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Florida Power

CORPORATION

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SENIOR COUNSEL

August 11, 1999

Ms. Blanca S. Bayó, Director

Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 980643-EI

Dear Ms. Bayó:

Pursuant to your Notice of Proposed Rule Development, issued July 8, 1999 in the subject docket, enclosed for filing are an original and fifteen copies of Florida Power Corporation's Pre-Workshop Comments.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in Word 97 format. Thank you for your assistance in this matter.

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Very truly yours,

James A. McGee /kcc

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FPSC-RECORDS/REPORTING

FLORIDA POWER CORPORATION

DOCKET NO. 980643-EI

PRE-WORKSHOP COMMENTS

Florida Power Corporation (FPC) supports the need for clear and efficient rules governing cost allocation and affiliate transactions. These pre-workshop comments contain FPC's initial thoughts on the proposed rules and we look forward to participating in the workshop and filing additional comments as this proceeding moves forward. The following comments correspond with the suggested revisions to Staff's proposed language contained in the attached mark-up.

<u>Rule 26-6.1351(1) - Purpose and Applicability</u>

This section has been expanded to include a limiting provision that the rule does not apply affiliated fuel procurement transactions which are subject to the Commission's review and approval in the ongoing fuel and purchased power cost recovery proceeding. In that proceeding the Commission has already devoted extensive time and consideration to the establishment of market-based methodologies and cost allocation procedures for the treatment of affiliated fuel procurement transactions, thus rendering an additional layer of less flexible and potentially inconsistent procedures unnecessary.

<u>Rule 25-6.1351(2)(a) – Definition of Affiliate</u>

The proposed definition of affiliate is "any entity that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a utility." The rule indicates that ownership of 5% or more of the voting securities of an entity shall be conclusively deemed to constitute the control thereof.

FPC proposes to substitute a "substantial control" standard in place of the 5% ownership language. The 5% standard unnecessarily encompasses a wide range of activities, the monitoring of which will be a significant burden to FPC, resulting in increased costs to ratepayers, with no incremental ratepayer benefit. A "substantial control" standard has been enacted in other states, such as Massachusetts (<u>see</u> M.G.L. c. 164, § 85). In addition, a definition of the term "control" has been added, which was taken directly from the Uniform System of Accounts, 18 CFR Part 101, Subchapter C.

<u>Rule 25-6.1351(2)(d) – Definition of Direct Costs</u>

FPC proposes to insert the word "directly" in the definition of direct costs, so that the definition reads, "[c]osts that can be directly identified with a particular service or product."

Rule 25-6.1351(2)(f) – Definition of Nonregulated

FPC proposes to strike the first sentence of the definition of "nonregulated," which includes "[t]he components of a utility's financial statements that are not taken into account in determining fair, just, and reasonable rates for utility service." FPC believes that the definition for nonregulated should not be determined by financial statement presentation. Rather, nonregulated should refer to services or products that are not subject to regulation by the Commission. (See, e.g., NARUC Guidelines for Cost Allocations and Affiliate Transactions, Definitions (4/6/99)).

Insertion of definition of Fully Allocated Cost at 25-6.1351(2)(I)

FPC proposes to insert a definition of "fully allocated cost" in order to ~~understand~~ clarify the term as used throughout the proposed rules. Accordingly, FPC proposes to define fully allocated cost as "the sum of the direct costs plus an appropriate share of indirect costs." This definition is consistent with the definition in the NARUC Guidelines.

Rule 25-6.1351(3)(c)

The proposed rule provides that a utility shall apportion to regulated operations the lesser of fully allocated costs or market price when purchasing services and products from an affiliate. The rule also proposes that a utility must use competitive bidding when the utility projects to spend more than $500,000 in a calendar year for a particular product or service.

FPC has comments regarding both of these provisions. First, all transactions for services and products with an affiliate should be at market prices, rather than the lesser of fully allocated cost or market price. Market prices promote economic efficiency since they take into account both the supplier's cost of production and the buyer's measure of value. Market based transfer prices should be perceived as fair since the price for a utility/affiliate transaction would be the same as the price for a non-affiliate transaction. The use of market prices for all transfers between a utility and an affiliate will confirm that arms-length transactions take place and will ensure that no cross-subsidization occurs.

