

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-**

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**DATE:** February 20, 2025

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Office of the General Counsel (Rubottom) *SMC*  
Division of Economics (Guffey) *EJD*  
Division of Engineering (Brown) *TB*

**RE:** Docket No. 20250019-EU – Amendment of Rule 25-6.034, F.A.C., Standard of Construction; and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities.

**AGENDA:** 03/04/25 – Regular Agenda – Rule Proposal - Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Graham

**RULE STATUS:** Proposal May Be Deferred

**SPECIAL INSTRUCTIONS:** None

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### Case Background

Rule 25-6.034, Florida Administrative Code (F.A.C.), Standard of Construction, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities, pertain to safety standards for the construction, maintenance, and operation of electric transmission and distribution facilities. In particular, the rules require electric utilities to comply with the requirements of the National Electrical Safety Code (NESC) when constructing transmission and distribution systems. The rules implement Sections 366.04(2), (5), and (6), Florida Statutes (F.S.), and Section 366.05(1), F.S.

Section 366.04(2)(c), F.S., sets forth the Commission's jurisdiction over electric utilities to require electric power conservation and reliability through a coordinated grid. Section 366.04(6), F.S., grants the Commission exclusive jurisdiction to prescribe and enforce safety standards for

transmission and distribution facilities of all public electric utilities, cooperatives organized under the Rural Electric Cooperative Law, and electric utilities owned and operated by municipalities. Sections 366.04(6)(b), and 366.05(1)(a), F.S., provide that the Commission shall, at a minimum, review and adopt any new edition of the NESC as the applicable safety standard, and that the Commission may adopt construction standards that exceed the NESC.

Staff initiated rulemaking to amend Rule 25-6.0345, F.A.C., for the purpose of incorporating by reference the updated, 2023 edition of the NESC, which is the most recent version. Staff initiated rulemaking to amend Rule 25-6.034, F.A.C., to clarify that the reference to the applicable NESC is the same version incorporated by reference in Rule 25-6.0345, F.A.C.

A Notice of Development of Rulemaking for these rules was published in the September 16, 2024 edition of the Florida Administrative Register, Volume 50, No. 181. There were no requests for a rule development workshop, and no workshops were held. This recommendation addresses whether the Commission should propose the amendment of Rules 25-6.034 and 25-6.0345, F.A.C. The Commission has jurisdiction pursuant to Sections 120.54, 366.04, 366.05, and 366.06, F.S.

## Discussion of Issues

**Issue 1:** Should the Commission propose the amendment of Rule 25-6.034, F.A.C., Standard of Construction, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities?

**Recommendation:** Yes. The Commission should propose the amendment of Rules 25-6.034 and 25-6.0345, F.A.C., as set forth in Attachment A. The Commission should also certify that the rules are not rules the violation of which would be a minor violation, pursuant to Section 120.695, F.S. (Brown, Rubottom)

**Staff Analysis:** The Legislature granted the Commission power over electric utilities to prescribe and enforce safety standards for transmission and distribution facilities of all electric utilities, including investor-owned utilities, rural electric cooperatives, and municipally owned utilities.<sup>1</sup> Pursuant to these provisions, the Legislature requires the Commission to, at a minimum, review and adopt new editions of the NESC “for the protection of the public” and “for purposes of ensuring the reliable provision of service, and service rules and regulations to be observed by each utility.”<sup>2</sup>

The NESC is published by the Institute of Electrical and Electronic Engineers, Inc. (IEEE), and “sets the ground rules and guidelines for practical safeguarding of utility workers and the public during the installation, operation, and maintenance of electric supply, communication lines and associated equipment.”<sup>3</sup> The NESC is updated every five years to reflect changes in the industry and technology.<sup>4</sup>

Pursuant to Florida law, the Commission adopts the NESC as the governing safety standard for regulated electric utilities in Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities. The Commission last amended the rule in 2017, adopting the then-current edition of the NESC. A new edition was published by the IEEE in 2023. Staff has reviewed the updated NESC and believes it constitutes “acceptable and adequate requirements for the protection of the safety of the public.”<sup>5</sup> Updates for the 2023 Edition include new rules for photovoltaic (PV) generating stations as well as revisions to better present vertical and horizontal wind clearances and to provide correction factors for clearances on higher elevations. Staff therefore recommends that the Commission propose the amendment of Rule 25-6.0345, F.A.C., as set forth in Attachment A to incorporate by reference into the rule the updated, 2023 edition of the NESC.

