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Public Service Commission

November 13, 2006

Mr. John Rosner
Chief Attorney
Joint Administrative Procedures Committee
Room 120, Holland Building
Tallahassee, Florida 32399-1300

Re: PSC Rules 25-6.034, 25-6.0341, 25-6.0342, 25-6.0345, 25-6.064, 25-6.078, 25-6.115, F.A.C.

Dear Mr. Rosner:

Attached are the above captioned rules, which the Commission will consider adopting on December 5, 2006. Rules 25-6.034, 25-6.0341, 25-6.0342 are substantially changed from the versions the Commission proposed and were provided to you on July 28, 2006. I wanted to take advantage of your kind offer to review the rules prior to their adoption, in order to make sure we can address any possible concerns in advance. I will be filing the text of the rules with the staff recommendation on November 21, 2006. Thank you for your consideration and assistance, and I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry D. Harris".

Larry D. Harris
Associate General Counsel
413-6076

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JOINT ADMINISTRATIVE
PROCEDURES COMMITTEE

1 PART III

2 GENERAL MANAGEMENT REQUIREMENTS

3 25-6.034 Standard of Construction.

4 (1) The facilities of each utility shall be constructed, installed, maintained and
5 operated in accordance with generally accepted engineering practices to assure, as far as is
6 reasonably possible, continuity of service and uniformity in the quality of service furnished.

7 (2) Each utility shall, at a minimum, comply with the National Electrical Safety Code
8 (ANSI C-2) [NESC], incorporated by reference in Rule 25-6.0345, F.A.C.

9 (a) For facilities constructed on or after February 1, 2007, the 2007 NESC shall apply.
10 A copy of the 2007 NESC, ISBN number 0781-4893-8, may be obtained from the Institute of
11 Electric and Electronic Engineers, Inc. (IEEE).

12 (b) Facilities constructed prior to February 1, 2007, shall be governed by the edition of
13 the NESC specified by subsections 013.B.1, 013.B.2, and 013.B.3 of the 2007 NESC.

14 ~~(2) The Commission has reviewed the American National Standard Code for~~
15 ~~Electricity Metering, 6th edition, ANSI C-12, 1975, and the American National Standard~~
16 ~~Requirements, Terminology and Test Code for Instrument Transformers, ANSI 57.13, and has~~
17 ~~found them to contain reasonable standards of good practice. A utility that is in compliance~~
18 ~~with the applicable provisions of these publications, and any variations approved by the~~
19 ~~Commission, shall be deemed by the Commission to have facilities constructed and installed~~
20 ~~in accordance with generally accepted engineering practices.~~

21 Specific Authority 350.127(2), 366.05(1) FS.

22 Law Implemented 366.04(2)(c),(f),(5), 366.05(1) FS

23 History-Amended 7-29-69, 12-20-82, Formerly 25-6.34, Amended _____

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1 25-6.0341 Location of the Utility's Electric Distribution Facilities. In order to facilitate safe
2 and efficient access for installation and maintenance, to the extent feasible and cost-effective,
3 electric distribution facilities shall be placed adjacent to a public road, normally in front of the
4 customer's premises.

5 (1) For initial installation, expansion, rebuild, or relocation of overhead facilities,
6 utilities shall use easements, public streets, roads and highways along which the utility has the
7 legal right to occupy, and public lands and private property across which rights-of-way and
8 easements have been provided by the applicant for service.

9 (2) For initial installation, expansion, rebuild, or relocation of underground facilities,
10 the utility shall require the applicant for service to provide easements along the front edge of
11 the property, unless the utility determines there is an operational, economic, or reliability
12 benefit to use another location.

13 (3) For conversions of existing overhead facilities to underground facilities, the utility
14 shall, if the applicant for service is a local government that provides all necessary permits and
15 meets the utility's legal, financial, and operational requirements, place facilities in road rights-
16 of-way in lieu of requiring easements.

