

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, March 1, 2016, 9:30 a.m.

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

DATE ISSUED: February 18, 2016

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 agenda item number.

To participate informally, affected persons need only appear at the agenda conference and request the opportunity to address the Commission on an item listed on 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 Rule 25-22.0021, F.A.C., concerning agenda conference participation and Rule 25-22.0022, F.A.C., concerning oral argument.

Conference agendas, staff recommendations, and vote sheets are available from the PSC website, <http://www.floridapsc.com>, by selecting *Conferences & Meeting Agendas* and *Commission Conferences of the FPSC*. Once filed, a verbatim transcript of the Commission Conference will be available from this page by selecting the conference date, or by selecting *Clerk's Office* and the Item's docket number (you can then advance to the *Docket Details* page and the Document Filings Index for that particular docket). An official vote of "move staff" denotes that the Item's recommendations were approved. If you have any questions, contact the Office of Commission Clerk at (850) 413-6770 or Clerk@psc.state.fl.us.

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, 1-800-955-8770 (Voice) or 1-800-955-8771 (TDD), Florida Relay Service. Assistive Listening Devices are available at 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 PSC 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*.

Table of Contents
 Commission Conference Agenda
 March 1, 2016

1**	Consent Agenda	1
2**	Docket No. 150200-PU – Proposed amendments to Rule 25-6.0436, F.A.C., Depreciation, Rule 25-6.04364, F.A.C., Electric Utilities Dismantlement Studies, Rule 25-7.045, F.A.C., Depreciation, and Rule 25-7.046, F.A.C., Subcategories of Gas Plant for Depreciation.....	2
3	Docket No. 160013-EU – Petition for declaratory statement regarding the Florida Public Service Commission's jurisdiction to adjudicate the Town of Indian River Shores' constitutional rights.	3
4**	Docket No. 160001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.	4
5**PAA	Docket No. 150071-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.....	5
6**PAA	Docket No. 150256-EQ – Petition for approval to terminate the North Broward Resource Recovery Facility electric power purchase agreement with Wheelabrator North Broward, Inc., by Florida Power & Light Company.....	12
7**PAA	Docket No. 140219-WU – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.	13
8**PAA	Docket No. 140220-WU – Application for staff-assisted rate case in Polk County by Sunrise Utilities, L.L.C.	18
9**PAA	Docket No. 150012-WU – Application for transfer of Certificate 390-W from County-Wide Utility Co., Inc. to Southwest Ocala Utility, Inc. in Marion County.	23
10**PAA	Docket No. 150230-WU – Application for amendment of Certificate of Authorization No. 247-W, to extend water service area to include land in Seminole County, by Sanlando Utilities Corporation.	25
11**	Docket No. 150248-EG – Petition for approval of community solar pilot program, by Gulf Power Company.....	27
12**PAA	Docket No. 150252-EU – Joint petition for approval of territorial agreement in Alachua, Marion, Columbia, Levy and Volusia Counties by Clay Electric Cooperative, Inc. and Duke Energy Florida, LLC.....	29
13**PAA	Docket No. 160025-EU – Joint petition for approval of amendment to territorial agreement in Orange County, by Orlando Utilities Commission and Duke Energy Florida, LLC.	30

Table of Contents
Commission Conference Agenda
March 1, 2016

14**PAA **Docket No. 160017-EI** – Petition for approval of depreciation rates for solar photovoltaic generating units, by Duke Energy Florida, LLC..... 31

ITEM NO.

CASE

1**

Consent Agenda

PAA

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

DOCKET NO.

COMPANY NAME

150244-TX

Pure Telephone Corp

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

ITEM NO.

CASE

2**

Docket No. 150200-PU – Proposed amendments to Rule 25-6.0436, F.A.C., Depreciation, Rule 25-6.04364, F.A.C., Electric Utilities Dismantlement Studies, Rule 25-7.045, F.A.C., Depreciation, and Rule 25-7.046, F.A.C., Subcategories of Gas Plant for Depreciation.

Rule Status: Proposal May Be Deferred

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: GCL: Page

ECO: Higgins, McNulty, Ollila, Rome, Wu

Issue 1: Should the Commission propose the amendment of Rules 25-6.0436, 25-6.04364, 25-7.045, and 25-7.046, F.A.C.?

Recommendation: Yes. The Commission should propose the amendment of Rules 25-6.0436, 25-6.04364, 25-7.045, and 25-7.046, F.A.C., as set forth in Attachment A of staff's memorandum dated February 18, 2016.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing or comments are filed, the rules may be filed with the Department of State, and this docket should be closed.

ITEM NO.

CASE

3

Docket No. 160013-EU – Petition for declaratory statement regarding the Florida Public Service Commission's jurisdiction to adjudicate the Town of Indian River Shores' constitutional rights.

Critical Date(s): May not be deferred – statutory deadline for issuing final order is April 4, 2016.

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: GCL: Cowdery

ECO: Draper

(Participation is at the Commission's discretion.)

Issue 1: Should the Commission issue a declaratory statement on the Town of Indian River Shores' Petition for Declaratory Statement?