In this regard, the use of market pricing, which ensures that no cross-subsidization will occur, alleviates the need for a competitive bidding requirement. Moreover, the proposed bidding requirement will be extremely burdensome for a utility.[1] This requirement will impose substantial additional costs on the procurement process with no measurable benefit to ratepayers, assuming the rule requires such products or services to be purchased at market prices. We note that several other jurisdictions have chosen not to put competitive bidding in place. Additionally, it will be difficult for the utility to project whether the $500,000 will be reached annually on a cumulative basis. Finally, for obvious reasons, competitive bidding

1 The sentence regarding competitive bidding is unclear. We assume that the $500,000 cumulative requirement is limited to affiliate transactions.

is not appropriate with regard to parent company transactions. For these reasons, FPC strongly urges the deletion of the proposed bidding process.

Rule 25-6.1351(3)(d)

The proposed rule provides that when an asset is transferred from a utility to a nonregulated affiliate, the utility must charge the affiliate the greater of market or net book value; when an asset is transferred from a nonregulated affiliate to a utility, the utility must record the asset at the lower of market or net book value. Additionally, an independent appraiser must verify the market value of a transferred asset with a net book value over $1 million.

FPC proposes to revise the rule so that all transfers of assets with a nonregulated affiliate should be at market prices. FPC believes the market represents the true value of the asset being purchased or sold, regardless of the entity with which the transaction is conducted. As indicated above, market prices meet the fairness test – all purchasers of assets from a utility or an affiliate, whether affiliated or non-affiliated with the utility, should pay the same price.

Deletion of Rule 25-6.1351(3)(e)

Rule 25-6.1351(3)(e) requires a utility to maintain a mapping system that reconciles the affiliate's accounts to the Uniform System of Accounts, if the affiliate's accounts and records do not conform with the Uniform System of Accounts. FPC considers this requirement to be extremely costly and unnecessary, as GAAP, the FASB, and the IRS (rather than the Commission) govern the accounting and structure of nonregulated enterprises. This proposed requirement ignores the significant cost burden on the utility for developing such a mapping system. In the past, the Commission has successfully audited regulated entities with regard to their affiliate transactions without such a mapping system.

Rule 25-6.1351(4) – Cost Allocation Principles

FPC proposes to insert the words "assigned to" and "nonregulated" in subsection (4)(b) so that the cost allocation principle reads, "[d]irect costs shall be assigned to each nonregulated services and product by the utility." Additionally, the proposed subsection (4)(d) does not explain how a utility would "maintain a listing of revenues and expenses for all non-tariffed products and services."

Proposed subsection (4)(c) should be revised to indicate that a utility may distribute indirect costs on an incremental or market basis if the utility can demonstrate that its "ratepayers will not be harmed." This standard is more appropriate than the high "ratepayer benefit" standard.

Rule 25-6.1351(5) – Reporting Requirements

This provision requires a utility to file information concerning its affiliates, affiliate transactions, and nonregulated activities. First, FPC questions the need for expanding the reporting of information concerning affiliates in general if, in deed, that is Staff's intent. Regardless, it is not clear what affiliate information must be reported. Additionally, the rule does not specify whether information from all affiliates must be filed, or whether this provision only applies to affiliates with competitive business relationships with the utility. It would be burdensome and unnecessary for FPC to file information regarding all of its affiliates.

Rule 25-6.1351(6) – Audit Requirements

Proposed rule 25-6.1351(6)(b) requires each utility to file an audit report issued by an independent auditor once every three years. FPC believes that the independent auditor requirement is unnecessary, as the Commission at any time can audit the books and records of the regulated utility. If the proposed subsection (6)(b) is revised to recognized this role of the Commission's audit staff, as FPC believes should be done, subsections (6)(c) and (d) appear to be unnecessary.

If subsections (6)(c) and (d) remain, FPC suggests that, with regard to the list of all incidents of non-compliance with the Cost Allocation Manual in proposed rule 25-6.1351(6)(c), the word "material" be inserted before "errors and irregularity" and the words "regardless of materiality" be deleted. Reporting on all errors without limitation would be extremely costly for the utility. Additionally, independent auditors are already required to follow Generally Accepted Auditing Standards which prescribe a materiality level when conducting compliance audits and these standards are endorsed by the American Institute of Certified Public Accountants.