17 (4) Where the expansion, rebuild, or relocation of electric distribution facilities affects
18 existing third-party attachments or the facilities of existing joint users, and will result in the
19 relocation of such facilities to a new location adjacent to a public road, the utility shall notify
20 and attempt in good faith to accommodate concerns raised by third-party attachers and joint
21 users, including input and concerns related to the cost impacts of the proposed relocation on
22 attaching entities. The electric utility shall also, to the extent practical, coordinate the
23 construction of its facilities with the affected third-party attachers and joint users.

24 (5) Any dispute or challenge related to the implementation of this rule by a customer,
25 applicant for service, or attaching entity shall be resolved by the Commission.

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1 Specific Authority 350.127(2), 366.05(1) FS.

2 Law Implemented 366.04(2)(c),(5),(6), 366.05(1) FS

3 History-New _____.

4

5

6 25-06.0342 Electric Infrastructure Storm Hardening

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

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

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

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- 1 (a) Complies, at a minimum, with the National Electric Safety Code (ANSI C-2)
2 [NESC] that is applicable pursuant to Rule 25-6.034(2), F.A.C.
- 3 (b) Adopts the extreme wind loading standards specified by Figure 250-2(d) of the
4 2007 edition of the NESC for the following distribution facilities:
- 5 1. new construction;
6 2. major planned work, including expansion, rebuild, or relocation of existing
7 facilities, assigned on or after the effective date of this rule; and
8 3. critical infrastructure facilities and along major thoroughfares taking into account
9 political and geographical boundaries and other applicable operational considerations.
- 10 (c) Is designed to mitigate damage to underground and supporting overhead
11 transmission and distribution facilities due to flooding and storm surges.
- 12 (d) Provides for the placement of new and replacement distribution facilities so as to
13 facilitate safe and efficient access for installation and maintenance pursuant to Rule 25-
14 6.0341, F.A.C.
- 15 (4) Deployment Strategy: Each utility storm hardening plan shall explain the
16 systematic approach the utility will follow to achieve the desired objectives of enhancing
17 reliability and reducing restoration costs and outage times associated with extreme weather
18 events. The utility's storm hardening plan shall provide a detailed description of its
19 deployment strategy including, but not limited to the following:
- 20 (a) A description of the facilities affected; including technical design specifications,
21 construction standards, and construction methodologies employed.
- 22 (b) The communities and areas within the utility's service area where the electric
23 infrastructure improvements, including facilities identified by the utility as critical
24 infrastructure and along major thoroughfares pursuant to subparagraph (3)(b)3. are to be
25 made.

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1 (c) The extent to which the electric infrastructure improvements involve joint use
2 facilities on which third-party attachments exist.

3 (d) An estimate of the costs and benefits to the utility of making the electric
4 infrastructure improvements, including the effect on reducing storm restoration costs and
5 customer outages.

6 (e) An estimate of the costs and benefits, obtained pursuant to subsection (6) below,
7 to third-party attachers affected by the electric infrastructure improvements, including the
8 effect on reducing storm restoration costs and customer outages realized by the third-party
9 attachers.

10 (5) Attachment Standards and Procedures: As part of its storm hardening plan, each
11 utility shall maintain written safety, reliability, pole loading capacity, and engineering
12 standards and procedures for attachments by others to the utility's electric transmission and
13 distribution poles (Attachment Standards and Procedures). The Attachment Standards and
14 Procedures shall meet or exceed the edition of the National Electrical Safety Code (ANSI C-2)
15 that is applicable pursuant to Rule 25-6.034(2), F.A.C., and other applicable standards
16 imposed by state and federal law so as to assure, as far as is reasonably practicable, that third-
17 party facilities attached to electric transmission and distribution poles do not impair electric
18 safety, adequacy, or pole reliability; do not exceed pole loading capacity; and are constructed,
19 installed, maintained, and operated in accordance with generally accepted engineering
20 practices for the utility's service territory.

