

130th

ANNUAL REPORT

O F T H E

FLORIDA PUBLIC SERVICE COMMISSION



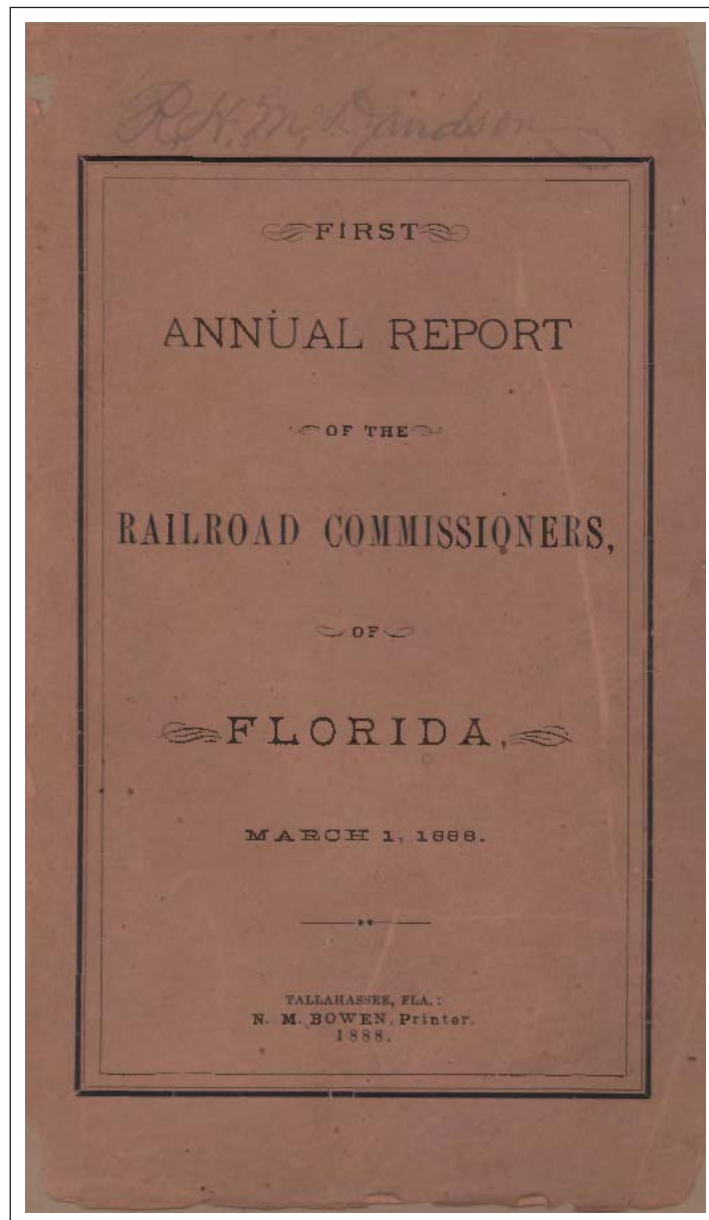
1887 - 1912

1912 - 1977

1977 - 1995

1995 - Present

2017



First Annual Report

MARCH 1888

The Railroad Commission was required to provide the Governor with an annual report of all agency “transactions” or activities, and to recommend legislation by March 1st of each year. In the annual report, the Commission chose to defer any recommendations on legislation until the second annual report. The Commission also suggested that going forward, the annual report should cover the preceding year ending December 31. The first report covered a period from August 9, 1887 to March 1, 1888. Among other things, the Commission required each railroad company to submit earnings reports on the 20th of every month and supply the Commission with an annual report on February 1 of each year. The annual report also noticed an upcoming meeting, set for Tuesday, September 6, 1888, “for the purpose of fixing reasonable and just rates for the transportation of freight and passengers.”

The first annual report pictured here belonged to
Commissioner R.H.M. Davidson
(served July 1, 1897 – January 3, 1899)

First Commissioners



PRESIDENT

George G. McWhorter

August 1887 - June 1891

COMMISSIONER

Enoch J. Vann

August 1887 - June 1891

COMMISSIONER

William Himes

August 1887 - June 1891

CHAIRMAN'S MESSAGE

In Florida, 2017 will be remembered as the year of Hurricane Irma, one of the most powerful storms on record for Florida. Irma made landfall in the Keys on September 10th and impacted every part of the state. Before, during, and after the storm, the Florida Public Service Commission (FPSC) manned the state's Emergency Operations Center, monitoring the utilities' power outages and restoration efforts.

Returning power and providing a sense of normalcy to consumers in Florida took collaboration by utilities near and far. Within weeks after Irma, the FPSC opened a generic docket to review electric utility hurricane preparedness and restoration actions. As part of this docket, the FPSC is collecting forensic data on the transmission and distribution facilities impacted by Hurricane Irma's winds, will be conducting technical workshops the first week in April, 2018, and has invited utility customers to provide comments on utilities' actions. So far, more than 370 customers have submitted comments.

A hurricane is a stem test of public and private sector leadership. After the 2004 and 2005 hurricane seasons, the FPSC established rules for utilities' ongoing storm hardening activities and preparations. Our review of the 2017 Hurricane Season will help identify opportunities to improve utility practices and procedures.

Below are some of the FPSC's 2017 accomplishments, pre- and post-Irma:

- ◆ The Commission held a roundtable—featuring utility, manufacturer, and industry representatives—on the impacts surrounding the growing market for electric vehicles.
- ◆ The Commission hosted a cyber-security roundtable, to discuss best practices with professionals from across the country.
- ◆ The Commission voted to propose rules—consistent with House Bill 491—for water and wastewater utilities to request reserve funds that may provide accessible, low-cost funding for infrastructure repair and replacement projects.
- ◆ The Commission approved a settlement agreement with Duke Energy Florida that reduced residential customer bills by \$2.50 per 1,000 kWh with the removal of the unrecorded Levy Nuclear project, while also providing investments in solar projects, battery storage and electric vehicle charging station initiatives.
- ◆ The Commission approved a settlement agreement on Gulf Power Company's rate petition, including a \$32.5 million write-down of its costs for Plant Scherer, which reduced the original petition by almost half the amount.
- ◆ The Commission approved a settlement agreement with Tampa Electric Company that expands solar power and provides rate certainty to customers for the next four years.
- ◆ The Commission approved a settlement agreement with Peoples Gas System that keeps base rates stable through 2020.

Though ending my term as Chair, I will continue my goal of making customers' interaction with the FPSC a more seamless experience no matter where they are!

Julie I. Brown



Chairman

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CONTACT INFORMATION

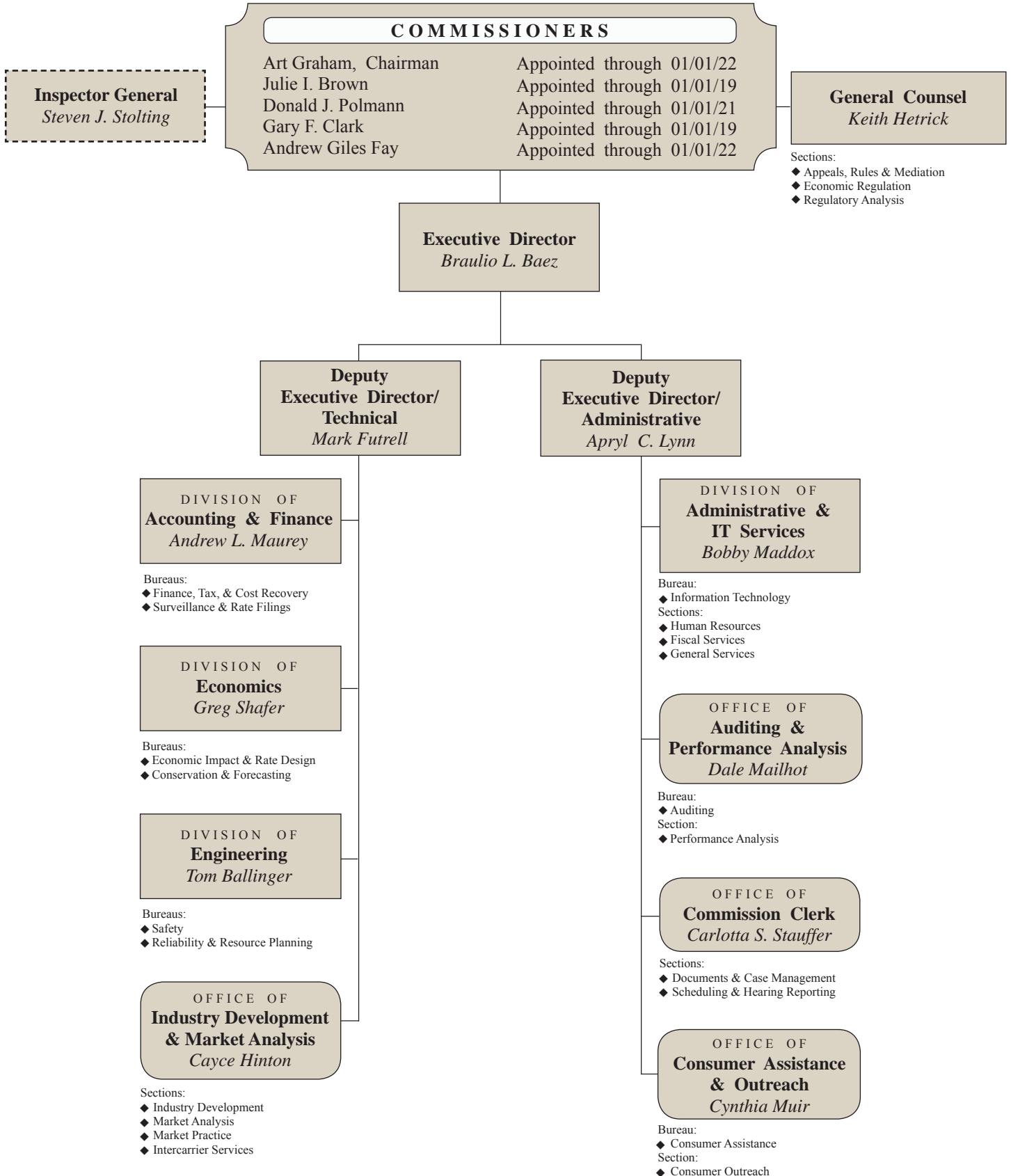
The Florida Public Service Commission’s (FPSC or Commission) responsibilities in utility regulation directly affect the public. The FPSC welcomes requests for information about utility regulation or utility-related matters. Inquiries may be made in writing to the address below or by telephone, e-mail,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

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

E-mail address: contact@psc.state.fl.us
Internet home page: www.FloridaPSC.com
Twitter: [@FloridaPSC](https://twitter.com/FloridaPSC)

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

FPSC ORGANIZATIONAL CHART



FPSC COMMISSIONERS



COMMISSIONER
Gary F. Clark



COMMISSIONER
Julie I. Brown



CHAIRMAN
Art Graham



COMMISSIONER
Donald J. Polmann



COMMISSIONER
Andrew Giles Fay

Art Graham was appointed to the Florida Public Service Commission by Governor Charlie Crist in July 2010 and was twice reappointed by Governor Rick Scott, most recently for a term through January 2022. He was elected to serve as Commission Chairman from January 2018 through January 2020. He has served two previous terms as Commission Chairman, working with his colleagues and industry representatives to find ways to hold down rates for Florida's consumers and businesses.

