PCS Phosphate, and Southern Alliance for Clean Energy (SACE).

The 2017 Agreement contained similar provisions to those in the Commission-approved 2013 Revised Stipulation and Settlement Agreement. However, the 2017 Agreement also included provisions addressing future rate increases, installation of solar generation, recovery of under-recovered fuel costs, and Levy Nuclear Plant costs.

As part of the 2017 Agreement, base rate increases of \$67 million are allowed each year for 2019, 2020, and 2021. The 2017 Agreement also includes a process to seek cost recovery approval for the installation of solar generation (up to 700 cumulative MW/175 MW per year maximum) to be built from 2018-2022. The 2017 Agreement spread DEF's fuel cost under-recovery over a two-year period beginning January 1, 2018, rather than a single year. Of notable significance is a provision that prohibits any Levy Nuclear Plant cost recovery of any type or nature whatsoever from DEF's retail ratepayers.

In addition, under the 2017 Agreement, DEF's ROE will remain at 10.5 percent, and the company may not petition for a base rate increase until January 2022. The Commission approved DEF's 2017 Agreement on October 25, 2017.

On April 17, 2019, DEF filed a Motion to Approve Reallocation of Electric Vehicle Charging Station Pilot Segments from those identified in its 2017 Agreement, and the Commission approved that motion.

Gulf Power Company

On October 12, 2016, Gulf filed a petition seeking approval to increase its base rates by \$106.8 million, effective July 1, 2017. The requested increase is based on an ROE of 11.0 percent. On November 9, 2016, Docket Nos. 160170-EI (2016 Depreciation and Dismantlement Studies) and 160186-EI (Rate Case) were consolidated. OPC, FEA, SACE, FIPUG, League of Women Voters of Florida (LWF), Wal-Mart Stores East, LP and Sam's East, Inc. (Walmart), and Sierra Club intervened in the proceeding.

On March 20, 2017, prior to the start of the scheduled technical hearing, Gulf and OPC filed a Stipulation and Settlement Agreement (2017 Agreement) resolving all issues raised in the consolidated proceeding. FIPUG and SACE joined OPC and Gulf as signatories to the 2017 Agreement. The remaining parties (FEA, LWF, Walmart, and Sierra Club) did not join the 2017 Agreement, but did not oppose it.

Under the 2017 Agreement terms: 1) Gulf would receive an overall base rate increase of \$62 million; 2) customers would receive an approximate \$7.7 million revenue credit through the Purchased Power Capacity Clause, resulting in a net base rate increase of \$54.3 million; 3) ROE would remain at 10.25 percent, with an allowed range of 9.25 to 11.25 percent; 4) a vehicle charging station five-year pilot program; and 5) a continued moratorium on natural gas financial hedges.

The Commission approved the Gulf's 2017 Agreement on April 5, 2017, which is effective until the Commission approves new base rates for Gulf in a general base rate proceeding.

Tampa Electric Company

On September 27, 2017, TECO filed a petition for a limited proceeding to seek Commission approval of its 2017 Amended and Restated Stipulation and Settlement Agreement (2017 Agreement) for base rates beginning January 1, 2017 through December 31, 2021. The signatories include TECO, OPC, FIPUG, FRF, FEA, and West Central Florida Hospital Utility Alliance. Per the 2017 Agreement, TECO's base rates would increase each year to allow for recovery of its planned solar generation expansion, up to 600 MW, through a solar base rate adjustment (SoBRA). Solar project in-service dates are September 1, 2018 and January 1 of 2019, 2020, and 2021, allowing for maximum annual SoBRA increases of \$30.6 million,

\$50.9 million, \$30.6 million, and \$10.2 million, respectively. TECO must petition the Commission for cost recovery of each SoBRA adjustment.

The 2017 Agreement: 1) sets an ROE range of 9.25 to 11.25 percent; 2) allows a 25 basis point trigger mechanism in the event of a specified rise in US Treasury bond interest rates; 3) allows an adjustment for any federal or state income tax reform; 4) allows cost recovery for storm damages caused by named storms; and 5) allows an Asset Optimization/Incentive Program for a four-year period beginning January 1, 2018 that shares savings achieved from the program with its customers. TECO will also not engage in new natural gas financial hedging contracts or seek recovery of costs related to investments in oil or natural gas exploration, reserves, or production.

On November 6, 2017, the Commission approved the Agreement, which is effective through December 31, 2021.

Florida Public Utilities Company

On July 3, 2017, FPUC filed a petition for a limited proceeding to increase base rates by \$1.8 million. Reasons for this increase request related to its storm hardening initiatives, modernization and safety improvements, and its FPL Interconnect project. On September 21, 2017, OPC intervened in the case.

On November 28, 2017, FPUC and OPC filed a Joint Motion for Stipulation and Settlement Agreement (Agreement). The Agreement: 1) allows FPUC's revenue to increase by \$1,558,050, representing \$13.5 million in capital expenditures for 12 projects; 2) continues its current ROE of 10.25 percent, with a range of 9.25 to 11.25 percent; 3) allows FPUC to petition for cost recovery associated with a named storm; and 4) allows FPUC to adjust rates due to any federal tax reform. New rates began in January 2018. During the Agreement term, FPUC may not petition for a base rate increase unless its annual revenues are impacted by more than \$800,000 in a contiguous four-month period.

The Commission approved the Agreement on December 12, 2017, and it is effective until December 2019.

Natural Gas Rate Cases

Florida City Gas

On October 23, 2017, Florida City Gas (FCG) filed a petition requesting a base rate increase of \$19.3 million. On October 24, 2017, OPC filed its notice of intervention. Of that amount, \$3.5 million covers the utility's investment in a Commission-approved backyard mains and service relocation program, which is being recovered through a separate surcharge on customers' bills, into rate base. The remaining \$15.8 million, according to FCG, was necessary for the utility to earn the requested ROE of 11.25 percent. As part of its requested increase, FCG petitioned for construction of a new Liquefied Natural Gas (LNG) facility in South Florida to serve as a natural gas supply source. FCG also requested interim rate relief of \$4.9 million, which the Commission approved at the December 12, 2017 Commission Conference.

On March 12, 2018, a joint motion for approval of a Stipulation and Settlement Agreement was filed by FCG, OPC, and FEA. The Agreement: 1) authorized an ROE of 10.19 percent; 2) cost recovery for the new LNG facility; and 3) provided a base rate increase of \$11.5 million, effective June 1, 2018, an additional \$2.5 million on June 1, 2019, followed by a \$1.3 million increase on December 1, 2019.

The FPSC approved the Agreement on March 26, 2018, effective from June 1, 2018 through May 2022. Rates shall continue beyond 2022 unless changed by Commission Order.

Sebring Gas System, Inc.

On June 5, 2019, Sebring Gas System, Inc. (Sebring) filed a petition requesting a base rate increase of \$309,000, effective January 1, 2020. The key drivers for Sebring's request include income tax expense not currently recovered in rates, increases in rate base associated with service



Approximately 43,000 miles of pipeline comprise Florida's natural gas system.

extensions to new customers, increases in regulatory costs associated with changes in federal pipeline safety regulations, and inflationary impacts on operating expenses. The Company filed its last rate case in 2004 for rates, effective in 2005. OPC has intervened in the case. A customer meeting was held August 8, 2019. The Commission is scheduled to consider Sebring's request in early 2020.

Depreciation, Dismantlement, & Nuclear Decommissioning Studies

Depreciation rates for regulated utilities are set by the Commission to ensure that cost recovery is provided for assets while they are in service. Unless modified by Commission order, depreciation studies are required to be filed every four years by electric companies and every five years by gas distribution companies.



Decommissioning studies provide updated estimates of the cost to decommission a nuclear unit at the end of its useful life.

Dismantlement studies for electric utilities that own and operate fossil fuel generating units are required to be filed with the Commission every four years unless modified by Commission order. These studies provide updated cost estimates to dismantle a fossil fuel generating unit at the end of its useful life; the information in these studies is also used to determine whether a company needs to recover funds, in current customer rates, that will be necessary to pay for dismantlement.