21 (6) Input from Third-Party Attachers: In establishing its storm hardening plan and
22 Attachment Standards and Procedures, or when updating or modifying such plan or
23 Attachment Standards and Procedures, each utility shall seek input from and attempt in good
24 faith to accommodate concerns raised by other entities with existing agreements to share the
25 use of its electric facilities.

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1 (7) Dispute Resolution: Any dispute or challenge to a utility's storm hardening plan,
2 construction standards, deployment strategy, Attachment Standards and Procedures, or any
3 projects implementing any of the above by a customer, applicant for service, or attaching
4 entity shall be resolved by the Commission.

5 (8) Nothing in this rule is intended to conflict with Title 47, United States Code,
6 Section 224, relating to Federal Communications Commission jurisdiction over pole
7 attachments.

8 Specific Authority 350.127(2), 366.05(1) FS.

9 Law Implemented 366.04(2)(c),(5),(6), 366.05(1) FS

10 History-New _____.

11
12
13 25-6.0345 Safety Standards for Construction of New Transmission and Distribution Facilities.

14 (1) ~~The In compliance with Section 366.04(6)(b), F.S., 1991, the Commission adopts~~
15 ~~and incorporates by reference the 2002 edition of the National Electrical Safety Code (ANSI~~
16 ~~C-2) [NESC], published August 1, 2001, as the applicable safety standards for transmission~~
17 ~~and distribution facilities subject to the Commission's safety jurisdiction. For electrical~~
18 ~~facilities constructed on or after February 1, 2007, the 2007 NESC shall apply. Electrical~~
19 ~~facilities constructed prior to February 1, 2007, shall be governed by the edition of the NESC~~
20 ~~specified by subsections 013.B.1, 013.B.2, and 013.B.3 of the 2007 NESC. Each investor-~~
21 ~~owned public electric utility, rural electric cooperative, and municipal electric system shall, at~~
22 ~~a minimum, comply with the standards in these provisions. Standards contained in the 2002~~
23 ~~edition shall be applicable to new construction for which a work order number is assigned on~~
24 ~~or after the effective date of this rule. A copy of the 2007 NESC, ISBN number 0781-4893-8,~~
25 may be obtained from the Institute of Electric and Electronic Engineers, Inc. (IEEE).

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1 (2) Each investor-owned ~~public~~ electric utility, rural electric cooperative and
 2 municipal electric utility shall report all completed electric work orders, whether completed by
 3 the utility or one of its contractors, at the end of each quarter of the year. The report shall be
 4 filed with the Director of the Commission's Division of Regulatory Compliance and
 5 Consumer Assistance ~~Auditing and Safety~~ no later than the 30th working day after the last day
 6 of the reporting quarter, and shall contain, at a minimum, the following information for each
 7 work order:

- 8 (a) Work order number/project/job;
- 9 (b) Brief title outlining the general nature of the work; and
- 10 (c) Estimated cost in dollars, rounded to nearest thousand and;-
- 11 (d) Location of project.

12 (3) The quarterly report shall be filed in standard DBase or compatible format, DOS
 13 ASCII text, or hard copy, as follows:

14 (a) DBase Format

15 Field Name	Field Type	Digits
16 1. Work orders	Character	20
17 2. Brief title	Character	30
18 3. Cost	Numeric	8
19 4. Location	Character	50
20 5. Kv	Numeric	5
21 6. Contiguous Character	Character	1

22 (b) DOS ASCII Text.

- 23 1. - 5.

24 (c) No change.

25 The following format is preferred, but not required:

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1 Completed Electrical Work Orders For PSC Inspection

Work Order	Brief Title	Estimated Cost	Location	KV Rating	Contiguous (y/n)

5 (4) No change.

6 (5) As soon as practicable, but by the end of the next business day after it learns of the
 7 occurrence, each investor-owned electric ~~public~~ utility, rural electric cooperative, and
 8 municipal electric utility shall (without admitting liability) report to the Commission any
 9 accident occurring in connection with any part of its transmission or distribution facilities
 10 which:

11 (a) – (b) No change.

