

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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COMMISSION CLERK

-M-E-M-O-R-A-N-D-U-M-

DATE: May 25, 2006

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Office of the General Counsel (Moore, Brown) *MM MCB*
Division of Economic Regulation (Bremner, Hewitt, Jopling, Lee, Matlock, McNulty, Swearingen) *sum 108*
won *11/2*

RE: Docket No. 060243-EI – Proposed revisions to Rule 25-6.044, F.A.C., Continuity of Service, and Rule 25-6.0455, F.A.C., Annual Distribution Service Reliability Report.

AGENDA: 06/06/06 – Regular Agenda – Rule Proposal - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Arriaga

RULE STATUS: Proposal May Be Deferred

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\GCL\WP\060243.RCM.DOC

Case Background

Rule 25-6.0455, Florida Administrative Code, requires investor-owned electric utilities to annually report certain information that is used to assess distribution service reliability and changes in quality of service. Rule 25-6.044, Florida Administrative Code, defines the terms used by the utilities in their records of service interruption causes and the reports required by Rule 25-6.0455. The rules implement sections 366.03, 366.04(2)(c) and (f), 366.04(5), and 366.05(1) and (7), Florida Statutes. Section 366.03 requires each public utility to furnish reasonably sufficient, adequate, and efficient service. The cited provisions of section 366.04 give the Commission power over electric utilities for the purpose of requiring electric power reliability and reports, and jurisdiction over the planning, development, and maintenance of a

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coordinated electric power grid to assure an adequate and reliable source of energy. Subsection 366.05(1) authorizes the Commission to prescribe service rules and standards of quality and measurements to be observed by each public utility. Subsection 366.05(7) authorizes the Commission to require reports from all electric utilities to assure the development of adequate and reliable energy grids. Staff's recommended revisions to the rules are intended to clarify and improve the reporting requirements for investor-owned utilities' service interruptions.

Rule 25-6.0455 currently allows utilities to exclude from their distribution reliability reports service interruptions that are caused by certain outage events, typically those that are viewed as potentially outside the utility's ability to prevent. The rule lists these excludable events, such as storms named by the National Hurricane Center. The rule also requires the Commission to issue orders concerning certain adjustments not explicitly provided for in the rule. When this provision permitting a utility to petition the Commission to exclude an outage event that is not listed in the rule was established in 2002, it was represented that few such petitions would be filed and that using the statutory rule waiver process to adjust the reports requires a showing that would be too difficult to make. Between November 7, 2002, and May 18, 2005, the investor-owned electric utilities filed 11 petitions, including 3 rule waivers, for 14 Outage Events seeking adjustments to the Annual Distribution Reliability Report. In addition, the amount of 2004 hurricane outage data that has been excluded has been so great that it represents up to 98 percent of outage data. Reports excluding hurricane outage data offer little information about the level of reliability experienced by utility customers.

A Notice of Proposed Rule Development was issued on January 18, 2006, and was published in the Florida Administrative Weekly on January 27, 2006. Staff conducted a rule development workshop on February 22, 2006, that was attended by representatives of each investor-owned electric utility, Florida Electric Cooperatives Association, and the Office of Public Counsel.

Discussion of Issues

Issue 1: Should the Commission propose changes to Rules 25-6.044 and 25-6.0455, Florida Administrative Code, requiring investor-owned electric utilities to record and report distribution system reliability data?

Recommendation: Yes. (Breman, Hewitt, Jopling, Lee, Matlock, McNulty, Swearingen, Moore, Brown)

Staff Analysis: Staff's recommended rule changes and the forms incorporated by reference into the rules are attached. (Attachments A and B.) The following is a section-by-section summary of the rule changes recommended by staff:

25-6.044(1)(a): Subsection (1) provides definitions of service reliability terms used in Part IV of Chapter 25-6, Florida Administrative Code. The definition of "Area of Service", which is how the utilities report their data, is changed to clarify that it refers to the discrete management areas within the utility, including a subregion in which centralized distribution service functions are carried out.

25-6.044(1)(q): Defines "Planned Service Interruption" and includes the statement that customers are typically notified in advance of planned service interruptions. Staff recommends deleting this statement as unnecessary and potentially confusing because subsection (4) of this rule requires notice to affected customers whenever practicable.

