BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Notice of Development of rulemaking

TO

ALL INTERESTED PERSONS

UNDOCKETED

IN RE: PROPOSED AMENDMENT of rule 25-6.0143, F.A.C., and PROPOSED adoption of RULE 25-7.0143, F.A.C

ISSUED: June 10, 2020

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission staff has initiated rulemaking to amend Rules 25-6.0143, Florida Administrative Code, Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4, to add clarity and specificity to rule language and requirements and to create Rule 25-7.0143, Florida Administrative Code, Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4, to provide an industry-specific standard for the application in the natural gas industry.

The attached Notice of Development of Rulemaking and Notice of Workshop appeared in the June 10, 2020 edition of the Florida Administrative Register. A staff rule development workshop will be held at the following time and place:

June 29, 2020, 1:00 pm

Call-in Number: 1-888-585-9008

Conference Code: 416-925-719

The draft rules and the agenda for the workshop are attached. One or more Commissioners may be in attendance and participate in the workshop. Because the Commission is operating under a state of emergency due to COVID-19, all public participation in the workshop must be by telephone. To participate in the workshop by telephone, persons may call the call-in number listed above and, when prompted, enter in the above conference code. The workshop will be available to view via livestream on the Commission’s website at <http://www.floridapsc.com/Conferences/AudioVideoEventCoverage>. The person to be contacted regarding the rule development is Adria Harper at [aharper@psc.state.fl.us](mailto:aharper@psc.state.fl.us).

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this workshop should contact the Office of Commission Clerk no later than five days prior to the workshop at 2540 Shumard Oak Boulevard., Tallahassee, Florida 32399-0850 or 850-413-6770 (Florida Relay Service, 1-800-955-8770 Voice or 1-800-955-8771 TDD). Assisted Listening Devices are available upon request from the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

If a named storm or other disaster requires cancellation of the workshop, Commission staff will attempt to give timely notice to the public. Notice of cancellation will also be provided on the Commission’s website (http://www.psc.state.fl.us/) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at 850-413-6199.

By DIRECTION of the Florida Public Service Commission this 10th day of June, 2020.

|  |  |
| --- | --- |
|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMAN  Commission Clerk |

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413-6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

AEH

Notice of Meeting/Workshop Hearing

[**PUBLIC SERVICE COMMISSION**](https://www.flrules.org/gateway/department.asp?id=25)

RULE NO.: RULE TITLE:

25-6.0143 Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4

The FLORIDA PUBLIC SERVICE COMMISSION announces a workshop to which all persons are invited.

DATE AND TIME: June 29, 2020, 1:00 p.m.

PLACE: Because the Commission is operating under a state of emergency due to COVID-19, all public participation in the workshop must be by telephone. To participate in the workshop by telephone, persons may call: 1(888)585-9008 and, when prompted, enter in the following Conference Code: 416-925-719. The workshop will be available to view via livestream on the Commission’s website at <http://www.floridapsc.com/Conferences/AudioVideoEventCoverage>. One or more Commissioners may be in attendance and participate in this workshop.

GENERAL SUBJECT MATTER TO BE CONSIDERED: To obtain comments on potential amendments to Rule 25-6.0143.

Undocketed.

The contact person for this rule development workshop is: Adria E. Harper at [aharper@psc.state.fl.us](mailto:aharper@psc.state.fl.us). A copy of the agenda and materials for the workshop will be posted on the Commission’s website, [www.floridapsc.com](http://www.floridapsc.com), under the Rule Development tab by June12, 2020.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this workshop should contact the Office of Commission Clerk no later than five days prior to the workshop at 2540 Shumard Oak Boulevard., Tallahassee, Florida 32399-0850 or (850)413-6770 (Florida Relay Service, 1(800)955-8770 Voice or 1(800)955-8771 TDD). Assisted Listening Devices are available upon request from the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

Notice of Development of Rulemaking

[**PUBLIC SERVICE COMMISSION**](https://www.flrules.org/gateway/department.asp?id=25)

RULE NO: RULE TITLE

25-7.0143 Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4

PURPOSE AND EFFECT: To create a rule for the accounting of gas utilities costs that result from storm-related damage.

