

ORIGINAL

Dorothy Menasco

From: John_Butler@fpl.com
Sent: Wednesday, May 03, 2006 4:55 PM
To: Filings@psc.state.fl.us
Subject: Re: Electronic Filing for Docket Nos. 060172-EU and 060173-EU - FPL proposed rule amendments and comments

Attachments: FPL proposed rules (redlined).pdf; FPL proposed rules (clean).pdf; transmittal letter.pdf



FPL proposed rules (redlined).pdf (386 KB)
FPL proposed rules (clean).pdf
transmittal letter.pdf

I am resending my earlier electronic filing with the correct subject line in the e-mail title. There are no other differences from the prior e-mail.

I apologize for any confusion that the earlier subject line may have caused. Best regards, John Butler

----- Forwarded by John Butler/RAD/FPL on 05/03/2006 04:51 PM -----

John Butler

To: filings@psc.state.fl.us
05/03/2006 04:32 PM cc:
Subject: Re: Electronic Filing for Docket No. 060001-EI - FPL's Notice of

Withdrawal

of Counsel and Change of Address(Document link: John Butler)

Electronic Filing

a. Person responsible for this electronic filing:

John T. Butler
Senior Attorney
Florida Power & Light Company
9250 West Flagler Street
Miami, FL 33174
(305) 552-3867
john_butler@fpl.com

b. Docket Nos. 060172-EU and 060173-EU

c. Document being filed on behalf of Florida Power & Light Company.

d. There are a total of 3 pages.

e. The document attached for electronic filing consists of Florida Power & Light Company's proposed rule

CMP _____
COM _____
CTR _____
ECR _____
GCL _____
OPC _____
RCA _____
SCR _____
SGA _____
SEC 1
OTH Ken P

Docket 060172

03940 MAY-3 8

FPSC-COMMISSION CLERK

amendments (redlined and clean versions) together with transmittal letter.

(See attached file: FPL proposed rules (redlined).pdf)(See attached file:
FPL proposed rules (clean).pdf)(See attached file: transmittal letter.pdf)



Florida Power & Light Company, P.O. Box 029100, Miami, FL 33102-9100

John T. Butler
Senior Attorney
Florida Power & Light Company
9250 W. Flagler Street
Miami, FL 33174
(305) 552-3867
(305) 552-3865 (Facsimile)

May 3, 2006

- VIA ELECTRONIC DELIVERY -

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Docket Nos. 060172-EU and 060173-EU

Dear Ms. Bayó:

At the April 17, 2006 rule development workshop in the above dockets, Staff requested comments on how Rules 25-6.034, 25-6.0345, 25-6.064, 25-6.078 and 25-6.115, F.A.C. should be amended to facilitate and encourage "storm hardening" of electric utility transmission and distribution facilities. Pursuant to that request, I am enclosing for filing in the above dockets the comments of Florida Power & Light Company, which are in the form of proposed rule amendments. For convenient reference, both redlined and clean versions of the proposed rule amendments are enclosed.

Please note that the redlined version shows proposed changes from the existing rules rather than from the preliminary rule amendment proposals that Staff circulated at the April 17 workshop. FPL's proposed amendments incorporate many of Staff's preliminary proposals, but also address the issues and concerns that FPL expressed at the workshop.

Proposed subsections (8) through (13) of Rule 25-6.034 address attachments by others to electric poles, which FPL briefly discussed at the workshop and which is the subject of FPL's petition for emergency rule or, alternatively, declaratory statement in Docket No. 060355-EI. These amendments are also addressed in separate supplemental rule comments being filed jointly by Tampa Electric Company, FPL, Gulf Power Company and Progress Energy Florida.

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
May 3, 2006
Page 2

FPL looks forward to the opportunity to discuss its proposed rule amendments with Staff and interested persons at the May 19 rule development workshop.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Butler", written in a cursive style.

John T. Butler

Enclosure

Cc: Lawrence Harris, Esq. (w/encl.)
Interested persons (w/encl.)

FLORIDA ADMINISTRATIVE CODE
Copyright © 2006, State of Florida, Department of State.
All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.034 Standard of Construction.

(1) Application and Scope. This rule is intended to define construction standards for all overhead and underground electrical transmission and distribution facilities to ensure the provision of adequate and reliable electric service for operational as well as emergency purposes. The facilities of the utility shall be constructed, installed, maintained and operated in accordance with generally accepted engineering practices to assure, as far as is reasonably possible, continuity of service and uniformity in the quality of service furnished. This rule applies to all electric utilities, including municipal electric utilities and rural electric cooperative utilities unless otherwise noted.

(2) The Commission adopts and incorporates by reference the 2002 edition of the National Electrical Safety Code (NESC) (ANSI C-2), published August 1, 2001, as the basis for each utility developing minimum standards for safe construction of transmission and distribution facilities. Except as otherwise provided for in this rule, the standards shall be applicable, to the extent reasonably practical and feasible, to specific portions of the infrastructure for:

(a) New construction;

(b) Major planned work, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this rule; and

(c) Targeted critical infrastructure facilities and major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations.

A copy of the 2002 NESC, ISBN number 0-7381-2778-7, may be obtained from the Institute of Electric and Electronic Engineers, Inc. (IEEE). A utility may exceed the minimum standards of the NESC to enhance reliability and reduce restoration costs and outage times.

(3) Distribution and transmission facilities constructed prior to the effective date of this rule shall be governed by the applicable edition of the NESC in effect at the time of the initial construction.

(4) For distribution construction, a utility shall exceed the normal requirements of NESC by adopting the extreme wind loading standards, to the extent reasonably practical and feasible, for specific portions of the infrastructure for:

(a) New construction;

(b) Major planned work, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this rule; and

(c) Targeted critical infrastructure facilities and major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations.

(5) Each utility shall establish construction standards, to the extent reasonably practical and feasible, for underground electrical facilities to enhance reliability and reduce restoration costs and outage times associated with extreme weather events.

(6) Location for the utility's electric facilities shall be as follows:

(a) For initial installation, expansion, rebuild, or relocation of any overhead facilities, utilities may use easements, public streets, roads and highways which the utility has the legal right to occupy, and public lands and private property across which rights-of-way or easements have been provided by the applicant.

(b) For initial installation, expansion, rebuild, or relocation of any underground facilities, the applicant shall provide easements along the front edge of the property unless the utility determines that there is an operational or economic benefit to use another location.

