



Public Service Commission

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COMMUNICATIONS

DATE: AUGUST 19, 1999

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF APPEALS (HELTON) *mat DS*
DIVISION OF AUDITING AND FINANCIAL ANALYSIS (HEWITT) *AS*
DIVISION OF ELECTRIC AND GAS (DRAPER, E.) *EXD* *JOJ*

RE: DOCKET NO. 990865-EI - PROPOSED AMENDMENTS TO RULE 25-6.018, F.A.C., RECORDS OF INTERRUPTIONS AND COMMISSION NOTIFICATION OF THREATS TO BULK POWER SUPPLY INTEGRITY OF MAJOR INTERRUPTIONS OF SERVICE.

AGENDA: 8/31/99 - REGULAR AGENDA - RULE PROPOSAL - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\APP\WP\990865.RCM

CASE BACKGROUND

Rule 25-6.018, Florida Administrative Code, captioned "Records of Interruptions and Commission Notification of Threats to Bulk Power Supply Integrity or Major Interruptions of Service," requires investor-owned electric utilities with interruptible or curtailable rate schedules to report to the Commission certain information concerning customer interruptions and curtailments. The purpose of the recommended rule amendments is to eliminate the requirement that utilities must file with the Commission the names of customers whose service is interrupted or curtailed.

A notice of proposed rule development was published in the April 2, 1999, edition of the Florida Administrative Weekly (Vol. 25, No. 13). No workshop was requested.

DOCUMENT NUMBER-DATE

09869 AUG 19 99

PSC-RECORDS/REPORTING

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission propose the attached amendments to Rule 25-6.018, F.A.C., Records of Interruptions and Commission Notification of Threats to Bulk Power Supply Integrity of Major Interruptions of Service?

RECOMMENDATION: Yes, the Commission should propose the attached amendments to the rule.

STAFF ANALYSIS: Staff recommends the Commission propose the attached amendments to Rule 25-6.018(3). When filing periodic reports, utilities will no longer be instructed to list the names of customers whose electric service is curtailed or interrupted. Instead, utilities will be required to maintain a list of those names, which must be provided to the Commission upon request. This amendment will simplify utility reporting requirements without jeopardizing Commission access to the information. The focus of the reporting requirement should be how much load is interrupted or curtailed, when service is interrupted or curtailed, and the amounts utilities pay for buy-through power. The names of customers should be needed only if there are disputes concerning the fairness or frequency of interruptions.

Staff also recommends that subsection (2) of Rule 25-6.018 be amended to clarify that the Commission will authorize a 30-day extension of time if needed to file the report prescribed by the rule. This amendment should eliminate any possibility of the rule vesting the Commission with unbridled discretion.

Statutory Authority: Pursuant to Section 366.03, Florida Statutes, the Commission has authority to prescribe the terms of service each utility must provide its customers. In addition, under the grid bill, the Commission has jurisdiction "over the planning, development, and maintenance of a coordinated electric power grid throughout Florida to assure an adequate and reliable source of energy for operational and emergency purposes" Section 366.02(5), Florida Statutes. See also, Section 366.04(2)(c) and 366.055, Florida Statutes. Finally, the Commission has authority to require the filing of periodic reports. Section 366.04(2)(f), Florida Statutes. Rule 25-6.018 implements this statutory authority.

Statement of Estimated Regulatory Costs: No Statement of Estimated Regulatory Costs was prepared because utilities, small businesses,

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small cities, or small counties should not experience significant additional costs or negative impacts if the rule is adopted.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if no requests for hearing or comments are filed, the rule amendments as proposed should be filed for adoption with the Secretary of State and the docket be closed.

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

attachments:

Recommended Amendments to Rule 25-6.018

Memorandum Concerning Statement of Estimated Regulatory Costs

1 25-6.018 Records of Interruptions and Commission Notification of
2 Threats to Bulk Power Supply Integrity or Major Interruptions of
3 Service.

4 (1) Each utility shall keep a record of all major ~~and/or~~
5 prolonged interruptions to services affecting an entire community
6 or a substantial portion of a community. Such record shall show
7 cause for interruption, date, time duration, remedy, and steps
8 taken to prevent recurrence, where applicable.

