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STATE OF FLORIDA

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COMMISSION
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Public Service Commission

July 28, 2006

Mr. Scott Boyd, Executive Director
Joint Administrative Procedures
Committee
Room 120 Holland Building
Tallahassee, FL 32399-1300

RE: Docket Nos. 060172-EU and 060173-EU - Rule Nos. 25-6.034, 25-6.0341,
25-6.0342, 25-6.0343, 25-6.0345, 25-6.064, 25-6.078, 25-6.115, F.A.C.

Dear Mr. Boyd:

Enclosed are the following materials concerning the above referenced proposed rules:

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

1. A copy of the rules and materials incorporated by reference into the rules.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rules.
4. A federal standards statement.
5. A statement of estimated regulatory costs.

Please return the copy of the National Electrical Safety Code once your review of the rules is concluded. If there are any questions with respect to these rules, please do not hesitate to call me.

Sincerely,

Christina T. Prose
for
Larry D. Harris
Associate General Counsel

Electric infrastructure JAPC.lhd.doc

Enclosures

cc: ~~Division of the Commission Clerk and Administrative Services~~

DOCUMENT NUMBER - DATE

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FPSC-COMMISSION CLERK

1 | **PART III**

2 | **GENERAL MANAGEMENT REQUIREMENTS**

3 | **25-6.034 Standard of Construction.**

4 | (1) Application and Scope. This rule is intended to define construction standards for
5 | all overhead and underground electrical transmission and distribution facilities to ensure the
6 | provision of adequate and reliable electric service for operational as well as emergency
7 | purposes. This rule applies to all investor-owned electric utilities. The facilities of the utility
8 | ~~shall be constructed, installed, maintained and operated in accordance with generally accepted~~
9 | ~~engineering practices to assure, as far as is reasonably possible, continuity of service and~~
10 | ~~uniformity in the quality of service furnished.~~

11 | (2) Each utility shall establish, no later than 180 days after the effective date of this
12 | rule, construction standards for overhead and underground electrical transmission and
13 | distribution facilities that conform to the provisions of this rule. Each utility shall maintain a
14 | copy of its construction standards at its main corporate headquarters and at each district office.
15 | Subsequent updates, changes, and modifications to the utility's construction standards shall be
16 | labeled to indicate the effective date of the new version and all revisions from the prior
17 | version shall be identified. Upon request, the utility shall provide access, within 2 working
18 | days, to a copy of its construction standards for review by Commission staff at the utility's
19 | ~~offices in Tallahassee. The Commission has reviewed the American National Standard Code~~
20 | ~~for Electricity Metering, 6th edition, ANSI C-12, 1975, and the American National Standard~~
21 | ~~Requirements, Terminology and Test Code for Instrument Transformers, ANSI-57.13, and has~~
22 | ~~found them to contain reasonable standards of good practice. A utility that is in compliance~~
23 | ~~with the applicable provisions of these publications, and any variations approved by the~~
24 | ~~Commission, shall be deemed by the Commission to have facilities constructed and installed~~
25 | ~~in accordance with generally accepted engineering practices.~~

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1 (3) The facilities of each utility shall be constructed, installed, maintained and
2 operated in accordance with generally accepted engineering practices to assure, as far as is
3 reasonably possible, continuity of service and uniformity in the quality of service furnished.

4 (4) Each utility shall, at a minimum, comply with the applicable edition of the
5 National Electrical Safety Code (ANSI C-2) [NESC].

6 (a) The Commission adopts and incorporates by reference the 2002 edition of the
7 NESC, published August 1, 2001. A copy of the 2002 NESC, ISBN number 0-7381-2778-7,
8 may be obtained from the Institute of Electric and Electronic Engineers, Inc. (IEEE).

9 (b) Electrical facilities constructed prior to the effective date of the 2002 edition of the
10 NESC shall be governed by the applicable edition of the NESC in effect at the time of the
11 initial construction.

12 (5) For the construction of distribution facilities, each utility shall, to the extent
13 reasonably practical, feasible, and cost-effective, be guided by the extreme wind loading
14 standards specified by Figure 250-2(d) of the 2002 edition of the NESC. As part of its
15 construction standards, each utility shall establish guidelines and procedures governing the
16 applicability and use of the extreme wind loading standards to enhance reliability and reduce
17 restoration costs and outage times for each of the following types of construction:

18 (a) new construction;

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

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

23 (6) For the construction of underground distribution facilities and their supporting
24 overhead facilities, each utility shall, to the extent reasonably practical, feasible, and cost-
25 effective, establish guidelines and procedures to deter damage resulting from flooding and

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1 storm surges.

2 (7) In establishing the construction standards, the utility shall seek input from other
3 entities with existing agreements to share the use of its electric facilities. Any dispute or
4 challenge to a utility's construction standards by a customer, applicant for service, or attaching
5 entity shall be resolved by the Commission.

6 Specific Authority 350.127(2), 366.05(1) FS.

7 Law Implemented 366.04(2)(c)(f), (5)(6), 366.05(1)(7)(8) FS.

8 History—Amended 7-29-69, 12-20-82, Formerly 25-6.34, Amended _____.

9

10 **25-6.0341 Location of the Utility's Electric Distribution Facilities.** In order to
11 facilitate safe and efficient access for installation and maintenance, to the extent practical,
12 feasible, and cost-effective, electric distribution facilities shall be placed adjacent to a public
13 road, normally in front of the customer's premises.

14 (1) For initial installation, expansion, rebuild, or relocation of overhead facilities,
15 utilities shall use easements, public streets, roads and highways along which the utility has the
16 legal right to occupy, and public lands and private property across which rights-of-way and
17 easements have been provided by the applicant for service.

18 (2) For initial installation, expansion, rebuild, or relocation of underground facilities,
19 the utility shall require the applicant for service to provide easements along the front edge of
20 the property, unless the utility determines there is an operational, economic, or reliability
21 benefit to use another location.

22 (3) For conversions of existing overhead facilities to underground facilities, the utility
23 shall, if the applicant for service is a local government that provides all necessary permits and
24 meets the utility's legal, financial, and operational requirements, place facilities in road rights-
25 of-way in lieu of requiring easements.

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1 (4) Where the expansion, rebuild, or relocation of electric distribution facilities affects
2 existing third-party attachments, the electric utility shall seek input from and, to the extent
3 practical, coordinate the construction of its facilities with the third-party attacher.

4 Specific Authority 350.127(2), 366.05(1) FS.

5 Law Implemented 366.04(2)(c), (5), (6), 366.05(1)(8) FS.

6 History– New.

7
8 **25-6.0342 Third-Party Attachment Standards and Procedures.**

9 (1) As part of its construction standards adopted pursuant to Rule 25-6.034, F.A.C.,
10 each utility shall establish and maintain written safety, reliability, pole loading capacity, and
11 engineering standards and procedures for attachments by others to the utility’s electric
12 transmission and distribution poles (Attachment Standards and Procedures). The Attachment
13 Standards and Procedures shall meet or exceed the applicable edition of the National Electrical
14 Safety Code (ANSI C-2) pursuant to subsection 25-6.034(4) and other applicable standards
15 imposed by state and federal law so as to assure, as far as is reasonably possible, that third-
16 party facilities attached to electric transmission and distribution poles do not impair electric
17 safety, adequacy, or reliability; do not exceed pole loading capacity; and are constructed,
18 installed, maintained, and operated in accordance with generally accepted engineering
19 practices for the utility’s service territory.

20 (2) No attachment to a utility’s electric transmission or distribution poles shall be
21 made except in compliance with such utility’s Attachment Standards and Procedures.

22 (3) In establishing the Attachment Standards and Procedures, the utility shall seek
23 input from other entities with existing agreements to share the use of its electric facilities.
24 Any dispute arising from the implementation of this rule shall be resolved by the Commission.

25 Specific Authority 350.127(2), 366.05(1) FS.

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1 Law Implemented 366.04(2)(c), (5), (6), 366.05(1)(8) FS.

2 History New _____.

3
4 **25-6.0343 Municipal Electric Utilities and Rural Electric Cooperatives.**

5 (1) Standards of Construction.

6 (a) Application and Scope. This rule is intended to define construction standards for
7 all overhead and underground electrical transmission and distribution facilities to ensure the
8 provision of adequate and reliable electric service for operational as well as emergency
9 purposes. This rule applies to all municipal electric utilities and rural electric cooperatives.