Formatted: Indent: Left: 0.5", First line: 0"

Formatted: Indent: Left: 0.5", First line: 0"

Formatted: Indent: Left: 0.5", First line: 0"

Privileged and Confidential - Attorney-Client Communication / Attorney Work Product

DOCUMENT NUMBER-DATE
03940 MAY-3 06
FPCO-COMMISSION CLERK

(c) For conversions of existing overhead facilities to underground, the utility may, if the applicant is a local government who provides all necessary permits and meets the utility's legal, financial and operational requirements, place facilities in road rights-of-way in lieu of requiring easements.

In all cases, the locations must be provided by the applicant in a reasonable time to meet construction requirements, meet all requirements of Rule 25-6.076, be satisfactory to the utility, and comply with all applicable federal, state and local laws, regulations and ordinances.

(7) The Commission has reviewed the American National Standard Code for Electricity Metering, 6th edition, ANSI C-12, 1975, and the American National Standard Requirements, Terminology and Test Code for Instrument Transformers, ANSI-57.13, and has found them to contain reasonable standards of good practice. A utility that is in compliance with the applicable provisions of these publications, and any variations approved by the Commission, shall be deemed by the Commission to have facilities constructed and installed in accordance with generally accepted engineering practices.

Formatted: Indent: First line: 0.25", Space Before: 6 pt

(8) Each electric utility shall establish and maintain written safety, reliability, capacity, and engineering standards and procedures for attachments by others to the utility's electric distribution poles ("Attachment Standards and Procedures"). Such Attachment Standards and Procedures shall meet or exceed NESC and other applicable standards imposed by law so as to assure, as far as is reasonably practicable, that third-party facilities attached to electric distribution poles do not impair electric system safety or reliability, do not exceed pole capacity, and are constructed, installed, maintained, and operated in accordance with generally accepted engineering practices for the utility's service territory.

(9) Following the effective date of this rule, no non-electric utility attachment, unless necessary for the distribution and delivery of electric power, shall be made in or above the Communications Worker Safety Zone of a utility's distribution poles.

Formatted: Indent: First line: 0.25"

(10) No later than 30 days after the enactment of this rule, each utility shall file a copy of its Attachment Standards and Procedures with the Commission. In the event a utility modifies its Attachment Standards and Procedures, the utility shall file its new Attachment Standards and Procedures, appropriately labeled to indicate the effective date of the new version, together with an annotated copy of the previous version showing each modification.

(11) No attachment to an electric utility's distribution poles shall be made except in compliance with such utility's Attachment Standards and Procedures as filed with the Commission.

(12) The Commission shall review the Attachment Standards and Procedures filed by each utility and may at any time require a utility to demonstrate, through appropriate proceedings, that its Attachment Standards and Procedures comply with the requirements of Section (8). The Commission also may investigate each attaching party's compliance with the same.

Formatted: Font: Times New Roman

Formatted: Font: Times New Roman

Formatted: Font: Times New Roman

Formatted: Font: Times New Roman

Formatted: Font: Times New Roman

Formatted: Indent: First line: 0.25"

(13) A copy of the utility's Attachment Standards and Procedures as filed with the Commission shall be made available by the utility for public inspection. Any person shall, upon request, be furnished a copy of the utility's Attachment Standards and Procedures in effect at the time.

AUTHORITY: Specific Authority 350.127(2), 366.05(1) FS.
Law Implemented 366.04(2)(c), (5), 366.05(1) FS.

HISTORY
Amended 7-29-69, 12-20-82, Formerly 25-6.34.

FLORIDA ADMINISTRATIVE CODE
Copyright © 2006, State of Florida, Department of State.
All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.0345 Safety Standards for Construction of New Transmission and Distribution Facilities.

(1) In compliance with Section 366.04(6)(b), F.S., 1991, the Commission adopts and incorporates by reference the 2002 edition of the National Electrical Safety Code (ANSI C-2), published August 1, 2001, as the applicable safety standards for transmission and distribution facilities subject to the Commission's safety jurisdiction. Each public electric utility, rural electric cooperative, and municipal electric system shall comply with the standards in these provisions. Standards contained in the 2002 edition shall be applicable to new construction for which a work order number is assigned on or after the effective date of this rule.

(2) Nothing in this rule is intended to conflict with the provisions of Rule 25-6.034.

(3) Each public electric utility, rural electric cooperative and municipal electric utility shall report all completed electric work orders, whether completed by the utility or one of its contractors, at the end of each quarter of the year. The report shall be filed with the Director of the Commission's Division of Auditing and Safety no later than the 30th working day after the last day of the reporting quarter, and shall contain, at a minimum, the following information for each work order:

- (a) Work order number/project/job;
- (b) Brief title; and
- (c) Estimated cost in dollars, rounded to nearest thousand.

(4) The quarterly report shall be filed in standard DBase or compatible format, DOS ASCII text, or hard copy, as follows:

Deleted: 3

(a) DBase Format

Field Name	Field Type	Digits
1. Work orders	Character	20
2. Brief title	Character	30
3. Cost	Numeric	8
4. Location	Character	50
5. Kv	Numeric	5
6. Contiguous	Character	1

(b) DOS ASCII Text.

- 1. Columns shall be the same type and in the same order as listed under Field Names above.
- 2. A comma (,) shall be placed between data fields.
- 3. Character data fields shall be placed between quotation marks ("...").
- 4. Numeric data fields shall be right justified.
- 5. Blank spaces shall be used to fill the data fields to the indicated number of digits.

(c) Hard Copy.

The following format is preferred, but not required: Completed Electrical Work Orders For PSC Inspection

Work Order	Brief Title	Estimated Cost	Location	Kv Rating	Contiguous (y/n)
------------	-------------	----------------	----------	-----------	------------------

(5) In its quarterly report, each utility shall identify all transmission and distribution facilities subject to the Commission's safety jurisdiction, and shall certify to the Commission that they meet or exceed the applicable standards. Compliance inspections by the Commission shall be made on a random basis or as appropriate.