Undocketed

SUBJECT AREA TO BE ADDRESSED: Accounting of gas utility costs that result from storm-related damage.

RULEMAKING AUTHORITY: 366.05, FS.

LAW IMPLEMENTED: 350.115, 366.04(2)(a), FS.

A RULE DEVELOPMENT WORKSHOP WILL BE HELD AT THE DATE, TIME, AND PLACE SHOWN BELOW:

DATE AND TIME: June 29, 2020, 1:00 p.m.

PLACE: Because the Commission is operating under a state of emergency due to COVID-19, all public participation in the workshop must be by telephone. To participate in the workshop by telephone, persons may call: 1(888)585-9008 and, when prompted, enter in the following Conference Code: 416-925-719. The workshop will be available to view via livestream on the Commission’s website at

<http://www.floridapsc.com/Conferences/AudioVideoEventCoverage>. One or more Commissioners may be in attendance and participate in this workshop.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this workshop should contact the Office of Commission Clerk no later than five days prior to the workshop at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850 or (850)413-6770 (Florida Relay Service, 1(800)955-8770 Voice or 1(800)955-8771 TDD). Assisted Listening Devices are available upon request from the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Adria Harper at aharper@psc.state.fl.us. A copy of the agenda and materials for the workshop will be posted on the Commission’s website, [www.floridapsc.com](http://www.floridapsc.com), under the Rule Development tab by June 12, 2020.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS AVAILABLE AT NO CHARGE FROM THE CONTACT PERSONS LISTED ABOVE.

**25-6.0143 Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4.**

(1) Account No. 228.1 Accumulated Provision for Property Insurance.

(a) This account may be established to provide for losses through accident, fire, flood, storms, nuclear accidents and similar type hazards to the utility’s own property or property leased from others, which is not covered by insurance. This account would also include provisions for the deductible amounts contained in property loss insurance policies held by the utility as well as retrospective premium assessments stemming from nuclear accidents under various insurance programs covering nuclear generating plants. A schedule of risks covered shall be maintained, giving a description of the property involved, the character of risks covered and the accrual rates used.

(b) Except as provided in paragraphs (1)(f), (1)(g) and (1)(h) charges to this account shall be made for all occurrences in accordance with the schedule of risks to be covered which are not covered by insurance. Recoveries, insurance proceeds or reimbursements for losses charged to this account shall be credited to the account.

(c) A separate subaccount shall be established for that portion of Account No. 228.1 which is designated to cover storm-related damages to the utility’s own property or property leased from others that is not covered by insurance. The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each storm event included in this account.

(d) In determining the costs to be charged to cover storm-related damages, the utility shall use an Incremental Cost and Capitalization Approach methodology (ICCA). Under the ICCA methodology, the costs charged to cover storm-related damages shall exclude those costs that normally would be charged to non-cost recovery clause operating expenses in the absence of a storm. Under the ICCA methodology for determining the allowable costs to be charged to cover storm-related damages, the utility will be allowed to charge to Account No. 228.1 costs that are incremental to costs normally charged to non-cost recovery clause operating expenses in the absence of a storm. All costs charged to Account 228.1 are subject to review for prudence and reasonableness by the Commission. In addition, capital expenditures for the removal, retirement and replacement of damaged facilities charged to cover storm-related damages shall exclude the normal cost for the removal, retirement and replacement of those facilities in the absence of a storm. The utility shall notify the Director of the Commission Clerk in writing for each incident expected to exceed 1.5 percent of jurisdictional revenues for the most recent calendar year ~~$10 million~~.