12 (6) Each investor-owned electric ~~public~~ utility, rural electric cooperative, and
 13 municipal electric utility shall (without admitting liability) report each accident or
 14 malfunction, occurring in connection with any part of its transmission or distribution facilities,
 15 to the Commission within 30 days after it learns of the occurrence, provided the accident or
 16 malfunction:

17 (a) – (7) No change.

18 Specific Authority 350.127(2) FS.

19 Law Implemented 366.04(2)(f),(6) FS

20 History-Amended 8-13-87, Amended 2-18-90, 11-10-93, 8-17-97, 7-16-02, _____.

23 PART IV

24 GENERAL SERVICE PROVISIONS

25 25-6.064 ~~Extension of Facilities; Contribution-in-Aid-of-Construction for Installation~~

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1 of New or Upgraded Facilities.

2 (1) Application and scope Purpose. The purpose of this rule is to establish a uniform
3 procedure by which investor-owned electric utilities subject to this rule will calculate amounts
4 due as contributions-in-aid-of-construction (CIAC) from customers who request new facilities
5 or upgraded facilities ~~require extensions of distribution facilities~~ in order to receive electric
6 service, except as provided in Rule 25-6.078, F.A.C..

7 (2) Applicability. ~~This rule applies to all investor owned electric utilities in Florida as~~
8 ~~defined in Section 366.02, F.S.~~ Contributions-in-aid-of-construction for new or upgraded
9 overhead facilities (CIAC_{oh}) shall be calculated as follows:

10	<u>CIAC_{oh}</u>	<u>=</u>	<u>Total estimated</u>		<u>Four years</u>		<u>Four years expected</u>
11			<u>work order job</u>	<u>=</u>	<u>expected</u>	<u>=</u>	<u>incremental base</u>
12			<u>cost of installing</u>		<u>incremental base</u>		<u>demand revenue, if</u>
13			<u>the facilities</u>		<u>energy revenue</u>		<u>applicable</u>

14 (a) The cost of the service drop and meter shall be excluded from the total estimated
15 work order job cost for new overhead facilities.

16 (b) The net book value and cost of removal, net of the salvage value, for existing
17 facilities shall be included in the total estimated work order job cost for upgrades to those
18 existing facilities.

19 (c) The expected annual base energy and demand charge revenues shall be estimated
20 for a period ending not more than 5 years after the new or upgraded facilities are placed in
21 service.

22 (d) In no instance shall the CIAC_{OH} be less than zero.

23 (3) Contributions-in-aid-of-construction for new or upgraded underground facilities
24 (CIAC_{UG}) shall be calculated as follows:

25

<u>CIAC_{UG}</u>	=	<u>CIAC_{OH}</u>	±	<u>Estimated difference between cost of providing the service underground and overhead</u>
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(3) ~~Definitions. Actual or estimated job cost means the actual cost of providing the specified line extension facilities, calculated after the extension is completed, or the estimated cost of providing the specified facilities before the extension is completed.~~

(4) ~~In developing the policy for extending overhead distribution facilities to customers, the following formulas shall be used to determine the contribution in aid of construction owed by the customer.~~

(a) ~~For customers in rate classes that pay only energy charges, i.e., those that do not pay demand charges, the CIAC shall be calculated as follows:~~

$$\text{CIAC}_{\text{oh}} = \frac{\text{(Actual or estimated job cost for new poles and conductors and appropriate fixtures required to provide service, excluding transformers, service drops, and meters)} \times \text{(4} \times \text{ nonfuel energy charge per KWH} \times \text{ expected annual KWH sales over the new line)}}{\text{sales over the new line)}}$$

