

STATE OF FLORIDA

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OFFICE OF THE GENERAL COUNSEL
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(850) 413-6199

Public Service Commission

October 14, 2021

Kenneth J. Plante, Coordinator
Joint Administrative Procedures Committee
Room 680, Pepper Building
111 W. Madison Street
Tallahassee, FL 32399-1400
japc@leg.state.fl.us

VIA EMAIL

Re: Docket No. 20210122-WS; Rules 25-30.025, 25-30.4345, 25-30.445, 25-30.446, 25-30.455, 25-30.456, and 25-30.565, F.A.C.

Dear Mr. Plante:

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

1. A copy of the proposed rules.
2. No new materials are incorporated by reference in the proposed rules.
3. A copy of the F.A.R. notice.
4. A statement of facts and circumstances justifying the proposed rules.
5. A federal standards statement.
6. Statement of Estimated Regulatory Costs for the rules.

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2021 OCT 14 PM 3:15
COMMISSION
CLERK

If there are any questions with respect to these rules, I can be reached at kcowdery@psc.state.fl.us.

Sincerely,

/s/ Kathryn G. W. Cowdery
Kathryn G.W. Cowdery
Senior Attorney

Enclosures

cc: Office of Commission Clerk

1 **25-30.025 Official Date of Filing.**

2 (1) The “official date of filing” is the date on which the Director of the division that has
3 been assigned the primary responsibility for the filing ~~Deputy Executive Director, Technical~~
4 determines the utility has filed completed sets of the minimum filing requirements (MFRs),
5 including testimony that may be required by subsection 25-30.436(2), F.A.C., and payment of
6 the appropriate filing fee to the Office of the Commission Clerk.

7 (2) The Director of the division that has been assigned the primary responsibility for the
8 filing will ~~Deputy Executive Director, Technical shall~~ determine the official date of filing for
9 any utility’s application and advise the applicant. The Commission will ~~shall~~ resolve any
10 dispute regarding the official date of filing.

11 *Rulemaking Authority 350.127(2), 367.121(1) FS. Law Implemented 367.083 FS. History–*
12 *New 3-26-81, Formerly 25-10.12, 25-10.012, Amended 11-10-86, 11-30-93, _____.*

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1 **25-30.4345 Notice of Applications Requests for New or Revised Service Availability**
2 **Charges or Policies and Notice of Applications Requests for Allowance for Funds**
3 **Prudently Invested (AFPI) Charges.**

4 (1) This rule applies to all applications ~~requests~~ for new or revised service availability
5 charges or policies and to all applications ~~requests~~ for allowance for funds prudently invested
6 (AFPI) charges made by water and wastewater utilities, including those requests made in
7 conjunction with an application ~~a request~~ for a general rate increase.

8 ~~(2) Upon filing an application for new or revised service availability charges or policies or~~
9 ~~an application for AFPI charges, the utility shall place a copy of the application at its official~~
10 ~~headquarters and at any business offices it has in the service areas included in the request.~~
11 ~~Such copies shall be available for public inspection during the utility's regular business hours.~~
12 ~~If the utility does not have a business office in a service area included in the request, the utility~~
13 ~~shall place a copy of the application at the main county library, the local community center or~~
14 ~~other appropriate location which is within or most convenient to the service area and which is~~
15 ~~willing to accept and provide public access to said copies. The Commission may require that~~
16 ~~copies of the application be placed at other specified locations.~~

17 ~~(2)(3)~~(a) Upon filing an application for new or revised service availability charges or
18 policies or an application for AFPI charges, the utility must publish ~~shall have published~~ a
19 notice of application in a newspaper of general circulation in the service areas included in the
20 application ~~petition~~.

21 (b) Upon filing an application for new or revised service availability charges or policies or
22 an application for AFPI charges, the utility must ~~shall~~ mail or hand deliver a notice of
23 application to all persons in the service areas included in the application who have filed a
24 written request for service or who have been provided a written estimate for service within the
25 12 calendar months prior to the month the application is filed.

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from existing law.

- 1 (c) The Commission may require such other notice as it finds reasonably necessary.
- 2 (d) The notice of application must ~~petition shall~~ include the following:
- 3 1. The date the notice was issued;
- 4 2. A statement that the utility has filed an application ~~a petition~~ for new or revised service
- 5 availability charges or policies or AFPI charges with the Commission;
- 6 3. A statement that the requested service availability charge or AFPI charge is to pay for
- 7 growth in the utility system and the requested charges are to be paid by new, not existing
- 8 customers;
- 9 4. A statement that the utility's application can be accessed on the Commission's website
- 10 ~~of the locations where copies of the application are available for public inspection and the~~
- 11 ~~times during which inspection may be made;~~
- 12 5. A comparison of the present and proposed policy and charges;
- 13 6. The utility's address, telephone number and business hours; and
- 14 7. A statement that any comments concerning the policy or charges should be addressed to
- 15 the ~~Director of the~~ Office of Commission Clerk at 2540 Shumard Oak Boulevard, Tallahassee,
- 16 Florida 32399-0870.

17 *Rulemaking Authority 350.127(2), 367.121(1)(f) FS. Law Implemented 367.091, 367.101,*

18 *367.111, ~~367.091~~-FS. History—New 5-27-93, Formerly 25-22.0408,_____.*

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1 **25-30.445 General Information and Instructions Required of Water and Wastewater**
2 **Utilities in an Application for a Limited Proceeding.**

3 (1) Each applicant for a limited proceeding must ~~shall~~ provide the following general
4 information to the Commission:

5 (a) The name of the applicant as it appears on the applicant's certificate and the address of
6 the applicant's principal place of business.

7 (b) The type of business organization under which the applicant's operations are
8 conducted; if the applicant is a corporation, the date of incorporation; the names and addresses
9 of all persons who own 5 percent or more of the applicant's stock; or the names and addresses
10 of the owners of the business.

11 (c) The number(s) of the Commission order(s), if any, in which the Commission most
12 recently considered the applicant's rates for the system(s) involved.

13 (d) The address within the service area where the application is available for customer
14 inspection during the time the rate application is pending.

15 (e) A statement signed by an officer of the utility that the utility will comply with the
16 noticing requirements in Rule 25-30.446, F.A.C.

17 (2) In a limited proceeding application:

18 (a) Each schedule must ~~shall~~ be cross-referenced to identify related schedules.

19 (b) Except for handwritten official company records, all data in the petition and
20 application must ~~shall~~ be typed.

21 (c) The original and ~~three seven~~ copies must ~~shall~~ be filed with the Office of Commission
22 Clerk. The copies must be clearly labeled "COPY." If the application is e-filed, the utility
23 must provide the required number of paper copies, clearly labeled "COPY," to the Office of
24 Commission Clerk within seven calendar days after electronic filing.

25 (3) A filing fee as required in Rule 25-30.020, F.A.C., must ~~shall~~ be submitted at the time

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1 of application.

2 (4) The following minimum filing requirements must ~~shall~~ be filed with the utility's
3 application for limited proceeding for a Class A or B water or wastewater utility:

4 (a) A detailed statement of the reason(s) why the limited proceeding has been requested.

5 (b) If the limited proceeding is being requested to recover costs required by a
6 governmental or regulatory agency, provide the following:

7 1. A copy of any rule, regulation, order or other regulatory directive that has required or
8 will require the applicant to make the improvement or the investment for which the applicant
9 seeks recovery.

10 2. An estimate by a professional engineer, or other person, knowledgeable in design and
11 construction of water and wastewater plants, to establish the projected cost of the applicant's
12 investment and the period of time required for completion of construction.

13 (c) A schedule that provides the specific rate base components for which the utility seeks
14 recovery. Supporting detail must ~~shall~~ be provided for each item requested, including:

15 1. The actual or projected cost(s),

16 2. The date the item will be or is projected to be placed in service,

17 3. Any corresponding adjustments that are required as a result of adding or removing the
18 requested component(s) from rate base, which may include retirement entries; and,

19 4. Any other relevant supporting information.

20 (d) If the utility's application includes a request for recovery of plant in service,
21 accumulated depreciation and depreciation expense, supporting detail must ~~shall~~ be provided
22 by primary account as defined by the NARUC Uniform System of Accounts, in accordance
23 with Rule 25-30.110, F.A.C.

24 (e) A calculation of the weighted average cost of capital must ~~shall~~ be provided for the
25 most recent 12-month period, using the mid-point of the range of the last authorized rate of

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1 return on equity, the current embedded cost of fixed-rate capital, the actual cost of short-term
2 debt, the actual cost of variable-cost debt, and the actual cost of other sources of capital which
3 were used in the last individual rate proceeding of the utility. If the utility does not have an
4 authorized rate of return on equity, the utility must ~~shall~~ use the current leverage formula
5 pursuant to Section 367.081(4)(f), F.S.

6 (f) If the utility is requesting recovery of operating expenses, the following information
7 must ~~shall~~ be provided:

- 8 1. A detailed description of the expense(s) requested,
- 9 2. The total cost by primary account pursuant to the NARUC Uniform System of
10 Accounts,
- 11 3. Supporting documentation or calculations; and,
- 12 4. Any allocations that are made between systems, affiliates or related parties. If
13 allocations are made, submit full detail that shows the total amount allocated, a description of
14 the basis of the allocation methodology, the allocation percentage applied to each allocated
15 cost, and the workpapers supporting the calculation of the allocation percentages.

16 (g) Calculations for all items that will create cost savings or revenue impacts from the
17 implementation of the requested cost recovery items.

18 (h) If the utility includes any other items where calculations are required, supporting
19 documentation must ~~shall~~ be filed that reflects the calculations or assumptions made.

20 (i) A calculation of the revenue increase including regulatory assessment fees and income
21 taxes, if appropriate.

22 (j) Annualized revenues for the most recent 12-month period using the rates in effect at the
23 time the utility files its application for limited proceeding and a schedule reflecting this
24 calculation by customer class and meter size.

25 (k) A schedule of current and proposed rates for all classes of customers.

