

SURVEY OF PUBLICLY-OWNED UTILITIES' CURRENT AND HISTORICAL RATEMAKING  
TREATMENT OF COSTS OF COMPLYING WITH NUCLEAR REGULATORY COMMISSION'S SAFETY  
REQUIREMENTS

Cum gratia Publice Pone, District

3. If the utility is a part-owner of a nuclear plant, does it have a contractual commitment with the other owners to increase its pro-rata share of total costs of operation if those costs increase over time?

Yes \_\_\_\_\_; No \_\_\_\_\_; This utility is  
the sole owner of a nuclear plant   X  .

Please explain, with examples: \_\_\_\_\_

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4. In the case of membership utilities, has each member executed a rate-setting covenant with the parent utility obligating the member to set rates (and raise them when necessary) so as to provide its pro-rata share of the total costs to the parent needed to satisfy NRC safety requirements referred to in item no. 1, above?

Yes \_\_\_\_\_; No \_\_\_\_\_; This is not a  
membership utility in nuclear plant ownership   X  .

Please explain, with examples: \_\_\_\_\_

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Person responding to  
this questionnaire:

Name Allen R. Spangler

Signature Allen R. Spangler

Title Manager/Cost of Service & Rate Design

Division ~~XXXXXX~~ System Planning Division

Utility ~~XXXXXX~~ Omaha Public Power District

1623 Harney Street  
Omaha, NE 68102

Thank you for your assistance.

Please return this completed  
questionnaire to:

Michael Foley, Director of Financial Analysis  
National Association of Regulatory Utility  
Commissioners  
P. O. Box 684  
Washington, DC 20044

Telephone: (202) 628-7325

70-655. Public power district: reasonable rates required. The board of directors of any district organized under sections 70-601 to 70-679 shall have the power and be required to fix, establish and collect adequate rates, tolls, rents, and other charges, for electrical energy, water service, water storage, and for any and all other commodities, services or facilities sold, furnished or supplied by the district, which rates, tolls, rents and charges shall be fair, reasonable, nondiscriminatory, and so adjusted as in a fair and equitable manner to confer upon and distribute among the users and consumers of commodities and services furnished or sold by the district the benefits of a successful and profitable operation and conduct of the business of the district.

Source: Laws 1933, c. 86, § 13, p. 353; Laws 1937, c. 152, § 8, p. 589; Laws 1939, c. 89, § 1, p. 388; C.S.Supp., 1941, § 70-713.

Potentially conflicting interests within a class are incompatible with the maintenance of a true class action and this aspect may be disposed of upon motion for summary judgment. Blankenship v. Omaha P.P. Dist., 195 Neb.

170, 237 N.W.2d 86.

It was intended to permit the business of a power district to be operated in a successful and profitable manner. City of O'Neill v. Consumers P. P. Dist.,

179 Neb. 773, 140 N.W.2d 644.

Board of directors is authorized to establish and collect adequate rates for electrical energy. York County Rural P. P. Dist. v. O'Connor, 172 Neb. 602, 111 N.W.2d 376.

Powers conferred are intended to permit district to be operated in a successful and profitable manner. United Community Services v. Omaha Nat.

Bank, 162 Neb. 786, 77 N.W.2d 576.

Under assumed contract, district could not increase annual maintenance charge. Faught v. Platte Valley P. P. & I. Dist., 155 Neb. 141, 51 N.W.2d 253.

District is not exempt from payment of charges under Federal Power Act. Central Neb. P. P. & I. Dist. v. Federal Power Commission, 160 F.2d 732.

To. SECY, 6-19-84

-1-

Received, Office of State Registrar,  
6-19-84

NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

SURVEY OF PUBLICLY-OWNED UTILITIES' CURRENT AND HISTORICAL RATEMAKING  
TREATMENT OF COSTS OF COMPLYING WITH NUCLEAR REGULATORY COMMISSION SAFETY  
REQUIREMENTS

QUESTIONNAIRE

1. Does the utility have rate-setting authority that may be used to ensure adequate revenues to cover the costs of meeting NRC safety requirements at nuclear plants in which the utility has an ownership interest (including increasing costs over time)?

