

REQUEST TO ESTABLISH DOCKET

Date 11/13/91

- 1. Division Name/Staff Name DIVISION OF APPEALS (RULE) *WR*
- 2. OPR APPEALS (RULE)
- 3. OCR ADMINISTRATION (SEWELL), RESEARCH & REGULATORY REVIEW (TROMBINO)
- 4. Suggested Docket Title Revision of Rule 25-6.0131, F.A.C., Reduction of regulatory assessment fees for investor-owned electric utilities.

5. Suggested Docket Mailing List (attach separate sheet if necessary)

A. Parties (Provide names of regulated companies; provide names and addresses of nonregulated companies; provide names, addresses, and affiliation (i.e., attorney, company liaison officer, or customer) of individuals)

All investor-owned electric utilities.

B. Interested Persons/Companies (Provide names, complete mailing addresses, and affiliation)

C. This is a generic proceeding and the Interested Persons mailing list should be expanded to include the industries checked below:

- Investor-Owned Electrics
- Electric Cooperatives
- Municipal Electrics
- Gas Utilities
- Sewer Utilities

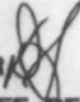
- Water Utilities
- Local Exchange Telephone Cos.
- Interexchange Telephone Cos.
- Coin-Operated Telephone Cos.
- Shared Tenant Telephone Cos.

6. Check One:

- Documentation attached.
- Documentation will be provided with recommendation.

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FLORIDA PUBLIC SERVICE COMMISSION
-M-E-M-O-R-A-N-D-U-M-

DATE: NOVEMBER 8, 1991
TO: MR. ROBERT VANDIVER
FROM: DAVID L. SWAFFORD, EXECUTIVE DIRECTOR 
RE: PROPOSED REGULATORY ASSESSMENT FEE DECREASE FOR INVESTOR-OWNED
ELECTRIC UTILITIES

This is to request that you initiate a rule-making procedure for decreasing the regulatory assessment fee for investor-owned electric utilities from 0.1250% to 0.08330%, effective January 1, 1991.

Attached for your information is a cash analysis which reflects this reduction in the investor-owned electric utilities' regulatory assessment fees.

If you have any questions, please call Evelyn Sewell or James Ward.

JAW:ehs.rafd.cc

Attachment

c: Mr. James A. Ward
Ms. Evelyn H. Sewell

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FLORIDA PUBLIC SERVICE COMMISSION
-M-E-M-O-R-A-N-D-U-M-

DATE: NOVEMBER 8, 1991
TO: MR. DAVID L. SWAFFORD, EXECUTIVE DIRECTOR
FROM: JAMES A. WARD, DIRECTOR OF ADMINISTRATION *J. A. Ward*
RE: PROPOSED REGULATORY ASSESSMENT FEE DECREASE FOR INVESTOR-OWNED ELECTRIC UTILITIES

This is to recommend that the regulatory assessment fee for investor-owned electric utilities be reduced from 0.1250% to 0.08330%, effective January 1, 1991.

The attached cash analysis (Attachment A), using the reduced fee for the investor-owned electric utilities provides a projected cash balance for the Regulatory Trust Fund which is sufficient for the Commission's estimated expenditures and sufficient for the projected regulatory cost of the investor-owned electric utilities.

As the Commission's Management Information System has only one year of data for cost and revenues for the investor-owned, municipal, and district gas utilities, we are not proposing an increase in their regulatory assessment fees at this time. We will be closely monitoring their revenues and costs throughout Fiscal Year 1991-92.

Also, communication utilities were increased to a minimum regulatory assessment fee of \$50 for Fiscal Year 1991-92, with application fees for new certificates. We will be reviewing their cost and revenue projections after the collection in January to evaluate the appropriateness of an increase in communication regulatory assessment fees.

Attachment B provides a comparison of regulatory assessment fees (using current rates) to costs by industry for Fiscal Years 1988-89 through 1992-93 (projected).