With regard to the costs of the audit in proposed subsection (6)(d), FPC believes that such costs should be chargeable to expense for ratemaking purposes. The audit, assuring that all allocations are correct, benefits the ratepayer and not the nonregulated activity. Therefore, the cost burden should be borne by the ratepayer.

Rule 25-6.0436(2)(c) – Depreciation

This provision requires that plant investment transferred from one account to another or to an affiliated company shall have an appropriate reserve amount. FPC proposes to strike the language "or to an affiliated company" because GAAP, FASB, and the IRS govern the recording of assets by nonregulated enterprises.

FLORIDA POWER CORPORATION
DOCKET NO. 980643-EI

SUGGESTED REVISIONS TO STAFF'S PROPOSED RULE AMENDMENTS

25-6.1351 Cost Allocation and Affiliate Transactions.

(1) Purpose and Applicabilty. The purpose of this rule is to establish cost allocation guidelines and reporting requirements to ensure proper accounting for affiliate transactions and utility nonregulated activities so that these transactions and activities are not subsidized by utility ratepayers. This rule is not applicable to affiliate transactions for purchase of fuel and related transportation services which are subject to Commission review and approval in cost recovery proceedings.

(2) Definitions

(a) Affiliate – Any entity that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a utility. ~~Ownership of five percent or more of the voting securities of an entity shall be conclusively deemed to constitute the control thereof~~. As used herein, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contracts or any other direct or indirect means.

(b) Affiliated Transaction – Any transaction in which both a utility and an affiliate are each participants, except transactions related solely to the filing of consolidated tax returns.

(c) Cost Allocation Manual (CAM) – The manual that sets out a utility's cost allocation policies and related procedures.

(d) Direct Costs – Costs that can be directly identified with a particular service or product.

(e) Indirect Costs – Costs, including all overheads, that cannot be identified with a particular service or product.

(f) Nonregulated ~~– The components of a utility's financial statements that are not taken into account in determining fair, just, and reasonable rates for utility service~~. Refers to services or products that are not subject to price regulation by the FPSC.

(g) Regulated – The components of a utility's financial statements that are taken into account in determining fair, just, and reasonable rates for utility service.

(h) Subsidize – The act of utility ratepayers paying more than their share of costs associated with affiliate transactions and utility nonregulated activities.

(i) Fully Allocated Cost – Equals the sum of the direct costs plus an appropriate share of indirect costs.

(3) Non-Tariffed Affiliate Transactions

(a) The purpose of subsection (3) is to establish requirements for non-tariffed affiliate transactions.

(b) A utility must charge an affiliate fully allocated costs for all non-tariffed services and products purchased by the affiliate from the utility. Except, a utility may charge an affiliate less than fully allocated costs if the charge is above incremental cost and equivalent to market prices. If a utility charges less than fully allocated costs, the utility must maintain documentation to support doing so in accordance with the record retention requirements in Rule 25-6.014(3), F.A.C.

(c) A utility shall ~~apportion to regulated operations the lesser of fully allocated costs or market price when purchasing~~ purchase services and products at market prices from an affiliate. Except for Parent Company transactions and governance services, which should be at fully allocated cost. ~~Competitive bidding must be used when the utility projects to spend more than $500,000 in a calendar year for a particular product or service.~~

(d) When an asset is transferred from a utility to a nonregulated affiliate, the utility must charge the affiliate ~~the greater of~~ market ~~or net book~~ value. When an asset is transferred from a nonregulated affiliate to a utility, the utility must record the asset at ~~the lower of~~ market ~~or net book~~ value. An independent appraiser must verify the market value of a transferred asset with a net book value greater than $1,000,000.

~~(e) If an affiliate's accounts and records do not conform to the Uniform System of Accounts as prescribed by Rule 25-6.014, the utility must maintain a mapping system that reconciles the affiliate's accounts to the respective USOA accounts.~~

~~(f)~~(e) Each affiliate involved in affiliate transactions must maintain all underlying data concerning the affiliate transaction for at least three years after the affiliate transaction is complete. This paragraph does not relieve a regulated affiliate from maintaining records under otherwise applicable record retention requirements.

