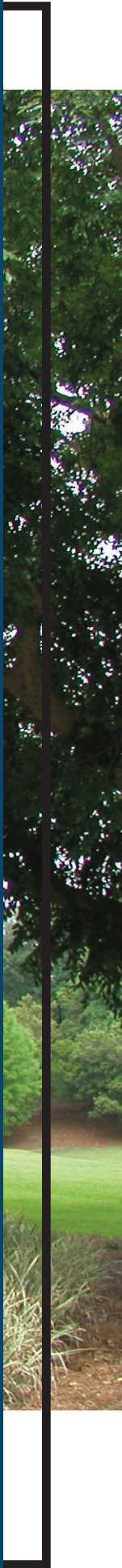




**FLORIDA
PUBLIC
SERVICE
COMMISSION**

**2023
ANNUAL
REPORT**



CHAIRMAN'S MESSAGE

Serving as Chair of the Florida Public Service Commission has truly been one of the greatest honors of my lifetime. During these two years, the Commission has witnessed and enacted vital changes that have enhanced transparency, fortified due process, and advanced our engagement with the community we serve.

I am delighted to present the 2023 Annual Report, which includes several accomplishments carried out by the Commission. Over the course of this year, we have meticulously processed 174 cases, including a comprehensive rate case proceeding filed by Florida's largest investor-owned natural gas utility. Other Commission achievements from this past year include:

- ◆ Served at the Emergency Operations Center following Hurricane Idalia's August 30 land-fall, causing electric outages that peaked at over half a million customers.
- ◆ Updated the Rule on Electric Utility Energy Efficiency Goals, augmenting the transparency and efficacy of the goal-setting process, in compliance with the Florida Energy Efficiency and Conservation Act.
- ◆ Hosted public education sessions from the Electric Power Research Institute (EPRI) on pivotal innovations for a sustainable future, including "Energy Storage Applications and Trends" and "Hydrogen's Potential in the Energy Sector."

The Commission has also embraced new technological advancements, significantly modernizing both procedural and administrative dimensions of the agency's operations. Notable improvements include:

- ◆ The launch of a completely redesigned website, providing better access to Commission information for the citizens of Florida.
- ◆ The prioritization of information technology enhancements, bolstering system security and increasing operational efficiencies.
- ◆ The addition of an online live chat function that allows consumers real-time communication with our dedicated staff.
- ◆ The adoption of a new case management software, improving transparency during hearings and generating cost savings for those engaging with the Commission.

While I am filled with pride at the successes we have realized over these transformative years, I am acutely aware that these achievements are a collective triumph, made possible by the relentless dedication of the Commission staff. Their unwavering commitment is the bedrock upon which our accomplishments stand and I am extremely grateful for all of the support I have been provided these past two years.



Andrew Giles Fay
FPSC Chairman

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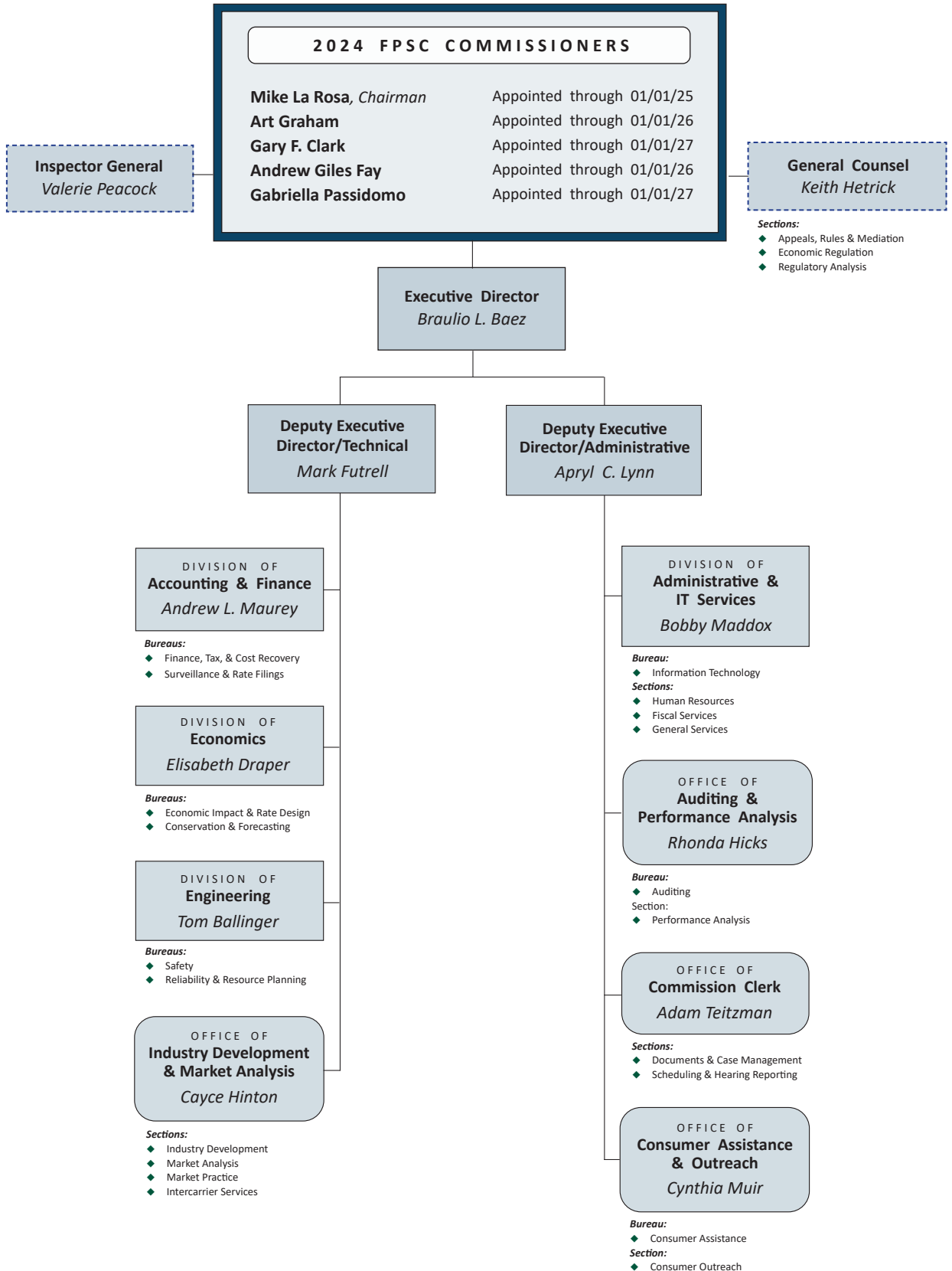
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FPSC ORGANIZATIONAL CHART

AS OF JANUARY 6, 2024



2024 FPSC COMMISSIONERS



COMMISSIONER

Andrew Giles Fay



COMMISSIONER

Art Graham



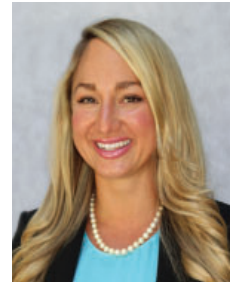
CHAIRMAN

Mike La Rosa



COMMISSIONER

Gary F. Clark



COMMISSIONER

Gabriella Passidomo

Mike La Rosa was appointed to the Florida Public Service Commission by Governor Ron DeSantis for a four-year term beginning January 2, 2021. He was elected to serve as Commission Chairman from January 2024 through January 2026. ♦ Chairman La Rosa is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Committee on Electricity. He also serves on the Florida Virtual School Foundation Board of Directors, an organization that seeks to ensure that all Florida students have access to world-class education. ♦ First elected to the Florida House of Representatives, representing District 42, in 2012, Chairman La Rosa served until he was term limited in 2020. During his legislative career, he served as Chairman of the House Commerce Committee and also on the Appropriations and Rules Committees. As Chairman of the Commerce Committee, he oversaw Energy and Growth Management Policy during times where Florida’s growth and economy was growing at a rapid pace. ♦ Chairman La Rosa was also active in multiple Legislative organizations where he was able to expand his horizons to learn, grow and mentor with other State Legislators from around the US. Much of his focus was on policy that fell within the growth sector, including representing the State on the Southern States Energy Board. ♦ Chairman La Rosa has worked in the real-estate and development industries and is one of the original founders of La Rosa Development and La Rosa Realty. ♦ He received his B.A. degree in Interpersonal Communications with a minor in Political Science from the University of Central Florida. ♦ Chairman La Rosa resides in Leon County with his wife and three sons.

Art Graham was appointed to the Florida Public Service Commission in July 2010 to fill the remainder of an unexpired term and was reappointed three times, most recently for a term through January 1, 2026. He was elected three times to serve as Commission Chairman, working with his colleagues 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 was recently appointed to the NARUC Board of Directors. He is a member of NARUC’s Executive Committee and also serves on NARUC’s Committee on Electricity, Subcommittee on Clean Coal and Carbon Management and the Washington Action Program. 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 was inducted into the Georgia Tech Living Legends in 2005. He also is a 2001 graduate of Leadership Jacksonville and a member of Leadership Florida’s Class XXVII.

CONTINUED

Gary F. Clark was reappointed to the Florida Public Service Commission by Governor Ron DeSantis for a term beginning January 1, 2023. He was first appointed to the Commission by Governor Rick Scott in 2017. Commissioner Clark was elected to serve as Commission Chairman from January 2020 through January 2022. ♦ Prior to his appointment to the PSC, Commissioner 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, Commissioner 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. ♦ Commissioner 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. ♦ Commissioner 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.

Andrew Giles Fay was reappointed to the Florida Public Service Commission (PSC) by Governor Ron DeSantis for a term ending on January 1, 2026. He was first appointed to the PSC by Governor Rick Scott in February 2018. He was elected to serve as Commission Chairman from January 2022 through January 2024. ♦ Commissioner Fay currently serves as the Chair of the National Association of Regulatory Utility Commissioners' (NARUC) Critical Infrastructure Committee where he leads a national effort to enhance the resiliency and reliability of America's energy grid. He also serves on NARUC's Subcommittee on Education and Research where he is the lead faculty member of the nation's premier rate development program, also known as Rate School. ♦ Commissioner Fay was named by his peers as one of Florida Trend's "Legal Elite Government and Nonprofit Lawyers" and has also been recognized as the "Government Attorney of the Year" for his work on a wide array of issues including assisting victims of the attack on the Pulse Nightclub in Orlando. He was also recently appointed to advise the Florida Bar Board of Governors on the use of Artificial Intelligence within the judicial system. ♦ Commissioner Fay earned his Bachelor's and Juris Doctorate from Florida State University. 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 Student Bar Association President.

