

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
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DIVISION OF APPEALS
DAVID SMITH
DIRECTOR
(850) 413-6245

Public Service Commission

October 18, 1999

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

Re: Docket No. 981104-EU - Proposed Amendment of Rule 25-6.049, F.A.C., Measuring Customer Service

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. A statement of estimated regulatory costs.

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

Sincerely,

Richard C. Bellak
Associate General Counsel

APA	_____
APP	_____
CAF	_____
CHU	_____
CTR	_____
EAS	_____
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OPC	_____
PAI	_____
SEC	<u> 1 </u>
WAW	_____
OTH	_____

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Enclosures
cc: Division of Records & Reporting

DOCUMENT NUMBER - DATE

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TTSC-RECORDS/REPORTING

1 25-6.049 Measuring Customer Service.

2 (1) All energy sold to customers shall be measured by
3 commercially acceptable measuring devices owned and maintained by
4 the utility, except where it is impractical to meter loads, such as
5 street lighting, temporary or special installations, in which case
6 the consumption may be calculated, or billed on demand or connected
7 load rate or as provided in the utility's filed tariff.

8 (2) When there is more than one meter at a location the
9 metering equipment shall be so tagged or plainly marked as to
10 indicate the circuit metered. Where similar types of meters record
11 different quantities, (kilowatt-hours and reactive power, for
12 example), metering equipment shall be tagged or plainly marked to
13 indicate what the meters are recording.

14 (3) Meters which are not direct reading shall have the
15 multiplier plainly marked on the meter. All charts taken from
16 recording meters shall be marked with the date of the record, the
17 meter number, customer, and chart multiplier. The register ratio
18 shall be marked on all meter registers. The watt-hour constant for
19 the meter itself shall be placed on all watt-hour meters.

20 (4) Metering equipment shall not be set "fast" or "slow" to
21 compensate for supply transformer or line losses.

22 (5) (a) Individual electric metering by the utility shall be
23 required for each separate occupancy unit of ~~new~~ commercial
24 establishments, residential buildings, condominiums, cooperatives,
25 marinas, and trailer, mobile home and recreational vehicle parks

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

1 ~~for which construction is commenced after January 1, 1981.~~
2 Individual electric meters shall not, however, be required:
3 1. For each separate occupancy unit of commercial establishments,
4 residential buildings, condominiums, cooperatives, marinas, and
5 trailer, mobile home and recreational vehicle parks for which
6 construction commenced prior to January 1, 1981 and which are not
7 currently individually metered.
8 2+. In those portions of a commercial establishment where the
9 floor space dimensions or physical configuration of the units are
10 subject to alteration, as evidenced by non-structural element
11 partition walls, unless the utility determines that adequate
12 provisions can be made to modify the metering to accurately reflect
13 such alterations;
14 3+. For electricity used in central heating, ventilating and air
15 conditioning systems, or electric back up service to storage
16 heating and cooling systems;
17 4+. For electricity used in specialized-use housing accommodations
18 such as hospitals, nursing homes, living facilities located on the
19 same premises as, and operated in conjunction with, a nursing home
20 or other health care facility providing at least the same level and
21 types of services as a nursing home, convalescent homes, facilities
22 certificated under Chapter 651, Florida Statutes, college
23 dormitories, convents, sorority houses, fraternity houses, motels,
24 hotels, and similar facilities;
25 5+. For separate, specially-designated areas for overnight

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1 occupancy at trailer, mobile home and recreational vehicle parks
2 and marinas where permanent residency is not established.
3 65. For new and existing time-share plans, provided that all of
4 the occupancy units which are served by the master meter or meters
5 are committed to a time-share plan as defined in Section 721,
6 Florida Statutes, and none of the occupancy units are used for
7 permanent occupancy. When a time-share plan is converted from
8 individual metering to master metering, the customer must reimburse
9 the utility for the costs incurred by the utility for the
10 conversion. These costs shall include, but not be limited to, the
11 undepreciated cost of any existing distribution equipment which is
12 removed or transferred to the ownership of the customer, plus the
13 cost of removal or relocation of any distribution equipment, less
14 the salvage value of any removed equipment.

15 (b) For purposes of this rule:

16 1. "Occupancy unit" means that portion of any commercial
17 establishment, single and multi-unit residential building, or
18 trailer, mobile home or recreational vehicle park, or marina
19 which is set apart from the rest of such facility by clearly
20 determinable boundaries as described in the rental, lease, or
21 ownership agreement for such unit.

22 2. The construction of a new commercial establishment,
23 residential building, marina, or trailer, mobile home or
24 recreational vehicle park shall be deemed to commence on the
25 date when the building structure permit is issued.

