

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Florida Power &)	DOCKET NO. 900872-EI
Light Company for Waiver of Rule 25-)	
6.0437, F.A.C. Requirements for)	ORDER NO. 23882
Sampling the General Service Non-)	
Demand (GS) Rate Class)	ISSUED: 12-14-90

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 FRANK S. MESSERSMITH

NOTICE OF PROPOSED AGENCY ACTIONORDER GRANTING APPLICATION FOR WAIVER OF SAMPLING REQUIREMENTS

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Rule 25-6.0437, Florida Administrative Code, was instituted to ensure a minimum level of precision or reliability of estimates of rate classes' peak hour demands used for cost of service studies. The four major investor-owned electric utilities are required by this rule to file revised sampling plans for load studies no less than every two years after the utility's initial sampling plan is approved. This rule requires the sampling plan to be designed to provide estimates for each sampled rate class of the summer and winter peak hour demands and the average of the 12 monthly coincident peak hour demands, within plus or minus 10 per cent at the 90 per cent confidence level. The rule provides that any subject utility may apply to the Commission for a waiver of these requirements for any specific rate class.

DOCUMENT NUMBER-DATE

11038 DEC 14 1990

FPSC-RECORDS/REPORTING

ORDER NO. 23882
DOCKET NO. 900872-EI
PAGE 2

Pursuant to this rule, Florida Power & Light Company ("FPL") filed its third sampling plan on August 31, 1990, and on October 29, 1990 applied for a waiver of the rule regarding its General Service Non-Demand ("GS") rate class. FPL requested that the sample of the GS rate class be designed so as to yield an estimate of the winter peak hour within plus or minus 12 per cent rather than the required 10 per cent, at the 90 per cent confidence level. The utility estimated that increasing the sample size to achieve the required 10 per cent relative precision would necessitate an increase of 207 sample points for the GS class, thereby increasing annual costs associated with the sampling plan by \$148,000. It would also result in the allocation of 55 per cent of the total load research plan sampling points to the GS rate class, which is the smallest rate class.

We find that a waiver of Rule 25-6.0437, Florida Administrative Code, should be granted with respect to a particular season's single peak for a rate class only when that class does not have its class peak in that season, and when we are not currently using, for any utility, a cost of service methodology that allocates production plant on a single peak hour. The first condition reasonably ensures that the estimate of the class peak which is used to develop the allocation factor for distribution plant can be expected to be as precise as specified by the rule. The latter condition ensures that estimates of the demands used to develop allocation factors for production plant can be expected to be as precise as required by the rule. We find that both of these conditions are met at this time with respect to the waiver requested by FPL. Further, we granted similar waivers for FPL in 1986 and 1988, by Orders No. 17183 and 20428.

It is therefore ORDERED by the Florida Public Service Commission that Florida Power & Light Company's application for a waiver of Rule 25-6.0437, Florida Administrative Code, for its 1991 sampling plan is hereby approved. It is further

ORDERED that this Order shall become final unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review. It is further

ORDER NO. 23882
DOCKET NO. 900872-EI
PAGE 3

ORDERED that this docket be closed if no petition for formal proceeding is timely filed.

By ORDER of the Florida Public Service Commission, this 14th
day of DECEMBER, 1990.


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)
900872.mer

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on January 7, 1991.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

ORDER NO. 23882
DOCKET NO. 900872-EI
PAGE 4

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.