

ORIGINAL

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CERTIFICATION OF  
PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES  
FILED WITH THE  
DEPARTMENT OF STATE

I do hereby certify:

(1) That all statutory rulemaking requirements of Chapter 120, F.S., have been complied with; and

(2) There is no administrative determination under subsection 120.56(2), F.S., pending on any rule covered by this certification; and

(3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(3)(e), F.S. They are filed not less than 28 days after the notice required by paragraph 120.54(3)(a), F.S., and;

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

(b) Are filed not more than 90 days after the notice not including days an administrative determination was pending; 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

ADM  
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not less than 14 nor more than 45 days after the adjournment of the final public hearing on the rule; or

$\sphericalangle$ / (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

$\sphericalangle$ / (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

$\sphericalangle$ / (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

$\sphericalangle$ / (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

$\sphericalangle$ / (i) Are filed more than 90 days after the notice, but within 21 days after a regulatory alternative is offered by the small business ombudsman.

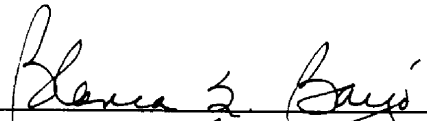
Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the undersigned agency by and upon their filing with the Department of State.

Rule No.

25-6.035

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

Effective: \_\_\_\_\_  
(month) (day) (year)

  
\_\_\_\_\_  
BLANCA S. BAYÓ, Director  
Division of Records & Reporting

\_\_\_\_\_  
Number of Pages Certified

( S E A L )

RCB

1 | 25-6.035 Adequacy of Resources.

2 | (1) Each electric utility shall maintain sufficient generating  
3 | capacity, supplemented by regularly available generating and non-  
4 | generating resources, in order to meet all reasonable demands for  
5 | service and provide a reasonable reserve for emergencies. Each  
6 | electric utility shall also coordinate the sharing of energy  
7 | reserves with other electric utilities in Peninsular Florida. To  
8 | achieve an equitable sharing of energy reserves, Peninsular Florida  
9 | utilities shall be required to maintain, at a minimum, a 15%  
10 | planned reserve margin. The planned and operating reserve margin  
11 | standards established herein are intended to maintain an equitable  
12 | sharing of energy reserves, not to set a prudent level of reserves  
13 | for long-term planning or reliability purposes. The planned  
14 | reserve margin for each utility shall be calculated as follows:

15 |  $RM = [(C - L)/L]*100$  where;

16 | "RM" - Is defined as the utility's percent planned reserve  
17 | margin;

18 | "C" - Is defined as the aggregate sum of the rated dependable  
19 | peak-hour capabilities of the resources that are expected to be  
20 | available at the time of the utility's annual peak; and

21 | "L" - Is defined as the expected firm peak load of the system  
22 | for which reserves are required.

23 | The following shall be utilized as the operating reserve standard  
24 | for Peninsular Florida's utilities: operating reserves shall be  
25 | maintained by the combined Peninsular Florida system at a value

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1 equal to or greater than the loss of generation that would result  
2 from the most severe single generating unit contingency. The  
3 operating reserves shall be allocated among the utilities in  
4 proportion to each control area's peak hour net energy for load  
5 ~~utility's maximum demand~~ for the preceding year, and the summer  
6 gross Florida Southeastern Electric Reliability Coordinating  
7 Council (FRCC SERC) capability of its largest unit or ownership  
8 share of a joint unit, whichever is greater. Fifty percent shall  
9 be allocated on the basis of peak hour net energy for load demand  
10 and fifty percent on the basis of the summer gross FRCC SERC  
11 capability of the largest unit. Operating reserves shall be fully  
12 available within fifteen ~~ten~~ minutes. At least 25% of the  
13 operating reserves shall be in the form of spinning reserves which  
14 are automatically responsive to a frequency deviation from normal.

15 (2) - (5) No Change

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

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

18 History--New 07-29-69, Formerly 25-6.35, Amended 09-05-96.

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**SUMMARY OF RULE**

The amendment states that the purpose of the rule is to maintain equitable sharing of energy reserves, not to set a prudent level of reserves for long range planning or reliability purposes. The phrase "most severe single contingency" is amended to read "most severe single generating unit contingency". References to Southeastern Reliability Council (SERC) are updated to Florida Reliability Coordinating Council (FRCC). The phrase "utility's maximum demand" and word "demand" are replaced by "control area's peak hour net energy for load" and "peak hour net energy for load", respectively. The time in which operating reserves are required to be fully available is changed from "ten" to "fifteen" minutes.

**SUMMARY OF HEARINGS ON THE RULE**

No hearing was requested and none was held.

**FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE**

It was necessary to clarify the intent of the rule to provide for equitable sharing of energy reserves rather than to set a prudent level of reserves for planning or reliability purposes because the purpose of the rule had been misunderstood in the past by some utilities.

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