(e) The types of storm related costs allowed to be charged to the reserve under the ICCA methodology include~~, but are not limited to,~~ the following:

1. Additional contract labor hired for storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of contract labor costs charged to operation and maintenance expense for the same month in the three previous calendar years;

2. Logistics costs of providing meals, lodging, and linens for tents and other staging areas incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of logistics costs charged to operation and maintenance expense for the same month in the three previous calendar years;

3. Transportation of crews for storm restoration incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of transportation costs charged to operation and maintenance expense for the same month in the previous three calendar years;

4. Vehicle costs for vehicles specifically rented for storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of vehicle costs charged to operation and maintenance expense for the same month in the previous three calendar years;

5. Waste management costs specifically related to storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of waste management costs charged to operation and maintenance expense for the same month in the previous three calendar years;

6. Rental equipment specifically related to storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of rental equipment costs charged to operation and maintenance expense for the same month in the previous three calendar years;

7. Materials and supplies used to repair and restore service and facilities to pre-storm condition, such as poles, transformers, meters, light fixtures, wire, and other electrical equipment, excluding those costs that normally would be charged to non-cost recovery clause operating expenses in the absence of a storm;

8. Overtime payroll and payroll-related costs for utility personnel included in storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of overtime payroll and payrol-related costs charged to operation and maintenance expense for the same month in the previous three calendar years;

9. Fuel cost for company and contractor vehicles used in storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of fuel costs charged to operation and maintenance expense for the same month in the previous three calendar years; and

10. Cost of public service announcements regarding key storm-related issues, such as safety and service restoration estimates.

(f) The types of storm related costs prohibited from being charged to the reserve under the ICCA methodology include~~, but are not limited to,~~ the following:

1. Base rate recoverable regular payroll and regular payroll-related costs for utility managerial and non-managerial personnel;

2. Bonuses or any other special compensation for utility personnel not eligible for overtime pay;

3. Base rate recoverable depreciation expenses, insurance costs and lease expenses for utility-owned or utility-leased vehicles and aircraft;

4. Utility employee assistance costs;

5. Utility employee training costs incurred prior to 72 hours before the storm event;

6. Utility advertising, media relations or public relations costs, except for public service announcements regarding key storm-related issues as listed above in subparagraph (1)(e)10.;

7. Utility call center and customer service costs, except for non-budgeted overtime or other non-budgeted incremental costs associated with the storm event;

8. Tree trimming expenses, incurred in any month in which storm damage restoration activities are conducted, that are less than the actual monthly average of tree trimming costs charged to operation and maintenance expense for the same month in the three previous calendar years;

9. Utility lost revenues from services not provided; and

10. Replenishment of the utility’s materials and supplies inventories.

(g) Under the ICCA methodology for determining the allowable costs to be charged to cover storm-related damages, certain costs may be charged to Account 228.1 only after review and approval by the Commission. Prior to the Commission’s determination of the appropriateness of including such costs in Account No. 228.1, the costs may be deferred in Account No. 186, Miscellaneous Deferred Debits. The deferred costs must be incurred prior to June 1 of the year following the storm event. By September 30 a utility shall file a petition for the disposition of any costs deferred prior to June 1 of the year following the storm event giving rise to the deferred costs. These costs include~~, but are not limited to,~~ the following:

1. Costs of normal non-storm related activities which must be performed by employees or contractors not assigned to storm damage restoration activities (“back-fill work”) or normal non-storm related activities which must be performed following the restoration of service after a storm by an employee or contractor assigned to storm damage restoration activities in addition to the employee’s or contractor’s regular activities (“catch-up work”); and

2. Uncollectible accounts expenses.

(h) A utility may, at its own option, charge storm-related costs as operating expenses rather than charging them to Account No. 228.1. The utility shall notify the Director of the Commission Clerk in writing and provide a schedule of the amounts charged to operating expenses for each incident exceeding 0.5 percent of jurisdictional revenues for the most recent calendar year ~~$5 million~~. The schedule shall be filed annually by February 15 of each year for information pertaining to the previous calendar year.

(i) If the charges to Account No. 228.1 exceed the account balance, the excess shall be carried as a debit balance in Account No. 228.1 and no request for a deferral of the excess or for the establishment of a regulatory asset is necessary.

(j) A utility may petition the Commission for the recovery of a debit balance in Account No. 228.1 plus an amount to replenish the storm reserve through a surcharge, securitization or other cost recovery mechanism.

(k) A utility shall not establish or change an annual accrual amount or a target accumulated balance amount for Account No. 228.1 without prior Commission approval.