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1 (l) Schedules for the most recent 12-month period showing that, without any increased
2 rates, the utility will earn below its authorized rate of return in accordance with Section
3 367.082, F.S. The schedules must ~~shall~~ consist of a rate base, net operating income and cost of
4 capital schedule with adjustments to reflect those consistent with the utility's last rate
5 proceeding.

6 (m) If the limited proceeding is being requested to change the current rate structure,
7 provide a copy of all workpapers and calculations used to calculate requested rates and
8 allocations between each customer class. The test year must ~~shall~~ be the most recent 12-month
9 period. In addition, the following schedules, ~~which are incorporated herein by reference,~~ from
10 Form PSC 1028 (12/20) PSC/AFD-19-W (11/93), entitled "Class A Water and/or Wastewater
11 Utilities Financial, Rate and Engineering Minimum Filing Requirements," which is
12 incorporated by reference in Rule 25-30.437, F.A.C., must shall be provided; ~~The schedules~~
13 ~~can be obtained from the Commission's Division of Accounting and Finance.~~

14 1. Schedule E-2, entitled "Revenue Schedule at Present and Proposed Rates," ~~is available~~
15 ~~at <http://www.flrules.org/Gateway/reference.asp?No=Ref-08251>.~~

16 2. Schedule E-14, entitled "Billing Analysis Schedules," ~~is available at~~
17 ~~<http://www.flrules.org/Gateway/reference.asp?No=Ref-08252>.~~ Only an original and one copy
18 ~~is two copies~~ are required.

19 (n) Revised tariff sheets should not be filed with the application.

20 (o) A water utility's application for limited proceeding must ~~shall~~ also include:

- 21 1. A copy of all customer complaints that the utility has received regarding DEP secondary
22 water quality standards during the past five years; and,
- 23 2. A copy of the utility's most recent secondary water quality standards test results.

24 (5) In addition to the requirements stated in subsections (1) through (3), the following
25 minimum filing requirements must ~~shall~~ be filed with the utility's application for limited

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- 1 proceeding for a Class C water or wastewater utility:
- 2 (a) A detailed statement of the reason(s) why the limited proceeding has been requested.
- 3 (b) If the limited proceeding is being requested to recover costs required by a
- 4 governmental or regulatory agency, provide a copy of any rule, regulation, order or other
- 5 regulatory directive that has required or will require the applicant to make the improvement or
- 6 the investment for which the applicant seeks recovery.
- 7 (c) A schedule that provides the specific rate base components for which the utility seeks
- 8 recovery, if known. Supporting detail must ~~shall~~ be provided for each item requested,
- 9 including:
- 10 1. The actual or projected cost(s),
- 11 2. The date the item will be or is projected to be placed in service,
- 12 3. Any corresponding adjustments, if known, that are required as a result of adding or
- 13 removing the requested component(s) from rate base, which may include retirement entries;
- 14 and,
- 15 4. Any other relevant supporting information, if known.
- 16 (d) If the utility is requesting recovery of operating expenses, provide an itemized
- 17 description of the expense(s), including the cost and any available supporting documentation
- 18 or calculations.
- 19 (e) Provide a description of any known items that will create cost savings or revenue
- 20 impacts from the implementation of the requested cost recovery items.
- 21 (f) A calculation of the revenue increase including regulatory assessment fees and income
- 22 taxes, if applicable.
- 23 (g) Annualized revenues for the most recent 12-month period using the rates in effect at
- 24 the time the utility files its application for limited proceeding and a schedule reflecting this
- 25 calculation by customer class and meter size.

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1 (h) A Class C water utility's application for limited proceeding must ~~shall~~ also include:

2 1. A copy of all customer complaints that the utility has received regarding DEP secondary
3 water quality standards during the past five years; and,

4 2. A copy of the utility's most recent secondary water quality standards test results.

5 (6) A limited proceeding will not be allowed if: ~~In evaluating whether the utility's request~~
6 ~~is improper for a limited proceeding, the Commission will consider factors such as:~~

7 (a) ~~Whether~~ The utility's filing includes more than six ~~4~~ separate projects for which
8 recovery is sought ~~and the requested rate increase exceeds 30 percent~~. Corresponding
9 adjustments for a given project are not subject to the above limitation;

10 (b) The requested rate increase exceeds 30 percent;

11 (c) ~~(b) Whether~~ The utility has not had a rate case within in more than seven years of the
12 date the petition for limited proceeding is filed with the Commission; ~~and the requested rate~~
13 ~~increase exceeds 30 percent, or~~

14 (d) ~~(c) Whether~~ The limited proceeding is filed as the result of the complete elimination of
15 either the water or wastewater treatment process ~~and the requested rate increase exceeds 30~~
16 ~~percent.~~

17 (7) The utility must ~~shall~~ provide a statement in its filing to the Commission that ~~which~~
18 addresses whether the utility's rate base has declined or whether any expense recovery sought
19 by the utility is offset by customer growth since its most recent rate proceeding or will be
20 offset by future customer growth expected to occur within one year of the date new rates are
21 implemented.

22 *Rulemaking Authority 350.127(2), 367.121(1)(a) FS. Law Implemented 367.081, 367.0812,*
23 *367.0822, 367.121(1)(a), 367.145(2) FS. History—New 3-1-04, Amended 5-30-*

24 *17,_____.*

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1 **25-30.446 Notice of and Public Information for Application for Limited Proceeding**
2 **Rate Increase.**

3 (1) This rule applies to all applications ~~requests~~ for limited proceeding rate increases made
4 by a water or wastewater utility.

5 (2) Upon filing an application ~~a petition~~ for limited proceeding rate increase, the utility
6 must notify ~~shall mail a copy of the petition to~~ the chief executive officer of the governing
7 body of each municipality and county within the service areas included in the rate request that
8 the utility has applied for a limited proceeding rate increase. The notification must clearly
9 identify the Commission-assigned docket number and include ~~Each copy of the petition shall~~
10 ~~be accompanied by~~ a statement that a copy of the application and Minimum Filing
11 Requirements (MFRs) set forth in Rule 25-30.445, F.A.C., when accepted by the
12 Commission can be accessed on the Commission's website ~~obtained from the petitioner upon~~
13 request.

14 (3) ~~Within 30 days after the official date of the filing established by the Commission, the~~
15 ~~utility shall place a copy of the petition and the MFRs at its official headquarters and at all~~
16 ~~business offices it has in the service areas included in the rate request. Such copies shall be~~
17 ~~available for public inspection during the utility's regular business hours. If the utility does not~~
18 ~~have a business office in a service area included in its rate request, the utility shall place a~~
19 ~~copy of the petition and the MFRs at the main county library, the local community center or~~
20 ~~other appropriate location which is within or most convenient to the service area and which is~~
21 ~~willing to accept and provide public access to the copies. If the Commission determines that~~
22 ~~these locations will not provide adequate access, the Commission will require that copies of~~
23 ~~the petition and MFRs be placed at other specified locations.~~

24 (3)(4) Upon filing an application ~~a petition~~ and MFRs for a limited proceeding, the utility
25 must ~~shall~~ publish a notice of application in a newspaper of general circulation in the service

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1 areas included in the application ~~petition~~.

2 (4)~~(5)~~(a) Within 50 days after the official date of filing established by the Commission, the
3 utility must ~~shall~~ provide, in writing, an initial customer notice to all customers within the
4 service areas included in the rate request and to all persons in the same service areas who have
5 filed a written request for service or who have been provided a written estimate for service
6 within the 12 calendar months prior to the month the petition is filed.

7 (b) The initial customer notice must be approved by Commission staff prior to distribution
8 and must ~~shall~~ include the following:

9 1. The date the notice is to be issued;

10 2. A statement that the utility has filed a rate request with the Commission and a statement
11 of the general reasons for the request;

12 3. A statement ~~that of the locations where copies of the MFRs and~~ application ~~petition~~ are
13 available on the Commission's website for public inspection ~~and the hours and days when~~
14 ~~inspection may be made;~~

15 4. A comparison of current rates and charges and the proposed new rates and charges;

16 5. The utility's address, telephone number, and business hours;

17 6. A statement that written comments regarding utility service or the proposed rates and
18 charges should be addressed to the Office of Commission Clerk, 2540 Shumard Oak
19 Boulevard, Tallahassee, Florida 32399-0870, and that such comments should identify the
20 docket number assigned to the proceeding;

21 7. A statement that complaints regarding service may be made to the Commission's Office
22 of Consumer Assistance and Outreach at the following toll-free number: 1(800) 342-3552; and

23 8. The docket number assigned by the Commission's Office of Commission Clerk.

24 (c) The initial customer notice must ~~shall~~ be mailed to the out-of-town address of all
25 customers who have provided the utility with an out-of-town address.

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1 ~~(5)(6)~~ No less than 14 days and no more than 30 days prior to the date of a customer
2 meeting conducted by the Commission staff, the utility must ~~shall~~ provide written notice of the
3 date, time, location, and purpose of the customer meeting to all customers within the service
4 areas designated by the Commission staff. The notice must be approved by Commission staff
5 prior to distribution. The notice must ~~shall~~ be mailed to the out-of-town address of all
6 customers who have provided the utility with an out-of-town address.

7 ~~(6)(7)~~ If a proposed agency action order issued in the case is protested and any hearings
8 are subsequently held, the utility must ~~give notice in accordance with subsection (5) of this~~
9 ~~rule shall give notice no less than 14 days and no more than 30 days prior to the date of each~~
10 ~~hearing held in or near a utility service area included in the rate request.~~ The utility must ~~shall~~
11 also publish ~~have published~~ in a newspaper of general circulation in the area in which such
12 hearing is to be held a display advertisement stating the date, time, location, and purpose of
13 the hearing. The notice must be approved by Commission staff prior to publication.

14 ~~(7)(8)~~ After the Commission issues an order granting or denying a rate change, the utility
15 must ~~shall~~ notify its customers of the order and any revised rates. The customer notification
16 must be first approved by Commission staff and must ~~shall~~ be distributed no later than with
17 the first bill containing any revised rates.

