### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

### UNDOCKETED

## IN RE: INITIATION OF RULEMAKING TO CODIFY THE PROCEDURE FOR FILING A PETITION FOR MID-COURSE CORRECTION

#### NOTICE OF PROPOSED RULE DEVELOPMENT

TO

## ALL INTERESTED PERSONS

#### ISSUED: December 14, 2009

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission staff has initiated rulemaking to codify the existing procedure for filing a petition for mid-course correction of fuel cost recovery or capacity cost recovery factors.

The attached Notice of Proposed Rule Development will appear in the December 18, 2009, edition of the Florida Administrative Weekly. If timely requested in writing and not deemed unnecessary by the agency head, a rule development workshop will be held at a time and place that will be announced. A copy of the draft rule is attached to this notice.

The request for the rule development workshop must be submitted in writing to Kathryn G. W. Cowdery, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850)413-6216 or <u>kcowdery@psc.state.fl.us.com</u>, no later than January 8, 2010.

By DIRECTION of the Florida Public Service Commission this <u>14th</u> day of <u>December</u>, <u>2009</u>.

ANN COLE Commission Clerk

(SEAL)

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FPSC-COMMISSION CLERK

## NOTICE OF PROPOSED RULE DEVELOPMENT UNDOCKETED PAGE 2

# Notice of Development of Rulemaking

# PUBLIC SERVICE COMMISSION

RULE NO: RULE TITLE

25-6.0424: Petition for Mid-Course Correction

PURPOSE AND EFFECT: Rule 25-6.0424 would be created in order to codify existing

Commission procedure for filing a petition for mid-course correction to fuel cost recovery or capacity cost recovery factors. Undocketed.

SUBJECT AREA TO BE ADDRESSED: Investor-owned electric utility regulation.

SPECIFIC AUTHORITY: 350.127(2), 366.05(1) FS

LAW IMPLEMENTED: 366.041, 366.05(1), 366.06(1) FS

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT AVAILABLE FLORIDA ADMINISTRATIVE WEEKLY.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE

DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Kathryn G.W. Cowdery, Florida Public Service Commission, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6216.

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- 1 25-6.0424 Petition for Mid-Course Correction
- 2 (1) To request a mid-course correction to the fuel cost recovery or capacity cost recovery
- 3 <u>factors, a utility shall file a petition for mid-course correction which shall contain the</u>
- 4 <u>following information:</u>
- (a) <u>The estimated percentage of year-end over-recovery or under-recovery calculated</u>
  using the estimated end-of-period total net true-up divided by the current period's
  total actual and estimated jurisdictional fuel revenue applicable to the period. The
  appropriate method to determine the over-recovery or under-recovery percentage
  for capacity costs is to make a similar percent calculation using up-to-date capacity
  cost recovery revenue and true-up amounts.
- (b) <u>A complete Form PSC/ECR 009-E (xx/xx) reflecting the estimated end-of-period</u>
   <u>total net true-up based upon current cost recovery factors and revised fuel</u>
- 13 expenses. Form PSC/ECR 009-E (xx/xx), incorporated by reference in this rule
- 14 and entitled "Fuel Mid-Course Correction Schedules," may be obtained from the
- 15 Commission's Division of Economic Regulation.
- 16 (2) In the event that the absolute value of the over-recovery or under-recovery either for fuel
- 17 cost recovery or capacity cost recovery is 10 percent or greater, the utility shall promptly
- 18 <u>notify the Commission by letter delivered to the Director of the Division of Economic</u>
- 19 Regulation. The notification of a 10 percent or greater estimated over-recovery or under-
- 20 recovery shall include a petition for mid-course correction to the fuel cost recovery or capacity
- 21 cost recovery factors, or shall include an explanation of why a mid-course correction is not
- 22 practical.
- 23 (3) When filing a petition for mid-course correction to the fuel cost recovery or capacity cost
- 24 recovery factors, a utility shall file 15 copies of the petition with the Office of Commission
- 25 Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and an electronic
   CODING: Words <u>underlined</u> are additions; words in struck through type are deletions from existing law.

# NOTICE OF PROPOSED RULE DEVELOPMENT UNDOCKETED PAGE 4

| 1        | copy with the Director of the Division of Economic Regulation at tdevlin@psc.state.fl.us. The |
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| 2        | Director of the Division of Economic Regulation shall be the designee of the Commission for   |
| 3        | purposes of determining whether the utility has met the minimum filing requirements imposed   |
| 4        | by this rule.   |
| 5        | Rulemaking Authority 350.127(2), 366.05(1)FS. Law Implemented 366.041, 366.05(1),             |
| 6        | <u>366.06(1), 366.076. History—New xx/xx.</u>   |
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