

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: September 30, 2010

TO: Office of Commission Clerk (Cole)

FROM: Office of the General Counsel (Holley) *JAH*
Division of Economic Regulation (Willis, Hewitt) *CBH*

RE: Docket No. 100380-WS – Proposed repeal of Rule 25-10.026, F.A.C., Location and Preservation of Records; and Rule 25-10.111, F.A.C., Customer Billing.

AGENDA: 10/12/10 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Brisé

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\GCL\WP\100380.RCM.DOC

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10 SEP 30 AM 10:46
COMMISSION
CLERK

Case Background

As directed by Section 120.74, Florida Statutes (“F.S.”), Florida Public Service Commission staff (“staff”) regularly review the Commission’s rules for obsolete, redundant, or unnecessary rules. Despite the fact that Chapter 25-10 Florida Administrative Code (“F.A.C.”), Water and Wastewater Systems, was repealed in 1988 and the contents moved to Chapter 25-30 F.A.C., Service by Water and Wastewater Utilities, staff has identified two rules contained in Chapter 25-10 which appear to have been overlooked and were not repealed or transferred. Those rules are: Rule 25-10.026, Location and Preservation of Records, and Rule 25-10.111, Customer Billing. Staff has determined Chapter 25-30 contains newer, more detailed rules which supersede those in Chapter 25-10.

DOCUMENT NUMBER DATE

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FPSC-COMMISSION CLERK

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A Notice of Development of Rulemaking was published in the October 30, 2009, Florida Administrative Weekly and an Agency Notice of Proposed Rule Development was issued October 22, 2009. No rule development workshop was requested, and thus, a workshop was not held.

This recommendation addresses whether the Commission should proposed the repeal of Rules 25-10.026 and 25-10.111, F.A.C. The Commission has jurisdiction pursuant to Section 120.54, F.S.

Discussion of Issues

Issue 1: Should the Commission propose the repeal of Rules 25-10.026, F.A.C. and 25-10.111, F.A.C.?

Recommendation: Yes. The Commission should propose the repeal of Rules 25-10.026 and 25-10.111 as set forth in Attachment A. (Holley, Willis, Hewitt)

Staff Analysis: Staff recommends that the Commission propose the repeal of Rules 25-10.026 and 25-10.111, as set forth in Attachment A.

Rule 25-10.026, Location and Preservation of Records

Rule 25-10.026, F.A.C., requires water and wastewater utilities to maintain records in accordance with the NARUC system of accounts and to maintain those records in an office within the State of Florida. All provisions of this rule have been included within the newer Rules 25-30.115 F.A.C., Uniform System of Accounts for Water and Wastewater Utilities and 25-30.110, F.A.C., Records and Reports; Annual Reports. Repeal of Rule 25-10.026 will prevent confusion or conflict with the more detailed rules in Chapter 25-30, and will eliminate redundant provisions which are no longer in use.

Rule 25-10.111, Customer Billing

Rule 25-10.111, F.A.C., requires water and wastewater utilities to bill customers at regular intervals; contains various provisions for pro-rating less than full bill amounts; and requires a minimum of 20 days before a bill is considered delinquent. All of the provisions of this rule have been subsumed by Rule 25-30.335, F.A.C., Customer Billing. Repeal of Rule 25-10.111 will prevent confusion or conflict with more detailed rules in Chapter 25-30, and will eliminate redundant provisions which are no longer in use.

Statement of Estimated Regulatory Cost (SERC)

The SERC (Attachment B) notes that the proposed repeals are intended to eliminate redundant provisions. The SERC also notes that the rule repeals would benefit the Commission and customers by decreasing the number of rules, reducing costs of compliance, and reducing confusion to businesses and consumers.

Based upon the above, staff recommends that the Commission propose the repeal of Rules 25-10.026, F.A.C. and 25-10.111, F.A.C., as set forth in Attachment A.

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Issue 2: Should this docket be closed?

Recommendation: Yes, if no requests for hearing or comments are filed, the rule repeats as proposed should be filed for adoption with the Secretary of State and the docket should be closed. (Holley)

Staff Analysis: Unless comments or requests for hearing are filed, the rules as proposed may be filed with the Secretary of State without further Commission action. The docket may then be closed.