25-6.044(2): Requires utilities to keep the data needed for their annual Distribution Service Reliability Report. Staff recommends adding a requirement that each utility keep the records and data supporting its annual report for a minimum of 10 years from the filing of each annual report. This retention period for reliability records is based upon the maximum distribution facility inspection cycle practiced by the investor-owned utilities. Changing the period to 10 years will ensure that the records of the previous inspection will be available.

25-6.0455(1)(a) – (d): Subsection (1) requires each utility to file the Distribution Service Reliability Report by March 1 of each year for the preceding calendar year. The rule is reorganized for clarity by moving paragraphs (a) through (d), which list the information required in the reports, from subsection (1) to subsection (3).

25-6.0455(2): The new language in this subsection provides that the distribution reliability report will not include service interruption data that are associated with generation and transmission disturbances. These data are already included in reports required by another rule, Rule 25-6.018, Florida Administrative Code.

25-6.0455(3): Rule 25-6.0455 currently requires utilities to report reliability data that they may adjust to exclude service interruptions caused by certain outage events, typically those that are viewed as outside the utility's ability to prevent. The rule lists these excludable events, such as storms named by the National Hurricane Center. In order to adequately review utility reliability data, however, staff often must obtain the actual data by sending data requests to the utilities.

Staff recommends amending subsection (3) to require each utility's annual distribution reliability report to include both actual and adjusted data. This will improve administrative efficiency and reduce review time. For adjusted data, the utility may exclude certain outages caused by events listed in subsection (4) of this rule, described below.

The language in paragraphs (3)(a) – (d), which was moved from subsection (1) of the existing rule, specifies the information that is required by the report and incorporates by reference the reporting forms. The exception to certain reporting requirements that is in the existing rule for a utility furnishing service to fewer than 50,000 retail customers is preserved in the revised rule recommended by staff. This exception was added to the rule in 2002 to address the concern that the reporting requirements would impose a significant economic impact on Florida Public Utilities Company (FPUC) because it did not have the data gathering ability to report two of the indices.

25-6.0455(4): This subsection is created to provide that the adjusted distribution reliability data may reflect outages caused by planned service interruptions and load management events, certain weather events, and an extreme fire event causing activation of the county emergency operation center. The amended rule deletes the provision in the existing rule that permitted utilities to petition the Commission to exclude other outages.

In their joint post workshop comments, the investor-owned electric utilities suggested expanding the types of outages they may exclude from their reports as follows:

A utility may exclude from the Annual Distribution Service Reliability Report the Outage Events directly caused by one or more of the following: planned interruptions *initiated by the utility to perform necessary activities for public safety reasons or for scheduled activities* such as maintenance, infrastructure improvements, and new construction due to growth, ...”

(Italics and emphasis added.) Although staff initially suggested adding "public safety reasons" to the definition of "Planned Service Interruption", staff does not believe that there is a need to separately state it. "Planned Service Interruption" is already defined in Rule 25-6.044(1)(q) as follows and is an excludable outage event in staff's recommended rule:

A Service Interruption initiated by the utility to perform necessary scheduled activities, such as maintenance, infrastructure improvements, and new construction due to customer growth.

The utilities' proposal would essentially expand the definition of "Planned Service Interruption" to include unscheduled activities related to public safety. The utilities state that the expanded definition they propose adds further clarity to the excluded events listed in the current subsection (2), however, in staff's view, planned interruptions are by their very nature scheduled and should be treated as such by the rule.

Staff also believes planned interruptions “initiated by the utility to perform necessary activities for public safety reasons” are captured in the terms “maintenance” and “infrastructure

improvements" in the existing and proposed definition of "Planned "Service Interruption" in Rule 25-6.044(1)(q). It is therefore unnecessary and repetitive to separately list such types of interruptions as proposed by the utilities. An example of such an interruption would be those associated with the replacement of a transformer. Such interruptions are planned prior to an outage occurring and the replacement activity may affect public safety. On the other hand, certain interruptions could be viewed as public safety related, such as interruptions precipitated by vehicles or excavations impacting utility facilities, but these interruptions are not excludable under the existing rule and should not be excludable under the new rule. For many such interruptions, the utility exercises a certain degree of control in minimizing the likelihood of such events occurring, such as in the placement of poles to minimize vehicle-caused outages. Thus, it is appropriate that these events not be excluded from the calculation of the reliability indices.

