

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed amendments to Rules 25-6.097, 25-7.083, and 25-30.311, F.A.C., on customer deposits.

DOCKET NO. 120125-PU
ORDER NO. PSC-12-0266-NOR-PU
ISSUED: May 31, 2012

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

NOTICE OF RULEMAKING

BY THE COMMISSION:

NOTICE is hereby given that pursuant to Section 120.54, Florida Statutes, The Florida Public Service Commission has initiated rulemaking to amend Rules 25-6.097, Florida Administrative Code, relating to customer deposits for electric utilities, 25-7.083, F.A.C., relating to customer deposits for gas utilities, and 25-30.311, F.A.C., relating to customer deposits for water/wastewater utilities.

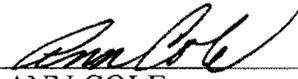
The attached Notices of Rulemaking will appear in the June 1, 2012, edition of the Florida Administrative Weekly.

If timely requested, a hearing will be held at a time and place to be announced in a future notice.

Written requests for hearing and written comments on the rules must be received by the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, no later than June 22, 2012.

DOCUMENT NUMBER 03469
03469 MAY 31 2012
FPSC-COMMISSION CLERK

By ORDER of the Florida Public Service Commission this 31st day of May, 2012.



ANN COLE
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

RULE NO.: RULE TITLE:

25-6.097: Customer Deposits

PURPOSE AND EFFECT: The interest rate applied to customer deposits of electric utilities would be changed to a minimum interest rate of 2 percent per annum, and 3 percent per annum for non-residential customers when the utility elects not to refund such a deposit after 23 months.

Docket No. 120125-PU

SUMMARY: The current interest rates required on customer deposits are higher than justified by current credit and capital markets. The minimum interest rate is changed to 2 percent per annum, and to 3 percent per annum for non-residential customers when the utility elects not to refund such a deposit after 23 months. Currently, the minimum interest rates are set at 6 percent and 7 percent per annum, respectively. The utilities must apply the revised interest rates within 45 days of the effective date of the rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has been prepared by the agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: based upon the information contained in the SERC.

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.

RULEMAKING AUTHORITY: 350.127(2), 366.05(1), F.S.

LAW IMPLEMENTED: 366.03, 366.041(1), 366.05(1), 366.06(1), F.S.

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

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Cindy Miller, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6082, cmiller@psc.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-6.097 Customer Deposits.

(1)-(3) No change

(4) Interest on deposits.

(a) Each electric utility which requires deposits to be made by its customers shall pay a minimum interest on such deposits of 2.6 percent per annum. The utility shall pay an interest rate of 3.7 percent per annum on deposits of nonresidential customers qualifying under subsection (2) when the utility elects not to refund such deposit after 23 months. Such interest rates shall be applied within 45 days of the effective date of the rule.

(4)(b)-(7) No change

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FFSC-06116-12-0011

*Specific Authority 366.05(1), 350.127(2) FS. Law Implemented 366.03, 366.041(1), 366.05(1), 366.06(1)
FS. History—New 7-29-69. Amended 5-9-76, 7-8-79, 6-10-80, 10-17-83, 1-31-84, Formerly 25-6.97,
Amended 10-13-88, 4-25-94, 3-14-99.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Mark Cicchetti
NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service
Commission
DATE PROPOSED RULE APPROVED BY AGENCY HEAD: May 22, 2012
DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: Volume 38, Number
05, Date of FAW, February 3, 2012

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Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

RULE NO.: RULE TITLE:

25-7.083: Customer Deposits

PURPOSE AND EFFECT: The interest rate applied to customer deposits of gas utilities would be changed to a minimum interest rate of 2 percent per annum, and 3 percent per annum for non-residential customers when the utility elects not to refund such a deposit after 23 months.

Docket No. 120125-PU

SUMMARY: The current interest rates required on customer deposits are higher than justified by current credit and capital markets. The minimum interest rate is changed to 2 percent per annum, and to 3 percent per annum for non-residential customers when the utility elects not to refund such a deposit after 23 months. Currently, the minimum interest rates are set at 6 percent and 7 percent per annum, respectively. The utilities must apply the revised interest rates within 45 days of the effective date of the rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has been prepared by the agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: based upon information contained in the SERC.

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.

RULEMAKING AUTHORITY: 350.127(2), 366.05(1), F.S.

LAW IMPLEMENTED: 366.03, 366.04(1), 366.05(1), F.S.

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

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Cindy Miller, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6082, cmiller@psc.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-7.083 Customer Deposits.

(1)-(4) No change

(5) Interest on deposits.

(a) Each gas utility which requests deposits to be made by its customers shall pay a minimum interest on such deposits of 2.6 percent per annum. The utility shall pay a minimum interest rate of 3.7 percent per annum on deposits of nonresidential customers qualifying under subsection (6) below when the utility elects not to refund such a deposit after 23 months. Such interest rates shall be applied within 45 days of the effective date of the rule.

(5)(b)-(7) No Change

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PSC-12-0266-NOR-PU

*Specific Authority 366.05(1), 350.127(2) FS. Law Implemented 366.03, 366.05(1) FS. History—
Repromulgated 1-8-75, Amended 6-15-76, 6-10-80, 1-31-84, Formerly 25-7.83, Amended 10-13-88, 4-25-
94, 3-14-99.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Mark Cicchetti
NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service
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05, Date of FAW. February 3, 2012.

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Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

RULE NO.: RULE TITLE:

25-30.311: Customer Deposits

PURPOSE AND EFFECT: The interest rate applied to customer deposits of water/wastewater utilities would be changed to a minimum interest rate of 2 percent per annum, and 3 percent per annum for non-residential customers when the utility elects not to refund such a deposit after 23 months.

Docket No. 120125-PU

SUMMARY: The current interest rates required on customer deposits are higher than justified by current credit and capital markets. The minimum interest rate is changed to 2 percent per annum, and to 3 percent per annum for non-residential customers when the utility elects not to refund such a deposit after 23 months. Currently, the minimum interest rates are set at 6 percent and 7 percent per annum, respectively. The utilities must apply the revised interest rates within 45 days of the effective date of the rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has been prepared by the agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: based upon the information contained in the SERC.

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.

RULEMAKING AUTHORITY: 350.127(2), 367.121, F.S.

LAW IMPLEMENTED: 367.081, 367.111, 367.121, F.S.

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

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Cindy Miller, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6082, cmiller@psc.state.fl.us.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-30.311 Customer Deposits.

(1)-(3) No change

(4) Interest on deposit.

(a) Each public utility which requires deposits to be made by its customers shall pay a minimum interest on such deposits of 2.6 percent per annum. The utility shall pay an interest rate of 3.7 percent per annum on deposits of nonresidential customers qualifying under subsection (5) below when the utility elects not to refund such a deposit after 23 months. Such interest rates shall be applied within 45 days of the effective date of the rule.

(4)(b)-(7) No change

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FPSC-0111-12-0128

*Specific Authority 367.121, 350.127(2) FS. Law Implemented 367.081, 367.111, 367.121 FS. History—
Amended 6-1-63, 4-1-69, 9-12-74, 6-10-80, 1-31-84, Formerly 25-10.72, 25-10.072, Amended 10-13-88, 4-
25-94*

NAME OF PERSON ORIGINATING PROPOSED RULE: Mark Cicchetti
NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service
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