(b) ~~For customers in rate classes that pay both energy charges and demand charges, the CIAC shall be calculated as follows:~~

$$\text{CIAC}_{\text{oh}} = \frac{\text{(Actual or estimated job cost for new poles and conductors and appropriate} \times \text{(4} \times \text{ nonfuel energy charge per KWH} \times \text{ expected annual KWH} \times \text{ demand charge} \times \text{ expected annual KWH} \times \text{ revenues from sales over the new line)}}{\text{sales over the new line)}}$$

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1 ~~fixtures required to~~
2 ~~provide service,~~
3 ~~excluding transformers,~~
4 ~~service drops, and meters)~~

5 ~~(e) Expected demand charge revenues and energy sales shall be based on an annual~~
6 ~~period ending not more than five years after the extension is placed in service.~~

7 ~~(5) In developing the policy for extending underground distribution facilities to~~
8 ~~customers, the following formula shall be used to determine the contribution in aid of~~
9 ~~construction.~~

10 $CIAC_{ug} = \text{(Estimated difference between } + CIAC_{oh} \text{ (as above))}$

11 ~~the cost of providing the~~
12 ~~distribution line extension~~
13 ~~including not only the distribution~~
14 ~~line extension itself but also~~
15 ~~the transformer, the service drop,~~
16 ~~and other necessary fixtures, with~~
17 ~~underground facilities vs. the cost~~
18 ~~of providing service using overhead~~
19 ~~facilities)~~

20 ~~(6) Nothing in this rule shall be construed as prohibiting a utility from collecting from~~
21 ~~a customer the total difference in cost for providing underground service instead of overhead~~
22 ~~service to that customer.~~

23 ~~(7) In the event that amounts are collected for certain distribution facilities via the~~
24 ~~URD differential tariff as permitted by Rule 25-6.078, F.A.C., that would also be collected~~
25 ~~pursuant to this rule, the utility shall give an appropriate credit for such amounts collected via~~

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1 ~~the URD differential tariff when calculating the line extension CIAC due pursuant to this rule.~~

2 (4)(8) Each utility shall apply the above formulas in subsections (2) and (3) of this
3 rule uniformly to residential, commercial and industrial customers requesting new or upgraded
4 facilities at any voltage level. requiring line extensions.

5 (5) The costs applied to the formula in subsections (2) and (3) shall be based on the
6 requirements of Rule 25-6.0342, Electric Infrastructure Storm Hardening.

7 ~~(9) Each utility shall calculate an appropriate CIAC for line extensions constructed to~~
8 ~~serve customers who receive service at the primary distribution voltage level and the~~
9 ~~transmission voltage level. This CIAC shall be based on the actual or estimated cost of~~
10 ~~providing the extension less an appropriate credit.~~

11 (6)(10) All CIAC calculations under this rule shall be based on estimated work order
12 job costs. In addition, each The utility shall use its best judgment in estimating the total
13 amount of annual revenues and sales which the new or upgraded facilities are each line
14 extension is expected to produce in the near future.

15 (a) A customer may request a review of any CIAC charge within 12 months following
16 the in-service date of the new or upgraded facilities. Upon request, the utility shall true-up the
17 CIAC to reflect the actual costs of construction and actual base revenues received at the time
18 the request is made.

19 (b) In cases where more customers than the initial applicant are expected to be served
20 by the new or upgraded facilities, the utility shall prorate the total CIAC over the number of
21 end-use customers expected to be served by the new or upgraded facilities within a period not
22 to exceed 3 years, commencing with the in-service date of the new or upgraded facilities. The
23 utility may require a payment equal to the full amount of the CIAC from the initial customer.
24 For the 3-year period following the in-service date, the utility shall collect from those
25 customers a prorated share of the original CIAC amount, and credit that to the initial customer

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1 who paid the CIAC. The utility shall file a tariff outlining its policy for the proration of
2 CIAC.