18 *Rulemaking Authority 350.127(2), 367.121(1)(a) FS. Law Implemented 367.0822,*
19 *367.121(1)(a) FS. History—New 3-1-04, _____.*

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1 **25-30.455 Staff Assistance in Rate Cases.**

2 (1) Water and wastewater utilities whose total gross annual operating revenues are
3 \$300,000 or less for water service or \$300,000 or less for wastewater service, or \$600,000 or
4 less on a combined basis, may file with the Office of Commission Clerk an application
5 ~~petition the Commission~~ for staff assistance in rate applications by submitting a completed
6 staff assisted rate case application. Reasonable and prudent rate case expense is ~~shall be~~
7 eligible for recovery through the rates developed by staff. Recovery of attorney fees and
8 outside consultant fees related to the rate case is ~~shall be~~ determined based on the
9 requirements set forth in Ssection 367.0814(3), F.S. To be eligible for staff assistance under
10 this rule:

11 (a) The applicant or utility owner must have at least one year of experience operating
12 the utility for which the rate increase is being requested:

13 (b) The utility must be in compliance with its annual report filing in accordance with
14 subsection 25-30.110(3), F.A.C.; and

15 (c) The utility must have paid all required regulatory assessment fees or must be
16 current on any approved regulatory assessment fee payment plan.

17 ~~A utility that chooses not to exercise the option of staff assistance may file for a rate increase~~
18 ~~under the provisions of rule 25-30.443, F.A.C.~~

19 (2) The appropriate application form, Commission Form PSC/AFD 2-W (11/86) (Rev.
20 06/14), entitled “Application for a Staff Assisted Rate Case,” is incorporated into this rule by
21 reference and is available at: <http://www.flrules.org/Gateway/reference.asp?No=Ref-04415>.
22 The form is also available on the Commission’s website, www.floridapsc.com. ~~may also be~~
23 ~~obtained from the Commission’s Division of Accounting and Finance, 2540 Shumard Oak~~
24 ~~Boulevard, Tallahassee, Florida 32399-0850.~~

25 (3) Upon completion of the form, the applicant shall file it with the Office of Commission

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1 Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee,
2 Florida 32399-0870.

3 (4)(a) Within 30 days of receipt of the completed application, the Commission will
4 evaluate the application and determine the applicant's eligibility for staff assistance.

5 (b)(a) If the Commission has received four or more applications in the previous 30 days;
6 or, if the Commission has 20 or more docketed staff assisted rate cases in active status on the
7 date the application is received, the Commission will deny initial evaluation of an application
8 for staff assistance and close the docket. When an application is denied under the provisions of
9 this paragraph, the Commission staff will notify the applicant of the date on which the
10 application may be resubmitted.

11 (c)(b) Initially, determinations of eligibility will be conditional, pending an examination of
12 the condition of the applicant's books and records.

13 (5) Upon making its final determination of eligibility, the Commission staff will notify the
14 applicant in writing as to whether the application is officially accepted or denied. If the
15 application is accepted, a staff assisted rate case will be initiated. If the application is denied,
16 the notification of application denial will state the deficiencies in the application ~~with~~
17 ~~reference to the criteria set out in subsection (7) of this rule.~~

18 (6) The date of Commission staff's written notification to the utility that the utility is
19 eligible for staff assistance under this rule will be considered the date of official acceptance of
20 the application by the Commission. The official date of filing ~~is will be~~ 30 days after the
21 official acceptance of the application by the Commission staff. ~~date of the written notification~~
22 ~~to the applicant of the Commission's official acceptance of the application.~~

23 (7) ~~In determining whether to grant or deny the application, the Commission will consider~~
24 ~~the following criteria:~~

25 (a) ~~Whether the applicant qualifies for staff assistance pursuant to subsection (1) of this~~

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1 rule;

2 ~~(b) Whether the applicant's books and records are organized consistent with rule 25-~~
3 ~~30.110, F.A.C., so as to allow Commission personnel to verify costs and other relevant factors~~
4 ~~within the 30-day time frame set out in this rule;~~

5 ~~(c) Whether the applicant has filed annual reports;~~

6 ~~(d) Whether the applicant has paid applicable regulatory assessment fees;~~

7 ~~(e) Whether the applicant has at least one year of experience in utility operation;~~

8 ~~(f) Whether the applicant has filed additional relevant information in support of eligibility,~~
9 ~~together with reasons why the information should be considered; and,~~

10 ~~(g) Whether the utility was granted a rate case increase within the 2-year period prior to~~
11 ~~the receipt of the application under review.~~

12 ~~(7)(8) The Commission will deny the application is deemed denied if the utility does not~~
13 ~~remit the filing fee, as provided by paragraph 25-30.020(2)(f), F.A.C., within 30 days after~~
14 ~~official acceptance.~~

15 ~~(8)(9) An aggrieved applicant may request reconsideration of the application denial within~~
16 ~~15 days of receipt of notification that the application is denied. The request, which will be~~
17 ~~decided by the full Commission.~~

18 ~~(9)(10) A substantially affected person may file a petition to protest the Commission's~~
19 ~~proposed agency action in a staff assisted rate case within 21 days of issuance of the Notice of~~
20 ~~Proposed Agency Action Order, as set forth in Rrule 28-106.111, F.A.C.~~

21 ~~(10)(11) A petition to protest the Commission's proposed agency action must shall~~
22 ~~conform to Rrule 28-106.201, F.A.C.~~

23 ~~(11)(12) In the event of a protest of the Commission's Notice of Proposed Agency Action~~
24 ~~Order in a staff assisted rate case, the utility must shall:~~

25 (a) Provide prefiled direct testimony in accordance with the Order Establishing Procedure

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1 issued in the case. At a minimum, that testimony must ~~shall~~ adopt the Commission's Proposed
2 Agency Action Order;

3 (b) Sponsor a witness to support source documentation provided to the Commission staff
4 in its preparation of the staff audit, the staff engineering and accounting report and the staff
5 proposed agency action recommendation in the case;

6 (c) Include in its testimony the necessary factual information to support its position on any
7 issue that it chooses to take a position different than that contained in the Commission's
8 Proposed Agency Action Order; and,

9 (d) Meet all other requirements of the Order Establishing Procedure.

10 ~~(12)~~(13) Failure to comply with the dates established in the Order Establishing Procedure,
11 or to timely file a request for extension of time for good cause shown, may result in dismissal
12 of the staff assisted rate case and closure of the docket.

13 ~~(13)~~(14) In the event of a protest of the Commission's Proposed Agency Action Order in a
14 staff assisted rate case, the Commission staff will ~~shall~~:

15 (a) File prefiled direct testimony to explain its analysis in the staff proposed agency action
16 recommendation. In the event the staff wishes to alter its position on any issue, it will ~~shall~~
17 provide factual testimony to support its changed position;

18 (b) Meet all other requirements of the Order Establishing Procedure; and,

19 (c) Provide to the utility materials to assist the utility in the preparation of its testimony
20 and exhibits. This material will ~~shall~~ consist of an example of testimony filed by a utility in
21 another case, an example of testimony that would support the Proposed Agency Action Order
22 in this case, an example of an exhibit filed in another case, and examples of prehearing
23 statements and briefs filed in other cases.

24 *Rulemaking Authority 350.127(2), 367.0814, 367.121 FS. Law Implemented 367.0814 FS.*

25 *History—New 12-8-80, Formerly 25-10.180, Amended 11-10-86, 8-26-91, 11-30-93, 1-31-00,*

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from existing law.

1 12-16-08, 8-10-14, 2-19-17, 7-1-18, _____.
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1 **25-30.456 Staff Assistance in Alternative Rate Setting.**

2 (1) As an alternative to a staff assisted rate case as described in Rule 25-30.455, F.A.C.,
3 water and wastewater utilities whose total gross annual operating revenues are \$300,000 or
4 less for water service or \$300,000 or less for wastewater service, or \$600,000 or less on a
5 combined basis, may file with the Office of Commission Clerk an application ~~petition the~~
6 ~~Commission~~ for staff assistance in alternative rate setting by submitting a completed staff
7 assisted application for alternative rate setting. To be eligible for staff assistance under this
8 rule:

9 (a) The applicant or utility owner must have at least one year of experience operating the
10 utility for which the rate increase is being requested;

11 (b) The utility must be in compliance with its annual report filing in accordance with
12 subsection 25-30.110(3), F.A.C.; and

13 (c) The utility must have paid all required regulatory assessment fees or must be current
14 on any approved regulatory assessment fee payment plan.

15 (2) The ~~appropriate~~ application form, Commission Form PSC/AFD 25 (11/93) (Rev.
16 06/14), entitled “Application for Staff Assistance for Alternative Rate Setting,” is incorporated
17 into this rule by reference and is available at:

18 <http://www.flrules.org/Gateway/reference.asp?No=Ref-04414>. The form is also available on
19 the Commission’s website, www.floridapsc.com. ~~may also be obtained from the~~
20 ~~Commission’s Division of Accounting and Finance, 2540 Shumard Oak Boulevard,~~
21 ~~Tallahassee, Florida 32399-0850.~~

22 (3) Upon completion of the form, the applicant must ~~shall~~ file it with the Office of
23 Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard,
24 Tallahassee, Florida 32399-0870.

25 (4)(a) Within 30 days of receipt of the completed application, the Commission will

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1 evaluate the application and determine the applicant's eligibility for staff assistance.

2 ~~(b)(a)~~ If the Commission has received four or more alternative rate setting applications in
3 the previous 30 days; or, if the Commission has 20 or more docketed staff assisted rate cases
4 in active status on the date the application is received, the Commission will deny initial
5 evaluation of an application for staff assistance and close the docket. When an application is
6 denied under the provisions of this paragraph, the Commission staff will notify the applicant
7 of the date on which the application may be resubmitted.

8 ~~(c)(b)~~ Determinations of eligibility will be conditional, pending an examination of the
9 condition of the applicant's books and records.

