

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of revisions to
deposit provisions of tariff sheet Nos. 4.12 and
6.23, by Gulf Power Company.

DOCKET NO. 170109-EI
ORDER NO. PSC-17-0240-TRF-EI
ISSUED: June 21, 2017

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman
ART GRAHAM
RONALD A. BRISÉ
JIMMY PATRONIS
DONALD J. POLMANN

ORDER APPROVING GULF POWER COMPANY'S
MODIFICATIONS TO TARIFF SHEET NOS. 4.12 AND 6.23

BY THE COMMISSION:

On May 5, 2017, Gulf Power Company (Gulf or Company) filed a petition requesting Commission approval of amendments to Tariff Sheet Nos. 4.12 and 6.23 regarding customer deposits. During the 2015 session, the Florida Legislature enacted House Bill 7109 which was incorporated into Chapter 2015-129, Laws of Florida. Among other things, the legislation created Section 366.05(1)(b) and (c), Florida Statutes (F.S.). Paragraph (1)(b) addresses billing periods and Paragraph (1)(c) addresses customer deposits. These laws became effective on July 1, 2015. We adopted amendments to Rules 25-6.100 (Customer Billings) and 25-6.097 (Customer Deposits), Florida Administrative Code (F.A.C.), respectively, to implement the laws enacted in July 2015.¹

Gulf is requesting tariff modifications at this time to ensure that the Company's tariff language continues to conform to the applicable statutes and Commission rules. We have jurisdiction in this matter pursuant to Sections 366.03, 366.05, and 366.06, F.S.

DECISION

Gulf's proposed tariff modifications are designed to conform Gulf's tariff to the applicable statutes and Commission rules. The Company's proposed tariff modifications address customer deposits. At this time, Gulf does not have tiered rate schedules; therefore, the Company is not proposing any changes to its tariff as a result of the changes to Section 366.05(1)(b), F.S., and Rule 25-6.100, F.A.C.

Section 366.05(1)(c), F.S., provides that for an existing account, the total deposit may not exceed two months of average actual charges. For a new service request, the total deposit may not exceed two months of projected charges. Once a new customer has had continuous service

¹ Order No. PSC-16-0024-FOF-PU, issued January 12, 2016, in Docket No. 150241-PU, In re: Proposed amendments to Rules 25-6.093, Information to Customers; 25-6.097, Customer Deposits; 25-6.100, Customer Billings; 25-7.079, Information to Customers; 25-7.083, Customer Deposits; and 25-7.085, Customer Billing, F.A.C.

for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying the additional amount that may be billed by the utility or the utility returning any overcharge.

We amended Rule 25-6.097(1), F.A.C., to state that the utility's methodology for determining customer deposits for existing and new accounts shall conform to Section 366.05(1)(c), F.S.² The prior rule language already required that the total amount of a deposit not exceed twice the average monthly bill.

Gulf's proposed amendments to Tariff Sheet No. 4.12 conform to the new statutory language regarding the recalculation of the deposit after 12-months. Gulf's proposed amendments to Tariff Sheet No. 4.12 comport with this language by providing that: (a) if the recalculated deposit amount based on the previous 12-months billing history is less than the customer's current deposit amount, the difference between the deposit amounts will be refunded or applied as a credit to the customer account; and (b) if the recalculated deposit amount exceeds the customer's current deposit amount, the Company may request an additional deposit amount. Gulf also proposed revisions to Tariff Sheet No. 6.23 to conform to Rule 25-6.097, F.A.C.

Pursuant to Rule 25-6.097(3), F.A.C., utility customers receive refunds of their deposits with interest after a period of 23 months of continuous service, assuming their payment record is satisfactory. Therefore, for the majority of utility customers, the deposit amount recalculation after a 12-month period of continuous service occurs only once.

Upon review of the applicable statutes, rules, and proposed tariffs filed by Gulf, we find that the tariff sheet revisions conform to the applicable statutes and rules. Therefore, we approve Gulf's requested modifications to Tariff Sheet Nos. 4.12 and 6.23, as reflected in Attachment A, effective June 5, 2017.

Based on the above, it is

ORDERED by the Florida Public Service Commission that Gulf Power Company's requested modifications to Tariff Sheet Nos. 4.12 and 6.23, as reflected on Attachment A, are hereby approved, effective June 5, 2017. It is further

ORDERED that if a protest is filed within 21 days of the issuance of this Order, the tariff shall remain in effect with any charges held subject to refund 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.

²Id.

By ORDER of the Florida Public Service Commission this 21st day of June, 2017.



CARLOTTA S. STAUFFER
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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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 Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 12, 2017.

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.



