

State of Florida



## Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** September 26, 2014  
**TO:** Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk  
**FROM:** Pamela H. Page, Senior Attorney, Office of the General Counsel *PH*  
**RE:** Comments from Duke Energy Florida dated March 17, 2014; and  
comments from Gulf Power Company dated February 19, and 25, 2014 and March  
11, 2014

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Please place a copy of each of the attached comments from Duke Energy Florida and Gulf Power Company in Docket No. 140124-PU. Please call me if you have any questions. Thank you.

RECEIVED-FPSC  
14 SEP 26 PM 4:00  
COMMISSION  
CLERK

## Pamela H. Page

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**From:** Bernier, Matthew <Matthew.Bernier@duke-energy.com>  
**Sent:** Monday, March 17, 2014 5:11 PM  
**To:** Pamela H. Page  
**Cc:** Bernier, Matthew  
**Subject:** Proposed Revisions to Rule 25-6.015  
**Attachments:** 25-6 015.doc

Good afternoon Ms. Page –

I apologize for the late hour of these proposed revisions, but Javier Portuondo has just had an opportunity to get me his comments and he asked that I bring them to your attention to get Staff's thoughts.

The proposal is concerned with current §(3)(a), the exceptions to the Schedule of Records and Periods of Retention contained in Title 18, Subchapter C, Section 125.3, Code of Federal Regulations. Our proposal would be to eliminate §(3)(a), thus aligning the Commission's Rules with the FERC requirements. This change would promote administrative efficiency by eliminating the conflicting retention requirements as well as provide cost savings as far as storage is concerned.

I've attached the Rule with the proposed revisions included in legislative format. Please note, the proposed changes are in red, the previous revisions are Gulf's proposed revisions which Gulf has previously shared with you and with which DEF fully supports. Moreover, I have had an opportunity to briefly discuss these proposed revisions with representatives of Gulf Power and can represent that they are supportive of this proposed change.

Again, I apologize for getting these proposed revisions to you so late. If we could discuss this proposal at your convenience, I'd appreciate the opportunity. I can be reached at 850.521.1428 or I would be happy to give you a call.  
Thanks

Matt Bernier  
Senior Counsel  
106 East College Avenue  
Tallahassee, FL 32301  
850.521.1428  
[matthew-bernier@duke-energy.com](mailto:matthew-bernier@duke-energy.com)

1 **25-6.015 Location and Preservation of Records.**

2 (1) All records that a utility is required to keep by reason of these or other rules prescribed by  
3 the Commission shall be kept at the office or offices of the utility within this state, unless  
4 otherwise authorized by the Commission.

5 (2) Any utility that keeps its records outside of the state shall reimburse the Commission for  
6 the reasonable travel expense incurred by each Commission representative during any review  
7 of the out-of-state records of the utility or its affiliates. Reasonable travel expenses are those  
8 travel expenses that are equivalent to travel expenses paid by the Commission in the ordinary  
9 course of its business.

10 (a) The utility shall remit reimbursement for out-of-state travel expenses within 30 days from  
11 the date the Commission mails the invoice.

12 (b) The reimbursement requirement in subsection (2) shall be waived:

13 1. For any utility that makes its out-of-state records available at the utility's office located in  
14 Florida or at another mutually agreed upon location in Florida within 10 working days from  
15 the Commission's initial request. If 10 working days is not reasonable because of the  
16 complexity and nature of the issues involved or the volume and type of material requested, the  
17 Commission may establish a different time frame for the utility to bring records into the state.  
18 For individual data requests made during an audit, the response time frame in Rule 25-6.0151,  
19 F.A.C., shall control; or

20 2. For a utility whose records are located within 50 miles of the Florida state line.

21 (3) All records shall be preserved in accordance with the Federal Energy Regulatory  
22 Commission's regulations, Title 18, Subchapter C, Part 125, Code of Federal Regulations,  
23 entitled "Preservation of Records of Public Utilities and Licensees" as revised, April 1, 2012  
24 ~~2002~~, which is hereby incorporated by reference into this rule, ~~with the exception of the~~  
25 ~~records listed in paragraph (3)(a) of this rule. Instead, utilities shall retain records listed in~~

1 paragraph (3)(a) of this rule for the periods indicated.

2 (a) The Code of Federal Regulations items listed below are exceptions to the Schedule of  
3 Records and Periods of Retention contained in Title 18, Subchapter C, Section 125.3, Code of  
4 Federal Regulations:

5 1. Item 2(a), minute books of stockholders', directors', and directors' committee meetings,  
6 earlier of 20 years or termination of the corporation's existence;

7 2. Item 6(a)(1), general ledgers, 20 years;

8 3. Item 6(a)(2), ledgers: subsidiary or auxiliary, 20 years;

9 4. Item 7, journals: general and subsidiary, 20 years;

10 5. Item 8(a), journal vouchers and journal entries, 20 years; and

11 6. Item 20(a), appraisals and valuations made by the company of its properties or investments  
12 or of the properties or investments of any associated companies (includes all records essential  
13 thereto), 10 years after appraisal.