Decommissioning studies for electric utilities that own and operate nuclear generating units are required to be filed with the Commission every five years unless directed otherwise by the Commission. These studies provide updated estimates of the cost to decommission a nuclear unit at the end of its useful life; the information in these studies is also used to determine whether a company needs to recover funds, in current customer rates, that will be necessary to pay for decommissioning.

Depreciation and Dismantlement

Florida Public Utilities Company – Consolidated Natural Gas filed its 2019 Depreciation Study on March 4, 2019, and revised its study on April 10, 2019, based on December 31, 2018, investment and reserve levels. The study consolidated information and rates applicable to its various gas divisions, including FPUC, FPUC Indiantown, FPUC Fort Meade, and the Florida Division of Chesapeake Utilities Corporation. On October 3, 2019, the Commission approved depreciation rates for the consolidated company, effective January 1, 2019, which reduces annual depreciation expense by approximately \$894,000.

Florida Public Utilities Company (electric divisions) filed its 2019 Depreciation Study on September 3, 2019, requesting an effective date of January 1, 2020. The Company proposes depreciation rates and reserve allocations that would decrease annual depreciation expense by approximately \$383,000. The OPC has intervened in the proceeding. The Commission is expected to vote on FPUC's depreciation rates in the first half of 2020.

Decommissioning

On October 25, 2017, the Commission approved DEF's Second Revised and Restated Stipulation and Settlement Agreement, which included revisions to the decommissioning of the Crystal River Unit 3 (CR3) nuclear generating facility. In 2018, DEF submitted a partial decommissioning study for informational purposes and noted that the company will file a complete study on or before March 2022, in accordance with Commission rules.

DEF's currently-approved decommissioning study is based on the assumption that all decommissioning activities and license termination will be completed by 2072. However, on July 10, 2019, DEF petitioned the Commission for approval of a transaction with Accelerated Decommissioning Partners, LLC (ADP) that would result in the accelerated decommissioning of CR3 by 2027 and NRC License Termination by 2038 after spent fuel is removed from the Crystal River site. Under the transaction, ADP would complete all decommissioning activities, acquire ownership of DEF's Independent Spent Fuel Storage Installation, and assume DEF's contract with the US Department of Energy for disposal of spent nuclear fuel as well as operational responsibility of CR3. DEF also seeks Commission approval of its updated nuclear decommissioning study.

On September 20, 2019, the Commission issued its order modifying the procedure in the case to grant OPC's motion to hold the hearing schedule in abeyance until the NRC rules upon DEF's nuclear license transfer application and its related order is issued. The NRC anticipates the order will be issued by mid-2020.

Fuel Diversity

Florida's electric utilities are required by law to furnish adequate, reliable electric service at a reasonable cost to customers. Meeting customer demand in uncertain economic conditions represents a significant challenge. Since the late 1990s, utilities across the nation, including those in Florida, have selected natural gas-fired generation as the predominant source of new capacity. The use of natural gas for electricity production in Florida increased from 19.3 percent in 1995 to an estimated 69.3 percent in 2019.



Florida utilities have selected natural gas-fired generation as the predominant source of new capacity.

Given the potential volatility of natural gas prices, the Florida Legislature, since 2005, established policies addressing the importance of diversifying fuels used for electricity generation. These initiatives include enhancing contract provisions for the purchase of renewable energy by investor-owned utilities, encouraging customer-owned renewable energy resources, placing emphasis on energy efficiency and conservation, and establishing regulatory treatment for costs associated with nuclear construction.

Nuclear Cost Recovery

In 2006, the Florida Legislature enacted Section 366.93, Florida Statutes (F.S.), to encourage utility investment in nuclear electric generation by creating an alternative cost recovery mechanism. The statute directed the Commission to allow IOUs to recover certain construction costs in a manner that reduces the overall financial risk associated with building a nuclear power plant. In 2007, the statute was amended to include integrated coal-gasification combined cycle plants, and in 2008, it was again amended to include new, expanded, or relocated transmission lines associated with the plants. The statute required the Commission to adopt rules that provide for annual reviews and cost recovery for nuclear plant construction through the existing Capacity Cost Recovery Clause (CCRC). By Order No. PSC-07-0240-FOF-EI, the Commission adopted Rule 25-6.0423, Florida Administrative Code (FAC), fulfilling the requirements of, and implementing, Section 366.93, F.S.

Pursuant to the rule, all prudently incurred preconstruction costs and carrying charges will be recovered directly through the CCRC. Once a utility obtains an affirmative need determination for a power plant covered by the statute, the affected utility may petition for cost recovery using this alternative mechanism.

In 2013, the Florida Legislature enacted amendments to Section 366.93, F.S., which required: 1) that affected utilities seek FPSC approval prior to commencing certain project activities; 2) a revision to the rate used to calculate carrying costs; and 3) deadlines for construction work to begin once the utility receives its Combined Operating License from the Nuclear Regulatory Commission. The Commission subsequently adopted revisions to Rule 25-6.0423, FAC, to incorporate these amendments to the statute, effective in January 2014.

Florida Power & Light Company

FPL obtained Commission approval for the uprate of four existing nuclear units, St. Lucie 1 & 2 and Turkey Point 3 & 4, as well as the construction of two new nuclear units, Turkey Point 6 & 7. FPL completed the uprate of its existing nuclear units in 2013, adding 522 megawatts of new nuclear capacity. FPL also received site certification in May 2014 for new nuclear units Turkey Point 6 & 7 from the Governor and Cabinet, sitting as the Power Plant Siting Board.

In June 2014, the Turkey Point 6 & 7 Site Certification was appealed by Miami-Dade County, City of South Miami, Village of Pinecrest, and City of Miami. On April 20, 2016, the Third District Court of Appeal reversed and remanded the Site Certification noting deficiencies in three areas: the application of local land development regulations, the Siting Board's conclusion that it could not require underground installation of transmission lines, and the Siting Board's interpretation of the nature and applicability of

a County regulation. In November 2018, the Siting Board considered recommended actions addressing these matters. The Siting Board issued its order approving the recommendations in December 2018. On January 7, 2019, the City of South Miami appealed the decision to the Third DCA. All briefs have been filed in the appeal, and a ruling from the court is pending.

In April 2018, the Nuclear Regulatory Commission issued FPL a Combined Operating License for Turkey Point Units 6 & 7. FPL has initiated a “pause” in the further development of the Turkey Point Units 6 & 7 project and did not seek to recover costs related to the project in 2019.

Duke Energy Florida, LLC

DEF obtained Commission approval for the uprate of the Crystal River 3 nuclear unit, as well as the construction of two new nuclear units proposed to be built in Levy County.

In February 2013, DEF announced it would retire and decommission Crystal River 3. In August 2013, DEF announced it would not construct the Levy Project in the current timeframe, and that it would cancel the Levy Project Engineering, Procurement, and Construction contract. DEF filed a Petition for Limited Proceeding to Approve a Revised and Restated Stipulation and Settlement Agreement (2013 Agreement) that was signed by the OPC and other parties representing consumers. The Commission approved the 2013 Agreement, which addressed issues from multiple dockets. Agreement terms included:

- DEF's recovery amount for the Levy Project will reflect the use of a prescribed fixed factor set by rate class until recovery of remaining unrecovered investment is complete.
- DEF is allowed to recover its Crystal River 3 Uprate Project costs through Nuclear Cost Recovery consistent with Section 366.93(6), F.S.

In May 2015, the Commission approved a DEF petition to end recovery of Levy Project costs using the fixed factors set in 2013.

In October 2017, the Commission approved DEF's 2017 Second Revised and Restated Stipulation and Settlement Agreement. This Agreement provides no further recovery of uncollected past, present or future Levy Project costs.

At an evidentiary hearing on August 7, 2018, the Commission approved \$43.2 million for recovery in 2019 related to the DEF Crystal River 3 Uprate Project. DEF will not participate in future Nuclear Cost Recovery proceedings, with any final true-up associated with the Crystal River 3 Uprate Project being addressed in the CCRC.