Section No. IV
~~Tenth~~^{Eleventh} Revised Sheet No. 4.12
Canceling ~~Ninth~~^{Tenth} Revised Sheet No. 4.12

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PART II
CREDIT REGULATIONS

- 2.1 DEPOSIT REQUIREMENT - ~~A cash deposit, amounting to approximately twice the estimated monthly bill (such estimate to be made by the Company), or guaranty satisfactory to the Company (each guarantor must enter into a guaranty contract), or in lieu thereof an irrevocable letter of credit from a bank or a surety bond, may be required at the option of the Company of an applicant for service to guarantee the payment of all bills and the protection of the Company's property on the Customer's premises. The Company reserves the right to require such deposits to be made by the Customer, or the original deposit to be increased to such amount as the Company shall deem necessary if at any time in the judgement of the Company such deposit or increase is necessary for its full protection. The Company may require an applicant for service, or an existing customer, to satisfactorily establish credit to secure payment of bills and protection of Company property on the Customer's premises. Credit will be deemed satisfactorily established through provision of: (a) a cash deposit; (b) irrevocable letter of credit from a bank or surety bond; or (c) an acceptable guaranty. For a new service request, the total deposit may not exceed 2 months of projected charges. Once a new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. To the extent that the recalculated deposit amount is less than the initial deposit amount, the Company will return the difference to the customer. To the extent that the recalculated deposit amount exceeds the initial deposit amount, the Company may charge the customer for the difference. Should the Company require a deposit on an account established prior to January 1, 2016, or should a customer request a deposit to be recalculated on such an account, the Company shall recalculate the deposit by utilizing only the available monthly charges from the 12-month period prior to the date the change is sought. In either event, the total deposit shall not exceed 2 months of average actual charges.~~
- 2.2 INTEREST ON DEPOSIT - The Company will issue a receipt to the Customer covering the amount of the initial deposit. Interest will be paid at the rate of 2 percent for all residential customers. For non-residential customers, interest will be paid at the rate of 2 percent for 23 months and at 3 percent after 23 months for non-residential customers who meet the criteria (a-e) in section 2.3 below. The interest will be paid annually in June of each year by applying the credit to the Customer's electric service bill. The Company shall not be required to pay interest on any deposit when the deposit has been held for a period of less than six months.
- 2.3 REFUND OF RESIDENTIAL DEPOSIT - Customer deposits securing residential accounts will be refunded by crediting the amount of the deposit plus interest to the electric service bill after the deposit has been held for a period of twelve months, provided within the last twelve months the Customer has not (a) been sent more than one reminder notice, (b) been disconnected for non-payment, (c) had a dishonored check charged to the account, (d) tampered with the meter or stolen electricity, or (e) made fraudulent use of service. When the service is discontinued where a deposit exists on the account, the amount of the deposit, with accrued interest due from the last annual payment date or deposit date, will be paid to the Customer after deducting therefrom all sums owed to the Company by the Customer, including damages to the property of the Company on the Customer's premises.
- 2.4 APPLICATION OF DEPOSIT - Deposits shall not be applied in payment of current month bills, and such deposits shall in no way affect the Company's rights arising from non-payment of bills as provided for in the Company's "Rules and Regulations for Electric Service" or in applications or contracts for service.



Section No. VI
~~Twenty-First~~~~Twenty-Second~~ Revised Sheet No. 6.23
Canceling ~~Twenty-First~~~~Twenty-Second~~ Revised Sheet No. 6.23

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(Continued from Rate Schedule OS, Sheet No. 6.22)

OS-III OTHER OUTDOOR SERVICE (OL1)

Other outdoor service for Customer-owned facilities with fixed wattage loads operating continuously throughout the billing period such as, but not limited to, traffic signals and cable television amplifiers shall be billed according to the monthly rate below:

4.968 cents per kWh for all kWh

The estimated annual kWh usage shall be determined by multiplying the annual operation hours times the maximum demand. The monthly kWh usage will be one-twelfth (1/12) of the estimated annual kWh usage. Maximum demand shall be the total number of kilowatts connected at any one time. At the option of the Company service rendered under this section may be metered and billed under the applicable General Service rate schedule. Minimum Monthly bill shall be \$1.00 per service connection.

TERM OF CONTRACT (OS-I/II, OS-III):

Service under this Rate Schedule shall be for an initial period of not less than three (3) years and shall remain until terminated by notice to either party by the other. When additional facilities are required, the Company may require a contract for a longer initial period. There is no term of contract for rate OS-III.

DEPOSIT (OS-I/II, OS-III):

A deposit amounting to ~~not over one-half the billing for the initial contract period~~ twice the estimated average monthly bill may be required before service is connected at designated premises. The deposit may be applied to any final bills against the Customer for service.

ISSUED BY: S. W. Connally, Jr.