3 ~~(7)(11)~~ The utility may elect to waive all or any portion of the line extension CIAC for
4 customers, even when a CIAC is found to be applicable owing. If hHowever, if the utility
5 waives a the CIAC, the utility shall reduce net plant in service as though the CIAC had been
6 collected, unless the Commission determines that there is a quantifiable benefit to the general
7 body of ratepayers commensurate with the waived CIAC. ~~Commission will reduce the~~
8 ~~utility's net plant in service by an equal amount for ratemaking purposes, as though the CIAC~~
9 ~~had been collected, except when the company's annual revenues from a customer are~~
10 ~~sufficient to offset the unpaid line extension CIAC under subsection (4) or (5).~~ Each utility
11 shall maintain records of amounts waived and any subsequent changes that served to offset the
12 CIAC.

13 ~~(12)~~ ~~In cases where larger developments are expected to be served by line extensions,~~
14 ~~the utility may elect to prorate the total line extension costs and CIAC's owed over the number~~
15 ~~of customers expected to connect to the new line.~~

16 ~~(8)(13)~~ A detailed statement of its standard facilities extension and upgrade policies
17 shall be filed by each utility as part of its tariffs. The tariffs ~~This policy~~ shall have uniform
18 application and shall be nondiscriminatory.

19 ~~(9)(14)~~ If a utility and applicant are unable to agree on the CIAC amount, ~~in regard to~~
20 ~~an extension~~, either party may appeal to the Commission for a review.

21 Specific Authority 366.05(1), 350.127(2) FS.

22 Law Implemented 366.03, 366.05(1), 366.06(1) FS.

23 History—New 7-29-69, Amended 7-2-85, Formerly 25-6.64, Amended _____.

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REGISTRATION DIVISION

1 PART V

2 RULES FOR RESIDENTIAL ELECTRIC UNDERGROUND EXTENSIONS

3 25-6.078 Schedule of Charges.

4 (1) Each utility shall file with the Commission a written policy that shall become a
5 part of the utility's tariff rules and regulations on the installation of underground facilities in
6 new subdivisions. Such policy shall be subject to review and approval of the Commission and
7 shall include an Estimated Average Cost Differential, if any, and shall state the basis upon
8 which the utility will provide underground service and its method for recovering the difference
9 in cost of an underground system and an equivalent overhead system from the applicant at the
10 time service is extended. The charges to the applicant shall not be more than the estimated
11 difference in cost of an underground system and an equivalent overhead system.

12 (2) For the purpose of calculating the Estimated Average Cost Differential, cost
13 estimates shall reflect the requirements of Rule 25-6.0342, Electric Infrastructure Storm
14 Hardening.

15 ~~(2)~~ On or before October 15th of each year each utility shall file with the
16 Commission's Division of Economic Regulation Form PSC/ECR 13-E, Schedule 1, using
17 current material and labor costs. If the cost differential as calculated in Schedule 1 varies from
18 the Commission-approved differential by plus or minus 10 percent or more, the utility shall
19 file a written policy and supporting data and analyses as prescribed in subsections (1), ~~(4)~~
20 and ~~(5)~~ of this rule on or before April 1 of the following year; however, each utility shall file
21 a written policy and supporting data and analyses at least once every 3 ~~three~~ years.

22 ~~(4)~~~~(3)~~ Differences in Net Present Value of operational ~~operating and maintenance~~
23 costs, including average historical storm restoration costs over the life of the facilities,
24 between underground and overhead systems, if any, shall ~~may~~ be taken into consideration in
25 determining the overall Estimated Average Cost Differential. Each utility shall establish

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1 sufficient record keeping and accounting measures to separately identify operational costs for
2 underground and overhead facilities, including storm related costs.

3 (5)(4) Detailed supporting data and analyses used to determine the Estimated Average
4 Cost Differential for underground and overhead distribution systems shall be concurrently
5 filed by the utility with the Commission and shall be updated using cost data developed from
6 the most recent 12-month period. The utility shall record these data and analyses on Form
7 PSC/ECR 13-E (10/97). Form PSC/ECR 13-E, entitled "Overhead/Underground Residential
8 Differential Cost Data" is incorporated by reference into this rule and may be obtained from
9 the Division of Economic Regulation, 2540 Shumard Oak Boulevard, Tallahassee, Florida
10 32399-0850, (850) 413-6900.

