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MEMORANDUM

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August 5, 1998

TO : DIVISION OF RECORDS & REPORTING

RECOPUS AND REPORTING

FROM :

CHRISTIANA T. MOORE, ASSOCIATE GENERAL COUNSEL

RE

DOCKET NO. 980658-EI -PETITION BY FLORIDA POWER & LIGHT COMPANY TO AMEND RULE 25-6.097, F.A.C., TO REMOVE REQUIREMENT THAT GUARANTORS OF BILLS OF NON-RESIDENTIAL

CUSTOMERS BE CUSTOMERS OF UTILITY.

Enclosed is a Notice of Proposed Rule Development. Industry distribution is Electric IOUs. This document must be issued within ______ working days.

NPRD097.MRD Attachments

cc: Wanda Terrell

bg. 1

13/17

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO: 980658-EI

IN RE: GUARANTORS OF NONRESIDENTIAL ELECTRIC CUSTOMER BILLS

NOTICE OF PROPOSED RULE DEVELOPMENT

TO

ALL INTERESTED PERSONS

ISSUED: August 6, 1998

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission has initiated the development of Rule 25- 6.097, Florida Administrative Code, to adopt provisions relating to customer deposits.

The attached Notice of Proposed Rule Development will appear in the August 14, 1998, edition of the Florida Administrative Weekly. If requested in writing and not deemed unnecessary by the agency head, a rule development workshop will be noticed in the next available Florida Administrative Weekly.

The request must be submitted in writing and received by the Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0870, no later than September 4, 1998.

Any person requiring some accommodation at this workshop because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

By Direction of the Florida Public Service Commission, this 6th day of August, 1998.

BLANCA S. BAYO, Director

Division of Records & Reporting

(SEAL)

CTM

DOCUMENT NUMBER - DATE

08355 AUG-68

FPSC-RECORDS/REPORTING

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FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO: 980658-EI

RULE TITLE: RULE NO.:

Customer Deposits 25-6.097

PURPOSE AND EFFECT: The purpose of the amendment is to allow a non-residential customer to use its parent or affiliate company as a guarantor of bills even if the guarantor is not a customer of the utility.

SUBJECT AREA TO BE ADDRESSED: Guarantors of nonresidential electric customer bills.

SPECIFIC AUTHORITY: 366.05(1), 350.127(2), FS.

LAW IMPLEMENTED: 366.03, 366.04(1), 366.05(1), 366.06(1), FS.

IF REQUESTED IN WRITING AND NOT DEEMED UNNFCESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT AVAILABLE FLORIDA ADMINISTRATIVE WEEKLY.

THE WORKSHOP REQUEST MUST BE SUBMITTED IN WRITING WITHIN 21 DAYS OF THE DATE OF THIS NOTICE TO THE COMMISSION'S DIVISION OF RECORDS AND REPORTING, 2540 SHUMARD OAK BOULEVARD, TALLAHASSEE, FL 32399-0870. THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT IS: David Ging, Division of Electric & Gas, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399 0862.

Any person requiring some accommodation at this workshop because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 h urs prior to

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the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

25-6.097 Customer Deposits.

- (1) No Change.
- The applicant for service furnishes a satisfactory guarantor to secure payment of bills for the service requested. For residential customers, a satisfactory guarantor shall, at the minimum, be a customer of the utility with a satisfactory payment record. For non-residential customers, a satisfactory quarantor need not be a customer of the utility. Each utility shall develop minimum financial criteria that a proposed quarantor must meet to qualify as a satisfactory quarantor. A copy of the criteria shall be made available to each new non-residential customer upon request by the customer. The minimum financial criteria shall be applied uniformly in judging the acceptability of proposed quarantors. A quarantor's liability shall be terminated when a residential customer whose payment of bills is secured by the guarantor meets the requirements of subsection (2) of this rule. Guarantors providing security for payment of residential customers: bills shall only be liable for bills contracted at the service address contained in the contract of quaranty.
 - (b) (7) No Change.

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Specific Authority: 366.05(1), 350.127(2), F.S.

Law Implemented: 366.03, 366.041(1), 366.05(1), 366.06(1), F.S.

History: New 7-29-69, Amended 5-9-76, 7-8-79, 6-10-80, 10-17-83,

1-31-84, formerly 25-6.97, Amended 10-13-88, 4-25-94.