Recommendation: Yes. The Commission should issue a declaratory statement on the Town of Indian River Shores' Petition for Declaratory Statement. However, the Commission should not issue the declaratory statement requested by the Petition. Instead, the Commission should declare that the Commission has the jurisdiction under Section 366.04, F.S., to determine whether Vero Beach has the authority to continue to provide electric service within the corporate limits of the Town of Indian River Shores upon expiration of the franchise agreement between the Town of Indian River Shores and the City of Vero Beach. The Commission should state that the declaratory statement will be controlling only as to the facts relied upon in this docket and not as to other, different or additional facts.

Issue 2: Should this docket be closed?

Recommendation: Yes, the docket should be closed.

ITEM NO.

CASE

4**

Docket No. 160001-EI – Fuel and purchased power cost recovery clause with generating performance incentive factor.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: AFD: Barrett, Lester
ECO: Draper, Guffey
GCL: Villafrate, Janjic

Issue 1: Should the Commission approve FPL’s petition for a mid-course revision to its 2016 fuel cost recovery factors and associated tariff sheets?

Recommendation: Yes. Staff recommends the Commission approve FPL’s Petition for mid-course correction to its 2016 fuel cost recovery factors and the associated tariff sheets. The revised fuel cost recovery factors and associated tariffs should become effective with the in-service date of the Port Everglades Energy Center, which is expected to be April 1, 2016. The recommended fuel cost recovery factors are presented in Attachment A of staff’s memorandum dated February 18, 2016, and the associated tariff sheets are shown in Attachment C of staff’s memorandum dated February 18, 2016.

Issue 2: Should the Commission approve DEF’s petition for a mid-course revision to its 2016 fuel and capacity cost recovery factors and the associated tariff sheet?

Recommendation: Yes. Staff recommends the Commission approve DEF’s Petition for mid-course correction to its 2016 fuel and capacity cost recovery factors and the associated tariff sheet. The revised fuel and capacity cost recovery factors should become effective with the first billing cycle in April 2016. The recommended fuel and capacity cost recovery factors are presented in Attachment D of staff’s memorandum dated February 18, 2016, and the associated tariff sheet is shown in Attachment F of staff’s memorandum dated February 18, 2016.

Issue 3: Should this docket be closed?

Recommendation: The fuel docket is on-going and should remain open.

ITEM NO.

CASE

5**PAA

Docket No. 150071-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

Critical Date(s): 5-Month Effective Date Waived Through 03/01/16

Commissioners Assigned: All Commissioners

Prehearing Officer: Patronis

Staff: AFD: Norris, Frank

ECO: Thompson

ENG: Hill, King

GCL: Barrera

(Proposed Agency Action except for Issues 24 and 25.)

Issue 1: Is the quality of service provided by K W Resort satisfactory?

Recommendation: Yes. Staff recommends that the quality of K W Resort’s product and the condition of the wastewater treatment facilities is satisfactory. It appears that the Utility has attempted to address customers’ concerns. Therefore, staff recommends that the overall quality of service for the K W Resort wastewater system in Monroe County is satisfactory.

Issue 2: Should the audit adjustments to rate base to which the Utility and staff agree be made?

Recommendation: Yes. Based on the audit adjustments agreed to by the Utility and staff, the following adjustments should be made to rate base as set forth in the analysis portion of staff’s memorandum dated February 18, 2016.

Issue 3: Should any adjustments be made to the Utility’s pro forma plant?

Recommendation: Yes. Pro forma plant should be decreased by \$3,574,468 in Phase I. Corresponding adjustments should be made to decrease accumulated depreciation by \$196,281 and depreciation expense by \$196,281. Additionally, pro forma property taxes should be decreased by \$35,696.

Issue 4: What are the used and useful (U&U) percentages of the Utility’s wastewater treatment plant and wastewater collection system?

Recommendation: For Phase I rates, K W Resort’s wastewater treatment plant and collection system should be considered 100 percent U&U. For Phase II rates, K W Resort’s wastewater treatment plant should be considered 72 percent U&U and the wastewater collection system should be considered 100 percent U&U. No adjustments should be made for excessive infiltration and inflow (I&I).

Issue 5: What is the appropriate working capital allowance?

Recommendation: The appropriate working capital allowance for Phase I is \$721,268. As such, the working capital allowance for Phase I should be decreased by \$645,964.

ITEM NO.

CASE

5**PAA

Docket No. 150071-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

(Continued from previous page)

Issue 6: What is the appropriate rate base for the test year period ended December 31, 2014?

Recommendation: Consistent with staff's other recommended adjustments, the appropriate rate base for the test year ended December 31, 2014, is \$37,710 for Phase I.

Issue 7: What is the appropriate return on equity?

Recommendation: Based on the Commission leverage formula currently in effect, the appropriate allowed return on equity (ROE) is 11.16 percent with a range of plus or minus 100 basis points.

Issue 8: What is the appropriate weighted average cost of capital based on the proper components, amounts, and cost rates associated with the capital structure for the test year ended December 31, 2014?

Recommendation: The appropriate weighted average cost of capital for Phase I is 4.98 percent for the test year ended December 31, 2014.