◆ Chairman Graham is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Committee on Electricity. He previously served on NARUC's Committee on Water from 2010 through 2016 and was appointed Co-Vice Chair in January 2015. He currently serves on the IEEE Standards Association subcommittee updating the National Electrical Safety Code's standards for strength and loading of overhead lines. ◆ Prior to his appointment as Commissioner, he served on the Jacksonville City Council. Among his duties as Council Member, Chairman Graham helped oversee the budget of JEA, a publicly owned electric, water, and wastewater utility, and chaired the Transportation, Energy, and Utilities Committee. Previously he was on the City Council in Jacksonville Beach, which owns and operates the Beaches Energy electric utility. ◆ He is a past chair of the North Florida Transportation Planning Organization and vice president of the Northeast Florida Regional Council. He was President of ART Environmental Consulting Services from 2005 to 2009, having previously worked on electric power generating boilers and wastewater reduction as a recovery engineer with Georgia Pacific Pulp and Paper. ◆ He received a bachelor's degree in chemical engineering from the Georgia Institute of Technology in Atlanta. He is also a 2001 graduate of Leadership Jacksonville and a 2008 graduate of Leadership Florida.

Julie Imanuel Brown was reappointed to the Florida Public Service Commission by Governor Rick Scott for a four-year term beginning January 2, 2015 and ending January 1, 2019. Commissioner Brown served as Commission Chairman from January 2016-January 2018. She was first appointed to the Commission by Governor Charlie Crist and was reappointed by Governor Rick Scott for a four-year term beginning January 2, 2011. Prior to her appointment, she was Associate Legal Counsel of First American Corporation, a Fortune 500 company, where she handled a variety of legal issues in the Eastern, Midwest and Mid-Atlantic Regions, including corporate compliance with regulatory authorities. ◆ Previously an Assistant City Attorney for the City of Tampa, Commissioner Brown specialized in contract, regulatory and administrative law while acting as legal advisor to the City of Tampa for wastewater, stormwater, land development coordination, and other matters. She also worked as a corporate attorney at Shumaker, Loop and Kendrick, LLP in Tampa, Florida, specializing in mergers and acquisitions and securities law. ◆ Commissioner Brown is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on NARUC's Committee on Gas, Subcommittee on Nuclear Issues-Waste Disposal, and its Presidential Natural Gas Access and Expansion Task Force to help expand natural gas service in neglected and rural areas. She previously served on NARUC's Committee on Energy Resources and the Environment. ◆ In January 2017, Commissioner Brown was selected to serve on the Financial Research Institute's Advisory Board. Commissioner Brown was also elected as Vice Chairman of the Gas Technology Institute's Public Interest Advisory Committee in October 2016. A member of the Nuclear Waste Strategy Coalition since 2011, she was elected in early 2016 to serve on its Executive Committee to lead the group's efforts to expand membership. ◆ Commissioner Brown chaired the Florida Legislature's Study Committee on Investor-Owned Water and Wastewater Utility Systems and previously served on the New Mexico State University's Center for Public Utilities Advisory Council. Her civic affiliations have included the City of Tampa's Architectural Review Commission, the Board of Directors for the Tampa Firefighters Museum, and the Florida Bar's 13th Judicial Circuit Bar Grievance Committee. ◆ Commissioner Brown graduated magna cum laude with a Bachelor of Science from the University of Florida, where she was the recipient of the Outstanding Female Leader award, President of Florida Blue Key, inducted into the Hall of Fame, and received the Dean's Cup for the College of Journalism and Communications. She earned a Juris Doctorate from the University of Florida Levin College of Law, is a member of the Florida Bar, and a member of Leadership Florida, Class XXXIII. Her graduate education included study abroad at the University of Montpellier College of Law in France. ◆ Commissioner Brown and her husband have two children.

Continued

FPSC COMMISSIONERS *continued*

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

Gary F. Clark was appointed to the Florida Public Service Commission (PSC) by Governor Rick Scott on September 15, 2017 to fill an unexpired term. ♦ Prior to his appointment to the PSC, Commissioner Clark most recently served as the Deputy Secretary of Land and Recreation for the Florida Department of Environmental Protection, where he oversaw the 174 state parks and trails, and the Division of State Lands. In this role, he also served as the chair of the Florida Acquisition and Restoration Council and as chairman of the governing board of the Florida Communities Trust. ♦ Commissioner Clark spent the majority of his professional career at West Florida Electric, where he served as the Vice President of Member Services. During his tenure, Commissioner Clark worked in many areas of the company and led the company's diversification efforts. He served for many years as a member of the Association of Energy Engineers where he also earned the distinction as Certified Energy Manager. ♦ Commissioner Clark is recognized for his leadership and service to his community. He has served in several capacities including Washington County School Board member, Chipola College Board of Trustees, Washington County Chamber of Commerce Board of Directors, and the Northwest Florida Water Management District Governing Board. Because of his noteworthy leadership, he has received numerous awards and recognitions. ♦ Commissioner Clark is a graduate of Chipola College and the University of Phoenix and holds a Bachelor of Science in Business Administration. A lifelong resident of Washington County, he has owned and managed several small business operations in Northwest Florida. Commissioner Clark and his wife have two children.

Andrew Giles Fay was appointed to the Florida Public Service Commission by Governor Rick Scott for a term ending on January 1, 2022. Commissioner Fay comes from the Office of the Attorney General, where he served as Special Counsel and Director of Legislative Affairs, Cabinet Affairs, and Public Policy. ♦ As counsel to the Attorney General, Commissioner Fay worked directly with the Power Plant Siting Act, assisting on issues associated with the Florida Cabinet's consideration of electric facility construction and upgrades. Commissioner Fay also served as an advisor to the Attorney General in her work on the Constitution Revision Commission, providing research and information on the energy industry. ♦ Commissioner Fay served under Attorney General Pam Bondi since her office was established in 2011. First serving as Assistant Attorney General, he was the lead attorney on all Legislative matters and also drafted legislation most notably Florida's Information Protection Act (FIPA). ♦ In 2016, Commissioner Fay was named Government Attorney of the Year by the Florida Government Bar Association for his work assisting victims of the attack on the Pulse Nightclub in Orlando. He was also recognized by Florida Trend Magazine as a Legal Elite Government Lawyer in 2016 and 2017.

FPSC EXECUTIVE MANAGEMENT

EXECUTIVE
DIRECTOR



**BRAULIO L.
Baez**

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

DEPUTY
EXECUTIVE
DIRECTOR-
ADMINISTRATIVE



**APRYL C.
Lynn**

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

DEPUTY
EXECUTIVE
DIRECTOR-
TECHNICAL



**MARK
Futrell**

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

GENERAL
COUNSEL



**KEITH
Hetrick**

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

DEPUTY
GENERAL
COUNSEL



**MARY ANNE
Helton**

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



The Role of Florida's Public Service Commission

MISSION STATEMENT:

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

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

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

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

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

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

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

RATE BASE / ECONOMIC REGULATION

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

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

ENERGY

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

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

WATER & WASTEWATER

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

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

The Legislature has recognized the benefit of reuse to Florida and has enacted provisions in the statutes for the Florida Department of Environmental Protection (DEP), the five



water management districts (WMD), and wastewater utilities to employ reuse as a means of effluent disposal and as a method of water conservation. The FPSC's charge is to identify reuse issues related to its jurisdiction and to establish policies that are consistent with statewide goals.

Water conservation is vital to Florida's economy. As an economic regulator, the FPSC is actively involved in demand-side water conservation through rates and rate structure review. Rates and rate structure have a direct bearing on water usage and water resource allocation. The FPSC has a Memorandum of Understanding (MOU) with DEP as well as MOUs with four of the five WMDs to coordinate efforts to improve statewide water quality and meet statewide conservation goals. These agencies provide expert testimony, as necessary, on water quality and conservation issues in rate cases before the FPSC. When feasible, the FPSC allows utilities to recover expenses related to conservation programs and establishes conservation rates to reduce water consumption.

COMPETITIVE MARKET OVERSIGHT

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

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

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

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

RELIABILITY, SAFETY & SERVICE ISSUES

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

ENERGY

Electric Reliability

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

Electric Distribution Reliability and Infrastructure Hardening

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

Electric Safety

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



Insulators

Insulators came in a variety of styles, colors, and materials and were used for insulating open air power, telephone and telegraph wires on poles. The insulators fit on a protrusion on the pole and the wires wrapped around the groove in the middle. The insulators do not easily allow heat, electricity, light or sound to pass through them.

Natural Gas Pipeline Safety

Safety compliance evaluations are conducted annually on all natural gas systems. These evaluations focus on corrosion control, leak surveys, leak repairs, emergency response, drug testing, employee training and qualification, maintenance, operation, and new construction.

Evaluations generally result in written notifications of gas safety violations such as failure to repair gas leaks, failure to odorize natural gas, or failure to use qualified welders. All violations

must be corrected or scheduled for corrective action pursuant to the Commission's enforcement procedures.