Statement of Estimated Regulatory Cost:

There should be no significant costs incurred by IOUs to comply with the recommended rule revisions. The Commission should benefit from the rule changes from reduced petition filings and rule waiver requests and customers should benefit from having more information about their service area reliability. A Statement of Estimated Regulatory Cost is attached. (Attachment C.)

Issue 2: Should this docket be closed?

Recommendation: Yes, if no requests for hearing or comments are filed, the rule amendments as proposed should be filed for adoption with the Secretary of State and the docket be closed. (Moore)

Staff Analysis: Unless comments or requests for hearing are filed, the rules as proposed may be filed with the Secretary of State without further Commission action. The docket may then be closed.

1 **25-6.044 Continuity of Service.**

2 (1) Definitions applicable to this part:

3 (a) "Area of Service." A geographic area where a utility provides retail electric service.

4 An Area of Service can be the entire system, a district, or a subregion of the utility's system in
5 which centralized distribution service functions are carried out ~~a region into which a utility~~
6 ~~divides its system.~~7 (b) "Average Duration of Outage Events (L-Bar)." The sum of each Outage Event
8 Duration for all Outage Events occurring during a given time period, divided by the Number
9 of Outage Events over the same time period within a specific Area of Service.10 (c) "Customer Average Interruption Duration Index (CAIDI)." The average time to
11 restore service to interrupted retail customers within a specified Area of Service over a given
12 period of time. It is determined by dividing the sum of Customer Minutes of Interruption by
13 the total number of Service Interruptions for the respective Area of Service.14 (d) "Customers Experiencing More Than Five Interruptions (CEMI5)." The number of
15 retail customers that sustain more than five Service Interruptions for a specified Area of
16 Service over a given period of time.17 (e) "Customer Minutes of Interruption (CMI)." For a given Outage Event, CMI is the
18 sum of each affected retail customer's Service Interruption Duration.19 (f) "Momentary Average Interruption Event Frequency Index (MAIFIE)." The average
20 number of Momentary Interruption Events recorded on primary circuits for a specified Area of
21 Service over a given period of time.22 (g) "Momentary Interruption." The complete loss of voltage for less than one minute.
23 This does not include short duration phenomena causing waveform distortion.24 (h) "Momentary Interruption Event." One or more Momentary Interruptions recorded
25 by the operation of a utility distribution interrupting device within a five minute period. For

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1 example, two or three operations of a primary circuit breaker within a five minute period that
2 did not result in a Service Interruption is one Momentary Interruption Event.

3 (i) "Number of Customers Served (C)." The sum of all retail customers on the last day
4 of a given time period within a specific Area of Service.

5 (j) "Number of Outage Events (N)." The sum of Outage Events for an Area of Service
6 over a specified period of time.

7 (k) "Outage Event." An occurrence that results in one or more individual retail
8 customer Service Interruptions.

9 (l) "Outage Event Duration (L)." The time interval, in minutes, between the time when
10 a utility first becomes aware of an Outage Event and the time of restoration of service to the
11 last retail customer affected by that Outage Event.

12 (m) "Service Interruption." The complete loss of voltage of at least one minute to a
13 retail customer.

14 (n) "Service Interruption Duration." The time interval, in minutes, between the time a
15 utility first becomes aware of a Service Interruption and the time of restoration of service to
16 that retail customer.

17 (o) "System Average Interruption Duration Index (SAIDI)." The average minutes of
18 Service Interruption Duration per retail customer served within a specified Area of Service
19 over a given period of time. It is determined by dividing the total Customer Minutes of
20 Interruption by the total Number of Customers Served for the respective Area of Service.

21 (p) "System Average Interruption Frequency Index (SAIFI)." The average number of
22 Service Interruptions per retail customer within a specified Area of Service over a given
23 period of time. It is determined by dividing the sum of Service Interruptions by the total
24 Number of Customers Served for the respective Area of Service.

25 q) "Planned Service Interruption." A Service Interruption initiated by the utility to

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from existing law.

1 perform necessary scheduled activities, such as maintenance, infrastructure improvements,
2 and new construction due to customer growth. ~~Customers are typically notified in advance of~~
3 ~~these events.~~

4 (2) Each utility shall keep a record of its system reliability and continuity of service
5 data, customers' Service Interruption notifications, and other data necessary for the annual
6 reports filed under these rules. These records and data shall be retained for a minimum of ten
7 years from the filing of each annual report. The utility shall record each Outage Event as
8 planned or unplanned and shall identify the point of origination such as generation facility,
9 transmission line, transmission substation equipment, or distribution equipment. The cause of
10 each Outage Event shall be determined and recorded in a standardized manner throughout the
11 utility. The date and time of the Outage Event and the number of Service Interruptions for the
12 Outage Event shall also be recorded.

