

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, February 4, 2020, 9:30 a.m.

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

DATE ISSUED: January 23, 2020

NOTICE

Persons affected by Commission action on certain items on this agenda may be allowed to address the Commission, either informally or by oral argument, when those items are taken up for discussion at this conference. These items are designated by double asterisks (**) next to the item number.

To participate informally, affected persons need only appear at the conference and request the opportunity to address the Commission on an item listed on the agenda. Informal participation is not permitted: (1) on dispositive motions and motions for reconsideration; (2) when a recommended order is taken up by the Commission; (3) in a rulemaking proceeding after the record has been closed; or (4) when the Commission considers a post-hearing recommendation on the merits of a case after the close of the record. The Commission allows informal participation at its discretion in certain types of cases (such as declaratory statements and interim rate orders) in which an order is issued based on a given set of facts without hearing. See Florida Administrative Code Rules 25-22.0021 (agenda conference participation) and 25-22.0022 (oral argument).

Conference agendas, staff recommendations, vote sheets, and transcripts are available online at <http://www.floridapsc.com>, by selecting *Conferences & Meeting Agendas* and *Commission Conferences of the FPSC*. An official vote of "move staff" denotes that the Item's recommendations were approved.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this proceeding should contact the Office of Commission Clerk no later than five days prior to the conference at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850 or 850-413-6770 (Florida Relay Service, 1-800-955-8770 Voice or 1-800-955-8771 TDD). Assistive Listening Devices are available upon request from the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

The Commission Conference has a live video broadcast the day of the conference, which is available from the FPSC website. Upon completion of the conference, the archived video will be available from the website by selecting *Conferences & Meeting Agendas*, then *Audio and Video Event Coverage*.

EMERGENCY CANCELLATION OF CONFERENCE: If a named storm or other disaster requires cancellation of the Conference, Commission staff will attempt to give timely notice. Notice of cancellation will be provided on the Commission's website (<http://www.floridapsc.com>) under the Hot Topics link on the home page. Cancellation can also be confirmed by calling the Office of Commission Clerk at 850-413-6770.

If you have any questions, contact the Office of Commission Clerk at 850-413-6770 or Clerk@psc.state.fl.us.

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ITEM NO.

CASE

1**PAA

Docket No. 20190199-WS – Application for quick-take amendment of Certificate Nos. 278-W and 225-S to add territory in Seminole County, by Utilities, Inc. of Florida.

Critical Date(s): 03/09/20 (90-Day Rule Waiver Statutory Deadline)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: GCL: Lherisson

ENG: Wooten, Ellis

(Rule Waiver)

Issue 1: Should the Commission approve Utilities, Inc. of Florida’s request for a partial waiver of Rule 25-30.030(5)(b), F.A.C.?

Recommendation: Yes, the Utility has demonstrated that the underlying purpose of the statute will be or has been achieved by other means, and that strict application of Rule 25-30.030(5)(b), F.A.C., would place a substantial hardship on the Utility. Therefore, staff recommends that the Commission approve Utilities, Inc. of Florida’s request for a partial waiver or waiver of Rule 25-30.030(5)(b), F.A.C. Staff further recommends that the Utility should be required to place a notice of its quick take application on its website to provide all UIF customers notice of the Utility’s proposed actions.

Issue 2: Should this docket be closed?

Recommendation: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. This docket should remain open pending the Commission’s final decision regarding the Utility’s Application for quick take amendment of Certificate Nos. 278-W and 225-S to add territory in Seminole County.

ITEM NO.

CASE

2**

Docket No. 20190222-EI – Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricane Dorian and Tropical Storm Nestor, by Duke Energy Florida, LLC.

Critical Date(s): 03/01/2020 (Requested Implementation Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: AFD: Sowards, M. Andrews, D. Buys, Mouring

ECO: Hampson

GCL: Schrader, Lherisson

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

Recommendation: Yes, the Commission should authorize DEF to implement an interim storm restoration recovery charge. Once the total actual storm costs are known, DEF should be required to file documentation of the total storm costs for Commission review and true-up of any excess or shortfall.