In April 2011, the U.S. Department of Transportation and the Pipeline and Hazardous Materials Safety Administration urged states to replace all bare unprotected steel and cast iron pipelines due to accidents in other parts of the U.S. involving aging infrastructure. The FPSC's Bureau of Safety requested all companies in Florida with aged infrastructure to provide a replacement plan. In September 2012, the Commission approved replacement programs for TECO Peoples Gas System, the Florida Division of Chesapeake Utilities, and Florida Public Utilities Company (FPUC). These three utilities began with a total of 157 miles of cast iron and 760 miles of unprotected steel pipe needing replacement. As of December 2016, approximately 44 miles of cast iron and 343 miles of bare steel remain to be replaced. FPUC-Fort Meade also has a Commission approved replacement program for approximately 250 steel service customer connections.

Emergency Operations Center

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

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

In 2017, the FPSC provided around-the-clock ESF-12 support during Tropical Storm Emily in July, Hurricane Irma in September, and Hurricane Nate in October.

WATER & WASTEWATER

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

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

CONSUMER ASSISTANCE, PROTECTION & EDUCATION

By providing effective consumer assistance, protection, and education, the FPSC accomplishes its mission of assisting consumers and educating the public about the changing regulatory environment.

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

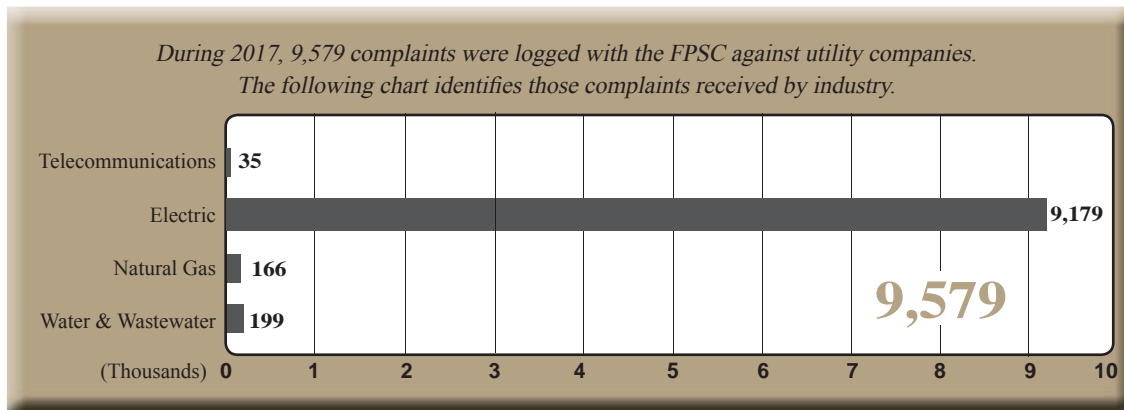
With Florida’s unpredictable weather—as experienced during the 2017 Hurricane Season—and fluctuating fuel costs, consumers have concerns about storm damage and energy expenses, which impact the natural gas and electric industries. The FPSC website and publications explain the rules that keep utilities prepared for storms and fuel costs reasonable and highlight the Commission’s statutory obligation to protect consumers by ensuring public safety.

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

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

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

The chart below identifies complaints received by industry.



*Note: Includes non-certificated complaints logged, complaints transferred via the telephone transfer-connect or e-transfer process, and complaints logged and resolved under the three-day rule.
Effective July 1, 2012, FPSC jurisdiction over telecommunications companies changed.
Telecommunications complaints include, Lifeline Assistance program, Florida Relay, and payphone service.*

Resolving Consumer Complaints

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

Contact the FPSC in the following ways:

- ◆ Complete an online complaint form
- ◆ E-mail: contact@psc.state.fl.us
- ◆ Call toll-free: 1-800-342-3552
- ◆ Fax toll-free: 1-800-511-0809

Send correspondence to:

Florida Public Service Commission
Office of Consumer Assistance & Outreach
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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

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

The FPSC closely monitors informal consumer inquiries and complaints to identify trends affecting consumers and then produces related outreach materials to address those needs. The FPSC provides consumers with the information needed to know their rights as utility customers.

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

Consumer Outreach

Each year the FPSC provides educational packets, including FPSC publications and Lifeline brochures and applications in English, Spanish, and Creole to Florida public libraries across the state for consumer distribution. The FPSC's Library Outreach Campaign reached 555 state public libraries and branches in 2017. The FPSC sends materials via a CD that includes a print-ready copy of FPSC brochures for easy reproduction. Following the Campaign, many libraries request additional publications. Their continuing support helps the FPSC reach consumers throughout the state.

National Consumer Protection Week (NCPW), highlighting consumer protection and education efforts, was important to the FPSC's 2017 conservation education efforts. FPSC Chairman Julie Brown recognized the 19th Annual NCPW (March 5-11, 2017) by highlighting utility-related scam awareness and utility consumer service education through social media. Each day, the FPSC Twitter campaign—[#PSCCelebratesConsumers](https://twitter.com/FPSC)—featured a Commissioner providing a consumer tip. Also during the week, the Commission made seven presentations to consumers throughout the state, showing them how to save money through energy and water conservation and how to avoid scams.

Events to promote energy efficiency and conservation education are annually observed during October's Energy Awareness Month and the FPSC reminded consumers how our energy habits can make a difference to reduce our energy usage and our utility bills. Consumer-related articles about the FPSC's regulatory work are also regularly featured in the *Elder Update*, a bimonthly publication of the Florida Department of Elder Affairs. The popular publication is enjoyed by thousands of Florida seniors free of charge by mail and is also available online.

With its interactive design, the Commission's quarterly Consumer Connection E-Newsletter features current energy and water conservation topics, consumer tips, and general Commission information. Consumer tips highlighted through video and text in 2017 include *Xeriscaping*, *Saving Energy in the Laundry Room*, *Momentary Outages*, and *Tips to Save Energy During the Holidays*. The Consumer Connection E-Newsletter is available under Consumer Corner on the Commission's homepage, distributed to consumers via Twitter, and emailed to subscribers. Consumers can subscribe to the free newsletter online.

Chairman Brown's monthly *Commission Update* featured timely and educational consumer topics. The *Update* was distributed electronically to legislators, local government officials, and Florida Cabinet members, tweeted via @floridapsc, and also featured under Hot Topics (and archived) on the Commission's homepage.

The FPSC's Triple E Award—for Energy Efficiency—recognizes small businesses for implementing Commission-approved, cost effective conservation programs. Covering the state's five major geographic areas, the award identifies a local business that accomplished superior energy efficiency by working with its local utility to help reduce its energy footprint. FPSC Triple E Award recipients are highlighted through a press release, issued statewide, and are featured under Hot Topics on the FPSC's homepage, www.FloridaPSC.com.

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

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

Throughout the year, FPSC Commissioners and/or staff attend customer hearings and meetings around the state. Public meetings provide an inclusive process that allows Florida consumers to participate and share their views with Commissioners. For each hearing or meeting, customers receive a *Rate Case Overview* that explains the case being reviewed and encourages their participation. In 2017, FPSC staff organized and attended 34 customer hearings and meetings, where they addressed citizen questions and concerns and distributed relevant brochures. The FPSC is also required to live stream all off-site meetings attended by two or more commissioners. This provides greater customer access and participation in FPSC proceedings.

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

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

Examples of events where FPSC information was shared during 2017 include:

- ◆ Senior Day at the Capitol
- ◆ Active Living Expo
- ◆ Jacksonville Senior Expo
- ◆ Wealth of Information Fair—Lake City
- ◆ Suwannee River Economic Council—Lake City
- ◆ Bayshore Dining Center—Tampa
- ◆ Kings Arm—Tampa
- ◆ Fraud Prevention Seminar—Pensacola
- ◆ L. Claudia Allen Senior Center
- ◆ William Beardall Senior Center
- ◆ Taylor Senior Citizens Center
- ◆ Senior Citizens Council of Madison County
- ◆ 34th Annual Children’s Day—Florida Museum of History
- ◆ Jefferson County Senior Citizens Center
- ◆ Lunch and Learn—Wildwood Presbyterian Church—Bradfordville Senior Center
- ◆ Winter Springs Senior Center
- ◆ Winter Park Senior Center
- ◆ Renaissance Senior Center
- ◆ Fred Lippman Multi-Purpose Center
- ◆ Miramar Senior Center
- ◆ Sunset Lake Senior Center
- ◆ Austin Hepburn Senior Center
- ◆ Lunch and Learn—Chaires Senior Center
- ◆ Lunch and Learn—Lake Jackson Senior Center
- ◆ Goodwill Industries of Central Florida
- ◆ Osceola Senior Center
- ◆ Lunch and Learn—Woodville Senior Center (2)
- ◆ Mary L. Singleton Senior Center
- ◆ Town N’ Country Senior Center
- ◆ Oaks at Riverview Senior Center
- ◆ Marion County Senior Center
- ◆ Lafayette Senior Center
- ◆ 2017 Elder Abuse and Fraud Prevention Summit—Tallahassee Community College
- ◆ 2017 World Elder Abuse Awareness Day—Quincy
- ◆ Barbara Washington Senior Center
- ◆ Calhoun County Senior Center
- ◆ Calhoun County Public Library
- ◆ Jackson County Senior Center
- ◆ Jackson County Senior Citizens Center
- ◆ Ft. White Senior Recreation Center
- ◆ Florida Department of Agricultural and Consumer Services’ Consumer Protection Fair (4)
- ◆ Community Back to School Family Health Fair—Orlando
- ◆ Suwannee County Health & Wellness Fair
- ◆ Senior Friendship Center-Venice
- ◆ Senior Friendship Center-Sarasota
- ◆ Wakulla Senior Center

II

Highlights of the FPSC's Regulatory Actions for Calendar Year 2017

In 2017, the FPSC regulated 5 investor-owned electric companies, 8 investor-owned natural gas utilities, and 150 investor-owned water and/or wastewater utilities and had competitive market oversight for 336 telecommunications companies in Florida.

The number of certificated telecommunications companies as of November 2017 was as follows:

- ◆ 10 incumbent local exchange companies (ILECs)
- ◆ 238 competitive local exchange companies (CLECs)
- ◆ 48 pay telephone companies (PATs)
- ◆ 21 alternative access vendors (AAVs)
- ◆ 14 shared tenant service providers (STS)

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

During 2017, the Commission handled a number of significant regulatory issues that are summarized in the following sections.

