

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: September 25, 2019
TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk
FROM: Samantha Cibula, Office of the General Counsel *S.M.C.*
RE: Docket No. 20030715-WS

Please file the attached materials in the docket file listed above.

Thank you.

Attachment

RECEIVED-FPSC
2019 SEP 25 PM 2:00
COMMISSION
CLERK

JAMES E. "JIM" KING, JR.
President

JOHNNIE BYRD
Speaker



THE FLORIDA LEGISLATURE
**JOINT ADMINISTRATIVE
PROCEDURES COMMITTEE**



Senator Michael S. "Mike" Bennett, Chair
Representative Juan-Carlos "J.C." Planas, Vice-Chair
Senator Nancy Argenziano
Senator Gwen Margolis
Representative Bill Galvano
Representative Yolly Roberson

F. SCOTT BOYD
EXECUTIVE DIRECTOR
AND GENERAL COUNSEL
Room 120, Holland Building
Tallahassee, Florida 32399-1300
Telephone (850) 488-9110

Memorandum

TO: Christiana T. Moore
FROM: John Rosner 
DATE: November 4, 2003
SUBJECT: Public Service Commission Rule 25-30.140

RECEIVED
03 NOV -5 PM 3:38
FLA PUBLIC SERVICE COMM.
OFFICE OF THE
GENERAL COUNSEL

The proposed language provides in paragraph (3)(c) that where guideline depreciation rates have been implemented, "the rates shall not be changed unless approved by the Commission." Please describe the criteria pursuant to which the Commission grants approval for the change.

STATE OF FLORIDA

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OFFICE OF THE GENERAL COUNSEL
RICHARD MELSON
GENERAL COUNSEL
(850) 413-6199

Public Service Commission

November 6, 2003

Mr. John Rosner
Joint Administrative Procedures Committee
Room 120 Holland Building
Tallahassee, FL 32399-1300

Re: Rule 25-30.140, F.A.C., Depreciation

Dear Mr. Rosner:

This letter is in response to your memorandum of November 4, 2003, asking me to describe the criteria pursuant to which the Commission grants approval for a change in guideline depreciation rates under paragraph (3)(c) of Rule 25-30.140.

As stated in paragraph (6)(a) of the rule, the Commission will approve such a change if the utility can justify the service lives that it is proposing in lieu of the guideline lives. As further stated in that paragraph, the "justification should be in the form of historic data, technical information or utility planning for the affected accounts or sub-accounts," and "[c]ommon causes of need for different depreciation rates include composition of account, adverse environmental conditions, high growth or regulatory changes."

Rule 25-30.140 implements provisions of sections 350.115, 367.081 and 367.121(1), Florida Statutes, prescribing the Commission's responsibility to fix rates, taking into consideration, among other things, the cost of providing service, which specifically includes depreciation expense, and to investigate and determine the legitimate cost of each utility's property that is actually used and useful in the public service. Section 350.115 specifically authorizes the Commission to establish adequate, fair, and reasonable depreciation rates and charges. Whether depreciation rates which differ from the guideline rates are adequate, fair, and reasonable requires case-by-case determination based upon the evidence presented.

The requirement for Commission approval stems from 367.081(1) providing that, with two exceptions, a utility may only charge rates and charges that have been approved by the commission. I will add that citation to the law implemented.

I hope this letter satisfactorily responds to your inquiry.

Sincerely,

Christiana T. Moore
Associate General Counsel