10 (5) Upon making its final determination of eligibility, the Commission staff will notify the
11 applicant in writing as to whether the application is officially accepted or denied. If the
12 application is accepted, staff assistance in alternative rate setting will be initiated. If the
13 application is denied, the notification of application denial will state the deficiencies in the
14 application ~~with reference to the criteria set out in subsection (7) of this rule.~~

15 (6) The date of Commission staff's written notification to the utility that the utility is
16 eligible for staff assistance under this rule will be considered the date of official acceptance of
17 the application by the Commission. The official date of filing ~~is~~ will be 30 days after the date
18 of official acceptance of the application. ~~the written notification to the applicant of the~~
19 ~~Commission's official acceptance of the application.~~

20 ~~(7) In determining whether to grant or deny the application, the Commission will consider~~
21 ~~the following criteria:~~

22 ~~(a) Whether the applicant qualifies for staff assistance pursuant to subsection (1) of this~~
23 ~~rule;~~

24 ~~(b) Whether the applicant's books and records are organized consistent with rule 25-~~
25 ~~30.110, F.A.C., so as to allow Commission personnel to verify costs and other relevant factors~~

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1 ~~within the 30-day time frame set out in this rule;~~

2 ~~(c) Whether the applicant has filed annual reports;~~

3 ~~(d) Whether the applicant has paid applicable regulatory assessment fees;~~

4 ~~(e) Whether the applicant has at least one year of experience in utility operation;~~

5 ~~(f) Whether the applicant has filed additional relevant information in support of eligibility,~~

6 ~~together with reasons why the information should be considered; and,~~

7 ~~(g) Whether the utility was granted a rate case increase within the 2-year period prior to~~

8 ~~the receipt of the application under review.~~

9 ~~(7)(8) The Commission will deny the application is deemed denied~~ if the utility does not
10 remit the filing fee, as provided by paragraph 25-30.020(2)(f), F.A.C., within 30 days after
11 official acceptance.

12 ~~(8)(9) An aggrieved~~ applicant may request reconsideration of the application denial within
13 15 days of receipt of notification that the application is denied. The request which will be
14 decided by the full Commission.

15 ~~(9)(10) The Commission will, for the purposes of determining the amount of rate increase,~~
16 if any, compare the operation and maintenance expenses (O & M) of the utility to test year
17 operating revenues. The Commission will consider an allowance for return on working capital
18 using the one-eighth of O & M formula approach.

19 ~~(10)(11) The Commission will limit the maximum increase in operating revenues to 50~~
20 percent of test year operating revenues.

21 ~~(11)(12) The Commission will vote on a proposed agency action recommendation~~
22 establishing rates no later than 90 days from the official filing date as established in subsection
23 (6) of this rule.

24 ~~(12)(13) A substantially affected person may file a petition to protest the Commission's~~
25 Proposed Agency Action Order regarding a staff assisted alternative rate setting application

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1 within 21 days of issuance of the Notice of Proposed Agency Action Order as set forth in
2 ~~R~~rule 28-106.111, F.A.C.

3 ~~(13)~~(14) A petition to protest the Commission's proposed agency action must shall
4 conform to ~~R~~rule 28-106.201, F.A.C.

5 ~~(14)~~(15) In the event of protest of the Proposed Agency Action Order by a substantially
6 affected person, the rates established in the Proposed Agency Action Order may be
7 implemented on a temporary basis, subject to refund with interest in accordance with ~~R~~rule
8 25-30.360, F.A.C. At that time, the utility may elect to pursue rates set pursuant to the rate
9 base determination provisions of ~~R~~rule 25-30.455, F.A.C.

10 ~~(15)~~(16) In the event of a protest, the maximum increase established in subsection ~~(10)~~(14)
11 of this rule ~~shall~~ no longer applies apply.

12 ~~(16)~~(17) In the event of a protest of the Commission's Proposed Agency Action Order in a
13 staff assisted alternative rate setting application, the utility must shall:

14 (a) Provide prefiled direct testimony in accordance with the Order Establishing Procedure
15 issued in the case. At a minimum, that testimony must shall adopt the Commission's Proposed
16 Agency Action Order;

17 (b) Sponsor a witness to support source documentation provided to the Commission staff
18 in its preparation of the staff engineering and accounting analysis and the staff proposed
19 agency action recommendation in the case;

20 (c) Include in its testimony the necessary factual information to support its position on any
21 issue that it chooses to take a position different than that contained in the Commission's
22 Proposed Agency Action Order; and,

23 (d) Meet all other requirements of the Order Establishing Procedure.

24 ~~(17)~~(18) Failure to comply with the dates established in the Order Establishing Procedure,
25 or to timely file a request for extension of time for good cause shown, may result in dismissal

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1 of the staff assisted alternative rate setting application and closure of the docket.

2 ~~(18)(19)~~ In the event of protest of the Commission's Proposed Agency Action Order in a
3 staff assisted alternative rate setting application, the Commission staff will ~~shall~~:

4 (a) File prefiled direct testimony to explain its analysis in the proposed agency action
5 recommendation. In the event the staff wishes to alter its position on any issue, it will ~~shall~~
6 provide factual testimony to support its changed position;

7 (b) Meet all other requirements of the Order Establishing Procedure; and,

8 (c) Provide to the utility materials to assist the utility in the preparation of its testimony
9 and exhibits. This material will ~~shall~~ consist of an example of testimony filed by a utility in
10 another case, a sample of testimony that would support the Proposed Agency Action Order in
11 this case, an example of an exhibit filed in another case, and examples of prehearing
12 statements and briefs filed in other cases.

13 *Rulemaking Authority 350.127(2), 367.0814, 367.121 FS. Law Implemented 367.0814 FS.*
14 *History—New 11-30-93, Amended 1-31-00, 12-16-08, 8-10-14, 7-1-18, _____.*

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1 **25-30.565 Application for Approval of New or Revised Service Availability Policy or**
2 **Charges.**

3 (1) An original and one copy of an ~~Each~~ application for a service availability policy or
4 charges ~~must shall~~ be filed with the Office of Commission Clerk. The copy must be clearly
5 labeled "COPY." If the application is e-filed with the Commission Clerk, the utility must file
6 one paper copy, clearly labeled "COPY," with the Commission Clerk within seven calendar
7 days after e-filing. ~~in original and six copies.~~

8 (2) Upon filing an application for a new or revised service availability charge or policy,
9 the utility ~~must shall~~ provide notice pursuant to Rule 25-30.4345, F.A.C.

10 (3) A filing fee as required in Rule 25-30.020, F.A.C., ~~must shall~~ be submitted at the time
11 of application.

12 (4) Each application ~~must shall~~ include the following, if applicable:

13 (a) A statement describing how the notice provisions have been complied with, including a
14 copy of the actual notice(s).

15 (b) The name of the applicant, the applicant's principal place of business and each local
16 office from which company operations are conducted. The applicant's name ~~must shall~~ be as it
17 appears on the certificate issued by the Commission if one has been issued.

18 (c) The number of the Commission order, if any, which previously considered the charges
19 or service availability policy for the system involved.

20 (d) A statement explaining the basis for the requested changes in charges and conditions.

21 (e) A schedule showing the original cost of any existing treatment plants, the water
22 transmission and distribution system, and the sewage collection system, by Uniform System of
23 Accounting account numbers as required by Rule 25-30.115, F.A.C., and the related capacity
24 of each system as of 90 days prior to application.

25 (f) A detailed statement of accumulated depreciation for the plant listed in paragraph (e)

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1 above as of 90 days prior to application.

2 (g) A schedule showing the number of active customers on line 90 days prior to the time of
3 application by meter size, by customer class, and the related equivalent residential connections
4 (ERC) as defined in subsection 25-30.515(8), F.A.C. Describe the method by which an ERC is
5 defined.

6 (h) A detailed statement defining the capacity of the treatment facilities in terms of ERCs
7 as used in developing the proposed service availability charges.

8 (i) A detailed statement defining the capacity of the distribution or collection system in
9 terms of ERCs as used in developing the proposed service availability charges.

10 (j) ~~Provide~~ A list of outstanding developer agreements.

11 (k) For each developer agreement state whether the agreement is designed to result in
12 contributed property, other than the approved system capacity charge, within the next 24
13 months; an estimate of the value of the contributed property to be added to the utility's books;
14 and a description of the property.

15 (l) A schedule showing total collections of contributions-in-aid-of-construction (CIAC) as
16 of 90 days prior to the date of application. Detail any prepaid CIAC by amount, the related
17 reserved ERCs, and the anticipated connection date. Reference any appropriate developer
18 agreements.

19 (m) A detailed statement of accumulated amortization of CIAC as listed in subsection (l)
20 above as of 90 days prior to application.

21 (n) Copies of approvals or permits for construction and operation of treatment facilities.

22 (o) A detailed statement by a registered professional engineer showing the cost, by
23 Uniform System of Accounting account numbers, and capacity of proposed plant expansion,
24 and a timetable showing projected construction time.

25 (p) A detailed statement by a registered professional engineer showing how the proposed

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1 construction will affect the capacity of the existing systems.

2 (q) If the expansion or plant upgrading is being undertaken to comply with the mandates of
3 local, state or federal regulatory authorities, copies of the order(s) or correspondence directing
4 the expansion or upgrading.

5 (r) A schedule showing the projected growth rate for utilization of the existing plant and
6 line capacity and future plant and line capacity.

7 (s) A summary schedule of how the proposed service availability charge was calculated.

8 (t) A schedule showing, by meter size, the cost of meters, connecting fittings, meter boxes
9 or enclosures and also showing sufficient data on labor and any other applicable costs to allow
10 the determination of an average cost for meter installation by type.

11 (u) A statement of the existing and proposed on-site and off-site main installation charges
12 or policy.

13 (v) The company's present capital structure, including the cost of debt in the present
14 capitalization. The availability and cost of other sources of financing the proposed expansion
15 or upgrading of the system also shall be given.

16 (w) ~~An original and three copies of~~ The proposed tariff sheets.