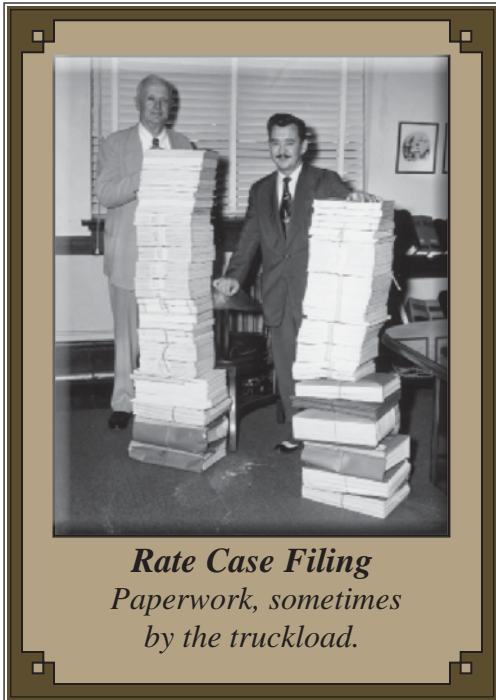
ENERGY *Electric Rate Cases*

Florida Power & Light Company

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

The Office of Public Counsel (OPC), the American Association of Retired Persons (AARP), the Federal Executive Agencies (FEA), the Florida Industrial Power Users Group (FIPUG), the Florida Retail Federation (FRF), the Larsons (Larsons), the South Florida Hospital and Healthcare Association (SFHHA), the Sierra Club, and Walmart intervened in the proceeding.

On October 6, 2016, a Joint Motion for Approval of Settlement Agreement (Agreement) was filed by FPL, OPC, SFHHA, and FRF. FIPUG took no position on the Agreement, FEA and Walmart did not oppose the Agreement, and AARP, the Larsons, and the Sierra Club objected



to the Agreement. The minimum Agreement term covers January 1, 2017 through December 31, 2020. Under the terms of the Agreement, FPL is permitted to increase its base rates by \$400 million effective January 1, 2017, with a subsequent increase of \$211 million effective January 1, 2018. FPL is also allowed an increase of \$200 million, effective on the commercial operation date of the Okeechobee Clean Energy Center, projected for June 2019. The Agreement sets FPL's return on equity at 10.55 percent with an authorized range of 9.60 to 11.60 percent. The Agreement also allows FPL the flexibility to amortize up to \$1 billion of the theoretical reserve surplus, and any remaining surplus from its 2012 Settlement Agreement, to maintain its earned ROE within the authorized range. FPL may seek approval to recover the cost of solar generation projects undertaken during the Agreement term subject to a yearly threshold of 300 MW. FPL would also implement a 50 MW Battery Storage Project and would pursue cost recovery for the project in its next general base rate case. FPL will also terminate its natural gas financial hedging for the Agreement term.

On October 27, 2016, a technical hearing was held on the proposed Agreement. Post hearing briefs were filed by FPL, AARP, Larsons, Sierra Club, and a Joint brief by OPC, SFHHA, and FRF on November 10, 2016. The Commission approved the Agreement on November 29, 2016.

On January 20, 2017, Sierra Club appealed the Commission's order approving the Agreement to the Florida Supreme Court (Court). On June 28, 2017, Sierra Club filed its Initial Brief challenging the recovery of FPL's Peaker Replacement Project. On July 28, 2018, the City of South Miami filed its Amicus Brief in support of Sierra Club's position. On August 3, 2017, the League of Women Voters of Florida filed its Amicus Brief in support of Sierra Club's position.

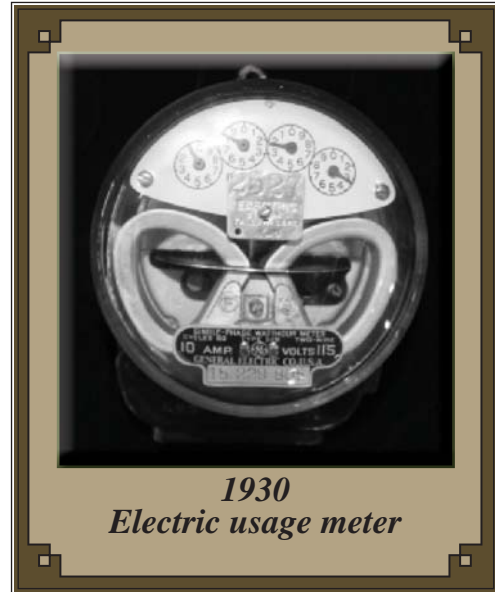
On October 9, 2017, the Commission, OPC, and FPL filed their respective Answer Briefs to Sierra Club's Initial Brief. Sierra Club filed its Reply Brief, and the Court has set oral argument for February 7, 2018.

Duke Energy Florida

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

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

As part of the 2017 Agreement, base rate increases of \$67 million are allowed each year for 2019, 2020, and 2021. The 2017 Agreement also includes a process to seek cost recovery approval for the installation of solar generation (up to 700 cumulative MW/175 MW per year maximum) to be built from 2018-2022. The 2017 Agreement spread DEF's fuel cost under-



recovery over a two-year period beginning January 1, 2018, rather than a single year. Of notable significance is a provision that prohibits any Levy Nuclear Plant cost recovery of any type or nature whatsoever from DEF's retail ratepayers.

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

Gulf Power Company

On October 12, 2016, Gulf Power Company (Gulf) filed a petition seeking approval to increase its base rates by \$106.8 million, effective July 1, 2017. The requested increase is based on a return on equity of 11.0 percent. On November 9, 2016, Docket Nos. 160170-EI (2016 Depreciation and Dismantlement Studies) and 160186-EI (Rate Case) were consolidated. Customer hearings were held on January 26 and 27, 2017, in Pensacola and Panama City.

OPC, FEA, SACE, FIPUG, League of Women Voters of Florida (LWF), Wal-Mart Stores East, LP and Sam's East, Inc. (Walmart), and Sierra Club intervened in the proceeding.

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

Under the Agreement terms, Gulf would receive an overall base rate increase of \$62 million. An approximate \$7.7 million revenue credit will be provided to customers through the Purchased Power Capacity Clause, resulting in a net base rate increase of approximately \$54.3 million. Gulf's return on equity would remain at 10.25 percent with an allowed range of 9.25 to 11.25 percent. The Agreement also provided for a vehicle charging station five-year pilot program and a continued moratorium on natural gas financial hedges.

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

Tampa Electric Company

On September 27, 2017, Tampa Electric Company (TECO) filed a petition for a limited proceeding to seek Commission approval of its 2017 Amended and Restated Stipulation and Settlement Agreement (2017 Agreement) for base rates beginning January 1, 2017 through December 31, 2021. The signatories include TECO, OPC, FIPUG, FRF, FEA, and West Central Florida Hospital Utility Alliance. Per the 2017 Agreement, TECO's base rates would increase each year to allow for recovery of its planned solar generation expansion, up to 600 MW, through a solar base rate adjustment (SoBRA). Solar project in-service dates are September 1, 2018 and January 1 of 2019, 2020, and 2021, allowing for maximum annual SoBRA increases of \$30.6 million, \$50.9 million, \$30.6 million, and \$10.2 million, respectively. TECO must petition the Commission for cost recovery of each SoBRA adjustment.

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

A technical hearing on the 2017 Agreement took place on November 6, 2017 and, in a bench decision, the Commission approved the Agreement. TECO's 2017 Agreement is effective through December 31, 2021.

Florida Public Utilities Company

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

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

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

Natural Gas Rate Cases

Peoples Gas System

Peoples Gas System (PGS) filed its depreciation study on June 28, 2016 and later amended it in October 2016. PGS and OPC filed a joint motion seeking Commission approval of a Settlement Agreement (Agreement) on December 15, 2016, which covered depreciation issues and also addressed issues usually covered in a base rate proceeding, such as earnings, stay-out provisions, and long term environmental cost recovery matters. The Agreement is estimated to reduce PGS's 2016 depreciation expense by \$16.1 million. The Agreement allows for recovery of assessment, monitoring, and remediation/cleanup of environmental contaminants produced by old manufactured gas plants from 2016 through 2020. Also allowed under the Agreement is recovery for problematic plastic pipe replacement through the Cast Iron/Bare Steel Pipe Replacement Rider. The Agreement resets the bottom of the ROE range to 9.25 percent, a reduction of 50 basis points.

The Commission approved the Agreement on February 28, 2017, and it is effective until December 31, 2020. PGS may not petition for a base rate increase before the Agreement term expires.

Florida City Gas

On October 23, 2017, Florida City Gas (FCG) filed a petition for a \$19.3 million base rate increase effective August 1, 2018. The requested increase is based on an ROE of 11.25 percent. FCG also requested an interim base rate increase of \$4.87 million. On October 24, 2017, OPC filed its notice of



intervention. Customer hearings have been scheduled for January 23 and 24, 2018. This matter is set for a technical hearing on March 26-30, 2018.

Depreciation, Dismantlement, & Nuclear Decommissioning Studies

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

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

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

Depreciation and Dismantlement

Gulf filed its depreciation and dismantlement studies on July 14, 2016. Subsequently, Gulf replaced its depreciation study in its entirety on September 20, 2016. The study was reviewed as part of the company's base rate case filed October 12, 2016. On March 20, 2017, Gulf and OPC filed a Stipulation and Settlement Agreement resolving all issues. The Agreement was approved on May 4, 2017. The Agreement allows for depreciation rates to become effective January 1, 2018, including depreciation rates for a new category of plant—electric vehicle charging stations—to be added as part of a pilot program. Gulf's next depreciation study must be filed no later than June 30, 2021, with new depreciation rates effective January 1, 2022. The dismantlement accrual for Gulf (\$0) is unchanged for the term of the Agreement.

DEF filed its petition for a limited proceeding for a base rate Settlement Agreement on August 29, 2017, including its request to delay its March 19, 2019, required depreciation study filing date, until March 31, 2022, or a specified number of months prior to its next rate case. The Commission approved the Agreement on October 25, 2017, allowing the company to continue to use its current depreciation rates until it files new depreciation studies.

TECO filed its petition for a limited proceeding for a base rate Settlement Agreement on September 27, 2017, including a provision that excuses the company from complying with the four-year rule, and instead requires TECO to file a depreciation study no more than one year, or less than 90 days, before its next base rate petition. TECO's Agreement, approved on November 6, 2017, allows the company to continue using its current depreciation rates until the company files a new depreciation study.

