

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, May 3, 2022, 9:30 a.m.

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

DATE ISSUED: April 21, 2022

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.

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ITEM NO.

CASE

1

Docket No. 20220012-EI – Petition for temporary waiver of Rule 25-6.078(3), F.A.C. by Florida Power & Light Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: GCL: Rubottom, DuVal

ECO: Coston, Draper

(Motion to Dismiss - Oral Argument Not Requested; Participation is at the Commission's Discretion)

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

Recommendation: Yes. The Commission should grant FPL's Motion and dismiss the Protest Petitions with prejudice.

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission accepts staff's recommendation on Issue 1 and dismisses the Protest Petitions with prejudice, then the Commission should issue a Consummating Order finalizing the PAA Order, and the docket should be closed.

ITEM NO.

CASE

2**PAA

Docket No. 20220036-TP – Petition of North American Numbering Plan Administrator on behalf of the Florida telecommunications industry, in the matter of the implementation for relief of the 904 numbering plan area.

Critical Date(s): The estimated exhaust date for the 904 area code is the third quarter of 2024.

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo

Staff: IDM: Deas, Fogleman

GCL: Weisenfeld, Imig

Issue 1: Should the Commission approve the Industry's consensus recommendation of an all-services distributed overlay as the area code relief plan for the 904 area code?

Primary Recommendation: Yes. The Commission should approve the Industry's consensus recommendation of an all-services distributed overlay as the area code relief plan for the 904 area code.

Alternative Recommendation: No. Staff recommends a modified overlay of a new area code with boundary elimination as the area code relief plan for the 904 area code. Staff recommends an immediate overlay of a new area code over the 904 area code, with a boundary elimination between the 904 and 386 geographic areas once the 386 area code reaches exhaust.

Issue 2: 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 PAA Order, a Consummating Order should be issued. The docket should remain open pending the full implementation of the all-services distributed overlay of the 904 area code. Once this action is complete the docket should be closed administratively.

ITEM NO.

CASE

3**PAA

Docket No. 20210184-WS – Application for limited proceeding in Highlands County by HC Waterworks, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo

Staff: AFD: Richards, Casper
ECO: Bethea, Hudson
ENG: P. Buys, Ramos
GCL: Sandy, J. Crawford

(Proposed Agency Action Except for Issues 5 and 6.)

Issue 1: Should the Commission approve HC Waterworks, Inc.’s request for a limited proceeding?

Recommendation: The Commission should approve the Utility’s request for a limited proceeding rate increase as modified by staff. HCWW should be allowed an annual increase of \$17,879 or 2.36 percent for water, and \$15,883 or 18.74 percent for wastewater. The adjusted revenues are reflected on Schedule Nos. 1-A and 1-B of staff’s memorandum dated April 21, 2022.

Issue 2: What are the appropriate water and wastewater rates for HC Waterworks, Inc.?

Recommendation: The recommended monthly water and wastewater rates are shown on Schedule Nos. 2-A and 2-B. The recommended rates should be designed to produce additional revenues of \$17,879 (2.36 percent increase) for water and \$15,883 (18.74 percent increase) for wastewater. The percent increases should be applied as an across-the-board increase to the existing service rates. 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. 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

3**PAA

Docket No. 20210184-WS – Application for limited proceeding in Highlands County by HC Waterworks, Inc.

(Continued from previous page)

Issue 3: Should the initial customer deposits for HC Waterworks, Inc. be approved?

Recommendation: The appropriate initial customer deposits should be \$122 for the single family residential 5/8 inch x 3/4 inch meter size for water and \$84 for the single family residential 5/8 inch x 3/4 inch meter size for wastewater. 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 and wastewater. The approved initial 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 deposits until authorized to change them by the Commission in a subsequent proceeding.

Issue 4: Should HC Waterworks, Inc.’s miscellaneous service charges be revised to conform to amended Rule 25-30.460, F.A.C.?