Fuel Cost Recovery

On November 5, 2019, the FPSC held its annual cost recovery clause hearing to address the true-up of 2019 fuel costs and to establish 2020 fuel cost recovery factors for the five electric IOUs.

For DEF, projected fuel cost recovery amounts and factors will be lower in 2020. The fuel cost recovery portion of the bill for a residential customer using 1,000 kWh of electricity will decrease by over \$6.00 per month in 2020, although other net changes to base rates charges, cost recovery amounts, and taxes will result in a total bill that is \$4.69 per month lower than at the end of 2019.

For FPL, lower projected fuel cost recovery amounts and factors for 2020 will be reflected in customer bills, beginning in January. The fuel cost recovery portion of the bill for a residential customer using 1,000 kWh of electricity will decrease by over \$3.00 per month in 2020, and other net changes to base rates charges, cost recovery amounts, and taxes will result in a total bill that is \$3.67 per month lower than at the end of 2019. In May 2020, new solar energy facilities are projected to come on-line, and although fuel costs will decline, other net changes will increase the overall bill by \$0.52 per month through the end of the year.

For Gulf, moderately higher fuel cost recovery amounts and factors for 2020 will be reflected in customer bills, beginning in January. The fuel cost recovery portion of a residential customer's 1,000 kWh bill will increase about \$2.00 per month in 2020, although other net changes to cost recovery amounts and taxes will result in a total bill that is \$3.48 per month higher than at the end of 2019.

For TECO, fuel cost recovery amounts and factors will be slightly lower in 2020. The fuel cost recovery portion of the bill for a residential customer using 1,000 kWh of electricity will decrease by \$2.11 per month in 2020, although other net changes to cost recovery amounts and taxes will result in a total bill that is \$3.20 per month lower than at the end of 2019. In addition, the January 2020 bill for a residential customer using 1,000 kWh of electricity will reflect a one-time tax-related reduction of about \$9.00.

For FPUC, less costly purchased power arrangements in 2020 will result in fuel cost recovery amounts and factors that are lower compared to the end of 2019. The fuel cost recovery portion of the bill for a residential customer using 1,000 kWh of electricity will decrease by over \$20.00 per month in 2020, although storm cost recovery amounts from Hurricane Michael and other net changes will result in a total bill that is \$0.34 per month higher than at the end of 2019.

By Order No. PSC-2019-0484-FOF-EI, issued November 18, 2019, the fuel and capacity cost recovery factors for 2020 were set.

Storm Cost Recovery

Since 2015, Florida has experienced the landfall or effects of ten named storms. Each of Florida's electric investor-owned utilities (IOUs) under the Commission's jurisdiction has incurred costs related to damage caused by named storms. Utilities seeking to recover storm costs outside of a rate case must file a petition with the Commission. The requested costs are audited and analyzed to determine whether the costs meet the criteria for recovery set forth by Commission rule. During 2019, there were open dockets to address incurred costs related to Hurricane Michael for three of the five electric IOUs and one gas IOU. The Commission will hold hearings for the gas IOU and the three electric IOUs in the second and third quarters of 2020. In late 2019, a docket was opened to address DEF's request for recovery of costs related to Hurricane Dorian, and a hearing will occur next year. Other electric and gas IOUs are expected to also request recovery for costs associated with Hurricane Dorian in 2020. FPL will recover Hurricane Dorian costs through its reserve amount balance, as established in its 2016 Settlement Agreement.

Storm Hardening Initiatives

On April 4, 2019, FPSC staff held an informal hurricane preparedness meeting. Florida's five IOUs, Clay Electric Cooperative, Inc., Florida Municipal Electric Association, and City of Tallahassee each made presentations about their hurricane preparedness processes.

On July 9, 2019, the FPSC approved updated Electric Infrastructure Storm Hardening Plans for FPL, DEF, TECO, Gulf, and FPUC. Every three years, as required by Rule 25-6.0342, Florida Administrative Code, the IOUs file updated plans for FPSC approval. The plans detail construction standards, policies, practices, and procedures to enhance the reliability of overhead and underground electric transmission and distribution facilities.

Storm Protection Plan and Cost Recovery

The 2019 Florida Legislature passed SB 796 to enact Section 366.96, F.S., entitled "Storm protection plan cost recovery." The Statute requires each IOU to file a transmission and distribution storm protection plan for the FPSC's review. It also directs the Commission to hold an annual proceeding to determine each IOU's prudently incurred costs to implement the plan and allow recovery of those costs through a Storm Protection Plan Cost Recovery Clause.

As directed by the statute, the Commission is required to adopt rules to implement and administer the section, and was mandated to propose a rule for adoption by October 31, 2019. FPSC staff held two rule development workshops to obtain stakeholder comments. On October 5, 2019, the Commission proposed Rules 25-6.030, Florida Administrative Code (F.A.C.), Storm Protection Plan and 25-6.031, F.A.C., Storm Protection Plan Cost Recovery Clause. A hearing on the proposed rules was held November 5, 2019. The proposed rules were not changed. The rulemaking process remains ongoing.



Utilities seeking to recover storm costs outside of a rate case must file a petition with the Commission.

Conservation Activities for Electric Utilities

The Florida Energy Efficiency and Conservation Act (FEECA), enacted in 1980, emphasizes reducing the growth rates of weather-sensitive peak demand, reducing and controlling the growth rates of electricity consumption, and reducing the consumption of scarce resources, such as petroleum fuels. During the 2008 legislative session, the Legislature amended FEECA to place greater emphasis on the pursuit, through utility sponsored incentives, of all cost-effective customer conservation and energy efficiency measures including demand-side renewable energy systems. Under FEECA, the FPSC must establish numeric conservation goals for each FEECA utility, at least every five years.

A hearing to establish new conservation and energy efficiency goals was held on August 12-13, 2019. Intervenor included OPC, Florida Department of Agriculture and Consumer Services, Southern Alliance for Clean Energy, White Springs Agriculture Chemicals, Inc. d/b/a PCS Phosphate-White Springs, Florida Industrial Power Users Group, Walmart, and the Florida League of United Latin American Citizens. Goals were established on November 25, 2019. As a result, the next goal-setting proceeding will take place no later than 2024.

To implement the goals, each FEECA electric utility must file Demand-Side Management plans within 90 days of the final order outlining a set of programs for residential and commercial/industrial customers designed to meet the FEECA goals. The Commission will review the plans for all seven FEECA utilities during 2020.

In 2019, the Commission evaluated each FEECA utility's achievements in meeting its established 2018 conservation goals. This evaluation was incorporated into the Commission's Annual Report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act, which will be reviewed by the Commission in January 2020 before being submitted to the Governor and Legislature. The 2019 goalsetting proceeding concluded in November, and the Commission decided to continue the existing goals that were set in the 2014 proceeding.

Investor-owned utilities are allowed to recover prudent and reasonable expenses for conservation programs approved by the Commission through the Energy Conservation Cost Recovery clause.

Each year, the Commission audits and evaluates these expenses and holds a full evidentiary hearing to determine the appropriate conservation cost recovery factor for customers' bills. In November 2019, the Commission set the 2020 conservation cost recovery factors for the electric IOUs, which range from \$0.60 to \$3.39 a month for a residential customer using 1,000 kWh.

Territorial Agreements & Disputes for Electric & Gas Utilities

Section 366.04, F.S., gives the Commission authority to approve territorial agreements and resolve service territory disputes between utilities. In 2019, the Commission approved territorial agreements

between Florida Power & Light Company and Okfechoke Rural Electric Membership Corporation; between Clay Electric Cooperative, Inc. and the City of Ocala; and between Gulf Power Company and Gulf Coast Electric Cooperative, Inc.

Renewable Energy Initiatives

Renewable Energy Standard Offer Contracts

Section 366.91, F.S., requires the utilities subject to the Florida Energy Efficiency and Conservation Act to continuously provide a standard contract for purchasing capacity and energy from renewable energy resources. Contracts are filed annually on April 1 and are based on each fossil-fuel generating technology type in a utility's Ten-Year Site Plan. In 2019, the Commission approved standard contracts for each IOU for the purchase of renewable energy.