If you have any questions, please call Evelyn Sewell or me.

JAW:ehs.rafd.cc
Attachment
c: Ms. Evelyn H. Sewell

FLORIDA PUBLIC SERVICE COMMISSION
 REGULATORY TRUST FUND
 CASH ANALYSIS
 FISCAL YEARS 1991-92 & 1992-93

UPDATED NOVEMBER 7, 1991

BUDFIAWKJ PAGE 1 OF 1

ATTACHMENT A

	1991-92 (CURRENT)			1991-92 (PROPOSED)			1992-93 (PROPOSED)		
	REVENUES	REGULATORY COSTS	OVER (UNDER)	REVENUES	REGULATORY COSTS	OVER (UNDER)	REVENUES	REGULATORY COSTS	OVER (UNDER)
COMMUNICATIONS	\$6,450,765	\$6,643,545	(\$232,780)	\$6,450,765	\$6,643,545	(\$232,780)	\$6,735,102	\$7,240,917	(\$505,815)
WATER AND WASTEWATER	6,660,735	6,040,115	580,620	6,660,735	6,040,115	580,620	7,033,702	6,587,160	446,539
ELECTRIC - INVESTOR OWNED	9,946,002	5,806,400	4,139,542	6,628,016	5,806,400	821,556	6,943,630	6,136,298	807,332
ELECTRIC - MUNICIPALITIES	252,691	373,920	(121,229)	252,691	373,920	(121,229)	264,986	395,161	(130,175)
REGULATORY ASSESSMENT FEE (REA)	105,651	390,458	(284,807)	105,651	390,458	(284,807)	109,744	412,646	(302,902)
GAS:									
INVESTOR OWNED	1,175,412	1,613,666	(438,254)	1,175,412	1,613,666	(438,254)	1,175,412	1,748,237	(572,825)
MUNICIPALITIES & DISTRICTS	195,298	255,418	(60,121)	195,298	255,418	(60,121)	195,298	276,712	(81,415)
TOTAL GAS	1,370,709	1,869,084	(498,375)	1,370,709	1,869,084	(498,375)	1,370,709	2,024,949	(654,240)
							0		
SUBTOTAL	\$24,786,553	\$21,203,582	\$3,582,971	\$21,468,567	\$21,203,582	\$264,985	\$22,457,873	\$22,797,134	(\$339,261)
INVESTMENT INTEREST	600,000		600,000	600,000		600,000	600,000		600,000
MISCELLANEOUS	220,000	10,000	210,000	220,000	10,000	210,000	220,000	10,000	210,000
SUBTOTAL	\$25,606,553	\$21,213,582	\$4,392,971	\$22,288,567	\$21,213,582	\$1,074,985	\$23,277,873	\$22,807,134	\$470,739
BEGINNING CASH BALANCE	(A)		\$8,089,027	(A)		\$8,089,027	(A)		\$9,164,012
ENDING CASH BALANCE	(B)		\$12,481,998	(C)		\$9,164,012	(C)		\$9,634,751

(A) Effective July 1, 1983, the Commission was required to transfer to General Revenue 6% of all revenues collected, with no statutory provisions for increasing the Regulatory Assessment Fee cap to offset the loss. Effective July 1, 1990, the transfer fee increased from 6% to 7.3%.