10 (b) Each utility shall establish, no later than 180 days after the effective date of this
11 rule, construction standards for overhead and underground electrical transmission and
12 distribution facilities that conform to the provisions of this rule. Each utility shall maintain a
13 copy of its construction standards at its main corporate headquarters and at each district office.
14 Subsequent updates, changes, and modifications to the utility's construction standards shall be
15 labeled to indicate the effective date of the new version and all revisions from the prior
16 version shall be identified. Upon request, the utility shall provide access, within 2 working
17 days, to a copy of its construction standards for review by Commission staff in Tallahassee.

18 (c) The facilities of each utility shall be constructed, installed, maintained and
19 operated in accordance with generally accepted engineering practices to assure, as far as is
20 reasonably possible, continuity of service and uniformity in the quality of service furnished.

21 (d) Each utility shall, at a minimum, comply with the applicable edition of the
22 National Electrical Safety Code (ANSI C-2) [NESC].

23 1. The Commission adopts and incorporates by reference the 2002 edition of the
24 NESC, published August 1, 2001. A copy of the 2002 NESC, ISBN number 0-7381-2778-7,
25 may be obtained from the Institute of Electric and Electronic Engineers, Inc. (IEEE).

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1 2. Electrical facilities constructed prior to the effective date of the 2002 edition of the
2 NESC shall be governed by the applicable edition of the NESC in effect at the time of the
3 initial construction.

4 (e) For the construction of distribution facilities, each utility shall, to the extent
5 reasonably practical, feasible, and cost-effective, be guided by the extreme wind loading
6 standards specified by Figure 250-2(d) of the 2002 edition of the NESC. As part of its
7 construction standards, each utility shall establish guidelines and procedures governing the
8 applicability and use of the extreme wind loading standards to enhance reliability and reduce
9 restoration costs and outage times for each of the following types of construction:

10 1. new construction;

11 2. major planned work, including expansion, rebuild, or relocation of existing
12 facilities, assigned on or after the effective date of this rule; and

13 3. targeted critical infrastructure facilities and major thoroughfares taking into account
14 political and geographical boundaries and other applicable operational considerations.

15 (f) For the construction of underground distribution facilities and their supporting
16 overhead facilities, each utility shall, to the extent reasonably practical, feasible, and cost-
17 effective, establish guidelines and procedures to deter damage resulting from flooding and
18 storm surges.

19 (2) Location of the Utility's Electric Distribution Facilities. In order to facilitate safe
20 and efficient access for installation and maintenance, to the extent practical, feasible, and cost-
21 effective, electric distribution facilities shall be placed adjacent to a public road, normally in
22 front of the customer's premises.

23 (a) For initial installation, expansion, rebuild, or relocation of overhead facilities,
24 utilities shall use easements, public streets, roads and highways along which the utility has the
25 legal right to occupy, and public lands and private property across which rights-of-way and

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1 easements have been provided by the applicant for service.

2 (b) For initial installation, expansion, rebuild, or relocation of underground facilities,
3 the utility shall require the applicant for service to provide easements along the front edge of
4 the property, unless the utility determines there is an operational, economic, or reliability
5 benefit to use another location.

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

10 (3) Third-Party Attachment Standards and Procedures.

11 (a) As part of its construction standards adopted pursuant to subsection (1), each
12 utility shall establish and maintain written safety, reliability, pole loading capacity, and
13 engineering standards and procedures for attachments by others to the utility's electric
14 transmission and distribution poles (Attachment Standards and Procedures). The Attachment
15 Standards and Procedures shall meet or exceed the applicable edition of the National Electrical
16 Safety Code (ANSI C-2) pursuant to subsection (1)(d) of this rule and other applicable
17 standards imposed by state and federal law so as to assure, as far as is reasonably possible, that
18 third-party facilities attached to electric transmission and distribution poles do not impair
19 electric safety, adequacy, or reliability; do not exceed pole loading capacity; and are
20 constructed, installed, maintained, and operated in accordance with generally accepted
21 engineering practices for the utility's service territory.

22 (b) No attachment to a utility's electric transmission or distribution poles shall be
23 made except in compliance with such utility's Attachment Standards and Procedures.

24 (4) In establishing the construction standards and the attachment standards and
25 procedures, the utility shall seek input from other entities with existing agreements to share the

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1 use of its electric facilities. Any dispute or challenge to a utility's construction standards by a
2 customer, applicant for service, or attaching entity shall be resolved by the Commission.

3 Where the expansion, rebuild, or relocation of electric distribution facilities affects existing
4 third-party attachments, the electric utility shall seek input from and, to the extent practical,
5 coordinate the construction of its facilities with the third-party attacher.

6 (5) If the Commission finds that a municipal electric utility or rural electric
7 cooperative utility has demonstrated that its standards of construction will not result in service
8 to the utility's general body of ratepayers that is less reliable, the Commission shall exempt
9 the utility from compliance with the rule.

10 Specific Authority: 350.127, 366.05(1) F.S.

11 Law Implemented: 366.04(2)(c)(f), (5), (6), (8), 366.05(8)F.S.

12 History New _____.

13
14 **25-6.0345 Safety Standards for Construction of New Transmission and**
15 **Distribution Facilities.**

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

24 (2) Each investor-owned ~~public~~ electric utility, rural electric cooperative and
25 municipal electric utility shall report all completed electric work orders, whether completed by

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1 the utility or one of its contractors, at the end of each quarter of the year. The report shall be
2 filed with the Director of the Commission's Division of Regulatory Compliance and
3 Consumer Assistance ~~Auditing and Safety~~ no later than the 30th working day after the last day
4 of the reporting quarter, and shall contain, at a minimum, the following information for each
5 work order:

- 6 (a) Work order number/project/job;
- 7 (b) Brief title outlining the general nature of the work; ~~and~~
- 8 (c) Estimated cost in dollars, rounded to nearest thousand and;
- 9 (d) Location of project.

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

12 (a) DBase Format

13 Field Name	Field Type	Digits
14 1. Work orders	Character	20
15 2. Brief title	Character	30
16 3. Cost	Numeric	8
17 4. Location	Character	50
18 5. Kv	Numeric	5
19 6. Contiguous	Character	1

- 20 (b) DOS ASCII Text.
- 21 1. Columns shall be the same type and in the same order as listed under Field Names
 - 22 above.
 - 23 2. A comma (,) shall be placed between data fields.
 - 24 3. Character data fields shall be placed between quotation marks ("...").
 - 25 4. Numeric data fields shall be right justified.

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1 5. Blank spaces shall be used to fill the data fields to the indicated number of digits.

2 (c) Hard Copy.

3 The following format is preferred, but not required:

4 Completed Electrical Work Orders For PSC Inspection

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

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

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

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

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

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- 1 (a) Involves damage to the property of others in an amount in excess of \$5000; or
- 2 (b) Causes significant damage in the judgment of the utility to the utility's facilities.
- 3 (7) Unless requested by the Commission, reports are not required with respect to
- 4 personal injury, death, or property damage resulting from vehicles striking poles or other
- 5 utility property.

6 Specific Authority 350.127(2), 366.05(1) FS.

7 Law Implemented 366.04(2)(f), (6), 366.05(7) FS.

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

9 **PART IV**

10 **GENERAL SERVICE PROVISIONS**

11 **25-6.064 Extension of Facilities; Contribution-in-Aid-of-Construction for**
 12 **Installation of New or Upgraded Facilities.**

13 (1) Application and scope Purpose. The purpose of this rule is to establish a uniform
 14 procedure by which investor-owned electric utilities ~~subject to this rule will~~ calculate amounts
 15 due as contributions-in-aid-of-construction (CIAC) from customers who request new facilities
 16 or upgraded facilities ~~require extensions of distribution facilities~~ in order to receive electric
 17 service, except as provided in Rule 25-6.078, F.A.C..

