BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Amendment of Rule 25-6.105, F.A.C., pertaining to Refusal or Discontinuance of Service by Utility. DOCKET NO. 891195-PU ORDER NO. 23293 ISSUED: 8-3-90

NOTICE OF RULEMAKING

NOTICE is hereby given that the Commission, pursuant to section 120.54, Florida Statutes, has initiated rulemaking to amend Rule 25-6.105, F.A.C., relating to Refusal or Discontinuance of Service by Utility.

The attached Notice of Rulemaking will appear in the August 10, 1990, edition of the Florida Administrative Weekly. If requested, a hearing will be held at the following time and place:

> 9:30 a.m., Friday, September 21, 1990 Room 122, Fletcher Building 101 East Gaines Street Tallahassee, Florida

Written requests for hearing and written comments or suggestions on the rule must be received by the Director, Division of Records and Reporting, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, FL 32399, no later than August 31, 1990.

By Direction of the Florida Public Service Commission, this <u>3rd</u> day of <u>AUGUST</u>, <u>1990</u>.

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Division of Records & Reporting

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FLORIDA PUBLIC SERVICE COMMISSION Division of Appeals DOCKET NO. 891195-PU

Refusal or Discontinuance of Service

RULE TITLE:

RULE NO.: 25-6.105

by Utility

PURPOSE AND EFFECT: The purpose of the rule amendment is to assure that customers have sufficient notice and the opportunity to contact the electric company before disconnection of service. The rule extends the notice period from five calendar days to five working days.

SUMMARY: The rule amendment changes the notice period for disconnection of electric service from five calendar days to five working days and defines the term "working day" as a day on which the utility's business office is open and mail is delivered. RULEMAKING AUTHORITY: 366.05, F.S.

LAW IMPLEMENTED: 366.05(1), F.S.

SUMMARY OF THE ESTIMATE OF ECONOMIC IMPACT OF THIS RULE: Based on the companies' estimated increases in costs, this rule amendment will have the greatest impact on recurring expenses attributable to uncollectibles and cash flow carrying costs. Taken as a whole, investor owned electric utilities (IOUs) estimate that uncollectibles could increase by up to \$1.7 million and cash flow carrying costs could increase by up to \$2.9 million. The IOUs also estimate total costs to make necessary changes to accounting and billing systems to be approximately \$130,000.

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The proposed amendment will not result in any increased costs for the agency. Benefits from projected reduction in consumer conplaints related to disconnection of service are not quantifiable.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING. IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE AND PLACE SHOWN BELOW: TIME AND DATE: 9:30 A.M., September 21, 1990

PLACE: Room 122, 101 East Gaines Street, Tallahassee, Florida. THE PERSON TO BE CONTACTED REGARDING THIS RULE AND THE ECONOMIC IMPACT STATEMENT IS: Director of Appeals, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32399 THE FULL TEXT OF THE RULE IS:

25-6.105 Refusal or Discontinuance of Service by Utility.

(1) Until adequate facilities can be provided, each utility may refuse to serve an applicant if, in the best judgment of the utility, it does not have adequate facilities to render the service applied for.

(2) Each utility may refuse to serve any person whose service requirements or equipment is of a character that is likely to affect unfavorably service to other customers.

(3) Each utility may refuse to render any service other than that character of service which is normally furnished, unless such service is readily available.

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(4) Each utility shall not be required to furnish service under conditions requiring operation in parallel with generating equipment connected to the customer's system if, in the opinion of the utility, such operation is hazardous or may interfere with its own operations or service to other customers or with service furnished by others. Each utility may specify requirements as to connection and operation as a condition of rendering service under such circumstances.