Issue 2: Should the Commission approve DEF's proposed Hurricane Dorian and Tropical Storm Nestor interim storm cost recovery surcharges and associated tariffs?

Recommendation: Yes. The Commission should approve DEF's proposed Hurricane Dorian and Tropical Storm Nestor interim storm cost recovery surcharges and associated tariffs, as effective with the first billing cycle of March 2020, subject to a final true-up.

Issue 3: What is the appropriate security to guarantee the amount collected subject to refund through the interim storm restoration recovery charge?

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

Issue 4: Should this docket be closed?

Recommendation: No, this docket should remain open pending final reconciliation of actual recoverable Hurricane Dorian and Tropical Storm Nestor storm costs with the amount collected pursuant to the interim storm restoration recovery charge. The disposition of any over or under recovery, and associated interest, should be considered by the Commission at a later date.

ITEM NO.

CASE

3**PAA

Docket No. 20190122-WU – Request for cancellation of Certificate No. 626-W by B & C Water Resources, L.L.C.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: M. Watts

GCL: Schrader

Issue 1: Should Certificate No. 626-W, held by B&C Water Resources, L.L.C. be canceled?

Recommendation: Yes. Certificate No. 626-W should be canceled effective the date the order becomes final.

Issue 2: Should this docket be closed?

Recommendation: If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the order, a consummating order should be issued and the docket should be closed.

ITEM NO.

CASE

4**PAA

Docket No. 20190147-WS – Application for certificates to provide water and wastewater service in Brevard County by River Grove Utilities, Inc.

Critical Date(s): 02/13/20 (Statutory deadline for original certificate pursuant to Section 367.031, Florida Statutes)

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: ENG: M. Watts, Knoblauch

AFD: Norris, Sowards

ECO: Ramos

GCL: Schrader

(Proposed Agency Action for Issues 2 through 7.)

Issue 1: Should the application for water and wastewater certificates by River Grove be approved?

Recommendation: Yes. Granting the application is in the public interest and River Grove should be granted Certificate Nos. 674-W and 575-S to serve the territory described in Attachment A of staff's memorandum dated January 23, 2020, effective the date of the Commission's vote. The resultant order should serve as River Grove's water and wastewater certificates and it should be retained by the Utility.

Issue 2: What are the appropriate water and wastewater rates and return on investment for River Grove?

Recommendation: The recommended monthly water and wastewater rates, as shown on Schedule No. 4 attached to staff's memorandum dated January 23, 2020, are reasonable and should be approved. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. The approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice. A return on equity of 10.55 percent, with a range of plus or minus 100 basis points, should also be approved.

ITEM NO.

CASE

4**PAA

Docket No. 20190147-WS – Application for certificates to provide water and wastewater service in Brevard County by River Grove Utilities, Inc.

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Issue 3: Should the miscellaneous service charges requested by River Grove be approved?

Recommendation: Yes. The Utility's requested miscellaneous service charges of \$30 and wastewater violation reconnection charge of actual cost should be approved. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective for services rendered on or after the stamped approval date on the tariff sheet provided customers have received notice pursuant to Rule 25-30.475(1), F.A.C. The Utility should provide proof of noticing within 10 days of rendering the approved notice.

Issue 4: What is the appropriate late payment charge for River Grove?

Recommendation: The appropriate late payment charge for River Grove is \$7.50. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved charge. The approved charge should be effective for services rendered on or after the stamped approval date on the tariff sheet provided customers have received notice pursuant to Rule 25-30.475(1), F.A.C. The Utility should provide proof of noticing within 10 days of rendering the approved notice.

Issue 5: Should River Grove be authorized to collect Non-Sufficient Funds Charge (NSF)?

Recommendation: Yes. River Grove should be authorized to collect NSF charges. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved NSF charges. The approved charges should be effective for service rendered on or after the stamped approval date on the tariff sheets provided customers have received notice pursuant to Rule 25-30.475, F.A.C. The Utility should provide proof of noticing within 10 days of rendering its approved notice.

Issue 6: What are the appropriate initial customer deposits for River Grove?