14 (b) However, all source documents retained as required by Title 18, Subchapter C, Part 125,  
15 Code of Federal Regulations shall be maintained in their original form for a minimum of three  
16 years, or for any lesser period of time specified for that type of record in Title 18, Subchapter  
17 C, Part 125, Code of Federal Regulations, after the date the document was created or received  
18 by the utility. This paragraph does not require the utility to create paper copies of documents  
19 where the utility would not otherwise do so in the ordinary course of its business. The  
20 Commission will waive the requirement that documents be retained in their original form upon  
21 a showing by a utility that it employs a storage and retrieval system that consistently produces  
22 clear, readable copies that are substantially equivalent to the originals, and clearly reproduces  
23 handwritten notations on documents.

24 (b)(e)(b) The utility shall not be required to retain original source documents once the  
25 documents have been added to an electronic storage and retrieval system that consistently

1 produces clear, readable copies of source documents and the content of the documents is  
2 identical to the originals and clearly reproduces any handwritten notations on the documents.

3 The utility shall maintain written procedures governing the conversion of source documents to  
4 a storage and retrieval system, which procedures ensure the authenticity of documents and the  
5 completeness of records. Records maintained in the storage and retrieval system must be easy  
6 to search and easy to read.

7 Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 366.05(1), (9), (11), 366.08,  
8 366.093(1) FS. History—Amended 7-29-69, 7-19-72, 1-11-76, 9-28-81, 11-18-82, Formerly  
9 25-6.15, Amended 10-1-86, 11-2-87, 6-23-93, 11-13-95, 6-6-04.

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E. DIXIE BEGGS  
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BERT H. LANE  
1917 - 1981

February 19, 2014

**VIA ELECTRONIC AND U.S. MAIL**

Florida Public Service Commission  
Attn: Pamela H. Page  
Office of General Counsel  
2540 Shumard Oaks Blvd.  
Tallahassee, FL 32399-0850



***Re: Notice of Development of Rulemaking –Rule 25-6.015***

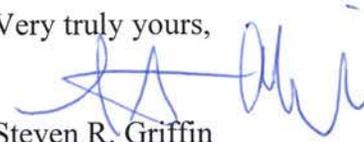
Dear Ms. Page:

This letter is submitted on behalf of our client, Gulf Power Company ("Gulf Power" or "the Company"). These comments are submitted in lieu of a request for a formal rule development workshop pursuant to the Commission's Notice of Development of Rulemaking dated February 5, 2014 pertaining to Rule 25-6.015, F.A.C. titled "Location and Preservation of Records."

Gulf Power does not object to any of the proposed amendments reflected in the Notice. These comments are submitted to request that the Commission consider one additional amendment to the rule. Rule 25-6.015(3)(b) requires utilities to maintain certain source documents in their original form for a minimum period of three years, or for any lesser period of time specified in Title 18, Subchapter C, Part 125 of the Code of Federal Regulations ("CFR Part 125"). CFR Part 125 does not appear to require that any source documents be retained in their original form. Rather, it provides utilities with the flexibility to select their own storage media provided certain conditions are met. See, 18 C.F.R. § 125.2(d)(1)-(3). In Gulf's view, electronic document storage and retrieval technologies have advanced to the point that subsection (3)(b)'s requirement to retain original source documents is no longer necessary. Indeed, the requirement has resulted in the Company expending time and resources to maintain redundant paper and electronic record retention systems and procedures. For the foregoing reasons, Gulf requests that the Commission consider eliminating subsection (3)(b) of Rule 25-6.015 in its entirety or modifying the rule in some other manner so as to avoid the requirement to maintain source documents in their original form.

If there are any questions concerning the Company's request, please do not hesitate to contact me. We appreciate the opportunity to submit these written comments in lieu of a request for a formal rule development workshop.

Very truly yours,



Steven R. Griffin  
For the firm

# BEGGS & LANE

A REGISTERED LIMITED LIABILITY PARTNERSHIP  
ATTORNEYS AND COUNSELLORS AT LAW  
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Florida Public Service Commission  
Attn: Pamela H. Page  
Office of General Counsel  
2540 Shumard Oaks Blvd  
Tallahassee, FL 32399-0850

32399085099



**Pamela H. Page**

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**From:** Steven R. Griffin <srg@beggslane.com>  
**Sent:** Tuesday, February 25, 2014 12:40 PM  
**To:** Pamela H. Page  
**Subject:** Gulf Power's Proposed Revisions to Rule 25-6 015  
**Attachments:** Gulf Proposed Revisions to Rule 25-6 015.doc

Pam:

As we just discussed, Gulf's proposed revisions appear in legislative format. As you can see, much of the language included in our new section (b) was borrowed from the existing section (b). I'm happy to discuss further should Staff have questions or concerns.

### 25-6.015 Location and Preservation of Records.

(1) All records that a utility is required to keep by reason of these or other rules prescribed by the Commission shall be kept at the office or offices of the utility within this state, unless otherwise authorized by the Commission.