Peoples Gas System (PGS) filed its depreciation study on June 28, 2016, and later amended its study in October 2016. The PGS depreciation study is discussed further under the "Natural Gas Rate Cases" section.

Decommissioning

On October 25, 2017, the Commission approved DEF's Second Revised and Restated Stipulation and Settlement Agreement, which included several revisions related to the decommissioning of the Crystal River Unit 3 (CR3) nuclear generating facility. First, the Agreement allows for DEF to petition the Commission for recovery of the capital costs of the spent nuclear fuel dry cask storage facility through the Capacity Cost Recovery Clause (CCRC). Second, the Agreement requires DEF to apply any awards/compensation received from litigation against the Department of Energy for the handling and storage of spent nuclear fuel

to the CCRC. Third, if additional funding of the CR3 Nuclear Decommissioning Trust is required during the term of the Agreement (through December 2021), such funding is allowed through a base rate surcharge up to an annual maximum of \$8 million. Provisions include the deferred recovery of any necessary annual contribution amounts in excess of \$8 million to be collected through the CCRC during the four-year period subsequent to the Agreement term. Lastly, DEF's filing deadline for submitting its next decommissioning study is March 31, 2022, or in accompaniment of its next base rate proceeding, whichever occurs first. The previously-approved filing date was March 31, 2019.

Power Plant, Transmission Line, and Natural Gas Pipeline Need Determinations

On October 20, 2017, FPL filed a petition to determine the need for construction of a natural gas-fired combined cycle power plant in Broward County. The proposed power plant, Dania Beach Clean Energy Center Unit 7, is projected to begin service in June 2022 with an expected summer capacity rating of 1,163 MW, and is anticipated to cost approximately \$888 million. A hearing is scheduled in January 2018.

Fuel Diversity

Florida's electric utilities are required by law to furnish adequate, reliable electric service at a reasonable cost to customers. Meeting customer demand in uncertain economic conditions represents a significant challenge. Since the late 1990s, utilities across the nation, including those in Florida, have selected natural gas-fired generation as the predominant source of new capacity. The use of natural gas for electricity production in Florida increased from 19.3 percent in 1995 to an estimated 63 percent in 2017. Natural gas usage is expected to remain at approximately 60 percent over the next ten years.

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

Nuclear Cost Recovery

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

Pursuant to the rule, all prudently incurred preconstruction costs and carrying charges will be recovered directly through the CCRC. Once a utility obtains an affirmative need determination for a power plant covered by the statute, the affected utility may petition for cost recovery using this alternative mechanism. The Commission approved the uprate for FPL's existing four nuclear units, St. Lucie 1 & 2 and Turkey Point 3 & 4, as well as for two new nuclear units, Turkey Point 6 & 7. DEF obtained approval for the uprate of the Crystal River 3 nuclear unit, as well as two new nuclear units proposed to be built in Levy County. The annual nuclear cost recovery clause (NCRC) proceeding was established to address utility petitions for cost recovery, pursuant to the statute and rule, to review utility activities, and to consider whether to approve costs associated with those activities for recovery from customers.

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

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

DEF's recovery amount for the Levy Project will reflect the use of a prescribed fixed factor set by rate class until recovery of remaining unrecovered investment is complete.

DEF is allowed to recover its Crystal River 3 Uprate Project costs through the NCRC consistent with Section 366.93(6), F.S.

FPL completed the uprate of its existing nuclear units in 2013, adding 522 megawatts of new nuclear capacity. FPL also received site certification in May 2014 for new nuclear units Turkey Point 6 & 7 from the Governor and Cabinet, sitting as the Power Plant Siting Board.

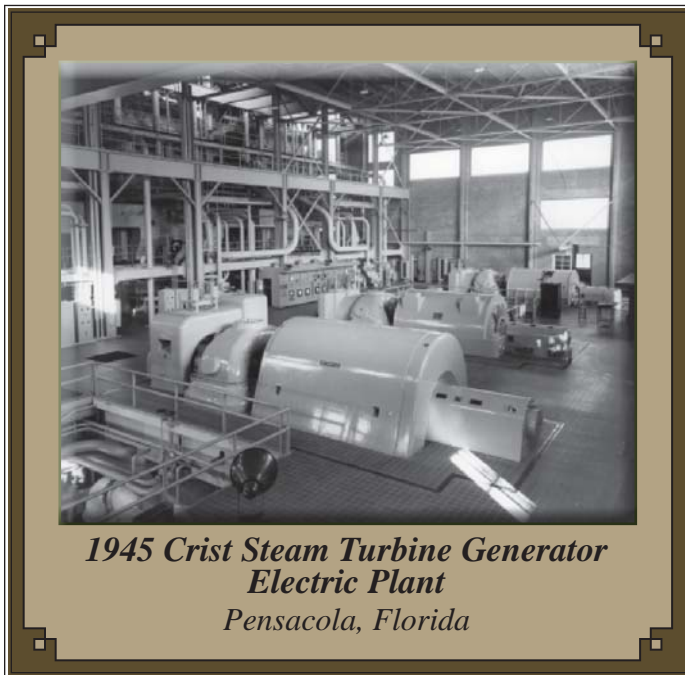
In June 2014, the Turkey Point 6 & 7 Site Certification was appealed by Miami-Dade County, City of South Miami, Village of Pinecrest, and City of Miami. On April 20, 2016, the Third District

Court of Appeal reversed and remanded the Site Certification noting deficiencies in three areas: the application of local land development regulations, the Siting Board's conclusion that it could not require underground installation of transmission lines, and the Siting Board's interpretation of the nature and applicability of a County regulation. On June 6, 2016, FPL filed a motion for rehearing En Banc. FPL's motion was denied. The remand process of the Site Certification is ongoing. FPL is continuing to pursue a Combined Operating License for these units from the Nuclear Regulatory Commission.

In May 2015, the Commission approved a DEF petition to end recovery of Levy Project costs using the fixed factors set in 2013. At an evidentiary hearing on August 15, 2017, the Commission approved \$49.6 million for recovery in 2018 related to the DEF Crystal

River 3 Uprate Project. The Commission also approved FPL's request to refund an over collection of \$7.3 million but denied FPL's request for deferred review and recovery of its Turkey Point 6 & 7 project.

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



Fuel Cost Recovery

By Order No. PSC-2016-05470-FOF-EI, issued December 5, 2016, the fuel and capacity cost recovery factors for 2017 were set.

In April, 2017, DEF filed for a mid-course correction to address a projected under-recovery of fuel costs that would have elevated fuel cost recovery factors beginning in July 2017. By Order No. PSC-2017-0219-PCO-EI, issued June 13, 2017, the Commission denied DEF's mid-course correction.

On October 25, 2017, the FPSC held its annual cost recovery clause hearing to address the true-up of 2017 fuel costs and to establish 2018 fuel cost recovery factors for the five electric IOUs,

For DEF, fuel cost recovery amounts and factors will be higher in 2018 primarily because under-recovered fuel costs from 2016 and 2017 are being collected. However, as part of a comprehensive, multi-faceted settlement proposal, those under-recovered fuel costs will be collected in equal proportions in the fuel cost recovery factors over two years, 2018 and 2019. Overall, the fuel cost recovery portion of a residential customer's 1,000 kWh bill will increase by \$4.61 per month in 2018.

For FPL, fuel cost recovery amounts and factors will be lower in 2018 because over-recovered fuel costs from 2016 and 2017 are being refunded. The fuel cost recovery portion of a residential customer's 1,000 kWh bill is projected to decrease by \$1.91 per month in 2018.

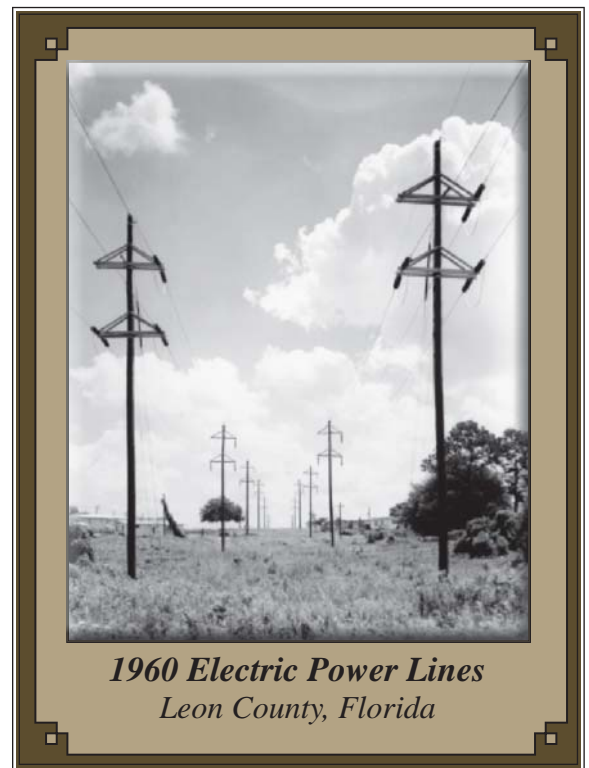
For Gulf, fuel cost recovery amounts and factors will be higher in 2018 primarily because under-recovered fuel costs from 2016 and 2017 are being collected. Overall, the fuel cost recovery portion of a residential customer's 1,000 kWh bill will increase by \$6.47 per month in 2018.

For TECO, fuel cost recovery amounts and factors will be slightly higher in 2018 because of higher forecasted fuel prices. Overall, the fuel cost recovery portion of a residential customer's 1,000 kWh bill will increase by \$1.76 per month in 2018.

For FPUC, fuel cost recovery amounts and factors will be lower in 2018 primarily because more favorable power supply arrangements in the Northeast Division become effective in 2018. Overall, the fuel cost recovery portion of a residential customer's 1,000 kWh bill will decrease by \$7.35 per month in 2018.

Storm Hardening Initiatives

At the April 20, 2017 Internal Affairs meeting, the CEOs of Florida's five IOUs presented their companies' hurricane preparedness activities. The CEOs additionally discussed lessons learned from Hurricanes Hermine and Matthew. In September 2017, Hurricane Irma made landfall in Florida, affecting the majority of the state. On October 3, 2017, the FPSC directed its staff to open a generic docket (20170215-EU) to review electric utility hurricane preparedness and restoration activities. An objective is to collect and analyze forensic data, review tree trimming practices, and review pole inspection cycles to assist in identifying potential additional damage mitigation options. The FPSC will also review restoration practices for possible improvements. The generic docket provides a publicly accessible vehicle for the FPSC to collect information from the utilities and stakeholders, including customers. A hurricane preparedness workshop is planned for April 2018.



