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DIVISION OF APPEALS
 DAVID E. SMITH
 DIRECTOR
 (850) 413-6245

Public Service Commission

February 12, 1999

Mr. Carroll Webb
 Joint Administrative Procedures
 Committee
 120 Holland Building
 Tallahassee, Florida 32399

Re: Docket No. 981103-EG - Proposed Amendment of Rule 25-17.015, F.A.C., Energy Conservation Cost Recovery

Dear Mr. Webb:

Enclosed are an original and two copies of the following materials concerning the above referenced proposed rule:

1. A copy of the rule.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rule.
4. A federal standards statement.
5. No statement of estimated regulatory costs was prepared.

If there are any questions with respect to this rule, please do not hesitate to call on me.

Sincerely,

Richard C. Bellak

Richard C. Bellak
 Associate General Counsel

ACK _____
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 Enclosures

cc: ~~Division of~~ Records & Reporting

DOCUMENT NUMBER-DATE

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1 | conservation costs for the estimated/actual true-up period.

2 | (c) An annual projection filing showing 12 months projected
3 | common costs and program costs for the period beginning January 1
4 | ~~April 1~~ following the annual hearing.

5 | (d) An annual petition setting forth proposed energy
6 | conservation cost recovery factors to be effective for the 12-
7 | month period beginning January 1 ~~April 1~~ following the hearing.
8 | Such proposed cost recovery factors shall take into account the
9 | data filed pursuant to paragraphs (1)(a), (1)(b), and (1)(c).

10 | (e) Within the 90 days that immediately follow the first
11 | six months of the reporting period in paragraph (1)(a), each
12 | utility shall report the actual results for that period on Form
13 | PSC/EAG/44 (11/97), entitled, Energy Conservation Cost Recovery
14 | Annual Short Form, which is incorporated by reference in this
15 | rule, and may be obtained from the Director, Division of Electric
16 | and Gas, Florida Public Service Commission.

17 | (2) Each utility shall establish separate accounts or
18 | subaccounts for each conservation program for purposes of
19 | recording the costs incurred for that program. Each utility
20 | shall also establish separate subaccounts for any revenues
21 | derived from specific customer charges associated with specific
22 | programs.

23 | (3) A complete list of all account and subaccount numbers
24 | used for conservation cost recovery shall accompany each filing
25 | in paragraph (1)(a).

CODING: Words underlined are additions; words in
~~struck-through~~ type are deletions from existing law.

1 (4) New programs or program modifications must be approved
2 prior to a utility seeking cost recovery. Specifically, any
3 incentives or rebates associated with new or modified programs
4 may not be recovered if paid before approval. However, if a
5 utility incurs prudent implementation costs before a new program
6 or modification has been approved by the Commission, a utility
7 may seek recovery of these expenditures.

8 (5) Advertising expense recovered through energy
9 conservation cost recovery shall be directly related to an
10 approved conservation program, shall not mention a competing
11 energy source, and shall not be company image enhancing. When
12 the advertisement makes a specific claim of potential energy
13 savings or states appliance efficiency ratings or savings, all
14 data sources and calculations used to substantiate these claims
15 must be included in the filing required by paragraph (1)(a). In
16 determining whether an advertisement is "directly related to an
17 approved conservation program", the Commission shall consider,
18 but is not limited to, whether the advertisement or advertising
19 campaign:

20 (a) Identifies a specific problem;

21 (b) States how to correct the problem; and

22 (c) Provides direction concerning how to obtain help to
23 alleviate the problem.

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

25 Law Implemented: 366.04(2)(f), 366.06(1), 366.82(3) & (5), F.S.

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~~struck-through~~ type are deletions from existing law.

1 | History: New 1/27/81, Amended 12/30/82, 3/27/86, formerly
2 | 25-17.15, Amended 8/21/90, 11/17/97, _____.
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NOTICE OF PROPOSED RULEMAKING

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 981103-EG

RULE TITLE:

RULE NO.:

Energy Conservation Cost Recovery

25-17.015

PURPOSE AND EFFECT: To allow Energy Conservation Cost Recovery factors to be determined on an annual, calendar year basis at one hearing.

SUMMARY: The time for annual proceedings are moved to November of each calendar year. The 12-month historical period for the true-up filing is changed from April 1 through March 31 to January 1 through December 31 each year.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: Preparation of a SERC was found to be unnecessary.

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), 366.05(1), FS.

LAW IMPLEMENTED 366.04(2)(f), 366.06(1), 366.82(3) & (5), FS

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE REPORT OF THE PROCEEDING.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING

previously reported for the same period covered by the filing in paragraph (1)(b). The filing shall also include the final over- or under-recovery of total conservation costs for the final true-up period.

(b) An annual estimated/actual true-up filing showing eight months actual and four months projected common costs, individual program costs, and any revenues collected. Actual costs and revenues should begin January 1 ~~April 1~~ immediately following the period described in paragraph (1)(a). The filing shall also include the estimated/actual over- or under-recovery of total conservation costs for the estimated/actual true-up period.

(c) An annual projection filing showing 12 months projected common costs and program costs for the period beginning January 1 ~~April 1~~ following the annual hearing.

(d) An annual petition setting forth proposed energy conservation cost recovery factors to be effective for the 12-month period beginning January 1 ~~April 1~~ following the hearing. Such proposed cost recovery factors shall take into account the data filed pursuant to paragraphs (1)(a), (1)(b), and (1)(c).

(e) - (5)(c) No Change.

Specific Authority 350.127(2), 366.05(1), FS.

Law Implemented 366.04(2)(f), 366.06(1), 366.82(3) & (5), FS.

History--New 1-27-81, Amended 12-30-82, 3-27-86, formerly 25-17.15, Amended 8-21-90, 11-17-97, _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Lee Colson

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULE:

Florida Public Service Commission.

DATE PROPOSED RULE APPROVED: February 2, 1999

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW:

October 30, 1998

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.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting 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).