Gabriella Passidomo was reappointed to the Florida Public Service Commission by Governor Ron DeSantis for a four-year term beginning January 1, 2023. She was first appointed to the Commission in 2021 to fill a vacant seat. ♦ Commissioner Passidomo is a member of the National Association of Regulatory Utility Commissioners (NARUC). She serves on the NARUC Committee on Gas, the NARUC Gas Subcommittee on Pipeline Safety, and was recently appointed to serve on NARUC's Task Force on Gas Planning. Commissioner Passidomo is a member of the Financial Research Institute's Advisory Board and was recently appointed to the Gas Technology Institute's Public Interest Advisory Council and New Mexico State University's Center for Public Utilities Advisory Council. ♦ Before being appointed to the Commission, Commissioner Passidomo served in the FPSC's Office of General Counsel, where she provided analysis and recommendations on issues spanning the Commission's regulatory jurisdiction. ♦ Commissioner Passidomo served as a law clerk for the Florida solicitor general in the Office of the Attorney General. As a law student, she interned in the U.S. Department of Energy's Office of the Assistant General Counsel for Electricity and Fossil Energy. Commissioner Passidomo also authored a report on federal certifications for natural gas pipeline construction under the National Environmental Policy Act, becoming very familiar with federal energy and environmental policy. ♦ Commissioner Passidomo graduated cum laude with a Bachelor of Arts in Political Science from the University of Florida. She earned a Juris Doctorate from the Washington and Lee University School of Law and is a member of the Florida Bar. She received her MBA from Florida State University.

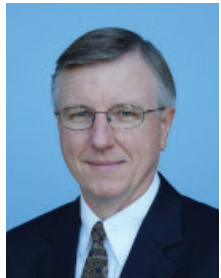
FPSC EXECUTIVE MANAGEMENT



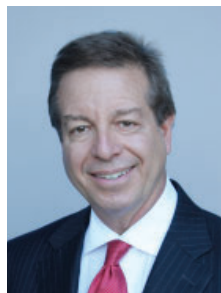
Braulio L. Baez, Executive Director, is responsible for directing, planning, and administering the overall activities of the Commission staff, except the Office of General Counsel. He consults with and advises the Commissioners on regulatory, internal management, and budgetary matters, and acts as an 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 on 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 & 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, Rules, & Ethics 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 Florida Public Service Commission's (FPSC) 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 Commission's 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 significant 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 contribute to an uninterrupted supply of utility services to the general public and confirm that such services are provided reasonably and timely with minimal risks.

In each area, 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 are required to file reports which are reviewed to determine their earnings. If it appears that a company is experiencing excessive earnings, the FPSC initiates a proceeding to thoroughly analyze the company's books and records and reduce 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, it 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 adjusted if a company is found to be overearning.

Annually, the FPSC thoroughly reviews each regulated utility's fuel, capacity, conservation, environmental, and storm protection plan implementation 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, fossil fuel dismantlement studies, and territorial agreements.

WATER & WASTEWATER

In the water and wastewater industries, the FPSC processes a significant number of cases each year. Most cases involve requests for rate increases resulting from the increased cost of providing service. Other cases can 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. The Commission acknowledges abandonments and cancels certificates for systems transferred to exempt entities. Other cases can involve certifying a new utility and setting its initial rates and charges.

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 establish policies 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.

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.

Innovative technologies and increased service options provide customer choices in a competitive market. 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 significant 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.



RELIABILITY, SAFETY & SERVICE ISSUES

ENERGY

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

Electric Reliability

In the electric industry, the FPSC reviews electric 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 energy needs.

The FPSC also monitors investor-owned utilities' (IOUs) electric service reliability 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 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 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 selected from utility work orders. Any variances from the NESC are corrected through its quality control program.

In 2023, FPSC engineers examined more than 33,500 electric safety inspection points to ensure the reliability and safety of Florida's electric grid.



Natural Gas Pipeline Safety

More than 46,000 miles of pipeline comprise Florida's natural gas system. Safety compliance evaluations are conducted annually on all natural gas systems. All violations must be corrected or scheduled for corrective action pursuant to the Commission's enforcement procedures.

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 involving aging infrastructure in other parts of the U.S. 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 Peoples Gas System, Inc.; 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 2022, approximately 1 mile of cast iron and 15 miles of bare steel remain to be replaced.

Emergency Operations Center

The Commission is designated 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 various 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 electrici-

cal power or natural gas, status of generation fuel supply, and estimated restoration time for normal service. The EOC uses this information to determine the most efficient allocation of resources in response to regional recovery efforts.

FPSC staff participated in EOC storm preparation exercises in January and February 2023. In May 2023, FPSC staff attended an exercise hosted by the Federal Emergency Management Agency.

On August 30, 2023, Hurricane Idalia, a Category 3 storm, made landfall near Keaton Beach and created 3 to 9 feet of storm surge. The FPSC supported the EOC in response to this event.

WATER & WASTEWATER

In the water and wastewater industries, the FPSC monitors quality-of-service issues through customer correspondence and complaints. When a consumer complaint regarding water and/or wastewater quality of service is received, FPSC staff works with the consumer and utility personnel to determine the cause of the concern and attempts to resolve the issue. When a complaint results from possible violations of DEP public health rules, FPSC staff works with DEP to resolve the issue.

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. If a utility has a history of multiple complaints or is not in compliance with DEP primary and secondary standards, the FPSC can assess a financial penalty upon the utility.

CONSUMER ASSISTANCE, PROTECTION & OUTREACH

By providing effective consumer assistance, protection, and outreach, 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. Consumer-related articles about the FPSC's regulatory work are also featured in various publications, like Aging Outlook, a digital newspaper from the Department of Elder Affairs. 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 has information to provide consumers with up-to-date regulated utility bill charges and highlights 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. 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. Consumers benefit when they can meet their needs with a single toll-free call.

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 weekly for the agency’s review.

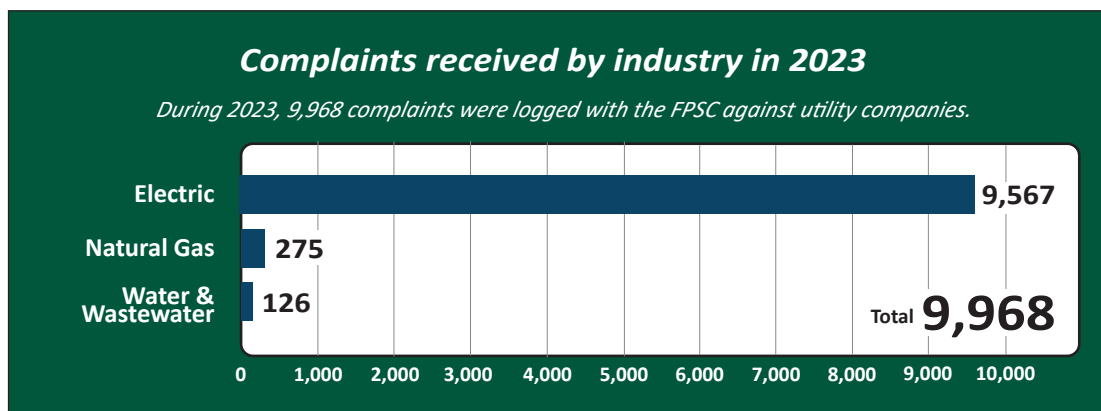
In October 2023, the FPSC launched a website Chat function to enhance consumer access to utility-related information. FPSC analysts assist consumers on Chat from 9:00 a.m. to 4:00 p.m., Monday through Friday.

Resolving Consumer Complaints

Assisting consumers is a FPSC priority. 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. Consumers can find a variety of fact sheets, brochures, and consumer tips on the Commission’s website.

CONTACT THE FPSC IN THE FOLLOWING WAYS:

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



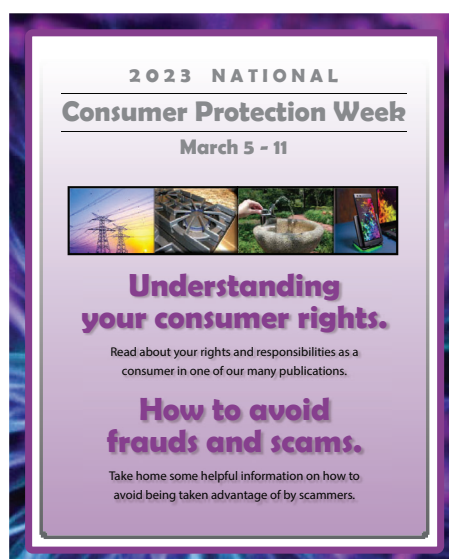
Note: Includes non-certificated complaints logged, complaints transferred via the telephone transfer-connect or e-transfer process, and complaints logged and resolved under the three-day rule.

FPSC jurisdiction over telecommunications complaints is limited to: 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 provide comments and ideas to the Commissioners before final decisions occur. The FPSC also ensures that consumers have the information needed to know their rights as utility customers.

In January 2023, the FPSC launched its modernized, consumer-friendly website, www.FloridaPSC.com, which is more compatible with electronic devices and is continuously updated to keep information current. In addition to the website, consumers receive information in a variety of ways, including news releases, consumer newsletters, X (formerly Twitter), LinkedIn, phone or fax, publications, brochures, scheduled FPSC meetings open to the public, and community events. Consumers can also 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.

National Consumer Protection Week (NCPW), an annual Federal Trade Commission consumer education campaign, highlights consumer protection and education efforts. For over a decade, the FPSC has joined government agencies, advocacy organizations, and private sector groups nationwide to highlight NCPW. Chairman Andrew Fay recognized the 25th Annual NCPW (March 5-11, 2023) by raising awareness and education on scams targeting utility customers that oftentimes offer fraudulent home energy audits. For NCPW 2023, the Commission made presentations to consumers in Bay, Pasco, and Leon Counties, showing consumers how to save money through energy and water conservation and how to avoid scams. A virtual meeting was also held with a housing authority in Duval County.