Renewable Energy Initiatives

Renewable Energy Standard Offer Contracts

Section 366.91, F.S., requires the utilities subject to the Florida Energy Efficiency and Conservation Act to continuously provide a standard contract for purchasing capacity and energy from renewable energy resources. Contracts are filed annually on April 1 and are based on each generating technology type in a utility's Ten-Year Site Plan. In 2017, the Commission approved standard contracts for each IOU for the purchase of renewable energy.

Currently, renewable energy facilities provide approximately 2,206 MW of firm and non-firm generation capacity, which represented 3.7 percent of Florida's overall generation capacity of 58,295 MW in 2016. Approximately 705 MW are considered firm, based on either operational characteristics or contractual agreement. Firm renewable generation is relied on to serve customers and contributes toward the deferral of new fossil fueled power plant construction.

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

Utility-Scale Solar Generation

Several companies completed utility-scale solar generation projects in 2017. FPL completed 298 MW of solar generation, constructing four 74.5 MW sites that began generation in December 2017. Gulf Power contracted to purchase the energy from three solar generation plants totaling 120 MW. The plants located on military bases in Florida's panhandle began generation in August 2017. Although not owned by the utility, Gulf's commitment to purchasing the energy generated is contributing to the growth of solar generation in the state.

Customer-Owned Renewables

In 2008, the Florida Legislature enacted legislation emphasizing customer-owned renewable energy resources. The Commission then amended Rule 25-6.065, F.A.C., on interconnection and net metering, to facilitate customer-owned renewable generation. The rule requires the IOUs to offer a standard interconnection agreement with an expedited interconnection process and net metering for all types of renewable generation up to 2 MW in capacity. Customers benefit from renewable systems by reducing their energy purchases from the utility. Under the Commission's rule, net metering provides an additional benefit for IOU customers by allowing excess renewable energy production to be credited to monthly bills, thereby reducing future energy purchases from the utility.

Reports submitted in April 2017 by the IOUs and municipal and rural electric utilities show that the number of customers owning renewable generation systems in Florida is growing. In 2008, when the rule became effective, customer owned renewable generation accounted for 3 MW of renewable capacity. As of 2016, approximately 140.5 MW of renewable capacity from nearly 15,994 systems have been installed statewide. The FPSC will continue to enforce existing renewable policies and explore additional policies to benefit Florida's consumers.

Conservation Activities for Electric Utilities

The Florida Energy Efficiency and Conservation Act (FEECA), enacted in 1980, emphasizes reducing the growth rates of weather-sensitive peak demand, reducing and controlling the growth rates of electricity consumption, and reducing the consumption of scarce resources, such as petroleum fuels. During the 2008 legislative session, the Legislature amended FEECA to

place greater emphasis on the pursuit, through utility sponsored incentives, of all cost-effective customer conservation and energy efficiency measures including demand-side renewable energy systems. Under FEECA, the FPSC must establish numeric conservation goals for each FEECA utility, at least every five years. FEECA goals were most recently set by the FPSC in 2014, taking into account the provisions of the revised FEECA statutes, changes in market conditions, improved energy efficiency standards for customer appliances, and updated building codes for residential and commercial construction.

To implement the goals, each FEECA electric utility filed Demand-Side Management plans in 2015, outlining a set of programs for residential and commercial/industrial customers designed to meet the FEECA goals. The Commission approved the plans for all seven FEECA utilities on July 21, 2015. The FEECA utilities began implementing the new and modified programs in late 2015 and early 2016.

The Commission evaluated each FEECA utility's achievements in meeting its established conservation goals. This evaluation was incorporated into the Commission's Annual Report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act, which was submitted to the Governor and Legislature in December 2017.

Investor-owned utilities are allowed to recover prudent and reasonable expenses for conservation programs approved by the Commission through the Energy Conservation Cost Recovery clause. Each year, the Commission audits these expenses and holds a full evidentiary hearing to determine the appropriate conservation cost recovery factor for customers' bills. In October 2017, the Commission set the 2018 conservation cost recovery factors for the electric IOUs, which range from \$1.02 to \$3.82 a month for a residential customer using 1,000 kilowatt-hours.

Territorial Agreements & Disputes for Electric & Gas Utilities

Section 366.04, F.S., gives the Commission authority to approve territorial agreements and resolve service territory disputes between utilities. In 2017, the Commission approved territorial agreements between Duke Energy Florida and Reedy Creek Improvement District, Tampa Electric Company and Withlacoochee River Electric, and Sebring Gas System and Chesapeake Utilities Corporation.

TELECOMMUNICATIONS

ILEC Wholesale Performance Measures

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

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



measurement plan is reviewed by staff at recurring intervals to address necessary revisions.

Intercarrier Relations and Rulemakings

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

In 2017, the FPSC analyzed disputes between CLECs and ILECs involving trunking, billing, and outages.

Also this year, the FPSC conducted rulemakings regarding certificate holder information, competitor certification, and Lifeline Assistance.

Lifeline Assistance for Low-Income Consumers

The Tele-Competition Innovation and Infrastructure Enhancement Act of 2003 requires that a statewide cooperative effort support the Lifeline Assistance (Lifeline) program in Florida. As part of the federal Universal Service Program, Lifeline is designed to make telecommunications services more affordable for low-income households. This is done by providing up to a \$9.25 discount on monthly phone bills. Alternatively, consumers can choose to receive

a free Lifeline cell phone and monthly minutes. As part of reform measures adopted by the FCC last year, consumers can now use their Lifeline support to receive the same discount for broadband service, or a bundle of voice and broadband services. However, eligible consumers can only receive one Lifeline-supported service per household.

Dozens of local, state, and federal agencies, organizations and businesses, and 18 telecommunications companies were involved in the collaborative effort to increase awareness and participation in the Lifeline program in 2017. Promotional activities in 2017 featured National Consumer Protection Week, Older Americans Month, and ongoing “grass roots” efforts to increase awareness and enrollment in the Lifeline program. Each month, the FPSC sends a cover letter and informational packet to two organizations to introduce and encourage Lifeline outreach to their eligible clientele. In addition, the FPSC attends or coordinates at least two community events each month to promote Lifeline.

National Lifeline Awareness Week is observed each September (September 11-17, 2017). Lifeline program changes from the April 2016 FCC Modernization Order caused National Association of Regulatory Utility Commissioners (NARUC) to cancel its annual Lifeline Awareness Week (LAW) in 2016. Among other things, the order modifies consumer eligibility criteria, expands the program to cover broadband services, establishes an eligibility verification system with State assistance, sets minimum service standards and alters the annual recertification and de-enrollment rules. This year, while the FCC and USAC work to implement the new guidelines, NARUC decided to observe LAW, again, in September for those states able to

participate. While the FPSC’s jurisdiction is limited to Lifeline wireline offerings, staff scheduled “Stay Connected Florida!” LAW events throughout the state that, due to Hurricane Irma, had to be canceled. During the last week in September, FPSC held rescheduled LAW events in Sarasota and Wakulla Counties to promote the modernized Lifeline program.

As of June 2017, 685,864 eligible households participated in the Florida Lifeline Program. The six companies with the highest Lifeline enrollment in Florida were SafeLink Wireless, Assurance Wireless, i-wireless, CenturyLink, AT&T and Frontier Florida, collectively representing 99 percent of the Florida Lifeline customers. The table shows the number of Lifeline subscribers from June 2014 through June 2017.

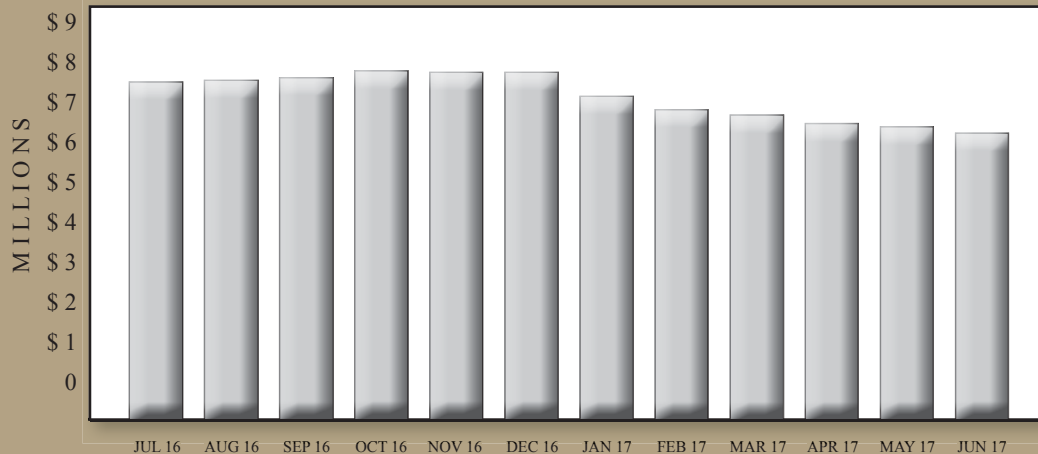
Lifeline Participation Rate in Eligible Florida Households for 2014-2017

Year	Lifeline Enrollment	Eligible Households	% Participation Rate
June 2014	957,533	1,930,106	49.6%
June 2015	833,426	2,011,166	41.4%
June 2016	852,255	1,712,005	49.8%
June 2017	685,864	1,662,374	41.3%

Source: U.S. Department of Agriculture

The following table shows Universal Service Administrative Company’s (USAC) Florida Lifeline disbursements for the 12-month period ending June 2017. The amount disbursed totaled \$87,989,539, an average of \$7.3 million per month. These dollars enabled Florida citizens qualifying for Lifeline benefits to receive discounted monthly bills with at least a \$9.25 credit or a free Lifeline wireless phone with free monthly minutes.

USAC Low Income ETC Disbursements to Florida Providers



Source: USAC Disbursements Florida July 2016-June 2017

Additional information about the FPSC’s 2017 Lifeline activities and a complete list of the Lifeline Partners assisting with promotional efforts are available in the FPSC’s report, *Number of Customers Subscribing to Lifeline Service and the Effectiveness of Procedures to Promote Participation*. A printed copy of the report may be requested from the FPSC or accessed on the FPSC website under the Publications tab/Reports and Other Resources/Telecommunications at

this link: www.floridapsc.com/Files/PDF/Publications/Reports/Telecommunication/LifelineReport/2017.pdf.

