BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to initiate rulemaking to amend Rule 25-6.078, F.A.C., Schedule of Charges, and Rule 25-6.082, F.A.C., Records and Reports, by Florida Power & Light Company, Florida Power & Light Company, Florida Power Corporation, Tampa Electric Company, Gulf Power Company DOCKET NO. 960623-EI ORDER NO. PSC-97-1232-FOF-EI ISSUED: October 13, 1997

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman J. TERRY DEASON SUSAN F. CLARK DIANE K. KIESLING JOE GARCIA

NOTICE OF ADOPTION OF RULES

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has adopted the amendments to Rules 25-6.077, 25-6.078 and 25-6.082, Florida Administrative Code, relating to electric underground residential differential tariffs, without changes.

The rule amendments were filed with the Department of State on October 10, 1997 and will be effective on October 30, 1997. A copy of the rule as filed with the Secretary of State is attached to this Notice.

This docket is closed upon issuance of this notice.

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FPSC-RECORDS/REFORTING

By ORDER of the Florida Public Service Commission, this <u>13th</u> day of <u>October</u>, <u>1997</u>.

BLANCA S. BAYÓ, Director Division of Records & Reporting

By: Kay Hymn, Chief

Bureau of Records

(SEAL)

CTM

25-6.077 Installation of Underground Distribution Systems Within New Subdivisions.

(1) When required. After acceptance by the utility of a proper application the utility shall define the geographical area described and entailed by said application a "Designated Underground Area." The utility shall design and install a suitable underground electric distribution system with sufficient capacity and suitable materials which, in its judgment, will assure that the applicant will receive reasonably safe and adequate electric service for the reasonably foreseeable future.

(2) Facilities required to be underground.

(a) All service, secondary, and primary distribution conductors with the possible exception of feeder mains shall be underground. Appurtenances such as transformers, pedestal mounted terminals, switching equipment, and meter cabinets may be placed above ground at the discretion of the utility.

(b) At the option of the applicant and subject to requirements of governmental authorities and Rule 25-6.078, new feeder mains or portions thereof required to supply service within the subdivision, supply location distribution, or to serve spot loads may be either overhead or underground.

(3) Service connection. The service connection to the building will normally be at or near the part of the building

nearest the point at which the underground secondary electric supply is available to the property to be served. If the service connection point selected on any building requires the installation of a service lateral in excess of seventy-five (75) feet, then the applicant may be required to pay for the service lateral and installation in excess of seventy five (75) feet in accordance with the utility's tariff rules and regulations on file with the Commission; except as provided under Rule 25-6.078(6)(5) herein.

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

Law Implemented: 366.03, <u>366.04(6)</u>, <u>366.041(1)(4)</u>, <u>366.05(1)</u>, <u>366.06(1)</u>, F.S.

History: New 4/10/71, Amended 4/13/80, 2/12/84, formerly 25-6.77, Amended 10/30/97.

25-6.078 Schedule of Charges.

(1) Each utility shall file with the Commission within 60 days of the applicability of this rule a written policy that shall become a part of the utility's tariff rules and regulations. Such policy shall be subject to review and approval of the Commission and shall include an Estimated Average Cost Differential, if any, and shall <u>state indicate</u> the basis upon which the utility will provide underground service and its method for recovering the difference in cost of an underground system

and an equivalent overhead system from the applicant at the time service is extended. The charges to the applicant shall be not more than the estimated difference in cost of an underground system and an equivalent overhead system.

(2) On or before October 15th of each year each utility shall file with the Commission's Division of Electric and Gas Form PSC/EAG 13, Schedule 1, using current material and labor costs. If the cost differential as calculated in Schedule 1 varies from the Commission-approved differential by plus or minus 10 percent or more, the utility shall file a written policy and supporting data and analyses as prescribed in sections (1), (3), and (4) of this rule on or before April 1 of the following year; however, each utility shall file a written policy and supporting data and analyses at least once every three years.

(3) Differences in operating and maintenance costs between underground and overhead systems, if any, may be taken into consideration in determining the overall Estimated Average Cost Differential.

(4) (3) Detailed supporting data and <u>analyses</u> study results used to determine the Estimated Average Cost Differential for underground and overhead distribution systems shall be concurrently filed by the utility with the Commission and shall be updated <u>annually</u> using cost data developed from the most

recent 12_month period. The utility shall record these data and analyses on Form PSC/EAG 13 (10/97). Form PSC/EAG 13, entitled "Overhead/Underground Residential Differential Cost Data" is incorporated by reference into this rule and may be obtained from the Division of Electric and Gas, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 904/413-6700.

(5)(4) Subject to the provisions of Rule 25 6.079(a), Service for a new multiple-occupancy building shall be constructed underground within the property to be served to the point of delivery at or near the building by the utility at no charge to the applicant, provided the utility is free to construct its service extension or extensions in the most economical manner.

(6)(5) The method of recoverying of the cost differential as filed by the utility and approved by the Commission may not be waived or refunded unless it is mutually agreed by the applicant and the utility that the applicant will <u>perform certain work as</u> <u>defined in the utility's tariff</u> do all of the trenching and <u>backfilling</u>, in which case the applicant shall receive a credit. <u>per trench foot for each foot of trenching and backfilling</u> <u>provided by him in accordance with provisions</u> <u>Provision for the</u> <u>credit shall be</u> set forth in the utility's tariff rules and

regulations, and shall such credit to be no more in amount than the total charges applicable.

(7)(6) The difference in cost as determined by the utility in accordance with its tariff shall be based on reasonably full use of the subdivision for building lots or multiple-occupancy buildings. If any given subdivision is designed to include large open areas, the utility or the applicant may refer the matter to the Commission for a special filing as provided under Rule 25-6.083.

(8)(7) The utility shall not be obligated to install any facilities within a subdivision until satisfactory arrangements for the construction of facilities and payment of applicable charges, if any, have been completed between the applicant and the utility by written agreement. A standard agreement form shall be filed with the company's tariff.

(9)(8) Nothing herein contained shall be construed to prevent any utility from assuming all cost differential of providing underground distribution systems, provided, however, that such assumed cost differential shall not be chargeable to the general body of rate payers, and any such policy adopted by a utility shall have uniform application throughout its service area.

Specific Authority: 366.04(2)(f), 366.05(1), F.S.

Law Implemented: 366.03, <u>366.041(1)(4)</u>, <u>366.04(2)(f)</u>, <u>366.06(1)</u>, F.S.

History: New 4/10/71, Amended 4/13/80, 2/12/84, formerly 25-6.78, Amended 10/30/97.

25-6.082 Records and Reports.

(1) To insure the development and availability of appropriate data necessary to satisfy the annual reporting requirements of Rule 25-6.078(2) herein, each utility shall will undertake to establish and maintain separate records or sub-accounts for underground distribution construction, operation and maintenance costs.

(2) Records shall also be maintained of experienced results obtained in the use of joint trenching, in such manner and detail as will afford an opportunity to evaluate the economies available using this practice.

Specific Authority <u>366.04(2)(f)</u>, 366.05(1), F.S.
Law Implemented: 366.03, <u>350.115</u>, <u>366.04(2)(a)(f)</u>, F.S.
History: New 4/10/71, formerly 25-6.82, <u>Amended 10/30/97</u>.