(l) Each utility shall file a Storm Damage Self-Insurance Reserve Study (Study) with the Commission Clerk by January 15, 2011 and at least once every 5 years thereafter from the submission date of the previously filed study. A Study shall be filed whenever the utility is seeking a change to either the target accumulated balance or the annual accrual amount for Account No. 228.1. At a minimum, the Study shall include data for determining a target balance for, and the annual accrual amount to, Account No. 228.1.

(m) Each utility shall file a report with the Director of the Commission Clerk providing information concerning its efforts to obtain commercial insurance for its transmission and distribution facilities and any other programs or proposals that were considered. The report shall also include a summary of the amounts recorded in Account 228.1. The report shall be filed annually by February 15 of each year for information pertaining to the previous calendar year.

(2) Account No. 228.2 Accumulated Provision for Injuries and Damages.

(a) This account may be established to meet the probable liability, not covered by insurance, for deaths or injuries to employees or others and for damages to property neither owned nor held under lease by the utility. When liability for any injury or damage is admitted or settled by the utility either voluntarily or because of the decision of a Court or other lawful authority, such as a workman’s compensation board, the admitted liability or the amount of the settlement shall be charged to this account.

(b) Charges to this account shall be made for all losses covered. Detailed supporting records of charges made to this account shall be maintained in such a way that the year the event occurred which gave rise to the loss can be associated with the settlement. Recoveries or reimbursements for losses charged to the account shall be credited to the account.

(3) Account No. 228.4 Accumulated Miscellaneous Operating Provisions.

(a) This account may be established for operating provisions which are not covered elsewhere. This account shall be maintained in such a manner as to show the amount of each separate provision established by the utility and the nature and amounts of the debits and credits thereto. Each separate provision shall be identified as to purpose and the specific events to be charged to the account to ensure that all such events and only those events are charged to the provision accounts.

(b) Charges to this account shall be made for all costs or losses covered. Recoveries or reimbursements for amounts charged to this account shall be credited hereto.

(4)(a) The provision level and annual accrual rate for each account listed in subsections (1) through (3) shall be evaluated at the time of a rate proceeding and adjusted as necessary. However, a utility may petition the Commission for a change in the provision level and accrual outside a rate proceeding.

(b) If a utility elects to use any of the above listed accumulated provision accounts, each and every loss or cost which is covered by the account shall be charged to that account and shall not be charged directly to expenses except as provided for in paragraphs (1)(f), (1)(g) and (1)(h). Charges shall be made to accumulated provision accounts regardless of the balance in those accounts.

(c) No utility shall fund any account listed in subsections (1) through (3) unless the Commission approves such funding. Existing funded provisions which have not been approved by the Commission shall be credited by the amount of the funded balance with a corresponding debit to the appropriate current asset account, resulting in an unfunded provision.

*Rulemaking Authority 366.05(1) FS. Law Implemented 350.115, 366.04(2)(a) FS. History–New 3-17-88, Amended 6-11-07,\_\_\_\_\_\_\_\_\_\_\_.*

**25-7.0143 Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4.**

(1) Account No. 228.1 Accumulated Provision for Property Insurance.

(a) This account may be established to provide for losses through accident, fire, flood, storms, nuclear accidents and similar type hazards to the utility’s own property or property leased from others, which is not covered by insurance. This account would also include provisions for the deductible amounts contained in property loss insurance policies held by the utility as well as retrospective premium assessments stemming from nuclear accidents under various insurance programs covering nuclear generating plants. A schedule of risks covered shall be maintained, giving a description of the property involved, the character of risks covered and the accrual rates used.

(b) Except as provided in paragraphs (1)(f), (1)(g) and (1)(h) charges to this account shall be made for all occurrences in accordance with the schedule of risks to be covered which are not covered by insurance. Recoveries, insurance proceeds or reimbursements for losses charged to this account shall be credited to the account.

(c) A separate subaccount shall be established for that portion of Account No. 228.1 which is designated to cover storm-related damages to the utility’s own property or property leased from others that is not covered by insurance. The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each storm event included in this account.