Yes XXXXXX No                     

Please explain, with examples: City Charter Sections 131 through

135. See Attached

2. Please provide citations to (and copies of, where possible) statutes, regulations or other legal authority that provide for the rate-setting authority referred to in item 1, above.

Response: City Charter Sections 131 through 135. See Attached

City of Leeburg, Florida

3. If the utility is a part-owner of a nuclear plant, does it have a contractual commitment with the other owners to increase its pro-rata share of total costs of operation if those costs increase over time?

Yes \_\_\_\_\_; No \_\_\_\_\_; This utility is the sole owner of a nuclear plant \_\_\_\_\_.

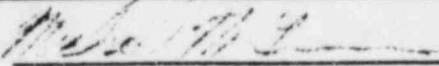
Please explain, with examples: See attached notes to Financial Statement #5

4. In the case of membership utilities, has each member executed a rate-setting covenant with the parent utility obligating the member to set rates (and raise them when necessary) so as to provide its pro-rata share of the total costs to the parent needed to satisfy NRC safety requirements referred to in item no. 1, above?

Yes \_\_\_\_\_; No \_\_\_\_\_; This is not a membership utility in nuclear plant ownership \_\_\_\_\_.

Please explain, with examples \_\_\_\_\_

Person responding to  
this questionnaire:

Name Michael M. Turner  
Signature   
Title Accountant  
Division/Office Finance Department  
Utility or Agency City Of Leesburg, Fla.

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Thank you for your assistance.

Please return this completed  
questionnaire to:

Michael Foley, Director of Financial Analysis  
National Association of Regulatory Utility  
Commissioners  
P. O. Box 684  
Washington, DC 20044  
  
Telephone: (202) 628-7325

authorized and empowered to contract with persons, firms or corporations beyond the limits of said city to furnish electric current to said city, and to construct such lines, wires, poles, towers and conduits as may be necessary to obtain such current.

## ELECTIONS

**Sec. 136. When regular municipal elections held; qualifications of electors; method and manner of holding; special elections.**

Regular municipal elections shall be held on the first Tuesday after the first Monday in November of each year. In even-numbered years, they shall be consolidated with the regular state, county and federal elections held on the same date. Any runoff elections which may be necessary shall be held fourteen (14) days after the election giving rise to the need for such runoff. Only voters who are qualified as such under state law, and who are registered as voters of the City, shall be allowed to vote at elections held for the purpose of electing city commissioners.

The city commission shall, by ordinance, prescribe the manner of holding all municipal elections, and shall provide for the time and manner of holding special elections not provided for by this charter. All elections shall be conducted in substantially the same way as state elections. (Ord. No. 81-17, § 1, 5-11-81)

**Sec. 137. Registration of voters.**

The registration of voters shall be carried out as provided for by ordinance of the city commission. (Ord. No. 81-17, § 2, 5-11-81)

**Sec. 138. Arrangements for municipal elections; appointment of inspectors and clerks.**

The city commission shall make all necessary arrangements for holding all municipal elections, and shall declare the results thereof. Inspectors and clerks of elections shall be appointed by the city commission, except that if the commission shall fail to appoint them at least two days before the date of any election, the mayor may appoint them.

## RECALL\*

**139. Petition for recall.**

Any or all members of the city commission of the City of Leesburg, Florida, may be removed from office by the election of the said City of Leesburg, Florida, by the following procedure to-wit:

A petition for the recall of the commissioner or commissioners designated to be removed, signed by at least ten per cent (10%) of the qualified electors of the City of Leesburg, Florida, then registered on the registration books of the City of Leesburg, Florida, shall be filed with the city clerk and auditor. It shall be the duty of the city clerk and auditor to ascertain if the names appearing on such petition are registered on the registration book of the City of Leesburg, Florida, and if the qualified electors of the City of Leesburg, Florida, then registered on the registration books of the City of Leesburg, Florida, in which event the city clerk and auditor shall present such petition to the city commission of the City of Leesburg, Florida, at the next regular meeting of such commission after the same shall have been filed with the city clerk and auditor. In the event the city clerk and auditor ascertain that such petition does not in fact contain at least ten per cent (10%) of the qualified electors of the City of Leesburg, Florida, then registered on the registration books of the City of Leesburg, Florida, then and in such event a report of such finding shall be made and filed at the next regular meeting of such commission, and such petition shall be returned to the individual filing same with the city clerk and auditor. (Sp. Acts, Ch. 65-1832, § 1)

