

Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

SELECT A TYPE: amendment

RULE NO: RULE TITLE:

25-6.0426 Recovery of Economic Development Expenses

PURPOSE AND EFFECT: To amend the rule to increase the amount of reportable economic development expenses for surveillance reports and earnings reviews, to establish the level of sharing for amounts that exceed \$10 million, and to clarify the rule.

Docket No. 20180143-EI

SUMMARY: Paragraph (3)(b) of the rule has been amended to increase the amount of reportable total economic development expenses allowable under the rule for surveillance reports and earnings review to 95 percent of the total economic development expenses incurred for the reporting period so long as the total economic development expenses do not exceed the greater of 0.225 percent of jurisdictional gross annual revenues or \$10 million. Paragraph (3)(b) has also been amended to establish a 93 percent level of sharing for such economic development expenses that exceed \$10 million. Subsection (3) has further been amended to clarify the rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION: The agency has determined that this amendment 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 amendments will not have an adverse impact on economic growth, business competitiveness, or small business and that there would not likely be an increase in transactional costs to the individual and entities, including government entities, required to comply with the rule.

The agency has determined that the proposed rule 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: 288.035(3), 350.127(2), F.S.

LAW IMPLEMENTED: 288.035, F.S.

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: Lauren Davis, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6199, ladavis@psc.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS: [TYPE AND STRIKE VERSION]

25-6.0426 Recovery of Economic Development Expenses.

(1) Pursuant to Section 288.035, F.S., the Commission shall allow a public utility to recover reasonable economic development expenses subject to the limitations contained in subsections (3) and (4), provided that such expenses are prudently incurred and are consistent with the criteria established in subsection (7).

(2) No change.

(3) Prior to each utility's next rate change enumerated in subsection (6), the amounts reported for surveillance reports and earnings review calculations shall be limited to the greater of:

(a) The amount and level of sharing approved in each utility's last rate case escalated for customer growth since that time, or

(b) 95 percent of the total economic development expenses incurred for the reporting period so long as the total economic development expenses do not exceed the greater lesser of 0.225 0-15 percent of jurisdictional gross annual revenues or \$103 million. The level of sharing for such economic development expenses that exceed \$10 million shall be 93 percent.

(4) through (7) No change.

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Rulemaking Authority 288.035(3), 350.127(2) FS. Law Implemented 288.035 FS. History—New 7-17-95, Amended 6-2-98, 9-25-00, _____

NAME OF PERSON ORIGINATING PROPOSED RULE: Samantha Cibula

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

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: June 11, 2019

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: Volume 44, Number 175, September 7, 2018

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Notices Submitted to ACR

ID	Rule No./ Organization	Rule Title	Section	Issue	Date
		None			

Notices Confirmed by ACR

ID	Rule No./ Organization	Rule Title	Section	Issue	Date
✓ 21984097	25-6.0426	Recovery of Economic Development Expenses	Proposed	6/13/2019 Vol. 45/115	6/12/2019

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