

DATE 8/3/92

TO Appeals

The attached is sent to you for:

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Remarks: 08519-92

Division of Records & Reporting T/B

PSC/R&R (6/92)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL
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In re: Proposed Rule 25-9.053,
F.A.C., Filing and Evaluation
of Submittals

Docket No. 920227-EU

FLORIDA MUNICIPAL ELECTRIC ASSOCIATION'S
COMMENTS TO PROPOSED FINAL VERSION OF RULE 25-9.053
AND REQUEST FOR HEARING

These comments are filed on behalf of the Florida Municipal Electric Association (FMEA), an association representing Florida's municipally-owned electric systems. FMEA opposes the adoption of the proposed rule as unnecessary. Although FMEA is not opposed to the staff's utilization of data from comparably situated utilities when evaluating a municipal utility's proposed rate structure, FMEA believes that such a comparison should not be mandatory, the data pool should not be limited to investor-owned utilities, projected data should be allowed when actual data is not available, and there is no need to adopt by rule what the staff can utilize in arriving at their evaluation and recommendation.

ACK ✓
AFA _____
APP LW/10/ FMEA believes that comparison data should not be limited to
CAF _____ data from investor-owned utilities. The Commission should, where
CMU _____ available, use data from other municipal utilities to evaluate a
CTR _____
EAC 6 similarly situated municipal utility's rate structure. Indeed, a
LEG _____ comparison between municipal utilities is more illustrative than a
LIN 6 comparison between a municipal utility and an investor-owned
OPC _____
RCH 2 utility.

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08519 AUG-3 1992

FPSC-RECORDS/REPORTING

SEC _____
NAS _____
OTH Chris Don

FMEA also requests that the Commission permit the submittal of projected data in lieu of actual data. Rates are developed to be prospective and to reflect future costs, not past costs. While past cost data may be used to project future costs, the projected costs are the basis of future rates. Therefore, FMEA requests that projected cost data be permitted in lieu of actual cost data. In any event, these proposed changes should not be interpreted as requiring the submittal of a cost of service study.

In accordance with the above stated concerns, FMEA respectfully requests that if any rule is adopted that section (2) of Proposed Rule 25-9.053 be amended as follows:


(2) The utility may submit actual or projected cost and operating data to support its proposed change in rate structure. If the utility does not submit actual or projected cost and operating data, the Commission ~~shall~~ may evaluate the proposed change in rate structure on the basis of cost and operating data from one or more comparably situated ~~public~~ electric utilities ~~which the Commission determines to be~~ most similar to the filing utility. Data from the comparable utilities may be considered in conjunction with all submitted information which is specific to the filing utility. The utility shall be notified by the Commission of the cost and operating data to be utilized in the evaluation, if any. The utility shall have an opportunity to object to or comment upon the cost and operating data chosen by the Commission.

WHEREFORE, FMEA respectfully requests that the Commission not adopt, or in the alternative, revise Proposed Rule 25-6.0115 as it applies to municipalities in accordance with the above stated language. In addition, FMEA requests a hearing on the proposed rule.

RESPECTFULLY SUBMITTED this 3rd day of August, 1992.

FLORIDA MUNICIPAL ELECTRIC
ASSOCIATION


FREDERICK M. BRYANT, ESQUIRE


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and 15 copies of FLORIDA MUNICIPAL ELECTRIC ASSOCIATION'S COMMENTS TO PROPOSED FINAL VERSION OF RULE 25-9.053 AND REQUEST FOR HEARING have been filed with Mr. Steve Tribble, Director, Records and Reporting, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32301; with a copy hand delivered to Michael A. Palecki and Mary Anne Birchfield, Staff Counsel, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32301, this 3rd day of August, 1992.


FREDERICK M. BRYANT