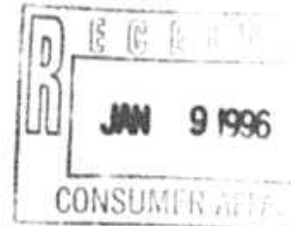




RECEIVED  
Florida Power & Light Company, P. O. Box 8248, Ft. Lauderdale, FL 33340-8248  
FLORIDA PUBLIC  
SERVICE COMMISSION

1994 JAN -9 AM 10:27  
MAIL ROOM



January 8, 1996

Ms. Beverlee S. DeMello, Director  
Division of Consumer Affairs  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Fl., 32399-0850

960025-EI

Dear Ms. DeMello,

In order to ensure that you have the most up to date information, and since the date of the proposed agenda conference has been changed to February 20, we would like to provide an update to the information previously sent to you on November 27, 1995.

Enclosed is a summary of FPL's position regarding this claim, labled "General Summary". This reflects our position on each of the three groups presented by the County, as well as general information applicable to all three scenarios.

Also enclosed for reference purposes is a "Detailed Summary" for each of the 33 locations for which Broward County is making a claim.

Please let me know if you have any questions or need any additional information.

Sincerely,

Steve Romig  
Regional Manager  
Florida Power & Light Company  
7200 NW 4th Sr.  
Plantation, Fl., 33317

Copies To: Ms. Carol Hartman, Broward County  
Ms. Anne Grealy, FP&L  
Mr. Ken Haile, FP&L  
Ms. Roseanne Lucas, FP&L

DOCUMENT NUMBER-DATE

02749 MAR-68

FPSC-RECORDS/REPORTING

## General Summary

### All Groups:

Following are several points that pertain to all of the disputed lights and which support FPL's position that there is no basis for the County's refund claim:

1. The County paid all bills for service to these lights and never expressed any issues or concerns to FPL regarding the billings of any lights. At any time, the County could have requested a review of the accounts, and FPL would have provided a detailed listing of the facilities and locations being billed, just as we did for the current County auditor. FPL cannot be held responsible today for the County's past failure to review street light billings.
2. Although the monthly bills do not list specific light locations, they do reflect the number and type of lights being billed for each account. When new street lights are billed for the first time, this is reflected by an increase in the number of lights on the statement. In addition, FPL also provides notification to the customer of new lights being billed via Form 151. These two steps provide the customer with the information necessary to review the bills and then notify FPL if they have any questions. The County never notified FPL of any concerns when the billings commenced, thereby accepting the accuracy and validity of the billings. If they were being billed for lights which they felt should be billed to a city, it should have been resolved immediately, rather than years later when records are generally unavailable.
3. Broward County states that these lights should have all been billed to various cities, but none of the cities had ever authorized FPL to bill them for the lights. When contacted by FPL as a result of this claim, all of the cities contacted stated that they were not responsible for any of the past billings. Some cities agreed to begin paying for the lights in the future in order to avoid disconnection of the lights, but several of the cities stated that they had no responsibility for the lights whatsoever, past, present or future. The fact that the cities did not direct FPL to establish billings in their names as well as their disclaimer of responsibility for past billings is in direct opposition to the County's claim that the cities should have been billed for these lights.
4. Overall, there are no facts or records which indicate that FPL acted any way but properly in its billing of street lights. There are no facts or records to support the County's position that FPL should have billed the cities for these lights instead of the County. Rather, it appears that the County simply failed to properly manage its review and payment of bills for street lights, and also failed to properly communicate with the cities involved in cases where the County felt the cities should pay for energy charges.

## General Summary

**Group I: "Traffic Illumination Agreements":** Agreements between Broward County and various cities which state that the County will install, own and maintain the lights, and that the cities will pay for energy charges. (FPL was not a party to any of these agreements).

Broward County's position is that the cities should have been billed for these lights, based on the terms of the agreements.

FPL's position is as follows:

1. The County installed, owns and maintains these lights. FPL cannot bill a city for lights that are owned and maintained by the County unless that city specifically authorizes FPL to do so. For all of the items in Group I, no authorizations were received from the cities to bill them for the lights in question. In most instances, there is also no record that FPL was even notified of an agreement between the County and the cities.

2. Broward County indicated that their contractors typically initiate service for lighting installations, of which those being disputed represent only a portion of the total jobs worked over the past 21 years. The County stated at the informal conference (November 30, 1995) that their contractors did not have authorization to request service in the County's name, and therefore the County should not be liable for the past billings already paid by them. However, the County has ratified this practice over the years by allowing its contractors to continue to apply for service without ever notifying FPL that their contractors do not have such authorization. The County cannot now selectively dispute the contractor's authority in certain instances, since this was the accepted practice for all street lights. Further, the County's contractors represented Broward County in all dealings with FPL related to these street light projects, and it was reasonable and logical to believe that the lights should be billed to the County when so requested by the contractors, especially since there were no instructions to the contrary from either Broward County or the cities. (In reviewing an example of the County's standard contract, FPL can find no reference which either allows or precludes the contractor from requesting service in the County's name).