Currently, renewable energy facilities provide approximately 3,335 MW of firm and non-firm generation capacity, which represented 5.9 percent of Florida's overall generation capacity of 56,359 MW in 2018. Approximately 1,202 MW are considered firm, based on either operational characteristics or contractual agreement. Solar generation contributes approximately 609 MW to this total, based upon the coincidence of solar generation and summer peak demand. Firm renewable generation is relied on to serve customers and contributes toward the deferral of new fossil fueled power plant construction.

The remaining renewable generation produces energy on an as-available basis or for internal use (self-service). As-available energy is considered non-firm and is not counted on for reliability purposes; however, it contributes to the avoidance of burning fossil fuels in existing generators. Self-service generation reduces demand on Florida's utilities.

Utility-Scale Solar Generation

As of 2018, there was approximately 1,195 MW of utility-scale solar installed in Florida. In 2018 and 2019, the Commission approved cost recovery for utility-scale solar facilities for FPL, DEF, and TECO under SoBRA mechanisms included in each company's respective rate case settlements. The approved solar facilities will add 565 MW in 2019 and 531 MW in 2020. In addition to the investor-owned utilities, several municipal utilities also planned solar additions. The City of Tallahassee has entered into a power purchase agreement (PPA) for a 40 MW solar farm expected to begin operations in late 2019 or early 2020. JEA has 5 MW of solar capacity contracted through a PPA for early 2019, and another PPA contract for 50 MW of solar capacity expected in 2020.



In all, installed utility-scale solar capacity is anticipated to double by the end of 2020.

Customer-Owned Renewables

In 2008, the Commission amended Rule 25-6.065, F.A.C., to facilitate customer-owned renewable generation by expanding the size of systems qualifying for expedited interconnection and establishing a requirement to allow net metering. The rule requires IOUs to offer a standard interconnection agreement with an expedited interconnection process and net metering for all types of customer-owned renewable generation up to 2 MW in capacity. The Florida Legislature extended net metering requirements to municipal and rural electric cooperative utilities as well. Customers benefit from renewable systems by reducing their energy purchases from the utility. Under the Commission's rule, net metering provides an additional benefit for IOU customers by allowing excess renewable energy production to be credited to monthly bills, thereby reducing future energy purchases from the utility.

Reports submitted in April 2019 by the IOUs and municipal and rural electric utilities show that the number of customers owning renewable generation systems in Florida continues to grow. In 2008, when the rule became effective, there were 577 customer owned renewable generation systems, which accounted for 3 MW of renewable capacity. At year end 2018, there were 37,862 customer-owned systems interconnected, amounting to approximately 317 MW of renewable capacity. The FPSC will continue to enforce existing renewable policies and explore additional policies to benefit Florida's consumers.

TELECOMMUNICATIONS

ILEC Wholesale Performance Measures

The Commission is responsible for ensuring that incumbent local exchange carriers (ILECs) are meeting their obligation to provide unbundled access, interconnection, and resale to competitive local exchange companies (CLECs) in a nondiscriminatory manner. To ensure that ILECs are meeting their obligations, the Commission adopted wholesale performance measurement plans for the three largest ILECs operating in Florida: AT&T, CenturyLink, and Frontier. The plans establish a minimum level of acceptable wholesale service quality that the three ILECs must provide to the CLECs. Wholesale service quality is measured in such areas as ordering, provisioning, and repair timeliness.

Each ILEC furnishes monthly performance reports to the Commission for review and assessment. Commission staff applies trending analysis to detect and correct any degradation in the quality of wholesale service provided to CLECs.

Intercarrier Relations and Rulemakings

The FPSC is authorized by state and federal law to arbitrate and enforce interconnection agreements (ICAs). When carriers cannot agree to the terms or an interpretation of their ICA, they file a complaint with the FPSC for dispute resolution. Often during this process, the FPSC will facilitate an agreement among the parties, and their complaint will be withdrawn.

In 2019 the FPSC conducted rulemakings regarding certificate holder information, competitor certification, and Lifeline Assistance.

Numbering Resources

The FPSC is responsible for determining the appropriate form of area code relief when telephone numbers exhaust within an area code. While there are a number of methods available to handle area code exhaust issues, an overlay has been the preferred method. An overlay adds a new area code to the same geographic area served by the area code requiring relief. This results in the assignment of more than one area code to the same Numbering Plan Area (NPA). Current customers keep their existing area code and number; however, new customers or customers adding additional lines receive the new area code. Once an overlay is implemented, the FCC requires 10-digit dialing for all local calls within the NPA.

In 2019, the 689 area code overlay was implemented in the 407/321 NPA, which serves Orange, Osceola, and Seminole Counties, as well as parts of Lake and Volusia Counties. The Commission also approved an overlay relief plan for the 850 area code. This area code serves cities such as Pensacola, Panama City and Tallahassee. The new 448 area code for the 850 NPA is scheduled to be implemented in 2021.

Lifeline Assistance for Low-Income Consumers

The Tele-Competition Innovation and Infrastructure Enhancement Act of 2003 requires that a statewide cooperative effort support the Lifeline Assistance (Lifeline) program in Florida. As part of the federal Universal Service Program, Lifeline is designed to make telecommunications services more affordable for low-income households. This is done by providing up to a \$9.25 discount on monthly phone or broadband bills. Alternatively, consumers can choose to receive a free cell phone with at least 1,000 minutes or a combination of minutes and data. However, eligible consumers can only receive one Lifeline-supported service per household.

In December 2019, the lifeline reimbursement for voice-only customers was reduced to \$7.25 a month, as part of the FCC's 2016 Lifeline Modernization Order.

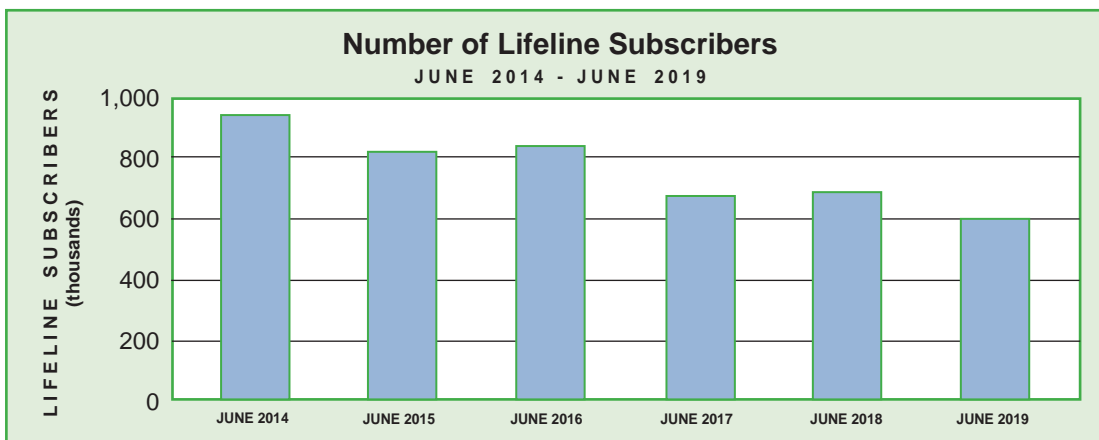
Dozens of local, state, and federal agencies, organizations and businesses, and 18 telecommunications companies were involved in the collaborative effort to increase awareness and participation in the Lifeline program in 2019. Promotional activities in 2019 featured National Consumer Protection Week, Older Americans Month, and ongoing "grass roots" efforts to increase awareness and enrollment in the Lifeline program. Each month, the FPSC sends a cover letter and informational packet to two organizations to encourage continued Lifeline outreach to their eligible clientele.

National Lifeline Awareness Week is observed each September (September 9-13, 2019). "Stay Connected Florida!" was the slogan for Florida's 2019 Lifeline Awareness Week. In addition to increasing awareness among eligible citizens, this year's Lifeline Awareness Week continued educating residents about the discount on voice and broadband services. Lifeline Awareness Week consumer events were held in Palatka, Green Cove Springs, Flagler Beach, Eagle Lake, Lake Placid, Ocala, and Belleview to help Florida's eligible residents connect with the Lifeline program. Information and applications were provided to consumers interested in the program.

