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COMMISSIONERS: GARY F. CLARK, CHAIRMAN ART GRAHAM JULIE I. BROWN DONALD J. POLMANN ANDREW GILES FAY

STATE OF FLORIDA

OFFICE OF THE GENERAL COUNSEL KEITH C. HETRICK GENERAL COUNSEL (850) 413-6199

Public Service Commission

April 2, 2020

Kenneth J. Plante, Coordinator Joint Administrative Procedures Committee Room 680, Pepper Building 111 W. Madison Street Tallahassee, FL 32399-1400 E-MAIL DELIVERY :

Re: Docket No. 20200063-EI; Rule 25-6.0342, Electric Infrastructure Storm Hardening, F.A.C.

Dear Mr. Plante:

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

- 1. A copy of the proposed rule.
- 2. There are no materials incorporated by reference in the proposed rule.
- 3. A copy of the F.A.R. notice.
- 4. A statement of facts and circumstances justifying the proposed rule.
- 5. A federal standards statement.
- 6. Statement of Estimated Regulatory Costs for the rule.

Mr. Kenneth J. Plante April 2, 2020 Page 2

If there are any questions with respect to these rules, please do not hesitate to call me at 413-6082.

Sincerely,

Samuth M. Cill for

Adria Harper Senior Attorney

Enclosures

cc: Office of Commission Clerk

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25-6.0342 Electric Infrastructure Storm Hardening.

(1) Application and Scope. This rule is intended to ensure the provision of safe, adequate,
and reliable electric transmission and distribution service for operational as well as emergency
purposes; require the cost effective strengthening of critical electric infrastructure to increase
the ability of transmission and distribution facilities to withstand extreme weather conditions;
and reduce restoration costs and outage times to end-use customers associated with extreme
weather conditions. This rule applies to all investor-owned electric utilities.

8 (2) Storm Hardening Plans. Each utility shall, no later than 90 days after the effective date 9 of this rule, file with the Commission for its approval a detailed storm hardening plan. Each 10 utility's plan shall be updated every 3 years, unless the Commission, on its own motion or on petition by a substantially affected person or utility, initiates a proceeding to review and, if 11 12 appropriate, modify the plans. In a proceeding to approve a utility's plan, the Commission 13 shall consider whether the utility's plan meets the desired objectives of enhancing reliability 14 and reducing restoration costs and outage times in a prudent, practical, and cost-effective 15 manner to the affected parties.

(3) Contents of Plan: Each utility storm hardening plan shall contain a detailed description
 of the construction standards, policies, practices, and procedures employed to enhance the
 reliability of overhead and underground electrical transmission and distribution facilities in
 conformance with the provisions of this rule. Each filing shall, at a minimum, address the
 extent to which the utility's storm hardening plan:

(a) Complies, at a minimum, with the National Electric Safety Code (ANSI C-2) [NESC]
 that is applicable pursuant to subsection 25-6.0345(2), F.A.C.

(b) Adopts the extreme wind loading standards specified by Figure 250-2(d) of the 2007
 edition of the NESC for the following distribution facilities:

25 1. New construction;