(4) Cost Allocation Principles

(a) Each utility's accounting records must show whether the transaction involves a product or service that is regulated or nonregulated.

(b) Direct costs shall be ~~classified~~ assigned to ~~for~~ each non-regulated service and product provided by the utility.

(c) Indirect costs shall be distributed on a fully allocated cost basis. Except, a utility may distribute indirect costs on an incremental or market basis if the utility can demonstrate that its ratepayers will ~~benefit~~ not be harmed. If a utility distributes indirect costs on less than a fully allocated basis, the utility must maintain documentation to support doing so in accordance with the record retention requirements in Rule 25-6.014(3), F.A.C.

(d) Each utility must maintain a listing of revenues and expenses for all non-tariffed products and services.

(5) Reporting Requirements. Each utility shall file information concerning its affiliates, affiliate transactions, and nonregulated activities on Form PSC/AFA 19 (xx/xx) which is incorporated by reference into this rule. Form PSC/AFA 19, entitled "Annual Report of Major Electric Utilities," may be obtained from the Commission's Division of Auditing and Financial Analysis.

(6) Audit Requirements. ~~(a)~~ Each utility involved in affiliate transactions or in nonregulated activities must maintain a Cost Allocation Manual (CAM). The CAM must be organized and indexed so that the information contained therein can be easily accessed for audit purposes.

~~(b) Each utility shall file with the Commission an audit report issued by an independent auditor commenting on the utility's compliance with its CAM. Beginning January 1, 2001, the compliance audit shall be performed no less than once every three years. The audit report shall be filed with the annual report or within 30 days of filing the annual report.~~

~~(c) Each utility shall file, along with the audit report, a list of all incidents of non-compliance with the CAM. This list shall include all errors and irregularities detected by the independent auditor during the audit., regardless of materiality.~~

~~(d) All costs associated with the audit must be separately identified and shall not be chargeable to expense for ratemaking purposes.~~

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

Law Implemented 350.115, 366.04(2)(a),(f), 366.05(1),(2),(9), 366.093(1) FS.

History–New 12-27-94, Amended_________.

25-6.135 Annual Reports.

(1) Each investor-owned electric utility shall file annual reports with the Commission on Commission Form PSC/AFA 19 (xx/xx) which is incorporated by reference into this rule. Form PSC/AFA 19, entitled "Annual Report of Major Electric Utilities", may be obtained from the Commission's Division of Auditing and Financial Analysis. These reports shall be verified by a responsible accounting officer of the utility making the report and shall be due on or before April 30 for the preceding calendar year. A utility may file a written request for an extension of time with the Division of Auditing and Financial Analysis no later than April 30. One extension of 31 days will be granted upon request. A request for a longer extension must be accompanied by a statement of good cause and shall specify the date by which the report will be filed.

(2) The utility shall also file with the original and each copy of the annual report form, or separately within 30 days, a letter or report, signed by an independent certified public accountant, attesting to the conformity in all material respects of the schedules and their applicable notes listed on the general information page of Form PSC/AFA 19 with the Commission's applicable uniform system of accounts and published accounting releases.

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

Law Implemented 350.115, 366.04(2)(f), 366.05(1),(2)(a) FS.

History–New 12-27-94, Amended________.

25-6.0436 Depreciation.

(1) For the purposes of this part, the following definitions shall apply:

(a) Category or Category of Depreciable Plant – A grouping of plant for which a depreciation rate is prescribed. At a minimum it should include each plant account prescribed in Rule 25-6.014(1), F.A.C.

(b) Embedded Vintage – A vintage of plant in service as of the date of study or implementation of proposed rates.

(c) Mortality Data – Historical data by study category showing plant balances, additions, adjustments and retirements, used in analyses for life indications or calculations of realized life. Preferably, this is aged data in accord with the following:

1. The number of plant items or equivalent units (usually expressed in dollars) added each calendar year.

2. The number of plant items retired (usually expressed in dollars) each year and the distribution by years of placing of such retirements.

3. The net increase or decrease resulting from purchases, sales or adjustments and the distribution by years of placing of such amounts.

4. The number that remains in service (usually expressed in dollars) at the end of each year and the distribution by years of placing of such amounts.