To prevent a Lifeline subscriber from receiving duplicate Lifeline benefits, USAC established a National Lifeline Accountability Database to determine if a prospective subscriber is already receiving Lifeline support from another eligible telecommunications carrier (ETC). By FCC mandate, USAC will subsequently establish an automated means to determine Lifeline eligibility through a national database.

Actions Taken by the FPSC

The FCC made significant changes to its Lifeline rules in 2016, including changes to eligibility criteria and the inclusion of Lifeline support for broadband services. This necessitated the FPSC to reach out to Florida Lifeline stakeholders to discuss and plan for the changes.

The FPSC conducted a meeting of the Lifeline Working Group—established under Section 364.10(2)(g)3, F.S.—including the FPSC, Department of Children and Families (DCF), OPC and Florida ETC’s offering Lifeline service. The topics included the new FCC Order (FCC 16-38) and revised Lifeline rules, an FPSC rulemaking related to the Lifeline program, the readiness of Florida ETCs to implement the new rules by the December 2, 2016 effective date, concerns with the new FCC rules, Florida ETC outreach plans to inform consumers of the new rules, and standards to advertise the availability of Lifeline services using media of general distribution pursuant to federal rules.

On July 13, 2017, the FPSC, under federal rules, granted a petition by AT&T Florida requesting to relinquish its ETC status for most of its Florida territory. As a result, AT&T no longer offers a Lifeline discount to 98 percent of its approximately 7,400 former Lifeline customers. Other carriers, who are also ETCs offering Lifeline discounts in AT&T’s relinquished areas, have confirmed to the Commission that they are able to continue service for affected customers.

The FPSC continues to enforce safeguards to prevent waste, fraud, and abuse of the federal Universal Service Fund (USF) and takes appropriate action when necessary. The FPSC monitors Lifeline disbursements from the USF monthly to determine if reported and reimbursed funds are consistent with the number of actual Lifeline customers. By participating in the National ETC State Coordinating Group to monitor prospective and existing ETCs, Florida is a front runner in enforcing safeguards. This information sharing has enabled other states in the Group to monitor new ETC petitioners and existing ETCs to prevent waste, fraud, and abuse on a national basis that results in less upward pressure on the fund’s fees.

Florida Relay Service

In Florida, approximately 2.5 million out of 21 million Floridians have been diagnosed as having a hearing loss. Section 427.704, F.S., charges the Commission with overseeing the administration of a statewide telecommunications access system which provides Telecommunications Relay Services (FRS) to Floridians who are deaf, hard-of-hearing, or speech impaired, and others who communicate with them.

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

In 2017, the contract for the provision of relay service was due for renewal. The FPSC oversaw the bidding process and awarded the contract to Sprint, the current provider. The contract, beginning in March 2018, will last at least three years.

FEDERAL ACTIVITY

Energy

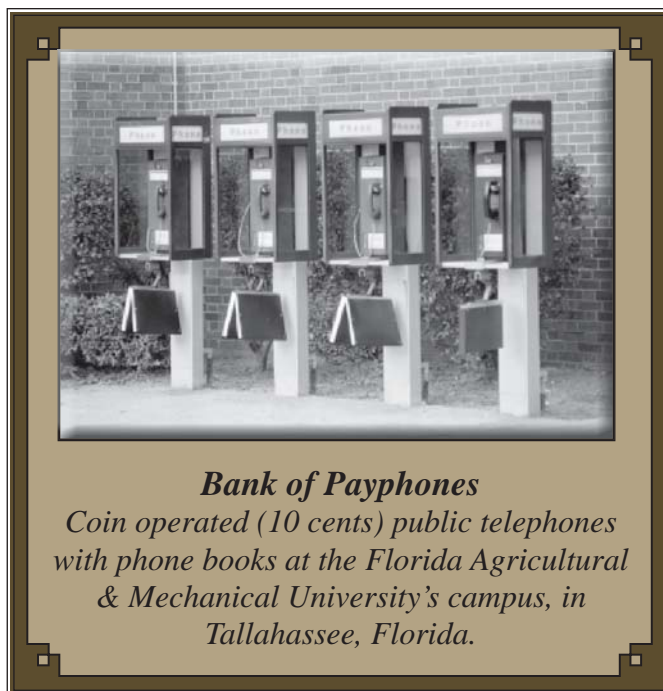
The FPSC actively monitors federal energy-related issues, including Congressional legislation and activities at the Federal Energy Regulatory Commission (FERC) and the U.S. Environmental Protection Agency (EPA). Section 366.015, F.S., directs the Commission to maintain a liaison with federal agencies whose policy decisions and authority affect electric and gas utilities under the Commission's jurisdiction. Active participation in federal agency processes is encouraged to convey the Commission's policy positions in order to provide more efficient regulation. During 2017, the Commission monitored actions by the FERC on electric utility transmission planning compliance filings and other rulemaking activities. Also, the Commission continued its review of activity related to the EPA's final rules on carbon emissions from existing and new electric generating units including appellate court actions and proposed rulemaking by the new administration.

Telecommunications

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

In addition to federal Lifeline issues, in 2017 the FPSC monitored several FCC proceedings, including a trial in Delray Beach to convert all existing traditional wireline customers to Internet Protocol-based services. Additionally, FPSC Commissioner Ronald A. Brisé served

on the Board of Directors of the Universal Service Administration Company, the FCC's Intergovernmental Advisory Committee, and the Federal/State Joint Board on Universal Service during deliberations to update the contribution mechanism for the federal fund. A date for the Joint Board recommendation has not been set.



WATER & WASTEWATER

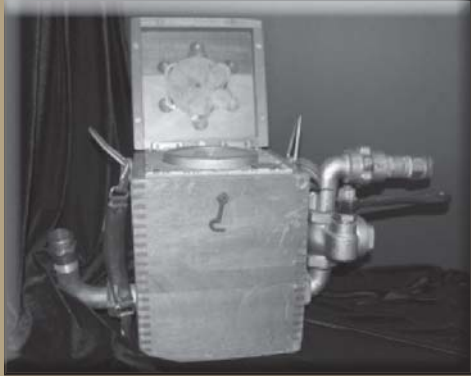
Water & Wastewater Rate Cases

Similar to prior years, the Commission processed a large number of water and wastewater rate cases in 2017. Of these cases, seven were processed as staff assisted rate cases pursuant to Section 367.0814, F.S.

The Commission also completed one application for a limited proceeding.

In addition to the staff assisted rate cases, the Commission processed two file and suspend rate cases requested by larger water and wastewater companies.

In 2017, staff continued to perform its normal surveillance of the earnings levels of water and wastewater companies regulated by the FPSC. There were a few utilities identified for potential overearnings that are still under review. Also during 2017, the Commission processed 45 index applications and 5 pass-through applications for water and wastewater companies.



Water Meter Tester

The tester would be connected in tandem to a meter to check its accuracy. The Commission began regulating privately owned water companies in 1959.

Water & Wastewater Certification Cases

In 2017, the Commission received two applications for an original/grandfather certificate to provide water and wastewater service from The Harbor in Polk County and Seminole Waterworks, Inc. in Leon County. The Commission received two applications for an amendment to expand service territory from Utilities, Inc. of Florida in Lake County and Merritt Island Utility Company, Inc. in Brevard County.

Transfers of water and wastewater certificates in 2017 included Colony Park Development Utilities, LLC to Merritt Island Utility Company, Inc.; Allen LaFortune and Otis Fonder c/o Tropical Park Water Systems to A Utility, Inc.; Heather Hills Estates Utilities, LLC to Heather Hills Utilities, LLC; Zachary Taylor Camping and Lodge, Inc. to Coastal

Income Properties – Zachary Taylor, LLC; and Lake Yale Treatments Associates, Inc. to Lake Yale Utilities, LLC. In addition, applications for transfer authority, as a matter of right, included WV Utilities, Inc. to the City of New Port Richey and Lake Osborne Waterworks, Inc. to the City of Lake Worth.

Excerpts from early Annual Reports

From the March 1, 1888 Annual Report

Page 20

That on long lines of railroad, where the passage rates were 5 cents per mile, at which the public complained much, if the charges were reduced the travel would increase, and this we are confident is true. Moreover, Florida is a young and growing State. Her people and her railroads alike are interested in securing immigration and encouraging travel.

Page 17

The Commission found itself in the attitude of standing between the people and the railroads, charged with the duty of prescribing the terms and conditions upon which, as shipper and carrier, respectively, they might do business together, upon principles just and reasonable to both—the rates to be neither extortionate to the people nor ruinous to the railroads.

Page 12

The standard passenger tariff was fixed at three cents per mile for full fare and one and a half cents for half fare.

From the March 1, 1889 Annual Report

Page 7

Perhaps the problem most serious and difficult of solution which has confronted us during the past year, has been the question of passenger rates . . . “It is ordered that the railroad companies doing business in the State of Florida, shall, on or before the 5th day of April, A.D. 1889, at 4 o’clock p.m., show cause in writing to the Railroad Commission of said State, the same to be filed in its office at Tallahassee on or before said date and time, why the passenger rate of four cents per mile should not be reduced, either by the sale of mileage books, of one thousand miles, as heretofore, or in some other way.”

Page 42

The Carrabelle, Tallahassee and Georgia Railroad Company, in respectful protestation against the reduction by the Commission of the passenger rate over its line from five cents per mile to four cents per mile, under the general order of the Commission of June 14th, 1898, submits the following . . .

From the March 1, 1890 Annual Report

Page 68

Dear Sirs—I wish to call your attention to the rates of freight on live stock in Florida. Why does it cost more to ship live stock from Georgia to Florida, and pay the freight in Florida, than it does to ship from Florida here, and pay the freight here? . . . I hope you will look into it . . . A load of live stock costs the road no more to haul than a load of lumber, or a load of flour, as I ship released, and do my own loading and unloading, and if anything is killed I get no pay for it, unless it is killed by some accident to the car. Please give this matter immediate attention, and oblige, Yours very truly, W.S. Blicht

Page 14

At the date of our last report there were pending before the Commission a large number of complaints for overcharges on orange shipments, which, upon the railroad companies refusing or neglecting to refund, were turned over to the Attorney General for suit for the penalties prescribed by the statute.

