

STATE OF FLORIDA

Commissioners:
J. TERRY DEASON, CHAIRMAN
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BRAULIO L. BAEZ



DIVISION OF APPEALS
DAVID SMITH
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Public Service Commission

October 16, 2000

Mr. Carroll Webb
Joint Administrative Procedures
Committee
Room 120 Holland Building
Tallahassee, Florida 32399-1300

Re: Docket No. 001062-WS - Proposed Repeal of Rule 25-30.470,
F.A.C., Calculation of Rate Reduction After Rate Case
Expense is Amortized.

Dear Mr. Webb:

The Commission has approved the repeal of Rule 25-30.470,
without changes.

We plan to file the rule for adoption on October 23, 2000.

Sincerely,

Mary Anne Helton
Associate General Counsel

RPL30470.MAH
Enclosure
cc: Division of Records & Reporting

- APP _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR _____
- LEG _____
- OPC _____
- PAI _____
- RGO _____
- SEC 7
- SER _____
- OTH _____

DOCUMENT NUMBER - DATE
13094 OCT 16 00

1 25-30.470 Calculation of Rate Reduction After Rate Case
2 Expense is Amortized.

3 ~~To calculate the rate reduction to be made 4 years after a~~
4 ~~rate case as required by section 367.0816, F.S., the following~~
5 ~~methodology shall be used. The annual amount of rate case expense,~~
6 ~~which is equal to one fourth of the total allowed rate case~~
7 ~~expense, shall be divided by the regulatory assessment fee gross up~~
8 ~~factor. The resulting number shall then be divided by the revenue~~
9 ~~requirement to determine the percentage of the rate reduction. The~~
10 ~~percentage is then multiplied against the new rates to determine~~
11 ~~the amount of the future rate reduction. Revised tariff sheets~~
12 ~~implementing the reduction shall be filed no later than 1 month~~
13 ~~before the end of the fourth year.~~

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

15 Law Implemented: 367.0816, 367.121, F.S.

16 History: New 11/30/93, Repealed _____.

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