

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to initiate rulemaking to revise and amend portions of Rule 25-6.0426, F.A.C., Recovery of Economic Development Expenses, by Florida Power & Light Company, Gulf Power Company, and Tampa Electric Company.

DOCKET NO. 20180143-EI  
ORDER NO. PSC-2019-0314-FOF-EI  
ISSUED: July 30, 2019

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman  
JULIE I. BROWN  
DONALD J. POLMANN  
GARY F. CLARK  
ANDREW GILES FAY

NOTICE OF ADOPTION

BY THE COMMISSION:

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has adopted without changes Rule 25-6.0426, Florida Administrative Code.

The rule was filed with the Department of State on July 30, 2019, and will be effective on August 19, 2019. A copy of the rule as filed with the Department is attached to this Notice.

This docket is closed upon issuance of this Notice.

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By ORDER of the Florida Public Service Commission this 30th day of July, 2019.



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ADAM J. TEITZMAN  
Commission Clerk  
Florida Public Service Commission  
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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**25-6.0426 Recovery of Economic Development Expenses.**

(1) Pursuant to Section 288.035, F.S., the Commission shall allow a public utility to recover reasonable economic development expenses subject to the limitations contained in subsections (3) and (4), provided that such expenses are prudently incurred and are consistent with the criteria established in subsection (7).

(2) Definitions.

(a) "Economic Development" means those activities designed to improve the quality of life for all Floridians by building an economy characterized by higher personal income, better employment opportunities, and improved business access to domestic and international markets.

(b) "Economic development organization" means a state, local, or regional public or private entity within Florida that engages in economic development activities, such as city and county economic development organizations, chambers of commerce, Enterprise Florida, the Florida Economic Development Council, and World Trade Councils.

(c) "Trade show" means an exhibition at which companies, organizations, communities, or states advertise or display their products or services, in which economic development organizations attend or participate to identify potential industrial prospects, to provide information about the locational advantages of Florida and its communities, or to promote the goods and services of Florida companies.

(d) "Prospecting mission" means a series of meetings with potential industrial prospects at their business locations with the objectives of convincing the prospect that Florida is a good place to do business and offers unique opportunities for that particular business, and encouraging the prospect to commit to a visit to Florida if a locational search is pending or in progress.

(e) "Strategic plan" means a long-range guide for the economic development of a community or state that focuses on broad priority issues, is growth-oriented, is concerned with fundamental change, and is designed to develop and capitalize on new opportunities.

(f) "Recruitment" means active efforts to encourage specific companies to expand or begin operations within Florida.

(3) Prior to each utility's next rate change enumerated in subsection (6), the amounts reported for surveillance reports and earnings review calculations shall be limited to the greater of:

(a) The amount and level of sharing approved in each utility's last rate case escalated for customer growth since that time, or

(b) 95 percent of the total economic development expenses incurred for the reporting period so long as the total economic development expenses do such does not exceed the greater lesser of 0.225 0.15 percent of jurisdictional gross annual revenues or \$103 million. The level of sharing for such economic development expenses that exceed \$10 million shall be 93 percent.

(4) At the time of each utility's next rate case and for subsequent rate proceedings enumerated in subsection (6) the Commission will determine the level of sharing of prudent economic development costs and the future treatment of these expenses for surveillance purposes.

(5) Each utility shall report its total economic development expenses as a separate line item on its income statement schedules filed with the earnings surveillance report required by Rule 25-6.1352, F.A.C. Each utility shall make a line item adjustment on its income statement schedule to remove the appropriate percentage of economic development expenses incurred for the reported period consistent with subsections (3) and (4).

(6) Requests for changes relating to recovery of economic development expenses shall be considered only in the context of a full revenue requirements rate case or in a limited scope proceeding for the individual utility.

(7) All financial support for economic development activities given by public utilities to state and local governments and organizations shall be pursuant to a prior written agreement. Recoverable economic development expenses shall be limited to the following:

(a) Expenditures for operational assistance, including:

1. Planning, attending, and participating in trade shows;
2. Planning, conducting, and participating in prospecting missions designed to encourage the location in Florida of domestic and foreign companies;
3. Providing financial support to economic development organizations to assist with their economic development operations;
4. Providing financial support to economic development programs or initiatives identified or developed by Enterprise Florida, Inc.;
5. Participating in joint economic development efforts, including public-private partnerships, consortia, and

multi-county regional initiatives;

6. Participating in downtown revitalization and rural community developmental programs.
7. Supporting state and local efforts to promote small and minority-owned business development efforts; and
8. Supporting state and local efforts to promote business retention and expansion activities.

(b) Expenditures for assisting state and local governments in the design of strategic plans for economic development activities, including:

1. Making financial contributions to state and local governments to assist strategic planning efforts; and
2. Providing technical assistance, data, computer programming, and financial support to state and local governments in the design and maintenance of information systems used in strategic planning activities.

(c) Expenditures of marketing and research services, including;

1. Assisting state and local governments and economic development organizations in marketing specific sites for business and industry development or recruitment;

2. Assisting state and local governments and economic development organizations in responding to inquiries from business and industry concerning the development of specific sites within the utility's service area;

3. Providing technical assistance, data, computer programming, and financial support to state and local governments in the design and maintenance of geographic information systems, computer networks, and other systems used in marketing and research activities;

4. Providing financial support to economic development organizations to assist with their research and marketing activities;

5. Sponsoring publications, conducting direct mail campaigns, and providing advertising support for state and local economic development efforts;

6. Participating in cooperative marketing efforts with economic development organizations;

7. Helping state and local businesses identify suppliers, markets, and sources of financial assistance;

8. Helping economic development organizations identify specific industries and companies for targeting and recruitment;

9. Working with economic development organizations to identify businesses in need of help for expansion, going out of business, or at risk of leaving the area;

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10. Providing site and facility selection assistance, including lists of commercial or industrial sites, computer databases, toll-free telephone numbers, maps, photographs, videos, and other activities in cooperation with economic development organizations; and

11. Supporting state and local efforts to promote exports of goods and services, and other international business activities.

*Rulemaking Authority 288.035(3), 350.127(2) FS. Law Implemented 288.035 FS. History—New 7-17-95, Amended 6-2-98, 9-25-00, \_\_\_\_\_*