FILED 4/4/2025 DOCUMENT NO. 02611-2025 FPSC - COMMISSION CLERK



Public Service Commission

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

- **DATE:** April 4, 2025
- **TO:** Adam J. Teitzman, Commission Clerk, Office of Commission Clerk
- **FROM:** Susan Sapoznikoff, Office of the General Counsel
- **RE:** Docket No. 20250020-GU, ADOPTION OF NEW RULE 25-7.150, F.A.C., NATURAL GAS FACILITIES RELOCATION COST RECOVERY CLAUSE.

CORRECTED

Please file the attached rule certification packet materials for Rule 25-7.150, F.A.C., in the docket file listed above.

Thank you.

Attachment

From:	RuleAdoptions	
To:	<u>Susan Sapoznikoff</u>	
Cc:	Harris, Whitley; Joint Administrative Procedures Committee	
Subject:	RE: Adoption packet for 25-7.150, F.A.C., Natural Gas Facilities Relocation Cost Recovery Clause	
Date:	Friday, April 4, 2025 9:24:39 AM	
Attachments:	<u>25-7.150.pdf</u>	

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Good morning,

Attached is the filed adoption packet for Rule 25-7.150, F.A.C.

Best,

Alexandra Leijon

Administrative Code and Register Director Office of General Counsel Department of State Room 701I The Capitol | Tallahassee, FL P: (850)245-6208 Alexandra.Leijon@dos.fl.gov

From: Susan Sapoznikoff <SSapozni@psc.state.fl.us>
Sent: Friday, April 4, 2025 9:01 AM
To: RuleAdoptions <RuleAdoptions@dos.fl.gov>
Subject: Adoption packet for 25-7.150, F.A.C., Natural Gas Facilities Relocation Cost Recovery Clause

EMAIL RECEIVED FROM EXTERNAL SOURCE

The attachments/links in this message have been scanned by Proofpoint.

Good morning:

I have attached the rule certification packet for Rule 25-7.150, F.A.C., Natural Gas Facilities Relocation Cost Recovery Clause, with the PDF attachment of the entire packet, along with the Word version of the coded text of the rule. I await your email confirming receipt.

With best regards,

Suzie

Susan Sapoznikoff Senior Attorney Appeals, Rules & Ethics Section Office of the General Counsel Florida Public Service Commission (850)-413-6630 Susan.Sapoznikoff@psc.state.fl.us



PLEASE NOTE: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

Please consider the environment before printing this e-mail



FLORIDA DEPARTMENT Of STATE

RON DESANTIS Governor **CORD BYRD** Secretary of State

April 4, 2025

Susan Sapoznikoff, Esq. Senior Attorney Florida Public Service Commission 2540 Shumard Oaks Blvd. Tallahassee, FL 32399-0850

Dear Susan Sapoznikoff:

Your adoption package for Rule 25-7.150, F.A.C. was received, electronically, by the Florida Department of State, Administrative Code and Register at 9:04 a.m. on April 4, 2025. After review, it appears that the package meets statutory requirements and those of Rule 1-1.010, F.A.C. and is deemed filed for adoption at the time received, as indicated above. The effective date is April 24, 2025.

Sincerely,

Alexandra Leijon Administrative Code and Register Director

AL

From:	Susan Sapoznikoff	
To:	RuleAdoptions	
Subject:	Adoption packet for 25-7.150, F.A.C., Natural Gas Facilities Relocation Cost Recovery Clause	
Date:	Friday, April 4, 2025 9:04:27 AM	
Attachments:	DOS Adoption packet.pdf	
	<u>8 - rule 25-7.150.doc</u>	

EMAIL RECEIVED FROM EXTERNAL SOURCE

The attachments/links in this message have been scanned by Proofpoint.

Good morning:

I have attached the rule certification packet for Rule 25-7.150, F.A.C., Natural Gas Facilities Relocation Cost Recovery Clause, with the PDF attachment of the entire packet, along with the Word version of the coded text of the rule. I await your email confirming receipt.

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BEN ALBRITTON President



THE FLORIDA LEGISLATURE JOINT ADMINISTRATIVE PROCEDURES COMMITTEE



DANIEL PEREZ

KENNETH J. PLANTE COORDINATOR Room 680, Pepper Building 111 West Madison Street Tallahassee, Florida 32399-1400 Telephone (850) 488-9110 Fax (850) 922-6934 www.japc.state.fl.us japc@leg.state.fl.us

Representative Tobin Rogers "Toby" Overdorf, Chair Senator Erin Grall, Vice Chair Senator Mack Bernard Senator Don Gaetz Senator Thomas J. "Tom" Leek Senator Tina Scott Polsky Senator Carlos Guillermo Smith Senator Clay Yarborough Representative William "Bill" Conerly Representative Chad Johnson Representative Leonard Spencer Representative Leonard Spencer Representative Debra Tendrich Representative Meg Weinberger

CERTIFICATION

Department:	Public Service Commission
Agency:	
Rule No(s):	25-7.150
File Control No:	195668

As required by subparagraph 120.54(3)(e)4 F.S., the Joint Administrative Procedures Committee hereby certifies that:

There were no material and timely written comments or written inquiries made on behalf of the committee regarding the above listed rule; or

The adopting agency has responded in writing to all material and timely written comments or written inquiries made on behalf of the committee regarding the above listed rules; or

The adopting agency has not responded in writing to all material and timely written comments or written inquiries made on behalf of the Committee regarding the above listed rules.