**140. Resignation irrevocable after petition filed; calling election.**

The commissioner or commissioners or any of them, for removal of whom such petition shall have been filed, shall

*Editor's note*—Sections 139 through 148 of this Charter pertaining to recall were repealed by § 10 of Ch. 15682, Sp. Acts 1931. Sections 1-9 of said Act enacted in lieu thereof new provisions designated §§ 141-147, Ch. 15683, Sp. Acts 1931, enacted new § 148. Section 11 of Ch. 65-1832, Sp. Acts 1965, also repealed §§ 141-148 of Ch. 9820 of 1923 and in addition repealed Ch. 15682, §§ 1-9 and Ch. 15683, §§ 141-147 and enacted in lieu thereof §§ 139-148 as set out above.

*Interference*—Interference by any member of the city commission with the election of the city constituting ground for recall, Char., § 11.

## RECLAMATION.

**Sec. 129. Acquiring by grant, purchase, gift, eminent domain swamp and overflowed lands for public purposes.**

The City of Leesburg is hereby granted the power to acquire by grant, purchase, gift or by right of eminent domain swamp, marsh and overflowed lands within the corporate limits of said city, or adjacent thereto for the purpose of reclaiming, draining, filling in, bulkheading and improving the same for purpose of improving health conditions, creating coves and bays, improving water fronts, making natural bodies of water more accessible, for parks, streets, roads, driveways, commercial and residential purposes and, after the same is reclaimed, subdivide the same into blocks, lots, streets, roads, drives and parks and to sell and dispose of the same at private sale either before or after such subdivision.

**Sec. 130. Issuance of bonds for carrying out section 129.**

For the purpose of carrying out the provisions of section 129 of this act, the said city is authorized and empowered to issue and sell bonds in like manner as is provided for the issuance of bonds for other improvements by sections 126 and 127 of this act, and to assess and collect taxes for the payment of the principal and interest thereof. In lieu of any other bonds the City of Leesburg, for the purpose of carrying out the provisions of section 129 of this act, is hereby authorized and empowered to issue and sell bonds, pledging as security therefor, the property to be reclaimed, drained, filled in or bulk-headed or otherwise improved running for such period as may be deemed expedient and at such rate of interest as may be determined, not exceeding seven (7%) per cent per annum, and in the event bonds are issued for which such property is pledged, such bonds shall be a lien only against the property pledged, and no tax shall ever be levied for the payment of the same, or any part thereof, or any interest thereon. (Ch. 10823, § 2, Special Acts, 1902.)

PUBLIC UTILITIES.<sup>a</sup>

**Sec. 131. Authority of city to purchase, own and operate public utilities.**

The City of Leesburg, Florida, is hereby authorized to

<sup>a</sup> 8. In connection with the following sections, see section 128 of this charter. For provisions of this charter charging the city manager with the management and control of all city owned public utilities, see hereof. For authority of city to issue bonds against the public utilities owned by the city and to pledge such public utilities plants and equipment therefrom, see § 128 of this charter.

through its officers, agents, employees and representatives, to purchase, build, construct, own, control, repair, operate, manage, extend, or sell an electric light plant, a waterworks plant, and an ice plant, and to prescribe and enforce rates, rules and regulations necessary thereto.

**Sec. 132. Furnishing water, electricity and gas outside city; rates.**

That the city commission shall have power to supply water, electricity and gas for domestic, and other purposes to individuals or corporations outside of said city and to charge and collect reasonable rates, prices and compensation therefor, but the city commissioners shall charge a higher rate to such consumers than is charged for a like class of consumers within the corporate limits of said City.

**Sec. 133. Effect of charter on power of city to regulate utilities.**

Nothing in this charter contained shall operate in any way, except as herein specifically stated, to limit the city commission in the exercise of its lawful powers respecting public utilities, or to prohibit the city commission from imposing in any such grant such further restrictions and provisions as it may deem to be in the public interest, provided only that the same are not inconsistent with the provisions of this charter or the constitution of the state.

