

STATE OF FLORIDA

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Public Service Commission

February 15, 2008

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

RECEIVED-FPSC
08 FEB 18 PM 12:56
COMMISSION
CLERK

RE: Docket No. 070642-EI, Proposed Amendments to Rule 25-6.0183, F.A.C., Electric Utility Procedures for Generating Capacity Shortage Emergencies

Dear Mr. Boyd:

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

1. A copy of the rule.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rule.
4. A federal standards statement.
5. A statement of estimated regulatory costs.

If there are any questions with respect to this rule, please do not hesitate to call me.

Sincerely,

Richard C. Bellak
Associate General Counsel

DOCUMENT NUMBER-DATE
01256 FEB 18 08
FPSC-COMMISSION CLERK

Enclosures
cc: Office of Commission Clerk

070642 JAPC.rcb.doc

1 **25-6.0183 Electric Utility Procedures for Generating Capacity Shortage Emergencies.**
2 The Commission adopts the Florida Reliability Coordinating Council's Generating Capacity
3 Shortage Plan, dated July 2007, ~~August 2002~~ as the Commission's plan to address generating
4 capacity shortage emergencies within Florida. A copy of the Generating Capacity Shortage
5 Plan may be obtained from the Director, Division of Economic Regulation, Florida Public
6 Service Commission.
7 Specific Authority 350.127(2), 366.05 FS.
8 Law Implemented 366.04(2)(c), (f), (5) FS.
9 History--New 2-12-91, Amended 3-19-98, 4-27-03,_____.

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Rule 25-6-0183.rcb.doc

DOCUMENT NUMBER - DATE
01256 FEB 18 08
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CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

RULE NO: RULE TITLE

25-6.0183: Electric Utility Procedures for Generating Capacity Shortage Emergencies

PURPOSE AND EFFECT: To adopt the revised and updated amendment to the generating capacity shortage emergency plan.

SUMMARY: Rule 25-6.0183 is amended to adopt the July, 2007, version of the Florida Reliability Coordinating Council's Generating Capacity Shortage Plan. Docket No. 070642-EI.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS: There should be no impact from the rule changes on ratepayers, small businesses, small cities, or small counties, or on businesses, cities, or counties. Electric utilities would incur minor costs to update their plans. Customers would benefit from warnings of outages, but incur no new costs.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or 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), 366.05, FS

LAW IMPLEMENTED: 366.04(2)(c), (2)(f) & (5), FS

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN FAW.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 48 hours before the workshop/meeting by contacting: Office of Commission Clerk, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6770). If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Tom Ballinger, Division of Economic Regulation, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6680.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-6.0183 Electric Utility Procedures for Generating Capacity Shortage Emergencies.

The Commission adopts the Florida Reliability Coordinating Council's Generating Capacity Shortage Plan, dated July 2007, ~~August 2002~~ as the Commission's plan to address generating capacity shortage emergencies within Florida. A copy of the Generating Capacity Shortage Plan may be obtained from the Director, Division of Economic Regulation, Florida Public Service Commission.

Specific Authority 350.127(2), 366.05 FS.

Law Implemented 366.04(2)(c), (f), (5) FS.

History--New 2-12-91, Amended 3-19-98, 4-27-03,_____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Tom Ballinger, Division of
Economic Regulation, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6680.

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Florida
Public Service Commission

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: January 29, 2008

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: November
2, 2007

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STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE

The amendment of Rule 25-6.0183 adopts the July, 2007 version of the Florida Reliability Coordinating Council's Generating Capacity Shortage Plan.

STATEMENT ON FEDERAL STANDARDS

There is no federal standard on the same subject.

State of Florida



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: January 7, 2008
TO: Office of General Counsel (Bellak)
FROM: Division of Economic Regulation (Hewitt) *BA* *ca* *198*
RE: Statement of Estimated Regulatory Costs for Proposed Rule Amendment to 25-6.0183, F.A.C., Electric Utility Procedures for Generating Capacity Shortage Emergencies

DETAILED DESCRIPTION OF THE PROPOSED RULE AMENDMENTS

1. Why it is being proposed?

New updated generating capacity shortage plan

The Florida Reliability Coordinating Council (FRCC) has updated its Generating Capacity Shortage Plan (Plan) to incorporate lessons learned and to distinguish between generating capacity shortages caused by abnormally high system loads and unavailable generating facilities and those shortages caused by short-term constraints on the availability of generating fuels.

2. What does the rule do and how does it accomplish the goals?

The current rule adopts the plan of the FRCC which documents and summarizes procedures to be used by Florida's electric utilities when dealing with generating capacity shortage emergencies and their coordination with governmental agencies. The plan gives detailed requirements for reporting generating capacity shortages when they happen or are imminent and may impact significant numbers of customers. Shortages may be caused by extremely hot or cold weather, fuel supply shortages or disruptions, and generator or transmission outages. The proposed rule change would incorporate the latest Plan in the rule.

IMPACT ON THE PSC

*Rule implementation and enforcement costs and impact on revenues
For the agency and other state and local government entities*

Incremental costs

The incremental cost to the Commission would be the usual costs of promulgating a rule. The Commission currently reviews the plans filed by electric utilities and would also review and approve the revised plans with the additional requirements.

Other state and local government entities should not be negatively impacted.

Incremental benefits

Commission staff would benefit by having improved FRCC plan requirements available when an emergency outage occurs. There should be no impact on FPSC revenues.

WHO BESIDES THE PSC WILL BE AFFECTED BY ADOPTION OF THE PROPOSALS

Estimated number of entities required to comply and General description of individuals affected

Utilities

The five Investor Owned Utilities (IOUs) and electric cooperatives and municipal operated electric companies within the FRCC region are members and comply with the Plan requirements.

Customers

There should be no impact from the rule changes on ratepayers.

Impact on small businesses, small cities, or small counties

There should be no impact from the rule changes on small businesses, small cities, or small counties

Outside business and local governments

There should be no impact from the rule changes on businesses, cities, or counties.

HOW ARE THE PARTIES ABOVE AFFECTED BY THE ADOPTION OF THE PROPOSAL

Estimated transactional costs to individuals and entities

Utilities

The electric utilities already comply with the Plan requirements as a condition of membership in the FRCC. They would incur some minor costs to update their plans to comply with the latest requirements of the Plan.

Customers

The Plan requires that ratepayers receive warnings and notifications when an emergency outage is looming or occurs which should help them cope with any outage, but there should be no new costs.

Outside business including specifically small businesses

Outside businesses or small businesses would have the same benefits and costs as the other ratepayers in their rate class, but there should be no new costs.

Local governments

Small cities or small counties would have the same benefits and costs as the other ratepayers in their rate class, but there should be no new costs.

ANY OTHER PERTINENT COMMENTS REGARDING THE APPLICATION OF THE PROPOSED RULE

None.

CH:kb

cc: Mary Andrews Bane
Chuck Hill
Kathy Lewis
Hurd Reeves