

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:** October 4, 2012

**TO:** Office of Commission Clerk (Cole)

**FROM:** Office of the General Counsel (Cowdery) *ikc*  
 Division of Economics (McNulty) *AMC*  
 Division of Engineering (Black, Moses, Trotter) *JWD*  
*MB* *RT*

**RE:** Docket No. 110313-PU – Initiation of rulemaking to adopt Rule 25-6.0346, and to amend Rules 25-6.019, 25-6.0345, 25-6.060, 25-7.059, 25-7.060, 25-7.061, 25-7.062, 25-7.064, 25-7.065, 25-7.066, 25-7.070, 25-7.071, 25-7.084, 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, F.A.C.

**AGENDA:** 10/16/12 – Regular Agenda – Rule Proposal – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Edgar

**RULE STATUS:** Issue 1 concerning Rules 25-7.059 and 25-7.071, F.A.C., may not be deferred because of 90-day time limit of Section 120.54(3)(e)2., F.S., which runs Oct. 25, 2012.

**SPECIAL INSTRUCTIONS:** None

**FILE NAME AND LOCATION:** S:\PSC\GCL\WP\110313.RCM.DOC

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 12 OCT -4 AM 11:36  
 COMMISSION  
 CLERK

### Case Background

This recommendation is on Rules 25-6.019, 25-6.0345, 25-6.0346, 25-6.060, 25-7.059, and 25-7.071, Florida Administrative Code (F.A.C). The rules from chapter 25-6 address notification of electric utility events involving injury and damages, electric utility safety standards for construction of new transmission and distribution facilities, electric utility quarterly reports of work orders and safety compliance, and electric utility meter test disputes. The rules from chapter 25-7 address use of gas utility meters and measuring gas utility customer service.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

At its July 17, 2012 agenda conference, the Commission proposed Rules 25-7.059, 25-7.060, 25-7.061, 25-7.062, 25-7.064, 25-7.065, 25-7.066, 25-7.070, 25-7.071, 25-7.084, 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, F.A.C., for adoption.<sup>1</sup> These proposed rules were noticed for proposed adoption in the Vol. 38, No. 30, July 27, 2012 edition of the Florida Administrative Weekly.

By letter of August 14, 2012, staff of the Joint Administrative Procedures Committee (JAPC) submitted comments concerning proposed Rules 25-7.059, 25-7.060, 25-7.061 and 25-7.071, F.A.C. Rules 25-7.062, 25-7.064, 25-7.065, 25-7.066, 25-7.070, 25-7.084, 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, F.A.C., which were not included in JAPC staff's comments, were filed for adoption with the Department of State on September 21, 2012, and will become effective October 11, 2012. Upon review of the JAPC staff comments, Commission staff determined that Rules 25-7.060 and 26-7.061, F.A.C., did not require any substantive changes, and will be filed for adoption with the Department of State. This recommendation addresses Rules 25-7.059 and 25-7.071, F.A.C., for which JAPC staff suggested substantive changes to the proposed rules.

In the staff recommendation for the July 17, 2012 agenda conference, staff advised the Commission that it would bring a recommendation to agenda at a later date concerning Rules 25-6.019, 25-6.0345, 25-6.0346, 25-6.060, F.A.C., because these rules were still in the drafting stage. These rules are addressed in Issue 2.

Two staff rule development workshops were held in this docket, and post-workshop comments concerning Rules 25-6.019, 25-6.0345, 25-6.0346, 25-6.060, F.A.C., were filed by Tampa Electric Company (TECO), Florida Power & Light Company (FPL), and Florida Electric Cooperatives Association, Inc. (FECA). TECO stated in its July 18, 2012, post-workshop comments that Progress Energy Florida (Progress), Gulf Power Company (Gulf), and FPL agreed with TECO's comments in the markup of draft rules attached to those comments. No workshop comments were received on the gas utility Rules 25-7.059 and 25-7.071, F.A.C.

This recommendation addresses whether the Commission should propose the adoption of Rule 25-6.0346, F.A.C., the amendment of Rules 25-6.019, 25-6.0345, and 25-6.060, F.A.C., and changes to proposed Rules 25-7.059 and 25-07.071, F.A.C., based on JAPC staff's comments. The Commission has jurisdiction pursuant to Section 120.54, F.S., and Chapters 366 and 368, F.S.

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<sup>1</sup> See Order No. PSC-12-0376-NOR-PU, issued July 20, 2012.

### Discussion of Issues

**Issue 1:** Should the Commission adopt changes to proposed Rules 25-7.059 and 25-7.071, F.A.C., to address JAPC staff's comments?

**Recommendation:** Yes, the Commission should adopt proposed Rules 25-7.059 and 25-7.071 with changes as set forth in Attachment A. (Cowdery, Moses, Black)

**Staff Analysis:** As stated in the case background, the Commission proposed amendments to Rules 25-7.059 (p. 10) and 25-7.071 (p. 10), F.A.C., in Order No. PSC-12-0376-NOR-PU, issued July 20, 2015. By letter of August 14, 2012, JAPC staff submitted comments on these two proposed rules. Based upon these comments, staff recommends changes to Rules 25-7.059 and 25-7.071, F.A.C.

Rule 25-7.059, F.A.C., Use of Meters, last amended in 1984, requires each utility to own, operate, and maintain all equipment necessary for the regulation and measurement of gas to its customers. The Commission proposed that the rule be amended for clarity to replace the term "regulation" with the phrase "pressure control." JAPC staff provided no comments on this portion of the rule amendment proposal.