Each May, the Commission participates in Older Americans Month, a national project to honor and recognize older Americans for their contributions to families, communities, and society. “Aging Unbound” was the theme for Older Americans Month 2023, sponsored by the U.S. Department of Health and Human Services. The FPSC partnered with community centers in Clay, Lake, and Leon Counties to meet with seniors in person and discuss FPSC information. A virtual meeting was also held with a housing authority in Collier County.

Each August, the FPSC provides educational packets, including a sample of 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 617 state public libraries and branches in 2023. To reduce mailing and production costs, the Commission’s 2023 Campaign was accomplished electronically. Following the Campaign, many libraries request a variety of publications. Their continuing support helps the FPSC reach consumers throughout the state.

Florida’s outreach for National Lifeline Awareness Week (LAW), September 11-15, 2023, focused on senior and community centers, housing and neighborhood developments, and area agencies on aging in Nassau, Columbia, St. Lucie, and Sarasota Counties. In addition to increasing awareness among eligible citizens, LAW continued educating residents about the monthly discount on voice and broadband services. Lifeline information is also readily available on the FPSC’s website.

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 2023, the FPSC encouraged consumers to take proactive steps to save energy by sharing a weekly conservation tip on X (formerly Twitter). The FPSC also encouraged consumers to use its Conservation House and other FPSC website information to implement energy-saving strategies during the month.

Recently redesigned and updated, the Commission’s interactive quarterly Consumer Connection Newsletter features current energy and water conservation topics, consumer tips, and general Commission information. Consumer tips highlighted through video and text during 2023 include: Drone Technology Used by Utilities, How to Spot a Scam, New Mini Guide on Transportation Electrification, and Conquer the Chill with a Lower Electric Bill. The Consumer Connection Newsletter is available under Consumer Information/Consumer Portal on the Commission’s website and distributed to consumers via X (formerly Twitter), LinkedIn, and by subscribing to the free newsletter online.

CLICK HERE TO ACCESS:



Every four months, 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 utility to help reduce its energy footprint. Triple E Award recipients receive an award plaque, are highlighted statewide via a press release and on X (@floridapsc), and are featured and archived on the FPSC website, www.FloridaPSC.com, under Consumer Information/Consumer Portal.

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 extensive network of social service organizations in 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. Consumers in need can benefit by contacting their utilities.

A FPSC Helping Hand partner organization or agency is highlighted three times a year. FPSC Helping Hand partners serve clients eligible for the federal Lifeline Assistance telephone/broadband discount program or who need help reducing utility bills. Through FPSC Helping Hand partnerships, the Commission shares information to help consumers avoid scams and lower monthly bills by conserving water and energy.

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 Government Bulletin. The Government 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 virtual and in-person customer hearings and meetings. For each virtual hearing or meeting, customers can access a Rate Case Overview online that explains the case being reviewed and encourages their remote participation. In 2023, FPSC staff organized and attended 9 virtual or in-person customer hearings and meetings, addressing citizens' questions and concerns.

The FPSC must also live stream all meetings attended by two or more Commissioners. This provides greater customer access and participation in FPSC proceedings.

The Commission produces many brochures to help consumers save energy, conserve water, avoid utility-related scams, or learn about the Lifeline Assistance program and other relevant topics. Brochures are provided at outreach events, may be viewed and printed directly from the website, ordered free online, or requested by mail or phone.

The FPSC participates in consumer programs and distributes energy and water conservation materials through partnerships with governmental entities, consumer groups, and other service organizations. For the past few years, the FPSC has held virtual and in-person outreach events to accommodate the many Florida senior and community centers that continue to operate with restrictions.



FPSC

FOR CALENDAR
YEAR 2023

REGULATORY ACTIONS



The FPSC continues to facilitate a regulatory environment that ensures safe and reliable utility services at reasonable rates.

In 2023, the Commission approved several new area codes to accommodate Florida’s growing economy and population, amended the Rule on Electric Utility Energy Efficiency Goals to improve the transparency and efficiency of the goal-setting process, and continued funding for pipeline infrastructure safety improvements. The Commission’s work is a balancing act, and the FPSC will continue to promote fuel diversity and ensure grid reliability and resiliency in 2024.

IN 2023, THE PSC REGULATED:

- ◆ 4 investor-owned electric utilities,
- ◆ 5 investor-owned natural gas utilities, and
- ◆ 146 investor-owned water and/or wastewater utilities
and had competitive market oversight for
- ◆ 289 telecommunications companies in Florida.

The number of certificated telecommunications companies as of November 2023 included:

- ◆ 10 incumbent local exchange companies
- ◆ 257 competitive local exchange companies
- ◆ 22 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 2023 the Commission handled several significant regulatory issues. They are summarized in the following sections.

Florida Power and Light Company

On March 12, 2021, Florida Power and Light Company (FPL) filed a request for annual base rate increases of \$1.108 billion, effective January 1, 2022, and \$607 million, effective January 1, 2023, as well as Solar Base Rate Adjustments (SoBRAs) of \$140 million in both 2024 and 2025. FPL requested a return on equity (ROE) of 11.50 percent, which included a 50-basis point performance incentive adder. As part of its petition, FPL sought approval for uniform rates for FPL and former Gulf Power Company (Gulf) customers. The request included a five-year transition adder applied to former Gulf customers.

As part of the rate case process, the Commission held twelve customer service hearings over two weeks in June and July 2021. Testimony was taken from over 370 FPL and former Gulf customers and public officials concerning the rates and service provided by the companies.

A technical hearing on FPL's request was scheduled for August 16-27, 2021. On August 10, FPL, the Office of Public Counsel (OPC), Florida Retail Federation (FRF), Florida Industrial Power Users Group (FIPUG), and Southern Alliance for Clean Energy (SACE) filed a Joint Motion for Approval of Stipulation and Settlement Agreement (2021 Settlement).

As filed, the 2021 Settlement provided for: 1) a 2022 revenue increase of \$692 million; 2) a 2023 revenue increase of \$560 million; 3) 2024 and 2025 SoBRA revenue increases; 4) uniform rates for all customers throughout the FPL and former Gulf service areas; 5) an ROE midpoint of 10.60 percent with a range of 9.70 to 11.70 percent; 6) a 20-basis point trigger mechanism in the event of a specified rise in the 30-year US Treasury bond interest rate; 7) an adjustment for any federal or state income tax reform; 8) continuance of FPL's Asset Optimization Program with certain modifications; 9) cost recovery for storm damage caused by named storms; and 10) numerous EV and Other Programs and/or Pilots. The 2021 Settlement prohibits FPL from engaging in new natural gas financial hedging contracts.

The final hearing on FPL's base rate increase petition, as well as the 2021 Settlement, was held on September 20, 2021. On October 26, 2021, the Commission approved the 2021 Settlement. The 2021 Settlement is in effect from January 1, 2022, through December 31, 2025, or when FPL's base rates are next reset in a general base rate proceeding. FPL may unilaterally extend the term of the 2021 Settlement by one additional year.

On December 27, 2021 and January 3, 2022, two non-signatories to the Settlement filed written notices of appeal with the Florida Supreme Court. The two appeals were consolidated on March 1, 2022. Oral arguments were heard by the court on February 8, 2023. On September 28, 2023 the court remanded the case to the Commission for clarification.

Duke Energy Florida, LLC

On January 14, 2021, Duke Energy Florida, LLC (DEF) filed a petition for a limited proceeding to approve its 2021 Settlement Agreement (2021 Settlement), which would replace a 2017 Settlement Agreement due to expire year-end 2021. The 2021 Settlement was signed and executed by DEF, OPC, FIPUG, White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate, and Nucor Steel Florida, Inc.

The 2021 Settlement provides DEF with multi-year base rate increases beginning in January 2022, and resolves outstanding issues in existing, continuing, and prospective dockets before

the Commission. The cumulative multi-year increases from 2022 through 2024 total \$195.378 million. The 2021 Settlement also contains the following provisions: 1) DEF is authorized to implement three new EV programs; 2) adjustments will be made for any federal or state income tax reform; 3) the dismantlement study filed in December 2020 is approved without changes; and 4) the depreciation and storm reserve studies filed in December 2020 are approved with specific modifications.

On May 4, 2021, the Commission held a technical hearing on the consolidated dockets (rate case, storm recovery, and dismantlement and depreciation studies). The Commission approved the 2021 Settlement by a bench decision at the conclusion of the hearing. The 2021 Settlement is in effect from January 1, 2022 through December 31, 2024, or when DEF's base rates are next reset in a general base rate proceeding.

Tampa Electric Company

On April 9, 2021, Tampa Electric Company (TECO) filed a request for a base rate increase of \$295 million effective January 1, 2022, as well as Generation Base Rate Adjustments (GBRA) of \$102 million for 2023 and \$25.6 million for 2024 for the recovery of certain solar plant investments. TECO requested a return on equity (ROE) of 10.75 percent. On August 6, 2021, TECO filed a Motion to Suspend Procedural Schedule (Motion) and Approve 2021 Stipulation and Settlement Agreement (2021 Settlement). Parties to TECO's base rate increase case— OPC, FIPUG, FRF, FEA, Walmart, and West Central Florida Hospital Utility Alliance—unanimously supported TECO's Motion.

As part of the administrative hearing in this case, the Commission held three customer service hearings on August 9 and 10, 2021. Testimony was taken from customers and public officials about the rates and service provided by TECO.



The 2021 Settlement provides for: 1) a 2022 revenue increase of \$122.7 million; 2) a 2023 GBRA revenue increase of \$89.8 million; 3) a 2024 GBRA revenue increase of \$21.4 million; 4) an ROE midpoint of 9.95 percent with a range of 9.00 to 11.00 percent; 5) a 25-basis point trigger mechanism in the event of a specified rise in the 30-year U.S. Treasury bond interest rate; 6) an adjustment for any federal or state income tax reform; and 7) cost recovery for storm damage caused by named storms. The 2021 Settlement prohibits TECO from engaging in new natural gas financial hedging contracts or seeking recovery of costs related to investments in oil or natural gas exploration, reserves, or production.

