



Had FPC presented the change in methodology earlier, it would have been much simpler to assess the difference between the effects of the old and new methodologies on a common set of assumptions. However, the rate case introduces several new variables which interlock the two dockets. Not only is the cost effectiveness methodology changing, but FPC proposes changes to the level of the discount from firm rates that non-firm customers are granted and the way they receive that discount.

FPC maintains that the change in methodology alone has no effect on the level of cost effective non-firm load. However, according to Mr. Nixon's testimony in the rate case, the cost effectiveness methodology drives the non-firm credit (Nixon testimony, p. 19, line 21 through p. 20, line 2). A change in the level of the credit could very well change the perception of the rate and the subscription to non-firm load, changing cost allocations and cost effective levels. Any comparison of the effect of a methodology change, assuming no change in any other aspect of treatment of non-firm load, is not a realistic assessment when all the rules are changing at once.

In addition, a decision on the methodology could be construed as a determination of the level of the credit, precluding interested parties from addressing the derivation of their proposed rate (credit) in the rate case. We believe that all parties to the rate case should have adequate opportunity to discuss and evaluate the basis upon which their rates are designed and set. To preclude discussion of the derivation of changes in rate structure and level proposed in the rate case, on the basis that it had already been determined by approval of the cost effectiveness methodology, would be a disservice to the affected parties. At best, the matter would have to be addressed twice, once in the methodology hearing and once in the rate case under rate setting issues. It is a more efficient use of our time to have one hearing and one discussion on the topic of non-firm rates and costs.

Furthermore, there is precedent for combining dockets when the subject matter is related. Docket No. 870189-EI, Petition by Florida Power Corporation for Approval of Nonfirm Load Methodology and Targets, was consolidated into Docket No. 870220-EI, Request by Occidental Chemical Corporation for Reduction of Retail Electric Service Rates Charged by Florida Power Corporation. Order No. 18153, issued September 16, 1987, combined the two dockets for administrative efficiency since no hearing dates were available for the Docket No. 870189-EI prior to the rate case hearings and the parties to the two dockets were the same.

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We find, therefore, this request by Occidental Chemical Corporation to consolidate Docket No. 911198-EI and Docket No. 910890-EI, the FPC rate case, to be reasonable.

In consideration of the foregoing, it is

ORDERED by the Florida Public Service Commission, as discussed within the body of this Order, that the material contained in Docket No. 911198-EI is consolidated into Docket No. 910890-EI as of the date of this Order, and that Docket No. 911198-EI is closed.

By ORDER of the Florida Public Service Commission, this 28th day of April, 1992.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

DLC:bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida

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Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.