

STATE OF FLORIDA

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CHARLES M. DAVIDSON



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

Public Service Commission

February 27, 2004

Mr. Scott Boyd, Interim Director
Joint Administrative Procedures
Committee
Room 120 Holland Building
Tallahassee, FL 32399-1300

RE: Docket No. 040011-EI – Rule No. 25-6.018

Dear Mr. Boyd:

Enclosed is an original copy of the following materials concerning the above referenced proposed rule:

1. A copy of the rule.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rule.
4. A federal standards statement.

No statement of estimated regulatory costs was prepared. If there are any questions with respect to this rule, please do not hesitate to call me.

Sincerely,

Marlene Stern

Marlene Stern
Associate General Counsel

Amend6.018.mks.doc

Enclosures

cc: Division of the Commission Clerk
and Administrative Services

DOCUMENT NUMBER-DATE

02953 MAR-1-04

FPSC-COMMISSION CLERK

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

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

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

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

8 1. requests to the public to reduce the consumption of electricity for emergency
9 firm customer load reduction purposes.

10 2. reducing voltage which affects firm customer load.

11 3. reducing firm customer loads by manual switching, operation of automatic
12 load-shedding devices, or any other means except under direct load management programs as
13 approved by the Commission.

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

16 (c) any bulk power supply malfunction or accident which constitutes an unusual threat to
17 bulk power supply integrity. The utility shall file a complete report with the Commission of steps
18 taken to resume normal operation or restore service and prevent recurrence, where applicable, within
19 30 days of return to normal operation unless impracticable, in which event the Commission may
20 authorize an extension of time.

21 (3) Each utility with interruptible or curtailable rate schedules shall provide a report to the
22 Commission of customer interruptions and curtailments for each applicable rate schedule, ~~for those~~
23 ~~months when interruptions occur.~~ The report shall ~~should~~ include ~~the names of the customers~~
24 ~~interrupted or curtailed,~~ the reason for interruption or curtailment, the date, time, and duration of the
25 interruption or curtailment, and amount of load shed. For utilities with optional billing provisions
which provide for the utility to purchase power from another utility and supply it directly to the

1 interrupted or curtailed customer, the utility shall provide a report to the Commission shall include
2 ~~indicating the name of the customer,~~ the source, date, time, and amount of purchase in megawatt
3 hours, and cost per megawatt hour for those months when purchases are made under the optional
4 billing provision. Beginning on July 1, 2004, the report shall be filed quarterly and no later than 30
5 days after the end of the reported quarter. If there were no interruptions, curtailments, or optional
6 billing events in the quarter, the report shall so state. Reports of customer interruptions or
7 curtailments are not required when done under direct load management programs as approved by the
8 Commission.

9 Specific Authority: 366.05(1), F.S.

10 Law Implemented: 366.03, 366.04(2)(c),(f), & (5), 366.055, F.S.

11 History: Amended 7/29/69, 4/13/80, formerly 25-6.18.

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14 RULE6.018.MKS

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NOTICE OF PROPOSED RULEMAKING

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 040011-EI

RULE TITLE:

RULE NO.:

Records of Interruptions and Commission Notification of Threats

25-6.018

to Bulk Power Supply Integrity of Major Interruptions of Service

PURPOSE AND EFFECT: Requiring utilities to file a report on customer interruptions and curtailments on a regular basis will allow the Commission to better monitor the utilities' exercise of non-firm service and to provide up-to-date interruption and curtailment information to outside parties.

Utilities have historically considered customer-specific information to be proprietary confidential business information, and the Commission has granted several confidentiality requests for such data. The staff believes that the names of the customers are not essential to the commission's ability to monitor the utilities' exercise of non-firm service.

SUMMARY: The existing rule requires investor-owned electric utilities with interruptible or curtailable rate schedules to provide a report to the Commission of customer interruptions and curtailments for those months when interruptions occur. The report must include specific information, including the names of the customers interrupted or curtailed. The rule does not specify when the monthly reports must be filed. Staff is proposing two amendments to the rule. The first amendment would require the utilities, beginning on July 1, 2004, to file the report quarterly and no later than 30 days after the end of the reported quarter. The second amendment would eliminate the requirement to include the names of the customers interrupted or curtailed.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: A Statement of Estimated Regulatory Cost is not needed.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 366.05(1), F.S.

LAW IMPLEMENTED: 366.03, 366.04(2)(c), (f), & (5), 366.055, F.S.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Marlene Stern, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862, (850) 413-6245.

THE FULL TEXT OF THE PROPOSED RULE IS:

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

(1) – (2) No Change.

(3) Each utility with interruptible or curtailable rate schedules shall provide a report to the Commission of customer interruptions and curtailments for each applicable rate schedule, ~~for those months when interruptions occur.~~ The report shall ~~should~~ include ~~the names of the~~

~~customers interrupted or curtailed~~, the reason for interruption or curtailment, the date, time, and duration of the interruption or curtailment, and amount of load shed. For utilities with optional billing provisions which provide for the utility to purchase power from another utility and supply it directly to the interrupted or curtailed customer, ~~the utility shall provide a report to the Commission~~ shall include indicating the name of the customer, the source, date, time, and amount of purchase in megawatt hours, and cost per megawatt hour for those months when purchases are made under the optional billing provision. Beginning on July 1, 2004, the report shall be filed quarterly and no later than 30 days after the end of the reported quarter. If there were no interruptions, curtailments, or optional billing events in the quarter, the report shall so state. Reports of customer interruptions or curtailments are not required when done under direct load management programs as approved by the Commission.

Specific Authority: 366.05(1), F.S.

Law Implemented: 366.03, 366.04(2)(c),(f),&(5), 366.055, F.S.

History: Amended 7/29/69, 4/13/80, formerly 25-6.18.

NAME OF PERSON ORIGINATING PROPOSED RULE: Elisabeth Draper

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULE:

Florida Public Service Commission.

DATE PROPOSED RULE APPROVED: February 17, 2004.

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Volume 29, Number 51, December 19, 2003.

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant

must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings. Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of the Commission Clerk and Administrative Services at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE

The existing rule requires investor-owned electric utilities (IOUs) with interruptible or curtailable rate schedules to provide a report to the Commission of customer interruptions and curtailments for those months when interruptions occur. The report must include specific information on each event, including the names of the customers interrupted or curtailed. The rule does not set a deadline for submitting the reports.

Two amendments to the rule are proposed. The first amendment requires the IOUs, beginning on July 1, 2004, to file the report quarterly and no later than 30 days after the end of the reported quarter. The second amendment eliminates the requirement to include the names of the customers interrupted or curtailed.

Requiring the IOUs to file a report on customer interruptions and curtailments on a regular basis will allow the Commission to better monitor the IOUs' exercise of non-firm service and to provide up-to-date interruption and curtailment information to outside parties. Because the existing rule does not set a deadline for the filing of the reports, staff receives the reports on an untimely, irregular basis. The amendment will remedy this problem.

The IOUs and the Commission have historically considered customer-specific information to be proprietary confidential business information. The names of the customers are not essential to the Commission's ability to monitor the IOUs' exercise of non-firm service. Elimination of the requirement to include customer specific information will save time for the IOUs by eliminating the need to file requests for confidential classification, and for staff by eliminating the need to evaluate and respond to those requests.

STATEMENT ON FEDERAL STANDARDS

There is no federal standard on the same subject.