

Storm Protection Rule Development Workshop



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Outline

- Summary of Senate Bill 796
 - Senate Bill 796 would establish Section 366.96 Florida Statutes (F.S.)
- Summary of Draft Rules
 - Stakeholder Comments on Draft Rules
- Stakeholder Comments on Existing Rules
- Additional Topics
- Next Steps



Summary of Senate Bill 796

- Section 366.96(1), F.S.
- It is in the state's interest to strengthen electric utility infrastructure to withstand extreme weather conditions.
 - Overhead hardening
 - Undergrounding of certain distribution facilities
 - Vegetation management



Summary of Senate Bill 796

- Section 366.96(3), F.S.
- Each public utility shall file a storm protection plan that covers the utility's immediate 10-year planning period.
 - The Commission shall adopt rules to specify the elements that must be included in a utility's filing



Summary of Senate Bill 796

- Section 366.96(4), F.S.
- In its review of each plan the Commission shall consider
 - The extent to which the plan is expected to reduce restoration costs and outage times associated with extreme weather events and enhance reliability
 - The extent to which storm protection is feasible in certain areas
 - Estimated costs and benefits
 - Estimated annual rate impact for the first 3 years of the plan



Summary of Senate Bill 796

- Sections 366.96(5),(6), F.S.
- No later than 180 days after a plan is filed the Commission shall approve, approve with modification, or deny the plan
- At least every three years after approval a utility must file an updated plan



Summary of Senate Bill 796

- Section 366.96(7), F.S.
- The Commission shall conduct an annual proceeding to determine prudently incurred storm protection plan costs
 - Costs are allowed to be recovered through a charge separate from base rates



Summary of Senate Bill 796

- Sections 366.96(8),(9), F.S.
- Storm protection plan costs may not include costs recovered through base rates and must be allocated to customers based on the last rate design
- A utility may recover annual depreciation and a return on the undepreciated balance using the utility's last approved return on equity



Summary of Senate Bill 796

- Section 366.96(11), F.S.
- The Commission shall adopt rules to implement and administer Section 366.96
 - Rules must be proposed no later than October 31, 2019



Summary of Draft Rules

- 25-6.030 Storm Protection Plan
 - Minimum filing requirements to meet criteria in Section 366.96(4)
- 25-6.031 Storm Protection Plan Cost Recovery Clause
 - Mechanics and filing requirements for annual clause proceedings



Existing Rules

- Stakeholder comments on existing Commission rules that may be impacted by the new rules

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| Rule 25-6.0143 | Rule 25-6.0455 |
| Rule 25-6.034 | Rule 25-6.061 |
| Rule 25-6.0341 | Rule 25-6.064 |
| Rule 25-6.0342 | Rule 25-6.077 |
| Rule 25-6.0343 | Rule 25-6.078 |
| Rule 25-6.0345 | Rule 25-6.081 |
| Rule 25-6.044 | Rule 25-6.115 |



Additional Topics

- Stakeholder comments on additional topics identified in the Commission Notice



Next Steps

- Written Comments

