BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for Revision of Standby Service Rate Schedules and Rules and Regulations on Billing and Metering by Gulf Power Company DOCKET NO. 910030-EI ORDER NO. 24201 ISSUED: 3-5-91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman BETTY EASLEY FRANK S. MESSERSMITH MICHAEL McK. WILSON

NOTICE OF PROPOSED AGENCY ACTION ORDER REVISING TARIFF

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On December 18, 1990 Gulf Power Company filed revisions to its Tariff Sheets numbered 4.16, 4.19, 4.22, 6.2, 6.3, 6.5, 6.7, 6.9, 6.12.2, 6.16, 6.18, 6.20, 6.23, 6.26, 6.28.1, 6.32.1, 6.38, 6.31, 6.32, 6.35, 6.36 and 6.36.1.

The revision to Sheet No. 4.16 deletes paragraph 4.3 and a portion of paragraph 4.4 of the Rules and Regulations section of Gulf's Tariff. Paragraph 4.3 provides that where more than one family or housekeeping unit is being served through the same meter, the minimum bill provision of the rate will be increased in proportion to the number of families or housekeeping units served. We find that this practice is not cost-based and accordingly approve the revision of this Tariff Sheet.

The revisions to Tariff Sheet 4.19 bring this portion of Gulf's Tariff into compliance with Rule 25-6.103, Florida Administrative Code. Accordingly, we approve the revision of this Tariff Sheet.

The revisions to the Tariff Sheets numbered 6.2, 6.3, 6.5, 6.7, 6.9,6.12.2, 6.16, 6.18, 6.20, 6.23, 6.26, 6.28.1, 6.32.1 and 6.38 add a section to each rate schedule implementing the increase

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in the rate of the State of Florida Gross Receipts Tax applicable to sales of electricity. This is in compliance with the amendment to section 203.01, Florida Statutes effective July 1, 1990. Accordingly we approve the revisions to these Tariff Sheets.

The revisions to Tariff Sheets 6.31, 6.35, 6.36 and 6.36.1 are a request for a change from the use of contracted standby service capacity in the determination of the applicable local facilities demand charge to the use of contracted standby service capacity and the rate schedule under which supplemental service is taken for customers with a contracted standby capacity of not less than 7500 KW. (Supplementary service is electric energy or capacity supplied by the company in addition to that which is normally provided by the customer's own generation equipment.) We believe this change in the determination of the applicable charge is not in conformance with Order No. 17159. In Order No. 17159, the Commission found that "the costs of dedicated local facilities... of standby customers shall be recovered through a charge consisting of the distribution unit cost, calculated using 100% ratcheted billing KW as the billing determinant, for the class to which the customer would otherwise belong." Order No. 17159 at 17. We believe that the "class to which the customer would otherwise belong" means the rate class under which the standby service alone would be served if the customer was not required to take service under the standby service rate schedule, i.e., if the customer was not self-We find that the current tariff's paragraph on the generating. local facilities charge is in conformance with Order No. 17159, and therefore the revisions are denied.

The company has requested a change from the use of the supplementary service rate schedule to contracted standby service capacity in determining the applicable fuel charge. For standby service customers who have contracted for not less than 7500 KW of standby service capacity, contracted standby capacity and the rate schedule under which supplementary service is taken would be used. (Supplementary service is electric energy or capacity supplied by the company in addition to that which is normally provided by the customer's own generation equipment.) We find that the requested change for customers contracting for 7500 KW or more is also not in conformance with Order Number 17159 for the reason discussed above. To be in conformance we believe the determination of Gulf's applicable fuel charge should be the same as the present determination of their local facilities charge. Accordingly the requested revision to Tariff Sheets 6.32 and 6.36.1 are denied.

Since the revisions approved in this Order are based on cost and appear to be in conformance with past Orders, no revenues

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associated with these revisions shall be held subject to refund.

Based on the foregoing it is

ORDERED that the revisions to the Tariff of Gulf Power Company filed December 18, 1990 are approved and denied as stated above. It is further

ORDERED that those revisions which are approved shall be effective February 28, 1991. It is further

ORDERED that this docket shall be closed. It is further

ORDERED that this Order shall become final unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

By ORDER of the Florida Public Service Commission, this <u>5th</u> day of <u>March</u>, 1991.

STEVE TRIBBLE, Director Division of Records and Reporting

(SEAL)

RVE

by: Kay Jeyro-Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief

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sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 26, 1991

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.