(2) Any utility that keeps its records outside of the state shall reimburse the Commission for the reasonable travel expense incurred by each Commission representative during any review of the out-of-state records of the utility or its affiliates. Reasonable travel expenses are those travel expenses that are equivalent to travel expenses paid by the Commission in the ordinary course of its business.

(a) The utility shall remit reimbursement for out-of-state travel expenses within 30 days from the date the Commission mails the invoice.

(b) The reimbursement requirement in subsection (2) shall be waived:

1. For any utility that makes its out-of-state records available at the utility's office located in Florida or at another mutually agreed upon location in Florida within 10 working days from the Commission's initial request. If 10 working days is not reasonable because of the complexity and nature of the issues involved or the volume and type of material requested, the Commission may establish a different time frame for the utility to bring records into the state. For individual data requests made during an audit, the response time frame in Rule 25-6.0151, F.A.C., shall control; or

2. For a utility whose records are located within 50 miles of the Florida state line.

(3) All records shall be preserved in accordance with the Federal Energy Regulatory Commission's regulations, Title 18, Subchapter C, Part 125, Code of Federal Regulations, entitled "Preservation of Records of Public Utilities and Licensees" as revised, April 1, 2002, which is hereby incorporated by reference into this rule, with the exception of the records listed in paragraph (3)(a) of this rule. Instead, utilities shall retain records listed in paragraph (3)(a) of this rule for the periods indicated.

(a) The Code of Federal Regulations items listed below are exceptions to the Schedule of Records and Periods of Retention contained in Title 18, Subchapter C, Section 125.3, Code of Federal Regulations:

1. Item 2(a), minute books of stockholders', directors', and directors' committee meetings, earlier of 20 years or termination of the corporation's existence;

2. Item 6(a)(1), general ledgers, 20 years;

3. Item 6(a)(2), ledgers: subsidiary or auxiliary, 20 years;

4. Item 7, journals: general and subsidiary, 20 years;

5. Item 8(a), journal vouchers and journal entries, 20 years; and

6. Item 20(a), appraisals and valuations made by the company of its properties or investments or of the properties or investments of any associated companies (includes all records essential thereto), 10 years after appraisal.

~~(b) However, all source documents retained as required by Title 18, Subchapter C, Part 125, Code of Federal Regulations shall be maintained in their original form for a minimum of three years, or for any lesser period of time specified for that type of record in Title 18, Subchapter C, Part 125, Code of Federal Regulations, after the date the document was created or received by the utility. This paragraph does not require the utility to create paper copies of documents where the utility would not otherwise do so in the ordinary course of its business. The Commission will waive the requirement that documents be retained in their original form upon a showing by a utility that it employs a storage and retrieval system that consistently produces clear, readable copies that are substantially equivalent to the originals, and clearly reproduces handwritten notations on documents.~~

(e) (b) The utility shall not be required to retain original source documents once they have been added to an electronic storage and retrieval system which consistently produces clear, readable copies of source documents which are substantially equivalent to the originals and clearly reproduces handwritten notations on documents. The utility shall maintain written procedures governing the conversion of source documents to a storage and retrieval system, which procedures ensure the authenticity of documents and the completeness of records. Records maintained in the storage and retrieval system must be easy to search and easy to read.

*Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 366.05(1), (9), (11), 366.08, 366.093(1) FS. History—Amended 7-29-69, 7-19-72, 1-11-76, 9-28-81, 11-18-82, Formerly 25-6.15, Amended 10-1-86, 11-2-87, 6-23-93, 11-13-95, 6-6-04.*

## Pamela H. Page

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**From:** Steven R. Griffin <srg@beggslane.com>  
**Sent:** Tuesday, March 11, 2014 12:14 PM  
**To:** Pamela H. Page  
**Subject:** RE: Location and Preservation of Records  
**Attachments:** Gulf Proposed Amendments to Rule 25-6 015.doc

Pam:

Based on discussions within Gulf and among other IOUs, attached are two minor proposed changes to the language you forwarded to me on 3/3/14. The first simply identifies the need to reference subsection (b) rather than (c). The second changes the reference to "documents" to "copies." Please feel free to call should you have any questions.

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**From:** Pamela H. Page [<mailto:PHPage@PSC.STATE.FL.US>]  
**Sent:** Monday, March 03, 2014 3:24 PM  
**To:** Steven R. Griffin  
**Subject:** Location and Preservation of Records

Attached is the rule with the PSC draft language highlighted. Thank you for your time and consideration.

1 **25-6.015 Location and Preservation of Records.**

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23 handwritten notations on documents.~~

24 ~~(c)(b) The utility shall not be required to retain original source documents once the documents~~  
25 ~~have been added to an electronic storage and retrieval system that consistently produces clear,~~

**Comment [SRG1]:** Reference should be to be to (b) rather than (c).

1 | readable copies of source documents and the content of the documents-copies is identical to  
2 | the originals and clearly reproduces any handwritten notations on the documents. The utility  
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4 | and retrieval system, which procedures ensure the authenticity of documents and the  
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