The GBRA's were designed to collect the revenue requirements of TECO's Big Bend Modernization Project and future solar projects. In addition, the 2021 Settlement contains the Clean Energy Transition Mechanism (CETM) to allow cost recovery of the undepreciated net book value of specific major assets recently retired or projected to be retired through 2023. The CETM represents a \$69 million annual revenue recovery effective January 2022.

A technical hearing on TECO's request was held on October 21, 2021, and a bench decision was made to approve the 2021 Settlement. TECO's 2021 Settlement is in effect from October 21, 2021 through December 31, 2024, or when TECO's base rates are next reset in a general base rate proceeding.

On July 1, 2022, TECO filed a petition to activate the 2021 Settlement’s ROE trigger mechanism based on interest rate increases on the 30-year U.S. Treasury Bond. TECO requested an increase of its authorized ROE mid-point to 10.20 percent with a range of 9.25 percent to 11.25 percent, a revenue requirement increase and an associated base rate increase of \$10 million. A hearing was held on August 16, 2022, and TECO’s petition was approved.

On August 26, 2022, TECO filed a petition to implement the 2023 GBRA provisions in the 2021 Settlement. TECO proposed to increase the 2023 GBRA amount from \$89.8 million to \$91.0 million to account for the increased ROE allowed by the trigger mechanism. Subsequently, TECO notified the Commission that it was evaluating, in coordination with OPC, the impact of the Inflation Reduction Act (IRA) on the company’s 2023 GBRA. The IRA increased the tax benefits associated with the construction of renewable energy projects, including solar-generating assets.

On December 6, 2022, the Commission approved TECO’s proposed GBRA increase effective January 2023. On August 16, 2023, TECO filed a petition to implement the 2024 GBRA amount of \$21.7 million (based on the increased ROE). TECO is discussing the impacts of the IRA on the 2023 and 2024 GBRA with OPC.

NATURAL GAS RATE CASES

Florida City Gas

On May 31, 2022, Florida City Gas (FCG) filed a petition seeking the Commission’s approval of a rate increase and associated depreciation rates. FCG requested an increase of \$29.0 million in additional annual revenues. Of that amount, \$5.7 million is to reclassify FCG’s Safety, Access, and Facility Enhancement (SAFE) program revenues from the surcharge to base rates, and \$3.8 million is related to the revenue requirements for the previously approved Liquefied Natural Gas Facility (LNG). FCG petitioned that the remaining \$19.4 million is necessary for the Company to earn a fair rate of return on its investment and to adopt its requested reserve surplus amortization mechanism (RSAM). FCG revised its requested increase to \$28.3 million in its testimony. FCG did not request interim rate relief in this proceeding.

Two in-person and two virtual Customer Service Hearings were held in September 2022 to hear from customers on FCG’s request and quality of service, and the Commission held a technical hearing on December 12-16, 2022, to address FCG’s petition.

On April 25, 2023, the Commission voted on FCG’s rate case request, and the Final Order was issued on June 9, 2023, which granted a \$23.0 million increase to FCG’s annual revenues. Of that amount, \$14.1 million is associated with the transfer of SAFE investments and the LNG Facility. Additionally, the Commission also approved FCG’s requested RSAM along with its Reserve Surplus of \$25.0 million.

On June 23, 2023, OPC filed a Motion for Reconsideration, taking issue with the approval of FCG’s RSAM. OPC also filed an appeal with the Florida Supreme Court on the matter, but the appeal was stayed by the Court pending the Commission’s disposition on the Motion. Oral argument was heard on September 12, 2023 and the Commission denied the Motion for Reconsideration by Final Order issued on October 2, 2023. The case is now pending with the Florida Supreme Court.

**Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation,
Florida Public Utilities Company-Fort Meade, and Florida Public Utilities
Company-Indiantown Division**

On May 24, 2022, Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation, Florida Public Utilities Company-Fort Meade, and Florida Public Utilities Company-Indiantown Division (collectively FPUC) filed a petition seeking Commission approval to increase rates and charges and to consolidate the four natural gas utilities into one utility operating under the name Florida Public Utilities Company (FPUC).

In 2009, Chesapeake Utilities Corporation, a Delaware corporation, owned and operated by the Florida Division of Chesapeake Utilities Corporation, acquired Florida Public Utilities Company's electric and gas divisions. In 2010, Florida Public Utilities Company acquired Indiantown Gas Company and, in 2013, the natural gas assets of Fort Meade, a municipal utility. Since the acquisitions, Indiantown Gas Company operates as Florida Public Utilities Company-Indiantown Division and Fort Meade as Florida Public Utilities Company-Fort Meade.

In its petition, the company requested an increase of \$43.8 million in additional annual revenues. Of that amount, \$19.8 million is associated with moving FPUC's current investment in the Commission-approved Gas Reliability Infrastructure Program (GRIP), which is being recovered through a separate surcharge on customers' bills, into base rates. The remaining \$24 million, according to FPUC, is necessary to earn a fair return on its investment and a requested return on equity of 11.25 percent. FPUC based its request on a 13-month average rate base of \$454.9 million for the projected test year January through December 2023. The requested overall rate of return is 6.43 percent.



FPUC stated that the key drivers for the proposed rate increase are: capital investments to expand service, technology, and safety investments; increased insurance premiums; and an increase in the cost of materials and labor due to high inflation. As part of the petition, FPUC filed a new 2023 depreciation study, a cost recovery environmental surcharge, revisions to its Area Expansion Program (AEP), and consolidated rate structures.

Two in-person and three virtual Customer Service Hearings were held in August and September 2022 to hear from FPUC customers about the company's request and quality of service. A technical hearing was held on October 25-26, 2022 to address FPUC's petition.

On, January 24, 2023, the Commission approved a \$36.9 million increase in base rates and an ROE of 10.25 percent. Of that amount, \$19.8 million is associated with moving FPUC's current investment in GRIP into base rates. Additionally, a 10-year Environmental Cost Recovery Surcharge was approved to recover environmental remediation costs related to FPUC and Chesapeake's three former manufactured gas plant sites in West Palm Beach, Key West, and Winter Haven. The Commission also approved FPUC's proposal to consolidate its cost of service for Florida Public Utilities Company, Chesapeake, Fort Meade, and Indiantown.

Peoples Gas System, Inc.

On April 4, 2023, Peoples Gas System, Inc. (PGS) filed a petition seeking the Commission's approval of a rate increase and associated depreciation rates. PGS requested an increase of \$139.3 million in base rates. Of that amount, \$11.6 million is associated with revenue require-

ments transferred from the Cast Iron/Base Steel Replacement Rider. The remaining \$127.6 million is necessary, according to PGS, to earn its requested ROE of 11.00 percent. PGS is seeking rate relief because of statewide growth and construction, higher depreciation expenses, changing pipeline safety and security regulations, higher inflation, and higher cost of capital in the financial markets.

Two in-person and four virtual Customer Service Hearings were held in June and July 2023 to hear from PGS customers about the company’s request and quality of service. A technical hearing was held on September 12-15, 2023 to address PGS’s petition.

On November 9, 2023, the Commission approved an increase of \$117.8 million in base rates and an ROE of 10.15 percent. Of that amount, \$11.2 million is associated with revenue requirements transferred from the Cast Iron/Bare Steel Replacement Rider. The ruling also allowed for an annual storm damage accrual of \$380,000, with a storm reserve target of \$3.8 million.

DEPRECIATION, DISMANTLEMENT, and 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.

Dismantlement studies for electric utilities that own and operate fossil fuel generating units must 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 must 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

Electric Depreciation and Dismantlement Studies

Florida Power and Light Company

FPL filed its 2021 Depreciation and Dismantlement Studies on March 12, 2021, in conjunction with its petition for a base rate increase. FPL’s depreciation study resulted in a modest

decrease in depreciation expense of \$2.4 million, due primarily to the 20-year life extension of the Turkey Point Nuclear Power Plant approved by the Nuclear Regulatory Commission in 2019. For the depreciation study's application to the rate proceeding, FPL provided two sets of Minimum Filing Requirements, one reflective of depreciation rates obtained from its 2021 depreciation study and another reflective of depreciation rates based on certain alternative depreciation parameters.

The alternative parameters were based on extended service lives for specific plant categories (e.g. St. Lucie Nuclear, combined cycle, solar, and some transmission, distribution, and general) relative to lives proposed in FPL's 2021 Depreciation Study. FPL's alternative parameters resulted in a substantial theoretical reserve surplus, which the company proposed to adjust earnings levels within the authorized range determined in the rate case. This proposed accounting adjustment was identified as the Reserve Surplus Amortization Mechanism (RSAM) to be implemented in exchange for its proposed multi-year rate case stay-out provision (including the years 2022-2025). Alternatively, if the Commission did not approve the proposed multi-year stay-out provision, FPL maintained that its 2021 Depreciation Study should be approved and implemented.

The alternative parameters, as well as the resulting depreciation rates, were included as the basis for FPL's 2021 Settlement, which the Commission ultimately approved (see "Electric Rate Cases"). The result was a decrease in depreciation expense of \$235 million in the 2022 test year relative to the depreciation expense associated with FPL's 2021 Depreciation Study and the creation of a depreciation reserve surplus of \$1.48 billion, of which \$1.45 billion was earmarked for FPL earnings adjustments (RSAM) to be applied at the company's discretion, during the term of the 2021 Settlement (2022-2025).



FPL filed its 2021 Dismantlement Study (corrected) on May 7, 2021. FPL's corrected study resulted in total dismantlement accruals of \$51.9 million, an increase of \$25.1 million over the accruals established in 2016. Much of the increase was related to the solar generating assets installed during the interim years and those expected to be added through 2025. The dismantlement expense recognized in FPL's 2021 Settlement was \$47.7 million, or \$5.7 million lower than the amount reflected in the study. This decrease was related to the longer plant lives associated with alternative parameters supporting the RSAM.