18 (2) Applicability. ~~This rule applies to all investor owned electric utilities in Florida as~~
 19 ~~defined in Section 366.02, F.S.~~ Contributions-in-aid-of-construction for new or upgraded
 20 overhead facilities (CIAC_{OH}) shall be calculated as follows:

21	<u>CIAC_{OH}</u>	=	<u>Total estimated</u>		<u>Four years</u>		<u>Four years expected</u>
22			<u>work order job</u>	=	<u>expected</u>	=	<u>incremental base</u>
23			<u>cost of installing</u>		<u>incremental base</u>		<u>demand revenue, if</u>
24			<u>the facilities</u>		<u>energy revenue</u>		<u>applicable</u>

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1 (a) The cost of the service drop and meter shall be excluded from the total estimated
2 work order job cost for new overhead facilities.

3 (b) The net book value and cost of removal, net of the salvage value, for existing
4 facilities shall be included in the total estimated work order job cost for upgrades to those
5 existing facilities.

6 (c) The expected annual base energy and demand charge revenues shall be estimated
7 for a period ending not more than 5 years after the new or upgraded facilities are placed in
8 service.

9 (d) In no instance shall the CIAC_{OH} be less than zero.

10 (3) Contributions-in-aid-of-construction for new or upgraded underground facilities
11 (CIAC_{UG}) shall be calculated as follows:

CIAC _{UG}	=	CIAC _{OH}	±	<u>Estimated difference between cost of</u>
				<u>providing the service underground and</u>
				<u>overhead</u>

15
16 ~~(3) Definitions. Actual or estimated job cost means the actual cost of providing the~~
17 ~~specified line extension facilities, calculated after the extension is completed, or the estimated~~
18 ~~cost of providing the specified facilities before the extension is completed.~~

19 ~~(4) In developing the policy for extending overhead distribution facilities to~~
20 ~~customers, the following formulas shall be used to determine the contribution in aid of~~
21 ~~construction owed by the customer.~~

22 ~~(a) For customers in rate classes that pay only energy charges, i.e., those that do not~~
23 ~~pay demand charges, the CIAC shall be calculated as follows:~~

24 ~~CIAC_{oh} = (Actual or estimated job cost — (4 × nonfuel energy~~
25 ~~for new poles and conductors — charge per KWH~~

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1 and appropriate fixtures ~~_____~~ × expected annual KWH
2 required to provide service, ~~_____~~ sales over the new line)
3 excluding transformers,
4 service drops, and meters)

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

7 $CIAC_{oh} =$ (Actual or estimated ~~_____~~ (4 × nonfuel energy ~~_____~~ (4 × expected annual
8 job cost for new ~~_____~~ charge per KWH × ~~_____~~ demand charge
9 poles and conductors ~~_____~~ expected annual KWH ~~_____~~ revenues from sales
10 and appropriate ~~_____~~ sales over the new line) ~~_____~~ over the new line)
11 fixtures required to
12 provide service,
13 excluding transformers,
14 service drops, and meters)

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

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

20 $CIAC_{ug} =$ (Estimated difference between ~~_____~~ + ~~_____~~ $CIAC_{oh}$ (as above)
21 the cost of providing the
22 distribution line extension
23 including not only the distribution
24 line extension itself but also
25 the transformer, the service drop,

1 ~~and other necessary fixtures, with~~
2 ~~underground facilities vs. the cost~~
3 ~~of providing service using overhead~~
4 ~~facilities)~~

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

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

12 ~~(4)(8) Each utility shall apply the above formulas in subsections (2) and (3) of this~~
13 ~~rule uniformly to residential, commercial and industrial customers requesting new or upgraded~~
14 ~~facilities at any voltage level. requiring line extensions.~~

15 ~~(5) The costs applied to the formula in subsections (2) and (3) shall be based on the~~
16 ~~requirements of Rule 25-6.034, Standards of Construction.~~

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

21 ~~(6)(10) All CIAC calculations under this rule shall be based on estimated work order~~
22 ~~job costs. In addition, each~~ The utility shall use its best judgment in estimating the total
23 amount of annual revenues and sales which the new or upgraded facilities are each line
24 ~~extension is expected to produce in the near future.~~

25 ~~(a) A customer may request a review of any CIAC charge within 12 months following~~

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1 the in-service date of the new or upgraded facilities. Upon request, the utility shall true-up the
2 CIAC to reflect the actual costs of construction and actual base revenues received at the time
3 the request is made.

4 (b) In cases where more customers than the initial applicant are expected to be served
5 by the new or upgraded facilities, the utility shall prorate the total CIAC over the number of
6 end-use customers expected to be served by the new or upgraded facilities within a period not
7 to exceed 3 years, commencing with the in-service date of the new or upgraded facilities. The
8 utility may require a payment equal to the full amount of the CIAC from the initial customer.
9 For the 3-year period following the in-service date, the utility shall collect from those
10 customers a prorated share of the original CIAC amount, and credit that to the initial customer
11 who paid the CIAC. The utility shall file a tariff outlining its policy for the proration of
12 CIAC.

13 ~~(7)(11)~~ The utility may elect to waive all or any portion of the ~~line extension~~ CIAC for
14 customers, even when a CIAC is found to be applicable owing. ~~If h~~However, ~~if~~ the utility
15 waives ~~a the~~ CIAC, the utility shall reduce net plant in service as though the CIAC had been
16 collected, unless the Commission determines that there is a quantifiable benefit to the general
17 body of ratepayers commensurate with the waived CIAC. ~~Commission will reduce the~~
18 ~~utility's net plant in service by an equal amount for ratemaking purposes, as though the CIAC~~
19 ~~had been collected, except when the company's annual revenues from a customer are~~
20 ~~sufficient to offset the unpaid line extension CIAC under subsection (4) or (5).~~ Each utility
21 shall maintain records of amounts waived and any subsequent changes that served to offset the
22 CIAC.

23 ~~(12)~~ ~~In cases where larger developments are expected to be served by line extensions,~~
24 ~~the utility may elect to prorate the total line extension costs and CIAC's owed over the number~~
25 ~~of customers expected to connect to the new line.~~

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1 (8)(13) A detailed statement of its standard facilities extension and upgrade policies
2 shall be filed by each utility as part of its tariffs. The tariffs ~~This policy~~ shall have uniform
3 application and shall be nondiscriminatory.

4 (9)(14) If a utility and applicant are unable to agree on the CIAC amount, ~~in regard to~~
5 ~~an extension~~, either party may appeal to the Commission for a review.

6 Specific Authority 366.05(1), 350.127(2) FS.

7 Law Implemented 366.03, 366.05(1), 366.06(1) FS.

8 History—New 7-29-69, Amended 7-2-85, Formerly 25-6.64, Amended _____.

9
10 **PART V**

11 **RULES FOR RESIDENTIAL ELECTRIC UNDERGROUND EXTENSIONS**

12 **25-6.078 Schedule of Charges.**

13 (1) Each utility shall file with the Commission a written policy that shall become a
14 part of the utility's tariff rules and regulations on the installation of underground facilities in
15 new subdivisions. Such policy shall be subject to review and approval of the Commission and
16 shall include an Estimated Average Cost Differential, if any, and shall state the basis upon
17 which the utility will provide underground service and its method for recovering the difference
18 in cost of an underground system and an equivalent overhead system from the applicant at the
19 time service is extended. The charges to the applicant shall not be more than the estimated
20 difference in cost of an underground system and an equivalent overhead system.

21 (2) For the purpose of calculating the Estimated Average Cost Differential, cost
22 estimates shall reflect the requirements of Rule 25-6.034, Standards of Construction.

23 (3)(2) On or before October 15th of each year each utility shall file with the
24 Commission's Division of Economic Regulation Form PSC/ECR 13-E, Schedule 1, using
25 current material and labor costs. If the cost differential as calculated in Schedule 1 varies from

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1 the Commission-approved differential by plus or minus 10 percent or more, the utility shall
2 file a written policy and supporting data and analyses as prescribed in subsections (1), ~~(43)~~
3 and ~~(54)~~ of this rule on or before April 1 of the following year; however, each utility shall file
4 a written policy and supporting data and analyses at least once every 3 ~~three~~ years.

5 ~~(4)(3)~~ Differences in Net Present Value of operational ~~operating and maintenance~~
6 costs, including average historical storm restoration costs over the life of the facilities,
7 between underground and overhead systems, if any, shall ~~may~~ be taken into consideration in
8 determining the overall Estimated Average Cost Differential. Each utility shall establish
9 sufficient record keeping and accounting measures to separately identify operational costs for
10 underground and overhead facilities, including storm related costs.

