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Florida Power & Light Company, P. O. Box 14000, Juno Beach, FL 33408-0420 Law Department

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Bryan S. Anderson Senior Attorney (561) 304-5253 (561) 691-7135 (Facsimile) email: bryan_anderson@fpl.com

COMMISSION CLERK

March 31, 2006

VIA HAND DELIVERY

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission Betty Easley Conference Center 2540 Shumard Oak Boulevard, Room 110 Tallahassee, FL 32399-0850

040301-EI

Re: Petition of Florida Power & Light Company for Approval of an Optional Budget Billing Program for GSD-1 Rate Customers

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") is an original and seven (7) copies of FPL's Petition for Approval of an Optional Budget Billing Program for GSD-1 Rate Customers. Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Also enclosed is a diskette containing FPL's Petition in Word.

Please contact me should you have any questions regarding this filing. Thank you for your assistance regarding this matter.

Sincerely,

R.S. Anton

Bryan S. Anderson

BSA/jsb Enclosures



DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

an FPL Group company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Florida Power & Light Company's Petition for Approval of a Permanent Program Expanding Optional Budget Billing to GSD-1 Rate Customers Docket No.

Filed: March 31, 2006

PETITION OF FLORIDA POWER & LIGHT COMPANY FOR APPROVAL OF AN OPTIONAL BUDGET BILLING PROGRAM FOR GSD-1 RATE CUSTOMERS

Florida Power & Light Company ("FPL"), by and through its counsel, and pursuant to Sections 366.05(1) and 366.06, Florida Statutes (2005), respectfully requests that the Florida Public Service Commission (the "Commission") approve FPL's proposal to expand its optional budget billing program in order to provide an alternative method of billing for its GSD-1 Rate customers. In support of this Petition, FPL states as follows:

1. FPL is a public utility subject to the jurisdiction of the Florida Public Service Commission ("Commission") pursuant to Chapter 366 of the Florida Statutes. FPL's General Offices are located at 9250 West Flagler Street, Miami, FL 33174.

2. The names and addresses of FPL's representatives to receive communications regarding this docket are:

William G. Walker, III	Bryan S. Anderson
Florida Power & Light Company	Senior Attorney
Vice President	Authorized House Counsel No. 219511
215 South Monroe Street	Florida Power & Light Company
Suite 810	700 Universe Boulevard
Tallahassee, Florida 32301-1859	Juno Beach, Florida 33408
	Telephone: 561-304-5253
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3. FPL wishes to make available a budget billing program on a permanent basis to its nonresidential customers served under the GSD-1 Rate (the "GSD-1 Program"). This proposal follows successful implementation of a permanent GS-1 Rate budget billing program, serving other nonresidential customers, previously approved by the Commission and described

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below. In order to implement the GSD-1 Program, FPL requests that the Commission approve its Second Revised Sheet No. 6.052, attached as Exhibit A. Second Revised Sheet No. 6.052 is provided in clean and redline versions.

4. During 1993 the Commission approved a budget billing program for FPL's customers receiving electric service under the RS-1 Rate (the "Residential Program") in Order No. PSC-93-0452-FOF-EI, dated March 24, 1993 in Docket No. 930203-EI. FPL is not proposing any changes to the Residential Program. The Commission subsequently approved a permanent budget billing program for FPL nonresidential service customers served on Rate GS-1 in Order No. PSC-05-1113-CI-EI, dated October 6, 2005. The Commission also previously approved requests by Tampa Electric Company and Gulf Power Company to offer budget billing to their non-residential customers in Order No. PSC-98-07470-FOF-EI, dated May 29, 1998, respectively.

5. FPL recently completed a successful implementation of a permanent budget billing program for GS-1 nonresidential customers. FPL's experience is that small and medium business customers value the ability to choose budget billing, for several reasons, the most often mentioned of which is that it helps them budget from month to month. Accordingly, FPL's proposed offering of budget billing to GSD-1 customers will broaden the availability of a voluntary payment option to additional nonresidential customers.

6. FPL has experience implementing and administering nonresidential budget billing programs of the type proposed. FPL initially conducted a Pilot Program for GS-1 customers. As authorized by the Commission in Order No. PSC-03-0676-TRE-EI, dated June 4, 2003 in Docket No. 030315-EI, FPL offered approximately 10,000 GS-1 customers an opportunity to participate in budget billing. About 9% of these customers chose to participate in budget billing. Subsequently, the Commission approved FPL's proposal to offer GS-1 budget billing on a permanent basis in Order No. PSC-05-1113-CO-EI, discussed above, which program FPL is in the process of expanding. To FPL's knowledge, no informal or formal customer complaints were made concerning the GS-1 budget billing program either as a pilot or as a permanent

program. Accordingly, FPL considers that its experience with offering GS-1 budget billing, on an optional basis, to all eligible GS-1 customers supports the reasonableness of expanding availability of budget billing, on an optional basis, to GSD-1 customers. FPL believes that the expansion of budget billing contemplated by this Petition can reasonably be achieved with a permanent offering rather than with a pilot program because of the successful experience with the pilot program for similar GS-1 budget billing, and recent implementation of the permanent GS-1 Program. FPL does not believe that total uncollectible amounts and write-offs associated with GSD-1 customers will be materially affected by offering budget billing to GSD-1 customers.