Deleted: 4

~~(6) As soon as practicable, but by the end of the next business day after it learns of the occurrence, each public utility, rural electric cooperative, and municipal electric utility shall (without admitting liability) report to the Commission any accident occurring in connection with any part of its transmission or distribution facilities which:~~

Deleted: 5

- ~~(a) Involves death or injury requiring hospitalization of non-utility persons, or~~
- ~~(b) Is significant from a safety standpoint in the judgment of the utility even though it is not required by paragraph (a).~~

~~(7) Each public utility, rural electric cooperative, and municipal electric utility shall (without admitting liability) report each accident or malfunction, occurring in connection with any part of its transmission or distribution facilities, to the Commission within 30 days after it learns of the occurrence, provided the accident or malfunction:~~

Deleted: 6

- ~~(a) Involves damage to the property of others in an amount in excess of \$ 5000; or~~
- ~~(b) Causes significant damage in the judgment of the utility to the utility's facilities.~~

~~(8) Unless requested by the Commission, reports are not required with respect to personal injury, death, or property damage resulting from vehicles striking poles or other utility property.~~

Deleted: 7

AUTHORITY: Specific Authority 350.127(2) FS.
Law Implemented 366.04(2)(f), (6) FS.

HISTORY
New 8-13-87, Amended 2-18-90, 11-10-93, 8-17-97, 7-16-02.

Deleted: 8
Section Break (Continuous)

FLORIDA ADMINISTRATIVE CODE
Copyright © 2006, State of Florida, Department of State.
All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.064 ~~Contribution in Aid of Construction for Installation of New or Upgraded Facilities.~~

(1) ~~Purpose and Applicability. The purpose of this rule is to establish a uniform procedure by which investor-owned electric utilities will calculate amounts due as Contribution in Aid of Construction (CIAC) from customers who require new distribution facilities, in order to receive electric service, or for upgrades to existing facilities. This Rule is not applicable to any facilities otherwise covered in Rule 25-6.078.~~

(2) ~~CIAC for overhead distribution facilities shall be calculated as set forth below:~~

$$CIAC_{OH} = \left\{ \begin{array}{l} \text{Estimated} \\ \text{cost of} \\ \text{overhead} \\ \text{facilities} \\ \text{(excluding} \\ \text{service} \\ \text{drops and} \\ \text{meters)} \end{array} \right\} - 4 \times \left\{ \begin{array}{l} \text{Base energy charge per kWh} \times \\ \text{expected incremental annual kWh} \\ \text{sales over the new facilities} \\ + \\ \text{If applicable, base demand charge per kW} \times \\ \text{expected incremental average monthly kW} \\ \text{over the new facilities} \times 12 \end{array} \right\}$$

(3) ~~CIAC for underground distribution facilities shall be calculated as set forth be:~~

$$CIAC_{UG} = \left\{ \begin{array}{l} \text{Estimated Total Cost of} \\ \text{Underground Facilities} \\ \text{(including services} \\ \text{and meters)} \end{array} \right\} - \left\{ \begin{array}{l} \text{Estimated Total Cost of} \\ \text{Overhead Facilities} \\ \text{(including service drops} \\ \text{and meters)} \end{array} \right\} + CIAC_{OH}$$

law

(4) ~~Nothing in this rule shall be construed as prohibiting a utility from collecting from a customer the total difference in cost for providing underground service instead of overhead service to that customer.~~

(5) ~~Each utility shall apply the above formulas uniformly to residential, commercial and industrial customers.~~

(6) ~~Each utility shall calculate an appropriate CIAC for line extensions constructed to serve customers who receive service at the primary distribution voltage level and the transmission voltage level. This CIAC shall be based on the estimated cost of providing the extension less an appropriate credit.~~

(7) ~~The utility shall use its best judgment in estimating the total amount of base revenues which the new or upgraded facilities are expected to produce in the near future.~~

- Deleted: Extension of Facilities;
- Deleted:
- Deleted:
- Deleted:
- Deleted:
- Deleted:
- Deleted: utilities subject to this rule
- Deleted: contributions
- Deleted: aid
- Deleted: construction
- Deleted: extensions of
- Deleted: .
- Formatted: Indent: First line: 0.13"
- Deleted: Applicability. This rule applies to all investor owned electric utilities in Florida
- Deleted: defined in Section 366.02, F.S.
- Deleted: Definitions. Actual or estimated job cost means the actual cost of providing the specified line extension facilities, calculated after the extension is completed, or the estimated cost of providing the specified facilities before the extension is completed.¶
- Deleted: (4) In developing the policy extending overhead
- Formatted: Indent: Left: 0.19", First line: 0"
- Deleted: to customers, the following formulas shall be used to determine the contribution in aid of construction owed by the customer.¶
- (a) For customers in rate classes that pay only energy charges, i.e., those that do not pay demand charges, the CIAC
- Deleted: follows:
- Deleted: CIACoh [1]
- Deleted: 6
- Deleted: (7) In the event that amounts are collected for certain distributio... [2]
- Deleted: 8
- Deleted: requiring line extensions.
- Deleted: 9
- Deleted: actual or
- Deleted: 10
- Deleted: and sales
- Deleted: each line extension is

(8) The utility may elect to waive the customer's CIAC, even when CIAC is found to be applicable. However, if the utility waives the CIAC, the utility shall adjust net plant in service accordingly. Each utility shall maintain records of amounts waived and any subsequent adjustments (9) in cases where, in the judgment of the utility, multiple customers could reasonably be expected to be served in the near term by the new or upgraded facilities, the utility may upon mutual agreement from all affected customers elect to prorate the total CIAC over those multiple customers.

(10) A detailed statement of its standard policies pursuant to this rule shall be filed by each utility as part of its tariffs. The tariffs shall have uniform application be nondiscriminatory.

(11) If a utility and applicant are unable to agree on the CIAC amount, either party may appeal to the Commission for a review.

(12) Nothing in this rule shall be construed to prevent the utility from collecting the full cost differential associated with providing a non-standard level of service vs. a standard level of service.

AUTHORITY: Specific Authority 366.05(1), 350.127(2) FS.
Law Implemented 366.03, 366.05(1), 366.06(1) FS.

HISTORY
New 7-29-69, Amended 7-2-85, Formerly 25-6.64.

- Deleted: 11
- Deleted: line extension
- Deleted: for customers
- Deleted: a
- Deleted: owing
- Deleted: the Commission will reduce
- Deleted: 's
- Deleted:
- Deleted:
- Deleted: by an equal amount for rate-making purposes, as though the CIAC had been collected, except when the company's annual revenues from a customer are sufficient to offset the unpaid line extension CIAC under subsection (4) or (5).
- Deleted: changes that served to offset the CIAC.
- Deleted: 12
- Deleted: larger developments are
- Deleted: by line extensions.
- Deleted: line extension costs and
- Deleted: 's
- Deleted: owed over the number of customers expected to connect to the new line.
- Deleted: 13
- Deleted: extension
- Deleted: y
- Deleted: is
- Deleted: policy
- Deleted: and shall
- Deleted: 14
- Deleted: in regard to an extension
- Deleted: f
- Section Break (Continuous) -----

FLORIDA ADMINISTRATIVE CODE
Copyright © 2006, State of Florida, Department of State.
All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.078 Schedule of Charges.