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1 3. "Overnight Occupancy" means use of an occupancy unit for
2 a short term such as per day or per week where permanent
3 residency is not established.

4 4. The term "cost", as used herein means only those charges
5 specifically authorized by the electric utility's tariff,
6 including but not limited to the customer, energy, demand,
7 fuel, and conservation charges made by the electric utility
8 plus applicable taxes and fees to the customer of record
9 responsible for the master meter payments. The term does not
10 include late payment charges, returned check charges, the cost
11 of the distribution system behind the master meter, the cost
12 of billing, and other such costs.

13 (6) (a) Where individual metering is not required under
14 Subsection (5) (a) and master metering is used in lieu thereof,
15 reasonable apportionment methods, including sub-metering may be
16 used by the customer of record or the owner of such facility solely
17 for the purpose of allocating the cost of the electricity billed by
18 the utility.

19 (b) Any fees or charges collected by a customer of record for
20 electricity billed to the customer's account by the utility,
21 whether based on the use of sub-metering or any other allocation
22 method, shall be determined in a manner which reimburses the
23 customer of record for no more than the customer's actual cost of
24 electricity.

25 (7) Each utility shall develop a standard policy governing

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1 | the provisions of sub-metering as provided for herein. Such policy
2 | shall be filed by each utility as part of its tariffs. The policy
3 | shall have uniform application and shall be nondiscriminatory.

4 | Specific Authority: 366.05(1), F.S.

5 | Law Implemented: 366.05(3), F.S.

6 | History--Amended 7/29/69, 11/26/80, 12/23/82, 12/28/83, Formerly
7 | 25-6.49, Amended 7/14/87, 10/5/88, 3/23/97, _____.

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NOTICE OF PROPOSED RULEMAKING

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 981104-EU

RULE TITLE:

RULE NO.:

Measuring Customer Service

25-6.049

PURPOSE AND EFFECT: Clarifies that Rule 25-6.049(5)(a) only allows pre-1981 buildings to be master-metered that are not currently individually metered.

SUMMARY: Individual electric meters are not required for each separate occupancy unit of listed entities for which construction commenced before January 1, 1981, and which are not now individually metered.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: Since the proposed amendment clarifies an existing rule, no investor-owned utilities or individuals should be affected by the proposed amendments.

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), FS.

LAW IMPLEMENTED 366.05(3), 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 RECORD OF

THE PROCEEDING.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE TIME, DATE, AND PLACE SHOWN BELOW: (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

TIME AND DATE: 9:30 A.M., Thursday, December 2, 1999

PLACE: Room 152, Betty Easley Conference Center, 4075 Esplanade Way, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:

Director of Appeals, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862, (850) 413-6245.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-6.049 Measuring Customer Service.

(1)- (4) No Change.

(5)(a) Individual electric metering by the utility shall be required for each separate occupancy unit of ~~new~~ commercial establishments, residential buildings, condominiums, cooperatives, marinas, and trailer, mobile home and recreational vehicle parks ~~for which construction is commenced after January 1, 1981~~. Individual electric meters shall not, however, be required:

1. For each separate occupancy unit of commercial establishments, residential buildings, condominiums, cooperatives, marinas, and trailer, mobile home and recreational vehicle parks for which construction commenced

prior to January 1, 1981 and which are not currently individually metered.

24. In those portions of a commercial establishment where the floor space dimensions or physical configuration of the units are subject to alteration, as evidenced by non-structural element partition walls, unless the utility determines that adequate provisions can be made to modify the metering to accurately reflect such alterations;

32. For electricity used in central heating, ventilating and air conditioning systems, or electric back up service to storage heating and cooling systems;

43. For electricity used in specialized-use housing accommodations such as hospitals, nursing homes, living facilities located on the same premises as, and operated in conjunction with, a nursing home or other health care facility providing at least the same level and types of services as a nursing home, convalescent homes, facilities certificated under Chapter 651, Florida Statutes, college dormitories, convents, sorority houses, fraternity houses, motels, hotels, and similar facilities;

54. For separate, specially-designated areas for overnight occupancy at trailer, mobile home and recreational vehicle parks and marinas where permanent residency is not established.

65. For new and existing time-share plans, provided that all

of the occupancy units which are served by the master meter or meters are committed to a time-share plan as defined in Section 721, Florida Statutes, and none of the occupancy units are used for permanent occupancy. When a time-share plan is converted from individual metering to master metering, the customer must reimburse the utility for the costs incurred by the utility for the conversion. These costs shall include, but not be limited to, the undepreciated cost of any existing distribution equipment which is removed or transferred to the ownership of the customer, plus the cost of removal or relocation of any distribution equipment, less the salvage value of any removed equipment.

(b) No Change.

1. - (7) No Change.