Issue 9: What is the appropriate amount of test year revenues for K W Resort's wastewater system?

Recommendation: The appropriate test year revenues for K W Resort's wastewater system are \$1,554,861.

Issue 10: Should the audit adjustments to operating expense to which the Utility and staff agree be made?

Recommendation: Yes. Based on the audit adjustments agreed to by K W Resort and staff, the following adjustments should be made to operating expense as set forth in staff's analysis below.

Issue 11: Should any adjustments be made to the Utility's pro forma expenses?

Recommendation: Yes. Pro forma O&M expense should be decreased by \$10,028. A corresponding adjustment should be made to increase pro forma payroll taxes by \$1,875.

Issue 12: Should K W Resort's test year expenses be adjusted for management fees charged by Green Fairways?

Recommendation: Yes. Contractual services-management expense should be decreased by \$60,000.

Issue 13: Should further adjustments be made to the Utility's O&M expense?

Recommendation: Yes. The O&M expense for the test year should be decreased by \$13,003.

Issue 14: What is the appropriate amount of rate case expense?

Recommendation: The appropriate amount of rate case expense is \$152,021. This expense should be recovered over four years for an annual expense of \$38,005. Therefore, annual rate case expense should be increased by \$6,805 from the respective levels of expense included in the MFRs.

ITEM NO.

CASE

5**PAA

Docket No. 150071-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

(Continued from previous page)

Issue 15: What is the appropriate Phase I revenue requirement for the test year ended December 31, 2014?

Recommendation: Staff recommends the following revenue requirement be approved.

Test Year Revenue	\$ Increase	Revenue Requirement	% Increase
\$1,554,861	\$683,185	\$2,238,046	43.94%

Issue 16: Should the Commission approve a Phase II increase for pro forma items for K W Resort?

Recommendation: Yes. The Commission should approve a Phase II revenue requirement associated with pro forma items. The Utility’s Phase II revenue requirement is \$2,485,904, which equates to an 11.07 percent increase over the Phase I revenue requirement.

Implementation of the Phase II rates is conditioned upon K W Resort completing the pro forma items within 12 months of the issuance of the Final Order. The Utility should be allowed to implement the rates recommended on Schedule No. 8 of staff’s memorandum dated February 18, 2016, once all pro forma items have been completed and the DEP has issued its approval for the expansion project to go into service. Once verified by staff, the rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. The rates should not be implemented until notice has been received by the customers. K W Resort should provide proof of the date notice was given within 10 days of the date of the notice. If the Utility encounters any unforeseen events that will impede the completion of the pro forma plant items, the Utility should immediately notify the Commission, in writing, in advance of the deadline, so as to allow the Commission ample time to consider an extension.

Further, staff recommends that the Utility be required to submit a copy of the final invoices and support documentation for the pro forma plant items within 60 days of the in-service date. In addition, the Utility should submit documentation of all CIAC that has been collected since the test year. If the actual costs are greater than the recommended Phase II amounts, the Utility should be afforded the opportunity to request an additional increase, in writing, which the Commission should consider. If the actual costs are less than the recommended amounts, staff will file a subsequent recommendation to address the appropriate action to be undertaken.

ITEM NO.

CASE

5**PAA

Docket No. 150071-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

(Continued from previous page)

Issue 17: What are the appropriate rate structures and rates for K W Resort’s wastewater system?

Recommendation: The recommended rate structures and monthly wastewater rates are shown on Schedule No. 4 of staff’s memorandum dated February 18, 2016. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates and discontinuance of reading customer meters. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

Issue 18: What is the appropriate rate for K W Resort’s reuse service?

Recommendation: The appropriate rate for K W Resort’s reuse service is \$0.93 per 1,000 gallons. 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 sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

Issue 19: Should K W Resort's requested miscellaneous service charges be approved?

Recommendation: No. K W Resort’s requested miscellaneous service charges should not be approved. However, staff recommends that the miscellaneous service charges shown in Table 19-4 of staff’s memorandum dated February 18, 2016, are appropriate and should be approved if K W files a revised tariff. K W Resort should be required to file a proposed customer notice and tariff to reflect the Commission-approved charges. The approved charges should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), Florida Administrative Code (F.A.C.). In addition, the approved charges should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

ITEM NO.

CASE

5**PAA

Docket No. 150071-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

(Continued from previous page)

Issue 20: Should K W Resort be authorized to collect Non-Sufficient Funds (NSF) charges?

Recommendation: Yes. K W Resort should be authorized to collect NSF charges for both systems. Staff recommends that K W Resort revise its tariffs to reflect the NSF charges currently set forth in Section 68.065, F.S. The NSF charges should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. Furthermore, the charges should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date the notice was given within 10 days of the date of the notice.

Issue 21: Should K W Resort’s request to implement a \$9.50 late payment charge be approved?

Recommendation: No. K W Resort’s request to implement a \$9.50 late payment charge should not be approved. However, staff’s recommended charge of \$6.50 should be approved if the Utility files a revised tariff. The Utility should be required to file a proposed customer notice and tariff to reflect the Commission-approved charge. The approved charge should be effective on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

Issue 22: Should K W be authorized to collect a Lift Station Cleaning charge?