Certification Date: 4/4/2025

This certification expires after: $\frac{4}{11}/2025$

Certifying Attorney: Jamie Jackson

NOTE:

The above certified rules include materials incorporated by reference.

The above certified rules do not include materials incorporated by reference.

Form Updated 12/9/2021

STATE OF FLORIDA

COMMISSIONERS: MIKE LA ROSA, CHAIRMAN ART GRAHAM GARY F. CLARK ANDREW GILES FAY GABRIELLA PASSIDOMO SMITH

1.

TATE OF FLORID

KEITH C. HETRICK GENERAL COUNSEL (850)413-6199

Public Service Commission

April 4, 2025

Alexandra Leijon Florida Department of State Administrative Code and Register Section Room 701, The Capitol Tallahassee, FL 32399-0250

VIA E-MAIL RuleAdoptions@DOS.MyFlorida.com

Re: Rule Certification Packet for Rule 25-7.150, F.A.C.

Dear Ms. Leijon:

of:

Enclosed for filing is a complete rule certification packet for Rule 25-7.150, F.A.C. consisting

- (1) One copy of the signed rule certification form;
- (2) One copy of the signed designation of minor violation rule certification form required by Rule 1-1.010, F.A.C.;
- (3) One copy of the coded text of the rule, including the legal citations, history notes.
- (4) One copy of the summary of the rule;
- (5) One copy of the detailed written statement of the facts and circumstances justifying the rule;
- (6) One copy of the summary of the hearings held on the rule;
- (7) There are no materials incorporated by reference in this rule; and
- (8) One copy of the coded text of the rule in Word version.

Alexandra Leijon Page 2 April 4, 2025

Please let me know if you have any questions. The contact name and information for this rule are Susan Sapoznikoff, Florida Public Service Commission, Office of the General Counsel, <u>Susan.Sapoznikoff@psc.state.fl.us</u>, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850, (850) 413-6630.

Sincerely,

1. Susan Sapoznikaff

Susan Sapoznikoff Senior Attorney

Enclosures

cc: Office of the Commission Clerk (Docket No. 20250020-GU)

CERTIFICATION OF FLORIDA PUBLIC SERVICE COMMISSION

ADMINISTRATIVE RULES FILED WITH THE DEPARTMENT OF STATE

I hereby certify:

[X] (1) That all statutory rulemaking requirements of Chapter 120, F.S., and all rulemaking requirements of the Department of State have been complied with; and

[X] (2) That there is no administrative determination under Section 120.56(2), F.S., pending on any rule covered by this certification; and

[X] (3) All rules covered by this certification are filed within the prescribed time limitations of Section 120.54(3)(e),

F.S. They are filed not less than 28 days after the notice required by Section 120.54(3)(a), F.S.; and

[X] (a) Are filed not more than 90 days after the notice; or

[] (b) Are filed more than 90 days after the notice, but not more than 60 days after the administrative law judge files the final order with the clerk or until 60 days after subsequent judicial review is complete; or

[] (c) Are filed more than 90 days after the notice, but not less than 21 days nor more than 45 days from the date of publication of the notice of change; or

[] (d) Are filed more than 90 days after the notice, but not less than 14 nor more than 45 days after the adjournment of the final public hearing on the rule; or

[] (e) Are filed more than 90 days after the notice, but within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

[] (f) Are filed more than 90 days after the notice, but within 21 days after the date the transcript was received by this agency; or

[] (g) Are filed not more than 90 days after the notice, not including days the adoption of the rule was postponed following notification from the Joint Administrative Procedures Committee that an objection to the rule was being considered; or

[] (h) Are filed more than 90 days after the notice, but within 21 days after a good faith written proposal for a lower cost regulatory alternative to a proposed rule is submitted which substantially accomplishes the objectives of the law being implemented; or

[] (i) Are filed more than 90 days after the notice, but within 21 days after a regulatory alternative is offered by the ombudsman in the Executive Office of the Governor.

The rule is hereby adopted by the undersigned agency by and upon their filing with the Department of State.

Rule No.

25-7.150, F.A.C.

Under the provision of Section 120.54(3)(e)6., F.S., the rule take effect 20 days from the date filed with the Department of State or a later date as set out below:

Effective Date: _____

(month) (day) (year)

Signature, Person Arthorized to Certify Rules

Commission Clerk Title

2 Number of Pages Certified

DESIGNATION OF RULES THE VIOLATION OF WHICH IS A MINOR VIOLATION CERTIFICATION

Pursuant to Section 120.695(2)(c)3., Florida Statutes, I certify as agency head, as defined by section 20.05(1)(b), Florida Statutes, that:

[] All rules covered by this certification are not rules the violation of which would be a minor violation pursuant to Section 120.695, F.S.