**Sec. 134. Authority of city to sell public utility plants; procedure.**

The city commissioners may sell the public utility plants owned by the City of Leesburg, or any one or all of them and enter into contracts with the purchasers or owners of said plants, or any of them for service to said city and its inhabitants after the city commissioners shall have first passed an ordinance in which is stated the terms of purchase and the proposed contract for service or franchise to be entered into on behalf of the city with such purchaser or owner, and after such ordinance has been submitted to the qualified electors of said city, who are freeholders, for a period of at least sixty days prior to said election, and such action as is provided, in and by such ordinance is ratified by a majority of those voting at such election. In all other respects not herein specially provided for, such election shall be called and held as is provided by law for calling and holding bond elections by said city. (Ch. 15309, § 1, Special Acts, 1931.)

**Sec. 135. Contract with persons outside city to furnish city with electricity.**

The city commission together with the city manager are hereby

To: SECY, 6-19-84

-1- Received, Office of State Program,  
6-19-84

NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

SURVEY OF STATE PUC'S AND FERC'S HISTORICAL AND CURRENT RATEMAKING  
TREATMENT OF COSTS OF COMPLYING WITH NUCLEAR REGULATORY COMMISSION SAFETY  
REQUIREMENTS

QUESTIONNAIRE

1. Does the PUC <sup>1/</sup> have specific rate-setting authority and responsibility that may be used to ensure adequate revenues to cover the costs of meeting NRC safety requirements?

Yes \_\_\_\_\_ No \_\_\_\_\_

Please explain, with examples: Document 4, Ken d. l.  
13.61 and 5.1999 Study Expenses  
and Five year period 1985-1990  
44% and 45% 12-7-81  
Allowed in Public Hearing  
Cost of Service  
and Central Vermont Public Service Corp

<sup>1/</sup> For the FERC response, please substitute the "FERC" acronym in place of "PUC" within each question.

Vermont Public Service Board

2. a. Does the PUC provide specific cost allowances in general rate orders or other directives to assist the utility in meeting NRC safety requirements, orders, and directives?

Yes ✓ No           

Please explain, with examples: See 1

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2. b. Has the PUC received requests for funds to cover specific additions, alterations or improvements at operating nuclear plants; e.g., replacement of safety-related equipment, replacement of steam generators or other equipment items?

Yes ✓ No           

Please explain, with examples, including the types of equipment involved:

12-4-81  
Request for 4400 - 4400 - 4400

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2. c. Historically, have utilities with operating nuclear plants that have requested revenue allowances for NRC safety requirements always received such allowances?

Yes ✓ No           

Please explain, with examples: the 1 and 2 1/2

2. d. Have there been instances in which utility requests, referred to in item nos. 2.b. and/or 2.c., above, have been denied by the PUC?

Yes \_\_\_\_\_ No ✓

Please explain, with examples: \_\_\_\_\_

3. a. Do the PUC rate orders and revenue requirement allowances specifically and categorically direct the utility to spend certain amounts to cover the total costs of nuclear plant operation?

Yes \_\_\_\_\_ No ☒ \_\_\_\_\_

Please explain, with examples: \_\_\_\_\_

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3. b. Does the PUC assure itself through audit or otherwise that revenues to meet costs of nuclear plant operation are not reallocated to other costs at the utility's discretion?

Yes \_\_\_\_\_ No ☒ \_\_\_\_\_

Please explain, with examples: \_\_\_\_\_

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3. c. Referring to a utility that has both nuclear plant(s) in operation and nuclear plant(s) under construction, does the PUC provide guidance and/or exercise enforcement to assure that nuclear operating funds are not diverted to nuclear construction?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes: Guidance \_\_\_\_\_; and/ or Enforcement \_\_\_\_\_ (Check one or both)

Please explain, with examples:       N/A      

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4. Does the PUC provide guidance and/or exercise enforcement that would give any higher level of priority to total nuclear plant operating costs vis-a-vis total non-nuclear facility operating costs?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes: Guidance \_\_\_\_\_; and/or Enforcement \_\_\_\_\_ (Check one or both)

Please explain, with examples:       N/A        
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Does the PUC provide guidance and/or exercise enforcement to assure that individual NRC orders and directives for modifications or additions to an operating nuclear plant would receive priority as to available utility funds?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes: Guidance \_\_\_\_\_; and/or Enforcement \_\_\_\_\_ (Check one or both)

Please explain, with examples: N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. a. Has the PUC established any operating performance incentive plan(s) applying to nuclear plant operation that can have a financial effect on the utility?