(d) In determining the costs to be charged to cover storm-related damages, the utility shall use an Incremental Cost and Capitalization Approach methodology (ICCA). Under the ICCA methodology, the costs charged to cover storm-related damages shall exclude those costs that normally would be charged to non-cost recovery clause operating expenses in the absence of a storm. Under the ICCA methodology for determining the allowable costs to be charged to cover storm-related damages, the utility will be allowed to charge to Account No. 228.1 costs that are incremental to costs normally charged to non-cost recovery clause operating expenses in the absence of a storm. All costs charged to Account 228.1 are subject to review for prudence and reasonableness by the Commission. In addition, capital expenditures for the removal, retirement and replacement of damaged facilities charged to cover storm-related damages shall exclude the normal cost for the removal, retirement and replacement of those facilities in the absence of a storm. The utility shall notify the Director of the Commission Clerk in writing for each incident expected to exceed 1.5 percent of jurisdictional revenues for the most recent calendar year.

(e) The types of storm related costs allowed to be charged to the reserve under the ICCA methodology include the following:

1. Additional contract labor hired for storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of contract labor costs charged to operation and maintenance expense for the same month in the three previous calendar years;

2. Logistics costs of providing meals, lodging, and linens for tents and other staging areas incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of logistics costs charged to operation and maintenance expense for the same month in the three previous calendar years;

3. Transportation of crews for storm restoration incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of transportation costs charged to operation and maintenance expense for the same month in the three previous calendar years;

4. Vehicle costs for vehicles specifically rented for storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of vehicle costs charged to operation and maintenance expense for the same month in the three previous calendar years;

5. Waste management costs specifically related to storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of waste management costs charged to operation and maintenance expense for the same month in the three previous calendar years;

6. Rental equipment specifically related to storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of equipment rental costs charged to operation and maintenance expense for the same month in the three previous calendar years;

7. Materials and supplies used to repair and restore service and facilities to pre-storm condition, excluding those costs that normally would be charged to non-cost recovery clause operating expenses in the absence of a storm;

8. Overtime payroll and payroll-related costs for utility personnel included in storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of overtime payroll and payroll-related costs charged to operation and maintenance expense for the same month in the three previous calendar years;

9. Fuel cost for company and contractor vehicles used in storm restoration activities incurred in any month in which storm damage restoration activities are conducted, that are greater than the actual monthly average of fuel costs charged to operation and maintenance expense for the same month in the three previous calendar years; and

10. Cost of public service announcements regarding key storm-related issues, such as safety and service restoration estimates.

(f) The types of storm related costs prohibited from being charged to the reserve under the ICCA methodology include the following:

1. Base rate recoverable regular payroll and regular payroll-related costs for utility managerial and non-managerial personnel;

2. Bonuses or any other special compensation for utility personnel not eligible for overtime pay;

3. Base rate recoverable depreciation expenses, insurance costs and lease expenses for utility-owned or utility-leased vehicles and aircraft;

4. Utility employee assistance costs;

5. Utility employee training costs incurred prior to 72 hours before the storm event;

6. Utility advertising, media relations or public relations costs, except for public service announcements regarding key storm-related issues as listed above in subparagraph (1)(e)10.;

7. Utility call center and customer service costs, except for non-budgeted overtime or other non-budgeted incremental costs associated with the storm event;

8. Utility lost revenues from services not provided; and

9. Replenishment of the utility’s materials and supplies inventories.

(g) Under the ICCA methodology for determining the allowable costs to be charged to cover storm-related damages, certain costs may be charged to Account 228.1 only after review and approval by the Commission. Prior to the Commission’s determination of the appropriateness of including such costs in Account No. 228.1, the costs may be deferred in Account No. 186, Miscellaneous Deferred Debits. The deferred costs must be incurred prior to June 1 of the year following the storm event. By September 30 a utility shall file a petition for the disposition of any costs deferred prior to June 1 of the year following the storm event giving rise to the deferred costs. These costs include the following:

1. Costs of normal non-storm related activities which must be performed by employees or contractors not assigned to storm damage restoration activities (“back-fill work”) or normal non-storm related activities which must be performed following the restoration of service after a storm by an employee or contractor assigned to storm damage restoration activities in addition to the employee’s or contractor’s regular activities (“catch-up work”); and

2. Uncollectible accounts expenses.

(h) A utility may, at its own option, charge storm-related costs as operating expenses rather than charging them to Account No. 228.1. The utility shall notify the Director of the Commission Clerk in writing and provide a schedule of the amounts charged to operating expenses for each incident exceeding 0.5 percent of jurisdictional revenues for the most recent calendar year. The schedule shall be filed annually by February 15 of each year for information pertaining to the previous calendar year.