(1) Each investor-owned electric utility shall file with the Commission a written policy that shall become a part of the utility's tariff rules and regulations for the installation of underground facilities in new subdivisions. Such policy shall be subject to review and approval of the Commission and shall include an Estimated Average Cost Differential, if any, and shall state the basis upon which the utility will provide underground service and its method for recovering the difference in cost of an underground system and an equivalent overhead system from the applicant at the time service is extended. The charges to the applicant shall not be more than the estimated difference in cost of an underground system and an equivalent overhead system, and such costs shall reflect the requirements of Rule 25-6.034.

Formatted: Indent: First line: 0.13"
Deleted:

Deleted:

(2) On or before October 15th of each year each utility shall file with the Commission's Division of Economic Regulation Form PSC/ECR 13-E, Schedule 1, using current material and labor costs. If the cost differential as calculated in Schedule 1 varies from the Commission-approved differential by plus or minus 10 percent or more, the utility shall file a written policy and supporting data and analyses as prescribed in subsections (1), (3) and (4) of this rule on or before April 1 of the following year; however, each utility shall file a written policy and supporting data and analyses at least once every three years.

(3) Differences in operating and maintenance costs between underground and overhead systems, if any, may be taken into consideration in determining the overall Estimated Average Cost Differential.

(4) Detailed supporting data and analyses used to determine the Estimated Average Cost Differential for underground and overhead distribution systems shall be concurrently filed by the utility with the Commission and shall be updated using cost data developed from the most recent 12-month period. The utility shall record these data and analyses on Form PSC/ECR 13-E (10/97). Form PSC/ECR 13-E, entitled "Overhead/Underground Residential Differential Cost Data" is incorporated by reference into this rule and may be obtained from the Division of Economic Regulation, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, (850) 413-6900.

(5) Service for a new multiple-occupancy building shall be constructed underground within the property to be served to the point of delivery at or near the building by the utility at no charge to the applicant, provided the utility is free to construct its service extension or extensions in the most economical manner.

(6) The of recovery of the cost differential as filed by the utility and approved by the Commission may not be waived or refunded unless it is mutually agreed by the applicant and the utility that the applicant will perform certain work as defined in the utility's tariff, in which case the applicant shall receive a credit. Provision for the credit shall be set forth in the utility's tariff rules and regulations, and shall be no more in amount than the total charges applicable.

(7) The difference in cost as determined by the utility in accordance with its tariff shall be based on full use of the subdivision for building lots or multiple-occupancy buildings. If any given subdivision is designed to include large open areas, the utility or the applicant may refer the matter to the Commission for a special ruling as provided under Rule 25-6.083, F.A.C.

(8) The utility shall not be obligated to install any facilities within a subdivision until satisfactory arrangements for the construction of facilities and payment of applicable charges, if any, have been completed between the applicant and the utility by written agreement. A standard agreement form shall be filed with the company's tariff.

(9) Nothing herein contained shall be construed to prevent any utility from assuming all cost differential of providing underground distribution systems, provided, however, that such assumed cost differential shall not be chargeable to the general body of rate payers, and any such policy adopted by a utility shall have uniform application throughout its service area.

AUTHORITY: Specific Authority 366.04(2)(f), 366.05(1) FS.
Law Implemented 366.03, 366.04(1), (4), 366.04(2)(f), 366.06(1) FS.

HISTORY

New 4-10-71, Amended 4-13-80, 2-12-84, Formerly 25-6.78, Amended 10-29-97.

ANNOTATIONS

Damages

Doctrine of "supervening government activity" did not apply in breach of contract suit brought by subdivision developers against Florida Power Company; developers would be entitled to recover damages only as to underground service that Company should have installed prior to Public Service Commission's approval of its underground service charge, which was action power company claimed as "supervening governmental activity." Winter Springs Development Corporation v. Florida Power Corporation, App., (5th)402 So. 2d 1225 (1981).

Court reversed summary judgment for subdivision developers in breach of contract suit against Florida Power Corporation where genuine issues of fact existed, but held that power company could not assert defense of developers' failure to exhaust administrative remedies. Since Public Service Commission could not have awarded money damages, remedy would have been inadequate, and developers were not obliged to take controversy before Commission. Id.

Deleted: ¶
-----Section Break (Continuous)-----

FLORIDA ADMINISTRATIVE CODE
 Copyright © 2006, State of Florida, Department of State.
 All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.115 Contribution-in-Aid-of Construction (CIAC) for Conversion of Existing Overhead Distribution Facilities to Underground.

(1) Each investor-owned electric utility shall file a tariff showing the non-refundable deposit amounts for standard applications addressing the conversion of existing overhead distribution facilities to underground (this Rule does not apply to those facilities otherwise covered by Rule 25-6.078). The tariff shall include the general provisions and terms under which the utility and applicant may enter into a contract for the purpose of conversion.

(2) For the purpose of this rule, the applicant is the person or entity seeking the undergrounding of existing overhead electric distribution facilities. In the instance when a developer requests local government development approval, the local government shall not be deemed the applicant for purposes of this rule.

(3) Nothing in the tariff shall prevent the applicant from constructing and installing all or a portion of the underground distribution facilities provided:

- (a) Such work meets the utility's construction standards;
- (b) The utility will own and maintain the completed distribution facilities; and
- (c) Such agreement is not expected to cause the general body of ratepayers to incur greater costs.

(4) Nothing in the tariff shall prevent the applicant from requesting a non-binding cost estimate which shall be provided to the applicant free of any charge or fee.

(5) Upon an applicant's request and payment of the deposit amount, the utility shall provide a binding cost estimate for providing underground electric service.

(6) An applicant shall have at least 180 days from the date the estimate is received, to enter into a contract with the utility based on the binding cost estimate. The deposit amount shall be used to reduce the charge as indicated in subsection (7) only when the applicant enters into a contract with the utility within 180 days from the date the estimate is received by the applicant, unless this period is extended by mutual agreement of the applicant and the utility.