(d) Net Book Value – The book cost of an asset or group of assets minus the accumulated depreciation or amortization reserve associated with those assets.

(e) Remaining Life Method – The method of calculating a depreciation rate based on the unrecovered plant balance, less average future net salvage and the average remaining life. The formula for calculating a Remaining Life Rate (RLR) is:

$$\text{RLR} = \frac{100\% - \text{Reserve } \% - \text{Average Future Net Salvage } \%}{\text{Average Remaining Life in Years}}$$

(f) Reserve (Accumulated Depreciation) – The amount of depreciation expense accumulated to date.

(g) Reserve Data – Historical data by study category showing reserve balances, debits and credits such as booked depreciation, expense, salvage and cost of removal and adjustments to the reserve utilized in monitoring reserve activity and position.

(h) Reserve Deficiency – An inadequacy in the reserve of a category as evidenced by a comparison of that reserve indicated as necessary under current projections of life and salvage with that reserve historically accrued. The latter figure may be available from the utility's records or may require retrospective calculation.

(I) Reserve Surplus – An excess in the reserve of a category as evidenced by a comparison of that reserve indicated as necessary under current projections of life and salvage with that reserve historically accrued. The latter figure may be available from the utility's records or may require retrospective calculation.

(j) Salvage Data – Historical data by study category showing bookings of retirements, gross salvage and cost of removal used in analysis of trends in gross salvage and cost of removal or for calculations of realized salvage.

(k) Theoretical Reserve or Prospective Theoretical Reserve – A calculated reserve based on components of the proposed rate using the formula:

Theoretical Reserve = Book Investment – Future Accruals – Future Net Salvage

(l) Vintage – The year of placement of a group of plant items or investment under study.

(m) Whole Life Method – The method of calculating a depreciation rate based on the Whole Life (Average Service Life) and the Average Net Salvage. Both life and salvage components are the estimated or calculated composite of realized experience and expected activity. The formula is:

$$\text{Whole Life Rate} = \frac{100\% - \text{Average Net Salvage }\%}{\text{Average Service Life in Years}}$$

(2)(a) No utility shall change any existing depreciation rate or initiate any new depreciation rate without prior Commission approval.

(b) No utility shall reallocate accumulated depreciation reserves among any primary accounts and sub-accounts without prior Commission approval.

(c) Plant investment transferred from one account to another ~~or to an affiliated company~~ shall have an appropriate reserve amount also transferred. Appropriate methods for determining the appropriate reserve amount to transfer are as follows:

1. Where vintage reserves are not maintained, synthesization using the currently prescribed curve shape may be required. The same reserve percent associated with the original placement vintage of the related investment shall then be used in determining the appropriate amount of reserve to transfer.

2. Where the original placement vintage of the investment being transferred is unknown, the reserve percent applicable to the account in which the investment being transferred resides may be assumed as appropriate for determining the reserve amount to transfer.

3. Where the age of the investment being transferred is known and a history of the prescribed depreciation rates is known, a reserve can be determined by multiplying the age times the investment times the applicable depreciation rate(s).

4. The Commission shall consider any additional methods submitted by the utilities for determining the appropriate reserve amounts to transfer.

(3)(a) Each utility shall maintain depreciation rates and accumulated depreciation reserves in accounts or subaccounts as prescribed by Rule 25-6.014(1), F.A.C. Utilities may maintain further sub-categorization.

(b) Upon establishing a new account or subaccount classification, each utility shall request Commission approval of a depreciation rate for the new plant category.

(4) A utility filing a depreciation study, regardless if a change in rates is being requested or not, shall submit to the Commission Clerk's office fifteen copies of the information required by paragraphs (6)(a) through (6)(f) and (6)(h) of this rule and at least three copies of the information required by paragraph (6)(g).

(5) Upon Commission approval by order establishing an effective date, the utility shall reflect on its books and records the implementation of the proposed rates, subject to adjustment when final depreciation rates are approved.

(6) A depreciation study shall include:

(a) A comparison of current and proposed depreciation rates and components for each category of depreciable plant. Current rates shall be identified as to the effective date and proposed rates as to the proposed effective date.

