BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request to Update Forms
Used to Implement Tariffs by
Florida Power Corporation

) DOCKET NO. 951260-EI) ORDER NO. PSC-95-1527-FOF-EI) ISSUED: December 11, 1995

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER APPROVING TARIFF REVISIONS

BY THE COMMISSION:

Florida Power Corporation (FPC) requested deletion of certain tariff sheets that had become obsolete and to correct and update the language and format of other tariff sheets to conform to current approved usage and practice.

FPC requested the deletion of tariff sheets 7.040, 7.041, 7.080, 7.100, 7.105, 7.130, and 7.140 because they have become obsolete. Sheets 7.040 and 7.041 were originally intended to recover costs now covered under Rule 25-6.064, Extension of Facilities; Contribution in Aid of Construction (CIAC). current methodology calculates expected revenue as an offset to the CIAC and is not collected through a minimum bill provision. Sheet 7.080 is a form which could be requested by a customer transferring from one utility to another to document credit with his former utility to assist in establishing credit with the new utility. This is now done electronically or by telephone request and a written form is not required. Sheet 7.100 is a formal agreement on extension of time to pay monthly bills. This has now also been automated through the customer billing system. Sheet 7.105, Application for Street Lighting, has been replaced by a new form with consolidates both street lighting and outdoor (private) lighting on one form. Sheet 7.130, Application of Equal Payment, has been replace by Tariff Sheet 6.121 of the Residential Rate which describes the levelized billing option. Sheet 7.140, Authorization and Approval for Street Light Additions and/or Removals is no longer necessary because all records of addition or removals are kept in the automated customer billing records. If a

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dispute arises, original work orders can be searched to verify installation or removal

Based on the foregoing, we find it appropriate to delete the aforementioned tariff sheets.

FPC proposed revised Tariff sheets 7.070, 7.071, 7.090, 7.110, and 7.180. These forms revise and consolidate previous forms for more efficient operation. There are no substantive changes to any requirements in these forms; the changes are simply to update format and clarify language. Sheet 7.070 deals with landlord responsibility for electricity used at a rental location between Sheet 7.090 deals tenant occupancies. with third party notification of bills. Sheet 7.110 consolidates previous application forms for street lighting and outdoor (private) lighting into a single form for all outdoor lighting to reflect consolidation of the street lighting and outdoor lighting tariffs in the last rate case. Sheet 7.180 deals with third party quarantor contract to establish credit in lieu of a cash deposit.

In addition, FPC proposed new Tariff sheets 7.200, 7.210, 7.220, 7.221, and 7.230. Sheets 7.200 and 7.210, Florida State Sales and Use Tax Exemption Certificate and Agreement, establish a form by which customers specify accounts exempt from state sales and use tax. The Department of Revenue (DOR) has indicated that such a form may help protect the utility from liability for such tax, if at some later date, DOR determines that the energy usage was taxable. The sheets also establish the backup for billing programs to identify which accounts are taxable. Sheet 7.220 and 7.221, Residential Deposit Release, allows one customer of record to transfer an existing residential deposit to another resident of the premises, relieving the original customer from responsibility for any charges to that account. This permits an account to be transferred without the need to close the existing account and to open a new account with a new deposit for the same location and essentially the same customer. Sheet 7.230, PowerPay, allows a customer to have their bill directly deducted from their checking account.

Based on the foregoing, we approve the aforementioned tariff sheets as proposed.

FPC has also requested that the Commission approve proposed Tariff Sheets 7.190, 7.191 and 7.192, Agreement to Purchase and Sell Street Lighting System and to Furnish and Receive Electric Service. Tariff Sheets 7.190 - 7.192 embody a new concept as well as a new form. In the future, FPC anticipates requests to purchase existing street lighting systems from municipalities or other

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governmental agencies who currently own and maintain their own systems. We address here only the form to be used to memorialize such a transaction.

If a city owns its own lighting system, FPC charges an energy only rate since the owner is responsible for maintenance and replacement of poles and fixtures. If FPC owns the system, the customer pays FPC a monthly charge for poles, fixtures and maintenance as well as energy and FPC has responsibility for all maintenance and replacement. This proposal allows FPC to assume ownership of existing streetlighting systems and relieve the municipality or other governmental agency of the responsibility for maintaining the facilities.

Once the system is purchased by FPC, it would be subject to the standard outdoor lighting tariff charges. However, since the facilities were originally purchased with public funds, FPC proposes to exempt the seller from paying the pole and fixture charges for those facilities until the facilities have been fully depreciated. The depreciation would be based on the utility's normal depreciation lives for similar equipment and the seller's original purchase date. Until the facilities are depreciated, the seller would pay only monthly maintenance and energy charges. After that, the seller would begin paying monthly pole and fixture charges in addition to maintenance and energy the same as if FPC had installed the system.

FPC maintains that FPC ownership of street lighting facilities will benefit both the selling entity and FPC. It is more economical for some cities to pay FPC to maintain an outdoor lighting system than to keep adequate personnel on the city payroll to do so. FPC realizes economies of scale and can perform routine maintenance in the normal course of business. In addition, FPC says it routinely receives calls about faulty street lighting, even when the utility does not own it. Owning the system would allow them to respond in a timely manner to complaints without going through a third party. FPC did not provide an estimate of how many systems might take advantage of this provision; therefore, no estimate of cost is available.

Based upon the foregoing, we approve the proposed tariff sheets titled "Agreement to Purchase and Sell Street Lighting System and to Furnish and Receive Electric Service." Upon execution of an "Agreement to Purchase and Sell Street Lighting System and To Furnish and Receive Electric Service," the FPC shall record all transactions in accordance with appropriate regulatory accounting principles. Any costs and revenues associated with a

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system purchase shall be subject to Commission prudence review in future revenue and rate proceedings.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Florida Power Corporation's request for deletions, changes and additions to its tariff sheets is hereby approved as discussed in the body of this Order. It is further

ORDERED that the tariff revisions approved herein are effective November 21, 1995. It is further

ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no protest is filed in accordance with the requirement set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this <u>11th</u> day of <u>December</u>, <u>1995</u>.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

SLE

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

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hearing or judicial review will be granted or result in the relief sought.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, provided by 25-22.036(4), as Rule Administrative provided Code, the form in by 25-22.036(7)(a)(d) and (e), Florida Administrative Code. petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 2, 1996.

In the absence of such a petition, this order shall become final on the day subsequent to the above date.

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 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 wastewater 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 date this Order becomes final, 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.