(7) The CIAC shall be calculated as set forth below minus the non-refundable deposit amount, if applicable. The applicant shall not be required to pay any additional amount which exceeds 10 percent of the binding cost estimate.

$$CIAC_{UCC} = \left\{ \left(\begin{array}{l} \text{Cost of} \\ \text{Underground} \\ \text{Facilities} \end{array} + \left(\begin{array}{l} \text{Existing Overhead} \\ \text{Facilities} \\ \text{Net Book Value} \end{array} + \begin{array}{l} \text{Overhead} \\ \text{Removal} \\ \text{Cost} \end{array} - \begin{array}{l} \text{Overhead} \\ \text{Salvage} \\ \text{Value} \end{array} \right) - \begin{array}{l} \text{Cost of} \\ \text{New Overhead} \\ \text{Facilities} \end{array} \right\} \times \left(\begin{array}{l} \text{Government} \\ \text{Adjustment} \\ \text{Factor} \end{array} \right)$$

(a) Costs of Underground and New Overhead Facilities shall include all distribution components (e.g., transformers, services, meters, and any other necessary facilities, etc.)

(b) Existing Overhead Facilities Net Book Value is plant-in-service less accumulated depreciation of the facilities to be removed.

(c) Cost of New Overhead Facilities shall be the estimated cost to install new overhead.

(d) Government Adjustment Factor (GAF) is applicable in those instances where the applicant is a local government subject to the utility's tariff and has met the utility's requirements as specified in the tariff. The GAF amount, based on the GAF specified in the utility's tariff, shall be added to the utility's plant-in-service. The applicant must include in the requested project all overhead facilities, up to and including all services, within

- Deleted: 25-6.115-Facility Charges for Providing Underground Facilities of Public Distribution Facilities Excluding New Residential Subdivisions. §
- Deleted: public
- Deleted: new construction and
- Deleted: facilities excluding new residential subdivisions.
- Deleted: public
- Deleted: new construction or
- Deleted: of existing overhead electric facilities to underground electric facilities. The non-refundable deposit amounts shall approximate the engineering costs for underground facilities serving each of the following scenarios: urban commercial, urban residential, rural residential, existing low-density single family home subdivision and existing high-density single family home subdivision service areas.
- Deleted: public
- Deleted: public
- Deleted: a public
- Deleted: public
- Deleted: public
- Deleted: the charge for the proposed underground facilities
- Deleted: indicated in subsection (8) minus the charge for overhead facilities as indicated in subsection (9)
- Deleted:
- Deleted: an

the area designated for conversion. The GAF shall not be applicable to any road construction or improvement projects for which state or federal funds are available.

~~(8) An applicant to a utility for construction of underground distribution facilities may petition the Commission pursuant to Rule 25-22.032.~~

~~(9) Nothing in this rule shall be construed to grant any electric utility any right, title or interest in real property owned by a local government.~~

AUTHORITY: Specific Authority 366.04, 366.05(1) FS.
Law Implemented 366.03, 366.04, 366.05 FS.

HISTORY
New 9-21-92.

Deleted: (8) For the purpose of this rule, the charge for the proposed underground facilities shall include:¶
 (a) The estimated cost of construction of the underground distribution facilities including the construction cost of the underground service lateral(s) to the meter(s) of the customer(s).¶
 (b) For conversions, the estimated remaining net book value of the existing facilities to be removed less the estimated net salvage value of the facilities to be removed.¶
 (9) For the purpose of this rule, the charge for overhead facilities shall be the estimated construction cost to build new overhead facilities, including the service drop(s) to the meter(s) of the customer(s).

Deleted: 10

Deleted: public

Deleted: , F.A.C

Deleted: 11

CIACoh = (Actual or estimated job cost for new poles and conductors and appropriate fixtures required to provide service, excluding transformers, service drops, and meters) -- (4 X nonfuel energy charge per KWH x expected annual KWH sales over the new line)

(b) For customers in rate classes that pay both energy charges and demand charges, the CIAC shall be calculated as follows:

CIACoh	= Actual or estimated job cost for new poles and conductors and appropriate fixtures required to provide service, excluding transformers, service drops, and meters	-- (4 X nonfuel energy charge per KWH x expected annual KWH sales over the new line)	- (4 x expected annual demand charge revenues from sales over the new line)
--------	---	--	---

(c) Expected demand charge revenues and energy sales shall be based on an annual period ending not more than five years after the extension is placed in service.

(5) In developing the policy for extending underground distribution facilities to customers, the following formula shall be used to determine the contribution in aid of construction.

CIACug	= (Estimated difference between the cost of providing the distribution line extension including not only the distribution line extension itself but also the transformer, the service drop, and other necessary fixtures, with underground facilities vs. the cost of providing service using overhead facilities)	+ CIACoh (as above)
--------	--	---------------------

(7) In the event that amounts are collected for certain distribution facilities via the URD differential tariff as permitted by Rule 25-6.078, F.A.C., that would also be collected pursuant to this rule, the utility shall give an appropriate credit for such amounts collected via the URD differential tariff when calculating the line extension CIAC due pursuant to this rule.

FLORIDA ADMINISTRATIVE CODE
Copyright © 2006. State of Florida, Department of State.
All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.034 Standard of Construction.

(1) Application and Scope. This rule is intended to define construction standards for all overhead and underground electrical transmission and distribution facilities to ensure the provision of adequate and reliable electric service for operational, as well as, emergency purposes. The facilities of the utility shall be constructed, installed, maintained and operated in accordance with generally accepted engineering practices to assure, as far as is reasonably possible, continuity of service and uniformity in the quality of service furnished. This rule applies to all electric utilities, including municipal electric utilities and rural electric cooperative utilities unless otherwise noted.

(2) The Commission adopts and incorporates by reference the 2002 edition of the National Electrical Safety Code (NESC) (ANSI C-2), published August 1, 2001, as the basis for each utility developing minimum standards for safe construction of transmission and distribution facilities. Except as otherwise provided for in this rule, the standards shall be applicable, to the extent reasonably practical and feasible, to specific portions of the infrastructure for:

- (a) New construction;
- (b) Major planned work, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this rule; and
- (c) Targeted critical infrastructure facilities and major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations.

A copy of the 2002 NESC, ISBN number 0-7381-2778-7, may be obtained from the Institute of Electric and Electronic Engineers, Inc. (IEEE). A utility may exceed the minimum standards of the NESC to enhance reliability and reduce restoration costs and outage times.