In its comments, JAPC staff notes that Subsections (1), (2), and (3) of Rule 25-7.059, F.A.C., provide that unless otherwise authorized by the Commission, the regulated entity shall take certain actions as set forth in the rule. JAPC staff points out that no criteria are set forth governing the circumstances under which the Commission would provide such authorization or what such authorization would entail. JAPC staff states that because of this, the rule is vague, fails to establish adequate standards for the Commission's decisions and vests unbridled discretion in the Commission. The "otherwise authorized by the Commission" provisions of Rule 25-7.059 were not addressed by staff or any interested person in this rulemaking docket.

Staff recommends that the "otherwise authorized by the Commission" provisions should be deleted from Rule 25-7.059, F.A.C. In addition to the points raised by JAPC, staff notes that this language is outdated, and that Section 120.542, F.S., provides the procedure to be followed if a person who is subject to regulation by an agency rule wishes to obtain a variance or waiver from the provisions of a rule. In addition, staff is unaware of any case where the "otherwise authorized by the Commission" provisions of Rule 25-7.059 were implemented. For these reasons, staff recommends that the Commission adopt proposed Rule 25-7.059, with changes, as set forth in Attachment A.

Proposed Rule 25-7.071, F.A.C., Measuring Customer Service, was amended to delete the extraneous and unnecessary word "loan" from subsection (1). JAPC staff provided no comments on this portion of the rule amendment proposal. In its comments, JAPC staff noted that subsection (3)(a) construes the term "cost" to not include late payment charges, returned check charges, the cost of the distribution system behind the master meter, the cost for billing and "other such costs," and inquired as to the meaning of the phrase "other such costs." Staff recommends that the phrase "other such costs" should be deleted from the subsection (3)(a) of the rule as unnecessary. The definition of "cost" is clear, and the phrase "other such costs" does

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not assist interpretation of the rule. For these reasons, staff recommends that the Commission adopt proposed Rule 25-7.071, with changes, as set forth in Attachment A.

**Issue 2:** Should the Commission propose the adoption of Rule 25-6.0346, F.A.C., and the amendment of Rules 25-6.019, 25-6.0345, and 25-6.060, F.A.C.?

**Recommendation:** Yes, the Commission should propose the adoption of Rule 25-6.0346, F.A.C., and the amendment of Rules 25-6.019, 25-6.0345, and 25-6.060, F.A.C., as set forth in Attachment A. (Cowdery, Moses, Black)

**Staff Analysis:** Rule 25-6.019, F.A.C., Notification of Accidents (p. 13), addresses notification requirements for electric utility accidents occurring in connection with the electric system involving, among other things, death, injury requiring hospitalization, or damage to property of others in excess of \$5000. As previously stated, two workshops were held concerning the rules addressed in this Issue, and comments were filed by several participants.

FECA requested in its comments that the Commission include the required accident notification forms, or include a link to the forms, in the rule in order to provide easy access to the forms for the utilities. Staff agrees with this comment, and is incorporating the forms by reference into the rule. Staff recommends that Rule 25-6.019, F.A.C., be amended to specifically require utilities to submit their reports in writing using forms PSC/ENG 158 (p. 20) and PSC/ENG 159 (p. 21), incorporated by reference into the rule. These forms are currently used by most of the electric utilities, but have not been required by rule. Amending the rule to require use of these forms will ensure consistency and allow for accurate recordkeeping of such events by the Commission.

Under current Rule 25-6.019, F.A.C., electric utilities are required to notify the Commission as soon as practicable of certain accidents. TECO's comments suggested that the word "accident" in the rule be replaced by the word "event" so that a utility would not be called upon to differentiate between events that are accidents and non-accidents. Staff agrees with this suggestion and recommends that Rule 25-6.019, F.A.C., be amended to refer to events rather than accidents in order to avoid any confusion in determining when to file a report.

In addition, TECO suggested that subsection (1) of Rule 25-6.019, F.A.C., be amended to clarify that the reporting requirement applies only after the utility actually learns of the event that is the subject of the reporting requirement, which, it stated, can often be some time after the event actually occurs. Staff agrees and recommends that the rule should be amended to require electric utilities to file a report form within two business days of learning of an event involving death or injury of a non-utility person and which is significant from a safety standpoint.

Under current subsection (2), electric utilities are required to report to the Commission within 30 days of an event resulting in property damages exceeding \$5,000 or an event resulting in significant damage to utility facilities. Consistent with the recommended amendment to subsection (1), staff recommends that this subsection be amended to require electric utilities to file a report form within 30 days of learning of the relevant event. In addition, staff recommends that this subsection be amended to update the damage to property reporting requirement from \$5,000 to \$10,000, to adjust for inflation and to match the same levels as the gas reporting Rule 25-12.084, F.A.C.

TECO's post-workshop comments suggested changes to subparagraph (3) of Rule 25-6.019, F.A.C., to include certain weather related exceptions to the event reporting requirements. TECO states that the language suggested is similar to that found in Rule 25-6.045, F.A.C., Annual Distribution Service Reliability Report, that allows the omission of outage date where the outages are caused by named storms, tornados and other significant weather events. Staff agrees with these comments, and recommends that subparagraph (3) of Rule 25-6.019, F.A.C., be amended to include these additional weather related exceptions to the event reporting requirements.

Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities, (p. 14) sets forth the relevant safety standards applicable to facilities subject to the Commission's safety jurisdiction. TECO suggested that the standards be updated to the 2012 National Electrical Safety Code (NESC). Staff agrees and recommends that these standards be updated from the 2007 NESC to the 2012 NESC.