11 ~~(5)(4)~~ Detailed supporting data and analyses used to determine the Estimated Average
12 Cost Differential for underground and overhead distribution systems shall be concurrently
13 filed by the utility with the Commission and shall be updated using cost data developed from
14 the most recent 12-month period. The utility shall record these data and analyses on Form
15 PSC/ECR 13-E (10/97). Form PSC/ECR 13-E, entitled "Overhead/Underground Residential
16 Differential Cost Data" is incorporated by reference into this rule and may be obtained from
17 the Division of Economic Regulation, 2540 Shumard Oak Boulevard, Tallahassee, Florida
18 32399-0850, (850) 413-6900.

19 ~~(6)(5)~~ Service for a new multiple-occupancy building shall be constructed
20 underground within the property to be served to the point of delivery at or near the building by
21 the utility at no charge to the applicant, provided the utility is free to construct its service
22 extension or extensions in the most economical manner.

23 ~~(7)(6)~~ The recovery of the cost differential as filed by the utility and approved by the
24 Commission may not be waived or refunded unless it is mutually agreed by the applicant and
25 the utility that the applicant will perform certain work as defined in the utility's tariff, in which

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1 case the applicant shall receive a credit. Provision for the credit shall be set forth in the
2 utility's tariff rules and regulations, and shall be no more in amount than the total charges
3 applicable.

4 (8)(7) The difference in cost as determined by the utility in accordance with its tariff
5 shall be based on full use of the subdivision for building lots or multiple-occupancy buildings.
6 If any given subdivision is designed to include large open areas, the utility or the applicant
7 may refer the matter to the Commission for a special ruling as provided under Rule 25-6.083,
8 F.A.C.

9 (9)(8) The utility shall not be obligated to install any facilities within a subdivision
10 until satisfactory arrangements for the construction of facilities and payment of applicable
11 charges, if any, have been completed between the applicant and the utility by written
12 agreement. A standard agreement form shall be filed with the company's tariff.

13 (10)(9) Nothing in this rule herein contained shall be construed to prevent any utility
14 from waiving assuming all or any portion of a cost differential for ~~of~~ providing underground
15 facilities, distribution systems, provided, however, that such assumed cost differential shall not
16 ~~be chargeable to the general body of rate payers, and any such policy adopted by a utility shall~~
17 ~~have uniform application throughout its service area. If, however, the utility waives the~~
18 ~~differential, the utility shall reduce net plant in service as though the differential had been~~
19 ~~collected unless the Commission determines that there is a quantifiable benefit to the general~~
20 ~~body of ratepayers commensurate with the waived differential.~~

21 Specific Authority 350.127(2), ~~366.04(2)(f)~~, 366.05(1) FS.

22 Law Implemented 366.03, 366.04(1), (4), ~~366.04(2)(f)~~, 366.06(1) FS.

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

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1 PART VII

2 UNDERGROUND ELECTRIC DISTRIBUTION FACILITY CHARGES

3 25-6.115 Facility Charges for Conversion of Existing Overhead Providing
4 ~~Underground Facilities of Public~~ Investor-owned Distribution Facilities ~~Excluding New~~
5 ~~Residential Subdivisions.~~

6 (1) Each investor-owned ~~public~~ utility shall file a tariff showing the non-refundable
7 deposit amounts for standard applications addressing ~~new construction and~~ the conversion of
8 existing overhead electric distribution facilities to underground facilities ~~excluding new~~
9 ~~residential subdivisions~~. The tariff shall include the general provisions and terms under which
10 the public utility and applicant may enter into a contract for the purpose of ~~new construction~~
11 ~~or conversion of~~ existing overhead electric facilities to underground electric facilities. The
12 non-refundable deposit amounts shall be calculated in the same manner as approximate the
13 engineering costs for underground facilities serving each of the following scenarios: urban
14 commercial, urban residential, rural residential, existing low-density single family home
15 subdivision and existing high-density single family home subdivision service areas.

16 (2) For ~~the purposes~~ of this rule, the applicant is the person or entity requesting the
17 conversion seeking the undergrounding of existing overhead electric distribution facilities to
18 underground facilities. In the instance where a local ordinance requires developers to install
19 underground facilities, the developer who actually requests the construction for a specific
20 location is when a developer requests local government development approval, the local
21 ~~government shall not be~~ deemed the applicant for purposes of this rule.

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

- 24 (a) ~~s~~Such work meets the investor-owned ~~public~~ utility's construction standards;
- 25 (b) ~~t~~The investor-owned ~~public~~ utility will own and maintain the completed

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1 distribution facilities; and

2 (c) ~~s~~Such agreement is not expected to cause the general body of ratepayers to incur
3 additional ~~greater~~ costs.

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

6 (5) Upon an applicant's request and payment of the deposit amount, an investor-
7 owned ~~public~~ utility shall provide a binding cost estimate for providing underground electric
8 service.

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

15 (7) The charge paid by the applicant shall be the charge for the proposed underground
16 facilities as indicated in subsection (8) minus the charge for overhead facilities as indicated in
17 subsection (9) minus the non-refundable deposit amount. The applicant shall not be required
18 to pay an additional amount which exceeds 10 percent of the binding cost estimate.

19 (8) For the purpose of this rule, the charge for the proposed underground facilities
20 shall include:

21 (a) ~~t~~The estimated cost of construction of the underground distribution facilities based
22 on the requirements of Rule 25-6.034, Standards of Construction, including the construction
23 cost of the underground service lateral(s) to the meter(s) of the customer(s); and

24 (b) ~~For conversions,~~ the estimated remaining net book value of the existing facilities
25 to be removed less the estimated net salvage value of the facilities to be removed.

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from existing law.

1 (9) For the purpose of this rule, the charge for overhead facilities shall be the
2 estimated construction cost to build new overhead facilities, including the service drop(s) to
3 the meter(s) of the customer(s). Estimated construction costs shall be based on the
4 requirements of Rule 25-6.034, Standards of Construction.

5 (10) An applicant requesting to a public utility for construction of underground
6 distribution facilities under this rule may petition challenge the utility's cost estimates the
7 Commission pursuant to Rule 25-22.032, F.A.C.

8 (11) For purposes of computing the charges required in subsections (8) and (9):

9 (a) The utility shall include the Net Present Value of operational costs including the
10 average historical storm restoration costs for comparable facilities over the expected life of the
11 facilities.

12 (b) If the applicant chooses to construct or install all or a part of the requested
13 facilities, all utility costs, including overhead assignments, avoided by the utility due to the
14 applicant assuming responsibility for construction shall be excluded from the costs charged to
15 the customer, or if the full cost has already been paid, credited to the customer. At no time
16 will the costs to the customer be less than zero.

17 (12) Nothing in this rule shall be construed to prevent any utility from waiving all or
18 any portion of the cost for providing underground facilities. If, however, the utility waives
19 any charge, the utility shall reduce net plant in service as though those charges had been
20 collected unless the Commission determines that there is quantifiable benefits to the general
21 body of ratepayers commensurate with the waived charge.

22 (13~~4~~) Nothing in this rule shall be construed to grant any investor-owned electric
23 utility any right, title or interest in real property owned by a local government.

24 Specific Authority 350.127(2) ~~366.04,366.05(1)~~ FS.

25 Law Implemented 366.03, 366.04, 366.05 FS.

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

1 | History--New 9-21-92, Amended .
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NOTICE OF PROPOSED RULEMAKING
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NOS. 060172-EU and 060173-EU

RULE TITLE:	RULE NO.:
Standard of Construction	25-6.034
<u>Location of the Utility's Electric Distribution Facilities</u>	<u>25-6.0341</u>
<u>Third-Party Attachment Standards and Procedures</u>	<u>25-6.0342</u>
<u>Municipal Electric Utilities and Rural Electric Cooperatives</u>	<u>25-6.0343</u>
Safety Standards for Construction of New Transmission and Distribution Facilities	25-6.0345
<u>Extension of Facilities; Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities.</u>	25-6.064
Schedule of Charges.	25-6.078
Facility Charges for <u>Conversion of Existing Overhead Providing Underground Facilities of Public Investor-owned</u> Distribution Facilities Excluding New Residential Subdivisions.	25-6.115

PURPOSE AND EFFECT: To increase the reliability of Florida's electric transmission and distribution infrastructure, as well as clarify costs and standards regarding overhead line extensions and underground electric infrastructure.