Recommendation: Yes. K W Resort should be authorized to collect a monthly lift station cleaning charge for the Monroe County Detention Center (MCDC) of \$1,462. K W Resort should be required to file a proposed customer notice to reflect the Commission-approved charge. The approved charge should be effective on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

ITEM NO.

CASE

5**PAA

Docket No. 150071-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

(Continued from previous page)

Issue 23: Should the Utility’s approved service availability policy and charges be revised?

Recommendation: Yes. K W Resort should be authorized to collect a water main extension charge or receive donated lines from future connections. However, the Utility should no longer be authorized to collect a plant capacity charge consistent with the guidelines set forth in Rule 25-30.580, F.A.C. K W Resort should be required to file a proposed customer notice to reflect the Commission-approved charge. The approved charge should be effective on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

Issue 24: What is the appropriate amount by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, Florida Statutes?

Recommendation: The wastewater rates should be reduced as shown on Schedule No. 4 of staff’s memorandum dated February 18, 2016, to remove rate case expense grossed up for regulatory assessment fees and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. K W Resort should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the Utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

ITEM NO.

CASE

5**PAA

Docket No. 150071-SU – Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

(Continued from previous page)

Issue 25: Should the Utility be required to notify, within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) associated with the Commission-approved adjustments?

Recommendation: Yes. The Utility should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision. K W Resort should submit a letter within 90 days of the final order in this docket, confirming that the adjustments to all the applicable NARUC USOA accounts have been made to the Utility's books and records. In the event the Utility needs additional time to complete the adjustments, notice should be provided within seven days prior to deadline. Upon providing good cause, staff should be given administrative authority to grant an extension of up to 60 days.

Issue 26: Should this docket be closed?

Recommendation: No. 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. The docket should remain open for staff's verification that the outstanding Phase I pro forma items have been completed, the revised tariff sheets and customer notice have been filed by the Utility and approved by staff, and the Utility has provided staff with proof that the adjustments for all the applicable NARUC USOA primary accounts have been made. Also, the docket should remain open to allow staff to verify that the Phase II pro forma items have been completed, and the Phase II rates properly implemented. Once these actions are complete, this docket should be closed administratively.

ITEM NO.

CASE

6**PAA

Docket No. 150256-EQ – Petition for approval to terminate the North Broward Resource Recovery Facility electric power purchase agreement with Wheelabrator North Broward, Inc., by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Ellis, Wooten

GCL: Murphy

Issue 1: Should the Commission approve Florida Power & Light Company's request to terminate the North Broward Resource Recovery Facility Electric Power Purchase Agreement?

Recommendation: Yes. The mutually agreed upon termination does not require FPL to construct or purchase replacement capacity to meet seasonal peak demand. Early capacity payments made under the PPA have been repaid over the term of the contract, reaching a zero value in 2003. Therefore, termination of the contract will have no impact to the rates of the general body of ratepayers.

Issue 2: Should this docket be closed?

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

ITEM NO.

CASE

7**PAA

Docket No. 140219-WU – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

Critical Date(s): 05/06/2016 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: ENG: Lewis

AFD: Golden, Vogel

ECO: Bruce

GCL: Corbari

(Proposed Agency Action - Except for Issue Nos. 10, 11, 13, and 14.)

Issue 1: Should the quality of service provided by Alturas be considered satisfactory?

Recommendation: No. The overall quality of service provided by Alturas should be considered unsatisfactory because the Utility has failed to address maintenance and repairs recommended by the Polk County Health Department (PCHD) in 2011. As such, staff recommends decreasing the officers' salaries by 25 percent as detailed in Issue 7.

Issue 2: What are the used and useful percentages (U&U) of Alturas' water treatment plant and distribution system?

Recommendation: Staff recommends Alturas' water treatment plant and its distribution system should both be considered 100 percent U&U. Additionally, staff recommends a 31.77 percent adjustment for Excessive Unaccounted for Water (EUW) should be made to operating expenses for chemicals and purchased power.

Issue 3: What is the appropriate allocation of common costs to Alturas?

Recommendation: The appropriate allocation of common costs to Alturas is 22 percent.

Issue 4: What is the appropriate average test year rate base for Alturas?

Recommendation: The appropriate average test year rate base for Alturas is \$31,718. In the event the Utility is unable to issue customer deposit refunds and interest payments to former customers, staff recommends that the resulting total of the unclaimed refunds and associated accrued interest should be credited to contributions-in-aid-of-construction in the Utility's next rate proceeding.

Issue 5: What is the appropriate rate of return on equity and overall rate of return for Alturas?

Recommendation: The appropriate return on equity (ROE) is 8.74 percent with a range of 7.74 percent to 9.74 percent. The appropriate overall rate of return is 8.53 percent.

Issue 6: What are the appropriate test year revenues for Alturas' water system?

Recommendation: The appropriate test year revenues for Alturas' water system are \$28,143.

ITEM NO.

