BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

UNDOCKETED

IN RE: RULE NO. 25-30.455, F.A.C., STAFF ASSISTANCE IN RATE CASES; RULE NO. 25-30.456, F.A.C., STAFF ASSISTANCE IN ALTERNATIVE RATE SETTING; RULE NO. 25-30.457, F.A.C., LIMITED ALTERNATIVE RATE INCREASE

NOTICE OF PROPOSED RULE DEVELOPMENT

TO

ALL INTERESTED PERSONS

ISSUED: June 16, 2008

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission staff has initiated the development of Rules 25-30.455, 25-30.456, and 25-30.457, Florida Administrative Code, to amend provisions relating to staff assistance.

The attached Notice of Proposed Rule Development will appear in the June 20, 2008, edition of the Florida Administrative Weekly. If timely requested and not deemed unnecessary by the Commission, a rule development workshop will be held at a time and place that will be announced.

The request for a rule development workshop must be submitted in writing to Beth Shankle-Anderson, Office of General Counsel, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, and should be submitted for receipt by the Commission no later than July 7, 2008.

By DIRECTION of the Florida Public Service Commission, this 16th day of June, 2008.

Commission Clerk

(SEAL)

BSA

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

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Notice of Development of Rulemaking

PUBLIC SERVICE COMMISSION

RULE NO: RULE TITLE

25-30.455; Staff Assistance in Rate Cases

25-30.456: Staff Assistance in Alternative Rate Setting

25-30.457: Limited Alternative Rate Increase

PURPOSE AND EFFECT: To change the necessary requirements to receive staff assistance in rate cases for water and wastewater companies. Undocketed.

SUBJECT AREA TO BE ADDRESSED: Staff assistance in rate cases for water and wastewater companies.

SPECIFIC AUTHORITY: 350.127(2), 367.121, 371.0814 FS

LAW IMPLEMENTED: 350.123, 367.0814, 367.121, 367.145(2) FS

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT AVAILABLE FLORIDA ADMINISTRATIVE WEEKLY.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Beth Shankle-Anderson, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6216.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

25-30.455 Staff Assistance in Rate Cases.

(1) Water and wastewater utilities whose total gross annual operating revenues are \$250,000\$150,000 or less for water service or \$250,000\$150,000 or less for wastewater service, or \$500,000\$300,000 or less on a combined basis, may petition the Commission for staff assistance in rate applications by submitting a completed staff assisted rate case application. In accordance with Section 367.0814(4), F.S., a utility that requests staff assistance waives its right to protest by agreeing to accept the final rates and charges approved by the Commission unless the final rates and charges would produce less revenue than the existing rates and charges. If a utility that chooses to utilize the staff assistance option employs outside experts to assist in developing information for staff or to assist in evaluating staff's schedules and conclusions, the reasonable and prudent expense will be recoverable through the rates developed by staff. A utility that chooses not to exercise the option of staff assistance may file for a rate increase under the provisions of Rule 25-30.443, F.A.C.

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- (2) (14) No Change.
- 25-30.456 Staff Assistance in Alternative Rate Setting.
- (1) As an alternative to a staff assisted rate case as described in Rule 25-30.455, F.A.C., water and wastewater utilities whose total gross annual operating revenues are \$250,000\$150,000 or less for water service or \$250,000\$150,000 or less for wastewater service, or \$500,000\$300,000 or less on a combined basis, may petition the Commission for staff assistance in alternative rate setting by submitting a completed staff assisted application for alternative rate setting.
- (2) (19) No Change.
- 25-30.457 Limited Alternative Rate Increase.
- (1) As an alternative to a staff assisted rate case as described in Rules 25-30.455 and 25-30.456, F.A.C., water utilities whose total gross annual operating revenues are \$250,000\$150,000 or less for water service and wastewater utilities whose total gross annual operating revenues are \$250,000\$150,000 or less for wastewater service may petition the Commission for a limited alternative rate increase of up to 20 percent applied to metered or flat recurring rates of all classes of service by submitting a completed application that includes the information required by subsections (8) and (9). In accordance with Section 367.0814(6), F.S., a utility that requests staff assistance waives its right to protest by agreeing to accept the final rates and charges approved by the Commission unless the final rates and charges would produce less revenue than the existing rates and charges. The original and two copies of the application shall be filed with the Office of Commission Clerk.
- (2) (18) No Change.