

State of Florida

Commissioners:
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DIVISION OF APPEALS
DAVID E. SMITH
DIRECTOR
(904) 488-7464

Public Service Commission

August 12, 1992

Mr. Carroll Webb
Joint Administrative Procedures
Committee
120 Holland Building
Tallahassee, Florida 32399

ORIGINAL
FILE COPY

Re: DOCKET NO. 920227-EU, RULE 25-9.053

Dear Mr. Webb:

Enclosed are the following materials concerning the above referenced proposed rule:

- ACK _____ 1. A copy of the rule.
- AFA _____ 2. A copy of the F.A.W. notice.
- APP _____ 3. A statement of facts and circumstances justifying the proposed rule.
- CAF _____
- CMU _____ 4. A federal comparison statement.
- CTR _____
- EAG _____ 5. A statement of the impact of the rule on small business.
- LEG _____ 6. An economic impact statement.
- LIN _____

OPC _____ If there are any questions with respect to this rule, please do not hesitate to call on me.

- RCH _____
- SEC /
- WAS _____
- OTH _____

Sincerely,

MARSHA E. RULE
Associate General Counsel

MER
Enclosures
cc: Steve Tribble, Director,
Division of Records & Reporting
amd92227.cjm

DOCUMENT NUMBER-DATE
09096 AUG 13 1992
PSC-RECORDS/REPORTING

1 25-9.053 Filing and Evaluation of Information to Accompany

2 Submittals.

3 (1) Each letter transmitting a utility's proposed
4 documentation in which any change in rate structure is proposed
5 shall be accompanied by ~~the following items in connection with each~~
6 ~~new and existing service classification:~~

7 ~~(1) As applicable a tabulation setting forth, at appropriate~~
8 ~~consumption levels, the charges applicable under the present and~~
9 ~~proposed rate together with the difference expressed in dollars and~~
10 ~~in percent; and~~

11 ~~(2) Supporting information in sufficient detail as to allow~~
12 ~~the Commission to determine the derivation of all rate structure~~
13 ~~modifications. All additional relevant information deemed~~
14 ~~necessary by the Commission shall be submitted in addition to the~~
15 ~~above upon request.~~

16 (2) The utility may submit actual cost and operating data to
17 support its proposed change in rate structure. If the utility does
18 not submit actual cost and operating data, the Commission shall
19 evaluate the proposed change in rate structure on the basis of cost
20 and operating data from one or more comparably situated public
21 electric utilities which the Commission determines to be most
22 similar to the filing utility. Data from the comparable utilities
23 shall be considered in conjunction with all submitted information
24 which is specific to the filing utility.

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

CODING: Words underlined are additions; words in
~~struck through~~ type are deletions from existing law.

1 Lam Implemented: 366.04(2)(b), F.S.

2 History: New 8/9/79, formerly 25-9.53, amended _____.

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FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 920227-EU

RULE TITLE:

RULE NO.:

Information to Accompany Submittals

25-9.053

PURPOSE AND EFFECT: The rule is being amended to include the Commission's present practice of evaluating rate structure changes for municipal and cooperative electric utilities based on cost data from comparably situated public utilities.

SUMMARY: In the absence of actual cost and operating data from a municipal or cooperative electric utility which requests a rate structure change, Commission staff will evaluate the proposed changes on the basis of data from comparably situated public electric utilities which share characteristics similar to the municipal or cooperative electric utility. The municipal and cooperative utilities will no longer be required to submit a tabulation of changes.

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

LAW IMPLEMENTED: 366.04(2)(b), F.S.

SUMMARY OF THE ESTIMATE OF ECONOMIC IMPACT OF THIS RULE:

The amendments should not increase costs or paperwork to the Commission or to the affected utilities. Some utilities may experience a savings by not tabulating charges and not submitting actual cost and operating data.

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., August 17, 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:

25-9.053 [[Filing and Evaluation of]] [Information to Accompany] Submittals.

[[(1)] Each letter transmitting a utility's proposed documentation in which any change in rate structure is proposed shall be accompanied by [the following items in connection with each new and existing service classification:

[(1) As applicable a tabulation setting forth, at appropriate consumption levels, the charges applicable under the present and proposed rate together with the difference expressed in dollars and in percent; and]

[(2) [[S]] [s]upporting information in sufficient detail as to allow the Commission to determine the derivation of all rate structure modifications. All additional relevant information deemed necessary by the Commission shall be submitted in addition to the above upon request.

[[(2) The utility may submit actual cost and operating data to support its proposed change in rate structure. If the utility does not submit actual cost and operating data, the Commission

shall evaluate the proposed change in rate structure on the basis of cost and operating data from one or more comparably situated public electric utilities which the Commission determines to be most similar to the filing utility. Data from the comparable utilities shall be considered in conjunction with all submitted information which is specific to the filing utility.]]

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

Lam Implemented: 366.04(2)(b), F.S.

History: New 8/9/79, formerly 25-9.53, amended _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Connie Kummer,

Division of Electric and Gas

NAME OF SUPERVISOR OR PERSON(S) WHO APPROVED THE PROPOSED RULE:

Florida Public Service Commission.

DATE PROPOSED RULE APPROVED: June 30, 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.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (904) 488-8371 at least five calendar days prior to the hearing. If you are hearing or speech impaired, please contact the Florida Public Service Commission using the Florida

Relay Service, which can be reached at: 1-800-955-8771 (TDD).

STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE

Currently, Rule 25-9.053, Florida Administrative Code, details the information which must be provided by a municipal or cooperative electric utility when proposing a change in rate structure, but does not specifically require such utilities to submit cost studies by which Commission staff can evaluate a rate structure change. It is difficult for the Commission staff to analyze such changes without cost data. The amended rule will allow the evaluation of such rate structure changes based on cost data from comparably situated public utilities.

STATEMENT ON FEDERAL STANDARDS

There are no known federal standards.

STATEMENT OF IMPACT ON SMALL BUSINESS

No direct impact on small businesses is foreseen.

M E M O R A N D U M

May 13, 1992

TO: DIVISION OF APPEALS (RULE)
FROM: DIVISION OF RESEARCH AND REGULATORY REVIEW (HEWITT) *CBH JMA*
SUBJECT: ECONOMIC IMPACT STATEMENT FOR AMENDMENT OF RULE 25-9.053, FAC,
INFORMATION TO ACCOMPANY SUBMITTALS; DOCKET NO. 920227-EU

SUMMARY OF THE RULE

Currently, Rule 25-9.053, FAC, details the information to be provided when any change in rate structure is proposed by municipal or cooperative electric utilities. Supporting detail to allow the Commission to determine the derivation of all rate structure modifications must be submitted as well as any additional relevant information deemed necessary by the Commission.

The proposed revision eliminates the requirement of a tabulation setting forth, at appropriate consumption levels, the charges applicable under the present and proposed rates with the difference expressed in dollars and percent.

In the proposed revision, a utility may submit actual cost and operating data to support its proposed change in rate structure. If the utility does not choose to submit actual cost and operating data, the Commission would evaluate the proposed change in rate structure on the basis of cost and operating data from one or more comparably situated public electric utilities similar to the filing utility. The rule title would be changed to "Filing and Evaluation of Submittals."

DIRECT COSTS TO THE AGENCY

The proposed rule change should not increase costs or paperwork to the Commission since the proposed changes would codify methods of analysis currently used by the staff to evaluate proposed rate structure changes. There may be some saving of time by Commission staff due to the rule in effect notifying the utility up-front that it may file actual cost data. The amount of time saved is indeterminable at this time.