CASE

7**PAA

Docket No. 140219-WU – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

(Continued from previous page)

Issue 7: What is the appropriate amount of operating expense?

Recommendation: The appropriate amount of operating expenses for the Utility is \$28,395. Staff recommends that the Utility be required to file documentation in this docket by December 31, 2016, showing that the pro forma trihalomethane and haloacetic acid tests have been completed. The documentation should include a copy of the test results and final invoices.

Issue 8: What is the appropriate revenue requirement?

Recommendation: The appropriate revenue requirement is \$31,101, resulting in an annual increase of \$2,958 (10.51 percent).

Issue 9: What are the appropriate rate structure and rates for Alturas?

Recommendation: The recommended rate structure and monthly water rates are shown on Schedule No. 4 of staff's memorandum dated February 18, 2016. 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 sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

Issue 10: What is the appropriate amount by which rates should be reduced four years after the published effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, F.S.?

Recommendation: The water rates should be reduced as shown on Schedule No. 4 of staff's memorandum dated February 18, 2016, to remove rate case expense grossed up for RAFs and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. The Utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If Alturas files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

ITEM NO.

CASE

7**PAA

Docket No. 140219-WU – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

(Continued from previous page)

Issue 11: What is the appropriate disposition of the overcollection of rate case expense approved by Order No. PSC-10-0380-PAA-WU for Alturas' water system?¹

Recommendation: The Utility should be required to refund customers the amount of overcollected rate case expense. The refund should be made in accordance with Rule 25-30.360, F.A.C. The Utility should be required to file monthly reports on the status of the refund by the twentieth of the following month, pursuant to Rule 25-30.311(7) F.A.C.

Issue 12: What are the appropriate initial customer deposits for Alturas and in what manner should the utility's noncompliance with Rule 25-30.311, F.A.C. be addressed?

Recommendation: The appropriate initial customer deposits should be \$86 for the residential 5/8 inch x 3/4 inch meter size for water. The initial customer deposits for all other residential meter sizes and all general service meter sizes should be two times the average estimated bill for water. The approved customer deposits should be effective for services rendered or 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 charge the approved charges until authorized to change them by the Commission in a subsequent proceeding.

Staff recommends that the Utility continue to work on its compliance with Rule 25-30.311 F.A.C. Alturas should be required to reconcile its customer deposit accounts and records within a reasonable time. The Utility should be required to provide monthly reports beginning March 31, 2016, until it has satisfactorily refunded the appropriate amount of customer deposits and applied the appropriate interest on customer deposits. Staff should be given administrative authority to determine when the Utility is in compliance with Rule 25-30.311, F.A.C. Staff recommends that enforcement action is not warranted at this time.

¹Order No. PSC-10-0380-PAA-WU, issued on June 15, 2010, in Docket No. 090477-WU, *In re: Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.*

ITEM NO.

CASE

7**PAA

Docket No. 140219-WU – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

(Continued from previous page)

Issue 13: Should the recommended rates be approved for Alturas on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility. 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 sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates should not be implemented until staff has approved the proposed notice, and the notice has been received by the customers. Prior to implementation of any temporary rates, the Utility should provide appropriate security. If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the analysis portion of staff’s memorandum dated February 18, 2016. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission Clerk’s office no later than the twentieth of every month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

Issue 14: Should Alturas be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission’s decision?

Recommendation: Yes. The Utility should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission’s decision. Alturas should submit a letter within 90 days of the final order in this docket, confirming that the adjustments to all the applicable NARUC USOA primary accounts as shown on Schedule No. 5 of staff’s memorandum dated February 18, 2016, have been made to the Utility’s books and records. In the event the Utility needs additional time to complete the adjustments, notice should be provided within seven days prior to deadline. Upon providing good cause, staff should be given administrative authority to grant an extension of up to 60 days. In addition, the Utility should be required to maintain its books and records on a monthly basis in accordance with the NARUC USOA.

ITEM NO.

CASE

7**PAA

Docket No. 140219-WU – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

(Continued from previous page)

Issue 15: Should this docket be closed?

Recommendation: No. 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 will 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, and the Utility has provided staff with proof that the adjustments for all the applicable NARUC USOA primary accounts have been made. Also, the docket should remain open to allow staff to verify that the Utility has adjusted its customer deposit records and all deposit amounts that may be owed to customers have been properly refunded and to verify the Utility has properly refunded the rate case expenses it overcollected. Once the above actions are completed this docket will be closed administratively.

ITEM NO.

CASE

8**PAA

Docket No. 140220-WU – Application for staff-assisted rate case in Polk County by Sunrise Utilities, L.L.C.

Critical Date(s): 05/06/2016 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: ENG: Lewis

AFD: Golden, Vogel

ECO: Bruce

GCL: Corbari

(Proposed Agency Action - Except for Issue Nos. 11, 13, and 14.)

Issue 1: Should the quality of service provided by Sunrise be considered satisfactory?

Recommendation: No. The overall quality of service provided by Sunrise should be considered unsatisfactory because the Utility has failed to address maintenance and repairs recommended by the Polk County Health Department (PCHD) in 2012. Furthermore, the Utility has demonstrated a pattern of non-responsiveness to Commission inquiries. As such, staff recommends decreasing the officers' salaries by 25 percent.