(b) A comparison of annual depreciation expense as of the proposed effective date, resulting from current rates with those produced by the proposed rates for each category of depreciable plant. The plant balances may involve estimates. Submitted data including plant and reserve balances or company planning involving estimates shall be brought to the effective date of the proposed rates.

(c) Each recovery and amortization schedule currently in effect should be included with any new filing showing total amount amortized, effective date, length of schedule, annual amount amortized and reason for the schedule.

(d) A comparison of the accumulated book reserve to the prospective theoretical reserve based on proposed rates and components for each category of depreciable plant to which depreciation rates are to be applied.

(e) A general narrative describing the service environment of the applicant company and the factors, e.g., growth, technology, physical conditions, necessitating a revision in rates.

(f) An explanation and justification for each study category of depreciable plant defining the specific factors that justify the life and salvage components and rates being proposed. Each explanation and justification shall include substantiating factors utilized by the utility in the design of depreciation rates for the specific category, e.g., company planning, growth, technology, physical conditions, trends. The explanation and justification shall discuss any proposed transfers of reserve between categories or accounts intended to correct deficient or surplus reserve balances. It should also state any statistical or mathematical methods of analysis or calculation used in design of the category rate.

(g) The filing shall contain all calculations, analysis and numerical basic data used in the design of the depreciation rate for each category of depreciable plant. Numerical data shall include plant activity (gross additions, adjustments, retirements, and plant balance at end of year) as well as reserve activity (retirements, accruals for depreciation expense, salvage, cost of removal, adjustments, or transfers and reclassifications and reserve balance at end of year) for each year of activity from the date of the last submitted study to the date of the present study. To the degree possible, data involving retirements should be aged.

(h) The mortality and salvage data used by the company in the depreciation rate design must agree with activity booked by the utility. Unusual transactions not included in life or salvage studies, e.g., sales or extraordinary retirements, must be specifically enumerated and explained.

(7)(a) Utilities shall provide calculations of depreciation rates using both the whole life method and the remaining life method. The use of these methods is required for all depreciable categories. Utilities may submit additional studies or methods for consideration by the Commission.

(b) The possibility of corrective reserve transfers shall be investigated by the Commission prior to changing depreciation rates.

(8)(a) Each company shall file a study for each category of depreciable property for Commission review at least once every four years from the submission date of the previous study unless otherwise required by the Commission.

(b) A utility proposing an effective date of the beginning of its fiscal year shall submit its depreciation study no later than the mid-point of that fiscal year.

(c) A utility proposing an effective date coinciding with the expected date of additional revenues initiated through a rate case proceeding shall submit its depreciation study no later than the filing date of its Minimum Filing Requirements.

(9) As part of the filing of the annual report pursuant to Rule 25-6.014(3), F.A.C., each utility shall include an annual status report. The report shall include booked plant activity (plant balance at the beginning of the year, additions, adjustments, transfers, reclassifications, retirements and plant balance at year end) and reserve activity (reserve balance at the beginning of the year, retirements, accruals, salvage, cost of removal, adjustments, transfers, reclassifications and reserve balance at end of year) for each category of investment for which a depreciation rate, amortization, or capital recovery schedule has been approved. The report shall indicate for each category that:

(a) There has been no change of plans or utility experience requiring a revision of rates, amortization or capital recovery schedules; or

(b) There has been a change requiring a revision of rates, amortization or capital recovery schedules.

(10) For any category where current conditions indicate a need for revision of depreciation rates, amortization or capital recovery schedules and no revision is sought, the report shall explain why no revision is requested.

(a) Prior to the date of retirement of major installations, the Commission shall approve capital recovery schedules to correct associated calculated deficiencies where a utility demonstrates that (1) replacement of an installation or group of installations is prudent and (2) the associated investment will not be recovered by the time of retirement through the normal depreciation process.

(b) The Commission shall approve a special capital recovery schedule when an installation is designed for a specific purpose or for a limited duration.

(c) Associated plant and reserve activity, balances and the annual capital recovery schedule expense must be maintained as subsidiary records.

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

Law Implemented 350.115, 366.04(2)(f), 366.06(1) FS.

History–New 11-11-82, 1-6-85, Formerly 25-6.436, Amended 4-27-88, 12-12-91, ________.