SUMMARY: The rules will require electric utilities to develop construction standards which, at a minimum, meet the National Electrical Safety Code; relocate facilities from the rear to the front of customer's premises in certain circumstances; develop standards for third-party attachments to electric facilities; extend applicability of the standards to municipally operated systems and electric cooperatives; and clarify and revise the charges for overhead line extensions, underground construction, and conversion of overhead facilities to underground facilities.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: Florida's five Investor Owned Utilities, 18 electric cooperatives, and 35 municipally operated companies will be affected by these rules. Additionally, telecommunications and cable companies that own or lease space on electric facilities may be indirectly affected. Preliminary data provided by the IOUs indicates estimated costs for increased electric infrastructure reliability will range from \$63 Million to \$193 Million. No data is available from municipally operated systems, electric cooperatives, telecommunications and cable companies.

Any person who wishes to provide information regarding the statement of estimated regulatory cost, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 350.127(2), 366.04, 366.04(2)(f), 366.05(1) FS

LAW IMPLEMENTED: 366.03, 366.04, 366.04(1), 366.04(2)(c), 366.04(2)(f), 366.04(4), 366.04(5), 366.04(6), 366.05, 366.05(1), 366.05(7), 366.05(8), 366.06, 366.06(1) F.S.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULES MAY BE SUBMITTED TO THE FPSC, DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

A HEARING WILL BE HELD ON RULES 25-6.0341, 25-6.0342, AND 25-6.0343 AT THE TIME, DATE, AND PLACE SHOWN BELOW. FOR RULES 25-6.034, 25-6.0345, 25-6.064, 25-6.078, AND 25-6.115, A HEARING WILL BE HELD THE TIME, DATE, AND PLACE SHOWN BELOW ONLY IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE (IF NOT REQUESTED, A HEARING WILL NOT BE HELD ON RULES 25-6.034, 25-6.0345, 25-6.064, 25-6.078, AND 25-6.115).

TIME AND DATE: 9:30 a.m., Tuesday, August 22, 2006.

PLACE: Room 148, Betty Easley Conference Center, 4075 Esplanade Way, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THESE PROPOSED RULES ARE: Larry Harris, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862, (850) 413-6076.

THE FULL TEXT OF THESE PROPOSED RULES ARE:

PART III

GENERAL MANAGEMENT REQUIREMENTS

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. This rule applies to all investor-owned electric utilities. 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.

(2) Each utility shall establish, no later than 180 days after the effective date of this rule, construction standards for overhead and underground electrical transmission and distribution facilities that conform to the provisions of this rule. Each utility shall maintain a copy of its construction standards at its main corporate headquarters and at each district office. Subsequent updates, changes, and modifications to the utility's construction standards shall be labeled to indicate the effective date of the new version and all revisions from the prior version shall be

identified. Upon request, the utility shall provide access, within 2 working days, to a copy of its construction standards for review by Commission staff at the utility's offices in Tallahassee. 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.

(3) The facilities of each 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.

(4) Each utility shall, at a minimum, comply with the applicable edition of the National Electrical Safety Code (ANSI C-2) [NESC].

(a) The Commission adopts and incorporates by reference the 2002 edition of the NESC, published August 1, 2001. 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).

(b) Electrical facilities constructed prior to the effective date of the 2002 edition of the NESC shall be governed by the applicable edition of the NESC in effect at the time of the initial construction.

(5) For the construction of distribution facilities, each utility shall, to the extent reasonably practical, feasible, and cost-effective, be guided by the extreme wind loading standards specified by Figure 250-2(d) of the 2002 edition of the NESC. As part of its construction standards, each utility shall establish guidelines and procedures governing the

applicability and use of the extreme wind loading standards to enhance reliability and reduce restoration costs and outage times for each of the following types of construction:

(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.

(6) For the construction of underground distribution facilities and their supporting overhead facilities, each utility shall, to the extent reasonably practical, feasible, and cost-effective, establish guidelines and procedures to deter damage resulting from flooding and storm surges.

(7) In establishing the construction standards, the utility shall seek input from other entities with existing agreements to share the use of its electric facilities. Any dispute or challenge to a utility's construction standards by a customer, applicant for service, or attaching entity shall be resolved by the Commission.

Specific Authority 350.127(2), 366.05(1) FS.

Law Implemented 366.04(2)(c)(f), (5)(6), 366.05(1)(7)(8) FS.

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

25-6.0341 Location of the Utility's Electric Distribution Facilities. In order to facilitate safe and efficient access for installation and maintenance, to the extent practical, feasible, and cost-effective, electric distribution facilities shall be placed adjacent to a public road, normally in front of the customer's premises.

(1) For initial installation, expansion, rebuild, or relocation of overhead facilities, utilities shall use easements, public streets, roads and highways along which the utility has the legal right

to occupy, and public lands and private property across which rights-of-way and easements have been provided by the applicant for service.

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

(3) For conversions of existing overhead facilities to underground facilities, the utility shall, if the applicant for service is a local government that 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.

(4) Where the expansion, rebuild, or relocation of electric distribution facilities affects existing third-party attachments, the electric utility shall seek input from and, to the extent practical, coordinate the construction of its facilities with the third-party attacher.

Specific Authority 350.127(2), 366.05(1) FS.

Law Implemented 366.04(2)(c), (5), (6), 366.05(1)(8) FS.

History– New.

25-6.0342 Third-Party Attachment Standards and Procedures.

(1) As part of its construction standards adopted pursuant to Rule 25-6.034, F.A.C., each utility shall establish and maintain written safety, reliability, pole loading capacity, and engineering standards and procedures for attachments by others to the utility's electric transmission and distribution poles (Attachment Standards and Procedures). The Attachment Standards and Procedures shall meet or exceed the applicable edition of the National Electrical Safety Code (ANSI C-2) pursuant to subsection 25-6.034(4) and other applicable standards imposed by state and federal law so as to assure, as far as is reasonably possible, that third-party

facilities attached to electric transmission and distribution poles do not impair electric safety, adequacy, or reliability; do not exceed pole loading capacity; and are constructed, installed, maintained, and operated in accordance with generally accepted engineering practices for the utility's service territory.

(2) No attachment to a utility's electric transmission or distribution poles shall be made except in compliance with such utility's Attachment Standards and Procedures.

(3) In establishing the Attachment Standards and Procedures, the utility shall seek input from other entities with existing agreements to share the use of its electric facilities. Any dispute arising from the implementation of this rule shall be resolved by the Commission.

Specific Authority 350.127(2), 366.05(1) FS.

Law Implemented 366.04(2)(c), (5), (6), 366.05(1)(8) FS.

History New _____.

25-6.0343 Municipal Electric Utilities and Rural Electric Cooperatives.

(1) Standards of Construction.

(a) 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. This rule applies to all municipal electric utilities and rural electric cooperatives.

(b) Each utility shall establish, no later than 180 days after the effective date of this rule, construction standards for overhead and underground electrical transmission and distribution facilities that conform to the provisions of this rule. Each utility shall maintain a copy of its construction standards at its main corporate headquarters and at each district office. Subsequent updates, changes, and modifications to the utility's construction standards shall be labeled to indicate the effective date of the new version and all revisions from the prior version shall be

identified. Upon request, the utility shall provide access, within 2 working days, to a copy of its construction standards for review by Commission staff in Tallahassee.

(c) The facilities of each 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.

(d) Each utility shall, at a minimum, comply with the applicable edition of the National Electrical Safety Code (ANSI C-2) [NESC].

1. The Commission adopts and incorporates by reference the 2002 edition of the NESC, published August 1, 2001. 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).

2. Electrical facilities constructed prior to the effective date of the 2002 edition of the NESC shall be governed by the applicable edition of the NESC in effect at the time of the initial construction.

(e) For the construction of distribution facilities, each utility shall, to the extent reasonably practical, feasible, and cost-effective, be guided by the extreme wind loading standards specified by Figure 250-2(d) of the 2002 edition of the NESC. As part of its construction standards, each utility shall establish guidelines and procedures governing the applicability and use of the extreme wind loading standards to enhance reliability and reduce restoration costs and outage times for each of the following types of construction:

1. new construction;
2. major planned work, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this rule; and
3. targeted critical infrastructure facilities and major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations.