Issue 2: What is the used and useful percentage (U&U) of Sunrise's water treatment plant and distribution system?

Recommendation: Staff recommends Sunrise's water treatment plant and its distribution system should both be considered 100 percent U&U. Additionally, staff recommends a 9.3 percent adjustment for excessive unaccounted for water (EUW) should be made to operating expenses for chemicals and purchased power.

Issue 3: What is the appropriate allocation of common costs to Sunrise?

Recommendation: The appropriate allocation of common costs to Sunrise is 78 percent.

Issue 4: What is the appropriate average test year rate base for Sunrise?

Recommendation: The appropriate average test year rate base for Sunrise is \$49,773. Staff recommends that the Utility be required to file written documentation in this docket showing that Sunrise owns or has the right to continued long-term use of the land upon which its treatment facilities are located by December 31, 2016. Also, in the event the Utility is unable to issue customer deposit refunds and interest payments to former customers, staff recommends that the resulting total of the unclaimed refunds and associated accrued interest be credited to contributions-in-aid-of-construction in the Utility's next rate proceeding.

Issue 5: What are the appropriate return on equity and overall rate of return for Sunrise?

Recommendation: The appropriate return on equity (ROE) is 8.74 percent with a range of 7.74 percent to 9.74 percent. The appropriate overall rate of return is 8.13 percent.

ITEM NO.

CASE

8**PAA

Docket No. 140220-WU – Application for staff-assisted rate case in Polk County by Sunrise Utilities, L.L.C.

(Continued from previous page)

Issue 6: What are the appropriate test year revenues for Sunrise’s water system?

Recommendation: The appropriate test year revenues for Sunrise’s water system are \$74,938.

Issue 7: What is the appropriate amount of operating expenses?

Recommendation: The appropriate amount of operating expenses for the Utility is \$75,778. Staff recommends that the Utility be required to file documentation in this docket by December 31, 2016, showing that the pro forma trihalomethane and haloacetic acid tests have been completed. The documentation should include a copy of the test results and final invoices.

Issue 8: Should the Commission utilize the operating ratio methodology as an alternative means to calculate the revenue requirement for Sunrise, and, if so, what is the appropriate margin?

Recommendation: Yes. The Commission, on its own motion, should utilize the operating ratio methodology for calculating the revenue requirement for Sunrise. The margin should be 10 percent of O&M expense.

Issue 9: What is the appropriate revenue requirement?

Recommendation: The appropriate revenue requirement is \$82,448, resulting in an annual increase of \$7,510 (10.02 percent).

Issue 10: What is the appropriate rate structure and rates for Sunrise?

Recommendation: The recommended rate structure and monthly water rates are shown on Schedule No. 4 of staff’s memorandum dated February 18, 2016. 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 sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

ITEM NO.

CASE

8**PAA

Docket No. 140220-WU – Application for staff-assisted rate case in Polk County by Sunrise Utilities, L.L.C.

(Continued from previous page)

Issue 11: What is the appropriate amount by which rates should be reduced four years after the published effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816 F. S.?

Recommendation: The water rates should be reduced as shown on Schedule No. 4 of staff's memorandum dated February 18, 2016, to remove rate case expense grossed up for RAFs and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. The Utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If Sunrise files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

Issue 12: What are the appropriate initial customer deposits for Sunrise and in what manner should the Utility's noncompliance with Rule 25-30.311, F.A.C. be addressed?

Recommendation: The Utility's current initial customer deposits of \$52 for the 5/8 inch x 3/4 inch residential meter size and two times the estimated average bill for all other residential and general service meter sizes should remain unchanged. The approved customer deposits should be effective for services rendered or 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 charge the approved charges until authorized to change them by the Commission in a subsequent proceeding.

Staff recommends that the Utility continue to work on its compliance with Rule 25-30.311 F.A.C. The Utility should complete refunds within three months of the Commission Order. Sunrise should be required to reconcile its customer deposit accounts and records within a reasonable time. The Utility should be required to provide monthly reports beginning March 31, 2016, until it has satisfactorily refunded the appropriate amount of customer deposits and applied the appropriate interest on customer deposits. Staff should be given administrative authority to determine when the Utility is in compliance with Rule 25-30.311, F.A.C. Staff believes the Utility is moving forward to make corrective actions to resolve the issues regarding the customer deposits. Therefore, staff recommends that enforcement action is not warranted at this time.

ITEM NO.

CASE

8**PAA

Docket No. 140220-WU – Application for staff-assisted rate case in Polk County by Sunrise Utilities, L.L.C.

(Continued from previous page)

Issue 13: Should the recommended rates be approved for Sunrise on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility. 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 sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates should not be implemented until staff has approved the proposed notice, and the notice has been received by the customers. Prior to implementation of any temporary rates, the Utility should provide appropriate security. If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the analysis portion of staff's memorandum dated February 18, 2016. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission Clerk's office no later than the twentieth of every month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

Issue 14: Should Sunrise be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision?