[X] The following parts of the rules covered by this certification have been designated as rules the violation of which would be a minor violation pursuant to Section 120.695, F.S.:

Rule No. 25-7,150, F.A.C.

Rules covered by this certification:

Rule No. 25-7.150, F.A.C.

·E-

Mike La Rosa Chairman, Florida Public Service Commission

SUMMARY OF THE RULE

Rule 25-7.150, F.A.C., is a new rule to implement section 366.99, Florida Statutes, which was enacted by the Florida Legislature in 2024. The rule sets forth what a utility must include in its petition for cost recovery, which includes a description of the scope of the mandated facilities relocation and an estimate of the associated costs. The rule also establishes a procedure that is in accord with other of the Commission's cost recovery clauses, by having a final true-up for the previous year and an estimated true-up for the current year, and requiring submission of projected costs for the subsequent year.

WRITTEN STATEMENT OF THE FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE

The Legislature enacted section 366.99, Florida Statutes, in 2024. Section 366.99, Florida Statutes, allows public utilities to recover certain, mandated natural gas facilities relocation costs in an annual clause proceeding, rather than in base rates. The statute mandates rulemaking. Rule 25-7.150, F.A.C., is a new rule to implement the statute.

SUMMARY OF ANY HEARINGS HELD ON THE RULE

No timely request for a hearing was received by the agency, and no hearing was held.

25-7.150 Natural Gas Facilities Relocation Cost Recovery Clause.

(1) A utility may file a petition for recovery of natural gas facilities relocation costs through the annual natural gas facilities relocation cost recovery clause (NGFRCRC). The petition seeking such cost recovery must be supported by testimony that provides details of the facilities relocation activities and associated costs.

(2) As part of the NGFRCRC or by a separate filing, a utility must seek a determination that "natural gas facilities relocation costs" are eligible for recovery through the NGFRCRC by providing the following information:

(a) The notification by the authority requiring the facilities relocation per section 366.99(1), Florida Statutes.

(b) A description of the scope of the facilities relocation to be undertaken per the requirements imposed by the authority, and

(c) An estimate of the costs associated with the relocation of the natural gas facilities.

(3) Each year, pursuant to the order establishing procedure in the annual NGFRCRC, a utility must submit the following:

(a) Final True-Up for Previous Year. The final true-up of natural gas facilities relocation cost recovery for a prior year must include revenue requirements based on a comparison of actual costs for the prior year and previously filed projected costs and revenue requirements for such prior year for each project determined to be eligible by the Commission. The final true-up must also include identification of each of the utility's eligible facilities relocation projects for which costs were incurred during the prior year, including a description of the work actually performed during such prior year.

(b) Estimated True-Up for Current Year. The actual/estimated true-up of natural gas facilities relocation cost recovery must include revenue requirements based on a comparison of current year actual/estimated costs and the previously-filed projected costs and revenue requirements for such current year for each eligible project. The actual/estimated true-up must also include identification of each of the utility's eligible facilities relocation projects for which costs have been and will be incurred during the current year, including a description of the work projected to be performed during such current year. (c) Projected Costs for Subsequent Year. The projected natural gas facilities relocation cost recovery must include costs and revenue requirements for the subsequent year for each eligible project. The projection filing must also include identification of each of the utility's eligible facilities relocation projects for which costs will be incurred during the subsequent year, including a description of the work projected to be performed during such year.

(d) True-Up of Variances. The utility must report observed true-up variances, including sales forecasting variances, changes in the utility's prices of services and/or equipment, and changes in the scope of work relative to the estimates provided pursuant to paragraphs (2)(b) and (2)(c). The utility must also provide explanations for variances reparding the facilities relocation.

(e) Proposed Natural Gas Facilities Relocation Cost Recovery Factors. The utility must provide the calculations of its proposed factors and effective 12-month billing period.

(4) Natural gas facilities relocation cost recovery clause true-up amounts will be afforded deferred accounting treatment at the 30-day commercial paper rate.

(5) Subaccounts. To ensure separation of costs subject to recovery through the clause, the utility filing for cost recovery must maintain subaccounts for all items consistent with the Uniform System of Accounts prescribed by this Commission pursuant to Rule 25-7.014, F.A.C.

(6) Recovery of costs under this rule does not preclude a utility from proposing inclusion of unrecovered natural gas facilities relocation costs in base rates in a subsequent rate proceeding. Recovery of costs under this rule does not preclude inclusion of such costs in base rates in a subsequent rate proceeding, provided that such costs are removed from the NGFRCRC.

Rulemaking Authority 366.99, FS. Law Implemented 366.99, FS. History-New