Recommendation: Yes. Staff recommends the miscellaneous service charges be revised to conform to the recent amendment to Rule 25-30.460, F.A.C. The tariff should be revised to reflect the removal of initial connection and normal reconnection charges. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice.

Issue 5: What is the appropriate amount by which rates should be reduced in four years after the published effective date to reflect the removal of the amortized rate case expense as required by Section 367.081(8), F.S.?

Recommendation: The water and wastewater rates should be reduced, as shown in Schedule Nos. 2-A and 2-B of staff’s memorandum dated April 21, 2022, 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 367.081(8), F.S. HCWW 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

3**PAA

Docket No. 20210184-WS – Application for limited proceeding in Highlands County by HC Waterworks, Inc.

(Continued from previous page)

Issue 6: Should the recommended rates be approved for HC Waterworks, Inc. on a temporary basis, subject to refund, in the event of a protest filed by a substantially affected person or party?

Recommendation: Yes. 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 substantially affected person or 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 below in the staff analysis portion of staff's memorandum dated April 21, 2022. 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 20th 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 7: 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. 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.

ITEM NO.

CASE

4**PAA

Docket No. 20220029-EI – Petition for approval of a plant account and depreciation rate for electric vehicle DC fast charge stations by Duke Energy Florida, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo

Staff: ECO: Kunkler, Smith II

GCL: Stiller

Issue 1: Should DEF's request to establish a new sub-account and annual depreciation rate applicable to its Company-owned DCFC stations and related equipment be approved, and, if so, what is the appropriate sub-account and depreciation rate?

Recommendation: Yes. Staff recommends that the appropriate sub-account for Company-owned DCFC stations and related equipment is Account 370.7 – EV Charging Stations. Staff also recommends an annual depreciation rate of 10 percent applicable to DEF's DCFC stations and related equipment be approved.

Issue 2: If a new depreciation rate for Company-owned DCFC stations and related equipment is authorized in Issue 1, what should be the effective date?

Recommendation: If the Commission approves staff's recommendation in Issue 1, staff recommends that any newly-authorized depreciation rate for Company-owned DCFC stations and related equipment applicable to Account 370.7 – EV Charging Stations become effective January 1, 2022.

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

5

Docket No. 20190168-WS – Application for water and wastewater service in Duval, Baker, and Nassau Counties, by First Coast Regional Utilities, Inc.

Critical Date(s): None

Commissioners Assigned: Graham, Clark, La Rosa

Prehearing Officer: Graham

Staff: ENG: M. Watts, Knoblauch, Ramos

AFD: Bennett, Fletcher

ECO: Bruce, Hudson

GCL: J. Crawford

(Post-Hearing Decision - Participation is Limited to Commissioners and Staff)

Issue 1: Has FCRU met the filing and noticing requirements pursuant to Rules 25-30.030 and 25-30.033, F.A.C.?

Approved Type II Stipulation: Yes. FCRU has met the filing and noticing requirements pursuant to Rules 25-30.030 and 25-30.033, F.A.C.

Issue 2: Is there a need for service in FCRU's proposed service territory and, if so, when will service be required?

Recommendation: Yes. There is a need for service. Phase I of the development will require water and wastewater service within 30 months of certification.

Issue 3: Is FCRU's application inconsistent with Duval County's, Nassau County's, or Baker County's comprehensive plans?

Recommendation: FCRU's application is consistent with the Nassau County comprehensive plan; it may not be consistent with the Baker and Duval County comprehensive plans. However, Section 367.011, F.S., gives the Commission exclusive jurisdiction over this matter and Section 367.045(5)(b), F.S., states the Commission shall consider, but is not bound by, the local comprehensive plans. In addition, it does not appear that granting FCRU a certificate would deprive the counties of their ability to control development under their comprehensive plans or ordinances. Accordingly, staff recommends that the perceived inconsistencies should not cause the Commission to deny FCRU's application.

Issue 4: Will the certification of FCRU result in the creation of a utility which will be in competition with, or duplication of, any other system?