13 (3) Each utility shall make all reasonable efforts to prevent interruptions of service and
14 when such interruptions occur shall attempt to restore service within the shortest time
15 practicable consistent with safety.

16 (4) When the service is necessarily interrupted or curtailed, it shall be done at a time
17 which, when at all practicable, will result in the least inconvenience to customers and all such
18 scheduled interruptions shall be preceded by reasonable notice whenever practicable to
19 affected customers. Each utility shall maintain a current copy of its noticing procedures with
20 the Division of Economic Regulation.

21 (5) The provisions of this rule shall not apply to a curtailment or an interruption of
22 service to customers receiving service under interruptible rate classifications when the
23 curtailment or interruption of service occurs pursuant to the affected retail customer's service
24 agreement.

25 Specific Authority 366.05(1) FS.

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from existing law.

1 Law Implemented 366.03, 366.04(2)(c), (5), 366.05 FS.

2 History—New 7-29-69, Formerly 25-6.44, Amended 2-25-93, 11-7-02.

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7 **25-6.0455 Annual Distribution Service Reliability Report.**

8 (1) Each utility shall file a Distribution Service Reliability Report with the Director of
9 the Commission's Division of Economic Regulation on or before March 1st of each year, for
10 the preceding calendar year. ~~The report shall contain the following information:~~

11 ~~(a) The utility's total number of Outage Events (N), categorized by cause for the~~
12 ~~highest 10 causes of Outage Events, the Average Duration of Outage Events (L- Bar), and~~
13 ~~Average Service Restoration Time (CAIDI). The utility shall record these data and analyses~~
14 ~~on Form PSC/ECR 102-1, entitled "Outage Events" which may be obtained from the Division~~
15 ~~of Economic Regulation, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850,~~
16 ~~(850) 413-6900;~~

17 ~~(b) Identification of the three percent of the utility's Primary Circuits (feeders) with the~~
18 ~~highest number of feeder breaker interruptions. For each primary circuit so identified the~~
19 ~~utility shall report the primary circuit identification number or name, substation origin, general~~
20 ~~location, number of affected customers by service class served, Number of Outage Events (N),~~
21 ~~Average Duration of Outage Events (L- Bar), Average Service Restoration Time (CAIDI),~~
22 ~~whether the same circuit is being reported for the second consecutive year, the number of~~
23 ~~years the primary circuit was reported on the "Three Percent Feeder List" in the past five~~
24 ~~years, and the corrective action date of completion. The utility shall record these data and~~
25 ~~analyses on Form PSC/ECR 102-2, entitled "Three Percent Feeder List" which may be~~

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1 obtained from the Division of Economic Regulation, 2540 Shumard Oak Boulevard,
 2 Tallahassee, Florida 32399-0850, (850) 413-6900;

3 (c) ~~The reliability indices SAIDI, CAIDI, SAIFI, MAIFIE, and CEMIS for its system~~
 4 ~~and for each district or region into which its system may be divided. The utility shall report~~
 5 ~~these data and analyses on Form PSC/ECR-102-3, entitled "System Reliability Indices" which~~
 6 ~~may be obtained from the Division of Economic Regulation, 2540 Shumard Oak Boulevard,~~
 7 ~~Tallahassee, Florida 32399-0850, (850) 413-6900. Any utility furnishing electric service to~~
 8 ~~fewer than 50,000 retail customers shall not be required to report the reliability indices~~
 9 ~~MAIFIE or CEMIS;~~

10 (d) ~~The calculations for each of the required indices and measures of distribution~~
 11 ~~reliability;~~

12 (2) The Distribution Service Reliability Report will exclude the impact of all service
 13 interruptions associated with generation and transmission disturbances governed by Section
 14 25-6.018(2) and (3), Florida Administrative Code. A utility may exclude from the Annual
 15 Distribution Service Reliability Report the Outage Events directly caused by one or more of
 16 the following: planned interruptions, a storm named by the National Hurricane Center, a
 17 tornado recorded by the National Weather Service, ice on lines, a planned load management
 18 event, an electric generation disturbance, an electric transmission system disturbance, or an
 19 extreme weather or fire event causing activation of the county emergency operation center.