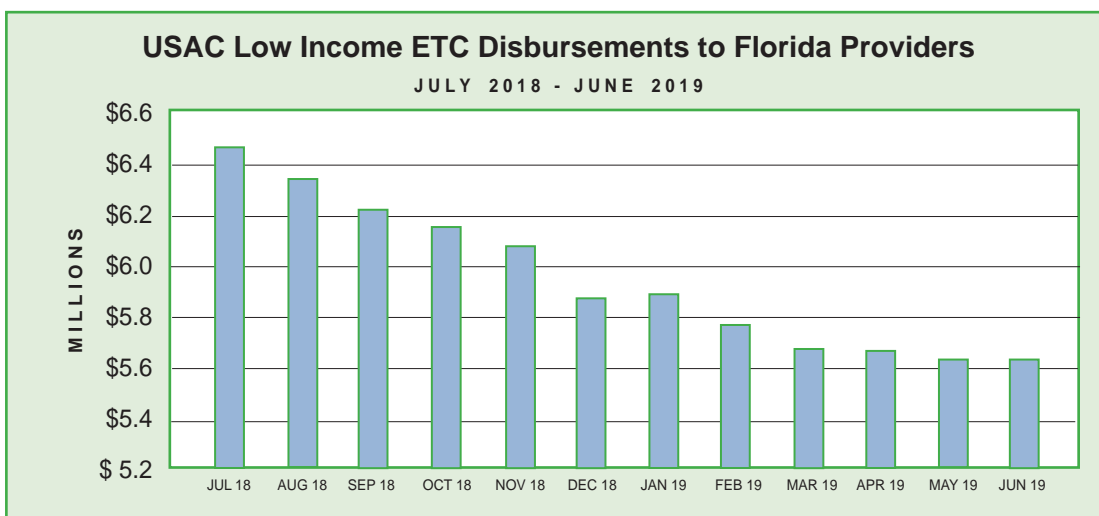
As of June 2019, 604,693 households participated in the Florida Lifeline Program. The five companies with the highest Lifeline enrollment in Florida were Assurance Wireless, SafeLink Wireless, Access Wireless, CenturyLink, and T-Mobile, collectively representing 99 percent of the Florida Lifeline customers. The following table shows the number of Lifeline subscribers from June 2014 through June 2019.



The FPSC attends or coordinates at least two community events each month to promote the Lifeline program.



The following table shows the Universal Service Administrative Company's (USAC) Florida Lifeline disbursements for the 12-month period ending June 2019. The amount disbursed totaled \$71,481,863, an average of \$5.9 million per month. These amounts also include support corrections or true-ups from prior months when errors are made.



Source: USAC Disbursements Florida July 2018-June 2019

Additional information about the FPSC's 2019 Lifeline activities and a complete list of the Lifeline Partners assisting with promotional efforts are available in the FPSC's report, Number of Customers Subscribing to Lifeline Service and the Effectiveness of Procedures to Promote Participation. A printed copy of the report may be requested from the FPSC or accessed on the FPSC website under the Publications tab/Reports and Other Resources/Telecommunications at this link: www.floridapsc.com/Files/PDF/Publications/Reports/Telecommunication/Lifeline_Report/2018.pdf.

To prevent a Lifeline subscriber from receiving duplicate Lifeline benefits, USAC established a National Lifeline Accountability Database to determine if a prospective subscriber is already receiving Lifeline support from another eligible telecommunications carrier (ETC). FPSC staff has read-only access to the NLAD database and can use the information generated by the reports for Lifeline customer issues.

Actions Taken by the FPSC

The FCC made significant changes to its Lifeline program in the 2016 Lifeline Modernization Order (Order) that continue to have a major impact on the program. The Order established a planned phase-down of stand-alone voice service that took effect on December 1, 2019. Monetary support that customers and ETC's receive for voice-only service is lowered to from \$9.25 to \$7.25. The FPSC filed comments on February 21, 2018, voicing its concerns over the planned phase-down and the transition to a broadband focused Lifeline program.

In the Order, the FCC also charged USAC with the establishment of a single system of Lifeline subscriber verification. This system would be known as the National Lifeline Eligibility Verifier (National Verifier), which implemented a soft launch in Florida in December 2019. The National Verifier would exclude ETCs and state regulators from eligibility verification and would instead require customers to apply for lifeline directly with the National Verifier.

When Florida begins operating under the National Verifier, the state will enter a “soft launch” status, and ETCs will be encouraged to use the National Verifier for Lifeline customer eligibility verification, but will still be able to use current verification processes. Florida will eventually be transitioned to “hard launch” status, in which use of the National Verifier becomes mandatory.

While the National Verifier is expected to streamline the verification process for customers, manually reviewing customer eligibility documentation would be necessary if USAC is unable to establish access to a state qualifying program database. To circumvent any issues that may arise with reliance on manual review of documentation, FPSC staff coordinated with USAC and the Florida Department of Children and Families (DCF) in order to facilitate USAC's connection to DCF's qualifying program database. A computer matching agreement has been drafted between the two entities, and access to the database may be established by the time Florida enters soft launch status of the National Verifier.

On October 30, 2018, The FPSC denied Viasat Carrier Services, Inc.'s (Viasat) petition for ETC designation, citing a lack of jurisdiction and directed it to the FCC. Viasat was one of the winning bidders for the FCC's Connect America Fund and had to be designated as an ETC prior to receiving such support. On September 18, 2019, the FCC approved Viasat's petition for wireless ETC designation authorizing it to offer Lifeline service to qualifying low-income customers in all authorized areas.

On May 14, 2019, the FPSC approved the voluntary relinquishment of two Florida wireline ETCs. Both Cox Florida Telcom, L.P. (Cox) and Global Connections Inc. of America (Global) are no longer providing Lifeline service. While Cox remains a certificated telecommunications company in Florida, Global has voluntarily cancelled its Certificate of Authority to provide telecommunications service. Global, now operating as Stand Up Wireless, is instead offering wireless service in Florida. With the exit of these two wireline ETCs, five wireless and thirteen wireline ETCs provide Florida Lifeline service.

The FPSC continues to enforce safeguards to prevent waste, fraud, and abuse of the federal Universal Service Fund (USF) and takes appropriate action when necessary. The FPSC monitors Lifeline disbursements from the USF monthly to determine if reported and reimbursed funds are consistent with the number of actual Lifeline customers.



Florida Relay is a service provided to residents in the State of Florida who are deaf, hard of hearing, deaf/blind, or speech disabled that connects them to standard (voice) telephone users.

Florida Relay Service

Approximately three million persons living in Florida have been diagnosed as having a hearing loss. Section 427.704, F.S., charges the Commission with overseeing the administration of a statewide telecommunications access system which provides Telecommunications Relay Services (FRS) to Floridians who are deaf, hard-of-hearing, or speech impaired, and others who communicate with them.

FRS facilitates telephone calls between people with hearing loss or speech disabilities and other individuals by using special equipment and a communications assistance operator to relay information. A monthly bill surcharge of up to \$.25 per landline telephone funds the distribution of specialized telecommunications devices and intrastate relay service. The current surcharge is \$.10 per landline telephone.

In 2017, the contract for the provision of relay service was due for renewal. The FPSC oversaw the bidding process and awarded the contract to Sprint, which began in March 2018.

FEDERAL ACTIVITY

Energy

The FPSC actively monitors federal energy-related issues, including Congressional legislation and activities at the Federal Energy Regulatory Commission (FERC) and the U.S. Environmental Protection Agency (EPA). Section 366.015, F.S., directs the Commission to maintain a liaison with federal agencies whose policy decisions and authority affect electric and gas utilities under the Commission's jurisdiction. Active participation in federal agency processes is encouraged to convey the Commission's policy positions in order to provide more efficient regulation. During 2019, the Commission monitored actions by the FERC on electric utility transmission planning compliance filings and other rulemaking activities. Also, the Commission continued its review of activity related to the EPA's rules on carbon emissions from existing and new electric generating units including appellate court actions and proposed rulemaking by the new administration which were finalized in July 2019.