Page 75

During the strawberry season of 1889, Mr. E. Bean, of Jacksonville, who controls a small refrigerator in which he was engaged in shipping strawberries, complained that the railroad company had advanced the rates to an excessive degree. The Commission held a meeting at Jacksonville, and Mr. Bean, the strawberry growers and the railroad company were heard. After a full discussion of the whole matter, an adjustment between the road and the shippers was effected whereby the road promulgated rates which were satisfactory.

III

Agency Organization

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

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

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

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

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



*1910 Seaboard Air Line
Railway Company
Employees around steam
engine "Peggy."*

**Office of
General Counsel**



Keith Hetrick
General Counsel

**Office of
Inspector General**



Steve Stolting
Inspector General

**Division of
Administrative
& Information
Technology Services**



Bobby Maddox
Director

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

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

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

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

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

ADMINISTRATIVE DIVISIONS & OFFICES

The **Division of Administrative & Information Technology Services** assists in preparing the Commission's Legislative Budget Requests, monitors the operating and non-operating budgets, and assists in preparing budget amendments as necessary. The **Fiscal Services Section** primarily handles all financial transactions and accounting records maintenance. **Human Resources** administers the agency's human resources program, including recruitment, selection, classification and pay, attendance and leave, performance evaluations, training and staff development, variable work week schedules, employee relations, payroll, insurance, and other employee benefit programs.

Support Services and **Facilities Management** and **Purchasing** are under the **General Services Section**. Support Services supports imaging, duplicating, mail distribution, audiovisual, hearing and conference room operations, and fax systems. Facilities Management and Purchasing processes all agency

**Office of
Commission Clerk**



Carlotta S. Stauffer
Director

**Office of
Auditing &
Performance Analysis**



Dale Mailhot
Director

purchasing, security and safety issues, leasing, surplus property, and fleet management.

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

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

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

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

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

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

**Office of
Consumer Assistance
& Outreach**



Cynthia Muir
Director

**Division of
Accounting & Finance**



Andrew Maurey
Director

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

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

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

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

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

TECHNICAL DIVISIONS & OFFICES

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

**Division of
Engineering**



Tom Ballinger
Director

**Division of
Economics**



Greg Shafer
Director

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

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

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

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

All docketed and undocketed matters involving the engineering and safety aspects of Florida's electric, natural gas, and water and wastewater utilities within the Commission's jurisdiction are the division's responsibility. The division has primary responsibility for programs such as the Ten-Year Site Plans, conservation goals and programs, cogeneration and renewable generation contract approvals, modifications and buyouts, and bulk power interconnection standards. The division also coordinates issue resolutions pertaining to storm hardening, construction standards, meter accuracy and testing, electric and gas pipeline safety, emergency planning and operations, water and wastewater margin of reserve, and used and useful determinations.

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

The **Division of Economics** provides recommendations to the Commissioners on the design and application of retail rates and tariffs for all electric, natural gas, and water and wastewater utilities subject to the

Commission's jurisdiction. In addition, the division provides primary technical support for all cases involving territorial agreements or disputes for electric and natural gas utilities.

Reviewing the development and application of depreciation rates and practices for inclusion in base rate revenue requirements is another division function. On a rotating basis, the division is also responsible for processing requests for base rate changes requested by electric, natural gas, and water and wastewater utilities.

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

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

**Office of
Industry Development
& Market Analysis**



Cayce Hinton
Director

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

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

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

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

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

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

FPSC COMMISSIONER HISTORY

Commissioner	Years Served	Replaced By	Appointed By
George G. McWhorter	08/17/1887 - 06/13/1891		
E.J. Vann	08/17/1887 - 06/13/1891		
William Himes	08/17/1887 - 06/13/1891		

The Commission was abolished by the Legislature in 1891, and recreated in 1897

R.H.M. Davidson	07/01/1897 - 01/03/1899	John L. Morgan	
John M. Bryan	07/01/1897 - 01/06/1903	Jefferson B. Brown	
Henry E. Day	07/01/1897 - 10/01/1902	R. Hudson Burr	
John L. Morgan	01/03/1899 - 01/08/1907	Royal C. Dunn	
R. Hudson Burr	10/01/1902 - 01/04/1927	R.L. Eaton	
Jefferson B. Brown	01/06/1903 - 01/08/1907	Newton A. Blicht	
Newton A. Blicht	01/08/1907 - 10/30/1921	A.D. Campbell	
Royal C. Dunn	01/04/1909 - 01/04/1921	A.S. Wells	
A.S. Wells	01/04/1921 - 12/16/1930	L.D. Reagin	
A.D. Campbell	11/12/1922 - 02/10/1924	E.S. Mathews	
E.S. Mathews	02/25/1924 - 01/16/1946	Wilbur C. King	
R.L. Eaton	01/04/1927 - 02/27/1927	Mamie Eaton-Greene	
Mamie Eaton-Greene	02/27/1927 - 01/08/1935	Jerry W. Carter	
L.D. Reagin	12/16/1930 - 07/06/1931	Tucker Savage	
Tucker Savage	07/06/1931 - 01/03/1933	W.B. Douglass	
W.B. Douglass	01/03/1933 - 08/04/1947	Richard A. Mack	
Jerry W. Carter	01/08/1935 - 01/05/1971	William H. Bevis	
Wilbur C. King	01/08/1947 - 07/18/1964	William T. Mayo	
Richard A. Mack	09/15/1947 - 01/05/1955	Alan S. Boyd	
Alan S. Boyd	01/05/1955 - 12/01/1959	Edwin L. Mason	
Edwin L. Mason	12/01/1959 - 01/06/1969	Jess Yarborough	
William T. Mayo	09/01/1964 - 12/31/1980	Katie Nichols	Graham*
Jess Yarborough	01/06/1969 - 01/02/1973	Paula F. Hawkins	
William H. Bevis	01/05/1971 - 01/03/1978	Robert T. Mann	
Paula F. Hawkins	01/02/1973 - 03/21/1979	John R. Marks, III	
Robert T. Mann***	01/04/1978 - 01/03/1981	Susan Leisner	Graham**

The Commission became appointive January 1, 1979

Joseph P. Cresse***	01/02/1979 - 12/31/1985	John T. Herndon	Askew/Graham
Gerald L. Gunter***	01/02/1979 - 06/12/1991	Susan F. Clark	Askew/Graham/PSC Nominating Council
John R. Marks, III***	03/22/1979 - 03/02/1987	Thomas M. Beard	Graham**
Katie Nichols***	01/02/1981 - 01/03/1989	Betty Easley	Graham
Susan Leisner	02/16/1981 - 04/02/1985	Michael McK. Wilson	Graham
Michael McK. Wilson***	07/12/1985 - 11/22/1991	Luis J. Lauredo	Graham/Martinez
John T. Herndon	01/07/1986 - 04/17/1990	Frank S. Messersmith	Graham
Thomas M. Beard***	03/03/1987 - 08/13/1993	Diane K. Kiesling	Martinez
Betty Easley	01/03/1989 - 01/05/1993	Julia L. Johnson	Martinez
Frank S. Messersmith	06/19/1990 - 02/05/1991	J. Terry Deason	Martinez
J. Terry Deason***	02/06/1991 - 01/01/2007	Ken Littlefield	PSC Nominating Council/Chiles/Bush
Susan F. Clark***	08/15/1991 - 07/31/2000	Michael A. Palecki	Chiles/Bush
Luis J. Lauredo	01/23/1992 - 05/16/1994	Jose "Joe" Garcia	Chiles
Julia L. Johnson***	01/05/1993 - 11/15/1999	Lila A. Jaber	Chiles
Diane K. Kiesling	12/07/1993 - 01/05/1998	E. Leon Jacobs, Jr.	Chiles
Jose "Joe" Garcia***	08/19/1994 - 06/30/2000	Braulio L. Baez	Chiles
E. Leon Jacobs, Jr.***	01/06/1998 - 01/07/2002	Rudolph K. "Rudy" Bradley	Chiles
Lila A. Jaber***	02/29/2000 - 12/02/2004	Lisa Polak Edgar	Bush
Braulio L. Baez***	09/01/2000 - 01/01/2006	Katrina J. Tew	Bush
Michael A. Palecki	12/19/2000 - 01/06/2003	Charles Davidson	Bush
Rudolph K. "Rudy" Bradley***	01/02/2002 - 01/01/2006	Matthew M. Carter II	Bush
Charles M. Davidson	01/07/2003 - 06/01/2005	Isilio Arriaga	Bush
Lisa Polak Edgar***	01/02/2005 - 01/01/2017	Donald J. Polmann	Bush/Crist/Scott
Isilio Arriaga	10/06/2005 - 01/31/2007	Nathan A. Skop	Bush
Matthew M. Carter II***	01/02/2006 - 01/01/2010	Ben A. "Steve" Stevens III	Bush
Katrina J. McMurrrian	01/02/2006 - 10/05/2009	David E. Klement	Bush
Ken Littlefield	01/02/2007 - 01/31/2007	Nancy Argenziano	Bush
Nancy Argenziano***	05/02/2007 - 10/12/2010	Eduardo E. Balbis	Crist
Nathan A. Skop	05/02/2007 - 01/01/2011	Julie I. Brown	Crist
David E. Klement	10/22/2009 - 05/30/2010	Art Graham	Crist
Ben A. "Steve" Stevens III	01/02/2010 - 05/30/2010	Ronald A. Brisé	Crist
Art Graham***	07/16/2010 - 01/01/2022		Crist/Scott
Ronald A. Brisé***	07/23/2010 - 01/01/2018	Andrew Giles Fay	Crist/Scott
Eduardo E. Balbis	11/24/2010 - 01/01/2015	Jimmy Patronis	Crist/Scott
Julie I. Brown***	01/02/2011 - 01/01/2019		Crist/Scott
Jimmy Patronis	01/02/2015 - 06/25/2017	Gary F. Clark	Scott
Donald J. Polmann	01/02/2017 - 01/01/2021		Scott
Gary F. Clark	09/15/2017 - 01/01/2019		Scott
Andrew Giles Fay	02/02/2018 - 01/01/2022		Scott

* 2 year initial term

** 3 year initial term

*** Served/serving as Chairman