- REPRESENTS A CHANGE FROM THE CURRENT FISCAL YEAR

(B) - INVESTOR OWNED ELECTRIC IS AT 0.1250% AND
 INVESTOR OWNED GAS AT 0.3750%, GAS MUNI'S/DISTRICTS AT 0.19190%

(C) - INVESTOR OWNED ELECTRIC IS AT 0.08330%

**FLORIDA PUBLIC SERVICE COMMISSION
REGULATORY ASSESSMENT FEE ANALYSIS**

ATTACHMENT B

CURRENT RATES

(F-4) NOVEMBER 7, 1991

MAXIMUM ASSESSMENT RATE	(I)	(II)	ELECTRIC			GAS		(VIII)	(IX)	(X)	(XI)	(XII)
	COMMUNICATIONS	WATER & SEWER	INVESTOR-OWNED	MUNICIPALITIES	REA	INVESTOR-OWNED	MUNICIPALS & DISTRICTS	TOTAL GROSS FEES	TOTAL NET FEES	TOTAL REGULATORY COSTS	TOTAL ASSESSABLE REV.	% INCREASE
1988 (1988-89 Actual)	0.250%	4.50%	0.1250%	0.0156250%	0.0156250%	0.50%	0.250%					
State	350,113	350,113	350,113	350,113	350,113	350,113						
Assessable Revenue	\$3,945,364,000	\$135,825,760	\$7,149,400,800	\$1,458,201,600	\$650,265,600	\$293,814,400					\$13,632,872,180	6%
Statutory Maximum Assessment Rate (#)	0.1250%	2.50%	0.1250%	0.0156250%	0.0156250%	0.1250%						
Assessable Rate	0.1250%	2.50%	0.08330%	0.01560%	0.01560%	0.1250%						
Gross Fee	\$4,931,705	\$3,395,644	\$5,957,834	\$227,844	\$101,604	\$367,268	\$14,981,899		\$14,082,985			
Net Fee (6% Transfer Fee To G.R.)	\$4,635,803	\$3,191,905	\$5,600,364	\$214,173	\$95,508	\$345,232				\$17,370,667		
Regulatory Cost	\$5,828,494	\$5,203,524	\$4,608,906	\$251,506	\$251,506	\$1,226,731						
1989 (1989-90 Actual)												
State	350,113	367,145	366,14(1)	366,14(4)	366,14(4)	366,14(2)						
Assessable Revenue	\$4,130,088,800	\$133,118,760	\$7,680,930,400	\$1,555,347,200	\$705,536,000	\$351,912,800					\$14,556,933,960	7%
Statutory Maximum Assessment Rate (#)	0.1250%	4.50%	0.1250%	0.0156250%	0.0156250%	0.50%						
Assessable Rate	0.1250%	2.50%	0.1250%	0.01560%	0.01560%	0.1250%						
Gross Fee	\$5,162,611	\$3,327,969	\$9,601,163	\$243,023	\$110,240	\$439,891	\$18,884,897		\$17,751,803			
Net Fee (6% Transfer Fee To G.R.)	\$4,852,854	\$3,128,291	\$9,025,093	\$228,442	\$103,626	\$413,498				\$18,317,543		
Regulatory Cost	\$5,264,598	\$4,365,033	\$5,851,587	\$623,512	\$562,287	\$1,650,526						
1990 (1990-91 ACTUAL)												
State	364,336	367,145	366,14(1)	366,14(4)	366,14(4)	366,14(2)	366,14(3)					
Assessable Revenue	\$4,228,120,800	\$150,423,343	\$7,879,932,800	\$1,692,365,385	\$736,141,026	\$316,016,000	\$108,228,244				\$15,111,227,567	4%
Statutory Maximum Assessment Rate (#)	0.250%	4.50%	0.1250%	0.0156250%	0.0156250%	0.50%	0.250%					
Assessable Rate	0.1250%	3.50%	0.1250%	0.01560%	0.01560%	0.3750%	0.19190%					
Gross Fee	\$5,285,151	\$5,264,817	\$9,849,916	\$264,009	\$114,838	\$1,185,060	\$207,690	\$22,171,481		\$20,552,963		
Net Fee (7.3% Transfer Fee To G.R./Sunset)	\$4,899,335	\$4,880,485	\$9,130,872	\$244,736	\$106,455	\$1,098,551	\$192,529				\$18,352,225	
Regulatory Cost	\$6,200,441	\$5,526,008	\$5,236,493	\$337,214	\$352,137	\$1,466,853	\$232,179					
1991 (1991-92 Estimated)												
State	364,336	367,145	366,14(1)	366,14(4)	366,14(4)	366,14(2)	366,14(3)					
Assessable Revenue	\$4,630,169,440	\$150,672,427	\$8,583,388,887	\$1,747,369,822	\$730,566,449	\$338,126,298	\$109,784,566				\$18,308,097,888	8%
Statutory Maximum Assessment Rate (#)	0.250%	4.50%	0.1250%	0.0156250%	0.0156250%	0.50%	0.250%					
Assessable Rate	0.150%	4.50%	0.1250%	0.01560%	0.01560%	0.3750%	0.19190%					
Gross Fee	\$5,958,754	\$7,185,259	\$10,729,236	\$272,590	\$113,971	\$1,267,974	\$210,677	\$26,738,461		\$24,786,553		
Net Fee (7.3% Transfer Fee To G.R.)	\$6,450,765	\$6,660,735	\$9,946,002	\$252,691	\$105,652	\$1,175,412	\$195,297				\$21,203,562	
Regulatory Cost (D)	\$6,683,545	\$6,080,115	\$5,805,460	\$373,920	\$390,458	\$1,613,666	\$255,418					
1992 (1992-93 Projected)												
State	364,336	367,145	366,14(1)	366,14(4)	366,14(4)	366,14(2)	366,14(3)					
Assessable Revenue	\$4,843,654,625	\$168,613,268	\$8,992,114,592	\$1,832,390,365	\$758,887,423	\$342,985,251	\$111,362,195				\$17,050,007,719	5%
Statutory Maximum Assessment Rate (#)	0.250%	4.50%	0.1250%	0.0156250%	0.0156250%	0.50%	0.250%					
Assessable Rate	0.150%	4.50%	0.1250%	0.01560%	0.01560%	0.3750%	0.19190%					
Gross Fee	\$7,265,482	\$7,587,597	\$11,240,143	\$285,853	\$118,386	\$1,286,195	\$213,704	\$27,897,360		\$25,953,553		
Net Fee (7.3% Transfer Fee To G.R.)	\$6,735,102	\$7,033,702	\$10,419,613	\$264,986	\$109,744	\$1,192,302	\$198,104				\$22,787,134	
Regulatory Cost (D)	\$7,240,917	\$6,587,163	\$6,136,298	\$395,161	\$412,646	\$1,748,237	\$276,712					