In its post-workshop comments, TECO noted that current Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities, actually addresses three subjects: The adoption of NESC safety standards; the requirement for quarterly reports of work orders and safety compliance; and provisions concerning accident reports. TECO suggested, in part, that the provisions of existing Rule 25-6.0345(2) and (4), F.A.C., regarding quarterly reports of transmission and distribution work orders and safety compliance, be re-designated with a new rule number and title, addressing only quarterly reports of transmission and distribution work orders and safety compliance. TECO stated that it endorsed such a change in order to make this subject matter easier to locate. TECO's comments also suggest that quarterly reports be filed electronically, and that the rule not attempt to prescribe the particular computer format to be used for reporting, as is currently provided for in Rule 25-6.0345(3), F.A.C.

Staff recommends deleting all requirements associated with reports of completed electric work orders and safety standard certification, because these provisions have been moved to new draft Rule 25-6.0346, F.A.C., as discussed below. Further, staff recommends deleting all safety reporting requirements from this rule as duplicative of provisions in draft Rule 25-6.019, F.A.C., and therefore unnecessary.

Staff agrees that it would be appropriate to create a new rule to address the transmission and distribution work orders quarterly reports and safety compliance in order to make this subject matter easier to locate. Adoption of Rule 25-6.0346, F.A.C., (p. 17) for this purpose is consistent with the requirements of Section 120.54(1)(g), F.S., which requires that each rule contain only one subject. Staff also agrees that the obsolete data formatting language of Rule 25-6.0345(3), F.A.C., should not be incorporated into new Rule 25-6.0346, F.A.C., but should be replaced with the requirement that quarterly reports shall be filed electronically. This change would recognize evolving advancements in the field of electronic reporting, rather than requiring a particular technical format that could become outdated. The required format in current Rule 25-6.0345(3), F.A.C., is obsolete, referring to data formats that are no longer in common use. For these reasons, staff recommends that Rule 25-6.0346, F.A.C., should be adopted.

Rule 25-6.060, F.A.C., Meter Test–Referee, (p. 18) requires meter tests to be supervised, but not witnessed, by a Commission representative. Staff recommends that the rule be amended to clarify that meter tests be supervised and witnessed by a Commission representative. The current rule requires a customer to make written application for a meter test. Staff also recommends that Rule 25-6.060 be amended to require that meter tests should be conducted upon customer request. These changes are consistent with the gas meter test dispute rule, Rule 25-7.066, F.A.C., recently amended as part of this docket.<sup>3</sup>

**Statement of Estimated Regulatory Cost**  
**on Rules 25-6.0346, 25-6.019, 25-6.0345, and 25-6.060, F.A.C.**

Staff prepared a Statement of Estimated Regulatory Cost (SERC) pursuant to section 120.541, F.S., which is attached as Attachment B. Based on the SERC, the rule amendments will not require legislative ratification pursuant to subsection 120.541(3), F.S.

The SERC includes an economic analysis pursuant to subparagraph 120.541(2)(a)1, F.S., showing whether the draft rules directly or indirectly are likely to have an adverse impact on economic growth, private sector job creation or employment, or private sector investment in excess of \$1 million in the aggregate within five years after the implementation of the rules. In addition, the SERC includes an economic analysis pursuant to subparagraph 120.541(2)(a)2, F.S., showing whether the draft rules directly or indirectly are likely to have an adverse impact on business competitiveness in excess of \$1 million in the aggregate within five years after the implementation of the rule. The SERC concludes that none of the draft rule amendments would have any of the adverse impacts on the economic measures identified in subparagraphs 120.54(2)(a)1 and 2, F.S.

The SERC includes an economic analysis pursuant to subparagraph 120.541(2)(d), F.S., which requires a good faith estimate of the transactional costs likely to be incurred by individuals and entities, including local government entities, required to comply with the requirements of the rule. The SERC concludes that no such transaction costs are likely to be incurred. Further, pursuant to the analysis required by section 120.541(2)(c), F.S., the SERC concludes that the draft rule amendments and draft rule are not expected to have any effect on state or local revenues and are not expected to result in increased implementation and enforcement costs.

The SERC includes an economic analysis pursuant to subparagraph 120.541(2)(a)3, F.S., showing whether the draft rule directly or indirectly is likely to increase regulatory cost, including any transaction costs, in excess of \$1 million in the aggregate within five years after implementation of the rules. The SERC concludes that none of the draft rule amendments are expected to increase such costs. In addition, the SERC determined, as required by subparagraph 120.541(2)(b), F.S., that 57 electric utilities would be required to comply with the draft amendments to Rules 25-6.019 and 25-6.0345, F.A.C., and draft Rule 25-6.0346, F.A.C., and that five investor-owned electric utilities would be required to comply with the draft amendment to Rule 25-6.060, F.A.C. Utility customers are not expected to be affected by the draft rule amendments. Finally, the SERC determined, as required by section 120.541(2)(e), F.S., that the

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<sup>3</sup> Effective October 11, 2012.

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draft rule amendments and draft rule are not expected to result in any incremental costs or rates to small businesses, small counties, and small cities.

Based upon the above, staff recommends that the Commission propose the adoption of Rule 25-6.0346, F.A.C., and the amendment of Rules 25-6.019, 25-6.0345, and 25-6.060, F.A.C., as set forth in Attachment A.



**Issue 3:** Should this docket be closed?

**Recommendation:** Yes. A Notice of Change should be published in the Florida Administrative Register for proposed Rules 25-7.059 and 25-7.071. After the Notice of Change is published, proposed Rules 25-7.059 and 25-7.071 may be filed for adoption with the Secretary of State. If no requests for hearing or comments are filed concerning Rules 25-6.019, 25-6.0345, 25-6.0356, or 25-6.060, F.A.C., those proposed amendments should be filed for adoption with the Secretary of State. After all rules have been filed for adoption, the docket should be closed. (Cowdery)

**Staff Analysis:** If the Commission approves the change to Rules 25-7.059 and 25-7.071 as set forth in Issue 1, a Notice of Change must be published in the Florida Administrative Weekly. If the Commission approves the amendments for Rules 25-6.019, 25-6.0345, 25-6.0356, or 25-6.060, F.A.C., as set forth in Issue 2, and no requests for hearing or comments are filed concerning the those proposed amendments, those rules should be filed for adoption with the Secretary of State. After all rules have been filed for adoption, the docket should be closed.

