BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed amendment of Rule 25-6.064, F.A.C., Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities; Rule 25-6.078, F.A.C., Schedule of Charges; Rule 25-6.115, F.A.C., Facility Charges for Conversion of Existing Overhead Investorowned Distribution Facilities; and Rule 25-6.0343, F.A.C., Municipal Electric Utility and Rural Electric Cooperative Reporting Requirements.

DOCKET NO. 20200091-EU ORDER NO. PSC-2020-0348-NOR-EU ISSUED: October 8, 2020

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman ART GRAHAM JULIE I. BROWN DONALD J. POLMANN ANDREW GILES FAY

NOTICE OF RULEMAKING

BY THE COMMISSION:

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has proposed the amendment of Rule 25-6.064, Rule 25-6.078, Rule 25-6.115 and Rule 25-6.0343, Florida Administrative Code, relating to costs for facilities and reporting requirements for investor-owned electric, municipal electric, and rural electric cooperative utilities.

The attached Notice of Proposed Rules appeared in the October 8, 2020 edition of the Florida Administrative Register.

If timely requested, a hearing will be held at a time and place to be announced in a future notice.

Requests for hearing on the proposed rule, information regarding the statement of estimated regulatory costs, or proposals for a lower cost regulatory alternative must be provided in writing and received by the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, no later than October 29, 2020.

By ORDER of the Florida Public Service Commission this <u>8th</u> day of <u>October</u>, <u>2020</u>.

ADAM J. TEHYMAN Commission Clerk

Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of

issuance and, if applicable, interested persons.

AEH

Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

SELECT A TYPE: amendment RULE NOS: RULE TITLES:

Rule 25-6.064 Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities

Rule 25-6.078 Schedule of Charges

Rule 25-6.115 Facility Charges for Conversion of Existing Overhead Investor-owned Distribution Facilities

Rule 25-6.0343 Municipal Electric Utility and Rural Electric Cooperative Reporting Requirements

PURPOSE AND EFFECT: To update and clarify the rules, including updating the rules to recognize the Commission's adoption of Rule 25-6.030, F.A.C., Storm Protection Plan, and the repeal of Rule 25-6.0342, F.A.C. Docket No. 20200091-EU

SUMMARY: Rules 25-6.064, 25-6.078, and 25-6.115, F.A.C. are amended to delete the reference to a repealed rule and instead reference Rule 25-6.030, F.A.C., Storm Protection Plan, Rule 25-6.034, F.A.C., Standard of Construction, Rule 25-6.0341, F.A.C., Location of the Utility's Electric Distribution Facilities, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities, in order for the rules to more specifically and accurately reflect all of the applicable requirements. Rule 25-6.078, F.A.C. is also amended to incorporate by reference Form PSC 1031 (08/20). Rule 25-6.0343, F.A.C. is amended to require that the reports required by subsection (3) of the rule be filed every three years and amended to reference the procedures set forth in Rule 25-6.0345, F.A.C.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION: The agency has determined that this 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 likely be transactional cost savings to the individual and entities, including government entities, required to comply with the rule.

☑ The agency has determined that the proposed rules are 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: 350.127(2), 366.05(1), FS.

LAW IMPLEMENTED: 350.115, 366.03, 366.04(1), (2), (4)–(6), 366.041(1), (4), 366.05(1), (7), 366.06(1), FS.

 \square 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: Adria Harper, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, or at aharper@psc.state.fl.us.

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

25-6.064 Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities.

- (1) through (4) No change.
- (5) The costs applied to the formula in subsections (2) and (3) shall be based on the requirements of Rule <u>25-6.030</u>, F.A.C., Storm Protection Plan, Rule <u>25-6.034</u>, F.A.C., Standard of Construction, Rule <u>25-6.0341</u>, F.A.C., <u>Location of the Utility's Electric Distribution Facilities</u>, and Rule <u>25-6.0345</u>, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities <u>25-6.0342</u>, F.A.C., <u>Electric Infrastructure Storm</u>.
 - (6) through (9) no change.

ORDER NO. PSC-2020-0348-NOR-EU DOCKET NO. 20200091-EU PAGE 4

Rulemaking Authority 366.05(1), 350.127(2) FS. Law Implemented 366.03, 366.05(1), 366.06(1) FS. History—New 7-29-69, Amended 7-2-85, Formerly 25-6.64, Amended 2-1-07.

