

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed amendment of
Rule 25-6.0437, F.A.C., Cost of
Service Load Research.

DOCKET NO. 030975-EI
ORDER NO. PSC-03-1260-NOR-EI
ISSUED: November 7, 2003

The following Commissioners participated in the disposition of
this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

NOTICE OF RULEMAKING

NOTICE is hereby given that the Florida Public Service
Commission, pursuant to Section 120.54, Florida Statutes, has
initiated rulemaking to amend Rule 25-6.0437, Florida
Administrative Code, relating to cost of service load research.

The attached Notice of Rulemaking will appear in the November
14, 2003 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 Director, Division
of the Commission Clerk and Administrative Services, Florida Public
Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-
0862, no later than December 5, 2003.

DOCUMENT NUMBER-DATE

11132 NOV-78

FPSC-COMMISSION CLERK

ORDER NO. PSC-03-1260-NOR-EI
DOCKET NO. 030975-EI
PAGE 2

By ORDER of the Florida Public Service Commission, this 7th
day of November, 2003.

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)

CTM

ORDER NO. PSC-03-1260-NOR-EI
DOCKET NO. 030975-EI
PAGE 3

NOTICE OF PROPOSED RULEMAKING
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 030975-EI

RULE TITLE: COST OF SERVICE LOAD RESEARCH
RULE NO.: 25-6.0437

PURPOSE AND EFFECT: To update the rule to reflect current need for information, to reduce the frequency of filing the load research studies, and eliminate reporting data that are no longer used.

SUMMARY: Requires investor-owned electric utilities subject to this rule to submit a current, revised load research sampling plan at least every three years and perform a complete load research study every three years.

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: 366.05(1), 350.127(2), F.S.

LAW IMPLEMENTED: 350.117, 366.03, 366.04(2)(f), 366.05(1), 366.06(1), 366.82(3)(4), F.S.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF THE COMMISSION CLERK AND

ORDER NO. PSC-03-1260-NOR-EI
DOCKET NO. 030975-EI
PAGE 4

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 THE FAW.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:
Christiana T. Moore, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862, (850) 413-6098.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-6.0437 Cost of Service Load Research.

(1) Applicability. This rule shall apply to all investor-owned electric utilities over which the Commission has jurisdiction and which provide electric service to more than 50,000 retail customers at the end of any calendar year ~~had gross annual retail sales of 500 GWH or more in 1983.~~

(2) Purpose. The primary purpose of this rule is to require that load research that supports cost of service studies used in ratemaking proceedings is of sufficient precision to reasonably assure that tariffs are equitable and reflect the true costs of serving each class of customer. Load research data gathered and submitted in accordance with this rule will also be used by the Commission to allocate costs to the customer classes in cost

recovery clause proceedings, in evaluating proposed and operating conservation programs, for research, and for other purposes consistent with the Commission's responsibilities.

(3) Sampling Plan. Within 90 days of becoming subject to this rule, each utility ~~All utilities subject to this rule shall, within 90 days of the effective date of this rule,~~ shall submit to the Commission a proposed load research sampling plan. The plan shall provide for sampling all rate classes that account for more than 1 percent of a utility's annual retail sales. The plan shall provide that all covered rate classes shall be sampled within two years of the effective date of this rule. The sampling plan shall be designed to provide estimates of ~~the summer and winter peak demand by class~~ and the averages of the 12 monthly coincident peaks for each class within plus or minus 10 percent at the 90 percent confidence level. The sampling plan shall also be designed to provide estimates of the summer and winter peak demands for each rate class within plus or minus 10 percent at the 90 percent confidence level, except for the General Service Non-Demand rate class. The sampling plan shall be designed to provide estimates of the summer and winter peak demands for the General Service Non-Demand rate class within plus or minus 15 percent at the 90 percent

confidence level ~~Any utility subject to this rule may apply to the Commission to waive the requirements hereof for any specific covered rate class.~~

(4) Review of Proposed Plan. Except where a utility has requested a formal ruling by the Commission, within 90 days after submission, the Commission's Division of Economic Regulation ~~Electric and Gas Department~~ shall review each utility's plan to determine whether it satisfies the criteria set forth in Section 3 above and shall notify the utility in writing of its decision accepting or rejecting the proposed sampling plan. If a proposed plan is rejected, the written notice of rejection shall state clearly the reasons for rejecting the proposed plan. If a utility's proposed plan is rejected the utility shall submit a revised sampling plan to the Commission within 60 days after receiving the notice of rejection. Where a utility has requested staff review of its sampling plan and the plan has been rejected the utility may petition the Commission for approval of the plan. If a utility has not submitted a satisfactory sampling plan within 6 months following the submission of the initially proposed plan, the Commission may prescribe by order a sampling plan for the utility.

(5) Use of Approved Sampling Plan. The approved sampling plan shall be used for all load research performed for cost of service studies and other studies submitted to the Commission until a new sampling plan is approved by the Commission.

(6) Revised Sampling Plans. Each utility subject to this rule shall submit a current, revised sampling plan to the Commission no less often than every three ~~two~~ years after the most recent initial sampling plan was required to be submitted ~~is approved~~. Any new or revised plan shall be developed using data from the utility's most current load research to determine the required sampling plan to achieve the precision required in Section 3 of this rule. New or revised plans shall be reviewed by the Commission pursuant to Section 4 of this rule.

(7) Load Research Data to be Reported. Each utility subject to this rule shall perform a complete load research study in accordance with the specifications of this rule ~~by December 31, 1985~~ and no less often than every three years ~~two years thereafter~~. Each utility shall, within 120 days following completion of the study, submit to the Commission the results of each load research study completed after the effective date of this rule. The submission shall include a detailed calculation of the average 12

coincident peak and class load factors for each covered rate class based upon the load research results ~~This submission shall include the hourly load data described in Section (8) for the residential class. The load research results of each study shall be submitted in a form prescribed by the Commission.~~

(8) Hourly Data to be Available Upon Request. Each utility subject to this rule shall make available within 30 ~~90~~ days of a request by the Commission the estimated hourly demands by class for all ~~8760~~ hours in the year derived from this Load Research.

Specific Authority: 366.05(1), F.S., 350.127(2), F.S.

Law Implemented: 350.117, 366.03, 366.04(2)(f), 366.05(1), 366.06(1), 366.82(3)(4), F.S.

History: New 3/11/84, formerly 25-6.437, amended.

NAME OF PERSON ORIGINATING PROPOSED RULE: David Wheeler

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

DATE PROPOSED RULE APPROVED: November 3, 2003

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW:

Volume 29, Number 27, July 3, 2003

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if

ORDER NO. PSC-03-1260-NOR-EI
DOCKET NO. 030975-EI
PAGE 9

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.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of the Commission Clerk and Administrative Services at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).