1 **25-7.059 Use of Meters.**

2 (1) All gas sold by a utility and all gas consumed by the utility shall be metered except  
3 in case of emergency, ~~or when otherwise authorized by the Commission.~~

4 (2) ~~Unless otherwise authorized by the Commission,~~ Each utility shall provide and  
5 install at its own expense and shall continue to own, operate, and maintain all equipment  
6 necessary for the pressure control ~~regulation~~ and measurement of gas to its customers.

7 (3) Prepayment meters shall not be used, ~~except where otherwise authorized by the~~  
8 ~~Commission.~~

9 (4) When there is more than one meter at a common location, the metering equipment  
10 shall be tagged or permanently marked to indicate the facility being metered.

11 Rulemaking Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 366.05(1) FS.  
12 ~~History—Amended 10-20-73, Repromulgated 1-8-75, Amended 5-4-75, 2-13-84, Formerly 25-~~  
13 ~~7.59, Amended \_\_\_\_\_.~~

14 **25-7.071 Measuring Customer Service.**

15 (1) All gas sold to customers shall be measured by commercially acceptable measuring  
16 devices owned and maintained by the utility, except where it is impractical to meter ~~leans,~~  
17 such as street lighting, temporary or special installations, in which case the consumption may  
18 be calculated, or billed on a rate or as provided in the utility's filed tariff.

19 (2)(a) Individual gas metering by the utility shall be required for each separate  
20 occupancy unit of new commercial establishments, residential buildings, condominiums,  
21 cooperatives, marinas, and trailer, mobile home and recreational vehicle parks for which  
22 construction is commenced after January 1, 1987. This requirement shall apply whether or not  
23 the facility is engaged in a time-sharing plan. Individual meters shall not, however, be  
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1 required:

2 1. In those portions of a commercial establishment where the floor space dimensions or  
3 physical configuration of the units are subject to alteration, as evidenced by non-structural  
4 element partition walls, unless the utility determines that adequate provisions can be made to  
5 modify the metering to accurately reflect such alterations;

6 2. For gas used in central heating, central water heating ventilating and air conditioning  
7 systems, or gas back up service to storage heating and cooling systems;

8 3. For gas used in specialized-use housing accommodations such as hospitals, nursing  
9 homes, living facilities located on the same premises as, and operated in conjunction with, a  
10 nursing home or other health care facility providing at least the same level and types of  
11 services as a nursing home, convalescent homes, facilities certificated under Chapter 651,  
12 F.S., college dormitories, convents, sorority houses, fraternity houses, motels, hotels, and  
13 similar facilities. For separate, specially-designated areas for overnight occupancy at trailer,  
14 mobile home and recreational vehicle parks where permanent residency is not established and  
15 for marinas where living aboard is prohibited by ordinance, deed restriction, or other  
16 permanent means;

17 4. In such multiple occupancy units which would require the provision of individual  
18 gas service above the second story, unless specifically requested.

19 (b) For purposes of this rule:

20 1. "Occupancy unit" means that portion of any commercial establishment, single and  
21 multi-unit residential building, or trailer, mobile home or recreational vehicle park, or marina  
22 which is set apart from the rest of such facility by clearly determinable boundaries as  
23 described in the rental, lease, or ownership agreement for such unit.

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1           2. "Time-sharing plan" means any arrangement, plan, scheme, or similar device,  
2 whether by membership, agreement, tenancy in common, sale, lease, deed, rental agreement,  
3 license, or right-to-use agreement or by any other means, whereby a purchaser, in exchange  
4 for a consideration, receives a right to use accommodations or facilities, or both, for a specific  
5 period of time less than a full year during any given year, but not necessarily for consecutive  
6 years, and which extends for a period of more than three years.

7           3. The construction of a new commercial establishment, residential building, marina,  
8 or trailer, mobile home or recreational vehicle park shall be deemed to commence on the date  
9 when the building structure permit is issued.

10          4. The individual metering requirement is waived for any time-sharing facility for  
11 which construction was commenced before January 1, 1987 in which separate occupancy units  
12 were not metered in accordance with paragraph (2)(a).

13           (3)(a) Where individual metering is not required under subparagraph (2)(a)3. and  
14 master metering is used in lieu thereof, sub-metering may be used by the customer of  
15 record/owner of such facility solely for the purpose of allocating the cost of the gas billed by  
16 the utility. The term "cost", as used herein represents only those charges specifically  
17 authorized by the gas utility's tariff including but not limited to the customer, energy,  
18 purchased gas adjustment, and conservation charges made by the gas utility plus applicable  
19 taxes and fees to the customer of record responsible for the master meter payments. The term  
20 cannot be construed to include late payment charges, returned check charges, the cost of the  
21 distribution system behind the master meter, or the cost for billing, ~~and other such costs.~~

22           (b) Each utility shall develop a standard policy governing the provisions of sub-  
23 metering as described herein. Such policy shall be filed by each utility as part of its tariffs.  
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1 This policy shall have uniform application and shall be nondiscriminatory.

2 Rulemaking Specific Authority 350.127(2), 366.05 FS. Law Implemented 366.03, 366.05(1)  
3 FS. History—New 10-23-86, Amended \_\_\_\_\_.