Telecommunications

The FPSC actively monitors federal telecommunications issues. Section 364.012, F.S., encourages participation in federal agencies' cases that might affect Florida consumers to convey the FPSC's policy positions. The Commission files comments with the FCC in response to actions that can affect Florida citizens, as well as periodically informing the Florida Congressional delegation and other affected state agencies on federal issues. Areas of particular emphasis include proceedings relating to the federal USF, intercarrier compensation, and telephone relay. Each of these areas can and do have substantial financial impacts on Florida carriers and telecommunications consumers. For example, Florida is the third largest net contributor state to the USF, and the FPSC has consistently taken positions before the FCC to reduce and/or limit growth of the fund's size.

In addition to federal Lifeline issues, in 2019 the FPSC monitored several FCC proceedings, including net neutrality, state recertification of relay services, and carrier responses to hurricane outages.

WATER & WASTEWATER

Water & Wastewater Rate Cases

Depending on the utility's request, water and wastewater rate cases are processed as staff assisted rate cases, limited alternative rate increase cases, limited proceedings, or file and suspend rate cases.

In 2019, the Commission processed three staff assisted rate cases and five limited alternative rate increase cases pursuant to Section 367.0814, F.S. The Commission also processed one file and suspend rate case requested by a larger water and wastewater company and completed one application for a limited proceeding.

In 2019 staff continued to perform its normal surveillance of the earnings levels of water and wastewater companies regulated by the FPSC. There is one utility identified for potential overearnings that is still under review.

Water & Wastewater Certification Cases

In 2019, the Commission received applications for original certificates from River Grove Utilities, Inc., First Coast Regional Utilities, Inc., and CPI Citrus Park Utility TRS, LLC. The Commission also received a request for cancellation of a certificate from B & C Water Recourses, LLC.

Transfers of water and wastewater certifications in 2019 included Royal Utility Company to Royal Waterworks, Inc. and Sunny Shores Water Company to Sunny Shores Utilities, LLC. In addition, applications for transfer of authority, included Orangewood Lakes Services, Inc. to the City of New Port Richey and the City of Wildwood to South Sumter Utility Company, LLC.



During 2019, the Commission processed 76 index applications and 16 pass-through applications for water and wastewater companies.

Organization

The Commission consists of five members appointed by the Governor and confirmed by the Senate. Commissioners serve four-year terms, as provided in Chapter 350, F.S.

Commissioners are selected for their knowledge and experience in one or more fields substantially related to the duties and functions of the Commission. These fields include economics, accounting, engineering, finance, natural resource conservation, energy, public affairs, and law.

Created by the Florida Legislature in 1887, the FPSC was originally called the Florida Railroad Commission and primarily regulated railroad passenger and freight rates and operations. As Florida grew, the Commission's purpose expanded.

- In 1911, the Legislature added regulation of telephone and telegraph companies.
- In 1929, jurisdiction was granted over motor carrier transportation.
- In 1951, the Commission began regulating investor-owned electric companies.
- In 1952, jurisdiction was extended to the regulation of natural gas utilities.
- In 1959, the Commission began regulating privately owned water and wastewater systems.

The Commission's divisions and offices are described in the next section, concluding with a list of all past and present Florida Public Service Commissioners.



KEITH HETRICK
GENERAL
COUNSEL

The **Office of General Counsel** provides legal counsel to the Commission on all matters under the Commission’s jurisdiction. This office also supervises the procedural and legal aspects of all cases before the Commission. In addition, this office assists in responding to inquiries from the Legislature.

The office is responsible for defending Commission orders on appeal, for defending Commission rules challenged before the Division of Administrative Hearings, and for representing the Commission before state and federal courts. To assist FPSC offices and divisions, this office offers support in making filings with, or presentations to, other federal, state, or local agencies. The office advises in the promulgation of rules and attends or conducts rulemaking hearings at the Commission’s direction. It also reviews procurement contracts; counsels the Commission on ethics, personnel, contractual, public records, and other administrative legal matters; and offers mediation services to parties in Commission proceedings.

In cases involving evidentiary hearings before the Commission or an Administrative Law Judge, the office is responsible for conducting discovery, presenting staff positions and testimony, and cross-examining other parties’ witnesses. In conjunction with the appropriate technical staff, this office prepares recommendations to the Commission and prepares written Commission orders.



ASHLEY CLARK
INSPECTOR
GENERAL

The **Office of Inspector General** is established by law to provide a central point for coordinating activities that promote accountability, integrity, and efficiency in government. The office reports directly to the Chairman, and its responsibilities include conducting internal audits and investigations, assessing the validity and reliability of data and information produced by the Commission, and coordinating external audits and reviews of the Commission by the Auditor General and others.

The office also monitors corrective actions to address identified deficiencies. These activities help management ensure that Commission programs perform as intended and that fraud or abuse is detected and eliminated.

ADMINISTRATIVE DIVISIONS & OFFICES



BOBBY MADDOX
DIRECTOR

The **Division of Administrative & Information Technology Services** assists in preparing the Commission’s Legislative Budget Request, monitors the operating and non-operating budgets, and assists in preparing budget amendments as necessary.

The *Fiscal Services Section* handles the payment of all vendor invoices, processes travel reimbursement to staff, and prepares checks for deposit to financial institutions.

The *Human Resources Section* administers the agency’s human resources program, including recruitment, selection, classification and pay, attendance and leave, performance evaluations, training and staff development, employee relations, payroll, insurance, and other employee benefit programs.

The *General Services Section* supports imaging, duplicating, mail distribution, audiovisual, hearing and conference room operations, and fax systems. This section is also responsible for all agency purchasing, security and safety issues, leasing, surplus property, and fleet management.

The *Bureau of Information Technology Services* monitors and evaluates the information processing and telephony needs of the FPSC, proposing enhancements to information processing resources to management and providing technical support services. Additionally, the bureau manages the agency-wide, administrative procedures manual and forms inventory/tracking processing.



ADAM TEITZMAN
DIRECTOR

The **Office of Commission Clerk**, the official keeper of the Commission's public records, is responsible for coordinating public record requests. It records, prepares, and maintains transcripts of Commission Conferences, Internal Affairs meetings, hearings, and workshops. The office is authorized to issue subpoenas in proceedings before the Commission and is responsible for preparing, certifying, and transmitting records on appeal to the upper tribunal. The Commission Clerk, designated as the Agency Clerk and the Records Management Liaison Officer, coordinates the FPSC's records management program, is responsible for issuing non-Commissioner signed orders and notices, and, as the custodian of records, certifies copies of official filings.

The *Documents and Case Management Section* accepts and processes filings and maintains the official docket by ensuring the integrity, timeliness, and availability of filings in the Case Management System (CMS) and on the FPSC website. It is responsible for managing and coordinating the establishment of new dockets, issuance of orders and notices to parties and interested persons, case closure, and preparation of statistical and management reports. This section responds to information requests, invoices for services and, upon applicable payment, provides the responsive documents. It maintains the Master Commission Directory (MCD) of utilities and provides notification to Commission employees regarding the adoption of new or amended rules. This section also administers the records management program and activities.

The *Events and Hearing Reporting Section* prepares and notices events such as Commission Conferences, Internal Affairs meetings, hearings, prehearings, workshops, and rulemaking in the Florida Administrative Register. This section prepares the FPSC's Schedule of Live Events from the established Commission calendar and provides support staff to record these events. It also maintains the calendar of Commission activity and issues various reports.



DALE MAILHOT
DIRECTOR

The **Office of Auditing & Performance Analysis** conducts audits and reviews in all industries.

The *Performance Analysis Section* conducts utility management and operational audits and identifies areas for improvement. These audits may be limited to one company or conducted on a comparative basis between several companies. Areas for investigation may include internal controls, process or procedure analysis, construction project management, quality assurance, service quality, and rule compliance. Special investigations are also conducted relating to allegations of utility fraud, mismanagement, and other whistleblower complaints.

