

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Kissimmee
Utility Authority to add a "Due
Diligence" clause to its General
Rules and Regulations and to
revise its customer billing and
deposit practices.

DOCKET NO. 990944-EM
ORDER NO. PSC-99-2006-TRF-EM
ISSUED: October 14, 1999

The following Commissioners participated in the disposition of
this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.

ORDER GRANTING APPROVAL OF TARIFF REVISIONS
REGARDING CUSTOMER BILLINGS AND DEPOSIT PRACTICES

BY THE COMMISSION:

On June 22, 1999, Kissimmee Utility Authority (KUA) submitted
a petition to revise its tariff. KUA requests authority to add a
"due diligence" provision to its tariff. KUA also seeks to modify
language regarding customer billings and deposit practices.

Chapter 366.04(2), Florida Statutes, lists four areas over
which we have jurisdiction for municipal and rural cooperative
electric utilities: System of accounts, rate structure, grid
participation, and territorial matters. Section 366.04(6), F.S.,
adds the enforcement of the National Electric Safety Code to that
list. At issue is whether the proposed "due diligence" language
falls under any of the categories subject to our review. Upon
review, we find that this, and similar general operating rules, do
not constitute rate structure and therefore do not require our
approval. Such information is important to a complete
understanding of a municipal utility's operation and should be
filed as part of the utility's tariff, but does not require us to
approve these type provisions.

DOCUMENT NO.
12505-99
10/14/99

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We recognize tariff filing requirements for municipal and cooperative utilities have often fallen into grey areas. While limitations on our authority to review cost support and to pursue remedies when we disagree with the utility exist, all utility documentation historically has been filed as a "tariff" and was formally or administratively approved by us, whether or not the information directly concerned rates or charges. There is some question, however, on whether the term "rate structure" extends to non-rate areas such as general rules and regulations governing utility operation.

Therefore, while a utility may be required to file general policy statements such as the proposed language, there is no requirement or clear provision for us to make an affirmative decision on it under the specific authority of Chapter 366.04(2), F.S., because it does not address rate structure. If the utility derives comfort from including this language in its tariff, it may do so without formal approval. Since municipal and cooperative utilities may go into effect without our approval, we decline to take action on the proposed "due diligence" clause. We find, however, that the modifications regarding customer billings and deposit practices are appropriate. Accordingly, we approve them.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Kissimmee Utility Authority's request to revise its customer billing and deposit practices is approved. It is further

ORDERED by the Florida Public Service Commission that we decline to take action on Kissimmee Utility Authority's request to add a "due diligence" clause to its General Rules and Regulations. It is further

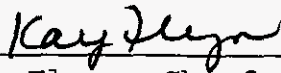
ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

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By ORDER of the Florida Public Service Commission this 14th
day of October, 1999.

BLANCA S. BAYÓ, Director
Division of Records and Reporting



Kay Flynn, Chief
Bureau of Records

(S E A L)
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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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 proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, 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 November 4, 1999.

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In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

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 a protest is filed within 21 days of the Commission order approving this tariff, the tariff should remain in effect pending resolution of the protest, with any charges held subject to refund pending resolution of the protest. If no protest is filed, this docket should be closed upon the issuance of a Consummating Order.