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1	2. Major planned work, including expansion, rebuild, or relocation of existing facilities,
2	assigned on or after the effective date of this rule; and
3	3. Critical infrastructure facilities and along major thoroughfares taking into account
4	political and geographical boundaries and other applicable operational considerations.
5	(c) Is designed to mitigate damage to underground and supporting overhead transmission
6	and distribution facilities due to flooding and storm surges.
7	(d) Provides for the placement of new and replacement distribution facilities so as to
8	facilitate safe and efficient access for installation and maintenance pursuant to Rule 25-
9	6.0341, F.A.C.
10	(4) Deployment Strategy: Each utility storm hardening plan shall explain the systematic
11	approach the utility will follow to achieve the desired objectives of enhancing reliability and
12	reducing restoration costs and outage times associated with extreme weather events. The
13	utility's storm hardening plan shall provide a detailed description of its deployment strategy
14	including, but not limited to the following:
15	(a) A description of the facilities affected; including technical design specifications,
16	construction standards, and construction methodologies employed.
17	(b) The communities and areas within the utility's service area where the electric
18	infrastructure improvements, including facilities identified by the utility as critical
19	infrastructure and along major thoroughfares pursuant to subparagraph (3)(b)3. are to be
20	made.
21	(c) The extent to which the electric infrastructure improvements involve joint use facilities
22	on which third-party attachments exist.
23	(d) An estimate of the costs and benefits to the utility of making the electric infrastructure
24	improvements, including the effect on reducing storm restoration costs and customer outages.
25	(e) An estimate of the costs and benefits, obtained pursuant to subsection (6) below, to
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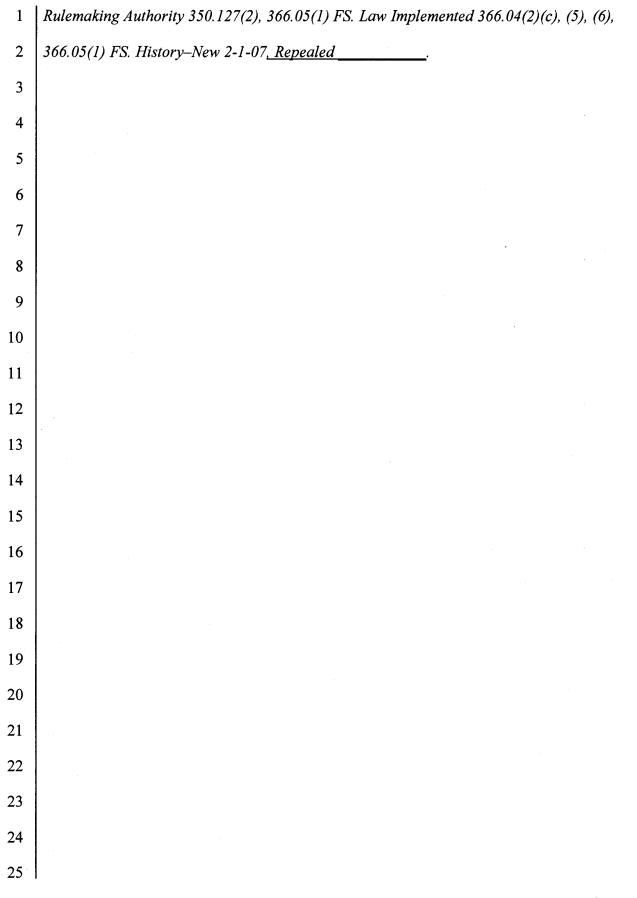
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1	third-party attachers affected by the electric infrastructure improvements, including the effect
2	on reducing storm restoration costs and customer outages realized by the third-party attachers.
3	(5) Attachment Standards and Procedures: As part of its storm hardening plan, each utility
4	shall maintain written safety, reliability, pole loading capacity, and engineering standards and
5	procedures for attachments by others to the utility's electric transmission and distribution
6	poles (Attachment Standards and Procedures). The Attachment Standards and Procedures shall
7	meet or exceed the edition of the National Electrical Safety Code (ANSI C-2) that is
8	applicable pursuant to Rule 25-6.034, F.A.C. so as to assure, as far as is reasonably
9	practicable, that third-party facilities attached to electric transmission and distribution poles do
10	not impair electric safety, adequacy, or pole reliability; do not exceed pole loading capacity;
11	and are constructed, installed, maintained, and operated in accordance with generally accepted
12	engineering practices for the utility's service territory.
13	(6) Input from Third-Party Attachers: In establishing its storm hardening plan and
14	Attachment Standards and Procedures, or when updating or modifying such plan or
15	Attachment Standards and Procedures, each utility shall seek input from and attempt in good
16	faith to accommodate concerns raised by other entities with existing agreements to share the
17	use of its electric facilities. Any third-party attacher that wishes to provide input under this
18	subsection shall provide the utility contact information for the person designated to receive
19	communications from the utility.
20	(7) Dispute Resolution: Any dispute or challenge to a utility's storm hardening plan,
21	construction standards, deployment strategy, Attachment Standards and Procedures, or any
22	projects implementing any of the above by a customer, applicant for service, or attaching
23	entity shall be resolved by the Commission.
24	(8) Nothing in this rule is intended to conflict with Title 47, United States Code, Section
25	224, relating to Federal Communications Commission jurisdiction over pole attachments.
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Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