9 (2) The Commission shall be notified as soon as practicable
10 of:

11 (a) any action to maintain bulk power supply integrity by:

- 12 1. requests to the public to reduce the consumption of
13 electricity for emergency firm customer load reduction
14 purposes.
15 2. reducing voltage which affects firm customer load.
16 3. reducing firm customer loads by manual switching,
17 operation of automatic load-shedding devices, or any
18 other means except under direct load management
19 programs as approved by the Commission.

20 (b) any loss in service for 15 minutes or more of bulk
21 electric power supply to aggregate firm customer loads exceeding
22 200 megawatts.

23 (c) any bulk power supply malfunction or accident which
24 constitutes an unusual threat to bulk power supply integrity.

25 The utility shall file a complete report with the Commission of

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~~struck-through~~ type are deletions from existing law.

1 steps taken to resume normal operation or restore service and
2 prevent recurrence, where applicable, within 30 days of return to
3 normal operation unless impracticable in which event the
4 commission shall ~~may~~ authorize a 30-day ~~an~~ extension of time.

5 (3) Each utility with interruptible or curtailable rate
6 schedules shall provide a report to the Commission of customer
7 interruptions and curtailments for each applicable rate schedule
8 for those months when interruptions occur. The report shall
9 ~~should~~ include ~~the names of the customers interrupted or~~
10 ~~curtailed,~~ the reason for interruption or curtailment, the date,
11 time, and duration of the interruption or curtailment, and amount
12 of load shed. Each utility shall keep a record of the names of
13 the customers interrupted and curtailed, which must be provided
14 to the Commission upon request. For utilities with optional
15 billing provisions which provide for the utility to purchase
16 power from another utility and supply it directly to the
17 interrupted or curtailed customer, the utility shall provide a
18 report to the Commission indicating ~~the name of the customer,~~ the
19 source, date, time, ~~and~~ amount of purchase in megawatt hours, and
20 cost per megawatt hour for those months when purchases are made
21 under the optional billing provision. Each utility shall keep a
22 record of the names of the customers for whom purchases were made
23 under the optional billing provision, which must be provided to
24 the Commission upon request. Reports of customer interruptions
25 and ~~or~~ curtailments are not required when done under direct load

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1 management programs as approved by the Commission.
2 Specific Authority 366.05(1) FS.
3 Law Implemented 366.03, 366.04(2)(c), (f), (5), 366.055 FS.
4 History--Amended 7-29-69, 4-13-80, Formerly 25-6.18, Amended
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MEMORANDUM

June 7, 1999

99 JUN -3 2:11:14

TO: DIVISION OF APPEALS (HELTON)

FROM: DIVISION OF RESEARCH AND REGULATORY REVIEW (HEWITT) *CBH PA AMJ*

SUBJECT: STATEMENT OF ESTIMATED REGULATORY COSTS FOR PROPOSED REVISIONS TO RULE 25-6.018, F.A.C., RECORDS OF INTERRUPTIONS AND COMMISSION NOTIFICATION OF THREATS TO BULK POWER SUPPLY INTEGRITY OR MAJOR INTERRUPTIONS OF SERVICE

Currently, Rule 25-6.018, F.A.C., Records of Interruptions and Commission Notification of Threats to Bulk Power Supply Integrity or Major Interruptions of Service, requires that each electric utility must keep a record of all major or prolonged interruptions to an entire community or substantial portion thereof. The Commission must be notified of significant efforts to maintain bulk power supply, of any loss of service for 15 minutes or more exceeding 200 megawatts, and any bulk power supply malfunction or accident which constitutes a threat to bulk power supply integrity. Currently, reports of interruptions and curtailments to the Commission must include the names of customers affected.

The proposed rule amendments would eliminate the filing of names of affected customers with the Commission, but a record would still be required to be kept at the utility for future reference by the Commission. This would simplify the reporting requirements, yet retain the ability of the Commission, upon request, to monitor the exercise of non-firm service.

The Administrative Procedures Act encourages an agency to prepare a Statement of Estimated Regulatory Costs (SERC). However, because there should be no significant additional costs from eliminating the reporting of interrupted or curtailed customers' names or negative impacts on utilities, small businesses, small cities, or small counties, a SERC will not be prepared for the proposed rule change.

Please keep my name on the CASR.

CBH:tf/e-ntrup

cc: Mary Andrews Bane
Hurd Reeves
Elisabeth Draper