

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of rulemaking to adopt Rule 25-6.0424, F.A.C., Petition for Mid-Course Correction. | DOCKET NO. 100084-EI  
ORDER NO. PSC-10-0332-NOR-EI  
ISSUED: May 25, 2010

The following Commissioners participated in the disposition of this matter:

NANCY ARGENZIANO, Chairman  
LISA POLAK EDGAR  
NATHAN A. SKOP  
DAVID E. KLEMENT  
BEN A. "STEVE" STEVENS III

NOTICE OF RULEMAKING


BY THE COMMISSION:

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has initiated rulemaking to adopt Rule 25-6.0424, Florida Administrative Code, Petition for Mid-Course Correction.

The attached Notice of Proposed Rule will appear in the May 28, 2010, edition of the Florida Administrative Weekly.

If timely requested, a hearing will be held at a time and place to be announced in a future notice. Written requests for hearing and written comments or suggestions on the rule must be received by the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, no later than June 18, 2010.

By ORDER of the Florida Public Service Commission this 25th day of May, 2010.

  
\_\_\_\_\_  
ANN COLE  
Commission Clerk

(SEAL)

KC

DOCUMENT NUMBER-DATE

04394 MAY 25 0

FPSC-COMMISSIONS CLERK

Notice of Proposed Rule

**PUBLIC SERVICE COMMISSION**

RULE NO: RULE TITLE

25-6.0424: Petition for Mid-Course Correction

PURPOSE AND EFFECT: Rule 25-6.0424, Petition for Mid-Course Correction, is adopted in order to comply with the specific language of Sec. 366.06(1), F.S., which requires that all applications for changes in rates shall be made to the Commission in writing under prescribed rules and regulations. Docket No. 100084-EI

SUMMARY: Rule 25-6.0424 is adopted to codify the procedure for filing a petition for mid-course correction related to the fuel and purchased power cost recovery clauses.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS: The agency has determined that this rule will not have an impact on small businesses. A SERC has been prepared by the agency.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 350.127(2), 366.06(1), FS

LAW IMPLEMENTED: 366.041, 366.05(1), 366.06(1), 366.076, FS

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Kathryn G. W. Cowdery, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6216, [kcowdery@psc.state.fl.us](mailto:kcowdery@psc.state.fl.us)

THE FULL TEXT OF THE PROPOSED RULE IS:

25-6.0424 Petition for Mid-Course Correction

(1) To request a mid-course correction to the fuel cost recovery or capacity cost recovery factors, a utility shall file a petition for mid-course correction which shall contain the following information:

(a) The estimated percentage of year-end over-recovery or under-recovery calculated using the estimated End-of-Period Total Net True-up divided by the current period's total actual and estimated Jurisdictional Fuel Revenue Applicable to Period. The estimated End-of-Period Total Net True-up consists of the difference between estimated and actual prior-period net true-ups, plus the estimated current-period monthly over/under-recoveries, plus the estimated current-period interest. The total actual and estimated Jurisdictional Fuel Revenue Applicable to Period consists of the best estimate of reprojected revenues for the period using the current cost

recovery factor. The appropriate method to determine the over-recovery or under-recovery percentage for capacity costs is to make a similar percent calculation using up-to-date capacity cost recovery revenue and true-up amounts.

(b) The appropriate schedules from Form PSC/ECR 009-E (xx/xx) reflecting the estimated End-of-Period Total Net True-up based upon current cost recovery factors and revised fuel expenses. For a fuel mid-course correction, schedules E1 through E10 shall be filed. For a capacity mid-course correction, schedules E12-A through E12-E shall be filed. Form PSC/ECR 009-E (xx/xx), incorporated by reference in this rule and entitled "Mid-Course Correction Schedules," may be obtained from the Commission's Division of Economic Regulation.

(2) In the event that the absolute value of the over-recovery or under-recovery either for fuel cost recovery or capacity cost recovery is 10 percent or greater, the utility shall promptly notify the Commission by letter delivered to the Director of the Division of Economic Regulation. The notification of a 10 percent or greater estimated over-recovery or under-recovery shall include a petition for mid-course correction to the fuel cost recovery or capacity cost recovery factors, or shall include an explanation of why a mid-course correction is not practical. This section in no way precludes a utility from requesting a mid-course correction prior to reaching the 10 percent threshold requiring Commission notification.

(3) When filing a petition for mid-course correction to the fuel cost recovery or capacity cost recovery factors, a utility shall file 10 copies of the petition with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and an electronic copy with the Director of the Division of Economic Regulation at ECR@psc.state.fl.us. The Director of the Division of Economic Regulation shall be the designee of the Commission for purposes of determining whether the utility has met the minimum filing requirements imposed by this rule. Rulemaking Authority 350.127(2), 366.06(1)FS. Law Implemented 366.041, 366.05(1), 366.06(1), 366.076. History—New xx/xx.

NAME OF PERSON ORIGINATING PROPOSED RULE: Kathryn G. W. Cowdery, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6216, kcowdery@psc.state.fl.us

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: May 18, 2010

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Volume 35, Number 50, December 18, 2009