Yes ✓ No           

Please explain, with examples: The Performance Plan  
in the PUC's annual (or biennial) meeting  
is set  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. b. If yes to 6.a., above, identify the nuclear plant(s):

(1.) no answer given  
(2.) \_\_\_\_\_  
(3.) \_\_\_\_\_  
(4.) \_\_\_\_\_

6. c. If yes to 6.a., above, do the provisions of such plan(s) encourage the utility to maintain the plant in commercial operation rather than to reduce power level or shutdown?

Yes \_\_\_\_\_

No \_\_\_\_\_

Please explain, with examples: I have seen The utility have  
operated the plant with safety as a priority

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7. Do nuclear plant reductions in power or full shutdowns result in the imposition of any penalties from the PUC (such as disallowance of replacement power costs)?

Yes \_\_\_\_\_ No ✓ \_\_\_\_\_

If yes, what is the type of penalty or penalties? (Check all that apply.)

- a. Disallowance of replacement power costs \_\_\_\_\_  
    (1) full disallowance \_\_\_\_\_  
    (2) partial disallowance \_\_\_\_\_
- b. Reduction in rate of return \_\_\_\_\_
- c. Other \_\_\_\_\_; Please specify type: \_\_\_\_\_

Please explain situations that result in penalties, with examples:

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8. a. Is it considered likely that utilities under your jurisdiction that currently have a nuclear plant(s) under construction or nearing operation will be directed to phase into the rate base the capital costs for such plant(s) over a period of years rather than all at one time?

Yes \_\_\_\_\_ No ✓ \_\_\_\_\_

Please explain, with examples: \_\_\_\_\_

The new plant is  
considered as a part of rate base and  
The equity is considered a liability  
to the cost of service

8. b. If yes, to 8.a., above, what would be the most likely period of the phase-in? (Check one.)

\_\_\_\_\_ 2 to 5 years

\_\_\_\_\_ 6 to 10 years

\_\_\_\_\_ 11 to 15 years

\_\_\_\_\_ other, please specify: \_\_\_\_\_ years

Please explain, with examples: \_\_\_\_\_

8. c. Assuming a phase-in of nuclear plant capital cost recovery, does the possibility exist that such phase-in could impact the availability of adequate funds for safe nuclear plant operation?

Yes \_\_\_\_\_ No \_\_\_\_\_

If such circumstances were to exist, please describe the PUC's existing authority to enforce the allocation of adequate funds for safe nuclear plant operation:

~~Under the Public Service Commission~~  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REQUEST FOR DOCUMENTS

1. Please provide citations to, and copies of, the State statutes, regulations and other legal authority that define PUC responsibility to provide adequate funds for safe operation of a nuclear plant in accordance with NRC standards.

~~Not a Public Service Commission~~  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Please provide citations to any Federal statutes, cases, or other legal authority that the PUC uses in meeting its responsibility to provide adequate revenues for meeting the costs of NRC nuclear safety standards, orders and directives.

NA

3. Please send copies of PUC orders that specifically address the utility's need to cover the safety-related costs of operating a nuclear plant. We are particularly interested to know whether or not any such orders refer to the utility's ability to satisfy, from a financial standpoint, NRC-mandated safety requirements, orders and directives; please include such documents.

NA

4. Please provide representative copies of utilities' rate requests that specifically refer to the need to meet NRC safety-related costs referred to above.

Person responding to  
this questionnaire:

Name James T. Gordon

Signature [Signature]

Title Chairman

Division/Office \_\_\_\_\_

Commission or Agency Public Service Co.

Thank you for your assistance.

Please return this completed  
questionnaire to:

Michael Foley, Director of Financial Analysis  
National Association of Regulatory Utility  
Commissioners  
P. O. Box 684  
Washington, DC 20044

Telephone: (202) 628-7325

*Should also talk with [unclear]  
at [unclear] [unclear] [unclear]  
Department of [unclear]  
573 - 3349*