Recommendation: Yes. The Utility should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision. Sunrise should submit a letter within 90 days of the final order in this docket, confirming that the adjustments to all the applicable NARUC USOA primary accounts as shown on Schedule No. 5 of staff's memorandum dated February 18, 2016, have been made to the Utility's books and records. In the event the Utility needs additional time to complete the adjustments, notice should be provided within seven days prior to deadline. Upon providing good cause, staff should be given administrative authority to grant an extension of up to 60 days. In addition, the Utility should be required to maintain its books and records on a monthly basis in accordance with the NARUC USOA.

ITEM NO.

CASE

8**PAA

Docket No. 140220-WU – Application for staff-assisted rate case in Polk County by Sunrise Utilities, L.L.C.

(Continued from previous page)

Issue 15: Should this docket be closed?

Recommendation: No. 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 will 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, and the Utility has provided staff with proof that the adjustments for all the applicable NARUC USOA primary accounts have been made. Also, the docket should remain open to allow staff to verify that the Utility has adjusted its customer deposit records and all deposit amounts that may be owed to customers have been properly refunded and to verify the Utility has properly refunded the rate case expenses it overcollected. Once the above actions are completed this docket will be closed administratively.

ITEM NO.

CASE

9**PAA

Docket No. 150012-WU – Application for transfer of Certificate 390-W from County-Wide Utility Co., Inc. to Southwest Ocala Utility, Inc. in Marion County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ENG: Watts

AFD: Frank, Norris

ECO: Thompson

GCL: Villafrate

(Proposed Agency Action for Issues 2 and 3.)

Issue 1: Should the Commission approve the transfer of County-Wide Utility Co., Inc.'s water system and Certificate No. 390-W to Southwest Ocala Utility, Inc.?

Recommendation: Yes. The transfer of County-Wide's water system and the transfer of Certificate No. 390-W to SOU is in the public interest and should be approved effective the date of the Commission's vote. The resultant order should serve as SOU's certificate and should be retained by the Utility. The existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariffs reflecting the transfer should be effective for services rendered or connections made on or after the stamped approval date on the tariffs, pursuant to Rule 25-30.475, Florida Administrative Code (F.A.C.) SOU should be responsible for filing the Utility's annual reports and paying RAFs for 2015 and all future years.

Issue 2: What is the appropriate net book value for the SOU water system for transfer purposes?

Recommendation: The net book value of the water system for transfer purposes is \$760,002, as of January 1, 2014. Within 90 days of the date of the final order, SOU should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in SOU's 2015 Annual Report when filed.

Issue 3: Should an acquisition adjustment be recognized for rate-making purposes?

Recommendation: Yes. Pursuant to Rule 25-30.0371, F.A.C., a negative acquisition adjustment of \$607,775 should be recognized for rate-making purposes. Beginning with the date of the issuance of the order approving the transfer, 50 percent of the negative acquisition, which is \$303,888, should be amortized over a 7-year period and the remaining 50 percent should be amortized over the remaining 33-year life of the assets.

ITEM NO.

CASE

9**PAA

Docket No. 150012-WU – Application for transfer of Certificate 390-W from County-Wide Utility Co., Inc. to Southwest Ocala Utility, Inc. in Marion County.

(Continued from previous page)

Issue 4: Should this docket be closed?

Recommendation: Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the order, a consummating order should be issued and the docket should be closed administratively after SOU has provided proof that its general ledgers have been updated to reflect the Commission-approved balances as of January 1, 2014.

ITEM NO.

CASE

10**PAA

Docket No. 150230-WU – Application for amendment of Certificate of Authorization No. 247-W, to extend water service area to include land in Seminole County, by Sanlando Utilities Corporation.

Critical Date(s): 03/27/16 - Statutory deadline for rule waiver
05/03/16 - Tariff deadline waived

Commissioners Assigned: All Commissioners
Prehearing Officer: Administrative

Staff: ENG: P. Buys
ECO: Hudson, Thompson
GCL: Mapp

(Proposed Agency Action for Issue 2, Tariff Filing for Issue 3.)

Issue 1: Should the Commission approve Sanlando Utilities Corporation’s application for amendment of Certificate No. 247-W to extend its water territory in Seminole County?

Recommendation: Yes. It is in the public interest to amend certificate No. 247-W to include the territory as described in Attachment A of staff’s memorandum dated February 18, 2016, effective the date of the Commission’s vote. The resultant order should serve as Sanlando’s amended certificate and should be retained by the Utility. The Utility should charge the customers in the territory added herein the rates and charges contained in its current tariff until a change is authorized by the Commission in a subsequent proceeding.

Issue 2: Should the Commission approve Sanlando Utilities Corporation’s request for waiver of Rule 25-30.565, Florida Administrative Code, Application for Approval of New or Revised Service Availability Policy or Charges?

Recommendation: Yes. If Issue 1 is approved, the Commission should approve Sanlando Utilities Corporation’s Petition for waiver of Rule 25-30.565, F.A.C.