Recommendation: No. The proposed service area is undeveloped land with no water or wastewater service being provided and no existing service lines or facilities in place.

Issue 5: Does FCRU have the financial ability to serve the requested territory?

Recommendation: Yes. The Utility has the financial ability to service the requested territory.

ITEM NO.

CASE

5

Docket No. 20190168-WS – Application for water and wastewater service in Duval, Baker, and Nassau Counties, by First Coast Regional Utilities, Inc.

(Continued from previous page)

Issue 6: Does FCRU have the technical ability to serve the requested territory?

Recommendation: Yes. FCRU has met the requirements of the rule demonstrating that, with the retention of outside professionals for the construction and operation of its systems, it has the technical ability to serve the requested territory.

Issue 7: Does FCRU have sufficient plant capacity to serve the requested territory?

Recommendation: Yes. The evidence in the record demonstrates that FCRU has properly planned for the estimated needs of the proposed service area.

Issue 8: Has FCRU provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located?

Approved Type II Stipulation: Yes. FCRU provided a copy of the unrecorded Specialty Warranty Deed, between FCRU and 301 Capital Partners, LLC, the current landowners, as evidence that it will have continued use of the land upon which utility treatment facilities will be located. If the certificate is granted, FCRU should provide a copy of the recorded instrument within 60 days of the Commission's vote.

Issue 9: Is it in the public interest for FCRU to be granted water and wastewater certificates for the territory proposed in its application?

Recommendation: Yes. Based on the recommendations in Issues 1 through 8, it is in the public interest to grant FCRU Certificate No. 680-W to provide water service and Certificate No. 578-S to provide wastewater service to the territory described in Attachment A of staff's memorandum dated April 21, 2022.

Issue 10: What is the appropriate return on equity for FCRU?

Approved Type II Stipulation: The appropriate return on equity is 8.12 percent with a range of plus or minus 100 basis points.

Issue 11:

What are the appropriate rates and rate structures for the water and wastewater systems for FCRU?

Recommendation: In accordance with staff's recommended revenue requirement, the appropriate water and wastewater rates and rate structures shown on Schedule Nos. 4-A and 4-B of staff's memorandum dated April 21, 2022, are reasonable and should be approved. The rates 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 rates until authorized to change them by the Commission in a subsequent proceeding.

ITEM NO.

CASE

5

Docket No. 20190168-WS – Application for water and wastewater service in Duval, Baker, and Nassau Counties, by First Coast Regional Utilities, Inc.

(Continued from previous page)

Issue 12: What are the appropriate miscellaneous service charges for FCRU?

Approved Type II Stipulation: Pursuant to Rule 25-30.460, F.A.C., the appropriate miscellaneous service charges for FCRU should be a premise visit charge of \$30, and violation reconnection charge at actual cost.

Issue 13: What is the appropriate late payment charge for FCRU?

Approved Type II Stipulation: The appropriate late payment charge should be \$7.50.

Issue 14: What are the appropriate Non-Sufficient Funds (NSF) charges for FCRU?

Approved Type II Stipulation: The NSF charge for FCRU should be prescribed as in Section 68.06

Issue 15: What are the appropriate service availability charges for FCRU?

Recommendation: The appropriate service availability charges are shown on Schedule No. 5 of staff's memorandum dated April 21, 2022 and should be approved. The Utility's proposed service availability policy should be revised to reflect that the charges are appropriate when the Utility installs the facilities. The approved charges and policy 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. FCRU should be required to collect its approved service availability charges until authorized to change them by the Commission in a subsequent proceeding.

Issue 16: What are the appropriate initial customer deposits for FCRU?

Approved Type II Stipulation: The appropriate customer deposits for FCRU should reflect an average of two months service for residential customers with a 5/8 inch x 3/4 inch meter and two times the average customer bill for all other meter sizes.

Issue 17: Should this docket be closed?

Recommendation: This docket should be closed.