Per the 2021 Settlement, the next depreciation and dismantlement studies must be filed on or before the date the next rate case petition is filed, rather than within four years of the 2021 Depreciation Study file date as is generally the case under Rules 25-6.0436 and 25-6.04364, F.A.C.

Duke Energy Florida, LLC

DEF filed its 2020 Depreciation and Dismantlement Studies on December 31, 2020, then modified its depreciation study on January 14, 2021, in conjunction with DEF's 2021 Settlement. The modifications reflected the acceptance of the existing distribution and transmission depreciation rates, combined cycle generating plant lives of 40 years, and the delayed amortization until January 1, 2025 of the Cost of Removal (COR) Regulatory Asset. The COR Regulatory Asset is valued at \$460.7 million. The modified study ultimately approved by the Commission resulted in a \$121.8 million increase in depreciation expense, approximately \$57.6 million less

than the amount identified in DEF's originally-filed study. The dismantlement study resulted in 2022 dismantlement expense of \$414.5 million, or \$253.2 million higher than the 2010 estimates. The most significant changes in the dismantlement study are related to the addition of solar sites, the Citrus County Combined Cycle site, and the addition of plant inventory in the cost estimates. The cost of the increase is deferred to a regulatory asset during DEF's 2021 Settlement term (2022-2024).

Tampa Electric Company

TECO filed its 2020 Depreciation and Dismantlement Studies on December 30, 2020. In the same filing, the Company proposed the accelerated recovery of the undepreciated net book value of Big Bend Generating Units 1, 2, and 3 assets and Automated Meter Reading (AMR) assets. These assets were all scheduled for early retirement through 10-year capital recovery schedules and were not reflected in the depreciation rates and expense proposed in TECO's 2020 Depreciation and Dismantlement Studies. The results of these studies included an increase in annual depreciation expense of \$29.6 million relative to then-current depreciation rates and an increase in annual dismantlement expense of \$6.8 million.

On April 9, 2021, TECO filed a petition for a base rate increase, supported by its earlier-filed depreciation and dismantlement studies. TECO's 2021 Settlement, filed August 6, 2021, proposed a reduction of \$28.7 million to the annual depreciation and dismantlement expense proposed in TECO's 2020 studies, resulting in a net annual depreciation and amortization expense of \$376 million. Under the 2021 Settlement, the net book value of Big Bend Assets and AMR metering assets, along with the dismantlement reserve deficit of \$111.1 million, were separated from base rates and will be recovered via a new charge identified as the Clean Energy Transition Mechanism (CETM). The CETM charge will remain in effect for 15 years (through 2036) as a levelized charge on customers' bills. The Commission approved the 2021 Settlement on October 21, 2021. TECO's next depreciation and dismantlement studies are due to be filed no more than one year, and no less than 90 days, before the filing of its next rate case proceeding.

Florida Public Utilities Company

FPUC filed its Depreciation Study on June 26, 2023. FPUC's Depreciation Study period extends through December 31, 2022, with a proposed effective date for new depreciation rates of January 1, 2023. FPUC proposed longer depreciation lives for several major accounts, contributing to its proposed reduction to depreciation expense of \$0.9 million. On December 5, 2023, the Commission approved FPUC's Depreciation Study.

Gas Depreciation Studies

Peoples Gas System, Inc.

PGS filed its Depreciation Study on December 28, 2022. The procedural schedule for the study was combined with PGS's rate case and its petition for a renewable natural gas facility (RNG) depreciation rate on April 4, 2023. PGS revised its depreciation study in July 2023, in part to account for shifting the depreciation study end-date for calculating depreciation rates from December 31, 2024 to December 31, 2023. Ultimately, PGS proposed a reduction in depreciation expense of \$0.342 million, reflecting longer depreciation lives, a change in the study period, removal of Alliance RNG project related assets, and reclassification of certain New River RNG and Brightmark RNG assets to different plant accounts. All such changes resulted in a total depreciation expense of \$87.271 million. PGS also proposed using the remaining life technique to correct a reserve imbalance of \$160.4 million. On November 9, 2023, the Commission approved PGS's proposed rates and reserve imbalance treatment.

Florida City Gas

FCG filed its Depreciation Study on May 31, 2022 in conjunction with its request for a base rate increase, with a study period ending December 31, 2022. FCG proposed alternate depreciation study parameters for its various large accounts than those used to support then-current depreciation rates. However, FCG proposed the depreciation parameters and rates based on even longer lives, taken from a recent settlement approved for PGS, in support of FCG's proposed RSAM. The RSAM was proposed in FCG's rate case for use in setting customer rates. In April 2023, the Commission approved FCG's RSAM rates and parameters, and authorized \$25 million of its resulting \$52.1 million reserve surplus to be used for the RSAM to provide customer benefits of rate stability and certainty. OPC filed a Motion for Reconsideration in June 2023, pertaining to the Commission's approval of depreciation parameters and RSAM, which the Commission denied on October 2, 2023.

Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation, Florida Public Utilities Company-Fort Meade, and Florida Public Utilities Company-Indiantown Division

FPUC filed its 2023 Depreciation Study on May 24, 2022, in conjunction with its petition for approval of a base rate increase and consolidation, for cost of service purposes, of its four natural gas utilities into one utility operating under the name Florida Public Utilities Company. FPUC requested cost of service consolidation for Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation, Florida Public Utilities Company-Fort Meade, and Florida Public Utilities Company-Indiantown Division. On March 15, 2023, the Commission approved the requested consolidation and a net annual depreciation and amortization expense of \$14.7 million. This amount reflects reduced test year depreciation expenses of \$2.2 million, primarily the result of applying new depreciation parameters associated with longer average service lives. The Commission approved this depreciation expense and revised depreciation rates effective on January 1, 2023.

St. Joe Gas Company, Inc.

St. Joe Gas Company, Inc. (SJNG) filed its 2022 Depreciation Study on January 30, 2023, with a study period ending December 31, 2022. In July 2023, the Commission approved an annual depreciation expense increase of \$49,003 and revised depreciation rates with an effective date of January 1, 2023.

Sebring Gas Company

Sebring filed its Depreciation Study on November 18, 2021. The company's depreciation study period extends through December 31, 2021, with a proposed effective date for depreciation rates of January 1, 2022. On April 5, 2022, the Commission approved revised depreciation rates for Sebring, effective January 1, 2022, reflecting an annual increase in depreciation expense of \$4,342 based on investments as of December 31, 2021.



NUCLEAR DECOMMISSIONING

Duke Energy Florida, LLC

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 the Crystal River Unit 3 (CR3) nuclear generating facility by 2027 and Nuclear Regulatory Commission (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 U.S. Department of Energy for disposal of spent nuclear fuel as well as operational responsibility of CR3. DEF also requested Commission approval of its updated nuclear decommissioning study.

DEF's CR3 decommissioning is the first decommissioning for a nuclear power plant in Florida. The nuclear portion of the plant was shut down in 2009.

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 ruled upon DEF's nuclear license transfer application and its related order was issued. The NRC issued its order on April 1, 2020, approving the license transfer application to ADP. An evidentiary hearing was held July 7-9, 2020. The Commission approved DEF's proposed decommissioning transaction of CR3 and DEF's 2019 Accelerated Decommissioning Study on August 18, 2020. The Commission also set the decommissioning accrual to be collected from DEF's customers at zero dollars per year to cover the cost of decommissioning. The Commission's approval of the transaction means the decommissioning services over the contract's life will be provided for a fixed price of \$540 million. The status of the nuclear decommissioning trust fund was found to be sufficient to cover both the fixed price contract obligation as well as all expected DEF costs going forward. The Commission set forth a wide range of reporting requirements for DEF that extended through the final period of partial license termination. The docket remains open for monitoring purposes.

Florida Power and Light Company

FPL filed its 2020 Nuclear Decommissioning Study for St. Lucie Units 1 & 2 and Turkey Point Units 3 & 4 on December 14, 2020. Consistent with its 2015 study, FPL's 2020 study included the DECON method (i.e. prompt removal/dismantling) for decommissioning its Turkey Point Units and a combination of the DECON method and SAFSTOR method (mothballing with delayed removal/dismantling) for decommissioning the St. Lucie Units. FPL's study recognized the 20-year life extension granted by the NRC in 2019 for the Turkey Point Units 3 & 4 to 2052 and 2053, respectively. The St. Lucie Units 1 & 2 operational licenses currently extend through 2036 and 2043, respectively. The cost estimate to decommission the Turkey Point Units (\$1.361 billion) decreased substantially compared to the 2015 study (23.4 percent), largely due to the impact of the 20-year life extension on spent fuel management for Turkey Point Unit 4. St. Lucie decommissioning costs (\$1.745 billion) decreased 3.4 percent relative to the costs identified in the 2015 study.

NRC rules require that licensees provide reasonable financial assurance that funds will be available for decommissioning through prepayment, and the Commission approved an external sinking fund method for that purpose in 1989. The fund, established by FPL for decommissioning its nuclear units, has required a zero accrual since 2005. After reviewing updated costs, funds balance, and earnings rate, the Commission approved the proposed continuation of a zero accrual on June 15, 2021. In tandem with this review, the Commission recognized proposed decreases to FPL's nuclear units' end-of-life materials and supplies and last core (nuclear fuel) annual amortization expenses. FPL's next decommissioning study is due by December 14, 2025.

FUEL DIVERSITY

Florida's generating capacity is anticipated to grow to meet the increase in customer demand. While most of this demand is currently met through natural gas, renewables—primarily solar photovoltaic—are the fastest increasing generation resources. As of 2022, approximately 9,274 MW of renewables, including 7,798 MW of solar, was installed in Florida, contributing

to 8.1 percent of all electricity production. In 2023, approximately 1,646 MW of new solar generation was planned, with all renewables increasing to 9.7 percent of electricity production. Sources of renewables have included utility-owned generation, qualifying facilities with purchased power agreements, and customer-owned renewable energy resources.

FUEL COST RECOVERY

On November 1, 2023, the FPSC held its annual cost recovery clause hearing to address the true-up of 2022 and 2023 fuel costs, establish 2024 fuel costs, and further establish the 2024 fuel cost recovery factors for the four electric IOUs. As a result of decisions made at the hearing, three electric IOUs' authorized fuel cost recovery factors will be lower in 2024, and one IOU's authorized fuel cost recovery factors will be higher.