11 (6)(5) Service for a new multiple-occupancy building shall be constructed
12 underground within the property to be served to the point of delivery at or near the building by
13 the utility at no charge to the applicant, provided the utility is free to construct its service
14 extension or extensions in the most economical manner.

15 (7)(6) The recovery of the cost differential as filed by the utility and approved by the
16 Commission may not be waived or refunded unless it is mutually agreed by the applicant and
17 the utility that the applicant will perform certain work as defined in the utility's tariff, in which
18 case the applicant shall receive a credit. Provision for the credit shall be set forth in the
19 utility's tariff rules and regulations, and shall be no more in amount than the total charges
20 applicable.

21 (8)(7) The difference in cost as determined by the utility in accordance with its tariff
22 shall be based on full use of the subdivision for building lots or multiple-occupancy buildings.
23 If any given subdivision is designed to include large open areas, the utility or the applicant
24 may refer the matter to the Commission for a special ruling as provided under Rule 25-6.083,
25 F.A.C.

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1 (9)(8) The utility shall not be obligated to install any facilities within a subdivision
2 until satisfactory arrangements for the construction of facilities and payment of applicable
3 charges, if any, have been completed between the applicant and the utility by written
4 agreement. A standard agreement form shall be filed with the company's tariff.

5 (10)(9) Nothing ~~in this rule herein contained~~ shall be construed to prevent any utility
6 from ~~waiving assuming all or any portion of a cost differential for~~ providing underground
7 ~~facilities. distribution systems, provided, however, that such assumed cost differential shall not~~
8 ~~be chargeable to the general body of rate payers, and any such policy adopted by a utility shall~~
9 ~~have uniform application throughout its service area. If, however, the utility waives the~~
10 ~~differential, the utility shall reduce net plant in service as though the differential had been~~
11 ~~collected unless the Commission determines that there is a quantifiable benefit to the general~~
12 ~~body of ratepayers commensurate with the waived differential.~~

13 Specific Authority 350.127(2), ~~366.04(2)(f)~~, 366.05(1) FS.

14 Law Implemented 366.03, 366.04(1), (4), ~~366.04(2)(f)~~, 366.06(1) FS.

15 History—New 4-10-71, Amended 4-13-80, 2-12-84, Formerly 25-6.78, Amended 10-29-97, ___.

16
17
18 PART VII

19 UNDERGROUND ELECTRIC DISTRIBUTION FACILITY CHARGES

20 25-6.115 Facility Charges for Conversion of Existing Overhead Providing

21 ~~Underground Facilities of Public~~ Investor-owned Distribution Facilities ~~Excluding New~~
22 ~~Residential Subdivisions.~~

23 (1) Each investor-owned ~~public~~ utility shall file a tariff showing the non-refundable
24 deposit amounts for standard applications addressing ~~new construction and~~ the conversion of
25 existing overhead electric distribution facilities to underground facilities ~~excluding new~~

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1 ~~residential subdivisions~~. The tariff shall include the general provisions and terms under which
2 the public utility and applicant may enter into a contract for the purpose of ~~new construction~~
3 ~~or conversion~~ of existing overhead ~~electric~~ facilities to underground ~~electric~~ facilities. The
4 non-refundable deposit amounts shall be calculated in the same manner as approximate the
5 engineering costs for underground facilities serving each of the following scenarios: urban
6 commercial, urban residential, rural residential, existing low-density single family home
7 subdivision and existing high-density single family home subdivision service areas.

8 (2) For ~~the purposes~~ of this rule, the applicant is the person or entity requesting the
9 conversion seeking the undergrounding of existing overhead electric distribution facilities to
10 underground facilities. In the instance where a local ordinance requires developers to install
11 underground facilities, the developer who actually requests the construction for a specific
12 location is when a developer requests local government development approval, the local
13 government shall not be deemed the applicant for purposes of this rule.

