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DIVISION OF APPEALS  
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# Public Service Commission

November 17, 1999

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

Re: Docket No. 991427-WS - Proposed Amendment of Rule 25-30.110(4) and (8), F.A.C., Records and Reports; Annual Report

Dear Mr. Webb:

The Commission has approved the amendment of Rule 25-30.110(4) and (8) without changes.

We plan to file the rule for adoption on November 24, 1999.

Sincerely,

Christiana T. Moore  
Associate General Counsel

- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- MAS \_\_\_\_\_
- OFC \_\_\_\_\_
- PAI \_\_\_\_\_
- SEC \_\_\_\_\_
- WAW \_\_\_\_\_
- OTH \_\_\_\_\_

ADT30110.CTM  
Enclosure  
cc: Division of Records & Reporting

DOCUMENT NUMBER - DATE

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FPSC-RECORDS/REPORTING

1 25-30.110 Records and Reports; Annual Reports.

2 (1) RECORDS.

3 (a) Each utility shall preserve its records in accordance  
4 with the "Regulations to Govern the Preservation of Records of  
5 Electric, Gas and Water Utilities" as issued by the National  
6 Association of Regulatory Utility Commissions, as revised May  
7 1985.

8 1. Those utilities that choose to convert documents from  
9 their original media form shall retain the original source  
10 documents as required by 25-30.110(1)(a) for a minimum of three  
11 years, or for any lesser period of time specified for that type  
12 of record in the "Regulations to Govern the Preservation of  
13 Records of Electric, Gas and Water Utilities," after the date the  
14 document was created or received by the utility. This paragraph  
15 does not require the utility to create paper copies of documents  
16 where the utility would not otherwise do so in the ordinary  
17 course of its business. The Commission may waive the requirement  
18 that documents be retained in their original form upon a showing  
19 by a utility that it employs a storage and retrieval system that  
20 consistently produces clear, readable copies that are  
21 substantially equivalent to the originals, and clearly reproduces  
22 handwritten notations on documents.

23 2. The utility shall maintain written procedures governing  
24 the conversion of source documents to a storage and retrieval  
25 system, which procedures ensure the authenticity of documents and

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1 | the completeness of records. Records maintained in the storage  
2 | and retrieval system must be easy to search and easy to read.

3 | (b) Unless otherwise authorized by the Commission, each  
4 | utility shall maintain its records at the office or offices of  
5 | the utility within this state and shall keep those records open  
6 | for inspection during business hours by Commission staff.

7 | (c) Any utility that keeps its records outside the state  
8 | shall reimburse the Commission for the reasonable travel expense  
9 | incurred by each Commission representative during any review of  
10 | the out-of-state records of the utility or its affiliates.

11 | Reasonable travel expenses are those travel expenses that are  
12 | equivalent to travel expenses paid by the Commission in the  
13 | ordinary course of its business.

14 | 1. The utility shall remit reimbursement for out-of-state  
15 | travel expenses within 30 days from the date the Commission mails  
16 | the invoice.

17 | 2. The reimbursement requirement in subparagraph (1)(c)  
18 | shall be waived:

19 | a. For any utility that makes its out-of-state records  
20 | available at the utility's office located in Florida or at  
21 | another mutually agreed upon location in Florida within 10  
22 | working days from the Commission's initial request. If 10  
23 | working days is not reasonable because of the complexity and  
24 | nature of the issues involved or the volume and type of material  
25 | requested, the Commission may establish a different time frame

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1 | for the utility to bring records into the state. For individual  
2 | data requests made during an audit, the response time frame  
3 | established in Rule 25-30.145, Florida Administrative Code, shall  
4 | control; or

5 |       b. For a utility whose records are located within 50 miles  
6 | of the Florida state line.

7 |       (2) IN GENERAL. Each utility shall furnish to the  
8 | Commission at such time and in such forms as the Commission may  
9 | require, the results of any required tests and summaries of any  
10 | required records. The utility shall also furnish the Commission  
11 | with any information concerning the utility's facilities or  
12 | operation that the Commission may request and require for  
13 | determining rates or judging the practices of the utility. All  
14 | such data, unless otherwise specified, shall be consistent with  
15 | and reconcilable with the utility's annual report to the  
16 | Commission.

17 |       (3) ANNUAL REPORTS; FILING EXTENSIONS. Each utility shall  
18 | file with the Commission annual reports on forms prescribed by  
19 | the Commission. The obligation to file an annual report for any  
20 | year shall apply to any utility which is subject to this  
21 | Commission's jurisdiction as of December 31 of that year, whether  
22 | or not the utility has actually applied for or been issued a  
23 | certificate.

24 |       (a) The Commission shall, by January 15 of each year, send  
25 | one blank copy of the appropriate annual report form to each

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1 utility company. The failure of a utility to receive a report  
2 form shall not excuse the utility from its obligation to timely  
3 file the annual report. An original and two copies of the annual  
4 reports shall be filed with the Commission on or before March 31  
5 for the preceding year ending December 31. Annual reports are  
6 considered filed on the day they are postmarked or received and  
7 logged in by the Commission's Division of Water and Wastewater in  
8 Tallahassee.

