

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

UNDOCKETED

IN RE: PROPOSED AMENDMENT OF RULE 25-6.0435, F.A.C.,
INTERIM RATE RELIEF

NOTICE OF PROPOSED RULE DEVELOPMENT

TO

ALL INTERESTED PERSONS

ISSUED: October 9, 2003

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission staff has initiated the development of Rule 25-25-6.0435, Florida Administrative Code, to amend provisions relating to interim rate relief.

The attached Notice of Proposed Rule Development will appear in the October 17, 2003, edition of the Florida Administrative Weekly. If timely requested and not deemed unnecessary by the Commission, a rule development workshop will be noticed in the next available Florida Administrative Weekly.

The request must be submitted in writing to Christiana T. Moore, Office of the General Counsel, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850.

Any person requiring some accommodation at this workshop 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 using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

DOCUMENT NUMBER-DATE

09811 OCT-93

FPSC-COMMISSION CLERK

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
PAGE 2

By Direction of the Florida Public Service Commission, this
9th day of October, 2003.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records and Hearing
Services

(S E A L)

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NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
PAGE 3

NOTICE OF PROPOSED RULE DEVELOPMENT
FLORIDA PUBLIC SERVICE COMMISSION
UNDOCKETED

RULE TITLE: Interim Rate Relief RULE NO.: 25-6.0435

PURPOSE AND EFFECT: To revise the rule to reflect changes concurrently being made to Rule 25-6.043, Investor-Owned Electric Utility Minimum Filing Requirements; Commission Designee; to clarify a provision, and to eliminate an unnecessary provision.

SUBJECT AREA TO BE ADDRESSED: Unnecessary provisions of Rule 25-6.0435.

SPECIFIC AUTHORITY: 366.05(1), 366.071, F.S.

LAW IMPLEMENTED: 366.04(2)(f), 366.06, 366.071, F.S.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT AVAILABLE FLORIDA ADMINISTRATIVE WEEKLY.

THE WORKSHOP REQUEST MUST BE SUBMITTED IN WRITING TO CHRISTIANA T. MOORE, OFFICE OF THE GENERAL COUNSEL, 2540 SHUMARD OAK BOULEVARD, TALLAHASSEE, FL 32399-0850.

Any person requiring some accommodation at this workshop because of a physical impairment should call the Division of the Commission Clerk and Administrative Services at (850) 413-6770 at

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
PAGE 4

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).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT IS: John Slemkewicz, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, 850-413-6420.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

25-6.0435 Interim Rate Relief.

(1) Each electric utility petitioning for interim rate relief pursuant to s. 366.071, F.S., shall file the data required ~~by in Schedules 2 through 14, 17, and 23, in Rule 25-6.043(1)(a). In addition, a schedule shall be submitted calculating the interim relief in accordance with s. 366.07, F.S., and allocation factors by functional group approved in the company's last rate case.~~

(2)~~(a)~~ The requested interim increase in base rate revenues shall be divided by interim test year base rate revenues to derive a percentage increase factor. The percentage increase factor shall be applied uniformly to all existing base rates and charges to derive the interim base rates and charges. Interim rates shall apply across the board based on base rate revenues for the test

~~period less embedded fuel revenue by rate schedule. The resulting dollar amount shall be divided by base rate revenues per rate schedule to determine the percent increase applied to each rate schedule.~~

~~(b) In determining the interim increase, the following data shall be provided: KWH sales; base rate revenue less base fuel revenue; base fuel revenues; total base rate revenue; fuel adjustment revenue; total revenue. The interim increase shall be shown by dollar amount and percentage by rate schedule in the following manner:~~

~~I. Requested Interim Amount Across the board
base rate revenue less = percentage constant
base fuel revenue~~

~~II. Percentage X base rate revenue less = Dollar
increase
Constant base fuel revenue to rate schedule~~

~~III. Dollar Increase = Percent increase applied
total base rate revenue to rate schedule~~

(3) Interim rate relief collected is subject to refund pending final order in the permanent rate relief request. Such increase shall be subject to a corporate undertaking or under bond as

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
PAGE 6

authorized by the Commission and any refund shall be made with an interest factor determined by using the 30-day commercial paper rate for highgrade, unsecured notes, sold through dealers by major corporations in multiples of \$1,000 as regularly published in the Wall Street Journal. The annual rate as published on the first day of the current business month would be added to the rate as published on the first day of the subsequent business month and halved to obtain the simple average rate to be applied in that month. This rate of interest would be applied to the refund amount for that month. The amount of interest calculated would be added to the beginning balance of the following month so as to accomplish the compounding of the interest feature of the refund provision.

Specific Authority: 366.05(1), 366.071, F.S.

Law Implemented: 366.04(2)(f), 366.06, 366.071, F.S.

History: New 5/27/81, formerly 25-6.435, Amended.