(A) Assessment Rate Of 0.1250% For I/O, Electric Effective 1988.

(B) Assessment Rates Of 3.5000% For Water & Sewer, 0.3750% For Gas, I/O, And 0.1919% For Gas Municipals And Districts Effective 1990.

Water & Sewer - The Assessment Rate Of 2 1/2% Was Applied Against 1/2 Of The 1990 Assessable Revenue For The First Six Months Of 1990 And 4 1/2% For The Last Six Months.

(C) Assessment Rates Of 4.5000% For Water & Sewer, And 0.1500% For Communications Effective 1991.

(D) Regulatory Cost Figures Are Based Upon The Executive Director's Recommendations For The Legislative Budget Request For 1991-93, And Are Subject To Change Upon Commission Approval.

(E) Assessment levels are being reviewed to determine the appropriate level of fees for FY 1991-93.

(#) Percent of gross operating revenues for intrastate business

(*) The statutory change was implemented by rule in 1990.

(**) The statutory change was implemented by rule in 1991.

Revenue Assessment Rate Fractions Are Converted Into Decimals As Follows:

4.50% = 4 1/2%	0.1919%
3.50% = 3 1/2%	0.150%
2.50% = 2 1/2%	0.1250% = 1/8 Of 1%
0.50% = 1/2 Of 1%	0.08330% = 1/12 Of 1%
0.3750% = 3/8 Of 1%	0.06250% = 1/16 Of 1%
0.250% = 1/4 Of 1%	0.01560% = 1/64 Of 1%