BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request to modify Street) DOCKET NO. 961043-EI (OS-1) and Outdoor (OS-II) Lighting Rate Schedules by Gulf) ISSUED: November 18, 1996 Power Company.

) ORDER NO. PSC-96-1357-FOF-EI

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 GULF POWER COMPANY'S TARIFF REVISIONS

BY THE COMMISSION:

As discussed below, we approve Gulf Power Company's (Gulf) proposed tariff revisions. The proposed tariff revisions, modifying Gulf's Street (OS-I) and General Area (OS-II) lighting rate schedules, are effective October 29, 1996.

OS-I

The changes to the OS-I rate schedule include the addition of two new types of Off-Road High Pressure Sodium (HPS) fixtures: a 20,000 Lumen fixture and a 46,000 Lumen fixture. Gulf developed the new fixture charges by applying a fixed charge carrying rate to the installed cost of the fixtures. The maintenance charges were developed based on the cost of maintenance and assumed failure rates. The energy charges were developed based on the estimated energy usage of the lamps and the non-fuel energy rate for lighting of 2.654 cents per kilowatt hour. The proposed charges are as follows:

	20,000 Lumen	46,000 Lumen
Fixture Charge:	\$ 6.54	\$ 7.23
Maintenance Charge	\$ 3.10	\$ 3.29
Energy Charge:	<u>\$ 2.15</u>	\$ 4.27
Total Monthly Charge:	\$11.79	\$14.79

DOCUMENT NUMBER-DATE 12210 NOV 18 8 FPSC-RECORDS/REPORTING

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Gulf also proposed a new 35-foot concrete pole with a monthly charge of \$4.36, and a 40-foot wood pole with a monthly charge of \$3.74. These poles are rented by the customer when lights cannot be installed on existing distribution poles. The charges for these new offerings were developed by applying a fixed charge carrying rate to the installed cost of the poles.

In addition, Gulf proposed to change the pricing of its 20,000 Lumen HPS directional fixture. Under the existing tariff, there are two separate fixture charges for this light. One charge (\$4.35 per month) is applicable to those fixtures located in coastal areas. (within one-half mile of the Gulf of Mexico), and the other (\$10.88 per month) is applicable to non-coastal areas. The rate for coastal areas is lower in order to provide an incentive for customers to chose this fixture in lieu of other types of offerings which are more susceptible to corrosion and wind damage.

Gulf proposed to offer a single fixture rate of \$9.37 per month for both coastal and non-coastal areas. In addition, Gulf would prohibit new installation of those fixtures which are most vulnerable to the coastal environment.

The existing customers who are paying the lower charge for coastal lights would continue to pay that rate until the utility's next general rate case. Those customers currently paying the higher non-coastal rate would pay the new lower rate upon the effective date of the tariff changes, as would any new customers. The company has provided information on the revenue impact of these proposed changes, and it is minimal.

Gulf also offered through its OL-I tariff, a luminaire shield protector to prevent damage to fixtures due to vandalism. On the second occurrence of vandalism to a Gulf fixture, the customer is given the following options:

- 1. The customer can pay the cost of repair and replacement of the damaged fixture, and pay for the installation of a shield to protect the fixture. The charge for the shield is \$150, plus the cost of installation.
- The customer can pay the cost of repair or replacement of the fixture, and continue service with an unshielded fixture. Under this option, the

customer is responsible for any subsequent vandalism damage.

3. The customer can discontinue service to the fixture.

If the customer chooses to shield the fixture following the first instance of vandalism, he pays only the installed cost of the shield. The customer must notify Gulf in writing of which option is selected.

These provisions are virtually identical to Florida Power & Light Company's provisions, which we approved on February 7, 1995. Gulf's provisions adequately protect the remaining ratepayers from the cost of repair for repeated instances of vandalism and are appropriate.

OS-II

The major changes to the OS-II rate schedule include the addition of two new types of fixtures, a 46,000 Lumen Metal Halide floodlight, and a 46,000 Lumen Metal Halide Parking Lot light. The parking lot fixture is available with and without a relay which turns all the lights off and on simultaneously. There is a separate monthly charge for the relay. Gulf developed fixture charges for these new offerings by applying a fixed charge carrying rate to the installed cost of the fixtures. The maintenance charges were developed based on the cost of maintenance and assumed failure rates. The energy charges were developed based on the estimated energy usage of the lamps and the non-fuel energy rate for lighting of 2.654 cents per kilowatt hour. The proposed charges are as follows:

	Floodlight	Parking Lot without relay	Parking Lot with relay
Fixture Charge:	\$ 2.75	\$ 8.17	\$ 8.10
Maintenance Charge:	\$ 1.92	\$ 3.48	\$ 3.38
Energy Charge:	\$ 4.27	\$ 4.27	\$ 4.27
Total Mo. Charge:	\$ 8.94	\$15.92	\$15.75

In addition to the fixture, maintenance and energy charges shown above, customers who choose the Parking Lot fixture must also pay a monthly Lamp Arm charge of \$.78 for a single/double arm, \$2.51 for a triple arm, and \$2.53 for a quadruple arm.

Gulf proposed the same new pole offerings as those proposed for the OS-I rate schedule. The prices for these poles are the same as those proposed for OS-I as discussed above.

In addition to the above discussed changes, Gulf proposed other nonsubstantive changes to the tariff which correct and clarify wording in the tariff, and minor changes to the pole and fixture options. Gulf also proposed the addition of standard form lighting agreements for customer-owned lighting where the customer elects not to buy relamping service from Gulf, as well as numerous minor changes to the existing standard form lighting agreements.

Upon review, we find that the proposed charges discussed above are reasonable. Therefore, the proposed changes are approved.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Gulf Power Company's proposed tariff revisions, as discussed above, are approved. It is further

ORDERED that Gulf Power Company's proposed tariff revisions are effective October 29, 1996. 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 requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this <u>18th</u> day of <u>November</u>, <u>1996</u>.

BLANCA S. BAYÓ, Director Division of Records and Reporting

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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 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 Florida by Rule 25-22.036(4), proceeding, as provided provided by Rule Code, form Administrative in the 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This 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 December 9, 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.