Specific Authority 366.05(1), FS.

Law Implemented 366.05(3), FS.

History--Amended 7-29-69, 11-26-80, 12-23-82, 12-28-83, Formerly 25-6.49, Amended 7-14-87, 10-5-88, 3-23-97,_____.

NAME OF PERSON ORIGINATING PROPOSED RULE: David Wheeler, Division of Electric and Gas

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

DATE PROPOSED RULE APPROVED: October 5, 1999

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Volume

24, Number 44, 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).

MEMORANDUM

May 19, 1999

TO: DIVISION OF APPEALS (BELLAK)

FROM: DIVISION OF RESEARCH AND REGULATORY REVIEW (HEWITT) *CSH / R Bond*

SUBJECT: REVISED STATEMENT OF ESTIMATED REGULATORY COST FOR PROPOSED AMENDMENTS TO RULE 25-6.049(5)(a), F.A.C., MEASURING CUSTOMER SERVICE, DOCKET NO. 981104-EU

SUMMARY OF THE RULE

Currently, Rule 25-6.049, F.A.C., contains the requirements for metering customer consumption of electricity with certain exemptions for special uses and conditions. In particular, the rule requires individual meters for each separate occupancy unit in facilities for which construction began after January 1, 1981. The policy supporting the rule is that individual meters would encourage conservation.

The proposed rule amendment would clarify that the current rule allows only those facilities beginning construction prior to January 1, 1981, and built with master metering, to continue to have master metering. The implicit intent of the cutoff date was to require those buildings constructed after that date to install individual metering for each separate occupancy unit. The current rule was not intended to allow conversion to master metering in older buildings where individual unit metering is already installed. The Commission has been consistent with that policy over the years and reaffirmed it in Order No. PSC-98-0449-FOF-EL.

ESTIMATED NUMBER OF ENTITIES REQUIRED TO COMPLY AND GENERAL DESCRIPTION OF INDIVIDUALS AFFECTED

The five investor owned electric utilities (IOUs) are required to comply with Rule 25-6.049, F.A.C., Measuring Customer Service. Any customer receiving electric service from these entities is subject to the service conditions of complying IOUs. Because the proposed amendment clarifies an existing rule, no IOUs or individuals should be affected.

RULE IMPLEMENTATION AND ENFORCEMENT COST AND IMPACT ON REVENUES FOR THE AGENCY AND OTHER STATE AND LOCAL GOVERNMENT ENTITIES

The proposed rule amendment clarifies the existing policy and rule, and the Commission should not incur any additional implementation and enforcement costs. There also should be no impact on revenues of the agency or other government entities.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES REQUIRED TO COMPLY

There should be no transactional costs, because the proposed clarifying amendment would cause no material change in measuring customer service.

IMPACT ON SMALL BUSINESSES, SMALL CITIES, OR SMALL COUNTIES

There should be no cost to small businesses, cities or counties, because the proposed clarifying amendment would make no material change.

REASONABLE ALTERNATIVE METHODS AND LOWER COST REGULATORY ALTERNATIVES

The proposed clarifying amendment to the rule is necessary, because a misreading of the rule led to a switch of a condominium from individual unit metering at a residential rate to master metering with a commercial rate. Although it has been reported that this has reduced the monthly electric bills for these condominium customers, a complete cost/benefit study has not been performed.

Existing rates and tariffs have been developed to equitably share customer costs and energy costs among comparable rate classes. Allowing switching at will from individual metering at a residential rate to master metering at a commercial rate could shift costs from some ratepayers onto other ratepayers in a discriminatory manner. If there is a net benefit from lower customer service charges from combining multiple bills into one master bill, a tariff could be developed to allow that alternative, with energy charges paid at the appropriate residential rate.

One interested party proposed that a lower cost alternative would be to not adopt the proposed rule change. That proposed lower cost alternative is rejected because it does not have a lower cost. There are two reasons that this alternative is not a lower cost alternative: (1) with no rule change, the possibility of misreading the rule would continue with possible further hearings and litigation costs; and (2) additional conversions of condominiums from individual metering to master metering are not allowed under the existing rule and Order No. PSC-98-0449-FOF-EI unless one of the exceptions in the rule are met. Therefore, condominium dwelling customers would not be able to reduce their electric bills by conversion to a master meter in the absence of a rule change.

CBH:tf/e-mstmtr
cc: David Wheeler

Rule 25-6.049
Docket No. 981104-EU

**STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE**

Amendment clarifies that Rule 25-6.049(5)(a) does not require individual metering for each separate occupancy unit of listed entities for which construction commenced prior to January 1, 1981 and which are not currently individually metered.

STATEMENT ON FEDERAL STANDARDS

There is no federal standard on the same subject.