

HB 1289

2006

1 A bill to be entitled
2 An act relating to electric utilities; amending s. 366.04,
3 F.S.; requiring the Public Service Commission to adopt
4 rules establishing standards for distribution equipment
5 and facilities for electric utilities; establishing review
6 requirements; requiring utilities to report to the
7 commission; authorizing the commission to impose sanctions
8 against a utility for noncompliance with the adopted
9 standards; providing an effective date.

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11 Be It Enacted by the Legislature of the State of Florida:

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13 Section 1. Subsection (2) of section 366.04, Florida
14 Statutes, is amended to read:

15 366.04 Jurisdiction of commission.--

16 (2) In the exercise of its jurisdiction, the commission
17 shall have power over electric utilities for the following
18 purposes:

19 (a) To prescribe uniform systems and classifications of
20 accounts.

21 (b) To prescribe a rate structure for all electric
22 utilities.

23 (c) To require electric power conservation and reliability
24 within a coordinated grid, for operational as well as emergency
25 purposes.

26 (d) To approve territorial agreements between and among
27 rural electric cooperatives, municipal electric utilities, and
28 other electric utilities under its jurisdiction. However,

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29 | nothing in this chapter shall be construed to alter existing
30 | territorial agreements as between the parties to such
31 | agreements.

32 | (e) To resolve, upon petition of a utility or on its own
33 | motion, any territorial dispute involving service areas between
34 | and among rural electric cooperatives, municipal electric
35 | utilities, and other electric utilities under its jurisdiction.
36 | In resolving territorial disputes, the commission may consider,
37 | but not be limited to consideration of, the ability of the
38 | utilities to expand services within their own capabilities and
39 | the nature of the area involved, including population, the
40 | degree of urbanization of the area, its proximity to other urban
41 | areas, and the present and reasonably foreseeable future
42 | requirements of the area for other utility services.

43 | (f) To prescribe and require the filing of periodic
44 | reports and other data as may be reasonably available and as
45 | necessary to exercise its jurisdiction hereunder.

46 | (g) To adopt by rule standards for inspection,
47 | maintenance, repair, and replacement for the distribution
48 | systems of electric utilities in this state by January 1, 2007.
49 | The standards for each type of distribution equipment or
50 | facility must provide for high-quality, safe, and reliable
51 | service.

52 | 1. In setting standards, the commission shall consider the
53 | cost of inspections, local geography and weather, applicable
54 | codes, national practices in the electric industry, sound
55 | engineering judgment, and experience. The commission shall also
56 | adopt standards for operation, reliability, and safety during

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57 periods of emergency or natural disaster. Each utility shall
58 report annually to the commission on its compliance with the
59 standards.

60 2. The commission shall conduct a review of each affected
61 utility after every major outage to determine whether the
62 standards have been met. If the commission finds that the
63 standards have not been met, it may order appropriate sanctions,
64 including penalties in the form of rate reductions or monetary
65 fin.

66
67 No provision of this chapter shall be construed or applied to
68 impede, prevent, or prohibit any municipally owned electric
69 utility system from distributing at retail electrical energy
70 within its corporate limits, as such corporate limits exist on
71 July 1, 1974; however, existing territorial agreements shall not
72 be altered or abridged hereby.

73 Section 2. This act shall take effect July 1, 2006.