9 (b) An annual report is considered on file if it is  
10 properly addressed, with sufficient postage, and postmarked no  
11 later than the due date. If an annual report is sent by  
12 registered mail, the date of the registration is the postmark  
13 date. The registration is evidence that the annual report was  
14 delivered. If an annual report is sent by certified mail and the  
15 receipt is postmarked by a postal employee, the date on the  
16 receipt is the postmark date. The postmarked certified mail  
17 receipt is evidence that the return was delivered.

18 (c) A utility may file a written request for an extension  
19 of time with the Division of Water and Wastewater no later than  
20 March 31. One extension of 30 days will be automatically granted  
21 upon request. A request for a longer extension must be  
22 accompanied by a statement of good cause and shall specify the  
23 date by which the report will be filed.

24 (4) ANNUAL REPORTS; CONTENTS. The appropriate annual  
25 report form required from each utility shall be determined by

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1 | using the same three classes of utilities used by the National  
2 | Association of Regulatory Utility Commissioners for publishing  
3 | its system of accounts: Class A (those having annual water or  
4 | wastewater operating revenues of \$1,000,000 ~~\$750,000~~ or more);  
5 | Class B (those having annual water or wastewater revenues of  
6 | \$200,000 or more but less than \$1,000,000 ~~\$150,000 to \$749,999~~);  
7 | Class C (annual water or wastewater revenues of less than  
8 | \$200,000 ~~\$150,000~~). The class to which a utility belongs shall  
9 | be determined by using the higher of the average of its annual  
10 | water or wastewater operating revenues for each of the last three  
11 | preceding years.

12 |       (a) Class A and B utilities shall file the annual report on  
13 | Commission Form PSC/WAW 3 (Rev. \_\_\_/\_\_\_), entitled "Water and/or  
14 | Wastewater Utilities (Gross Revenues of \$200,000 or more ~~\$750,000~~  
15 | ~~and Over)~~" , which is incorporated by reference into this rule.  
16 | ~~required by Commission Form PSC/WAS 4 (Rev. 12/86), which was~~  
17 | ~~effective on December 22, 1986.~~

18 |       ~~(b) Class B utilities shall file the annual report entitled~~  
19 | ~~"Water and/or wastewater Utilities (Gross Revenues of \$150,000 or~~  
20 | ~~more But Less Than \$750,000 Each)" required by Commission Form~~  
21 | ~~PSC/WAS 5 (Rev. 12/86) which was effective on December 22, 1986.~~

22 |       (b)(e) Class C utilities shall file the annual report on  
23 | Commission Form PSC/WAW 6 (Rev. \_\_\_/\_\_\_), entitled "Water and/or  
24 | Wastewater Utilities (Gross Revenues of less than \$200,000  
25 | \$150,000 each), which is incorporated by reference into this

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1 | rule. ~~required by Commission Form PSC/WAS 6 (Rev. 5/96).~~

2 |       ~~(d) Class A or B utilities that have multiple systems under~~  
3 | ~~one consolidated company should file the Consolidated Annual~~  
4 | ~~Report (Form PSC/WAS 3 (3/91)) in lieu of separate annual reports~~  
5 | ~~for each system. Any questions regarding the annual report form~~  
6 | ~~to be filed should be directed to the Division of Water and~~  
7 | ~~Wastewater, Bureau of Accounting.~~

8 |       (c)~~(e)~~       The foregoing forms can be obtained from the  
9 | Commission's Division of Water and Wastewater.

10 |       (5) CERTIFICATION OF ANNUAL REPORTS. As part of the annual  
11 | report, each utility shall certify the following in writing by  
12 | the utility's chief executive officer and chief financial  
13 | officer:

14 |       (a) Whether the utility is in substantial compliance with  
15 | the Uniform System of Accounts as prescribed by Rule 25-30.115,  
16 | Florida Administrative Code;

17 |       (b) Whether the utility is in substantial compliance with  
18 | all applicable rules and orders of the Florida Public Service  
19 | Commission;

20 |       (c) Whether there have been any written communications from  
21 | regulatory agencies concerning noncompliance with, or  
22 | deficiencies in, financial reporting practices that could have a  
23 | material effect on the financial statements;

24 |       (d) Whether the financial statements and related schedules  
25 | fairly present the financial condition and results of operations

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1 | for the period presented and whether other information and  
2 | statements presented as to the business affairs of the respondent  
3 | are true, correct, and complete for the period which they  
4 | represent.