(3) Distribution and transmission facilities constructed prior to the effective date of this rule shall be governed by the applicable edition of the NESC in effect at the time of the initial construction.

(4) For distribution construction, a utility shall exceed the normal requirements of NESC by adopting the extreme wind loading standards, to the extent reasonably practical and feasible, for specific portions of the infrastructure for:

- (a) New construction;
- (b) Major planned work, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this rule; and
- (c) Targeted critical infrastructure facilities and major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations.

(5) Each utility shall establish construction standards, to the extent reasonably practical and feasible, for underground electrical facilities to enhance reliability and reduce restoration costs and outage times associated with extreme weather events.

(6) Location for the utility's electric facilities shall be as follows:

- (a) For initial installation, expansion, rebuild, or relocation of any overhead facilities, utilities may use easements, public streets, roads and highways which the utility has the legal right to occupy, and public lands and private property across which rights-of-way or easements have been provided by the applicant.
- (b) For initial installation, expansion, rebuild, or relocation of any underground facilities, the applicant shall provide easements along the front edge of the property unless the utility determines that there is an operational or economic benefit to use another location.

(c) For conversions of existing overhead facilities to underground, the utility may, if the applicant is a local government who provides all necessary permits and meets the utility's legal, financial and operational requirements, place facilities in road rights-of-way in lieu of requiring easements.

In all cases, the locations must be provided by the applicant in a reasonable time to meet construction requirements, meet all requirements of Rule 25-6.076, be satisfactory to the utility, and comply with all applicable federal, state and local laws, regulations and ordinances.

(7) The Commission has reviewed the American National Standard Code for Electricity Metering, 6th edition, ANSI C-12, 1975, and the American National Standard Requirements, Terminology and Test Code for Instrument Transformers, ANSI-57.13, and has found them to contain reasonable standards of good practice. A utility that is in compliance with the applicable provisions of these publications, and any variations approved by the Commission, shall be deemed by the Commission to have facilities constructed and installed in accordance with generally accepted engineering practices.

(8) Each electric utility shall establish and maintain written safety, reliability, capacity, and engineering standards and procedures for attachments by others to the utility's electric distribution poles ("Attachment Standards and Procedures"). Such Attachment Standards and Procedures shall meet or exceed NESC and other applicable standards imposed by law so as to assure, as far as is reasonably practicable, that third-party facilities attached to electric distribution poles do not impair electric system safety or reliability, do not exceed pole capacity, and are constructed, installed, maintained, and operated in accordance with generally accepted engineering practices for the utility's service territory.

(9) Following the effective date of this rule, no non-electric utility attachment, unless necessary for the distribution and delivery of electric power, shall be made in or above the Communications Worker Safety Zone of a utility's distribution poles.

(10) No later than 30 days after the enactment of this rule, each utility shall file a copy of its Attachment Standards and Procedures with the Commission. In the event a utility modifies its Attachment Standards and Procedures, the utility shall file its new Attachment Standards and Procedures, appropriately labeled to indicate the effective date of the new version, together with an annotated copy of the previous version showing each modification.

(11) No attachment to an electric utility's distribution poles shall be made except in compliance with such utility's Attachment Standards and Procedures as filed with the Commission.

(12) The Commission shall review the Attachment Standards and Procedures filed by each utility and may at any time require a utility to demonstrate, through appropriate proceedings, that its Attachment Standards and Procedures comply with the requirements of Section (8). The Commission also may investigate each attaching party's compliance with the same.

(13) A copy of the utility's Attachment Standards and Procedures as filed with the Commission shall be made available by the utility for public inspection. Any person shall, upon request, be furnished a copy of the utility's Attachment Standards and Procedures in effect at the time.

AUTHORITY: Specific Authority 350.127(2), 366.05(1) FS.
Law Implemented 366.04(2)(c), (5), 366.05(1) FS.

HISTORY

Amended 7-29-69, 12-20-82, Formerly 25-6.34.

FLORIDA ADMINISTRATIVE CODE
Copyright © 2006, State of Florida, Department of State.
All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.0345 Safety Standards for Construction of New Transmission and Distribution Facilities.

(1) In compliance with Section 366.04(6)(b), F.S., 1991, the Commission adopts and incorporates by reference the 2002 edition of the National Electrical Safety Code (ANSI C-2), published August 1, 2001, as the applicable safety standards for transmission and distribution facilities subject to the Commission's safety jurisdiction. Each public electric utility, rural electric cooperative, and municipal electric system shall comply with the standards in these provisions. Standards contained in the 2002 edition shall be applicable to new construction for which a work order number is assigned on or after the effective date of this rule.

(2) Nothing in this rule is intended to conflict with the provisions of Rule 25-6.034.

(3) Each public electric utility, rural electric cooperative and municipal electric utility shall report all completed electric work orders, whether completed by the utility or one of its contractors, at the end of each quarter of the year. The report shall be filed with the Director of the Commission's Division of Auditing and Safety no later than the 30th working day after the last day of the reporting quarter, and shall contain, at a minimum, the following information for each work order:

- (a) Work order number/project/job;
- (b) Brief title; and
- (c) Estimated cost in dollars, rounded to nearest thousand.

(4) The quarterly report shall be filed in standard DBase or compatible format, DOS ASCII text, or hard copy, as follows:

(a) DBase Format

Field Name	Field Type	Digits
1. Work orders	Character	20
2. Brief title	Character	30
3. Cost	Numeric	8
4. Location	Character	50
5. Kv	Numeric	5
6. Contiguous	Character	1

(b) DOS ASCII Text.

- 1. Columns shall be the same type and in the same order as listed under Field Names above.
- 2. A comma (,) shall be placed between data fields.
- 3. Character data fields shall be placed between quotation marks (" . . .").
- 4. Numeric data fields shall be right justified.
- 5. Blank spaces shall be used to fill the data fields to the indicated number of digits.

(c) Hard Copy.

The following format is preferred, but not required: Completed Electrical Work Orders For PSC Inspection

Work Order	Brief Title	Estimated Cost	Location	Kv Rating	Contiguous (y/n)
------------	-------------	----------------	----------	-----------	------------------

(5) In its quarterly report, each utility shall identify all transmission and distribution facilities subject to the Commission's safety jurisdiction, and shall certify to the Commission that they meet or exceed the applicable standards. Compliance inspections by the Commission shall be made on a random basis or as appropriate.

