

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF DEVELOPMENT OF RULEMAKING

TO

ALL NATURAL GAS UTILITIES

OFFICE OF PUBLIC COUNSEL

AND

ALL OTHER INTERESTED PERSONS

UNDOCKETED

IN RE: RULE 25-7.150, FLORIDA ADMINISTRATIVE CODE (F.A.C.), NATURAL GAS
FACILITIES RELOCATION COST RECOVERY CLAUSE

ISSUED: October 29, 2024

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission staff has initiated rulemaking to adopt new Rule 25-7.150, F.A.C., pertaining to creation of the Natural Gas Facilities Relocation Cost Recovery Clause.

The attached Notice of Development of Rulemaking appeared in the October 29, 2024, edition of the Florida Administrative Register (Volume 50, Number 212). If requested in writing and not deemed unnecessary by the agency head, a rule development workshop will be scheduled and noticed in the next available Florida Administrative Register. Written requests for a rule development workshop must be submitted by November 13, 2024, to Susan Sapoznikoff, Office of the General Counsel, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850; Susan.Sapoznikoff@psc.state.fl.us, (850) 413-6630. A copy of the preliminary draft rule is attached.

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By DIRECTION of the Florida Public Service Commission this 29th day of October,
2024.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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Notice of Development of Rulemaking

PUBLIC SERVICE COMMISSION

RULE NO.: RULE TITLE:

25-7.150 Natural Gas Facilities Relocation Cost Recovery Clause

PURPOSE AND EFFECT: To create new rule for new statute 366.99, Florida Statutes, which was enacted during the 2024 Legislative session.

UNDOCKETED

SUBJECT AREA TO BE ADDRESSED: Procedure for recovery of certain costs via a Natural Gas Facilities Relocation Cost Recovery Clause.

RULEMAKING AUTHORITY: 366.99(6), F.S.

LAW IMPLEMENTED: 366.99, F.S.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT AVAILABLE FLORIDA ADMINISTRATIVE REGISTER.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Susan Sapoznikoff, Florida Public Service Commission, Office of the General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850)413-6630, Susan.Sapoznikoff@psc.state.fl.us.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS AVAILABLE AT NO CHARGE FROM THE CONTACT PERSON LISTED ABOVE.

1 **25-7.150 Natural Gas Facilities Relocation Cost Recovery Clause.**

2 (1) A utility may file a petition for recovery of natural gas facilities relocation costs
3 through the annual natural gas facilities relocation cost recovery clause (NGFRCRC). The
4 petition seeking such cost recovery must be supported by testimony that provides details of the
5 facilities relocation activities and associated costs.

6 (2) As part of the NGFRCRC or a separate proceeding, a utility must seek approval
7 that “natural gas facilities relocation costs” are eligible for recovery through the NGFRCRC
8 by providing the following information:

9 (a) The mandate, statute, law, ordinance, or agreement requiring the facilities relocation;

10 (b) A description of the scope of the facilities relocation to be undertaken per the
11 requirements imposed by the authority; and

12 (c) An estimate of the costs associated with the relocation of the natural gas facilities.

13 (3) Each year, pursuant to the order establishing procedure in the annual NGFRCRC, a
14 utility must submit the following:

15 (a) Final True-Up for Previous Year. The final true-up of natural gas facilities relocation
16 cost recovery for a prior year must include revenue requirements based on a comparison of
17 actual costs for the prior year and previously filed costs and revenue requirements for such
18 prior year for each program and project determined to be eligible by the Commission. The
19 final true-up must also include identification of each of the utility’s facilities relocation
20 projects for which costs were incurred during the prior year, including a description of the
21 work actually performed during such prior year, for each facilities relocation project approved
22 by the Commission.

23 (b) Estimated True-Up for Current Year. The actual/estimated true-up of Natural Gas
24 Facilities Relocation cost recovery must include revenue requirements based on a comparison
25 of current year actual/estimated costs and the previously-filed projected costs and revenue
CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from
existing law.

1 requirements for such current year for each program and project determined to be eligible by
2 the Commission. The actual/estimated true-up must also include identification of each of the
3 utility's facilities relocation projects for which costs have been and will be incurred during the
4 current year, including a description of the work projected to be performed during such current
5 year, for each facilities relocation project approved by the Commission.

6 (c) Projected Costs for Subsequent Year. The projected Natural Gas Facilities Relocation
7 cost recovery must include costs and revenue requirements for the subsequent year for each
8 program determined to be eligible by the Commission. The projection filing must also include
9 identification of each of the utility's facilities relocation projects for which costs will be
10 incurred during the subsequent year including a description of the work projected to be
11 performed during such year, for each facilities relocation project approved by the
12 Commission.

13 (d) True-Up of Variances. The utility must report observed true-up variances, including
14 sales forecasting variances, changes in the utility's prices of services and/or equipment, and
15 changes in the scope of work relative to the estimates provided pursuant to paragraphs (2)(b)
16 and (2)(c). The utility must also provide explanations for variances regarding the facilities
17 relocation.

18 (e) Proposed Natural Gas Facilities Relocation Cost Recovery Factors. The utility must
19 provide the calculations of its proposed factors and effective 12-month billing period.

20 (4) Natural gas facilities relocation cost recovery clause true-up amounts will be afforded
21 deferred accounting treatment at the 30-day commercial paper rate.

22 (5) Subaccounts. To ensure separation of costs subject to recovery through the clause, the
23 utility filing for cost recovery must maintain subaccounts for all items consistent with the
24 Uniform System of Accounts prescribed by this Commission pursuant to Rule 25-6.014,
25 F.A.C.

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1 (6) Recovery of costs under this rule does not preclude a utility from proposing inclusion
2 of unrecovered natural gas facilities relocation costs in base rates in a subsequent rate
3 proceeding. Recovery of costs under this rule does not preclude inclusion of such costs in base
4 rates in a subsequent rate proceeding, provided that such costs are removed from the
5 NGFRCRC.
6 Rulemaking Authority 366.99, FS. Law Implemented 366.99, FS. History—New _____.

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