17 ~~(5) Upon filing of the application and supporting exhibits, the utility shall place copies~~
18 ~~thereof at its local office of the utility serving the area affected by the charges and conditions,~~
19 ~~and such copies shall be made available for public inspection.~~

20 ~~(5)(6)~~ Each utility must ~~shall~~ demonstrate the appropriateness of the requested service
21 availability charges and conditions.

22 *Rulemaking Authority 350.127(2), 367.121(1), 367.101 FS. Law Implemented 367.101 FS.*

23 *History—New 6-14-83, Amended 11-10-86, 11-30-93, 5-29-08 _____.*

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Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

RULE NO: RULE TITLE:

25-30.025 Official Date of Filing

25-30.4345 Notice of Requests for New or Revised Service Availability Charges or Policies and Notice of Requests for Allowance for Funds Prudently Invested (AFPI) Charges

25-30.445 General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding

25-30.446 Notice of and Public Information for Application for Limited Proceeding Rate Increase

25-30.455 Staff Assistance in Rate Cases

25-30.456 Staff Assistance in Alternative Rate Setting

25-30.565 Application for Approval of New or Revised Service Availability Policy or Charges.

PURPOSE AND EFFECT: To update and clarify rule language and application process; to decrease the number of paper copies required to be filed with the Commission; to address electronic filing of documents and give customers clear access to documents electronically; improve administrative efficiency; decrease regulatory costs; and allow for better comprehension of rule requirements.

Rule 25-30.4345 is referenced in Rules 25-30.434 and 25-30.565. The amendments to the noticing requirements in Rule 25-30.4345 will apply to water and wastewater utilities' applications for service availability charges or polices and for allowance for funds prudently incurred filed under Rules 25-30.434 and 25-30.565.

Rule 25-30.445 is referenced in Rule 25-30.446. The amendments to Rule 25-30.445 have no effect on Rule 25-30.446.

Rule 25-30.446, concerning notice and public information for limited proceeding rate increase, is referenced in Rules 25-30.444, 25-30.4445, and 25-30.445. Applications filed under Rules 25-30.444, 25-30.445, and 25-30.4445 will be required to comply with the amended noticing requirements of Rule 25-30.446, as specified in those rules.

Rule 25-30.455, Staff Assistance in Rate Cases, is referenced in Rules 25-22.0407, 25-30.444, 25-30.4445, 25-30.456, 25-30.457, and 25-30.4575. The amendments to Rule 25-30.455 have no effect on these rules.

Rule 25-30.456 is referenced in Rule 25-30.457. The amendments to Rule 25-30.456 have no effect on Rule 25-30.457.

Docket No. 20210122-WS

SUMMARY: Rule 25-30.025, F.A.C., Official Date of Filing, is amended to change the person responsible for determining the date on which the utility has filed a complete application from the Deputy Executive Director, Technical, to the Director of the agency division that has been assigned the primary responsibility for the filing.

Rule 25-30.4345, F.A.C., Notice of Requests for New or Revised Service Availability Charges or Policies and Notice of Requests for Allowance for Funds Prudently Invested (AFPI) Charges, is amended to update and clarify rule language; eliminate the requirement to file paper copies of documents at various locations; and require the utility to include a statement in its notice that the utility's application can be accessed on the Commission's website.

Rule 25-30.445, F.A.C., General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding, is amended to update and clarify rule language and reduce the number of paper copies of applications filed at the Commission. The rule is amended to provide that a limited proceeding will not be allowed if the utility's filing includes more than six separate projects for which recovery is sought; the requested rate increase exceeds 30 percent; the utility has not had a rate case within seven years of the date the petition for limited proceeding is filed; or the limited proceeding is filed as the result of the complete elimination of either the water or wastewater treatment process.

Rule 25-30.446, F.A.C., Notice of and Public Information for Application for Limited Proceeding Rate Increase, is amended to update and clarify rule language; eliminate the requirement to file paper copies of rate case documents at various locations; and require the utility to include a statement in its initial customer notice that the utility's application can be accessed on the Commission's website.

Rule 25-30.455, F.A.C., Staff Assistance in Rate Cases, and Rule 25-30.456, F.A.C., Staff Assistance in Alternative Rate Setting, are amended to update and clarify rule language and add specificity to the criteria making a utility eligible for staff assistance under each rule.

Rule 25-30.565, F.A.C., Application for Approval of New or Revised Service Availability Policy or Charges, is amended to update and clarify rule language; reduce the number of paper copies of applications filed at the Commission; and eliminate the requirement to file paper copies of the application at its local office.

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 SERC examined the factors required by Section 120.541(2), FS, and concluded that the rule amendment will not have an adverse impact on economic growth, business competitiveness, or small business and that there would likely be no transactional costs to the individual and entities, including government entities, required to comply with the rule.

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), 367.0814, 367.101, 367.121, 367.121(1), 367.121(1)(a), 367.121(1)(f) FS

LAW IMPLEMENTED: 367.081, 367.0812, 367.0184, 367.0822, 367.083, 367.091, 367.101, 367.111, 367.121(1)(a), 367.145(2) FS

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

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Kathryn G.W. Cowdery, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850)413-6199, kcowdery@psc.state.fl.us

THE FULL TEXT OF THE PROPOSED RULE IS:

25-30.025 Official Date of Filing.

(1) The “official date of filing” is the date on which the Director of the division that has been assigned the primary responsibility for the filing ~~Deputy Executive Director, Technical~~ determines the utility has filed completed sets of the minimum filing requirements (MFRs), including testimony that may be required by subsection 25-30.436(2), F.A.C., and payment of the appropriate filing fee to the Office of the Commission Clerk.

(2) The Director of the division that has been assigned the primary responsibility for the filing will ~~Deputy Executive Director, Technical~~ shall determine the official date of filing for any utility’s application and advise the applicant. The Commission will ~~shall~~ resolve any dispute regarding the official date of filing.

Rulemaking Authority 350.127(2), 367.121(1) FS. Law Implemented 367.083 FS. History—New 3-26-81, Formerly 25-10.12, 25-10.012, Amended 11-10-86, 11-30-93, _____.

25-30.4345 Notice of Applications Requests for New or Revised Service Availability Charges or Policies and Notice of Applications Requests for Allowance for Funds Prudently Invested (AFPI) Charges.

(1) This rule applies to all applications requests for new or revised service availability charges or policies and to all applications requests for allowance for funds prudently invested (AFPI) charges made by water and wastewater utilities, including those requests made in conjunction with an application a request for a general rate increase.

(2) ~~Upon filing an application for new or revised service availability charges or policies or an application for AFPI charges, the utility shall place a copy of the application at its official headquarters and at any business offices it has in the service areas included in the request. Such copies shall be available for public inspection during the utility’s regular business hours. If the utility does not have a business office in a service area included in the request, the utility shall place a copy of the application at the main county library, the local community center or other appropriate location which is within or most convenient to the service area and which is willing to accept and provide public access to said copies. The Commission may require that copies of the application be placed at other specified locations.~~

(2)(3)(a) Upon filing an application for new or revised service availability charges or policies or an application

for AFPI charges, the utility ~~must publish~~ ~~shall have published~~ a notice of application in a newspaper of general circulation in the service areas included in the ~~application~~ ~~petition~~.

(b) Upon filing an application for new or revised service availability charges or policies or an application for AFPI charges, the utility ~~must~~ ~~shall~~ mail or hand deliver a notice of application to all persons in the service areas included in the application who have filed a written request for service or who have been provided a written estimate for service within the 12 calendar months prior to the month the application is filed.

(c) No change.

(d) The notice of ~~application~~ ~~must~~ ~~petition~~ ~~shall~~ include the following:

1. No change.

2. A statement that the utility has filed ~~an application~~ ~~a petition~~ for new or revised service availability charges or policies or AFPI charges with the Commission;

3. No change.

4. A statement ~~that the utility's application can be accessed on the Commission's website~~ ~~of the locations where copies of the application are available for public inspection~~ ~~and the times during which inspection may be made;~~

5. through 6. No change

7. A statement that any comments concerning the policy or charges should be addressed to the ~~Director of the~~ Office of Commission Clerk at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870.

Rulemaking Authority 350.127(2), 367.121(1)(f) FS. Law Implemented 367.091, 367.101, 367.111, 367.091-FS. History—New 5-27-93, Formerly 25-22.0408, _____.

25-30.445 General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding.

(1) Each applicant for a limited proceeding ~~must~~ ~~shall~~ provide the following general information to the Commission:

(a) through (e) No change.

(2) In a limited proceeding application:

(a) Each schedule ~~must~~ ~~shall~~ be cross-referenced to identify related schedules.

(b) Except for handwritten official company records, all data in the petition and application ~~must~~ ~~shall~~ be typed.

(c) The original and ~~three~~ ~~seven~~ copies ~~must~~ ~~shall~~ be filed with the Office of Commission Clerk. The copies must be clearly labeled "COPY." If the application is e-filed, the utility must provide the required number of paper copies, clearly labeled "COPY," to the Office of Commission Clerk within seven calendar days after electronic filing.

(3) A filing fee as required in Rule 25-30.020, F.A.C., ~~must~~ ~~shall~~ be submitted at the time of application.

(4) The following minimum filing requirements ~~must~~ ~~shall~~ be filed with the utility's application for limited proceeding for a Class A or B water or wastewater utility:

(a) through (b) No change.

(c) A schedule that provides the specific rate base components for which the utility seeks recovery. Supporting detail ~~must~~ ~~shall~~ be provided for each item requested, including:

1. through 4. No change.

(d) If the utility's application includes a request for recovery of plant in service, accumulated depreciation and depreciation expense, supporting detail ~~must~~ ~~shall~~ be provided by primary account as defined by the NARUC Uniform System of Accounts, in accordance with Rule 25-30.110, F.A.C.

