BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Amendment of Rule)	DOCKET NO.	920109-EU
25-6.0441, F.A.C., Territorial Disputes for Electric Utilities	{	ORDER NO.	PSC-92-0087-NOR-EU
Electric deliters	<u>_</u> ;	ISSUED:	3/23/92

NOTICE OF RULEMAKING

NOTICE is hereby given that the Commission, pursuant to section 120.54, Florida Statutes, has initiated rulemaking to adopt amend rule Rule 25-6.0441, F.A.C., relating to territorial disputes for electric utilities.

The attached Notice of Rulemaking will appear in the March 27, 1992 edition of the Florida Administrative Weekly. If requested, a hearing will be held at the following time and place:

9:30 a.m., Friday, May 1, 1992 Room 122, Fletcher Building 101 East Gaines Street Tallahassee, Florida

Written requests for hearing and written comments or suggestions on the rule must be received by the Director, Division of Records and Reporting, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, FL 32399, no later than April 17, 1992.

By Direction of the Florida Public Service Commission, this 23rd day of MARCH , 1992.

STEVE TRIBBLE, Director Division of Records & Reporting

(SEAL)

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FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 920109-EU

RULE TITLE: RULE NO.:

Territorial Disputes for Electric Utilities 25-6.0441

PURPOSE AND EFFECT: Rule 25-6.0440, F.A.C., Territorial Disputes for Electric Utilities, specifies Commission procedures for resolving territorial disputes between electric utilities. The effect of the rule amendment is to allow the Commission to review the effectiveness of certain utilities' conservation efforts in territorial disputes in order to aid in the determination of which utility should serve a disputed territory.

SUMMARY: The rule currently lists four factors for Commission consideration in resolving territorial disputes between electric utilities. The proposed rule amendment would add "the effectiveness of the utilities' conservation efforts" as a fifth factor for consideration in disputes between electric utilities with annual retail sales to end-use customers of at least 500 gigawatt-hours.

RULEMAKING AUTHORITY: 366.05(1), F.S.

LAW IMPLEMENTED: 366.04(2), 366.04(4), 366.05(7), F.S.

SUMMARY OF THE ESTIMATE OF ECONOMIC IMPACT OF THIS RULE:

Additional preparation and consideration time would be required in connection with the Commission's resolution of territorial disputes between affected utilities. The cost impact on utilities is not

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discernable. Affected utilities are already required by statute to have conservation programs and the Commission already monitors the programs. Although the potential value of the impact is unknown, ratepayers could benefit by the Commission's consideration of conservation efforts because additional options would be available which could ultimately lead to lower energy consumption.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING. IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE AND PLACE SHOWN BELOW: TIME AND DATE: 9:30 A.M., May 1, 1992

PLACE: Room 122, 101 East Gaines Street, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THIS RULE AND THE ECONOMIC IMPACT STATEMENT IS: Director of Appeals, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32399.

THE FULL TEXT OF THE RULE IS:

25-6.0441 Territorial Disputes for Electric Utilities.

(1) A territorial dispute proceeding may be initiated by a petition from an electric utility requesting the Commission to resolve the dispute. Additionally the Commission may, on its own motion, identify the existence of a dispute and order the affected parties to participate in a proceeding to resolve it. Each utility which is a party to a territorial dispute shall provide a map and

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a written description of the disputed area along with the conditions that caused the dispute. Each utility party shall also provide a description of the existing and planned load to be served in the area of dispute and a description of the type, additional cost, and reliability of electrical facilities and other utility services to be provided within the disputed area.

- (2) In resolving territorial disputes, the Commission may consider, but not be limited to consideration of:
- (a) the capability of each utility to provide reliable electric service within the disputed area with its existing facilities and the extent to which additional facilities are needed;
- (b) the nature of the disputed area including population and the type of utilities seeking to serve it, and degree of urbanization of the area and its proximity to other urban areas, and the present and reasonably foreseeable future requirements of the area for other utility services;
- (c) the cost of each utility to provide distribution and subtransmission facilities to the disputed area presently and in the future; and
- (d) the effectiveness of the utilities' conservation efforts, in disputes between electric utilities with annual retail sales to end-use customers of at least 500 gigawatt-hours; and
 - (e)(d) customer preference if all other factors are

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substantially equal.

(3) The Commission may require additional relevant information from the parties of the dispute if so warranted.

Specific Authority: 366.05(1), F.S.

Law Implemented: 366.04(2), 366.04(4), 366.05(7), F.S.

History: New 3/4/90, amended _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Lee Colson, Division of Electric and Gas

NAME OF SUPERVISOR OR PERSON(S) WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission.

DATE PROPOSED RULE APPROVED: March 10, 1992

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.