State of Florida



Public Service Commission

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

DATE:

June 25, 2015

TO:

Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM:

Pamela H. Page, Senior Attorney, Office of the General Counsel

RE:

Comments from FMEA regarding Rule 25-9.053. Undocketed

Please place the attached email from FMEA in Docket No. 150000-OT.

Thank you

15 JUN 25 PH 3: 25

Pamela H. Page

From:

Dan O'Hagan < Dan. OHagan@fmpa.com>

Sent:

Thursday, June 25, 2015 3:06 PM

To:

Pamela H. Page

Cc:

Fred Bryant; Jody Finklea

Subject:

Explanation for FMEA Proposed Language - 25-9.053

Pam,

As requested, the following is FMEA's brief explanation for the proposed language to rule 25-9.053.

The purpose of FMEA's proposed language in rule 25-9.053, line 18, is to clarify that the effective date of municipal electric utility's or rural electric cooperative's rate change shall be determined by the municipal electric utility or cooperative – even in the event where PSC staff makes an initial determination that the rate structure does not meet the four criteria listed in 25-9.053(1) or the Commission has initiated a hearing to determine whether the rate structure meets the four criteria. This is because the Commission does not have rate jurisdiction – including "file and suspend" or refund jurisdiction – over municipal electric utilities and rural electric cooperatives. See, e.g., Lewis v. Public Service Com'n, 463 So.2d 227 (Fla. 1985). Thus, it is within the utility's discretion to suspend the effective date of the rate change until the outcome of the Commission process, or implement its new rates until the Commission directs the utility, pursuant to 25-9.053(3), to file a new rate structure that is consistent with the four criteria.

If you have any questions, please don't hesitate to call.

Dan O'Hagan Associate General Counsel

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