7. FPL's GSD-1 Program will operate in the same way as the GS-1 Program, which in turn is patterned on the Company's Residential Program in all but one respect. In contrast to the Residential Program, to be eligible to participate in the GS-1 Program or the proposed GSD-1 Program, a customer must have received twelve consecutive months of service at the service address. This is necessary because of the potentially significant variances in usage of GS-1 and GSD-1 customers that change service addresses (for example as their businesses grow larger), as well as successor customers at the same service address. Variances in usage between successor residential customers at the same service address, and different residences occupied by the same customer, on the other hand, are typically not as large.

8. In order to permit sufficient time for training of employees and to ensure proper functioning of necessary business processes and systems, FPL proposes to begin offering the GSD-1 Program to customers during July 2006. Customers not on the budget billing plan will be notified annually of its availability. While the program is voluntary, participation will be subject to certain eligibility requirements. Specifically, as is the case with the GS-1 program, GSD-1 customers with a delinquent balance on their FPL accounts will not be eligible to participate in the GSD-1 Program. As mentioned above, a GSD-1 customer must also have received electric service at the premise for twelve consecutive months in order to participate, as is the case with GS-1 budget billing customers.

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9. Consistent with the GS-1 Program and the existing Residential Program, a GSD-1 customer that chooses to participate in the GSD-1 Program will be billed monthly on a levelized basis. The levelized amount is calculated by averaging the last twelve monthly billings for the premise, and applying the current GSD-1 rate and appropriate adjustments. The difference between the levelized amount and the regular bill amount is added to a deferred balance. The current levelized amount is adjusted each month by adding the deferred balance adjustment, which is calculated by dividing the current deferred balance total by twelve. The levelized amount, plus the deferred balance adjustment, constitutes the current month's budget billing amount. Based on the Company's past experience with budget billing programs, FPL anticipates that over time about 10% of the approximately 92,000 GSD-1 customers will choose service under the GSD-1 budget billing program.

10. As with the GS-1 Program, participants in the GSD-1 Program will receive the following information on their monthly bill: current consumption and associated charges, the levelized or "budget bill" charge, and the cumulative deferred balance.

11. Other terms and conditions are the same as the GS-1 Program. A customer may terminate participation in the GSD-1 Program at any time, and may be terminated from the program by FPL if the customer's account becomes subject to collection action. If a customer's participation in the program is terminated, the customer may not be reinstated into the program for twelve months following the date of termination. Upon termination of a customer's participation in the GSD-1 Program for any reason, any amount in the deferred balance owed to FPL will be billed to the customer in the next billing cycle under the GSD-1 rate. Further, any amount in the deferred balance owed to the customer will be credited against any outstanding billed amounts, and any remaining balance will be credited against the customer's future billings or returned upon request. Customers that transfer the location of their service account within FPL's service territory will have the debit or credit balance transferred to the new service address.

12. FPL is not aware of any contested issues of material fact with respect to this Petition.

WHEREFORE, for the foregoing reasons, FPL respectfully requests that the Commission grant FPL's Petition and approve establishing a voluntary budget billing program for FPL's GSD-1 customers, together with the attached Second Revised Tariff Sheet No. 6.052 to become effective on July 1, 2006.

Respectfully submitted,

By: TCJ. A

Bryan S. Anderson Senior Attorney Authorized House Counsel No. 219511 Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 (561) 304-5253 (561) 691-7135 Telecopier

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EXHIBIT "A"

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7.14 Budget Billing.

7.14.1 Residential. Any residential Customer who has no delinquent balances with the Company is eligible to participate in the Budget Billing Plan described below for RS-1 rate billings. A Customer may terminate participation in the Budget Billing Plan at any time and may be terminated from the Budget Billing Plan by FPL if the Customer becomes subject to collection action on this service account. Once a Customer's participation in the Budget Billing Plan has terminated he/she may not rejoin the Budget Billing Plan for twelve (12) months following the date of termination. Each eligible Customer not on this Budget Billing Plan will be notified annually of its availability.