(5) If the utility refuses service for any reason specified in this subsection, the utility shall notify the applicant for service as soon as practicable, pursuant to subsection (7), of the reason for refusal of service. If the utility will discontinue service, the utility shall notify the customer at least five (5) working days prior to discontinuance of that service will cease unless the deficiency is corrected in compliance with the utility's regulations, resolved through mutual agreement, or successfully disputed by the customer. The five-day notice provision does not apply to paragraphs (h), (i), or (j). In all instances involving refusal or discontinuance of service the utility shall advise in its notice that persons dissatisfied with the utility's decision to refuse or discontinue service may register their complaint with the utility's customer relations personnel and to the Florida Public Service Commission at 1-800-342-3552, which is a toll free number. As applicable, each utility may refuse or discontinue service under the following conditions:

(a) For non-compliance with and/or violation of any state or municipal law or regulation governing electric service.

(b) For failure or refusal of the customer to correct any deficiencies or defects in his wiring and/or equipment which are reported to him by the utility.

(c) For the use of energy for any other property or purpose than that described in the application.

(d) For failure or refusal to provide adequate space for the meter and service equipment of the utility.

(e) For failure or refusal to provide the utility with a deposit to insure payment of bills in accordance with the utility's regulation, provided that written notice, separate and apart from any bill for service, be given the customer.

(f) For neglect or refusal to provide safe and reasonable access to the utility for the purpose of reading meters or inspection and maintenance of equipment owned by the utility, provided that written notice, separate and apart from any bill for service, be given the customer.

(g) For non-payment of bills or non-compliance with the utility's rules and regulations, and only after there has been a diligent attempt to have the customer comply including at least five (5) working days' written notice to the customer, such notice being separate and apart from any bill for service, provided that those customers who so desire may designate a third party in the company's service area to receive a copy of such delinquent notice. For purposes of this subsection, "working day" means any

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day on which the utility's business office is open and the U.S. Mail is delivered.

(h) Without notice in the event of a condition known to the utility to be hazardous.

(i) Without notice in the event of tampering with meters or other facilities furnished and owned by the utility.

(j) Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the utility may, before restoring service, require the customer to make at his own expense all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenue resulting from such fraudulent use.

(6) Service shall be restored when cause for discontinuance has been satisfactorily adjusted.

(7) In case of refusal to establish service, or whenever service is intentionally discontinued by the utility for other than routine maintenance, the utility shall notify the applicant or customer in writing of the reason for such refusal or discontinuance.

(8) The following shall not constitute sufficient cause for refusal of service to an applicant or customer:

(a) Delinquency in payment for service by a previous occupant of the premises to be served.

(b) Failure to pay for merchandise purchased from the utility.

(c) Failure to pay for a service rendered by the utility which is non-regulated.

(d) Failure to pay for a different type of utility service, such as gas or water.

(e) Failure to pay for a different class of service.

(f) Failure to pay the bill of another customer as guarantor thereof.

(9) When service has been discontinued for proper cause, each utility may charge a reasonable fee to defray the cost of restoring service, provided such fee is included in its filed tariff.

(10) No utility shall discontinue service to any noncommercial customer between 12:00 noon on a Friday and 8:00 a.m. the following Monday or between 12:00 noon on the day preceding a holiday and 8:00 a.m. the next working day. Provided, however, this prohibition shall not apply when:

 (a) Discontinuance is requested by or agreed to by the customer; or

(b) A hazardous condition exists; or

(c) Meters or other utility owned facilities have been tampered with or

(d) Service is being obtained fraudulently or is being used for unlawful purposes.

Holiday as used in this subsection shall mean New Year's Day, Memorial Day, July 4, Labor Day, Thanksgiving Day and Christmas Day.

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(11) Each utility shall submit, as a tariff item, a procedure for discontinuance of service when that service is medically essential.

Specific Authority: 366.05, F.S.

Law Implemented: 366.05(1), F.S.

History: New 2/25/76, Amended 2/3/77, 2/6/79, 4/13/80, 11/26/80. NAME OF PERSON ORIGINATING PROPOSED RULE: George Hanna, Division of Consumer Affairs

NAME OF SUPERVISOR OR PERSON WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission

DATE PROPOSED RULE APPROVED: July 17, 1990

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.