4 **25-6.019 Notification of Events Accidents.**

5 (1) Form PSC/ENG 159 (XX/XX), entitled “Electric Utility Event Report – Injury,” is  
6 incorporated in this rule by reference and may be obtained from the Commission’s Division of  
7 Administrative Services and is also available at [Dept of State hyperlink]. As soon as  
8 practicable, but no later than two business day after it learns of the occurrence, each investor-  
9 owned electric utility, rural electric cooperative, and municipal electric utility shall notify the  
10 Commission’s Bureau of Safety, in writing, using Form PSC/ENG 159 (XX/XX),  
11 Commission of any event involving ~~accident occurring in connection with~~ any part of the  
12 electrical system which:

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

16 (2) Form PSC/ENG 158 (XX/XX) entitled “Electric Utility Event Report – Damages.”  
17 is incorporated into this rule by reference and may be obtained from the Commission’s  
18 Division of Administrative Services and is also available at [Dept of State hyperlink]. Each  
19 investor-owned electric utility, rural electric cooperative, and municipal electric utility shall  
20 report, in writing, to the Commission’s Bureau of Safety, using Form PSC/ENG 158  
21 (XX/XX), ~~Commission~~ within 30 days of learning of any event malfunction of or accident  
22 involving any part of the electrical system, ~~fire, or explosion~~, that:

- 23 (a) Involves damage to the property of others for an amount in excess of \$10,000  
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1 \$5000, or,

2 (b) ~~Causes~~ Cause significant damage, in the judgment of the utility, to the utility's  
3 facilities.

4 (3) Unless requested by the Bureau of Safety, Reports are not required with respect to  
5 personal injury, death, or property damage resulting from vehicular equipment striking poles  
6 and/or other utility property or events directly caused by:

7 (a) A storm named by the National Hurricane Center;

8 (b) A tornado recorded by the National Weather Service;

9 (c) Ice on line;

10 (d) An extreme weather or fire event causing activation of the county emergency  
11 operation center.

12 Rulemaking Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 366.04(2)(f) and  
13 (6), 366.05(1) FS. History—New 7-29-69, Amended 4-13-80, Formerly 25-6.19, Amended

14 \_\_\_\_\_.

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

17 (4) The Commission adopts and incorporates by reference the 2012 ~~2002~~ edition of the  
18 National Electrical Safety Code (ANSI C-2) [NESC], as the applicable safety standards for  
19 transmission and distribution facilities subject to the Commission's safety jurisdiction. ~~For~~  
20 ~~electrical facilities constructed on or after February 1, 2007, the 2007 NESC shall apply.~~

21 ~~Electrical facilities constructed prior to February 1, 2007, shall be governed by the edition of~~  
22 ~~the NESC specified by subsections 013.B.1, 013.B.2, and 013.B.3 of the 2007 NESC. Each~~  
23 investor-owned electric utility, rural electric cooperative, and municipal electric system shall,

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1 at a minimum, comply with the standards in these provisions. A copy of the 2007-NESC;  
2 ISBN number 0-7381-4893-8, may be obtained from the Institute of Electric and Electronic  
3 Engineers, Inc. (IEEE), 3 Park Avenue, New York, NY, 10016-5997.

4 ~~(2) Each investor-owned electric utility, rural electric cooperative and municipal electric~~  
5 ~~utility shall report all completed electric work orders, whether completed by the utility or one~~  
6 ~~of its contractors, at the end of each quarter of the year. The report shall be filed with the~~  
7 ~~Director of the Commission's Division of Regulatory Compliance and Consumer Assistance~~  
8 ~~no later than the 30th working day after the last day of the reporting quarter, and shall contain,~~  
9 ~~at a minimum, the following information for each work order:~~

10 ~~—— (a) Work order number/project/job;~~

11 ~~—— (b) Brief title outlining the general nature of the work;~~

12 ~~—— (c) Estimated cost in dollars, rounded to nearest thousand and;~~

13 ~~—— (d) Location of project.~~

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

16 ~~—— (a) DBase Format~~

17 ~~—— Field Name                      Field Type                      Digits~~

18 ~~—— 1. Work orders                      Character                      20~~

19 ~~—— 2. Brief title                      Character                      30~~

20 ~~—— 3. Cost                      Numeric                      8~~

21 ~~—— 4. Location                      Character                      50~~

22 ~~—— (b) DOS ASCII Text.~~

23 ~~—— 1. Columns shall be the same type and in the same order as listed under Field Names~~

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1 above:

2 ~~2. A comma (,) shall be placed between data fields.~~

3 ~~3. Character data fields shall be placed between quotation marks (“...”).~~

4 ~~4. Numeric data fields shall be right justified.~~

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

6 ~~(c) Hard Copy.~~

7 The following format is preferred, but not required:

8 **Completed Electrical Work Orders For PSC Inspection**

Work Order	Brief Title	Estimated Cost	Location

12

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

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

21 ~~(a) Involves death or injury requiring hospitalization of nonutility persons; or~~

22 ~~(b) Is significant from a safety standpoint in the judgment of the utility even though it~~  
23 ~~is not required by subsection (a).~~

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1 ~~\_\_\_\_\_ (6) Each investor-owned electric utility, rural electric cooperative, and municipal~~  
2 ~~electric utility shall (without admitting liability) report each accident or malfunction, occurring~~  
3 ~~in connection with any part of its transmission or distribution facilities, to the Commission~~  
4 ~~within 30 days after it learns of the occurrence, provided the accident or malfunction:~~

5 ~~\_\_\_\_\_ (a) Involves damage to the property of others in an amount in excess of \$5000; or~~

6 ~~\_\_\_\_\_ (b) Causes significant damage in the judgment of the utility to the utility's facilities.~~

7 ~~\_\_\_\_\_ (7) Unless requested by the Commission, reports are not required with respect to~~  
8 ~~personal injury, death, or property damage resulting from vehicles striking poles or other~~  
9 ~~utility property.~~

10 Rulemaking Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 366.04(2)(f), (6)  
11 FS. History—New 8-13-87, Amended 2-18-90, 11-10-93, 8-17-97, 7-16-02, 2-1-07, \_\_\_\_\_.