14 (3) Nothing in the tariff shall prevent the applicant from constructing and installing all
15 or a portion of the underground distribution facilities provided:

16 (a) ~~s~~Such work meets the investor-owned ~~public~~ utility's construction standards;

17 (b) ~~t~~The investor-owned ~~public~~ utility will own and maintain the completed
18 distribution facilities; and

19 (c) ~~s~~Such agreement is not expected to cause the general body of ratepayers to incur
20 additional ~~greater~~ costs.

21 (4) Nothing in the tariff shall prevent the applicant from requesting a non-binding cost
22 estimate which shall be provided to the applicant free of any charge or fee.

23 (5) Upon an applicant's request and payment of the deposit amount, an investor-
24 owned ~~public~~ utility shall provide a binding cost estimate for providing underground electric
25 service.

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1 (6) An applicant shall have at least 180 days from the date the estimate is received, to
2 enter into a contract with the public utility based on the binding cost estimate. The deposit
3 amount shall be used to reduce the charge as indicated in subsection (7) only when the
4 applicant enters into a contract with the public utility within 180 days from the date the
5 estimate is received by the applicant, unless this period is extended by mutual agreement of
6 the applicant and the utility.

7 (7) The charge paid by the applicant shall be the charge for the proposed underground
8 facilities as indicated in subsection (8) minus the charge for overhead facilities as indicated in
9 subsection (9) minus the non-refundable deposit amount. The applicant shall not be required
10 to pay an additional amount which exceeds 10 percent of the binding cost estimate.

11 (8) For the purpose of this rule, the charge for the proposed underground facilities
12 shall include:

13 (a) ~~t~~The estimated cost of construction of the underground distribution facilities based
14 on the requirements of Rule 25-6.0342, Electric Infrastructure Storm Hardening, including the
15 construction cost of the underground service lateral(s) to the meter(s) of the customer(s); and

16 (b) ~~For conversions,~~ the estimated remaining net book value of the existing facilities
17 to be removed less the estimated net salvage value of the facilities to be removed.

18 (9) For the purpose of this rule, the charge for overhead facilities shall be the
19 estimated construction cost to build new overhead facilities, including the service drop(s) to
20 the meter(s) of the customer(s). Estimated construction costs shall be based on the
21 requirements of Rule 25-6.0342, Electric Infrastructure Storm Hardening.

22 (10) An applicant requesting to a public utility for construction of underground
23 distribution facilities under this rule may petition challenge the utility's cost estimates the
24 ~~Commission~~ pursuant to Rule 25-22.032, F.A.C.

25 (11) For purposes of computing the charges required in subsections (8) and (9):

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1 (a) The utility shall include the Net Present Value of operational costs including the
2 average historical storm restoration costs for comparable facilities over the expected life of the
3 facilities.

4 (b) If the applicant chooses to construct or install all or a part of the requested
5 facilities, all utility costs, including overhead assignments, avoided by the utility due to the
6 applicant assuming responsibility for construction shall be excluded from the costs charged to
7 the customer, or if the full cost has already been paid, credited to the customer. At no time
8 will the costs to the customer be less than zero.

9 (12) Nothing in this rule shall be construed to prevent any utility from waiving all or
10 any portion of the cost for providing underground facilities. If, however, the utility waives
11 any charge, the utility shall reduce net plant in service as though those charges had been
12 collected unless the Commission determines that there is quantifiable benefits to the general
13 body of ratepayers commensurate with the waived charge.

14 (13~~4~~) Nothing in this rule shall be construed to grant any investor-owned electric
15 utility any right, title or interest in real property owned by a local government.

16 Specific Authority 350.127(2) 366.04, 366.05(1) FS.

17 Law Implemented 366.03, 366.04, 366.05 FS.

18 History—New 9-21-92, Amended _____.

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