(e) A calculation of the weighted average cost of capital ~~must~~ ~~shall~~ be provided for the most recent 12-month period, using the mid-point of the range of the last authorized rate of return on equity, the current embedded cost of fixed-rate capital, the actual cost of short-term debt, the actual cost of variable-cost debt, and the actual cost of other sources of capital which were used in the last individual rate proceeding of the utility. If the utility does not have an authorized rate of return on equity, the utility ~~must~~ ~~shall~~ use the current leverage formula pursuant to Section 367.081(4)(f), F.S.

(f) If the utility is requesting recovery of operating expenses, the following information ~~must~~ ~~shall~~ be provided:

1. through 4. No change.

(g) No change.

(h) If the utility includes any other items where calculations are required, supporting documentation must shall be filed that reflects the calculations or assumptions made.

(i) through (k) No change.

(l) Schedules for the most recent 12-month period showing that, without any increased rates, the utility will earn below its authorized rate of return in accordance with Section 367.082, F.S. The schedules must shall consist of a rate base, net operating income and cost of capital schedule with adjustments to reflect those consistent with the utility's last rate proceeding.

(m) If the limited proceeding is being requested to change the current rate structure, provide a copy of all workpapers and calculations used to calculate requested rates and allocations between each customer class. The test year must shall be the most recent 12-month period. In addition, the following schedules, ~~which are incorporated herein by reference,~~ from Form PSC 1028 (12/20) PSC/AFD 19-W (11/93), entitled "Class A Water and/or Wastewater Utilities Financial, Rate and Engineering Minimum Filing Requirements," which is incorporated by reference in Rule 25-30.437, F.A.C., must shall be provided: ~~The schedules can be obtained from the Commission's Division of Accounting and Finance.~~

1. Schedule E-2, entitled "Revenue Schedule at Present and Proposed Rates," ~~is available at <http://www.flrules.org/Gateway/reference.asp?No=Ref 08251>.~~

2. Schedule E-14, entitled "Billing Analysis Schedules," ~~is available at <http://www.flrules.org/Gateway/reference.asp?No=Ref 08252>.~~ Only an original and one copy ~~is two copies~~ are required.

(n) No change.

(o) A water utility's application for limited proceeding must shall also include:

1. through 2. No change.

(5) In addition to the requirements stated in subsections (1) through (3), the following minimum filing requirements must shall be filed with the utility's application for limited proceeding for a Class C water or wastewater utility:

(a) through (b) No change.

(c) A schedule that provides the specific rate base components for which the utility seeks recovery, if known.

Supporting detail must shall be provided for each item requested, including:

1. through 4. No change.

(d) through (g) No change.

(h) A Class C water utility's application for limited proceeding must shall also include:

1. through 2. No change.

(6) A limited proceeding will not be allowed if: ~~In evaluating whether the utility's request is improper for a limited proceeding, the Commission will consider factors such as:~~

(a) ~~Whether the utility's filing includes more than six 4 separate projects for which recovery is sought and the requested rate increase exceeds 30 percent.~~ Corresponding adjustments for a given project are not subject to the above limitation;

(b) The requested rate increase exceeds 30 percent;

(c)(b) Whether the utility has not had a rate case within in more than seven years of the date the petition for limited proceeding is filed with the Commission; and the requested rate increase exceeds 30 percent, or

(d)(e) Whether the limited proceeding is filed as the result of the complete elimination of either the water or wastewater treatment process and the requested rate increase exceeds 30 percent.

(7) The utility must shall provide a statement in its filing to the Commission that which addresses whether the utility's rate base has declined or whether any expense recovery sought by the utility is offset by customer growth since its most recent rate proceeding or will be offset by future customer growth expected to occur within one year of the date new rates are implemented.

Rulemaking Authority 350.127(2), 367.121(1)(a) FS. Law Implemented 367.081, 367.0812, 367.0822, 367.121(1)(a), 367.145(2) FS. History—New 3-1-04, Amended 5-30-17, _____.

25-30.446 Notice of and Public Information for Application for Limited Proceeding Rate Increase.

(1) This rule applies to all applications requests for limited proceeding rate increases made by a water or wastewater utility.

(2) Upon filing an application ~~a petition~~ for limited proceeding rate increase, the utility must notify ~~shall mail a copy of the petition to~~ the chief executive officer of the governing body of each municipality and county within the service areas included in the rate request that the utility has applied for a limited proceeding rate increase. ~~The notification must clearly identify the Commission-assigned docket number and include~~ Each copy of the petition shall be accompanied by a statement that a copy of the application and Minimum Filing Requirements (MFRs) set forth in Rule 25-30.445, F.A.C., when accepted by the Commission can be accessed on the Commission's website obtained from the petitioner upon request.

~~(3) Within 30 days after the official date of the filing established by the Commission, the utility shall place a copy of the petition and the MFRs at its official headquarters and at all business offices it has in the service areas included in the rate request. Such copies shall be available for public inspection during the utility's regular business hours. If the utility does not have a business office in a service area included in its rate request, the utility shall place a copy of the petition and the MFRs at the main county library, the local community center or other appropriate location which is within or most convenient to the service area and which is willing to accept and provide public access to the copies. If the Commission determines that these locations will not provide adequate access, the Commission will require that copies of the petition and MFRs be placed at other specified locations.~~

~~(3)(4)~~ Upon filing an application ~~a petition~~ and MFRs for a limited proceeding, the utility must shall publish a notice of application in a newspaper of general circulation in the service areas included in the application ~~petition~~.

~~(4)(5)(a)~~ Within 50 days after the official date of filing established by the Commission, the utility must shall provide, in writing, an initial customer notice to all customers within the service areas included in the rate request and to all persons in the same service areas who have filed a written request for service or who have been provided a written estimate for service within the 12 calendar months prior to the month the petition is filed.

(b) The initial customer notice must be approved by Commission staff prior to distribution and must shall include the following:

1. through 2. No change

3. A statement that ~~of the locations where copies of the MFRs and application petition are available on the Commission's website for public inspection and the hours and days when inspection may be made;~~

4. through 8. No change.

(c) The initial customer notice must shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

~~(5)(6)~~ No less than 14 days and no more than 30 days prior to the date of a customer meeting conducted by the Commission staff, the utility must shall provide written notice of the date, time, location, and purpose of the customer meeting to all customers within the service areas designated by the Commission staff. The notice must be approved by Commission staff prior to distribution. The notice must shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

~~(6)(7)~~ If a proposed agency action order issued in the case is protested and any hearings are subsequently held, the utility must give notice in accordance with subsection (5) of this rule ~~shall give notice no less than 14 days and no more than 30 days prior to the date of each hearing held in or near a utility service area included in the rate request.~~ The utility must shall also publish ~~have published~~ in a newspaper of general circulation in the area in which such hearing is to be held a display advertisement stating the date, time, location, and purpose of the hearing. The notice must be approved by Commission staff prior to publication.

~~(7)(8)~~ After the Commission issues an order granting or denying a rate change, the utility must shall notify its customers of the order and any revised rates. The customer notification must be first approved by Commission staff and must shall be distributed no later than with the first bill containing any revised rates.

Rulemaking Authority 350.127(2), 367.121(1)(a) FS. Law Implemented 367.0822, 367.121(1)(a) FS. History—New 3-1-04, _____.

25-30.455 Staff Assistance in Rate Cases.

(1) Water and wastewater utilities whose total gross annual operating revenues are \$300,000 or less for water service or \$300,000 or less for wastewater service, or \$600,000 or less on a combined basis, may file with the Office

~~of Commission Clerk an application petition the Commission for staff assistance in rate applications by submitting a completed staff assisted rate case application. Reasonable and prudent rate case expense is shall be eligible for recovery through the rates developed by staff. Recovery of attorney fees and outside consultant fees related to the rate case is shall be determined based on the requirements set forth in Ssection 367.0814(3), F.S. To be eligible for staff assistance under this rule:~~

~~(a) The applicant or utility owner must have at least one year of experience operating the utility for which the rate increase is being requested;~~

~~(b) The utility must be in compliance with its annual report filing in accordance with subsection 25-30.110(3), F.A.C.; and~~

~~(c) The utility must have paid all required regulatory assessment fees or must be current on any approved regulatory assessment fee payment plan.~~

~~A utility that chooses not to exercise the option of staff assistance may file for a rate increase under the provisions of rule 25-30.443, F.A.C.~~

(2) The appropriate application form, Commission Form PSC/AFD 2-W (11/86) (Rev. 06/14), entitled "Application for a Staff Assisted Rate Case," is incorporated into this rule by reference and is available at: <http://www.flrules.org/Gateway/reference.asp?No=Ref-04415>. The form is also available on the Commission's website, www.floridapsc.com. ~~may also be obtained from the Commission's Division of Accounting and Finance, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.~~

(3) No change.

(4)(a) Within 30 days of receipt of the completed application, the Commission will evaluate the application and determine the applicant's eligibility for staff assistance.

~~(b)(a)~~ If the Commission has received four or more applications in the previous 30 days; or, if the Commission has 20 or more docketed staff assisted rate cases in active status on the date the application is received, the Commission will deny initial evaluation of an application for staff assistance and close the docket. When an application is denied under the provisions of this paragraph, the Commission staff will notify the applicant of the date on which the application may be resubmitted.

~~(c)(b)~~ Initially, determinations of eligibility will be conditional, pending an examination of the condition of the applicant's books and records.