(i) If the charges to Account No. 228.1 exceed the account balance, the excess shall be carried as a debit balance in Account No. 228.1 and no request for a deferral of the excess or for the establishment of a regulatory asset is necessary.

(j) A utility may petition the Commission for the recovery of a debit balance in Account No. 228.1 plus an amount to replenish the storm reserve through a surcharge, securitization or other cost recovery mechanism.

(k) A utility shall not establish or change an annual accrual amount or a target accumulated balance amount for Account No. 228.1 without prior Commission approval.

(l) Each utility shall file a Storm Damage Self-Insurance Reserve Study (Study) with the Commission Clerk by January 15, 2021 and at least once every 5 years thereafter from the submission date of the previously filed study. A Study shall be filed whenever the utility is seeking a change to either the target accumulated balance or the annual accrual amount for Account No. 228.1. At a minimum, the Study shall include data for determining a target balance for, and the annual accrual amount to, Account No. 228.1.

(2) Account No. 228.2 Accumulated Provision for Injuries and Damages.

(a) This account may be established to meet the probable liability, not covered by insurance, for deaths or injuries to employees or others and for damages to property neither owned nor held under lease by the utility. When liability for any injury or damage is admitted or settled by the utility either voluntarily or because of the decision of a Court or other lawful authority, such as a workman’s compensation board, the admitted liability or the amount of the settlement shall be charged to this account.

(b) Charges to this account shall be made for all losses covered. Detailed supporting records of charges made to this account shall be maintained in such a way that the year the event occurred which gave rise to the loss can be associated with the settlement. Recoveries or reimbursements for losses charged to the account shall be credited to the account.

(3) Account No. 228.4 Accumulated Miscellaneous Operating Provisions.

(a) This account may be established for operating provisions which are not covered elsewhere. This account shall be maintained in such a manner as to show the amount of each separate provision established by the utility and the nature and amounts of the debits and credits thereto. Each separate provision shall be identified as to purpose and the specific events to be charged to the account to ensure that all such events and only those events are charged to the provision accounts.

(b) Charges to this account shall be made for all costs or losses covered. Recoveries or reimbursements for amounts charged to this account shall be credited hereto.

(4)(a) The provision level and annual accrual rate for each account listed in subsections (1) through (3) shall be evaluated at the time of a rate proceeding and adjusted as necessary. However, a utility may petition the Commission for a change in the provision level and accrual outside a rate proceeding.

(b) If a utility elects to use any of the above listed accumulated provision accounts, each and every loss or cost which is covered by the account shall be charged to that account and shall not be charged directly to expenses except as provided for in paragraphs (1)(f), (1)(g) and (1)(h). Charges shall be made to accumulated provision accounts regardless of the balance in those accounts.

(c) No utility shall fund any account listed in subsections (1) through (3) unless the Commission approves such funding. Existing funded provisions which have not been approved by the Commission shall be credited by the amount of the funded balance with a corresponding debit to the appropriate current asset account, resulting in an unfunded provision.

*Rulemaking Authority 366.05(1) FS. Law Implemented 350.115, 366.04(2)(a) FS. History - New\_\_\_\_\_\_.*

FLORIDA PUBLIC SERVICE COMMISSION

AGENDA

STAFF WORKSHOP

IN RE: PROPOSED AMENDMENT of rule 25-6.0143, F.A.C. and PROPOSED adoption of RULE 25-7.0143, F.A.C

June 29, 2020, 1:00 pm

Call-in Number: 1-888-585-9008

Conference Code: 416-925-719

1. Welcome – Staff.
2. Staff overview and stakeholder comments on draft Rule 25-6.0143, Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4.
3. Staff overview and stakeholder comments on draft Rule 25-7.0143, Use of Accumulated Provision Accounts 228.1, 228.2, and 228.4.
4. Discussion of Next Steps.
5. Adjourn.