20 (3) The report shall contain the following information on an actual and adjusted basis:
 21 A utility may submit a request to exclude an Outage Event from the Annual Distribution
 22 Service Reliability Report that is not specifically provided for in subsection 25-6.0455(2),
 23 F.A.C. Such a request must be filed with the Commission's Division of the Commission Clerk
 24 and Administrative Services within 30 days of the Outage Event for which an exclusion is
 25 being requested. The Commission will approve the request if the utility is able to demonstrate

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1 that the outage was not within the utility's control, and that the utility could not reasonably
2 have prevented the outage.

3 (a) The utility's total number of Outage Events(N), categorized by cause for the
4 highest ten causes of Outage Events, the Average Duration of Outage Events (L-Bar), and
5 Average Service Restoration Time (CAIDI). The utility shall record these data and analyses
6 on Form PSC/ECR 102-1(a) (/06) and Form PSC/ECR 102-1(b) (/06), entitled "Causes of
7 Outage Events – Actual" and "Causes of Outage Events-Adjusted", respectively, which may
8 be obtained from the Division of Economic Regulation, 2540 Shumard Oak Boulevard,
9 Tallahassee, Florida 32399-0850, 850/413-6900, and which are incorporated herein by
10 reference;

11 (b) Identification of the three percent of the utility's Primary Circuits (feeders) with the
12 highest number of feeder breaker interruptions. For each primary circuit so identified the
13 utility shall report the primary circuit identification number or name, substation origin, general
14 location, number of affected customers by service class served, Number of Outage Events (N),
15 Average Duration of Outage Events (L-Bar), Average Service Restoration Time (CAIDI),
16 whether the same circuit is being reported for the second consecutive year, the number of
17 years the primary circuit was reported on the "Three Percent Feeder List" in the past five
18 years, and the corrective action date of completion. The utility shall record these data and
19 analyses on Form PSC/ECR 102-2(a) (/06) and Form PSC/ECR 102-2(b) (/06), entitled
20 "Three Percent Feeder List - Actual" and "Three Percent Feeder List – Adjusted",
21 respectively, which may be obtained from the Division of Economic Regulation, 2540
22 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 850/413-6900, and which are
23 incorporated herein by reference;

24 (c) The reliability indices SAIDI, CAIDI, SAIFI, MAIFIe, and CEMI5 for its system
25 and for each district or region into which its system may be divided. The utility shall report

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1 these data and analyses on Form PSC/ECR 102-3(a) (/06) and Form PSC/ECR 102-3(b)
2 (/06), entitled "System Reliability Indices - Actual" and "System Reliability Indices –
3 Adjusted", respectively, which may be obtained from the Division of Economic Regulation,
4 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 850/413-6900, and which
5 are incorporated herein by reference. Any utility furnishing electric service to fewer than
6 50,000 retail customers shall not be required to report the reliability indices MAIFIE or
7 CEMI5; and

8 (d) The calculations for each of the required indices and measures of distribution
9 reliability.

10 (4) Adjusted distribution reliability data may omit Outage Events directly caused by:

11 (a) Planned Service Interruptions;

12 (b) A storm named by the National Hurricane Center;

13 (c) A tornado recorded by the National Weather Service;

14 (d) Ice on lines;

15 (e) A planned load management event;

16 (f) Any electric generation or transmission event not governed by Section 25-6.018(2)

17 and (3), Florida Administrative Code; or

18 (g) An extreme weather or fire event causing activation of the county emergency
19 operation center.

20 Specific Authority 366.05(1) FS.

21 Law Implemented 366.03, 366.04(2)(c), (f), (5), 366.05, 366.05(7) FS.

22 History–New 2-25-93, Amended 11-7-02,_____.

Causes of Outage Events – Actual			
Utility Name _____		Year _____	
Cause (a)	Number of Outage Events(N) (b)	Average Duration (L-Bar) (c)	Average Restoration Time (CAIDI) (d)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
All Other Causes			
System Totals			

PSC/ECR 102-1(a) (___/06)
 Incorporated by reference in Rule 25-6.0455,
 Florida Administrative Code

Causes of Outage Events – Adjusted			
Utility Name _____		Year _____	
Cause (a)	Number of Outage Events(N) (b)	Average Duration (L-Bar) (c)	Average Restoration Time (CAIDI) (d)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
All Other Causes			
System Totals			