Under the Budget Billing Plan, a Customer is billed monthly on a levelized consumption basis rather than on the basis of current consumption. The levelized amount is determined by averaging the last 12 monthly billings for the premise, or the average of all available billing history, whichever is less, and applying the current RS-1 rate and appropriate adjustments. If the Customer has not resided at the premise for 12 months, the Customer's monthly billings plus the previous tenant's billings will be used. Any difference between the levelized amount and the regular bill amount is added to a deferred balance. The current levelized amount is adjusted each month by adding the deferred balance adjustment, which is calculated by dividing the current deferred balance total by 12. The levelized amount, plus the deferred balance adjustment, constitutes the current month's Budget Billing amount. Customers on the Budget Billing Plan will receive the following information on their monthly bill: current consumption and associated charges, the total budget bill charge, and the cumulative deferred balance.

If the Customer's participation in the Budget Billing Plan is terminated, any amount in the deferred balance which the Customer owes to FPL will be billed to the Customer according to the terms of Section 7.9; any amount in the deferred balance which is owed to the Customer will be credited against any outstanding billed amounts, and any remaining balance will be credited against the Customer's future billings or returned upon request. Customers who transfer the location of their service account within FPL's service territory will have the debit or credit balance transferred to the new service address.

7.14.2 Non-residential. Any GS-1 or GSD-1 Customer who has no delinquent balances and has been at the same location for 12 consecutive months with the Company is eligible to participate in the Budget Billing Plan described below for GS-1 and GSD-1 rate billings. However, GS-1 or GSD-1 Customers that rent electrical facilities from the Company under a Facility Rental Service Agreement will not be eligible to participate in this Budget Billing Plan. Additionally, GSD-1 customers taking service under the Seasonal Demand Time of Use Rider will not be eligible to participate in the Budget Billing Plan. A Customer may terminate participation in the Budget Billing Plan at any time and may be terminated from the Budget Billing Plan by FPL if the Customer becomes subject to collection action on this service account. Once a Customer's participation in the Budget Billing Plan has terminated he/she may not rejoin the Budget Billing Plan for twelve (12) months following the date of termination. Each eligible Customer not on this Budget Billing Plan will be notified annually of its availability.

Under the Budget Bill Plan, a Customer is billed monthly on a levelized consumption basis rather than on the basis of current consumption. The levelized amount is determined by averaging the last 12 monthly billings for the premise and applying the current GS-1 or GSD-1 rate and appropriate adjustments. If the Customer has not received electric service at the premise for 12 consecutive months, the Customer is not eligible to participate in the program. Any difference between the levelized amount and the regular bill amount is added to a deferred balance. The current levelized amount is adjusted each month by adding the deferred balance adjustment, which is calculated by dividing the current deferred balance total by 12. The levelized amount, plus the deferred balance adjustment, constitutes the current month's Budget Billing amount. Customers on the Budget Bill Plan will receive the following information on their monthly bill: current consumption and associated charges, the total budget bill charge, and the cumulative deferred balance.

If the Customer's participation in the Budget Bill Plan is terminated either at the request of the Customer or the Company, or as a result of termination of this Budget Billing Plan, any amount in the deferred balance which the Customer owes to FPL will be billed to the Customer according to the terms of Section 7.9; any amount in the deferred balance which is owed to the Customer will be credited against any outstanding billed amounts and any remaining balance will be credited against the Customer's future billings or returned upon request. Customers who transfer the location of their service account within FPL's service territory will have the debit or credit balance transferred to the new service address.

FLORIDA POWER & LIGHT COMPANY

SecondFirst Revised Sheet No. 6.052 Cancels <u>FirstOriginal</u> Sheet No. 6.052

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<u>7.14.2 Non-residential.</u> Any GS-1 or <u>GSD-1</u> Customer who has no delinquent balances and has been at the same location for 12 consecutive months with the Company is eligible to participate in the Budget Billing Plan described below for GS-1 and <u>GSD-1</u> rate billings. However, GS-1 or <u>GSD-1</u> Customers that rent electrical facilities from the Company under a Facility Rental Service Agreement will not be eligible to participate in this Budget Billing Plan. <u>Additionally, GSD-1</u> Customers taking service under the Seasonal Demand <u>Time of Use Rider will not be eligible to participate in the Budget Billing Plan</u>. A Customer may terminate participation in the Budget Billing Plan at any time and may be terminated from the Budget Billing Plan by FPL if the Customer becomes subject to collection action on this service account. Once a Customer's participation in the Budget Billing Plan has terminated he/she may not rejoin the Budget Billing Plan for twelve (12) months following the date of termination. Each eligible Customer not on this Budget Billing Plan will be notified annually of its availability.

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