Recommendation: The appropriate initial customer deposits are \$175 for water and \$99 wastewater for the residential 5/8 inch x 3/4 inch meter size. The initial customer deposit for all other residential meter sizes and all general service meter sizes should be two times the average estimated bill. The approved customer deposits should be effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to collect the approved initial customer deposits until authorized to change them by the Commission in a subsequent proceeding.

ITEM NO.

CASE

4**PAA

Docket No. 20190147-WS – Application for certificates to provide water and wastewater service in Brevard County by River Grove Utilities, Inc.

(Continued from previous page)

Issue 7: Should River Grove’s requested meter installation charges be approved?

Recommendation: Yes. The Utility’s requested meter installation charge of \$353 for the 5/8 inch x 3/4 inch meter size and actual cost for all other meter sizes should be approved. The Utility should file revised tariff sheets and a proposed customer notice. River Grove should provide notice to potential customers who have requested service within 12 calendar months prior to the month the application was filed and up until this Order becomes final.¹ The approved charges should be effective for connections made on or after the stamped approval date on the tariff sheets. The Utility should provide proof of the date notice was given within 10 days of the date of notice.

Issue 8: Should this docket be closed?

Recommendation: If no person whose substantial interest are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff’s verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by staff. Once these actions are complete, this docket should be closed administratively.

¹Order Nos. PSC-2019-0223-PAA-SU, issued June 3, 2019, in Docket No. 20190075-SU, *In re: Revision of wastewater service availability charges for Ni Florida in Pasco County.*

ITEM NO.

CASE

5**PAA

Docket No. 20190183-EI – Petition for approval of a new depreciation class and for energy storage equipment, by Duke Energy Florida, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ECO: Galloway, Kunkler

GCL: Brownless

Issue 1: Should the Commission establish an annual depreciation rate applicable to energy storage equipment for DEF?

Recommendation: Yes. Staff recommends that an annual depreciation rate of 10 percent applicable to DEF’s energy storage equipment be approved.

Issue 2: If a new depreciation rate for energy storage equipment is authorized in Issue 1, what should be the effective date?

Recommendation: Staff recommends that any newly-authorized depreciation rate for energy storage equipment applicable to Account 348 - Energy Storage Equipment – Production, Account 351 - Energy Storage Equipment – Transmission, and Account 363 - Energy Storage Equipment – Distribution, become effective upon the issuance of a final Commission Order in this docket.

Issue 3: Should this docket be closed?

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

ITEM NO.

CASE

6**

Docket No. 20190200-GU – Petition for approval of tariff modifications to natural choice transportation service rider, the gas service agreement, and the natural choice transportation service letter of authorization, by Peoples Gas System.

Critical Date(s): 60-Day Suspension Date waived by the company until 2/4/2020.

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Ward

GCL: Brownless

(Tariff Filing)

Issue 1: Should the Commission approve Peoples' proposed tariff sheet modifications as shown in Attachment A of staff's memorandum dated January 23, 2020?

Recommendation: Yes. The Commission should approve Peoples' proposed modifications as shown in Attachment A of staff's memorandum dated January 23, 2020. The revised tariffs should become effective with the Commission's vote on February 4, 2020.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon issuance of a consummating order.

ITEM NO.

CASE

7**

Docket No. 20190201-GU – Petition for authority for approval of revised transportation nomination tariffs, by Florida Public Utilities Company and Florida Public Utilities Company-Fort Meade.

Critical Date(s): 01/07/20 (60-Day Suspension Date waived by the company until 2/4/2020.)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Guffey, Coston

GCL: Lherisson

(Tariff Filing)

Issue 1: Should the Commission approve FPUC and FPUC-Fort Meade's revised gas transportation nomination methodology tariffs contained in Attachments 1 and 2 of staff's memorandum dated January 23, 2020?

Recommendation: Yes, the Commission should approve FPUC and FPUC-Fort Meade's revised gas transportation nomination methodology tariffs contained in Attachments 1 and 2 of staff's memorandum dated January 23, 2020. The proposed revisions are designed to allow pool managers an additional opportunity during the month to address their gas imbalances. The revised tariffs should become effective with the Commission's vote on February 4, 2020.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.