The *Bureau of Auditing* is responsible for audits and reviews in all industries. The types of audits and reviews performed include financial, compliance, billing, and verification. The auditors conduct examinations of utility-related financial and operating records and provide an independent verification of the supporting documentation for any statements or filings made by regulated companies. Financial audits are conducted in conjunction with utilities' requests for rate increases through rate cases or the annual cost recovery clauses to ensure ratepayers only pay for prudently incurred expenses. This bureau conducts financial audits from three district offices in Tallahassee, Miami, and Tampa.



CINDY MUIR
DIRECTOR

The **Office of Consumer Assistance & Outreach** is the Commission's liaison with the public and the media. Providing effective consumer assistance and education, the *Bureau of Consumer Assistance* receives, processes, and resolves consumer complaints and informal disputes between customers and utilities. Consumers may file complaints via a toll-free telephone number or online and by mail, fax, or e-mail. In addition to helping resolve complaints, the bureau provides consumer information about utility payment plans, statutes and rules governing utility companies, and the status of pending cases before the FPSC.

By producing and distributing the agency's news releases and maintaining familiarity on a broad array of dockets, issues, and related activities affecting consumers or having media interest, the *Outreach Section* ensures that timely, accurate information is disseminated to the public. This section handles media inquiries, plans and schedules monthly outreach events, and also participates in community meetings, consumer forums, and customer meetings and hearings by presenting agency information and distributing a variety of consumer publications, including information on the Lifeline Assistance program.

Other office responsibilities include selecting locations and coordinating logistics for customer service hearings, handling consumer outreach and media at customer meetings and service hearings, updating information and processing submissions to the agency's website, and, when needed, managing incoming calls to the Commission Suite.

The office also coordinates and produces several FPSC reports and publications, including the *FPSC Annual Report*, *Comparative Rate Statistics*, *Facts & Figures of the Florida Utility Industry*, *The Statement of Agency Organization & Operations*, *Inside the PSC*, and the quarterly *Consumer Connection E-Newsletter*.

TECHNICAL DIVISIONS & OFFICES



ANDREW MAUREY
DIRECTOR

The **Division of Accounting & Finance** reviews the revenue requirements of rate base regulated electric, natural gas, and water and wastewater utilities and monitors earnings for these industries through reviews of surveillance filings and utility annual reports. The division manages the utilities' annual report process including all mailings, extensions, filings, delinquency notices, penalty letters, and show cause recommendations.

The division is also responsible for processing requests for base rate changes requested by electric, natural gas, and water and wastewater utilities, as well as Commission-initiated overearnings investigations. Processing base rate change requests includes analyzing filings, expert testimony, and exhibits; developing interrogatories and production of documents requests; preparing cross-examination questions; presenting staff testimony; holding customer meetings; and presenting recommendations to the Commission, including a recommended return on equity. The division is also responsible for reviewing storm cost recovery petitions and assessing the revenue requirement effect of tax law changes on regulated electric, natural gas and water and wastewater utilities. Water and wastewater utilities' requests for index and pass through rate adjustments and staff assisted rate cases are also processed by the division.

In addition, the division makes recommendations to the Commission on annual fuel cost recovery clause petitions filed by electric utilities. Recommendations are provided on fuel costs, purchased power costs, and capacity costs. The division also monitors monthly electric utilities' fuel costs.

Other responsibilities include processing applications from investor-owned natural gas and electric utilities regarding allowance for funds used during construction and security issuances, evaluating requests for corporate undertakings, analyzing income tax issues, and calculating the interest on refunds.



TOM BALLINGER
DIRECTOR

The **Division of Engineering** is responsible for providing recommendations pertaining to technical issues coming before the Commission. Issues may include evaluation of engineering capital cost estimates and actual utility plant expenditures, determination of annual revenue requirements and life cycle costs, establishment of adequate margins of reserve, and analysis of operating and maintenance costs. Additionally, the division is responsible for cost-effectiveness determinations, taking into consideration the impacts on Florida's consumers, regulated industries, and the regulatory environment.

All docketed and undocketed matters involving the engineering and safety aspects of Florida's electric, natural gas, and water and wastewater utilities within the Commission's jurisdiction are the division's responsibility. The division has primary responsibility for programs such as the *Ten-Year Site Plans*, conservation goals and programs, cogeneration and renewable generation contract approvals, modifications and buyouts, and bulk power interconnection standards. The division also coordinates issue resolutions

pertaining to storm hardening, construction standards, meter accuracy and testing, electric and gas pipeline safety, emergency planning and operations, water and wastewater margin of reserve, and used and useful determinations.

The division annually prepares the *Review of Ten-Year Site Plans* and the *Review of Florida's Investor-Owned Electric Utilities Service Reliability Reports*. The division is also responsible for staffing the Emergency Support Function 12 in the Emergency Operations Center to provide outage and restoration information regarding electric and natural gas service during a state of emergency.



JUDY HARLOW
DIRECTOR

The **Division of Economics** provides recommendations to the Commissioners on the design and application of retail rates and tariffs for all electric, natural gas, and water and wastewater utilities subject to the Commission's jurisdiction. In addition, the division provides primary technical support for all cases involving territorial agreements or disputes for electric and natural gas utilities.

Reviewing the development and application of depreciation rates and practices for inclusion in base rate revenue requirements is another division function. On a rotating basis, the division is also responsible for processing requests for base rate changes requested by electric, natural gas, and water and wastewater utilities. The division is also responsible for reviewing periodic nuclear decommissioning studies submitted by electric utilities owning nuclear power plants.

In addition to rate and tariff matters, the division provides econometric and statistical analyses, including forecasts and other statistical projections, for all investor-owned regulated industries. The division also prepares a *Statement of Estimated Regulatory Cost (SERC)*, required by statute for all proposed and revised administrative rules. SERC's evaluate the costs and benefits of the proposed rule change, including analyses on the public and business sectors. In addition, the division reviews investor-owned electric utilities' *Load Research Sampling Plans*.

The division has primary responsibility for preparing the annual *Florida Energy Efficiency and Conservation Act Report* and that portion of the *Review Ten-Year Site Plan* that addresses the adequacy of electric utilities' load and energy forecasts. In addition, the division has primary responsibility for three annual cost recovery clause proceedings. In these proceedings, investor-owned utilities are allowed to recover dollar-for-dollar reasonable and prudent costs related to: (1) electric utility conservation programs, (2) natural gas utility efficiency programs, and (3) natural gas utility gas commodity and transportation. The division also assists the Division of Engineering in proceedings and recommendations to the Commission regarding conservation goals, plans, and programs.



CAYCE HINTON
DIRECTOR

The **Office of Industry Development & Market Analysis** is responsible for the critical assessment of the evolving utility industry and development of strategies that most benefit Florida's residents. The office analyzes developing policies and prepares recommendations for implementing state and federal laws, including strategy alternatives for consideration by the Commission. The office serves as a technical liaison with the Florida Legislature and state agencies, including the Florida Department of Agriculture and Consumer Services' Office of Energy. Also, the office monitors and advises the Commission on Congressional activities and federal agency actions that may impact Florida consumers and utilities, including the Federal Energy Regulatory Commission, the Environmental Protection Agency, the Nuclear Regulatory Commission, and the Federal Communications Commission. The office provides support to Commissioners for NARUC activities pertaining to energy, spent nuclear fuel, environmental regulations, energy efficiency, renewables, and telecommunications, as well as technical support to other staff in docketed and undocketed matters.

The office participates in special studies concerning energy policy, develops discussion papers, analyzes alternative regulatory approaches, and prepares technical analyses of special projects for all industries. The office analyzes policy relating to the adequacy, quality, and affordability of Florida's water resources and analyzes issues affecting the water and wastewater industry.

The office also handles issues that involve the wholesale oversight of the wireline telecommunications industry. The office is responsible for facilitating dispute resolutions between carriers about local interconnection agreements and other wholesale issues. Companies entering an agreement can either negotiate between the parties or have the FPSC arbitrate unresolved operational issues. Once an interconnection agreement is executed, the parties may come to the FPSC to resolve a dispute of contract language interpretation. The office also processes cases involving area code relief, number conservation plans, number resource reclamation, local number portability, and other numbering issues.

