

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for waiver of) DOCKET NO. 921248-EI
requirements of Rule 25-6.0437,) ORDER NO. PSC-93-0133-FOF-EI
F.A.C., for sampling the general) ISSUED: 01/25/93
service nondemand rate class, by)
Florida Power and Light Company.)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA JOHNSON
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING RULE WAIVER

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 that cost of service study estimates for peak hour demands had a minimum level of precision or reliability. Pursuant to this rule, once the initial sampling plan has been approved, Florida's four major investor-owned utilities are required to file revised sampling plans at least every two years. The rule requires that the sample for each rate class be designed to provide estimates of the summer and winter peak hour demands, and the average of the 12 monthly coincident peak hour demands, within plus or minus 10 percent at the 90 percent confidence level. The rule provides that a utility may apply for a waiver of these requirements for any specific rate class.

FPL filed its fourth sampling plan on November 23, 1992. On December 10, 1992, FPL filed an application for a waiver for its General Service Non-Demand (GS) rate class. FPL requested that it be allowed to design its sample of the GS rate class so that it would yield a winter peak hour estimate within plus or minus 12 percent, rather than the required 10 percent, at the 90 percent confidence level. The company estimated that if it were to design the sample to achieve the required ten percent relative precision for the winter peak hour, the GS class would require 182 more sample points than would be needed for a design expected to yield the twelve percent relative precision. FPL estimated that the 182 sample points associated with the proposed sampling plan would

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increase its annual costs about \$438,000. The proposed number of sample points for the GS class is 456, which is 74 less than the current number of 530 sample points.

A load research waiver for a rate class should be granted with respect to a particular season's single peak only when the peak hour for that class does not occur in that season. The intent of this condition is to ensure that the class peak estimate, which is used to develop the allocation factor for distribution plant, is precise enough to meet the rule's requirements. In addition, at the time of the waiver application the Commission should not be using a cost of service methodology for any utility that allocates production plant on a single peak hour. The intent of this second condition is to ensure that demand estimates, which are used to develop allocation factors for production plant, can be expected to be as precise as required by the rule. At the time of filing, both of these conditions were met. Accordingly, we approve FPL's request for a waiver for its proposed sampling plan for the general service non-demand class for the winter peak hour.

This docket shall be closed if no protests are timely filed.

It, is therefore,

ORDERED by the Florida Public Service Commission that Florida Power and Light Company's request for a waiver of Rule 25-6.0437, Florida Administrative Code, for its proposed sampling plan for the general service non-demand class for the winter peak hour, is hereby granted. It is further

ORDERED that this Order shall become final and this docket shall be closed 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.

By ORDER of the Florida Public Service Commission this 25th day of January, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

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MAH:bmi

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 February 15, 1993.

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.

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 wastewater 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.