3. When this street light issue was initially raised by Broward County, FPL recommended that the County contact the cities in order to resolve the issue of billing responsibility, since the Traffic Illumination Agreements are contracts between the County and the cities, and FPL is not a party to any of the agreements. To our knowledge, Broward County has not contacted any of the cities involved to discuss this matter. As a result, FPL has contacted many of the cities, and none had ever previously notified FPL to bill them (the cities) for the lights.

4. The terminology used in the Traffic Illumination Agreements does not specify that the energy bills for street lights would be placed in the city's name. It only states that the city would be responsible for energy charges, which could be interpreted to mean that the city would reimburse the County for the energy charges after the County paid the bill. Therefore, even where FPL may have been aware of an agreement, this alone would not justify putting the billing in the cities names without their authorization.

### General Summary

**Group II: "Not County Initiated Projects":** Lights for which Broward County states there is no evidence that the County initiated service to the lights.

Broward County's position is that these are not County initiated projects, and there is no evidence that the County initiated service to these lights.

FPL's position is as follows:

1. The County has been unable to find records in its files to confirm that they requested service to these lights, and has therefore claimed that they did not request such service. However, just because the County could not find records of such requests does not mean a request was not made by the County or its contractors. While these installations are generally very old (up to 21 years) and records are typically unavailable, FPL was able to find documentation for three of these items which show that the lights were indeed specifically requested by Broward County. (The County has subsequently dropped these three items from their claim). In another case, the County's contractor requested service to the lights. In other instances, the lights are maintained by the County, and in one case owned by the County.

2. If the County was of the opinion that the billings should not have been established in the County's name, then they should have raised a question or concern upon initial receipt of the bills. The issue could have been easily resolved at the time. However, they paid the initial bills and all subsequent ones, thereby accepting the billings as accurate and valid. It is unfair and inappropriate to question these bills at this time when neither party has adequate records due the age of these accounts (most of these were established in the 70's and early 80's). In addition, all of the cities contacted in this group stated that they were not responsible for the past billings of these lights, which is in direct opposition to the County's claim that the cities should have been billed since the time of installation.

### General Summary

**Group III: Annexations:** Streetlights for which Broward County was previously responsible and which are in areas subsequently annexed by various cities.

Broward County's position is that billing for the lights should have been changed to the cities when the areas were annexed. (The County does not dispute that they own and maintain the lights, and they do not dispute billing responsibility prior to the annexations).

FPL's position is as follows:

1. FPL was never notified by either the County or any of the cities to change billing for the lights as a result of annexation. All of the lights, except for item E-4-A, are owned and maintained by Broward County. If the County wanted the cities to take over billing responsibility for County owned lights when the areas were annexed, the County should have requested the cities to authorize FPL to bill them for the lights. FPL cannot change the billing of these County owned lights into the cities names without authorization from the cities, and the fact that an annexation occurred has no bearing on billing responsibility and is not by itself justification to change the billing.
2. Item E-4-A includes FPL owned and installed lights. The area in question was annexed by the city on January 1, 1991. However, the Broward County Director of Traffic Engineering requested the installation of these lights in writing on February 13, 1991, six weeks after the date of annexation.
3. In addition to street lights, Broward County also pays for traffic signals in annexed areas. Just as with street lights, these are customer owned facilities, and there is no reason for FPL to arbitrarily change billing responsibility without appropriate authorization from the cities. The County never informed FPL of any desired billing changes at the time, nor did they notify the cities to contact FPL with the necessary authorizations.

3/7 132/r

State of Florida



# Public Service Commission

**-M-E-M-O-R-A-N-D-U-M-**

**DATE:** March 5, 1996  
**TO:** Blanca Bayo, Director, Division of Records and Reporting  
**FROM:** Bev DeMello, Director, Division of Consumer Affairs *(BSP)*  
**RE:** Complaint of Broward County against Florida Power & Light

Please distribute the following correspondence (two letters from Florida Power & Light Company--December 7, 1995 and January 8, 1996; and one letter from Broward County on January 25, 1996) that should be included as documents presented by PSC staff to those individuals listed on the docket, No. 960025-EI.

Let me know if you need additional information. Thank you.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF 1 \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG 1 \_\_\_\_\_
- LEG 1 \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1 \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

*FPL (12/7/95)*  
 DOCUMENT NUMBER-DATE  
 02750 MAR-6 88  
 FPSC-RECORDS/REPORTING

*FPL (1/8/96)*  
 DOCUMENT NUMBER-DATE  
 02749 MAR-6 88  
 FPSC-RECORDS/REPORTING

*Broward County*  
 DOCUMENT NUMBER-DATE  
 02751 MAR-6 88  
 FPSC-RECORDS/REPORTING