12 **25-6.0346 Quarterly Reports of Work Orders and Safety Compliance**

13 (1) Each investor-owned electric utility, rural electric cooperative and municipal  
14 electric utility shall report all completed electric work orders, relating to the construction  
15 and/or maintenance of transmission and distribution facilities, whether completed by the  
16 utility or one of its contractors, at the end of each quarter of the year. The report shall be  
17 electronically filed with the Commission's Bureau of Safety no later than the 30th working  
18 day after the last day of the reporting quarter using Form PSC/ENG 157 (xx/12), "PSC  
19 Quarterly Report of Completed Work Orders," which is available at  
20 <http://www.flrules.org/Gateway/reference.asp?No=Ref-xxxxx>. This form is incorporated into  
21 this rule by reference and may also be obtained from the Commission's Division of  
22 Administrative Services.

23 (2) In its quarterly report, each utility shall certify to the Commission that all work  
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1 described in the completed work orders listed in the quarterly report meets or exceeds the  
2 applicable standards. Compliance inspections by the Commission shall be made on a random  
3 basis or as appropriate.

4 Rulemaking Authority 350.127(2), 366.05(1) FS. Law Implemented 366.04(2)(f) and (6),  
5 366.05(1) FS. History–New \_\_\_\_\_.

6 **25-6.060 Meter Test – Refereed Dispute Referee.**

7 (1) In the event of a dispute, upon request ~~written application~~ to the Commission by  
8 any customer, a test of the customer's meter shall ~~will~~ be made by the utility as soon as  
9 practicable. Said test shall ~~will~~ be supervised and witnessed by a representative of the  
10 Commission.

11 (2) A meter shall in no way be disturbed after the utility has received notice that  
12 application has been made for such referee test unless a representative of the Commission is  
13 present or unless authority to do so is first given in writing by the Commission or by the  
14 customer.

15 (3) A report of the results of the test will be made by the Commission to the customer.

16 (4) For equipment tested under this rule, any previous accuracy test result on record at  
17 the time the meter test is requested must be retained in accordance with Rule 25-6.022, F.A.C.

18 Rulemaking Specific Authority 350.127(2), 366.05(1) FS. Law Implemented 366.05(3),  
19 366.08 FS. History–New 7-29-69, Formerly 25-6.60, Amended 7-3-06, \_\_\_\_\_.

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**ELECTRIC UTILITY EVENT REPORT – DAMAGES  
GREATER THAN \$10,000**

Narrative of Event:

Damage to utilities facilities:

Date of Event:

Time of Event:

Constructed Before 7/1/1986? (Y/N):

Location of Event:

County:

Utility Name:

Person Reporting Event:

Date Reported:

Time Reported:

Additional Remarks:

**ELECTRIC UTILITY EVENT REPORT - INJURY**

<b>Narrative of Event:</b>		
<b>Location of Event:</b>		
<b>Type of Injury:</b>		
<b>Date:</b>	<b>Time:</b>	<b>County:</b>
<b>Facilities Involved</b>		
<b>Voltage:</b>		<b>Constructed Before 7/1/86? (Y/N):</b>
<b>Overhead:</b>	<b>Underground:</b>	
<b>Parallel To:</b>	<b>Parallel To:</b>	
<b>Crossing Over:</b>	<b>Crossing Under:</b>	
<b>Vertical Clearance:</b> ft.    in.	<b>Pad Mounted Equipment:</b>	
<b>Horizontal Clearance:</b> ft.    in.	<b>Burial Depth:</b> in.	
<b>Remarks:</b>	<b>Was Line Marked? (Y/N):</b>	
	<b>If Yes, Interval of Markings:</b> ft.	
<b>Was Company Given Advance Notification of Work? (Y/N):</b>		
<b>Electric Utility:</b>	<b>Reported By:</b>	
<b>Date Reported:</b>	<b>Time Reported:</b>	
<b>Number of Fatalities:</b>	<b>Number of Injuries:</b>	

Form PSC/ENG 159 (xx/12)  
 Rule 25-6.019(1), F.A.C.

## Description of Electric Utility Event Report Fields

**Constructed Before 7/1/86? (Y/N):** Was the power line/equipment involved in the event constructed after July 1, 1986?

**Overhead:** Did the event involve an above ground power line? (Y/N)

**Underground:** Did the event involve a buried power line? (Y/N)

**Parallel To:** Does the power line in question run parallel to a street, highway or other suitable landmark? If yes, enter the name of the street, highway or landmark. Example: Highway 301, rear lot line, drainage canal, Wachovia Bank Building, etc.

**Crossing Over:** Does the overhead power line in question cross over a street, highway or other suitable landmark? If yes, enter the name of the street, highway or landmark. Example: Billboard sign, rooftop, balcony, lake, etc.

**Crossing Under:** Does the buried power line in question cross under a street, highway or other suitable landmark? If yes, enter the name of the street, highway or landmark. Example: Driveway, Highway 301, fence, etc.

**Vertical Clearance:** Depending on the circumstances of the event, the vertical clearance of the power line from a roadway, rooftop, scaffold, platform, etc.

**Pad Mounted Equipment:** Did the event involve a pad mounted transformer or switchgear?

**Horizontal Clearance:** Similar to Vertical Clearance but for lateral measurements.

**Burial Depth:** If power line is underground, depth to which it is buried.

**Remarks:** This space to be used by reporting company as needed.

**Was Line Marked? (Y/N):** Was the location of the underground power line marked or identified in some way?

**If Yes, Interval of Markings:** What was the interval of the markings? Example: Every 3 feet, every 10 feet, etc.

**Was Company Given Advance Notification of Work? (Y/N):** If the event involved non-utility workers, was the utility given advance notification of the work to be performed?