(5) Upon making its final determination of eligibility, the Commission staff will notify the applicant in writing as to whether the application is officially accepted or denied. If the application is accepted, a staff assisted rate case will be initiated. If the application is denied, the notification of application denial will state the deficiencies in the application ~~with reference to the criteria set out in subsection (7) of this rule.~~

~~(6) The date of Commission staff's written notification to the utility that the utility is eligible for staff assistance under this rule will be considered the date of official acceptance of the application by the Commission. The official date of filing is will be 30 days after the official acceptance of the application by the Commission staff. date of the written notification to the applicant of the Commission's official acceptance of the application.~~

~~(7) In determining whether to grant or deny the application, the Commission will consider the following criteria:~~

~~(a) Whether the applicant qualifies for staff assistance pursuant to subsection (1) of this rule;~~

~~(b) Whether the applicant's books and records are organized consistent with rule 25-30.110, F.A.C., so as to allow Commission personnel to verify costs and other relevant factors within the 30-day time frame set out in this rule;~~

~~(c) Whether the applicant has filed annual reports;~~

~~(d) Whether the applicant has paid applicable regulatory assessment fees;~~

~~(e) Whether the applicant has at least one year of experience in utility operation;~~

~~(f) Whether the applicant has filed additional relevant information in support of eligibility, together with reasons why the information should be considered; and,~~

~~(g) Whether the utility was granted a rate case increase within the 2-year period prior to the receipt of the application under review.~~

~~(7)(8) The Commission will deny the application is deemed denied if the utility does not remit the filing fee, as provided by paragraph 25-30.020(2)(f), F.A.C., within 30 days after official acceptance.~~

~~(8)~~(9) An aggrieved applicant may request reconsideration of the application denial within 15 days of receipt of notification that the application is denied. The request, which will be decided by the full Commission.

~~(9)~~(10) A substantially affected person may file a petition to protest the Commission's proposed agency action in a staff assisted rate case within 21 days of issuance of the Notice of Proposed Agency Action Order, as set forth in Rule 28-106.111, F.A.C.

~~(10)~~(11) A petition to protest the Commission's proposed agency action must shall conform to Rule 28-106.201, F.A.C.

~~(11)~~(12) In the event of a protest of the Commission's Notice of Proposed Agency Action Order in a staff assisted rate case, the utility must shall:

(a) Provide prefiled direct testimony in accordance with the Order Establishing Procedure issued in the case. At a minimum, that testimony must shall adopt the Commission's Proposed Agency Action Order;

(b) through (d) No change.

~~(12)~~(13) Failure to comply with the dates established in the Order Establishing Procedure, or to timely file a request for extension of time for good cause shown, may result in dismissal of the staff assisted rate case and closure of the docket.

~~(13)~~(14) In the event of a protest of the Commission's Proposed Agency Action Order in a staff assisted rate case, the Commission staff will shall:

(a) File prefiled direct testimony to explain its analysis in the staff proposed agency action recommendation. In the event the staff wishes to alter its position on any issue, it will shall provide factual testimony to support its changed position;

(b) No change.

(c) Provide to the utility materials to assist the utility in the preparation of its testimony and exhibits. This material will shall consist of an example of testimony filed by a utility in another case, an example of testimony that would support the Proposed Agency Action Order in this case, an example of an exhibit filed in another case, and examples of prehearing statements and briefs filed in other cases.

Rulemaking Authority 350.127(2), 367.0814, 367.121 FS. Law Implemented 367.0814 FS. History—New 12-8-80, Formerly 25-10.180, Amended 11-10-86, 8-26-91, 11-30-93, 1-31-00, 12-16-08, 8-10-14, 2-19-17, 7-1-18, _____.

25-30.456 Staff Assistance in Alternative Rate Setting.

(1) As an alternative to a staff assisted rate case as described in Rule 25-30.455, F.A.C., water and wastewater utilities whose total gross annual operating revenues are \$300,000 or less for water service or \$300,000 or less for wastewater service, or \$600,000 or less on a combined basis, may file with the Office of Commission Clerk an application petition the Commission for staff assistance in alternative rate setting by submitting a completed staff assisted application for alternative rate setting. To be eligible for staff assistance under this rule:

(a) The applicant or utility owner must have at least one year of experience operating the utility for which the rate increase is being requested;

(b) The utility must be in compliance with its annual report filing in accordance with subsection 25-30.110(3), F.A.C.; and

(c) The utility must have paid all required regulatory assessment fees or must be current on any approved regulatory assessment fee payment plan.

(2) The appropriate application form, Commission Form PSC/AFD 25 (11/93) (Rev. 06/14), entitled "Application for Staff Assistance for Alternative Rate Setting," is incorporated into this rule by reference and is available at: <http://www.flrules.org/Gateway/reference.asp?No=Ref-04414>. The form is also available on the Commission's website, www.floridapsc.com. may also be obtained from the Commission's Division of Accounting and Finance, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

(3) Upon completion of the form, the applicant must shall file it with the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870.

~~(4)~~(a) Within 30 days of receipt of the completed application, the Commission will evaluate the application and determine the applicant's eligibility for staff assistance.

~~(b)~~(a) If the Commission has received four or more alternative rate setting applications in the previous 30 days;

or, if the Commission has 20 or more docketed staff assisted rate cases in active status on the date the application is received, the Commission will deny initial evaluation of an application for staff assistance and close the docket. When an application is denied under the provisions of this paragraph, the Commission staff will notify the applicant of the date on which the application may be resubmitted.

~~(c)(b)~~ Determinations of eligibility will be conditional, pending an examination of the condition of the applicant's books and records.

(5) Upon making its final determination of eligibility, the Commission staff will notify the applicant in writing as to whether the application is officially accepted or denied. If the application is accepted, staff assistance in alternative rate setting will be initiated. If the application is denied, the notification of application denial will state the deficiencies in the application ~~with reference to the criteria set out in subsection (7) of this rule.~~

~~(6)~~ The date of Commission staff's written notification to the utility that the utility is eligible for staff assistance under this rule will be considered the date of official acceptance of the application by the Commission. The official date of filing ~~is~~ will be 30 days after the date of official acceptance of the application. ~~the written notification to the applicant of the Commission's official acceptance of the application.~~

~~(7)~~ In determining whether to grant or deny the application, the Commission will consider the following criteria:

~~(a)~~ Whether the applicant qualifies for staff assistance pursuant to subsection (1) of this rule;

~~(b)~~ Whether the applicant's books and records are organized consistent with rule 25-30.110, F.A.C., so as to allow Commission personnel to verify costs and other relevant factors within the 30 day time frame set out in this rule;

~~(c)~~ Whether the applicant has filed annual reports;

~~(d)~~ Whether the applicant has paid applicable regulatory assessment fees;

~~(e)~~ Whether the applicant has at least one year of experience in utility operation;

~~(f)~~ Whether the applicant has filed additional relevant information in support of eligibility, together with reasons why the information should be considered; and,

~~(g)~~ Whether the utility was granted a rate case increase within the 2 year period prior to the receipt of the application under review.

~~(7)(8)~~ The Commission will deny the application is deemed denied if the utility does not remit the filing fee, as provided by paragraph 25-30.020(2)(f), F.A.C., within 30 days after official acceptance.

~~(8)(9)~~ An aggrieved applicant may request reconsideration of the application denial within 15 days of receipt of notification that the application is denied. The request which will be decided by the full Commission.

~~(9)(10)~~ The Commission will, for the purposes of determining the amount of rate increase, if any, compare the operation and maintenance expenses (O & M) of the utility to test year operating revenues. The Commission will consider an allowance for return on working capital using the one-eighth of O & M formula approach.

~~(10)(11)~~ The Commission will limit the maximum increase in operating revenues to 50 percent of test year operating revenues.

~~(11)(12)~~ The Commission will vote on a proposed agency action recommendation establishing rates no later than 90 days from the official filing date as established in subsection (6) of this rule.

~~(12)(13)~~ A substantially affected person may file a petition to protest the Commission's Proposed Agency Action Order regarding a staff assisted alternative rate setting application within 21 days of issuance of the Notice of Proposed Agency Action Order as set forth in Rule 28-106.111, F.A.C.

~~(13)(14)~~ A petition to protest the Commission's proposed agency action must shall conform to Rule 28-106.201, F.A.C.

~~(14)(15)~~ In the event of protest of the Proposed Agency Action Order by a substantially affected person, the rates established in the Proposed Agency Action Order may be implemented on a temporary basis, subject to refund with interest in accordance with Rule 25-30.360, F.A.C. At that time, the utility may elect to pursue rates set pursuant to the rate base determination provisions of Rule 25-30.455, F.A.C.

~~(15)(16)~~ In the event of a protest, the maximum increase established in subsection ~~(10)(11)~~ of this rule shall no longer applies apply.

~~(16)(17)~~ In the event of a protest of the Commission's Proposed Agency Action Order in a staff assisted alternative rate setting application, the utility must shall:

(a) Provide prefiled direct testimony in accordance with the Order Establishing Procedure issued in the case. At a minimum, that testimony ~~must shall~~ adopt the Commission's Proposed Agency Action Order;

(b) through (d) No change.

~~(17)(18)~~ Failure to comply with the dates established in the Order Establishing Procedure, or to timely file a request for extension of time for good cause shown, may result in dismissal of the staff assisted alternative rate setting application and closure of the docket.

~~(18)(19)~~ In the event of protest of the Commission's Proposed Agency Action Order in a staff assisted alternative rate setting application, the Commission staff ~~will shall~~:

(a) File prefiled direct testimony to explain its analysis in the proposed agency action recommendation. In the event the staff wishes to alter its position on any issue, it ~~will shall~~ provide factual testimony to support its changed position;

(b) No change.

(c) Provide to the utility materials to assist the utility in the preparation of its testimony and exhibits. This material ~~will shall~~ consist of an example of testimony filed by a utility in another case, a sample of testimony that would support the Proposed Agency Action Order in this case, an example of an exhibit filed in another case, and examples of prehearing statements and briefs filed in other cases.

Rulemaking Authority 350.127(2), 367.0814, 367.121 FS. Law Implemented 367.0814 FS. History—New 11-30-93, Amended 1-31-00, 12-16-08, 8-10-14, 7-1-18, _____.

25-30.565 Application for Approval of New or Revised Service Availability Policy or Charges.

(1) ~~An original and one copy of an Each~~ application for a service availability policy or charges ~~must shall~~ be filed with the Office of Commission Clerk. ~~The copy must be clearly labeled "COPY." If the application is e-filed with the Commission Clerk, the utility must file one paper copy, clearly labeled "COPY," with the Commission Clerk within seven calendar days after e-filing. in original and six copies.~~

(2) Upon filing an application for a new or revised service availability charge or policy, the utility ~~must shall~~ provide notice pursuant to Rule 25-30.4345, F.A.C.