(f) For the construction of underground distribution facilities and their supporting overhead facilities, each utility shall, to the extent reasonably practical, feasible, and cost-effective, establish guidelines and procedures to deter damage resulting from flooding and storm surges.

(2) Location of the Utility's Electric Distribution Facilities. In order to facilitate safe and efficient access for installation and maintenance, to the extent practical, feasible, and cost-effective, electric distribution facilities shall be placed adjacent to a public road, normally in front of the customer's premises.

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

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

(c) For conversions of existing overhead facilities to underground facilities, the utility shall, if the applicant for service is a local government that 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.

(3) Third-Party Attachment Standards and Procedures.

(a) As part of its construction standards adopted pursuant to subsection (1), each utility shall establish and maintain written safety, reliability, pole loading capacity, and engineering standards and procedures for attachments by others to the utility's electric transmission and

distribution poles (Attachment Standards and Procedures). The Attachment Standards and Procedures shall meet or exceed the applicable edition of the National Electrical Safety Code (ANSI C-2) pursuant to subsection (1)(d) of this rule and other applicable standards imposed by state and federal law so as to assure, as far as is reasonably possible, that third-party facilities attached to electric transmission and distribution poles do not impair electric safety, adequacy, or reliability; do not exceed pole loading capacity; and are constructed, installed, maintained, and operated in accordance with generally accepted engineering practices for the utility's service territory.

(b) No attachment to a utility's electric transmission or distribution poles shall be made except in compliance with such utility's Attachment Standards and Procedures.

(4) In establishing the construction standards and the attachment standards and procedures, the utility shall seek input from other entities with existing agreements to share the use of its electric facilities. Any dispute or challenge to a utility's construction standards by a customer, applicant for service, or attaching entity shall be resolved by the Commission. Where the expansion, rebuild, or relocation of electric distribution facilities affects existing third-party attachments, the electric utility shall seek input from and, to the extent practical, coordinate the construction of its facilities with the third-party attacher.

(5) If the Commission finds that a municipal electric utility or rural electric cooperative utility has demonstrated that its standards of construction will not result in service to the utility's general body of ratepayers that is less reliable, the Commission shall exempt the utility from compliance with the rule.

Specific Authority: 350.127, 366.05(1) F.S.

Law Implemented: 366.04(2)(c)(f), (5), (6), 366.05(8)F.S.

History New _____.

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 investor-owned ~~public~~ electric utility, rural electric cooperative, and municipal electric system shall, at a minimum, 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) Each investor-owned ~~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 Regulatory Compliance and Consumer Assistance ~~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 outlining the general nature of the work; ~~and~~
- (c) Estimated cost in dollars, rounded to nearest thousand and; ~~and~~
- (d) Location of project.

(3) 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
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- 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. – 5.(c) No change.

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)

(4) No change.

(5) As soon as practicable, but by the end of the next business day after it learns of the occurrence, each investor-owned electric 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) – (b) No change.

(6) Each investor-owned electric 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) – (7) No change.

Specific Authority 350.127(2), 366.05(1) FS.

Law Implemented 366.04(2)(f), (6), 366.05(7) FS.

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

PART IV

GENERAL SERVICE PROVISIONS

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

(1) Application and scope Purpose. The purpose of this rule is to establish a uniform procedure by which investor-owned electric utilities subject to this rule will calculate amounts due as contributions-in-aid-of-construction (CIAC) from customers who request new facilities or upgraded facilities require extensions of distribution facilities in order to receive electric service, except as provided in Rule 25-6.078, F.A.C..

(2) Applicability. ~~This rule applies to all investor-owned electric utilities in Florida as defined in Section 366.02, F.S.~~ Contributions-in-aid-of-construction for new or upgraded overhead facilities (CIAC_{OH}) shall be calculated as follows:

<u>CIAC_{OH}</u>	<u>=</u>	<u>Total estimated work order job cost of installing the facilities</u>	<u>=</u>	<u>Four years expected incremental base energy revenue</u>	<u>=</u>	<u>Four years expected incremental base demand revenue, if applicable</u>
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(a) The cost of the service drop and meter shall be excluded from the total estimated work order job cost for new overhead facilities.

(b) The net book value and cost of removal, net of the salvage value, for existing facilities shall be included in the total estimated work order job cost for upgrades to those existing facilities.

(c) The expected annual base energy and demand charge revenues shall be estimated for a period ending not more than 5 years after the new or upgraded facilities are placed in service.

(d) In no instance shall the CIAC_{OH} be less than zero.

(3) Contributions-in-aid-of-construction for new or upgraded underground facilities (CIAC_{UG}) shall be calculated as follows:

<u>CIAC_{UG}</u>	<u>≡</u>	<u>CIAC_{OH}</u>	<u>±</u>	<u>Estimated difference between cost of providing the service underground and overhead</u>
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~~(3) 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.~~

~~(4) In developing the policy for extending overhead distribution facilities 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 shall be calculated as follows:~~

$$\begin{aligned}
 \text{CIAC}_{\text{oh}} = & \text{(Actual or estimated job cost} \text{---} (4 \times \text{nonfuel energy} \\
 & \text{for new poles and conductors} \text{---} \text{charge per KWH} \\
 & \text{and appropriate fixtures} \text{---} \times \text{expected annual KWH} \\
 & \text{required to provide service,} \text{---} \text{sales over the new line)} \\
 & \text{excluding transformers,}
 \end{aligned}$$

service drops, and meters)

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

$CIAC_{oh} = (\text{Actual or estimated} \text{---} (4 \times \text{nonfuel energy} \text{---} (4 \times \text{expected annual}$
job cost for new --- charge per KWH $\times \text{---}$ demand charge
poles and conductors --- expected annual KWH --- revenues from sales
and appropriate --- sales over the new line) --- over the new line)
fixtures required to
provide service,
excluding transformers,
service drops, and meters)

(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:

$CIAC_{ug} = \text{---} (\text{Estimated difference between} \text{---} + \text{---} CIAC_{oh} \text{ (as above)})$
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)~~

~~(6) 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.~~

~~(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.~~

~~(4)(8) Each utility shall apply the above formulas in subsections (2) and (3) of this rule uniformly to residential, commercial and industrial customers requesting new or upgraded facilities at any voltage level, requiring line extensions.~~

~~(5) The costs applied to the formula in subsections (2) and (3) shall be based on the requirements of Rule 25-6.034, Standards of Construction.~~

~~(9) 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 actual or estimated cost of providing the extension less an appropriate credit.~~

~~(6)(10) All CIAC calculations under this rule shall be based on estimated work order job costs. In addition, each The utility shall use its best judgment in estimating the total amount of annual revenues and sales which the new or upgraded facilities are each line extension is expected to produce in the near future.~~

~~(a) A customer may request a review of any CIAC charge within 12 months following the in-service date of the new or upgraded facilities. Upon request, the utility shall true-up the CIAC~~

to reflect the actual costs of construction and actual base revenues received at the time the request is made.

(b) In cases where more customers than the initial applicant are expected to be served by the new or upgraded facilities, the utility shall prorate the total CIAC over the number of end-use customers expected to be served by the new or upgraded facilities within a period not to exceed 3 years, commencing with the in-service date of the new or upgraded facilities. The utility may require a payment equal to the full amount of the CIAC from the initial customer. For the 3-year period following the in-service date, the utility shall collect from those customers a prorated share of the original CIAC amount, and credit that to the initial customer who paid the CIAC. The utility shall file a tariff outlining its policy for the proration of CIAC.

~~(7)(11)~~ The utility may elect to waive all or any portion of the line-extension CIAC for customers, even when a CIAC is found to be applicable owing. ~~If h~~However, if the utility waives ~~a the~~ CIAC, the utility shall reduce net plant in service as though the CIAC had been collected, unless the Commission determines that there is a quantifiable benefit to the general body of ratepayers commensurate with the waived CIAC. ~~Commission will reduce the utility's net plant in service by an equal amount for ratemaking 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).~~ Each utility shall maintain records of amounts waived and any subsequent changes that served to offset the CIAC.

~~(12)~~ In cases where larger developments are expected to be served by line extensions, the utility may elect to prorate the total line extension costs and CIAC's owed over the number of customers expected to connect to the new line.