For DEF, the fuel cost recovery portion of a residential customer bill using 1,000 kWh of electricity will decrease by \$5.20 per month in 2024. Other authorized 2024 net changes to base rate charges, cost recovery amounts, and taxes result in a total bill that is, on average, \$11.72 per month lower.

For FPL (which includes the former Gulf Power Company, now known as FPL Northwest [FPL NW]), the fuel cost recovery portion of a residential customer bill using 1,000 kWh of electricity will decrease by \$6.23 per month in 2024. While most of the bill-component amounts are the same for FPL and FPL NW, there are some differences. For the historical FPL service territory, net changes to other cost recovery amounts and taxes will result in a total 2024 bill that is \$0.49 per month lower. For the FPL NW service territory, net changes to other cost recovery amounts and taxes will result in a total 2024 bill that is \$5.21 per month lower. The differences between the two bill impacts are differences in temporary transition (to a unified rate structure) rider amounts and associated tax levels.



For TECO, the fuel cost recovery amount and resulting factors will be lower in 2024 than those charged in 2023. The fuel cost recovery portion of a residential customer bill using 1,000 kWh of electricity will decrease by \$13.72 per month in 2024. Other net changes to cost recovery amounts and taxes will result in a total 2024 bill that is \$17.65 per month lower.

For FPUC in 2024, fuel cost recovery amounts and factors are lower compared to December 2023. The fuel cost recovery portion of a residential customer bill using 1,000 kWh of electricity will decrease by \$11.40 per month in 2024. Other net changes will result in a total bill that is \$6.91 per month lower.

In addition to setting 2024 fuel cost recovery factors for the electric IOUs at the November 2023 Cost Recovery Clause hearing, the Commission also set the 2024 maximum levelized factor cap that investor-owned natural gas companies are allowed to charge their customers for purchased natural gas. PGS, FCG, FPUC, and SJNG are utilities subject to the purchased gas adjustment (PGA). Although similar to the electric utility fuel clause in providing dollar-for-dollar recovery of expenditures, the PGA is unique in that utilities may adjust, or “flex down” on a month-to-month basis, the recovery factor to an amount lower than the cap to more closely match expected monthly costs. The bill impact for a residential customer using 20 therms, based on the 2024 PGA cap, will be \$19.37 for PGS, \$16.96 for FCG, \$26.18 for FPUC, and \$20.94 for SJNG.

STORM RESTORATION COST RECOVERY

Florida electric IOUs incur restoration costs related to damage caused by named tropical storms. Utilities must file petitions with the Commission for approval to recover these costs, which are audited and analyzed to determine the appropriate amount of costs prudently incurred.

In the first quarter of 2023, the Commission approved interim storm restoration recovery charges for FPL, TECO, and DEF to recover costs associated with named storms and to replenish each utility's storm reserve fund. The Commission granted FPL preliminary approval for the recovery of \$1.5 billion in interim storm restoration recovery for costs associated with Hurricanes Ian and Nicole, as well as the remaining costs from Hurricanes Michael, Sally, and Zeta. The Commission granted TECO preliminary approval for the recovery of \$131.0 million in interim storm restoration recovery for costs associated with Hurricanes Dorian, Elsa, Ian, Nicole, and Tropical Storms Alberto, Nestor, and Eta. The Commission granted DEF preliminary approval for the recovery of \$442.1 million in interim storm restoration recovery for costs associated with Hurricanes Elsa, Eta, Ian, Isaias, and Nicole, and Tropical Storm Fred.



In November 2023, the Commission approved amended interim storm restoration recovery requests for FPL, now \$1.3 billion, and for TECO, now \$134.5 million. In December 2023, the Commission approved DEF's amended interim recovery request that includes \$91.9 million related to Hurricane Idalia and reduces its overall recovery costs by \$10.7 million.

The interim surcharges are subject to refund, with interest, pending further review once the total actual storm restoration costs are filed. TECO and DEF filed final costs in the third quarter of 2023 and FPL filed final costs in the fourth quarter of 2023. Hearings have been scheduled for May 1-2, May 21-22, and June 18-20, 2024 for TECO, DEF, and FPL, respectively.

STORM PREPAREDNESS INITIATIVE

On May 23, 2023, FPSC staff held a hurricane season preparedness workshop. Representatives of Florida's four IOUs, Orlando Utilities Commission, Lee County Electric Cooperative, and Lumen (CenturyLink) each made presentations about their hurricane preparedness processes. The presentations included discussions on vegetation management, pole inspections, storm preparedness, customer communications, and lessons learned.

STORM PROTECTION PLANS and COST RECOVERY

In 2019, the Legislature enacted Section 366.96, F.S., which requires each electric public utility to file ten-year Storm Protection Plans (SPP) for Commission approval every three years. The SPPs are intended to strengthen electric infrastructure to reduce outage times and restoration costs associated with extreme weather events and to enhance reliability. Section 366.96(7), F.S., establishes the Storm Protection Plan Cost Recovery Clause (SPPCRC), which allows utilities to annually recover the prudently incurred costs of implementing their SPPs.

Rule 25-6.030, F.A.C., requires each utility to file an updated SPP, at least every three years, which covers the utility's immediate ten-year planning period. Rule 25-6.031, F.A.C., provides that after a utility has filed its SPP, it may petition the Commission for recovery of implementation costs through the SPPCRC. In April 2022, DEF, FPL, and TECO each filed updated SPPs for Commission approval. The initial SPPs were filed in 2020 and approved through individual Settlement Agreements. Additionally, FPUC filed its first SPP for Commission approval in April 2022.

The Commission held a technical hearing on August 2-4, 2022, to address all four dockets. On October 4, 2022, the Commission voted to approve the plans with modifications. The utilities filed their modified SPPs on November 14 and 15, 2022, as required. However, the Commission's Orders approving the plans with modifications were appealed by OPC. The Florida Supreme Court's decision on this matter is pending.

All four IOUs have filed petitions to recover implementation costs through the SPPCRC after receiving Commission approval of their respective SPP. The Commission conducted a hearing to address utility petitions for cost recovery on September 12, 2023, and voted to approve those petitions on November 9, 2023.

TERRITORIAL AGREEMENTS and DISPUTES for ELECTRIC and GAS UTILITIES

Section 366.04, F.S., gives the Commission authority to approve territorial agreements and resolve service territory disputes between utilities. In 2023, the Commission approved territorial agreements between Florida Keys Electric Cooperative Association, Inc. and the Utility Board of the City of Key West; between Duke Energy Florida, LLC and Peace River Electric Cooperative, Inc.; and between Tampa Electric Company and the City of Bartow, Electric Department.

CONSERVATION ACTIVITIES for ELECTRIC and GAS 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. FEECA goals were most recently set by the FPSC in 2019. At that time, the Commission decided to continue the existing goals established in the 2014 goal-setting proceeding and for the one applicable gas utility, PGS, to establish goals based on its existing programs. The next goalsetting proceeding will be conducted by the Commission during 2024, which will establish annual goals for 2025 through 2034.

To implement the goals, each FEECA electric utility must file Demand-Side Management (DSM) 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. In 2020, the Commission approved plans for all seven electric FEECA utilities (FPL, DEF, TECO, Gulf, FPUC, Orlando Utilities Commission, and JEA), which began implementing the new and modified programs by the end of 2020. With the merger of FPL and Gulf in 2021, the Commission approved a revised DSM Plan to reflect the combined goals of the two entities. In 2021, the Commission approved plans from its sole natural gas FEECA utility, PGS.

In 2022, the Commission approved revisions to Rule 25-17.0021, F.A.C., Goals for Electric Utilities. The revisions direct the electric FEECA utilities to provide goals based upon the amount of conservation savings reasonably achievable through demand-side management programs over the goals period, including information on at least two scenarios using different cost-effectiveness methods.

In 2023, the Commission evaluated each FEECA utility's achievements in meeting its established 2022 conservation goals. This evaluation was incorporated into the Commission's Annual Report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act, which the Commission approved in November 2023 for submission to the Governor and Legislature.

Each year, the Commission audits and evaluates FEECA program expenses and holds an evidentiary hearing to determine the appropriate conservation cost recovery factors for customers' bills. In November 2023, the Commission set the 2024 conservation cost recovery factors for the electric IOUs, which range from \$1.24 to \$3.30 a month for a residential customer using 1,000 kWh. In addition, the Commission set the 2024 conservation cost recovery factors for the natural gas IOUs, which range from \$2.60 to \$6.78 a month for a residential customer using 20 therms.

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 based on each fossil-fuel generating technology type in a utility's Ten-Year Site Plan. In 2023, the Commission approved standard contracts for each IOU to purchase renewable energy.

Currently, renewable energy facilities provide approximately 9,274 MW of firm and non-firm generation capacity, which represented 14.1 percent of Florida's overall generation capacity of 65,869 MW in 2022. Approximately 3,442 MW are considered firm, based on either operational characteristics or contractual agreement. Solar generation contributes approximately 3,002 MW to this total, based on 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.

Utility-Scale Solar Generation

As of 2022, approximately 6,025 MW of utility-scale solar was installed in Florida. The Commission has approved cost recovery for approximately 2,500 MW of the total for FPL, DEF, and TECO under Solar Base Rate Adjustments (SoBRA) mechanisms included in each company's respective 2016 and 2017 rate case settlements. During 2021, the Commission approved several base rate settlement agreements that included additional utility-scale solar generation.

FPL's Settlement expanded the existing 1,490 MW SolarTogether Program by an additional 1,788 MW through 2025. TECO's Settlement featured two Generation Base Rate Adjustments (GBRAs) for an additional 373.5 MW of solar through 2024. In May 2021, the Commission approved DEF's Clean Energy Connection program, a community solar program which is projected to add 750 MW through 2024. This decision is currently under litigation.

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 also extended net metering requirements to municipal and rural electric cooperative utilities. 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 2023 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, 577 customer-owned renewable generation systems accounted for 3 MW of renewable capacity. At year-end 2022, there were 189,952 customer-owned systems interconnected, amounting to approximately 1,780 MW of renewable capacity. The FPSC will continue to enforce existing renewable policies and explore additional policies to benefit Florida's consumers.