Rule 25-6.034, F.A.C., Standard of Construction, requires electric utilities to comply with the NESC in order to promote “continuity of service and uniformity in the quality of service furnished.” That rule refers to the NESC incorporated by reference in Rule 25-6.0345, F.A.C. The purpose of staff’s recommended amendments is to clarify the reference to Rule 25-6.0345, F.A.C., to ensure that the same edition of the NESC governs in both rules and for all utility

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<sup>1</sup> Section 366.06(6), F.S.

<sup>2</sup> *Id.*; Section 366.05(1)(a), F.S.

<sup>3</sup> IEEE, *The NESC*, <https://standards.ieee.org/products-programs/nesc/> (last visited Jan. 21, 2025).

<sup>4</sup> *Id.*

<sup>5</sup> Section 366.06(6), F.S.

facilities. Paragraphs (2)(a) and (b) were eliminated since “new” construction is already addressed in the revised rule, and the question of which NESC edition applies to existing facilities is discussed in subsection 013.B of the NESC. Staff therefore recommends that the Commission propose the amendment of Rule 25-6.034, F.A.C., as set forth in Attachment A.

### **Minor Violation Rules Certification**

Pursuant to Section 120.695, F.S., for each rule filed for adoption, the agency head shall certify whether any part of the rule is designated as a rule the violation of which would be a minor violation.<sup>6</sup> Rules 25-6.034 and 25-6.0345, F.A.C., are not on the Commission’s minor violation rule list because violation of the rules would result in physical harm to a person; adverse effects on the public health, safety, or welfare; or would create a significant threat of such harm. Thus, if the Commission proposes the amendment of the rules, staff recommends that the Commission certify that each rule is not a rule the violation of which would be a minor violation pursuant to Section 120.695, F.S.

### **Statements of Estimated Regulatory Cost**

Pursuant to Section 120.54, F.S., agencies are encouraged to prepare a statement of estimated regulatory costs (SERC) before the adoption, amendment, or repeal of any rule. Agencies are required to prepare a SERC for any rule that will have an adverse impact on small business or that is likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate within one year after implementation. The SERC analysis includes whether the rule will, within five years of implementation, have an adverse impact in excess of \$1 million in the aggregate on economic factors such as economic growth, private sector job creation or employment, private sector investments, or business competitiveness, productivity, or innovation. If expected adverse impacts or regulatory costs exceed any of the above criteria, a proposed rule may not take effect until it is ratified by the Legislature.

SERCs were prepared for each rule and are appended hereto as Attachment B. Each SERC concludes that the rule will not have an adverse impact on small business and that the rules are not likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate within one year after implementation. Further, the SERCs conclude that the rules will not likely have an adverse impact on economic growth, private sector job creation or employment, private sector investment, or business competitiveness, productivity, or innovation in excess of \$1 million in the aggregate within five years of implementation. None of the adverse impact or regulatory cost criteria set forth in Section 120.541(2)(a), F.S., will be exceeded as a result of the recommended amendments to the rules. Thus, the rules do not require legislative ratification pursuant to Section 120.541(3), F.S. In addition, the SERCs state that the rules will have no impact on small cities or counties and will not increase the cost to the Commission to implement and enforce the rule. No regulatory alternatives have been submitted pursuant to Section 120.541(1)(a), F.S.

### **Conclusion**

Based on the foregoing, staff recommends the Commission should propose the amendment of Rules 25-6.034 and 25-6.0345, F.A.C., as set forth in Attachment A. The Commission should

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<sup>6</sup> Section 120.695(2)(c)3., F.S.

Date: February 20, 2025

also certify that each rule is not a rule the violation of which would be a minor violation pursuant to Section 120.695, F.S.

**Issue 2:** Should this docket be closed?

**Recommendation:** Yes. If no requests for hearing or JAPC comments are filed, and no proposal for a lower cost regulatory alternative is submitted, the rules may be filed with the Department of State for adoption, and the docket should be closed. (Rubottom)

**Staff Analysis:** If no requests for hearing or JAPC comments are filed, and no proposal for a lower cost regulatory alternative is submitted pursuant to Section 120.541(1)(a), F.S., the rules may be filed with the Department of State for adoption, and the docket should be closed.

**25-6.034 Standard of Construction.**

(1) The facilities of each utility shall be constructed, installed, maintained and operated in accordance with generally accepted engineering practices to assure, as far as is reasonably possible, continuity of service and uniformity in the quality of service furnished.

(2) For new construction, ~~e~~Each utility shall, at a minimum, comply with the National Electrical Safety Code (NESC) [~~ANSI C-2~~] [~~NESC~~], incorporated by reference in Rule 25-6.0345, F.A.C.