5 |       (6) ANNUAL REPORTS, PENALTY FOR NONCOMPLIANCE. A penalty  
6 | shall be assessed against any utility that fails to file an  
7 | annual report or an extension in the following manner:

8 |       (a) Failure to file an annual report or an extension on or  
9 | before March 31;

10 |       (b) Failure to file a complete annual report;

11 |       (c) Failure to file an original and two copies of the  
12 | annual report. Any utility that fails to comply with this rule  
13 | shall be subject to the penalties imposed herein unless the  
14 | utility demonstrates good cause for the noncompliance. The  
15 | Commission may, in its discretion, impose penalties for  
16 | noncompliance that are greater or lesser than provided herein;  
17 | such as in cases involving a flagrant disregard for the  
18 | requirements of this rule or repeated violations of this rule.  
19 | No final determination of noncompliance or assessment of penalty  
20 | shall be made by the Commission except after notice and an  
21 | opportunity to be heard, as provided by applicable law.

22 |       (d) Any utility which fails to pay a penalty within 30 days  
23 | after its assessment by the Commission shall be subject to  
24 | interest applied to the penalty up to and including the date of  
25 | payment of the penalty. Such interest shall be compounded

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1 monthly, based on the 30 day commercial paper rate for high  
2 grade, unsecured notes sold through dealers by major corporations  
3 in multiples of \$1,000 as regularly published in the Wall Street  
4 Journal.

5 (7) DELINQUENT REPORTS.

6 (a) Any utility that fails to file its annual report or  
7 extension on or before March 31, or within the time specified by  
8 any extension approved in writing by the Division of Water and  
9 Wastewater, shall be subject to a penalty. The penalty shall be  
10 based on the number of calendar days elapsed from March 31, or  
11 from an approved extended filing date, until the date of filing.  
12 The date of filing shall be included in the days elapsed.

13 (b) The penalty for delinquent reports shall accrue based  
14 on the utility's classification established under subsection (4),  
15 in the following manner for each day the report is delinquent:

- 16 1. \$25 per day for Class A utilities;
- 17 2. \$13.50 per day for Class B utilities; and
- 18 3. \$3.00 per day for Class C utilities.

19 (8) INCOMPLETE REPORTS.

20 (a) The Commission's Division of Water and Wastewater shall  
21 provide written notification to a utility if its report does not  
22 contain information required by subsection (4) of this rule. The  
23 utility shall file the missing information no later than 30 days  
24 after the date on the face of the notification. If the utility  
25 fails to file the information within that period, the report will

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1 | be deemed delinquent and the utility shall be subject to a  
2 | penalty as provided under paragraphs (7) (a) and (b), except that  
3 | the penalty shall be based on the number of days elapsed from the  
4 | date the information is due to the date it is actually filed.  
5 | The date of filing shall be included in the elapsed days.

6 | (b) A report is incomplete if any of the schedules required  
7 | by the following forms of this rule are not completed:

8 | 1. Form PSC/WAWS 3 (\_\_\_\_/\_\_\_\_) ~~4 (Rev. 12/86)~~ for Class A  
9 | and B utilities;

10 | ~~2. Form PSC/WAS 5 (Rev. 12/86) for Class B utilities;~~

11 | ~~3. Form PSC/WAS 3 (Rev. 03/91) for Class A or B utilities~~  
12 | ~~that have multiple systems; and~~

13 | 24. Form PSC/WAWS 6 (\_\_\_\_/\_\_\_\_ Rev. ~~5/96~~) for Class C  
14 | utilities.

15 | (c) An incomplete report will remain incomplete until the  
16 | missing information is filed with the Division of Water and  
17 | Wastewater on the appropriate Commission form.

18 | (9) INCORRECT FILING. If a utility files an incorrect  
19 | annual report it shall be considered delinquent and subject to a  
20 | penalty on the same basis as a utility that fails to timely file  
21 | an annual report. The classification determining the applicable  
22 | penalty, as prescribed by paragraphs 7(a) and (b), shall be  
23 | determined by the latest annual revenue figures available for the  
24 | utility. The failure of a utility to receive a report form for  
25 | the correct class of utility shall not excuse the utility from

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1 | its obligation to timely file the annual report for the correct  
2 | class of utility.

3 |       (10) INSUFFICIENT COPIES. A utility that fails to file one  
4 | original and two copies of its annual report shall be subject to  
5 | a penalty of one dollar per page per missing copy. The  
6 | Commission will provide the utility with written notice that  
7 | insufficient copies were received. A penalty may be avoided if,  
8 | within 20 days after the date of the notice, the utility files  
9 | the missing copies or requests that the Commission copy its  
10 | report for it and remits the appropriate fee for the copying.

11 |       (11) OTHER PENALTIES. The penalties that may be assessed  
12 | against a utility for failure to file an annual report in  
13 | compliance with the foregoing shall be separate and distinct from  
14 | penalties that may be imposed for other violations of the  
15 | requirements of the Commission.

16 | Specific Authority: 350.127(2), 367.121, F.S.

17 | Law Implemented: 367.121(1)(c), 367.121(1)(g), 367.121(1)(i),  
18 | 367.121(1)(k), 367.156(1), 367.161, F.S.

19 | History: Amended 9/12/74, 1/18/83, 2/24/85, 10/27/85, formerly  
20 | 25-10.25, Transferred from 25-10.025 11/9/86, Amended 12/22/86,  
21 | 3/11/91, 11/13/95, 5/1/96, \_\_\_\_\_.

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