BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to implement a) DOCKET NO. 930405-EI
self-insurance mechanism for) ORDER NO. PSC-93-1300-FOF-EI
storm damage to transmission and)
distribution system and to)
resume and increase annual)
contribution to storm and)
property insurance reserve fund)
by Florida Power and Light)
Company.

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman SUSAN F. CLARK JULIA L. JOHNSON LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION

ORDER GRANTING EXTENSION TO FILE STUDY

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

In Order No. PSC-93-0918-FOF-EI, issued June 17, 1993, we required Florida Power and Light Company (FPL) to file a study to include, among other things, an estimate of the appropriate annual accruals to its insurance reserve and the intent and use for the reserve fund.

On July 22, 1993, FPL filed a letter (Attachment A) requesting an extension for the study filing until October 1, 1993. FPL contends that the study will require substantial effort and leview and that the employees who must work on the project are concurrently working on other matters.

It appears that FPL's request is reasonable.

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ORDER NO. PSC-93-1300-FOF-EI DOCKET NO. 930405-EI PAGE 2

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It is therefore

ORDERED by the Florida Public Service Commission that the request filed by Florida Power and Light Company on July 22, 1993, for an extension to file its study until October 1, 1993, is hereby granted. It is further

ORDDERED that this Order shall become final unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

By ORDER of the Florida Public Service Commission this <u>8th</u> day of <u>September</u>, <u>1993</u>.

STEVE TRIBBLE, Director Division of Records and Reporting

(SEAL) MAP:bmi

Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought. ORDER NO. PSC-93-1300-FOF-EI DOCKET NO. 930405-EI PAGE 3

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on September 29, 1993.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure. ATTACHMENT A ORDER NO. PSC-93-1300-FOF-EI DOCKET NO. 930405-EI PAGE 4

P.O. Box 029100, Miami, FL, 33102-9100

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July 22, 1993

Mr. Timothy J. Devlin, Director Division of Auditing & Financial Analysis Florida Public Service Commission Fletcher Building 101 East Gaines Street Tallahassee, FL 32399-0850

RE: Extension of time to file Docket No. 930405

Dear Mr. Devlin:

On June 17, 1993, the Commission issued Order No. PSC-93-0918-FOF-EI approving a selfinsurance approach for FPL for the cost of repairing and restoring our transmission and distribution system in the event of hurricane or storm damage. As part of that order, the Commission directed FPL to submit a study indicating: the amount that should be contributed to the Storm and Property Insurance Reserve Fund annually; the types of costs to be charged against the reserve; and information concerning the treatment of T&D related expenses under the insurance policy FPL had for cost resulting from Hurricane Andrew. The order directed FPL to file the study three months after the date of the vote in the docket, which would be August 25, 1993. FPL respectfully requests an extension of time to file the study until October 1, 1993.

Our study will involve a detailed evaluation of charges incurred in storm restoration and the use of a computer simulation and statistical analysis which require substantial effort and review. Personnel needed for completion of this study are also involved in other critical projects including ongoing negotiations with insurers related to Hurricane Andrew, as well as, preparation of the report on Hurricane Andrew due to the Commission on August 1, 1993 as part of Docket No. 910081-EI, Depreciation Study for Florida Power & Light. ORDER NO. PSC-93-1300-FOF-EI DOCKET NO. 930405-EI PAGE 5

> Mr. Timothy J. Devlin, Director Division of Auditing & Financial Analysis Florida Public Service Commission Page 2 of 2

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The requested extension from August 25, 1993 to October 1, 1993 is essential in order for FPL to provide the Commission with a complete and thorough study.

Your attention to this matter is appreciated. If you have any questions, do not hesitate to call me at (305) 552-4332.

Sincerely,

by BD At

Anne M. Grealy Director Regulatory Affairs

cc: R. Howe M. Palecki W. G. Walker, III