

DOCKET NO. 070672-EI

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CERTIFICATION OF
PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES

COMMISSION
CLERK

FILED WITH THE
DEPARTMENT OF STATE

I do hereby certify:

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

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

/x/ (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;

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

// (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

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// (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

// (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

// (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

// (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.

25-22.081

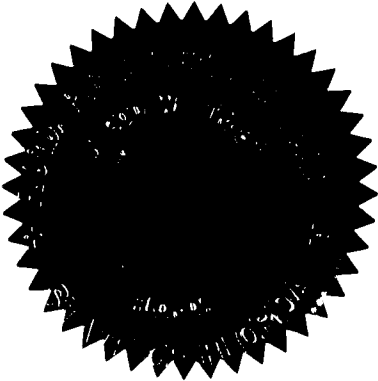
Under the provision of subparagraph 120.54(3)(e)6., F.S., the rules take effect 20 days from the date filed with the Department of State or a later date as set out below:

Effective: _____
(month) (day) (year)

Ann Cole

ANN COLE
Commission Clerk

Number of Pages Certified



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1 25-22.081 Contents of Petition.

2 (1) Petition for Fossil, Integrated Gasification Combined Cycle, or Nuclear Fuel
3 Electric Plants. Petitions submitted to commence a proceeding to determine the need for a
4 proposed fossil, integrated gasification combined cycle, or nuclear fuel electrical power plant
5 or responses to the Commission's order commencing such a proceeding shall comply with the
6 other requirements of Chapter 25-22, F.A.C., as to form and style except that a utility may, at
7 its option, submit its petition in the same format and style as its application for site
8 certification pursuant to Sections 403.501 through 403.517, F.S., so long as the informational
9 requirements of this rule and Chapter 25-22, F.A.C., are satisfied. ~~The petition, to allow the~~
10 Commission to take into account the need for electric system reliability and integrity, the need
11 for adequate reasonable cost electricity, the need for fuel diversity and supply reliability, ~~and~~
12 the need to determine whether the proposed plant is the most cost effective alternative
13 available, and the need to determine whether renewable energy sources and technologies, as
14 well as conservation measures, are utilized to the extent reasonably available, the petition shall
15 contain the following information:

16 (a) A general description of the utility or utilities primarily affected, including the load
17 and electrical characteristics, generating capability, and interconnections.

18 (b) A general description of the proposed electrical power plant, including the size,
19 number of units, fuel type and supply modes, the approximate costs, and projected in-service
20 date or dates.

21 (c) A statement of the specific conditions, contingencies or other factors which indicate
22 a need for the proposed electrical power plant including the general time within which the
23 generating units will be needed. Documentation shall include historical and forecasted
24 summer and winter peaks, number of customers, net energy for load, and load factors with a
25 discussion of the more critical operating conditions. Load forecasts shall identify the model or

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1 models on which they were based and shall include sufficient detail to permit analysis of the
2 model or models. If a determination is sought on some basis in addition to or in lieu of
3 capacity needs, such as fuel diversity, then detailed analysis and supporting documentation of
4 the projected costs and benefits is required. Where a determination is sought for a nuclear or
5 integrated gasification combined cycle power plant, the nonbinding estimate provided for in
6 paragraph (2)(b) below shall be considered to be sufficient for purposes of this paragraph.

7 (d) A summary discussion of the major available generating alternatives which were
8 examined and evaluated in arriving at the decision to pursue the proposed generating unit. The
9 discussion shall include a general description of the generating unit alternatives, including
10 purchases where appropriate; and an evaluation of each alternative in terms of economics,
11 reliability, long-term flexibility and usefulness and any other relevant factors such as fuel
12 diversity and fuel supply reliability. These major generating technologies generally available
13 and potentially appropriate for the timing of the proposed plant and other conditions specific
14 to it shall be discussed. In addition, each investor-owned utility shall include a detailed
15 description of the selection process used and a detailed description of the generating unit
16 alternatives proposed by each finalist, if any, selected to participate in subsequent contract
17 negotiations pursuant to Rule 25-22.082, F.A.C. No provision of Rule 25-22.082, F.A.C., shall
18 be applicable to a nuclear or integrated gasification combined cycle power plant sited after
19 June 19, 2006.

20 (e) A discussion of viable nongenerating alternatives including an evaluation of the
21 nature and extent of reductions in the growth rates of peak demand, KWH consumption and
22 oil consumption resulting from the goals and programs adopted pursuant to the Florida Energy
23 Efficiency and Conservation Act both historically and prospectively and the effects on the
24 timing and size of the proposed plant.

25 (f) An evaluation of the adverse consequences which will result if the proposed

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1 electrical power plant is not added in the approximate size sought or in the approximate time
2 sought.

3 (g) If the generation addition is the result of a purchased power agreement between an
4 investor-owned utility and a nonutility generator, the petition shall include a discussion of the
5 potential for increases or decreases in the utility's cost of capital, the effect of the seller's
6 financing arrangements on the utility's system reliability, any competitive advantage the
7 financing arrangements may give the seller and the seller's fuel supply adequacy.

8 (2) In addition to complying with paragraphs (1)(a) through (g) above, a nuclear or
9 integrated gasification combined cycle power plant petition shall contain the following
10 information:

11 (a) The description required by Section 403.519(4)(a)2., F.S., including a discussion
12 about how the proposed nuclear or integrated gasification combined cycle power plant will
13 enhance the electric supply reliability by reducing the exposure to fossil fuel supply
14 disruptions;

15 (b) A description of and a nonbinding estimate of the cost of the proposed nuclear or
16 integrated gasification combined cycle power plant, including associated transmission
17 facilities;

18 (c) The annualized base revenue requirement for the first 12 months of operation of the
19 proposed nuclear or integrated gasification combined cycle power plant, based on the
20 nonbinding estimate of the cost provided pursuant to paragraph (2)(b) above; and

21 (d) A summary of any discussions with other electric utilities regarding ownership of a
22 portion of the plant by such electric utilities.

23 Specific Authority 350.127(2), 366.05(1) FS.

24 Law Implemented 403.519 FS.

25 History—New 12-22-81, Formerly 25-2.133, 25-22.81, Amended 1-10-94, 2-20-07.

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SUMMARY OF RULE

The rule is amended to include IGCC power plants, and to specify that a petition for determination of need must include information to allow the Commission to consider the electric utility's use of conservation measures and renewable energy sources and technologies in the determining need for new generation capacity.

SUMMARY OF HEARINGS ON THE RULE

No hearing was requested and none was held.

FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE

In 2007, the Florida legislature amended Section 366.93, FS, to make IGCC power plants eligible for cost recovery under the same conditions as nuclear power plants. The Statute directs the PSC to establish, by rule, alternative cost recovery mechanisms for the recovery of costs incurred in the siting, design, licensing, and construction of an IGCC power plant.

The Florida legislature amended Section 403.519, Florida Statutes, to require the PSC to consider whether renewable energy sources and technologies, as well as conservation measures, are utilized to the extent reasonably available when making its determination of need for a proposed power plant. The PSC's existing Rule 25-22.081, F.A.C., contains a description of what the PSC shall take into account when it reviews applications for determination of need. Therefore, the existing rule must be amended to include the new requirements the legislature has dictated. The PSC's existing Rule 25-22.081, F.A.C., also contains a description of what applications for fossil and nuclear power plants must contain. Therefore, the rule must be amended to include applications for IGCC power plants so that applicants for such plants will be aware of what their petition should contain.