POLE ATTACHMENTS and INSPECTIONS

On June 29, 2021, the Florida Legislature amended Section 366.04, F.S., granting the FPSC jurisdiction to regulate pole attachments in Florida, along with safety requirements for certain poles owned by communications services providers. Section 366.04(8), F.S., requires the FPSC to hear and resolve complaints concerning rates, charges, terms, conditions, voluntary agreements, or any denial of access regarding attachments to joint-use poles owned by either a public utility or a communications services provider.

The FCC has jurisdiction over pole attachments unless a state certifies that it regulates pole attachments through what is known as reverse preemption. The FPSC adopted a procedural rule, Rule 25-18.010, F.A.C., on May 20, 2022, and it became effective on June 8, 2022. The rule addresses procedures for filing and responding to pole attachment complaints, as well as deadlines for final FPSC action on such complaints. On June 13, 2022, the FCC acknowledged that the FPSC now regulates pole attachments in Florida.

Section 366.04(9), F.S., requires the FPSC to regulate the safety, vegetation management, repair, replacement, maintenance, relocation, emergency response, and storm restoration requirements for poles owned by communications services providers that have electrical facilities attached. The FPSC adopted Rule 25-18.020, F.A.C. on April 12, 2022, and it became effective on May 1, 2022. The rule addresses mandatory pole inspections, including repair or replacement, vegetation management requirements, and monetary penalties for failure to comply with the rule.

In 2023, the Florida Legislature passed House Bill 1221, creating Section 425.04(13), F.S., which allows rural electric cooperative utilities to provide communications services under certain circumstances. If a rural electric cooperative elects to provide communications services pursuant to that section, all poles owned by the cooperative will be subject to regulation by the Commission under Section 366.04(8), F.S., as if it were a public utility. The bill was signed into law by the Governor on June 5, 2023.

TELECOMMUNICATIONS

ILEC WHOLESALERE PERFORMANCE MEASURES

The Commission is responsible for ensuring that incumbent local exchange carriers (ILECs) meet their obligation to provide unbundled access, interconnection, and resale to competitive local exchange companies (CLECs) in a nondiscriminatory manner. To ensure that ILECs meet 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 acceptable wholesale service quality level that the three ILECs must provide to the CLECs.

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. Wholesale service quality is measured in ordering, provisioning, and repair timeliness.

On April 26, 2023, CenturyLink filed a request with the Commission to discontinue its wholesale performance measure plans, noting that it had been granted such relief from the Nevada Public Utilities Commission. CenturyLink asserts that the same market conditions that justify its requested relief in Nevada also exist in Florida. The Commission is currently reviewing this petition.

INTERCARRIER RELATIONS

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. During this process, the FPSC will often facilitate an agreement among the parties, and their complaint will be withdrawn.

NUMBERING RESOURCES

The FPSC is responsible for determining the appropriate form of area code relief when telephone numbers exhaust within an area code. While several methods are 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 assigning 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 2022, the Commission approved two overlay relief plans. The first approved overlay was for the 305/786 area code, which serves Miami-Dade County and the Florida Keys. The new area code, 645, was implemented on August 4, 2023. The second approved overlay was for the 904 area code, which serves all or most of Nassau, Duval, Baker, Bradford, Clay, St Johns, and Union Counties. The new area code, 324, will be implemented on February 26, 2024.

The Tele-Competition Innovation and Infrastructure Enhancement Act of 2003 requires a statewide cooperative effort to 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 monthly wireless minutes and/or measured data service from designated wireless providers.

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 (2016 Order). Beginning on December 1, 2020, support for voice-only service was further reduced to \$5.25 and was scheduled to be completely phased out on December 1, 2021. However, the FCC has delayed the complete phase-out of voice-only Lifeline support several times. Pursuant to its most recent Order, support for voice-only Lifeline services will continue to be available through November 30, 2024.

In the 2016 Order, the FCC also charged the Universal Service Administrative Company (USAC) with establishing a single system of Lifeline subscriber verification, known as the National Lifeline Eligibility Verifier (National Verifier). The National Verifier aims to determine initial subscriber eligibility, conduct annual recertification, populate a national database of Lifeline customers, and provide support payments to providers serving these customers. New Lifeline customers may apply for the Lifeline program through the National Verifier online or by mailing a physical copy of the application to USAC.

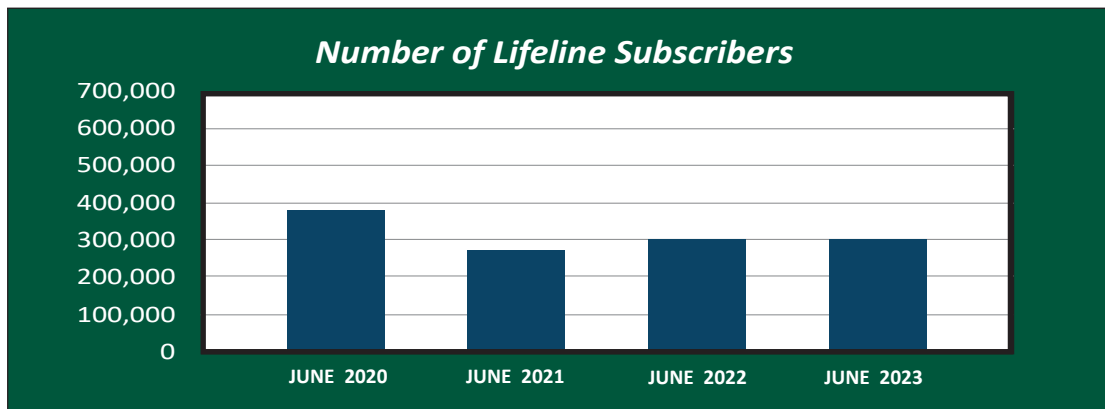


Dozens of local, state, and federal agencies, organizations and businesses, and telecommunications companies were involved in the collaborative effort to increase awareness and participation in the Lifeline program in 2023. The FPSC sent out more than 15,000 letters to eligible households identified in coordination with the Florida Department of Children and Families. These letters included instructions on how to apply for Lifeline and contact information for companies offering Lifeline. Additional promotional activities in 2023 featured National Consumer Protection Week and ongoing efforts to increase awareness and enrollment in the Lifeline program.

National Lifeline Awareness Week is observed each September (September 11-15, 2023). "Stay Connected Florida!" was Florida's 2023 Lifeline Awareness Week slogan. Florida's outreach targeted senior and community centers in Nassau, Columbia, St. Lucie, and Sarasota Counties.

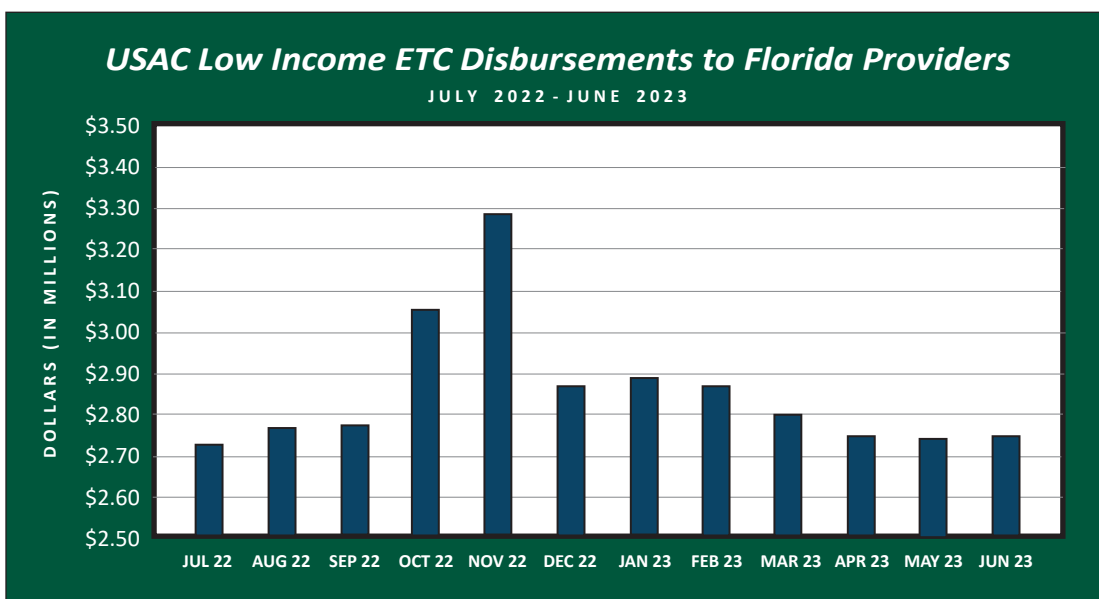
As of June 2023, 300,229 Florida households participated in the Lifeline Program. The three companies with the highest Lifeline enrollment in Florida were Assurance Wireless, SafeLink Wireless, and Access Wireless, collectively serving 98 percent of Florida Lifeline customers.

The following chart shows the number of Lifeline subscribers from June 2020 through June 2023.



Source: Industry Responses to FPSC Data Requests (2020-2023)

The following chart shows the USAC’s Florida Lifeline disbursements for the 12 months ending June 2023. The amount disbursed totaled \$34,214,745, an average of \$2.85 million per month. These amounts also include support corrections or true-ups from prior months when errors are made.



Source: USAC Disbursements Florida July 2022 - June 2023; 2023 Industry Responses to FPSC Data Requests for companies that have not filed current USAC reimbursement requests

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.

Additional information about the FPSC’s 2023 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 under the PSC Publications tab/Reports and Other Resources, on the FPSC website.

ACTIONS TAKEN by the FPSC on UNIVERSAL 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.

On December 7, 2020, the FCC announced the winning bidders of the Rural Digital Opportunity Fund (RDOF) auction. The RDOF is a form of high-cost support intended to help connect millions of unserved rural homes and small businesses to high-speed broadband. In Florida, 11 bidders were initially selected to receive approximately \$192 million of high-cost support in Phase I. As a condition of receiving funding, the carriers were required to obtain ETC designation that covered their winning bid areas.