~~(8)(13)~~ A detailed statement of its standard facilities extension and upgrade policies shall be filed by each utility as part of its tariffs. The tariffs ~~This policy~~ shall have uniform

application and shall be nondiscriminatory.

~~(9)~~(14) If a utility and applicant are unable to agree on the CIAC amount, ~~in regard to an extension~~, either party may appeal to the Commission for a review.

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, Amended _____.

PART V

RULES FOR RESIDENTIAL ELECTRIC UNDERGROUND EXTENSIONS

25-6.078 Schedule of Charges.

(1) Each utility shall file with the Commission a written policy that shall become a part of the utility's tariff rules and regulations on 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.

(2) For the purpose of calculating the Estimated Average Cost Differential, cost estimates shall reflect the requirements of Rule 25-6.034, Standards of Construction.

~~(3)~~(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), ~~(43)~~ and ~~(54)~~ 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 3 ~~three~~ years.

~~(4)~~(3) Differences in Net Present Value of operational ~~operating and maintenance~~ costs, including average historical storm restoration costs over the life of the facilities, between underground and overhead systems, if any, shall ~~may~~ be taken into consideration in determining the overall Estimated Average Cost Differential. Each utility shall establish sufficient record keeping and accounting measures to separately identify operational costs for underground and overhead facilities, including storm related costs.

~~(5)~~(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.

~~(6)~~(5) Numbers (5) through (8) renumbered to (6) through (9) No change.

~~(10)~~(9) Nothing in this rule herein contained shall be construed to prevent any utility from waiving assuming all or any portion of a cost differential for ~~of~~ providing underground facilities. ~~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.~~ If, however, the utility waives the differential, the utility shall reduce net plant in service as though the differential had been collected unless the Commission determines that there is a quantifiable benefit to the general

body of ratepayers commensurate with the waived differential.

Specific Authority 350.127(2), 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, ____.

PART VII

UNDERGROUND ELECTRIC DISTRIBUTION FACILITY CHARGES

25-6.115 Facility Charges for Conversion of Existing Overhead Providing Underground Facilities of Public Investor-owned Distribution Facilities Excluding New Residential Subdivisions.

(1) Each investor-owned public utility shall file a tariff showing the non-refundable deposit amounts for standard applications addressing ~~new construction~~ and the conversion of existing overhead electric distribution facilities to underground facilities ~~excluding new residential subdivisions~~. The tariff shall include the general provisions and terms under which the public utility and applicant may enter into a contract for the purpose of ~~new construction or~~ conversion of existing overhead ~~electric~~ facilities to underground ~~electric~~ facilities. The non-refundable deposit amounts shall be calculated in the same manner as 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.

(2) For ~~the purposes~~ of this rule, the applicant is the person or entity requesting the conversion seeking the undergrounding of existing overhead electric distribution facilities to underground facilities. In the instance where a local ordinance requires developers to install underground facilities, the developer who actually requests the construction for a specific location is ~~when a developer requests local government development approval, the local~~

~~government shall not be~~ deemed the applicant for purposes of this rule.

(3) No change:

(a) ~~s~~Such work meets the investor-owned public utility's construction standards;

(b) ~~t~~The investor-owned public utility will own and maintain the completed distribution facilities; and

(c) ~~s~~Such agreement is not expected to cause the general body of ratepayers to incur additional ~~greater~~ costs.

(4) No change.

(5) Upon an applicant's request and payment of the deposit amount, an investor-owned public 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 public 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 public 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) – (8) No change:

(a) ~~t~~The estimated cost of construction of the underground distribution facilities based on the requirements of Rule 25-6.034, Standards of Construction, including the construction cost of the underground service lateral(s) to the meter(s) of the customer(s); and

(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). Estimated construction costs shall be based on the requirements of Rule 25-6.034, Standards of Construction.

(10) An applicant requesting to a public utility for construction of underground distribution facilities under this rule may petition challenge the utility's cost estimates the Commission pursuant to Rule 25-22.032, F.A.C.

(11) For purposes of computing the charges required in subsections (8) and (9):

(a) The utility shall include the Net Present Value of operational costs including the average historical storm restoration costs for comparable facilities over the expected life of the facilities.

(b) If the applicant chooses to construct or install all or a part of the requested facilities, all utility costs, including overhead assignments, avoided by the utility due to the applicant assuming responsibility for construction shall be excluded from the costs charged to the customer, or if the full cost has already been paid, credited to the customer. At no time will the costs to the customer be less than zero.

(12) Nothing in this rule shall be construed to prevent any utility from waiving all or any portion of the cost for providing underground facilities. If, however, the utility waives any charge, the utility shall reduce net plant in service as though those charges had been collected unless the Commission determines that there is quantifiable benefits to the general body of ratepayers commensurate with the waived charge.

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

Specific Authority 350.127(2) 366.04,366.05(1) FS.

Law Implemented 366.03, 366.04, 366.05 FS.

History—New 9-21-92, Amended _____.

NAME OF PERSON ORIGINATING PROPOSED RULES: Robert Trapp

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULES:

Florida Public Service Commission.

DATE PROPOSED RULES APPROVED: June 20, 2006

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Volume 32,
Number 18, May 5, 2006.

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of the Commission Clerk and Administrative Services at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: June 7, 2006

TO: Office of General Counsel (Moore)

FROM: Division of Economic Regulation (Hewitt) *[Handwritten initials]*

RE: Statement of Estimated Regulatory Costs for Proposed Amendments to Rule 25-6.034, F.A.C., Standard of Construction; Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities, Rule 25-6.064, F.A.C., Extension of Facilities; Contributions-in-Aid-of-Construction, Rule 25-6.078, F.A.C., Schedule of Charges, and proposed new Rule 25-6.0341, F.A.C., Location of Utility Facilities, Rule 25-6.0342, F.A.C., Third-Party Attachments Standards and Procedures, and Rule 25-6.0343, F.A.C., Standards of Construction – Municipal Electric Utilities and Rural Electric Cooperatives. Docket No. 060172-EU and 060173-EU

SUMMARY OF THE RULE

The above rules contain the requirements for all electric utilities to construct their electrical systems to a minimum standard which is installed, maintained, and operated in accordance with generally accepted engineering practices. The rules require that utilities must comply with applicable safety standards for transmission and distribution facilities of the National Electrical Safety Code (NESC). The rules also contain the procedures for the calculation of contributions-in-aid-of-construction (CIAC) by customers requesting extension of distribution facilities. The rules contain the schedule for charging a differential cost for providing underground service. Finally, the rules contain the requirement that investor-owned utilities (IOUs) file a tariff for deposit amounts for the conversion of overhead electric to underground facilities.

The proposed rule amendments would add specificity to the broad policy of construction standards and require each IOU to establish its own construction standard for overhead and underground electrical transmission and distribution facilities. Each IOU would also have to establish guidelines and procedures for the application of the extreme wind loading standards to (1) new construction, (2) major planned upgrades and relocation of existing facilities, and (3) targeted critical infrastructure and major thoroughfares. Also, the proposed changes would adopt the NESC as the minimum applicable safety standards for transmission and distribution facilities. Rule changes would establish a uniform procedure to calculate amounts due as CIAC. IOUs would also have to establish a written policy as part of their tariff on the installation of underground electrical distribution facilities in new residential subdivisions and file a tariff for converting overhead to underground facilities.

A new proposed rule would facilitate and encourage the placement of electric distribution facilities in readily accessible locations such as adjacent to public roads and along front edges of properties. Another proposed rule would require IOUs to establish written procedures for attachments by others to the utility's poles. An additional new proposed rule would require municipal and cooperative electric utilities to establish standards of construction for all overhead and underground electrical transmission and distribution facilities to ensure adequate, reliable, and safe electric service.

Other minor changes are also proposed to clarify CIAC calculations, expand the costs included in determining overhead/underground cost differences, and allow waiver of CIAC in certain circumstances.

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

The five investor owned electric utilities (IOUs), 18 electric cooperatives, and 35 municipally operated companies, would be affected by the proposed rule changes. The electric companies sell electricity to industrial, commercial, and residential customers throughout the state. In addition, cable television companies, incumbent local exchange telephone companies (LECs), as well as any other telecom carriers owning electric utility pole attached equipment, could be indirectly affected by some of the proposed rule changes. As of 2005 there were 10 ILECs, 415 competitive LECs, and 681 Interexchange Telephone Companies (IXCs), and an unknown number of non-PSC regulated telecommunications companies, many of which may have pole attachments.