~~(a) For facilities constructed on or after February 1, 2007, the 2007 NESC shall apply. A copy of the 2007 NESC, ISBN number 0-7381-4893-8, may be obtained from the Institute of Electric and Electronic Engineers, Inc. (IEEE), 3 Park Avenue, New York, NY, 10016-5997.~~

~~(b) Facilities constructed prior to February 1, 2007, shall be governed by the edition of the NESC specified by subsections 013.B.1, 013.B.2, and 013.B.3 of the 2007 NESC, incorporated by reference in Rule 25-6.0345, F.A.C.~~

*Rulemaking Authority 350.127(2), 366.05(1) FS. Law Implemented 366.04(2)(c), (f), (5), 366.05(1) FS. History—New 7-29-69, Amended 12-20-82, Formerly 25-6.34, Amended 2-1-07,*

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**25-6.0345 Safety Standards for Construction of New Transmission and Distribution**

**Facilities.**

The safety standards prescribed by the Commission ~~adopts and incorporates by reference the~~  
2023 ~~2017~~ National Electrical Safety Code (NESC) C2-2023 ~~C2-2017~~, is adopted and  
incorporated by reference into this rule as the applicable safety standards for transmission and  
distribution facilities subject to the Commission's ~~safety~~ jurisdiction. Each investor-owned  
electric utility, rural electric cooperative, and municipal electric system shall, at a minimum,  
comply with the standards in these provisions. The 2023 ~~2017~~ National Electrical Safety Code  
(NESC) C2-2023 ~~C2-2017~~ is copyrighted and may be inspected and examined at no cost at the  
Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida  
32399-0850. A copy of the NESC C2-2023 ~~C2-2017~~ may also be obtained from the Institute  
of Electric and Electronic Engineers, Inc. (IEEE), 3 Park Avenue, New York, NY 10016-  
5997.

*Rulemaking Authority 350.127(2), 366.05(1) FS. Law Implemented 366.04(2), (6) FS.*

*History—New 8-13-87, Amended 2-18-90, 11-10-93, 8-17-97, 7-16-02, 2-1-07, 12-16-12, 7-27-  
17,\_\_\_\_\_.*

CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from  
existing law.



State of Florida



## Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

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**DATE:** October 30, 2024

**TO:** Jon Rubottom, Senior Attorney, Office of the General Counsel

**FROM:** Sevini K. Guffey, Public Utility Analyst IV, Division of Economics *SKG*

**RE:** Statement of Estimated Regulatory Costs (SERC) for Recommended Revisions to Rules 25-6.034, Standard of Construction and 25-6.0345, Safety Standards for Construction of New Transmission and Distribution Facilities, Florida Administrative Code (F.A.C.)

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The purpose of this rulemaking initiative is to update Commission Rules 25-6.034, Standard of Construction and 25-6.0345, Safety Standards for Construction of New Transmission and Distribution Facilities, F.A.C. The recommended update is to incorporate by reference the most current version of the National Electric Safety Code (NESC) – 2023 edition. The recommended rule changes would set forth the most current version of the NESC as the governing safety standards for new construction of electrical transmission and distribution systems. As noted in the attached SERC, 57 electric utilities would be affected by the recommended revisions.

The NESC is published by the Institute of Electrical and Electronics Engineers (IEEE) as Standard C2 and is revised every five years to keep it up to date and viable. The NESC standards are applicable to the systems and equipment operated by utilities. The NESC covers basic provisions for safeguarding of persons from hazards arising from the installation, operation, or maintenance of electric supply stations, overhead supply and communications lines, and underground or buried supply and communication cables. It also includes work rules for the operation of electric supply and communication lines and equipment.<sup>1</sup>

The attached SERC addresses the considerations required pursuant to Section 120.541, Florida Statutes (F.S.). No workshop was requested in conjunction with the recommended rule revisions. No regulatory alternatives were submitted pursuant to paragraph 120.541(1)(a), F.S. None of the impact/cost criteria established in paragraph 120.541(2)(a), F.S., will be exceeded as a result of the recommended revisions.

cc: SERC File

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<sup>1</sup> IEEE Standards Association, 2023 NESC brochure: <https://ieeexplore.ieee.org/document/9825487>

FLORIDA PUBLIC SERVICE COMMISSION  
STATEMENT OF ESTIMATED REGULATORY COSTS  
**Rule 25-6.034, F.A.C., Standard of Construction**

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E., below, for definition of small business.)

