State of Florida



Hublic Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

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

DATE:

November 22, 2011

TO:

Office of Commission Clerk (Cole)

FROM:

Division of Economic Regulation (A. Roberts, Drape

Office of the General Counsel (Barrera)

RE:

Docket No. 110293-EI – Petition for approval of revised underground residential

distribution tariffs, by Progress Energy Florida, Inc.

AGENDA: 12/06/11 - Regular Agenda - Tariff Filing - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER:

Administrative

CRITICAL DATES:

12/13/11 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS:

None

FILE NAME AND LOCATION:

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Case Background

On October 14, 2011, Progress Energy Florida (PEF) filed a petition for Commission approval of revision to its Underground Residential Distribution (URD) Tariff Sheet Nos. 4.113, 4.114, 4.115, and 4.122, and their associated charges. The URD tariffs apply to new residential developments and represent the additional costs PEF incurs to provide underground distribution service in place of overhead service.

Rule 25-6.078, Florida Administrative Code, requires investor-owned electric utilities (IOU) to file updated URD charges for Commission approval at least every three years, or sooner if a utility's underground cost differential for the standard low-density subdivision varies from the last approved charge by 10 percent of more.

DOCUMENT NUMBER OF ATT

08542 NOV 22 =

Docket No. 110293-EI Date: November 22, 2011

The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes.

Docket No. 110293-EI Date: November 22, 2011

Discussion of Issues

<u>Issue 1</u>: Should the Commission suspend PEF proposed Tariff Sheets Nos. 4.113, 4.114, 4.115 and 4.122 regarding construction of underground residential facilities?

Recommendation: Yes. (A. Roberts, Draper)

<u>Staff Analysis</u>: Staff is recommending that the tariff be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposal.

Pursuant to Section 366.06(3), Florida Statutes, the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such increase a reason or written statement of good cause for doing so within 60 days. Staff believes the reason stated above is good cause consistent with the requirement of Section 366.03(3), Florida Statutes.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission's final decision on the proposed tariff revision. (Barrera)

<u>Staff Analysis</u>: This docket should remain open pending the Commission's final decision on the proposed tariff revision.