(3) A filing fee as required in Rule 25-30.020, F.A.C., ~~must shall~~ be submitted at the time of application.

(4) Each application ~~must shall~~ include the following, if applicable:

(a) No change.

(b) The name of the applicant, the applicant's principal place of business and each local office from which company operations are conducted. The applicant's name ~~must shall~~ be as it appears on the certificate issued by the Commission if one has been issued.

(c) through (i) No change.

~~(j) Provide A~~ list of outstanding developer agreements.

(k) through (v) No change.

~~(w) An original and three copies of T~~the proposed tariff sheets.

~~(5) Upon filing of the application and supporting exhibits, the utility shall place copies thereof at its local office of the utility serving the area affected by the charges and conditions, and such copies shall be made available for public inspection.~~

~~(5)(6)~~ Each utility ~~must shall~~ demonstrate the appropriateness of the requested service availability charges and conditions.

Rulemaking Authority 350.127(2), 367.121(1), 367.101 FS. Law Implemented 367.101 FS. History—New 6-14-83, Amended 11-10-86, 11-30-93, 5-29-08 _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Kathryn G.W. Cowdery

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: October 12, 2021

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: Volume 47, Number 67, April 7, 2021.

STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE

Rule 25-30.025, F.A.C., Official Date of Filing, is amended to change the person responsible for determining the date on which the utility has filed a complete application from the Deputy Executive Director, Technical, to the Director of the agency division that has been assigned the primary responsibility for the filing. This change is made for administrative efficiency.

Rule 25-30.4345, F.A.C., Notice of Requests for New or Revised Service Availability Charges or Policies and Notice of Requests for Allowance for Funds Prudently Invested (AFPI) Charges, is amended to update and clarify rule language; eliminate the requirement to file paper copies of documents at various locations; and require the utility to include a statement in its notice that the utility's application can be accessed on the Commission's website. The effect of these amendments is to save rate case costs while giving clear access to documents electronically and to add clarity to the rule.

Rule 25-30.445, F.A.C., General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding, is amended to update and clarify rule language; reduce the number of paper copies of applications filed at the Commission; and add specificity to the criteria that will disqualify a utility from using the limited proceeding process under the rule. The effect of these amendments is to save rate case costs and to add clarity to the application process.

Rule 25-30.446, F.A.C., Notice of and Public Information for Application for Limited Proceeding Rate Increase, is amended to update and clarify rule language; eliminate the

requirement to file paper copies of rate case documents at various locations; and require the utility to include a statement in its initial customer notice that the utility's application can be accessed on the Commission's website. The effect of these amendments is to save rate case costs while giving clear access to documents electronically and to give clarity to the rule.

Rule 25-30.455, F.A.C., Staff Assistance in Rate Cases, and Rule 25-30.456, F.A.C., Staff Assistance in Alternative Rate Setting, are amended to update and clarify rule language and add specificity to the criteria making a utility eligible for staff assistance under each rule. The effect of these amendments is to add clarity to the application process.

Rule 25-30.565, F.A.C., Application for Approval of New or Revised Service Availability Policy or Charges, is amended to update and clarify rule language; reduce the number of paper copies of applications filed at the Commission; and eliminate the requirement to file paper copies of the application at its local office. The effect of these amendments is to save rate case costs while giving clear access to documents electronically pursuant to Rule 25-30.4345, F.A.C., and to add clarity to the rule.

STATEMENT ON FEDERAL STANDARDS

There are no federal standards for these rules.

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: July 13, 2021

TO: Kathryn Gale Winter Cowdery, Senior Attorney, Office of the General Counsel

FROM: Sevini K. Guffey, Public Utility Analyst III, Division of Economics *S.K.G.*

RE: **Statement of Estimated Regulatory Costs** for the Proposed Adoption of Rule 25-30.025, F.A.C., Official Date of Filing; Rule 25-30-4345, Notice of Requests for New or Revised Service Availability Charges or Policies and Notice of Requests for Allowance for Funds Prudently Invested (AFPI) Charges; Rule 25-30.445, F.A.C., General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding; Rule 25-30.446, F.A.C., Notice of and Public Information for Application for Limited Proceeding Rate Increase; Rule 25-30.455, F.A.C., Staff Assistance in Rate Cases; Rule 25-30.456, Staff Assistance in Alternative Rate Setting; and Rule 25-30.565, Application for Approval of New or Revised Service Availability Policy or Charges, F.A.C.

Commission staff is proposing revisions to Rules 25-30.025, Official Date of Filing; 25-30-4345, Notice of Requests for New or Revised Service Availability Charges or Policies and Notice of Requests for Allowance for Funds Prudently Invested (AFPI) Charges; 25-30.445, General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding; 25-30.446, Notice of and Public Information for Application for Limited Proceeding Rate Increase; 25-30.455, Staff Assistance in Rate Cases; 25-30.456, Staff Assistance in Alternative Rate Setting; and 25-30.565, Application for Approval of New or Revised Service Availability Policy or Charges, Florida Administrative Code (F.A.C.). These rules are applicable to all water and wastewater utilities that are under the Commission's jurisdiction. The purposes of these proposed rule revisions are to update water and wastewater utility rules related to applications for service availability charges, allowance for funds prudently invested, limited proceedings, and staff assistance in rate cases and in alternative rate setting.

The above stated proposed revisions are intended to make these rules consistent with changes recently adopted by the Commission in other water, wastewater, electric, and natural gas rules¹ that decrease the number of paper copies that utilities are required to file or distribute for public inspection; require utilities to notify customers that applications may be accessed on the Commission's website; change the responsibility for determining the official date of filing to the

¹ Docket No. 20200193-PU, Proposed amendment of Rules 25-6.043, 25-7.039, 25-22.0406, 25-22.0407, 25-30.436, and 25-30.437, and repeal of Rules 25-30.438, 25-30.4385, 25-30.440, and 25-30.443, F.A.C.; Docket No. 20200044-WS, Proposed amendment of Rule 25-30.457, F.A.C., Limited Alternative Rate Increase.

Page 2
July 13, 2021

Director of the office of primary responsibility (OPR); and clarify application filing requirements.

The attached Statement of Estimated Regulatory Costs (SERC) addresses the economic impacts and considerations required pursuant to Section 120.541, Florida Statutes (F.S.). In response to staff's data request dated June 11, 2021, the water and wastewater utilities stated that the proposed rule revisions will result in monetary savings. The SERC analysis indicates that the proposed rule amendments will not likely increase regulatory costs, including any transactional costs or have an adverse impact on business competitiveness, productivity, or innovation in excess of \$1 million in the aggregate within five years of implementation. The proposed rule amendments would not potentially have adverse impacts on small businesses, would have no implementation cost to the Commission or other state and local government entities, and would have no impact on small cities or counties.

No regulatory alternatives were submitted pursuant to Section 120.541(1)(g), F.S. The SERC concludes that none of the impacts/cost criteria established in Sections 120.541(2)(a), (c), (d), and (e), F.S., will be exceeded as a result of the proposed rule revisions.

cc: SERC File

**FLORIDA PUBLIC SERVICE COMMISSION
STATEMENT OF ESTIMATED REGULATORY COSTS**

Rules 25-30.025, 25-30.445, 25-30.446, 25-30.455, 25-30.456, 25-30.565,
and 25-30.4345, F.A.C.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E., below, for definition of small business.)

Yes

No

If the answer to Question 1 is "yes", see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes

No

If the answer to either question above is "yes", a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth Yes No

Private-sector job creation or employment Yes No

Private-sector investment Yes No

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes No

Productivity Yes No

Innovation Yes No

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes

No

Economic Analysis: In response to staff's data request, U.S. Water Services Corporation and Utilities, Inc. of Florida stated that the revised rules will result in cost reductions to the utilities. Reducing the number of paper copies of the limited proceeding application to be filed with the Commission and not having to mail copies of the petition and MFRs to municipalities in the affected service area will save approximately \$50 to \$225 per filing. Reducing the number of copies of service availability policy or charges will result in savings of approximately \$100 to \$150 per filing. Deleting the requirement to place a copy of the service availability charges and policies in physical locations will result in savings of approximately \$100 to \$225 per filing.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

128 Florida water and wastewater utilities within the Commission's jurisdiction will be required to comply with the rules. The utilities will incur reduced costs from the proposed rule revisions.

(2) A general description of the types of individuals likely to be affected by the rule.

Types of individuals to be affected or have indirect benefit would be the customers of the 128 water and wastewater utilities regulated by the Commission, serving 96,419 water customers and 59,802 wastewater customers. These customers will benefit from cost reductions.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the Commission to implement and enforce the rule.

None. To be done with the current workload and existing staff.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce

the rule.

- None. The rule will only affect the Commission.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. 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. "Transactional costs" include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used, procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring or reporting, and any other costs necessary to comply with the rule.

[120.541(2)(d), F.S.]

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, and small counties and small cities:
[120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

- No adverse impact on small business.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

- No impact on small cities or small counties.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

F. Any additional information that the Commission determines may be useful.
[120.541(2)(f), F.S.]

- None.

Additional Information:

G. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(g), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
 - Adopted in its entirety.
 - Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Julie Phillips

From: Kathryn Cowdery
Sent: Thursday, October 14, 2021 9:23 AM
To: japc@leg.state.fl.us; Jackson, Jamie (JACKSON.JAMIE@leg.state.fl.us)
Cc: Julie Phillips
Subject: FPSC Proposed Rules - Section 120.54(3)(a)4. information
Attachments: 20210122 complete JAPC letter.pdf

Good morning:

Attached is the information required by Section 120.54(3)(a)4, F.S., for Public Service Commission proposed Rules 25-30.025, 25-30.4345, 25-30.445, 25-30.446, 25-30.455, 25-30.456, and 25-30.565., F.A.C.

Please confirm your receipt of this information by "Reply All."

Let me know if you have any questions.

Thank you.

Kathryn Cowdery
Senior Attorney
Florida Public Service Commission