**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-**

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**DATE:** September 11, 2012  
**TO:** Kathryn Cowdery, Senior Attorney, Office of the General Counsel  
**FROM:** William B. McNulty, Economic Analyst, Division of Economic Regulation  
**RE:** Statement of Estimated Regulatory Costs for Draft Amendments to Rules 25-6.019, 25-6.0345, and 25-6.060, F.A.C., and for Draft Rule 25-6.0346, F.A.C.

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Summary of Draft Rule Amendments and Draft Rule

This Statement of Estimated Regulatory Cost (SERC) addresses three draft rule amendments (Rules 25-6.019, 25-6.0345, and 25-6.060, Florida Administrative Code (F.A.C.)) and one draft rule adoption (Rule 25-6.0346, F.A.C.). Rule 25-6.019, F.A.C., Notification of Accidents, addresses utility reporting requirements regarding deaths or injuries to non-utility persons and damages associated with electrical system accidents. Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities, identifies the governing standard for electrical facilities and work order reporting requirements. Rule 25-6.060, F.A.C., Meter Test – Referee, addresses customer-requested meter tests in the event of a dispute, wherein a Commission representative supervises the test.

The draft amendment to Rule 25-6.019, F.A.C., Notification of Accidents, would clarify the reporting requirements associated with events involving any part of the electrical system which involves the death or injury to non-utility persons or damage to property. The draft rule amendment would require electric utilities to file a report form for events involving death or injury of a non-utility person and for events which are significant from a safety standpoint. Such forms would be required within two business days after the electric utility learns of the occurrence. Under the current rule, electric utilities are required to notify the Commission as soon as practicable of any accident involving the death or injury to non-utility persons or events which are significant from a safety standpoint. Similarly, the draft amendment would require electric utilities to file a report form within 30 days of learning of any event involving damage to property of others exceeding \$10,000 or causing significant damage to utility facilities. Under the current rule, electric utilities are required to report to the Commission within 30 days of an event resulting in property damages exceeding \$5,000 or an event resulting in significant damage to utility facilities.

In addition, the draft amendment to Rule 25-6.019, F.A.C. would expand the types of events for which notification reports are not required to include events caused by storms named by the National Hurricane Center, tornados recorded by the National Weather Service, ice on lines, and extreme weather or fire events causing activation of the county emergency operations center.

The draft amendment to Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities, would update the safety standard reference from the 2007 National Electrical Safety Code (NESC) to the 2012 NESC. The draft amendment would delete all requirements associated with reports of completed electric work orders and safety standard certifications. Such requirements are duplicated in draft Rule 25-6.0346, F.A.C. The draft amendment to Rule 25-6.0345, F.A.C., would also delete all safety reporting requirements. For organizational purposes, such requirements would be transferred, with modifications, to Rule 25-6.019, F.A.C., as discussed above.

Draft Rule 25-6.0346, F.A.C., Quarterly Reports of Work Orders and Safety Compliance, would incorporate the quarterly work orders reporting requirement currently contained in Rule 25-6.0345, F.A.C. Draft Rule 25-6.0346, F.A.C., references a required work orders reporting form to be filed quarterly with the Commission's Bureau of Safety rather than, as appears in current Rule 25-6.0345, F.A.C., a description of the format of the required report information within the rule text.

Finally, the draft amendment to Rule 25-6.060, F.A.C., Meter Test – Referee, would require meter tests to be supervised and witnessed by a representative of the Commission. Under the current rule, meter tests are required to be supervised, but not witnessed, by a Commission representative. Also, under the draft amendment, a test would be conducted upon customer request. Under the current rule, written applications for meter tests by the customer are required.

#### Economic Analysis of Impacts on Economic Growth or Business Competitiveness

Subparagraph 120.541(2)(a)1, Florida Statutes (F.S.), requires an economic analysis showing whether the draft rule directly or indirectly is likely to have an adverse impact on economic growth, private sector job creation or employment, or private sector investment in excess of \$1 million in the aggregate within 5 years after the implementation of the rule. Subparagraph 120.541(2)(a)2, F.S., requires an economic analysis showing whether the draft rule directly or indirectly is likely to have an adverse impact on business competitiveness in excess of \$1 million in the aggregate within 5 years after the implementation of the rule. The draft rule amendments and draft rule were evaluated for the potential for having adverse impacts on measures of economic activity noted above.

The draft amendment to Rule 25-6.019, F.A.C., is expected to have none of the adverse impacts on the economic measures identified in Subparagraphs 120.541(2)(a)1 and 2, F.S. The reporting requirements for events resulting in death or injury to non-utility persons per draft Form PSC/ENG 159 requires standard information which would be collected by the utility. Similarly, the reporting requirements for events resulting in damages to the property of others per draft Form PSC/ENG 158 requires standard information which would be collected by the



utility. Each of these draft forms is a single page and cannot be considered to be a substantive expansion to the level of reporting currently required. The draft amendment would expand the death, injury, or property damage report exemptions to include events caused by named storms, recorded tornados, ice on lines, and extreme weather or fire events causing activation of the county emergency operations center. The current rule only exempts events resulting from vehicular equipment striking poles. The additional exemptions can be expected to reduce the number of required reports. In sum, under the draft amendment to Rule 25-6.019, F.A.C., the notification requirements are standardized and reduced. As such, the draft amendment can be expected to result in nominal cost savings to electric utilities. Thus, the draft amendment to Rule 25-6.019, F.A.C., is not expected to adversely impact economic growth, job creation, private sector investment, or business competitiveness.