Florida's Lifeline Assistance Program, which provides discounted telecommunications services to low-income consumers, is monitored and the office addresses issues related to Lifeline and provides recommendations on eligible telecommunications carrier designations. The office also oversees the Florida Relay Program, which provides telecommunications services for the deaf and hard of hearing, and facilitates the resolution of consumer complaints relating to Lifeline, Telephone Relay, and payphones.

All certification filings are processed, along with the related administrative functions for all telecommunication companies and pay telephone providers. The office processes local telephone service providers' schedules of rates and terms, if filed with the FPSC, and negotiated agreements. The office monitors company compliance with various FPSC rules and initiates action if warranted. The office also acts as the FPSC's technical liaison with the Federal Communications Commission.

The office prepares a number of annual publications for the Commission, including: *The Status of the Telecommunications Access System Act of 1991*; *Report on the Status of Competition in the Telecommunications Industry*; *Florida Lifeline Assistance*; *Report on the Efforts of the Florida Public Service Commission to Reduce the Regulatory Assessment Fee for Telecommunications Companies*; *Net Metering Report*; *Statistics of the Florida Utility Industry*; and *Long Range Program Plan*.

FPSC COMMISSIONER HISTORY

Commissioner	Years Served	Replaced By	Appointed By
George G. McWhorter	08/17/1887 - 06/13/1891		
E.J. Vann	08/17/1887 - 06/13/1891		
William Himes	08/17/1887 - 06/13/1891		
The Commission was abolished by the Legislature in 1891, and recreated in 1897			
R.H.M Davidson	07/01/1897 - 01/03/1899	John L. Morgan	
John M. Bryan	07/01/1897 - 01/06/1903	Jefferson B. Brown	
Henry E. Day	07/01/1897 - 10/01/1902	R. Hudson Burr	
John L. Morgan	01/03/1899 - 01/08/1907	Royal C. Dunn	
R. Hudson Burr	10/01/1902 - 01/04/1927	R.L. Eaton	
Jefferson B. Brown	01/06/1903 - 01/08/1907	Newton A. Blitch	
Newton A. Blitch	01/08/1907 - 10/30/1921	A.D. Campbell	
Royal C. Dunn	01/04/1909 - 01/04/1921	A.S. Wells	
A.S. Wells	01/04/1921 - 12/16/1930	L.D. Reagin	
A.D. Campbell	11/12/1922 - 02/10/1924	E.S. Mathews	
E.S. Mathews	02/25/1924 - 01/16/1946	Wilbur C. King	
R.L. Eaton	01/04/1927 - 02/27/1927	Mamie Eaton-Greene	
Mamie Eaton-Greene	02/27/1927 - 01/08/1935	Jerry W. Carter	
L.D. Reagin	12/16/1930 - 07/06/1931	Tucker Savage	
Tucker Savage	07/06/1931 - 01/03/1933	W.B. Douglass	
W.B. Douglass	01/03/1933 - 08/04/1947	Richard A. Mack	
Jerry W. Carter	01/08/1935 - 01/05/1971	William H. Bevis	
Wilbur C. King	01/08/1947 - 07/18/1964	William T. Mayo	
Richard A. Mack	09/15/1947 - 01/05/1955	Alan S. Boyd	
Alan S. Boyd	01/05/1955 - 12/01/1959	Edwin L. Mason	
Edwin L. Mason	12/01/1959 - 01/06/1969	Jess Yarborough	
William T. Mayo	09/01/1964 - 12/31/1980	Katie Nichols	Graham*
Jess Yarborough	01/06/1969 - 01/02/1973	Paula F. Hawkins	
William H. Bevis	01/05/1971 - 01/03/1978	Robert T. Mann	
Paula F. Hawkins	01/02/1973 - 03/21/1979	John R. Marks, III	
Robert T. Mann***	01/04/1978 - 01/03/1981	Susan Leisner	Graham**
The Commission became appointive January 1, 1979			
Joseph P. Cresse***	01/02/1979 - 12/31/1985	John T. Herndon	Askew/Graham
Gerald L. Gunter***	01/02/1979 - 06/12/1991	Susan F. Clark	Askew/Graham/PSC Nominating Council
John R. Marks, III***	03/22/1979 - 03/02/1987	Thomas M. Beard	Graham**
Katie Nichols***	01/02/1981 - 01/03/1989	Betty Easley	Graham
Susan Leisner	02/16/1981 - 04/02/1985	Michael McK. Wilson	Graham
Michael McK. Wilson***	07/12/1985 - 11/22/1991	Luis J. Lauredo	Graham/Martinez
John T. Herndon	01/07/1986 - 04/17/1990	Frank S. Messersmith	Graham
Thomas M. Beard***	03/03/1987 - 08/13/1993	Diane K. Kiesling	Martinez
Betty Easley	01/03/1989 - 01/05/1993	Julia L. Johnson	Martinez
Frank S. Messersmith	06/19/1990 - 02/05/1991	J. Terry Deason	Martinez
J. Terry Deason***	02/06/1991 - 01/01/2007	Ken Littlefield	PSC Nominating Council/Chiles/Bush
Susan F. Clark***	08/15/1991 - 07/31/2000	Michael A. Palecki	Chiles/Bush
Luis J. Lauredo	01/23/1992 - 05/16/1994	Jose "Joe" Garcia	Chiles
Julia L. Johnson***	01/05/1993 - 11/15/1999	Lila A. Jaber	Chiles
Diane K. Kiesling	12/07/1993 - 01/05/1998	E. Leon Jacobs, Jr.	Chiles
Jose "Joe" Garcia***	08/19/1994 - 06/30/2000	Braulio L. Baez	Chiles
E. Leon Jacobs, Jr.***	01/06/1998 - 01/07/2002	Rudolph K. "Rudy" Bradley	Chiles
Lila A. Jaber***	02/29/2000 - 12/02/2004	Lisa Polak Edgar	Bush
Braulio L. Baez***	09/01/2000 - 01/01/2006	Katrina J. Tew	Bush
Michael A. Palecki	12/19/2000 - 01/06/2003	Charles Davidson	Bush
Rudolph K. "Rudy" Bradley***	01/02/2002 - 01/01/2006	Matthew M. Carter II	Bush
Charles M. Davidson	01/07/2003 - 06/01/2005	Isilio Arriaga	Bush
Lisa Polak Edgar***	01/02/2005 - 01/01/2017	Donald J. Polmann	Bush/Crist/Scott
Isilio Arriaga	10/06/2005 - 01/31/2007	Nathan A. Skop	Bush
Matthew M. Carter II***	01/02/2006 - 01/01/2010	Ben A. "Steve" Stevens III	Bush
Katrina J. McMurrrian	01/02/2006 - 10/05/2009	David E. Klement	Bush
Ken Littlefield	01/02/2007 - 01/31/2007	Nancy Argenziano	Bush
Nancy Argenziano***	05/02/2007 - 10/12/2010	Eduardo E. Balbis	Crist
Nathan A. Skop	05/02/2007 - 01/01/2011	Julie I. Brown	Crist
David E. Klement	10/22/2009 - 05/30/2010	Art Graham	Crist
Ben A. "Steve" Stevens III	01/02/2010 - 05/30/2010	Ronald A. Brisé	Crist
Art Graham***	07/16/2010 - 01/01/2022		Crist/Scott
Ronald A. Brisé***	07/23/2010 - 01/01/2018	Andrew Giles Fay	Crist/Scott
Eduardo E. Balbis	11/24/2010 - 01/01/2015	Jimmy Patronis	Crist/Scott
Julie I. Brown***	01/02/2011 - 01/01/2023		Crist/Scott
Jimmy Patronis	01/02/2015 - 06/25/2017	Gary F. Clark	Scott
Donald J. Polmann	01/02/2017 - 01/01/2021		Scott
Gary F. Clark***	09/15/2017 - 01/01/2023		Scott
Andrew Giles Fay	02/02/2018 - 01/01/2022		Scott

* 2 year initial term

** 3 year initial term

*** Served/serving as Chairman