RULE NO: RULE TITLE:

25-6.0342: Electric Infrastructure Storm Hardening

PURPOSE AND EFFECT: To repeal Rule 25-6.0342, F.A.C., because it is duplicative of another Commission rule, and is obsolete and unnecessary.

Docket No. 20200063-EI

SUMMARY: Rule 25-6.0342, F.A.C., requires investor-owned electric utilities to file storm hardening plans. This rule is being repealed because it is duplicative of another Commission rule, and is obsolete and unnecessary.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION: The agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has been prepared by the agency. The SERC examined the factors required by Section 120.541(2), FS, and concluded that the rule repeal will not have an adverse impact on economic growth, business competitiveness, or small business and that there would likely be transactional cost savings to the individual and entities, including government entities, required to comply with the rule.

The agency has determined that the proposed rule repeal is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: based upon the information contained in the SERC.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 350.127(2), 366.05(1) FS.

LAW IMPLEMENTED: 366.04(2)(c), (5), (6), 366.05(1) FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAR.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Adria Harper, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850)413-6082, aharper@psc.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-6.0342 Electric Infrastructure Storm Hardening.

Rulemaking Authority 350.127(2), 366.05(1) FS. Law Implemented 366.04(2)(c), (5), (6), 366.05(1) FS. History-New 2-1-07, Repealed

NAME OF PERSON ORIGINATING PROPOSED RULE: Penny Buys

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: March 31, 2020

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: Volume 45, Number 111, June 7, 2019.

Rule 25-6.0342, F.A.C. Docket No. 20200063-EI

STATEMENT OF FACTS AND CIRCUMSTANCES JUSTIFYING RULE

Rule 25-6.0342, F.A.C., requires investor-owned electric utilities to file storm hardening plans. The Commission is repealing the rule because it duplicative of another Commission rule, and it is obsolete and unnecessary.

STATEMENT ON FEDERAL STANDARDS

There are no federal standards for this rule.

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-

DATE:	March 13, 2020
TO:	Adria E. Harper, Senior Attorney, Office of the General Counsel
FROM:	Sevini K. Guffey, Public Utility Analyst II, Division of Economics C.K.G.
RE:	Statement of Estimated Regulatory Costs for Recommended Repeal of Rule 25- 6.0342, Florida Administrative Code (F.A.C.), Electric Infrastructure Storm Hardening.

Commission staff is recommending the repeal of Rule 25-6.0342, F.A.C., Electric Infrastructure Storm Hardening which has been effective since 2007. This rule applies to all investor-owned electric utilities (IOUs) and requires that each utility file with the Commission, for approval, a detailed storm hardening plan and to update that plan every three years.

In 2019, the Florida Legislature passed SB 796 to enact Section 366.96, Florida Statutes (F.S.), which requires each IOU to file a transmission and distribution storm protection plan for the Commission's review and for the Commission to conduct an annual proceeding to determine each IOU's prudently incurred costs to implement the storm protection plan. To codify Section 366.96, F.S., the Commission adopted Rules 25-6.030, F.A.C., Storm Protection Plan, and Rule 25-6.031, F.A.C., Storm Protection Plan Cost Recovery Clause, which became effective on February 18, 2020. As a result, Rules 25-6.030, F.A.C., and 25-6.031, F.A.C., supersede the requirements of Rule 25-6.0342, F.A.C.

