## 32-761-06

1	A bill to be entitled
2	An act relating to electric utilities; amending
3	s. 366.04, F.S.; requiring the Public Service
4	Commission to adopt rules establishing
5	standards for distribution equipment and
6	facilities for electric utilities; establishing
7	review requirements; requiring utilities to
8	report to the commission; authorizing the
9	commission to impose sanctions against a
10	utility for noncompliance with the adopted
11	standards; providing an effective date.
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13	Be It Enacted by the Legislature of the State of Florida:
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15	Section 1. Subsection (2) of section 366.04, Florida
16	Statutes, is amended to read:
17	366.04 Jurisdiction of commission
18	(2) In the exercise of its jurisdiction, the
19	commission shall have power over electric utilities for the
20	following purposes:
21	(a) To prescribe uniform systems and classifications
22	of accounts.
23	(b) To prescribe a rate structure for all electric
24	utilities.
25	(c) To require electric power conservation and
26	reliability within a coordinated grid, for operational as well
27	as emergency purposes.
28	(d) To approve territorial agreements between and
29	among rural electric cooperatives, municipal electric
30	utilities, and other electric utilities under its
31	jurisdiction. However, nothing in this chapter shall be

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construed to alter existing territorial agreements as between the parties to such agreements.

- (e) To resolve, upon petition of a utility or on its own motion, any territorial dispute involving service areas between and among rural electric cooperatives, municipal electric utilities, and other electric utilities under its jurisdiction. In resolving territorial disputes, the commission may consider, but not be limited to consideration of, the ability of the utilities to expand services within their own capabilities and the nature of the area involved, including population, the degree of urbanization of the area, its proximity to other urban areas, and the present and reasonably foreseeable future requirements of the area for other utility services.
- (f) To prescribe and require the filing of periodic reports and other data as may be reasonably available and as necessary to exercise its jurisdiction hereunder.
- (q) To adopt by rule standards for inspection,
  maintenance, repair, and replacement for the distribution
  systems of electric utilities in this state by January 1,
  2007. The standards for each type of distribution equipment or
  facility must provide for high-quality, safe, and reliable
  service.
- 1. In setting standards, the commission shall consider the cost of inspections, local geography and weather, applicable codes, national practices in the electric industry, sound engineering judgment, and experience. The commission shall also adopt standards for operation, reliability, and safety during periods of emergency or natural disaster. Each utility shall report annually to the commission on its compliance with the standards.

1	2. The commission shall conduct a review of each
2	affected utility after every major outage to determine whether
3	the standards have been met. If the commission finds that the
4	standards have not been met, it may order appropriate
5	sanctions, including penalties in the form of rate reductions
6	or monetary fines.
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8	No provision of this chapter shall be construed or applied to
9	impede, prevent, or prohibit any municipally owned electric
10	utility system from distributing at retail electrical energy
11	within its corporate limits, as such corporate limits exist on
12	July 1, 1974; however, existing territorial agreements shall
13	not be altered or abridged hereby.
14	Section 2. This act shall take effect July 1, 2006.
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17	SENATE SUMMARY
18	Requires the Public Service Commission to adopt rules that establish standards for the distribution equipment
19	of electric utilities. Provides for review and requires a report.
20	report.
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