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

There would be some implementation and enforcement costs for the Commission as it monitors compliance with the proposed rule changes. The Commission would benefit by the proposed rule amendments from fewer petitions for storm damage relief. There should be no impact on agency revenues and the costs of administering the rules would be covered by existing staff.

There should be no negative impact on other state and local government entities. Those entities should benefit from the improved electrical transmission and distribution system.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES

The IOUs would have significant transactional costs from the proposed rule changes. The four major IOUs reported estimated costs to implement storm hardening programs for their systems to be at least \$63 million. The cost estimates are based on capital additions to pre-2006 capital budget levels and do not include ongoing operation and maintenance costs. However, the additional costs are minor compared to the hundreds of million dollars in damage caused by storms. Other rule changes would have additional costs but estimates are not available at this time.

Municipal and cooperative electrical utilities could also have significant costs but they have not submitted any estimates to the Commission.

Requiring the placement of IOU electric distribution facilities in readily accessible locations would impact non-electric companies that attach their equipment on utility poles. There have been no estimates submitted that would indicate the magnitude of the impact.

The IOUs and others would benefit from strengthening of their facilities if less damage is incurred and service interruptions are decreased thus lessening lost revenues.

Electric company customers would benefit significantly from the proposed rule changes because the electrical service system should better withstand storms and hurricanes, although the ratepayers may eventually pay for all or some of the additional costs for the upgrades.

IMPACT ON SMALL BUSINESSES, SMALL CITIES, OR SMALL COUNTIES

There should be a net positive impact on small businesses, cities, and counties with improved storm hardened electrical system facilities. The cost of the improvements may be born by ratepayers, stockholders, or some combination, depending on the funding means chosen but should be more than offset by the positive economic impact from fewer and less widespread outages.

CH:kb

cc: Mary Andrews Bane
Chuck Hill
Bob Trapp
Jim Bremen
Hurd Reeves

Rules 25-6.034, 25-6.0341,
25-6.0342, 25-6.0343, 25-6.0345,
25-6.064, 25-6.078, 25-6.115
Docket Nos. 060172-EU and 060173-EU

STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE

As a result of the past two storm seasons, and the severe damage done to the State by hurricanes, the Commission determined that increased electrical infrastructure reliability is needed.

STATEMENT ON FEDERAL STANDARDS

There is no federal standard on the same subject.



National ELECTRICAL

C2-2002



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Accredited
Standards
Committee
C2-2002

National Electrical Safety Code®

Secretariat

Institute of Electrical and Electronics Engineers, Inc.

Approved 5 February 2001

Institute of Electrical and Electronics Engineers, Inc.

Approved 14 June 2001

American National Standards Institute

2002 Edition

2nd Printing

Corrected Edition

5 August 2002

Abstract: This standard covers basic provisions for safeguarding of persons from hazards arising from the installation, operation, or maintenance of 1) conductors and equipment in electric supply stations, and 2) overhead and underground electric supply and communication lines. It also includes work rules for the construction, maintenance, and operation of electric supply and communication lines and equipment.

The standard is applicable to the systems and equipment operated by utilities, or similar systems and equipment, of an industrial establishment or complex under the control of qualified persons.

This standard consists of the introduction, definitions, grounding rules, list of referenced and bibliographic documents, and Parts 1, 2, 3, and 4 of the 2002 Edition of the National Electrical Safety Code.

Keywords: communications industry safety; construction of communication lines; construction of electric supply lines; electrical safety; electric supply stations; electric utility stations; high-voltage safety; operation of communications systems; operation of electric supply systems; power station equipment; power station safety; public utility safety; safety work rules; underground communication line safety; underground electric line safety

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Foreword

(This foreword is not a part of Accredited Standards Committee C2-2002, National Electrical Safety Code®.)

This publication consists of the parts of the National Electrical Safety Code® (NESC®) currently in effect. The former practice of designating parts by editions has not been practical for some time. In the 1977 Edition, Parts 1 and 4 were 6th Editions; Part 2 was a 7th Edition; Part 3 was a revision of the 6th Edition; Part 2, Section 29, did not cover the same subject matter as the 5th Edition; and Part 3 was withdrawn in 1970. In the 1987 Edition, revisions were made in all parts, and revisions to all parts have been made in subsequent editions. It is therefore recommended that reference to the NESC be made solely by the year of the published volume and desired part number. Separate copies of the individual parts are not available.

Work on the NESC started in 1913 at the National Bureau of Standards (NBS), resulting in the publication of NBS Circular 49. The last complete edition of the Code (the 5th Edition, NBS Handbook H30) was issued in 1948, although separate portions had been available at various times starting in 1938. Part 2—Definitions, and the Grounding Rules, 6th Edition, was issued as NBS Handbook H81, ANSI C2.2-1960, in November 1961, but work on other parts was not actively in process again until 1970.

In 1970 the C2 Committee decided to delete the Rules for the Installation and Maintenance of Electric Utilization Equipment (Part 3 of the 5th Edition), now largely covered by the National Electrical Code (ANSI/NFPA 70), and the Rules for Radio Installations (Part 5 of the 5th Edition) from future editions. The Discussion of the NESC, issued as NBS Handbook H4 (1928 Edition) for the 4th Edition of the NESC and as NBS Handbook H39 for Part 2 of the Grounding Rules of the 5th Edition, was not published for the 6th Edition.

The 1981 Edition included major changes in Parts 1, 2, and 3, minor changes in Part 4, and the incorporation of the rules common to all parts into Section 1. The 1984 Edition was revised to update all references and to list those references in a new Section 3. Rounded metric values, for information only, were added. Gender-related terminology was deleted. Section 1—Introduction, Section 2—Definitions, Section 3—References, and Section 9—Grounding Methods, were made applicable to each of the Parts 1, 2, 3, and 4.

The 1987 Edition was revised extensively. Definitions were changed or added. Requirements affecting grounding methods, electric supply stations, overhead line clearances and loading, underground lines, and work rules were revised.

The 1990 Edition included several major changes. General rules were revised. A significant change to the method for specifying overhead line clearances was made and the rationale added as Appendix A. Requirements for clearances of overhead lines from grain bins and an alternate method for determining the strength requirements for wood structures was added. Rules covering grounding methods, electric supply stations, underground lines, and work rules were changed.

In the 1993 Edition, changes were made in the rules applicable to emergency and temporary installations. In Section 9 and Parts 1, 2, and 3, rules were extended or clarified to include HVDC systems. The requirements for random separation of direct-buried supply and communication systems were modified for consistency and clarity, as was the rule in Part 4 on tagging electric supply circuits.

In the 1997 edition, the most notable general change that took place is that numerical values in the metric (SI) system are shown in the preferred position, with customary inch-foot-pound values (inside parentheses) following. A bibliography, Appendix B, which consists of a list of resources identified in notes or recommendations, was added. Changes were made to rules affecting grounding, electric supply stations, and overhead lines, particularly with regard to clearance rules applicable to emergency and temporary installations. Strength requirements contained in Sections 24, 25, and 26 were revised completely. Underground line requirements for random separation for underground lines of direct-buried cables were modified. The requirement for cable identification marking by means of sequentially placed logos was introduced. Work rules added a requirement that warning signs and tags comply with applicable ANSI standards, tagging requirements were clarified with regard to SCADA, and extensive requirements for fall protection were added.

In the 2002 Edition, several changes were made that affected all or several parts of the Code. Particularly, this edition clarifies interfaces between the NEC and NESC with regard to Code jurisdiction in the area of street lights and area lights. Also included is clarification for situations between utility workers and their

Standards Committee Membership

At the time this Code was approved, Accredited Standards Committee C2 had the following membership:

O. Chuck Amrhyn, Chair Frank A. Denbrock, Vice Chair
Susan L. Vogel, Secretary

<i>Organization Represented</i>	<i>Name</i>
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American Insurance Services Group, Inc.	Vacant
American Public Power Association	Michael J. Hyland Ron Lunt (<i>Alt.</i>)
American Public Transit Association	George S. Pristach
Association of American Railroads	Vacant
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