The draft amendment to Rule 25-6.0345, F.A.C., is expected to have no adverse impacts on the measures of economic activity identified in Subparagraphs 120.541(2)(a)1 and 2, F.S. Substantively, the draft amendment to Subsection 25-6.0345(1) simply updates the reference to the current edition of the NESC. The draft amendment would delete Subsections 25-6.0345(2) through (4) entirely and transfer them in modified format to the draft Rule 25-6.0346, F.A.C. The draft amendment would delete Subsections 25-6.0345(5) through (7) since they are duplicated in Rule 25-6.019, F.A.C. Thus, the draft amendment to Rule 25-6.0345, F.A.C., is not expected to adversely impact economic growth, job creation, private sector investment, or business competitiveness.

The draft Rule 25-6.0346, F.A.C., is expected to have no adverse impacts on the measures of economic activity identified in Subparagraphs 120.541(2)(a)1 and 2, F.S. Substantively, the draft rule replicates in report format the existing requirements found in Rule 25-6.0345(2) through (4). The required quarterly reports would follow the format specified in draft Form PSC/ENG 157, incorporated into the rule by reference, a single page form similar to the format currently specified in Rule 25-6.0345, F.A.C. As such, the draft amendment to Rule 25-6.0346, F.A.C., is not expected to adversely impact economic growth, job creation, private sector investment, or business competitiveness.

The draft amendment to Rule 26-6.060, F.A.C., is expected to have no adverse impacts on the measures of economic activity identified in Subparagraphs 120.541(2)(a)1 and 2, F.S. The draft amendment requires meter tests under dispute to be witnessed by Commission representatives, but that procedure is the norm currently. As such, the draft amendment to Rule 25-6.060, F.A.C., is not expected to adversely impact economic growth, job creation, private sector investment, or business competitiveness.

#### Estimated Transactional Costs to Individuals and Entities

Section 120.541(2)(d), F.S., requires a good faith estimate of the transactional costs likely to be incurred by individuals and entities, including local government entities, required to comply with the requirements of the rule. As discussed above in "Economic Analysis of Impacts on Economic Growth and Business Competitiveness," the draft rule amendments and draft rule do not expand the requirements for the utilities. The draft rule amendment to Rule 25-6.019, F.A.C., would actually reduce the types of events for which Commission notification is required,

which can be expected to reduce the level of costs to the electric utilities. The draft forms referenced in the draft amendment to Rule 25-6.019 and draft Rule 25-6.0346, F.A.C., standardize and simplify the reporting requirements without expanding the volume of information required, which may yield further cost savings. The draft amendment to Rule 25-6.060, F.A.C., does not require any additional activity or expense on the part of the utilities. In sum, the transactional costs likely to be incurred by individuals and entities, including local government entities, required to comply with the draft amendments to Rules 25-6.019, 25-6.0345, and 25-6.060, F.A.C., and draft Rule 25-6.0346, F.A.C., individually and collectively, is zero.

#### Rule Implementation and Enforcement Costs

Section 120.541(2)(c), F.S., requires a good faith estimate of the cost to the agency, and to any other state and local government entities, of implementing and enforcing the proposed rule, and any anticipated effect on state or local revenues. The draft rule amendments and draft rule are not expected to require increases in costs related to their implementation or enforcement. The standardized forms which would be required by the draft amendments and draft rule would streamline record keeping and the Commission staff's review of the information contained in the forms. The draft rule amendments and draft rule are not expected to have any effect on state or local revenues.

#### Economic Analysis of Regulatory Costs

Subparagraph 120.541(2)(a)3, F.S., requires an economic analysis showing whether the draft rule directly or indirectly is likely to increase regulatory cost, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule. Based upon the analysis in the above sections "Estimated Transactional Costs to Individuals and Entities" and "Rule Implementation and Enforcement Costs," the draft rule amendments and draft rule are not expected to introduce new transactional costs or agency costs, the two components of regulatory costs. Thus, the draft amendments to Rules 25-6.019, 25-6.0345, and 25-6.060, F.A.C., and draft Rule 25-6.0346, F.A.C., are not expected to directly or indirectly increase regulatory costs including any transactional costs, in excess of \$1 million in the aggregate, within 5 years after the implementation of the rule.

#### Estimated Number of Entities Required to Comply

Subparagraph 120.541(2)(b), F.S., requires a good faith estimate of the number of individuals and entities likely to be required to comply with the rule, together with a general description of the types of individuals anticipated to be affected by the rule. Fifty-seven electric utilities would be required to comply with draft amendments to Rules 25-6.019 and 25-6.0345, F.A.C. and draft Rule 25-6.0346, F.A.C., including five investor-owned electric utilities, 34 municipal electric utilities, and 18 electric cooperatives. Five investor-owned electric utilities would be required to comply with the draft amendment to Rule 25-6.060, F.A.C. Utility customers are expected to be unaffected by the draft rule amendments, if adopted.

Impact On Small Businesses, Small Cities, Or Small Counties

Section 120.541(2)(e), F.S., requires an analysis of the impact of the proposed changes on small businesses as defined by Section 288.703, F.S., and an analysis of the impact on small counties and small cities as defined in Section 120.52, F.S. The draft amendments to Rules 25-6.019, 25-6.0345, and 25-6.060, F.A.C., and draft Rule 25-6.0346, F.A.C., are expected to be transparent to small businesses, small counties, and small cities. Since the draft rule amendments and draft rule are not expected to result in any incremental costs, rates to small businesses, small counties, and small cities should be unaffected.

Additional Information Deemed Useful By The Agency

None.

cc: Bob Trapp  
Rick Moses  
Jim Dean