

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed adoption of Rule  
25-30.4705, F.A.C., Calculation  
of Rate Reduction After Rate  
Case Expense is Amortized.

DOCKET NO. 011495-WS  
ORDER NO. PSC-01-2500-NOR-WS  
ISSUED: December 21, 2001

NOTICE OF RULEMAKING

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has initiated rulemaking to adopt Rule 25-30.4705, Florida Administrative Code, relating to calculation of rate reduction after rate case expense is amortized.

The attached Notice of Rulemaking will appear in the December 28, 2001 edition of the Florida Administrative Weekly.

If timely requested, a hearing will be announced in a future notice.

Written requests for hearing and written comments or suggestions on the rule must be received by the Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, no later than January 18, 2002.

By ORDER of the Florida Public Service Commission, this 21st day of December, 2001.

BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records and Hearing  
Services

( S E A L )

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DOCUMENT NUMBER-DATE

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ORDER NO. PSC-01-2500-NOR-WS  
DOCKET NO. 011495-WS  
PAGE 2

NOTICE OF PROPOSED RULEMAKING

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 011495-WS

RULE TITLE:

RULE NO.:

Calculation of Rate Reduction After Rate Case

25-30.4705

Expense is Amortized

PURPOSE AND EFFECT: Codifies the method to be used to remove rate case expense from rates after the four year amortization period has expired as required by Section 367.0816, F.S.

SUMMARY: the adoption of this rule would codify the method to be used by the Commission to remove rate case expense from rates after the four year amortization period has expired.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No statement of estimated regulatory cost was prepared.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to 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), 367.121, FS

LAW IMPLEMENTED: 367.0816, 367.121, FS

ORDER NO. PSC-01-2500-NOR-WS  
DOCKET NO. 011495-WS  
PAGE 3

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

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

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:  
Director of Appeals, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862, (850) 413-6245.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-30.4705 Calculation of Rate Reduction After Rate Case Expense is Amortized

To calculate the rate reduction to be made four years after a rate case as required by section 367.0816, F.S., the following methodology shall be used. The annual amount of rate case expense, which is equal to one-fourth of the total allowed rate case expense, shall be divided by the regulatory assessment fee gross up factor. The resulting number shall then be divided by the revenue requirement to determine the percentage of the rate reduction. The percentage is then multiplied against the new rates to determine the amount of the future rate reduction. Revised tariff sheets

ORDER NO. PSC-01-2500-NOR-WS  
DOCKET NO. 011495-WS  
PAGE 4

implementing the reduction shall be filed no later than one month  
before the end of the fourth year.

Specific Authority: 350.127(2), 367.121, FS.

Law Implemented: 367.0816, 367.121, FS.

History: New / /

NAME OF PERSON ORIGINATING PROPOSED RULE: Marshall Willis

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULE:  
Florida Public Service Commission.

DATE PROPOSED RULE APPROVED: December 17, 2001

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Vol. 27,  
No. 41, October 12, 2001

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.