(6) As soon as practicable, but by the end of the next business day after it learns of the occurrence, each public utility, rural electric cooperative, and municipal electric utility shall (without admitting liability) report to the Commission any accident occurring in connection with any part of its transmission or distribution facilities which:

- (a) Involves death or injury requiring hospitalization of non-utility persons; or
- (b) Is significant from a safety standpoint in the judgment of the utility even though it is not required by paragraph (a).

(7) Each public utility, rural electric cooperative, and municipal electric utility shall (without admitting liability) report each accident or malfunction, occurring in connection with any part of its transmission or distribution facilities, to the Commission within 30 days after it learns of the occurrence, provided the accident or malfunction:

- (a) Involves damage to the property of others in an amount in excess of \$ 5000; or
- (b) Causes significant damage in the judgment of the utility to the utility's facilities.

(8) Unless requested by the Commission, reports are not required with respect to personal injury, death, or property damage resulting from vehicles striking poles or other utility property.

AUTHORITY: Specific Authority 350.127(2) FS.
Law Implemented 366.04(2)(f), (6) FS.

HISTORY
New 8-13-87, Amended 2-18-90, 11-10-93, 8-17-97, 7-16-02.

FLORIDA ADMINISTRATIVE CODE
 Copyright © 2006. State of Florida, Department of State.
 All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.064 Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities.

(1) Purpose and Applicability: The purpose of this rule is to establish a uniform procedure by which investor-owned electric utilities will calculate amounts due as Contribution-in-Aid-of-Construction (CIAC) from customers who require new distribution facilities, in order to receive electric service, or for upgrades to existing facilities. This Rule is not applicable to any facilities otherwise covered in Rule 25-6.078.

(2) CIAC for overhead distribution facilities shall be calculated as set forth below:

$$CIAC_{OH} = \left\{ \begin{array}{l} \text{Estimated} \\ \text{cost of} \\ \text{overhead} \\ \text{facilities} \\ \text{(excluding} \\ \text{service} \\ \text{drops and} \\ \text{meters)} \end{array} \right\} - 4 \times \left\{ \begin{array}{l} \text{Base energy charge per kWh x} \\ \text{expected incremental annual kWh} \\ \text{sales over the new facilities} \\ + \\ \text{If applicable, base demand charge per kW x} \\ \text{expected incremental average monthly kW} \\ \text{over the new facilities x 12} \end{array} \right\}$$

(3) CIAC for underground distribution facilities shall be calculated as set forth below:

$$CIAC_{UG} = \left(\begin{array}{l} \text{Estimated Total Cost of} \\ \text{Underground Facilities} \\ \text{(including services} \\ \text{and meters)} \end{array} - \begin{array}{l} \text{Estimated Total Cost of} \\ \text{Overhead Facilities} \\ \text{(including service drops} \\ \text{and meters)} \end{array} \right) + CIAC_{OH}$$

low:

(4) Nothing in this rule shall be construed as prohibiting a utility from collecting from a customer the total difference in cost for providing underground service instead of overhead service to that customer.

(5) Each utility shall apply the above formulas uniformly to residential, commercial and industrial customers.

(6) Each utility shall calculate an appropriate CIAC for line extensions constructed to serve customers who receive service at the primary distribution voltage level and the transmission voltage level. This CIAC shall be based on the estimated cost of providing the extension less an appropriate credit.

(7) The utility shall use its best judgment in estimating the total amount of base revenues which the new or upgraded facilities are expected to produce in the near future.

(8) The utility may elect to waive the customer's CIAC, even when CIAC is found to be applicable. However, if the utility waives the CIAC, the utility shall adjust net plant-in-service accordingly. Each utility shall maintain records of

amounts waived and any subsequent adjustments.(9) In cases where, in the judgment of the utility, multiple customers could reasonably be expected to be served in the near term by the new or upgraded facilities, the utility may upon mutual agreement from all affected customers, elect to prorate the total CIAC over those multiple customers.

(10) A detailed statement of its standard policies pursuant to this rule shall be filed by each utility as part of its tariffs. The tariffs shall have uniform application be nondiscriminatory.

(11) If a utility and applicant are unable to agree on the CIAC amount, either party may appeal to the Commission for a review.

(12) Nothing in this rule shall be construed to prevent the utility from collecting the full cost differential associated with providing a non-standard level of service vs. a standard level of service.

AUTHORITY: Specific Authority 366.05(1), 350.127(2) FS.
Law Implemented 366.03, 366.05(1), 366.06(1) FS.

HISTORY

New 7-29-69, Amended 7-2-85, Formerly 25-6.64.

FLORIDA ADMINISTRATIVE CODE
Copyright © 2006. State of Florida, Department of State.
All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.078 Schedule of Charges.

(1) Each investor-owned electric utility shall file with the Commission a written policy that shall become a part of the utility's tariff rules and regulations for the installation of underground facilities in new subdivisions. Such policy shall be subject to review and approval of the Commission and shall include an Estimated Average Cost Differential, if any, and shall state the basis upon which the utility will provide underground service and its method for recovering the difference in cost of an underground system and an equivalent overhead system from the applicant at the time service is extended. The charges to the applicant shall not be more than the estimated difference in cost of an underground system and an equivalent overhead system and such costs shall reflect the requirements of Rule 25-6.034.

(2) On or before October 15th of each year each utility shall file with the Commission's Division of Economic Regulation Form PSC/ECR 13-E, Schedule 1, using current material and labor costs. If the cost differential as calculated in Schedule 1 varies from the Commission-approved differential by plus or minus 10 percent or more, the utility shall file a written policy and supporting data and analyses as prescribed in subsections (1), (3) and (4) of this rule on or before April 1 of the following year; however, each utility shall file a written policy and supporting data and analyses at least once every three years.

(3) Differences in operating and maintenance costs between underground and overhead systems, if any, may be taken into consideration in determining the overall Estimated Average Cost Differential.

(4) Detailed supporting data and analyses used to determine the Estimated Average Cost Differential for underground and overhead distribution systems shall be concurrently filed by the utility with the Commission and shall be updated using cost data developed from the most recent 12-month period. The utility shall record these data and analyses on Form PSC/ECR 13-E (10/97). Form PSC/ECR 13-E, entitled "Overhead/Underground Residential Differential Cost Data" is incorporated by reference into this rule and may be obtained from the Division of Economic Regulation, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, (850) 413-6900.