Following the completion of the RDOF bidding process, the FPSC was tasked with processing ETC applications for several winning bidders. If a company's ETC application is approved, it's eligible for high-cost support under the RDOF program, but also has to offer Lifeline service. The FPSC has jurisdiction to evaluate and grant ETC designation for wireline carriers. Florida law excludes wireless and Voice over Internet Protocol service from the FPSC's jurisdiction, so companies providing those services must obtain ETC designation from the FCC. Between January 4, 2021, and August 3, 2021, the FPSC evaluated petitions for ETC designation from six companies relating to the RDOF. Four ETC petitioners were directed to apply for ETC designation with the FCC due to a lack of Commission jurisdiction, while two were granted ETC designation. Following the ETC designation process and other FCC requirements, seven carriers were ultimately approved and have begun receiving approximately \$152 million in RDOF Phase I high-cost support in Florida.

FLORIDA RELAY SERVICE

Section 427.704, F.S., charges the Commission with overseeing the administration of a state-wide telecommunications access system that provides basic Telecommunications Relay Service (TRS) and Captioned Telephone Service (CTS), along with related specialized equipment to Floridians who are deaf, hard-of-hearing, or speech impaired.

Basic TRS and CTS facilitate 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 \$0.25 per landline telephone funds the distribution of specialized telecommunications devices and intrastate relay service. The current surcharge is \$0.09 per landline telephone.



In 2021, the Commission opened a docket to request proposals from companies to provide relay service in Florida after the conclusion of the prior contract. Two companies filed proposals, Hamilton Relay and T-Mobile (formally Sprint Communications Company, L.P.). After reviewing the technical, financial, and price elements of each proposal, the Commission selected T-Mobile's proposal on October 12, 2021. T-Mobile's relay contract is for three years, beginning on March 1, 2022. The contract contains extension options for four additional one-year periods.

The distribution of equipment necessary to complete relay calls is administrated by Florida Telecommunications Relay, Inc. (FTRI) with Commission oversight. On March 30, 2023, FTRI

filed its proposed Fiscal Year 2023-2024 budget for FPSC consideration. At the July 11, 2023 Commission Conference the FPSC approved FTPI's 2023-2024 Fiscal Year budget of \$3,672,962.

Additional information about the statewide relay system is available in the FPSC's annual Relay report, available on the agency's website under the PSC Publications tab/Reports and Other Resources.

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 to provide more efficient regulation. During 2023, 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.

On May 11, 2023, the EPA released a proposed rule consisting of five separate actions under the Clean Air Act (CAA) Section 111, targeting greenhouse gas (GHG) emissions from fossil fuel-fired electric generating units (EGUs). The proposed EPA actions include emission guidelines for large and frequently used fossil fuel-fired stationary combustion turbines; guidelines for existing fossil fuel-fired steam generating EGUs; standards for new, reconstructed, and modified coal units; updates to the New Source Performance Standards for fossil fuel-fired stationary combustion turbines; and the repeal of the Affordable Clean Energy Rule, which had previously replaced the Clean Power Plan.



At the direction of the Commission, FPSC staff filed comments with the EPA on August 8, 2023. The comments focused on four areas: the jurisdiction of the FPSC, clarification of which EGUs are included under the rule, allowing time and flexibility for compliance with the rules, and the feasibility of the proposed technologies to reduce emissions from fossil fuel generation. Staff continues to monitor developments.

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 and periodically informs 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 does 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 the growth of the fund's size. In addition, the FPSC monitors FCC proceedings on other issues, including net neutrality 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 2023, the Commission processed six staff-assisted rate cases, two limited alternative rate increases, and one file and suspend rate case.

WATER & WASTEWATER CERTIFICATION CASES

In 2023, the Commission processed two applications for original certificates for Middleton Utility Company and Gibson Place Utility Company, LLC. The Commission received one application for original certificate for Applegate Utility, LLC. The Commission processed two applications for an amendment to a certificate from Tradewinds Utilities, Inc. and C.F.A.T. H2O, Inc.

The Commission processed four applications for transfer of facilities and certificates in 2023, one from River Grove Utilities, Inc. and three separate applications from CSWR Florida Utility Operating Company, LLC. The Commission received two applications for transfer of facilities and certificates in 2023 from Vantage Development Corporation and CSWR Florida Utility Operating Company, LLC. The Commission received and processed one transfer request to a governmental authority with subsequent certificate cancellation for ESAD Enterprises, Inc. d/b/a Beaches Sewer System.



In 2023, the Commission did not receive any applications for grandfather certificates.

FPSC ORGANIZATION

DESCRIPTION OF THE FPSC'S DIVISIONS & OFFICES & THEIR FUNCTIONS



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, defending Commission rules challenged before the Division of Administrative Hearings, and 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 and counsels

the Commission on ethics, personnel, contractual, public records, and other administrative legal matters.

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.



Valerie Peacock, *Inspector General*

In accordance with Section 20.055(2), F.S., the Office of Inspector General is established in the Commission to provide a central point for coordinating activities that promote accountability, integrity, and efficiency in government. The Inspector General reports directly to the Chairman of the Commission. The responsibilities of the Office of Inspector General include conducting internal audits and investigations, assessing the validity and reliability of Commission performance measures and standards, and coordinating with the Auditor General and others regarding external audits and reviews of the Commission. The Office of Inspector General also monitors

corrective actions to address identified deficiencies in audits and reviews. These activities help management ensure that Commission programs perform as intended and that fraud, waste, abuse and misconduct 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 Bureau of Administrative Services consists of the Fiscal Services Section, the Human Resources Section, and the General Services Section, which also houses the Facilities Management & Purchasing and Support Services Sections.

The Fiscal Services Section handles all financial transactions, maintains accounting records, processes travel reimbursements, pays all vendor invoices, maintains and updates property records, 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 agency risk management, contracts, 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 FSPC, proposing enhancements to information processing

resources to management and providing technical support services. Additionally, the bureau manages the agency-wide Cybersecurity awareness program to help staff develop safe computing practices and the ability to identify potentially malicious phishing attacks. This program must comply with the State of Florida's Cybersecurity rule.



Adam J. 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.



Rhonda L. Hicks, 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 audits and reviews include financial, compliance, billing, and verification. The auditors conduct examinations of utility-related financial and operating records and provide 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.



Cindy Muir, Director

The Office of Consumer Assistance & Outreach is the Commission’s liaison with the public and the media. Providing 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 with 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 Newsletter*.

TECHNICAL DIVISIONS & OFFICES



Andrew L. 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 disseminations, 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 include analyzing filings, expert testimony, and exhibits; developing interrogatories and production of document 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, evaluating petitions for regulatory assets, 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 petitions for the securitization of Commission-approved costs related to storm damage, 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, considering 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 protection plans, construction standards, pole attachment issues, 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*, the *Review of Florida's Investor-Owned Electric Utilities Service Reliability Reports*, and the *Annual Status Report on Storm Protection Plan Activities of Florida Investor-Owned Utilities*. 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.



Elisabeth J. Draper, 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 and natural gas transportation agreements. On a rotating basis, the division is also responsible for processing requests for base rate changes from electric, natural gas, and water and wastewater utilities.

The division provides recommendations pertaining to the development and application of depreciation rates and practices for inclusion in base rate revenue requirements. Also, the division has primary responsibility for the review of periodic nuclear decommissioning studies submitted by electric utilities owning nuclear power plants.

For water and wastewater utilities, this division has primary responsibility over the development of charges for miscellaneous service, reuse, allowance for funds prudently invested, and service availability. This division is responsible for ensuring that rate case expense granted in water and wastewater proceedings is properly removed from rates pursuant to statute. This division is responsible for revenue neutral rate restructuring. In addition, in water and wastewater utility consolidations, this division is responsible for the analyses and recommendation regarding subsidies and the appropriate consolidated rates.

In areas closely associated with rate and tariff matters, the division reviews investor-owned electric utilities' Load Research Sampling Plans, Load Research Studies, and Cost Studies. The division also prepares a Statement of Estimated Regulatory Cost (SERC), required by statute for all proposed and revised administrative rules. SERCs evaluate the costs and benefits of the proposed rule change, including analyses of the public and business sectors. The division is also responsible for regulatory assistance fee compliance-related matters.

The division provides analyses and recommendations regarding investor-owned utility load forecasts and other statistical projections as critical inputs to both base rate requests and system planning. Specifically, the division reviews electric and natural gas utilities' load and customer growth for rate cases and the *Review of Ten-Year Site Plans*. The division also reviews long-term fuel price forecasts and developments in electric vehicle load projections as they impact system planning reviews.

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 has primary responsibility for preparing the annual *Florida Energy Efficiency and Conservation Act Report*. 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 is responsible for monitoring and conducting proceedings addressing alternative cost recovery mechanisms for the construction of new nuclear electric generation facilities, the annual *Storm Protection Plan Cost Recovery Clause*, and complaints regarding pole attachment rates and charges.

The office also handles issues that involve the wholesale oversight of the wireline telecommunications industry and facilitates dispute resolutions between carriers about local interconnection agreements and other wholesale issues. Companies entering an agreement can 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 several 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. Bliitch	
Newton A. Bliitch	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. McMurrain	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 - 01/01/2026		Crist/Scott/DeSantis
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 - 01/01/2021	Gabriella Passidomo	Crist/Scott
Jimmy Patronis	01/02/2015 - 06/25/2017	Gary F. Clark	Scott
Donald J. Polmann	01/02/2017 - 01/01/2021	Mike La Rosa	Scott
Gary F. Clark***	09/15/2017 - 01/01/2027		Scott/DeSantis
Andrew Giles Fay***	02/02/2018 - 01/01/2026		Scott/DeSantis
Mike La Rosa	01/02/2021 - 01/01/2025		DeSantis
Gabriella Passidomo	05/10/2021 - 01/01/2027		DeSantis

* 2 year initial term

** 3 year initial term

*** Served as Chairman

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.

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Toll-Free: 1-800-342-3552 (Nationwide)
Toll-Free Fax: 1-800-511-0809 (Florida)

E-mail: contact@psc.state.fl.us
Website: www.FloridaPSC.com
Follow us on Twitter: [@FloridaPSC](https://twitter.com/FloridaPSC)