Yes ☐

No ☒

If the answer to Question 1 is "yes", see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes ☐

No ☒

If the answer to either question above is "yes", a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth Yes ☐ No ☒

Private-sector job creation or employment Yes ☐ No ☒

Private-sector investment Yes ☐ No ☒

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes ☐ No ☒

Productivity Yes ☐ No ☒

Innovation Yes ☐ No ☒

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes ☐

No ☒

Economic Analysis: A summary of the key rule changes is included in the attached memorandum to counsel. Specific elements of the associated economic analysis are identified below in Sections B through F of this SERC.

The purpose of the recommended revision to Rule 25-6.034, F.A.C., pertaining to standards of construction is to clarify that for new construction, each utility, at a minimum shall comply with the National Electrical Safety Code (NESC), which is incorporated by reference in Rule 25-6.0345, F.A.C.

As discussed in Section D., below, the amendment to Commission rule being recommended at this time are not anticipated to result in significant additional transactional costs. Therefore, none of the rule impact/cost criteria established in paragraph 120.541(2)(a), F.S., will be exceeded as a result of the recommended rule revisions.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Potentially affected entities include 57 electric utilities. Utilities which come under the jurisdiction of the Commission in the future also would be required to comply.

(2) A general description of the types of individuals likely to be affected by the rule.

Florida's 57 electric utilities are comprised of 4 investor-owned utilities, 35 municipally-owned electric utilities, and 18 rural electric cooperatives. Florida's 4 investor-owned electric utilities serve approximately 8.6 million customers.

[Sources: (1) Master Commission Directory, PSC - October 2024; (2) Facts and Figures of the Florida Utility Industry, PSC - April 2024]

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the Commission to implement and enforce the rule.

☒ None. To be done with the current workload and existing staff.

☐ Minimal. Provide a brief explanation.

☐ Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

☒ None. The rule will only affect the Commission.

☐ Minimal. Provide a brief explanation.

☐ Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

☒ None.

☐ Minimal. Provide a brief explanation.

☐ Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used, procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring or reporting, and any other costs necessary to comply with the rule. [120.541(2)(d), F.S.]

☐ None. The rule will only affect the Commission.

☐ Minimal. Provide a brief explanation.

☒ Other. Provide an explanation for estimate and methodology used.

The NESC covers basic provisions for safeguarding of persons from hazards arising from the installation, operation, or maintenance of electric supply stations, overhead supply and communications lines, and underground or buried supply and communication cables. It also includes work rules for the operation of electric supply and communication lines and equipment.

The NESC is a consensus standard that has been prepared by the National Electrical Safety Code Committee under procedures approved by the American National Standards Institute (ANSI). The membership of the NESC Committee is composed of national organizations and is certified by ANSI as having an

appropriate balance of the interests of members of the public, utility workers, regulatory agencies, and the various types of public and private utilities.

Therefore, to the extent that any additional transactional costs potentially may result from updates reflected in the NESC C2-2023 edition, such costs would be associated with the ANSI-approved recommendations of the NESC Committee and would not result directly from staff's recommended rule modifications. Affected entities should benefit from safer installations due to the revised NESC standards.

E. An analysis of the impact on small businesses, and small counties and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

☒ No adverse impact on small business. [See clarification below]

☐ Minimal. Provide a brief explanation.

☐ Other. Provide an explanation for estimate and methodology used.

Based on a review of investor-owned electric utility annual reports, staff believes that none of the four Florida investor-owned electric utilities would be likely to meet the definition of "small business" as defined in Section 288.703, F.S. The numbers of rural electric cooperatives and independent wholesale power generation and distribution companies, if any, that potentially might meet the definition of "small business" as defined in Section 288.703, F.S., are difficult to estimate. Additional transactional costs, if any, which potentially might result from the recommended rule changes, are discussed in Section D above

(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

☒ No impact on small cities or small counties.

☐ Minimal. Provide a brief explanation.

☐ Other. Provide an explanation for estimate and methodology used.

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F. Any additional information that the Commission determines may be useful.  
[120.541(2)(f), F.S.]

☒ None.

Additional Information:

G. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(g), F.S.]

☒ No regulatory alternatives were submitted.

☐ A regulatory alternative was received from

☐ Adopted in its entirety.

☐ Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

FLORIDA PUBLIC SERVICE COMMISSION  
STATEMENT OF ESTIMATED REGULATORY COSTS  
**Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission  
and Distribution Facilities**

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E., below, for definition of small business.)