The attached Statement of Estimated Regulatory Costs (SERC) addresses the economic impacts and considerations required pursuant to Section 120.541, F.S. The SERC analysis indicates that the recommended repeal of Rule 25-6.0342, F.A.C., will not likely increase regulatory costs, including any transactional costs or have an adverse impact on business competitiveness, productivity, or innovation in excess of \$1 million in the aggregate within five years of implementation. The recommended rule repeal would not potentially have adverse impacts on small businesses, would have no implementation cost to the Commission or other state and local government entities, and would have no impact on small cities or counties.

Notice of the rule development appeared in the June 7, 2019 edition of the Florida Administrative Register. No regulatory alternatives were submitted pursuant to Section 120.541(1)(g), F.S. The SERC concludes that none of the impacts/cost criteria established in Sections 120.541(2)(a), (c), (d), and (e), F.S., will be exceeded as a result of the proposed rule revisions.

cc: SERC File

FLORIDA PUBLIC SERVICE COMMISSION STATEMENT OF ESTIMATED REGULATORY COSTS Rule 25-6.0342, F.A.C.

Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E., below, for definition of small business.)
 Yes □ No ⊠
 If the answer to Question 1 is "yes", see comments in Section E.
 Section E. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]
 Yes □ No ⊠
 No ⊠

If the answer to either question above is "yes", a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:		
(1) Is likely to have an adverse impact on any of the the aggregate within 5 years after implementation of	following in excess of \$1 million in the rule? [120.541(2)(a)1, F.S.]	
Economic growth	Yes 🗌 No 🖾	
Private-sector job creation or employment	Yes 🗌 No 🔀	
Private-sector investment	Yes 🗌 No 🔀	
(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]		
Business competitiveness (including the abi business in the state to compete with perso states or domestic markets)		
Productivity	Yes 🗌 No 🖂	
Innovation	Yes 🗌 No 🛛	

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(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes 🗌

No 🛛

Economic Analysis: The Commission adopted new Rules 25-6.030, F.A.C., Storm Protection Plan, and Rule 25-6.031, F.A.C., Storm Protection Plan Cost Recovery, which became effective on February 18, 2020. As a result, Rule 25-6.0342, F.A.C., Electric Infrastructure Storm Hardening requirements is duplicative and obsolete. The recommended repeal of Rule 25-6.0342, F.A.C., will reduce duplicative regulatory oversight.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

None; the rule is recommended to be repealed. See Section (3) above.

(2) A general description of the types of individuals likely to be affected by the rule.

None; the rule is recommended to be repealed. See Section (3) above.

C. A good faith estimate of: [120.541(2)(c), F.S.]
(1) The cost to the Commission to implement and enforce the rule.
None. To be done with the current workload and existing staff.
Minimal. Provide a brief explanation.
Other. Provide an explanation for estimate and methodology used.
(2) The cost to any other state and local government entity to implement and enforce the rule.
None. The rule will only affect the Commission.
Minimal. Provide a brief explanation.
Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.	
None.	
Minimal. Provide a brief explanation.	
Other. Provide an explanation for estimate and methodology used.	
D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used, procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring or reporting, and any other costs necessary to comply with the rule. [120.541(2)(d), F.S.]	
None. The rule will only affect the Commission.	
Minimal. Provide a brief explanation.	
Other. Provide an explanation for estimate and methodology used.	
E. An analysis of the impact on small businesses, and small counties and small cities: [120.541(2)(e), F.S.]	
 (1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments. 	
No adverse impact on small business.	
Minimal. Provide a brief explanation.	
Other. Provide an explanation for estimate and methodology used.	
(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an	

unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

 \boxtimes No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. Any additional information that the Commission determines may be useful. [120.541(2)(f), F.S.]

None.

Additional Information:

G. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(g), F.S.]

 \boxtimes No regulatory alternatives were submitted.

A regulatory alternative was received from

Adopted in its entirety.

a statement of the reason for rejecting that alternative.