BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Amendment of Rule 25-17.015, F.A.C., Energy Conservation Cost Recovery Clause.

DOCKET NO. 20180121-EG ORDER NO. PSC-2019-0018-NOR-EG ISSUED: January 9, 2019

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman JULIE I. BROWN DONALD J. POLMANN GARY F. CLARK 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 25-17.015, Florida Administrative Code, to streamline the utilities' filing requirements in the energy conservation cost recovery rule.

The attached Notice of Proposed Rule appeared in the January 9, 2019, edition of the Florida Administrative Register.

Written requests for hearing and written comments on the rule must be received by the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, no later than January 30, 2019.

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By ORDER of the Florida Public Service Commission this 9th day of January, 2019.

ADAM J. TEITZMAN

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

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Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

SELECT A TYPE: amendment RULE NO: RULE TITLE:

25-17.015 Energy Conservation Cost Recovery Clause

PURPOSE AND EFFECT: To streamline the utilities' filing requirements in energy conservation cost recovery rule Docket No. 20180121-EG

SUMMARY: The energy conservation cost recovery clause filing dates and filing requirements is modified for efficiency and to avoid duplicative data filings. The rule is amended to remove the November proceeding requirement and the eight months actual and four months estimated filing provisions. The rule is also amended to remove the requirement for the utilities to complete a Short Form. In addition, the rule is amended to clarify how advertising costs associated with conservation efforts will be evaluated for electric and gas utilities.

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 amendment 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 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: 350.127, 366.05, FS.

LAW IMPLEMENTED: 366.06 366.82, 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, (850)413-6082, aharper@psc.state.fl.us

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

25-17.015 Energy Conservation Cost Recovery.

- (1) The Commission shall conduct annual energy conservation cost recovery (ECCR) proceedings during November of each calendar year. Each utility over which the Commission has ratemaking authority may seek to recover its costs for energy conservation programs. Each utility seeking cost recovery shall file the following at the times directed by the Commission, pursuant to the order establishing procedures in the annual cost recovery proceeding:
 - (a) No change.
- (b) An annual estimated/actual true-up filing showing eight months actual and four months projected common costs, individual program costs, and any revenues collected. Actual costs and revenues should begin January 1 immediately following the period described in paragraph (1)(a). The filing shall also include the estimated/actual over- or under-recovery of total conservation costs for the estimated/actual true-up period.
 - (c) No change.
- (d) An annual petition setting forth proposed energy conservation cost recovery factors to be effective for the 12-month period beginning January 1 following the <u>annual</u> hearing. <u>The</u> <u>Such</u> proposed cost recovery factors shall take into account the data filed pursuant to paragraphs (1)(a), (b) and (c).

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- (e) Within the 90 days that immediately follow the first six months of the reporting period in paragraph (1)(a), each utility shall report the actual results for that period on Form PSC/ECO/44 (11/97), entitled, Energy Conservation Cost Recovery Annual Short Form, which is incorporated by reference in this rule, and may be obtained from the Director, Division of Economics, Florida Public Service Commission.
 - (2) through (3) No change.
- (4) New programs or program modifications must be approved prior to a utility seeking cost recovery. A utility may seek cost recovery for implementation costs associated with new or modified programs incurred prior to Commission approval. Specifically, any incentives or rebates associated with new or modified programs may not be recovered if paid before approval. However, if a utility may not seek cost recovery for any incentives or rebates associated with new or modified programs paid prior to Commission approval incurs prudent implementation costs before a new program or modification has been approved by the Commission, a utility may seek recovery of these expenditures.
- (5) Advertising expense recovered through energy conservation cost recovery shall be directly related to an approved conservation program, shall not mention a competing energy source, and shall not be company image enhancing. When the advertisement makes a specific claim of potential energy savings or states appliance efficiency ratings or savings, all data sources and calculations used to substantiate these claims must be included in the filings required by subsection paragraph (1)(a). In determining whether an advertisement is "directly related to an approved conservation program,", the Commission shall refer to the Order approving the program. In addition, the Commission shall consider, but is not limited to, whether the advertisement or advertising campaign:
- (a) through (c) No change.

 Rulemaking Authority 350.127(2), 366.05(1) FS. Law Implemented 366.04(2)(f), 366.06(1), 366.82 (2), (7)-(11), (3), (5) FS. History–New 1-27-81, Amended 12-30-82, 3-27-86, Formerly 25-17.15, Amended 8-22-90, 11-16-97, 5-4-99,______.

NAME OF PERSON ORIGINATING PROPOSED RULE: Tripp Coston
NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission
DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 8, 2019
DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: Volume 44, Number 55, March 20, 2018.