1 **25-10.026 Location and Preservation of Records.**

2 ~~(1) All records that a utility is required to keep, by reason of these or other rules~~
3 ~~prescribed by the Commission, shall be kept at the office or offices of the utility within this~~
4 ~~State, unless otherwise authorized by the Commission. Such records shall be open for~~
5 ~~inspection by authorized representatives of the Commission at any and all reasonable hours.~~

6 ~~(2) All records shall be preserved in accordance with the NARUC "Regulations to~~
7 ~~Govern the Preservation of Records of Electric, Gas and Water Utilities."~~
8 ~~Specific Authority 367.121 FS. Law Implemented 367.121(9) FS. History—Amended 9-12-74,~~
9 ~~Formerly 25-10.26, Repealed.~~

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11 **25-10.111 Customer Billing.**

12 ~~(1) Bills shall be rendered at regular intervals and shall show at least the billing period~~
13 ~~covered; identification of the applicable rate schedule; the amount of the bill and, as~~
14 ~~applicable, gross and/or net billing, and/or discount or penalty, and final discount or penalty~~
15 ~~date. When there is good reason for doing so, estimated bills may be submitted. If bill is~~
16 ~~estimated, it shall be so marked.~~

17 ~~(2) Whenever for any reason the period of service for which a bill is rendered is less~~
18 ~~than fifty percent (50%) of the normal billing period, the charges applicable to such service,~~
19 ~~including minimum charges, shall be pro-rated in the proportion that the actual number of~~
20 ~~service days bears to a thirty (30) day month, except that:~~

21 ~~(a) Opening bills need not be rendered but may be carried over to and included in the~~
22 ~~next regular monthly billing.~~

23 ~~(b) For service taken under flat rate schedules, fifty percent (50%) of the normal~~
24 ~~charges may be applied.~~

25 ~~(c) The practices employed by the utility in this regard shall have uniform application~~

CODING: Words underlined are additions; words in ~~struck through~~ type are deletions
from existing law.

1 to all customers.

2 ~~(3) Bills shall not be considered delinquent prior to the expiration of twenty (20) days~~
3 ~~from the date of mailing or delivery by the utility.~~

4 Specific Authority 367.121(1) FS. Law Implemented 367.111(1), 367.121 FS. History--

5 Amended 9-14-74, 5-21-79, Repealed _____.

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

DATE: September 23, 2010
TO: Office of General Counsel (Holley)
FROM: Division of Economic Regulation (Hewitt) *CH* *CSA* *CRB* *Q*
RE: Proposed Repeal of Rule 25-10.026, F.A.C., Location and Preservation of Records;
and Rule 25-10.111, F.A.C., Customer Billing

DETAILED DESCRIPTION OF THE PROPOSED RULE REPEALS

1. Why are the rule repeals being proposed?

The rule repeals would eliminate redundant provisions. Both rules were overlooked in the last bi-annual agency rule review process as their subject area is covered more thoroughly in Chapter 25-30.

2. What do the rules do and how do they accomplish the goal?

Rule 25-10.026, F.A.C., Location and Preservation of Records, requires water and wastewater utilities to maintain records in accordance with the NARUC system of accounts and to maintain those records within the state of Florida.

Rule 25-10.111, F.A.C., Customer Billing, requires water and wastewater utilities to bill customers at regular intervals, with other various provisions.

IMPACT ON THE PSC

Incremental costs

There should be no incremental costs for the Commission because the rules being repealed are no longer used and are redundant.

Incremental benefits

There would be some benefit for eliminating redundant rules by decreasing the number of rules on the books and reduce confusion.

WHO BESIDES THE PSC WILL BE AFFECTED BY ADOPTION OF THE PROPOSED REPEALS

Utilities

Water and wastewater utilities subject to the rules would be affected.

Customers

Customers would be affected by eliminating any confusion over redundant rules.

Outside business and local governments

Small businesses, small cities or small counties would be affected from repeal of the above rules by eliminating any confusion over redundant rules.

HOW ARE THE PARTIES ABOVE AFFECTED BY THE ADOPTION OF THE PROPOSAL

Estimated transactional costs to individuals and entities

Utilities

Water and wastewater utilities or companies would have fewer costs in reviewing obsolete or redundant rules and would have clarity to which provisions continue to apply.

Customers

Customers could benefit from the elimination of redundant rules that their utility must comply with and the clarification of what provisions are in effect.

Outside businesses including specifically small businesses

Outside businesses could benefit from the elimination of redundant rules that their utility must comply with and the clarification of what provisions are in effect...

Local governments

Local governments should have no transactional costs from the rule repeals.

ANY OTHER PERTINENT COMMENTS REGARDING THE APPLICATION OF THE PROPOSED RULE

No other pertinent comments are germane to the proposed rule repeals.

CH:lr

cc: Tim Devlin
Chuck Hill