Issue 3: Should Sanlando Utilities Corporation’s request to collect a main extension charge of \$5,526 per lot from the 116 property owners in the Myrtle Lake Hills subdivision be approved?

Recommendation: Yes. Sanlando should be authorized to collect a water main extension charge of \$5,526 per lot from the 116 property owners in the Myrtle Lake Hills subdivision. The recommended charge is reasonable and consistent with the guidelines set forth in Rule 25-30.580, F.A.C., and should be approved. The approved charge should be effective for service rendered on or after the stamped approval date of the tariff, pursuant to Rule 25-30.475, F.A.C. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given within 10 days of the date of the notice.

ITEM NO.

CASE

10**PAA

Docket No. 150230-WU – Application for amendment of Certificate of Authorization No. 247-W, to extend water service area to include land in Seminole County, by Sanlando Utilities Corporation.

(Continued from previous page)

Issue 4: Should this docket be closed?

Recommendation: If no person whose substantial interests are affected by the proposed agency action or tariff issues files a protest within 21 days of the issuance of the order, a consummating order should be issued, and 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. If a protest is filed within 21 days of the issuance of the Order, the tariff should remain in effect subject to refund pending the resolution of the protest, and the docket should remain open.

ITEM NO.

CASE

11**

Docket No. 150248-EG – Petition for approval of community solar pilot program, by Gulf Power Company.

Critical Date(s): 07/09/16 (8-Month Effective Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Ollila, Higgins, Margolis

ENG: Ellis

GCL: Tan

IDM: Marr

Issue 1: Should the Commission approve the proposed community solar five-year pilot program and associated tariffs?

Recommendation: Yes. Staff believes that the proposed solar program provides an opportunity for customers to participate in a community solar project and also provides solar energy for Gulf's general body of ratepayers. Staff recommends that the Commission approve the proposed community solar five-year pilot program and associated tariffs, effective March 1, 2016.

Staff also recommends that Gulf file an initial annual report on the commercial operation date of the initial solar facility and subsequently on each anniversary date, to include participation levels, the level of participation by type of participant (e.g., one-year and five-year), how many subscriptions each participant purchases, subscription fee revenue, facility performance, program costs, the annual dollar amount of bill credits paid to participants, and the amount of annual avoided energy costs retained by Gulf.

Issue 2: Should the Commission approve the termination of the optional PV Rider tariff?

Recommendation: Yes. Staff believes that the termination of the optional PV Rider is reasonable and recommends that the Commission approve its termination effective March 1, 2016. If the Commission approves staff's recommendation, current participants should be notified of the termination of the PV Rider within 30 days of the effective date.

Issue 3: What is the appropriate depreciation rate for Gulf's proposed solar facilities?

Recommendation: Staff recommends the Commission approve a whole life depreciation rate of 2.9 percent, which is based on a 35-year average service life and zero percent net salvage for Gulf's proposed solar facilities.

ITEM NO.

CASE

11**

Docket No. 150248-EG – Petition for approval of community solar pilot program, by Gulf Power Company.

(Continued from previous page)

Issue 4: Should this docket be closed?

Recommendation: If Issues 1, 2, and 3 are approved and if a protest is filed within 21 days of the issuance of the order, the tariff should remain in effect pending resolution of the protest. There will not be any dollar amount subject to refund because Gulf will not begin pre-enrollment until a final order is issued. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

12**PAA

Docket No. 150252-EU – Joint petition for approval of territorial agreement in Alachua, Marion, Columbia, Levy and Volusia Counties by Clay Electric Cooperative, Inc. and Duke Energy Florida, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: ECO: Rome

GCL: Villafrate

Issue 1: Should the Commission approve the joint petitioners' proposed agreement?

Recommendation: Yes, the Commission should approve the proposed agreement.

Issue 2: Should this docket be closed?

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

ITEM NO.

CASE

13**PAA

Docket No. 160025-EU – Joint petition for approval of amendment to territorial agreement in Orange County, by Orlando Utilities Commission and Duke Energy Florida, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ECO: Rome

GCL: Janjic

Issue 1: Should the Commission approve the amendment to the territorial agreement between OUC and Duke?

Recommendation: Yes, the Commission should approve the amendment to the territorial agreement between OUC and Duke.

Issue 2: Should this docket be closed?

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

ITEM NO.

CASE

14**PAA

Docket No. 160017-EI – Petition for approval of depreciation rates for solar photovoltaic generating units, by Duke Energy Florida, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ECO: Stratis, Wu

ENG: King, Wooten

GCL: Janjic

IDM: Clemence

Issue 1: Should the Commission approve DEF's proposed depreciation rates for DEF's solar photovoltaic generating units and associated equipment?

Recommendation: Yes. Staff recommends that the Commission approve a 30-year life and a whole life depreciation rate of 3.3 percent, for DEF's solar photovoltaic generating units.

Issue 2: What should be the effective date for the implementation of the new depreciation rates for DEF's solar photovoltaic generating units and associated equipment?

Recommendation: Staff recommends the Commission approve an effective date of March 15, 2016, for the implementation of the new depreciation rates for DEF's solar photovoltaic generating units and associated equipment.

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 issuance of the consummating order.