Yes ☐

No ☒

If the answer to Question 1 is "yes", see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes ☐

No ☒

If the answer to either question above is "yes", a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth Yes ☐ No ☒

Private-sector job creation or employment Yes ☐ No ☒

Private-sector investment Yes ☐ No ☒

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes ☐ No ☒

Productivity Yes ☐ No ☒

Innovation Yes ☐ No ☒

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes ☐

No ☒

Economic Analysis: A summary of the key rule changes is included in the attached memorandum to counsel. Specific elements of the associated economic analysis are identified below in Sections B through F of this SERC.

The purpose of the recommended revision to Rule 25-6.0345, F.A.C., pertaining to safety standards for construction of electric utility facilities is to update the rule with the most recent National Electric Safety Code (NESC), C2-2023 edition (supersedes C2-2017), which is incorporated by reference into Rule 25-6.0345, F.A.C. The NESC is published by the Institute of Electrical and Electronics Engineers (IEEE) as Standard C2 and is revised every five years to keep it up to date and viable. The Commission amends rule 25-6.0345, F.A.C., each time IEEE publishes a new version of the NESC. This rule change would set forth the most current version of the NESC as the governing safety standards for new construction of electrical transmission and distribution systems.

As discussed in Section D., below, the amendment to Commission rule being recommended at this time are not anticipated to result in significant additional transactional costs. Therefore, none of the rule impact/cost criteria established in paragraph 120.541(2)(a), F.S., will be exceeded as a result of the recommended rule revisions.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Potentially affected entities include 57 electric utilities. Utilities which come under the jurisdiction of the Commission in the future also would be required to comply.

(2) A general description of the types of individuals likely to be affected by the rule.

Florida's 57 electric utilities are comprised of 4 investor-owned utilities, 35 municipally-owned electric utilities, and 18 rural electric cooperatives. Florida's 4 investor-owned electric utilities serve approximately 8.6 million customers.

[Sources: (1) Master Commission Directory, PSC - October 2024; (2) Facts and Figures of the Florida Utility Industry, PSC - April 2024]



C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the Commission to implement and enforce the rule.

- ☒ None. To be done with the current workload and existing staff.
- ☐ Minimal. Provide a brief explanation.
- ☐ Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- ☒ None. The rule will only affect the Commission.
- ☐ Minimal. Provide a brief explanation.
- ☐ Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- ☒ None.
- ☐ Minimal. Provide a brief explanation.
- ☐ Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used, procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring or reporting, and any other costs necessary to comply with the rule. [120.541(2)(d), F.S.]

- ☐ None. The rule will only affect the Commission.
- ☐ Minimal. Provide a brief explanation.
- ☒ Other. Provide an explanation for estimate and methodology used.

The NESC covers basic provisions for safeguarding of persons from hazards arising from the installation, operation, or maintenance of electric supply stations,

overhead supply and communications lines, and underground or buried supply and communication cables. It also includes work rules for the operation of electric supply and communication lines and equipment.

The NESC is a consensus standard that has been prepared by the National Electrical Safety Code Committee under procedures approved by the American National Standards Institute (ANSI). The membership of the NESC Committee is composed of national organizations and is certified by ANSI as having an appropriate balance of the interests of members of the public, utility workers, regulatory agencies, and the various types of public and private utilities.

Therefore, to the extent that any additional transactional costs potentially may result from updates reflected in the NESC C2-2023 edition, such costs would be associated with the ANSI-approved recommendations of the NESC Committee and would not result directly from staff's recommended rule modifications. Affected entities should benefit from safer installations due to the revised NESC standards.

E. An analysis of the impact on small businesses, and small counties and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

☒ No adverse impact on small business. [See clarification below]

☐ Minimal. Provide a brief explanation.

☐ Other. Provide an explanation for estimate and methodology used.

Based on a review of investor-owned electric utility annual reports, staff believes that none of the four Florida investor-owned electric utilities would be likely to meet the definition of "small business" as defined in Section 288.703, F.S. The numbers of rural electric cooperatives and independent wholesale power generation and distribution companies, if any, that potentially might meet the definition of "small business" as defined in Section 288.703, F.S., are difficult to estimate. Additional transactional costs, if any, which potentially might result from the recommended rule changes, are discussed in Section D above

(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

- ☒ No impact on small cities or small counties.
- ☐ Minimal. Provide a brief explanation.
- ☐ Other. Provide an explanation for estimate and methodology used.

F. Any additional information that the Commission determines may be useful. [120.541(2)(f), F.S.]

- ☒ None.

Additional Information:

G. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(g), F.S.]

- ☒ No regulatory alternatives were submitted.
- ☐ A regulatory alternative was received from
  - ☐ Adopted in its entirety.
  - ☐ Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.