(5) Service for a new multiple-occupancy building shall be constructed underground within the property to be served to the point of delivery at or near the building by the utility at no charge to the applicant, provided the utility is free to construct its service extension or extensions in the most economical manner.

(6) The of recovery of the cost differential as filed by the utility and approved by the Commission may not be waived or refunded unless it is mutually agreed by the applicant and the utility that the applicant will perform certain work as defined in the utility's tariff, in which case the applicant shall receive a credit. Provision for the credit shall be set forth in the utility's tariff rules and regulations, and shall be no more in amount than the total charges applicable.

(7) The difference in cost as determined by the utility in accordance with its tariff shall be based on full use of the subdivision for building lots or multiple-occupancy buildings. If any given subdivision is designed to include large open areas, the utility or the applicant may refer the matter to the Commission for a special ruling as provided under Rule 25-6.083, F.A.C.

(8) The utility shall not be obligated to install any facilities within a subdivision until satisfactory arrangements for the construction of facilities and payment of applicable charges, if any, have been completed between the applicant and the utility by written agreement. A standard agreement form shall be filed with the company's tariff.

(9) Nothing herein contained shall be construed to prevent any utility from assuming all cost differential of providing underground distribution systems, provided, however, that such assumed cost differential shall not be chargeable to the general body of rate payers, and any such policy adopted by a utility shall have uniform application throughout its service area.

AUTHORITY: Specific Authority 366.04(2)(f), 366.05(1) FS.
Law Implemented 366.03, 366.04(1), (4), 366.04(2)(f), 366.06(1) FS.

25-6.078, F.A.C.

HISTORY

New 4-10-71, Amended 4-13-80, 2-12-84, Formerly 25-6.78, Amended 10-29-97.

ANNOTATIONS**Damages**

Doctrine of "supervening government activity" did not apply in breach of contract suit brought by subdivision developers against Florida Power Company; developers would be entitled to recover damages only as to underground service that Company should have installed prior to Public Service Commission's approval of its underground service charge, which was action power company claimed as "supervening governmental activity." *Winter Springs Development Corporation v. Florida Power Corporation, App., (5th)402 So. 2d 1225 (1981).*

Court reversed summary judgment for subdivision developers in breach of contract suit against Florida Power Corporation where genuine issues of fact existed, but held that power company could not assert defense of developers' failure to exhaust administrative remedies. Since Public Service Commission could not have awarded money damages, remedy would have been inadequate, and developers were not obliged to take controversy before Commission.Id.

FLORIDA ADMINISTRATIVE CODE
 Copyright © 2006, State of Florida, Department of State.
 All Rights Reserved.

*** THIS DOCUMENT REFLECTS CHANGES RECEIVED THROUGH APRIL 7, 2006 ***

25-6.115 Contribution-in-Aid-of Construction (CIAC) for Conversion of Existing Overhead Distribution Facilities to Underground.

(1) Each investor-owned electric utility shall file a tariff showing the non-refundable deposit amounts for standard applications addressing the conversion of existing overhead distribution facilities to underground (this Rule does not apply to those facilities otherwise covered by Rule 25-6.078). The tariff shall include the general provisions and terms under which the utility and applicant may enter into a contract for the purpose of conversion.

(2) For the purpose of this rule, the applicant is the person or entity seeking the undergrounding of existing overhead electric distribution facilities. In the instance when a developer requests local government development approval, the local government shall not be deemed the applicant for purposes of this rule.

(3) Nothing in the tariff shall prevent the applicant from constructing and installing all or a portion of the underground distribution facilities provided:

- (a) Such work meets the utility's construction standards;
- (b) The utility will own and maintain the completed distribution facilities; and
- (c) Such agreement is not expected to cause the general body of ratepayers to incur greater costs.

(4) Nothing in the tariff shall prevent the applicant from requesting a non-binding cost estimate which shall be provided to the applicant free of any charge or fee.

(5) Upon an applicant's request and payment of the deposit amount, the utility shall provide a binding cost estimate for providing underground electric service.

(6) An applicant shall have at least 180 days from the date the estimate is received, to enter into a contract with the utility based on the binding cost estimate. The deposit amount shall be used to reduce the charge as indicated in subsection (7) only when the applicant enters into a contract with the utility within 180 days from the date the estimate is received by the applicant, unless this period is extended by mutual agreement of the applicant and the utility.

(7) The CIAC shall be calculated as set forth below minus the non-refundable deposit amount, if applicable. The applicant shall not be required to pay any additional amount which exceeds 10 percent of the binding cost estimate.

$$CIAC_{UCC} = \left\{ \left[\begin{array}{l} \text{Cost of} \\ \text{Underground} \\ \text{Facilities} \end{array} + \left(\begin{array}{l} \text{Existing Overhead} \\ \text{Facilities} \\ \text{Net Book Value} \end{array} + \begin{array}{l} \text{Overhead} \\ \text{Removal} \\ \text{Cost} \end{array} - \begin{array}{l} \text{Overhead} \\ \text{Salvage} \\ \text{Value} \end{array} \right) - \begin{array}{l} \text{Cost of} \\ \text{New Overhead} \\ \text{Facilities} \end{array} \right\} \times \left(\begin{array}{l} \text{Government} \\ \text{Adjustment} \\ \text{Factor} \end{array} \right)$$

- (a) Costs of Underground and New Overhead Facilities shall include all distribution components (e.g., transformers, services, meters, and any other necessary facilities, etc.)
- (b) Existing Overhead Facilities Net Book Value is plant-in-service less accumulated depreciation of the facilities to be removed.
- (c) Cost of New Overhead Facilities shall be the estimated cost to install new overhead.
- (d) Government Adjustment Factor (GAF) is applicable in those instances where the applicant is a local government subject to the utility's tariff and has met the utility's requirements as specified in the tariff. The GAF amount, based on the GAF specified in the utility's tariff, shall be added to the utility's plant-in-service. The applicant must include in the requested project all overhead facilities, up to and including all services, within

the area designated for conversion. The GAF shall not be applicable to any road construction or improvement projects for which state or federal funds are available.

(8) An applicant to a utility for construction of underground distribution facilities may petition the Commission pursuant to Rule 25-22.032.

(9) Nothing in this rule shall be construed to grant any electric utility any right, title or interest in real property owned by a local government.

AUTHORITY: Specific Authority 366.04, 366.05(1) FS.
Law Implemented 366.03, 366.04, 366.05 FS.

HISTORY
New 9-21-92.