



-M-E-M-O-R-A-N-D-U-M- COMMISSION
CLERK

DATE: FEBRUARY 5, 2004

TO: DIRECTOR, DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES (BAYÓ)

FROM: OFFICE OF THE GENERAL COUNSEL (STERN) MKS DES
DIVISION OF ECONOMIC REGULATION (DRAPER/HEWITT) EID CBA TGS

RE: DOCKET NO. 040011-EI - PROPOSED AMENDMENT OF RULE 25-
6.018, F.A.C., RECORDS OF INTERRUPTIONS AND COMMISSION
NOTIFICATION OF THREATS TO BULK POWER SUPPLY INTEGRITY OF
MAJOR INTERRUPTIONS OF SERVICE.

AGENDA: 02/17/04 - REGULAR AGENDA - INTERESTED PERSONS MAY
PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\GCL\WP\040011.RCM

CASE BACKGROUND

ISSUE 1: Should the Commission propose amendments to Rule 25-
6.018, Florida Administrative Code, Records of Interruptions and
Commission Notification of Threats to Bulk Power Supply Integrity
or Major Interruptions of Service?

RECOMMENDATION: Yes, the Commission should propose the amendments
as shown in the attachment to this recommendation.

STAFF ANALYSIS: 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.

Staff proposes 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.

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. 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.

Utilities and the Commission have historically considered customer-specific information to be proprietary confidential business information. 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. Elimination of the requirement to include customer specific information will save time for the utilities by eliminating the need to file requests for confidential classification, and for staff by eliminating the need to evaluate and respond to those requests.

STATUTORY AUTHORITY: Section 366.05(1), Florida Statutes, grants the Commission rulemaking authority to implement and enforce the provisions of Chapter 366, Florida Statutes. The laws being implemented are 366.03, 366.04(2)(c), (f) and (5), and 366.055.

STATEMENT OF ESTIMATED REGULATORY COSTS (SERC): This rule should result in a net decrease in costs to the IOU's, and there should be no negative effects on small businesses, small cities or small counties. Therefore, a SERC will not be prepared at this time.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if no comments or requests for hearing are filed, the rule as proposed should be filed for adoption with the Secretary of State and the docket should be closed.

STAFF ANALYSIS: Unless comments or requests for hearing are filed, the rule as proposed may be filed for adoption with the Secretary of State without further action by the Commission. The docket may then be closed.

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3 25-6.018 Records of Interruptions and Commission Notification of
4 Threats to Bulk Power Supply Integrity or Major Interruptions of
5 Service.

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

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

13 (a) any action to maintain bulk power supply integrity by:
14 1. requests to the public to reduce the consumption of
15 electricity for emergency firm customer load reduction purposes.
16 2. reducing voltage which affects firm customer load.
17 3. reducing firm customer loads by manual switching,
18 operation of automatic load-shedding devices, or any other means
19 except under direct load management programs as approved by the
20 Commission.

21 (b) any loss in service for 15 minutes or more of bulk
22 electric power supply to aggregate firm customer loads exceeding
23 200 megawatts.

24 (c) any bulk power supply malfunction or accident which
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~~through~~ type are deletions from existing law.

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3 constitutes an unusual threat to bulk power supply integrity. The
4 utility shall file a complete report with the Commission of steps
5 taken to resume normal operation or restore service and prevent
6 recurrence, where applicable, within 30 days of return to normal
7 operation unless impracticable, in which event the Commission may
8 authorize an extension of time.

9 (3) Each utility with interruptible or curtailable rate
10 schedules shall provide a report to the Commission of customer
11 interruptions and curtailments for each applicable rate schedule,
12 ~~for those months when interruptions occur.~~ The report shall ~~should~~
13 ~~include the names of the customers interrupted, or curtailed,~~ the
14 reason for interruption or curtailment, the date, time, and
15 duration of the interruption or curtailment, and amount of load
16 shed. For utilities with optional billing provisions which provide
17 for the utility to purchase power from another utility and supply
18 it directly to the interrupted or curtailed customer, the utility
19 ~~shall provide a report to the Commission~~ shall include indicating
20 ~~the name of the customer,~~ the source, date, time, and amount of
21 purchase in megawatt hours, and cost per megawatt hour for those
22 months when purchases are made under the optional billing
23 provision. Beginning on July 1, 2004, the report shall be filed
24 quarterly and no later than 30 days after the end of the reported
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3 quarter. If there were no interruptions, curtailments, or optional
4 billing events in the quarter, the report shall so state. Reports
5 of customer interruptions or curtailments are not required when
6 done under direct load management programs as approved by the
7 Commission.

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

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

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