- 25-6.078 Schedule of Charges.
- (1) No change.
- (2) For the purpose of calculating the Estimated Average Cost Differential, cost estimates shall reflect the requirements of Rule 25-6.030, F.A.C., Storm Protection Plan, Rule 25-6.034, F.A.C., Standard of Construction, Rule 25-6.0341, F.A.C., Location of the Utility's Electric Distribution Facilities, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities 25-6.0342, F.A.C., Electric Infrastructure Storm Hardening.
- (3) On or before October 15 of each year, each utility shall file with the Commission Clerk Form PSC/ECO 13-E (10/97). Schedule 1, using current material and labor costs, Form PSC 1031 (08/20), entitled "Overhead/Underground Residential Differential Cost Data," which is incorporated by reference into this rule and is available at [insert hyperlink]. If the cost differential as calculated in Form PSC 1031 (08/20) 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 subsections (1), (4) and (5) 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 3 years.
 - (4) No change.
- (5) Detailed supporting data and analyses 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 using cost data developed from the most recent 12-month period. The utility shall record these data and analyses on Form PSC/ECO 13 E (10/97). Form PSC/ECO 13 E Form PSC 1031 (08/20), entitled "Overhead/Underground Residential Differential Cost Data" which is incorporated by reference into subsection 3 of this rule and may be obtained from the Division of Economics, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399 0850, (850) 413 6410.
- (6) through (10) No change.

 Rulemaking Authority 350.127(2), 366.05(1) FS. Law Implemented 366.03, 366.04(1), (4), 366.04(2)(f), 366.06(1) FS. History—New 4-10-71, Amended 4-13-80, 2-12-84, Formerly 25-6.78, Amended 10-29-97, 2-1-07, _______.
 - 25-6.115 Facility Charges for Conversion of Existing Overhead Investor-owned Distribution Facilities.
 - (1) through (7) No change.
 - (8) For the purpose of this rule, the charge for the proposed underground facilities shall include:
- (a) The estimated cost of construction of the underground distribution facilities based on the requirements of Rule 25-6.030, F.A.C., Storm Protection Plan, Rule 25-6.034, F.A.C., Standard of Construction, Rule 25-6.0341, F.A.C., Location of the Utility's Electric Distribution Facilities, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities 25-6.0342, F.A.C., Electric Infrastructure Storm Hardening Standards of Construction, including the construction cost of the underground service lateral(s) to the meter(s) of the customer(s); and
 - (b) No change.
- (9) For the purpose of this rule, the charge for overhead facilities shall be the estimated construction cost to build new overhead facilities, including the service drop(s) to the meter(s) of the customer(s). Estimated construction costs shall be based on the requirements of Rule <u>25-6.030</u>, F.A.C., Storm Protection Plan, Rule <u>25-6.034</u>, F.A.C., Standard of Construction, Rule <u>25-6.0341</u>, F.A.C., Location of the Utility's Electric Distribution Facilities, and Rule <u>25-6.0345</u>, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities <u>25-6.0342</u>, F.A.C., Electric Infrastructure Storm Hardening.
- (10) through (13) No change.

 Rulemaking Authority 350.127(2), 366.05(1) FS. Law Implemented 366.03, 366.04, 366.05 FS. History—New 9-21-92, Amended 2-1-07.______.

ORDER NO. PSC-2020-0348-NOR-EU DOCKET NO. 20200091-EU PAGE 5

25-6.0343 Municipal Electric Utility and Rural Electric Cooperative Reporting Requirements.

- (1) No change.
- (2) The reports required by subsections (3), of this rule shall be filed with the Commission Clerk by March 1, 2021, and every three years thereafter for the three preceding calendar years. The reports required by subsections (4), and (5) of this rule shall be filed with the Commission Clerk by March 1 of each year for the preceding calendar year.
- (3) Standards of Construction. Each municipal electric utility and rural electric cooperative shall report the extent to which its construction standards, policies, practices, and procedures are designed to address the ability of transmission and distribution facilities to mitigate damage caused by extreme weather. Each utility report shall, at a minimum, address the extent to which its construction standards, policies, guidelines, practices, and procedures:
- (a) Comply, at a minimum, with the procedures set forth in Rule 25-6.0345, F.A.C., the National Electrical Safety Code (ANSI C-2) [NESC]. For electrical facilities constructed on or after February 1, 2007, the shall apply. Electrical facilities constructed prior to February 1, 2007, shall be governed by the edition of the NESC in effect at the time of the facility's initial construction. A copy of the 2007 NESC, ISBN number 0 7381 4893 8, may be obtained from the Institute of Electric and Electronic Engineers, Inc. (IEEE).
- (b) Are guided by the extreme wind loading standards specified by the procedures set forth in Rule 25-6.0345, F.A.C., Figure 250 2(d) of the 2002 edition of the NESC for:
 - 1. through 3. No change.
 - (c) through (e) No change.
 - (4) through (5) No change.

Rulemaking Authority 350.127(2), 366.05(1) FS. Law Implemented 366.04(2)(f), (6) FS. History–New 12-10-06,

NAME OF PERSON ORIGINATING PROPOSED RULE: Tom Ballinger

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission DATE PROPOSED RULE APPROVED BY AGENCY HEAD: October 6, 2020 DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: Volume 45, Number 111, June 7, 2019.