PSC/ECR 102-1(b) (___/06)
 Incorporated by reference in Rule 25-6.0455,
 Florida Administrative Code

Attachment B

Three Percent Feeder List - Actual													
Utility Name _____												Year _____	
Primary Circuit Id. No. or Name (a)	Sub-station Origin (b)	Location (c)	Number of Customers					Outage Events "N" (i)	Avg Duration "L-Bar" (j)	CAIDI (k)	Listed Last Year? (l)	No. of Years in the Last 5 (m)	Corrective Action Completion Date (n)
			Residential (d)	Commercial (e)	Industrial (f)	Other (g)	Total (h)						

PSC/ECR 102-2(a) (___/06)
 Incorporated by reference in Rule 25-6.0455,
 Florida Administrative Code

Attachment B

Three Percent Feeder List – Adjusted

Utility Name _____

Year _____

Primary Circuit Id. No. or Name (a)	Sub-station Origin (b)	Location (c)	Number of Customers					Outage Events "N" (i)	Avg Duration "L-Bar" (j)	CAIDI (k)	Listed Last Year? (l)	No. of Years in the Last 5 (m)	Corrective Action Completion Date (n)
			Residential (d)	Commercial (e)	Industrial (f)	Other (g)	Total (h)						

PSC/ECR 102-2(b) (___/06)
 Incorporated by reference in Rule 25-6.0455,
 Florida Administrative Code

System Reliability Indices – Actual					
Utility Name _____				Year _____	
District or Service Area (a)	SAIDI (b)	CAIDI (c)	SAIFI (d)	MAIFle (e)	CEMI5 (f)
System Averages					

PSC/ECR 102-3(a) (___/06)
 Incorporated by reference in Rule 25-6.0455,
 Florida Administrative Code

System Reliability Indices – Adjusted					
Utility Name _____			Year _____		
District or Service Area (a)	SAIDI (b)	CAIDI (c)	SAIFI (d)	MAIFle (e)	CEMI5 (f)
System Averages					

PSC/ECR 102-3(b) (___/06)
 Incorporated by reference in Rule 25-6.0455,
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-M-E-M-O-R-A-N-D-U-M-

DATE: April 21, 2006
TO: Office of General Counsel (Moore)
FROM: Division of Economic Regulation (Hewitt) *CHV SK JS*
RE: Statement of Estimated Regulatory Costs for Proposed Amendments to Rule 25-6.044, F.A.C., Continuity of Service; and Rule 25-6.0455, F.A.C., Annual Distribution Service Reliability Report; Docket No. 060243-EI

SUMMARY OF THE RULE

Rules 25-6.044 and 25-6.0455, F.A.C., contain the requirements for each public electric utilities to keep a record of its system reliability and continuity of service data, customers' Service Interruption notifications, and other data necessary for an annual report to be filed with the Commission.

The proposed rule amendments would require that annual reliability reports contain both actual and adjusted data, modify the types of adjustments, require justification for each adjustment, and delete existing subsection (3) which contains ambiguity and contributes to controversy. Also, the proposed changes would clarify the excluded events that are not the responsibility of the companies.

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

The five investor owned electric utilities (IOUs) would be affected by the proposed rule changes. The IOUs sell electricity to industrial, commercial, and residential customers throughout the state.

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

There should be no significant implementation or enforcement costs for the Commission. The Commission would benefit by the proposed rule amendments by reducing the need for special data requests and the handling of requests for waivers and petition filings by the IOUs. There should be no impact on agency revenues but costs of administering the rules should decrease.

There should be no negative impact on other state and local government entities.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES

The IOUs should have no significant transactional costs from the proposed changes to the rule. There may be some minor costs resulting from the requirement to keep reliability data for ten years. There should be benefits resulting from fewer requests for rule waivers and filings of petitions. The actual dollar amounts would depend on the total numbers of reduced administrative petitions and rule waiver requests.

The IOUs commented that unadjusted data that would be reported cannot be quantitatively and qualitatively used to make inter and intra-utility reliability comparisons.

IMPACT ON SMALL BUSINESSES, SMALL CITIES, OR SMALL COUNTIES

There should be a benefit to customers from more available information regarding the reliability within their service area. There should be no negative impact on small businesses, cities, or counties.

CH:kb

cc: Mary Andrews Bane
Chuck Hill
Bill McNulty
Hurd Reeves