

ORIGINAL

DOCKET NO. 011495-WS

CERTIFICATION OF

PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES

FILED WITH THE

DEPARTMENT OF STATE

2002 FEB -4 PM 3:43
DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

FILED

I do hereby certify:

(1) That all statutory rulemaking requirements of Chapter 120, F.S., have been complied with; and

(2) There is no administrative determination under subsection 120.56(2), F.S., pending on any rule covered by this certification; and

(3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(3)(e), F.S. They are filed not less than 28 days after the notice required by paragraph 120.54(3)(a), F.S., and;

(a) Are filed not more than 90 days after the notice; or

(b) Are filed not more than 90 days after the notice not including days an administrative determination was pending; or

(c) Are filed more than 90 days after the notice, but not less than 21 days nor more than 45 days from the date of publication of the notice of change; or

(d) Are filed more than 90 days after the notice, but

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CAF _____
CMP _____
COM _____
CTR _____
ECR _____
GCL _____
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SEC _____
OTH _____

DOCUMENT NUMBER-DATE

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not less than 14 nor more than 45 days after the adjournment of the final public hearing on the rule; or

 / (e) Are filed more than 90 days after the notice, but within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

 / (f) Are filed more than 90 days after the notice, but within 21 days after the date the transcript was received by this agency; or

 / (g) Are filed not more than 90 days after the notice, not including days the adoption of the rule was postponed following notification from the Joint Administrative Procedures Committee that an objection to the rule was being considered; or

 / (h) Are filed more than 90 days after the notice, but within 21 days after a good faith written proposal for a lower cost regulatory alternative to a proposed rule is submitted which substantially accomplishes the objectives of the law being implemented; or

 / (i) Are filed more than 90 days after the notice, but within 21 days after a regulatory alternative is offered by the small business ombudsman.

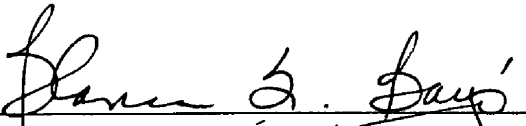
Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the undersigned agency by and upon their filing with the Department of State.

Rule No.

25-30.4705

Under the provision of subparagraph 120.54(3)(e)6., F.S.,
the rules take effect 20 days from the date filed with the
Department of State or a later date as set out below:

Effective: _____
(month) (day) (year)



BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

Number of Pages Certified

(S E A L)

SMC

1 25-30.4705 Calculation of Rate Reduction After Rate Case Expense is
2 Amortized

3 To calculate the rate reduction to be made four 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 one 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 / /

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

SUMMARY OF RULE

The adoption of this rule would codify the method to be used by the Commission to remove rate case expense from rates after the four year amortization period has expired as required by Section 367.0815, Florida Statutes.

SUMMARY OF HEARINGS ON THE RULE

No hearing was requested and none was held.

FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE

During the 2000 Legislative Session, Section 367.0816, Florida Statutes, was repealed. Consequently, the rule that set forth the method to be used to remove rate case expense from rates after the four year amortization period expired, Rule 25-30.470, F.A.C., Code was also repealed.

Section 367.0816, F.S., was reenacted during the 2001 Legislative Session. The statute become effective on June 1, 2001. The statute that was reenacted in 2001 is identical to the statute that was repealed in 2000.

Rule 25-30.4705, F.A.C., sets forth the method to be used to remove rate case expense from rates after the four year amortization period has expired, as required by Section 367.0816, F.S. It is identical to the rule that was repealed when Section 367.0816, F.S. was repealed in 2000. Rule 25-30.4705, F.A.C., is

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necessary because it will let utilities, ratepayers, and other interested persons know how the Commission calculates the rate case expense reductions required by Section 367.0816, F.S.