



Dianne M. Triplett
Deputy General Counsel

April 4, 2018

VIA ELECTRONIC FILING

Ms. Carlotta Stauffer, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Petition of Duke Energy Florida, LLC, for Limited Proceeding for Approval of a smart meter opt-out tariff; Docket No. _____*

Dear Ms. Stauffer:

On behalf of Duke Energy Florida, LLC ("DEF"), please find enclosed for electronic filing:

DEF's Petition for Limited Proceeding for Approval of a smart meter opt-out tariff;

- Exhibit A- Enrollment fee and monthly surcharge calculations;
- Exhibit B- Original and revised tariff sheets (Clean & Legislative format);

Thank you for your assistance in this matter. Please feel free to call me at (727) 820-4692 should you have any questions concerning this filing.

Respectfully,

s/Dianne M. Triplett

DIANNE M. TRIPLETT

DMT/at
Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Duke Energy Florida,
LLC for Limited Proceeding for
Approval of a smart meter opt-out tariff

Docket No. _____

Submitted for filing:
April 4, 2018

**PETITION FOR LIMITED PROCEEDING FOR
APPROVAL OF A SMART METER OPT-OUT TARIFF**

Pursuant to Sections 366.06(3) and 366.076(1), Fl. Stat. (“F.S.”), Rules 25-6.033 and 25-9.004(2), F.A.C., Duke Energy Florida, LLC (“DEF” or “the Company”), respectfully petitions the Florida Public Service Commission (“PSC” or “the Commission”) for a limited proceeding for approval of an optional Non-Standard Meter Rider (“NSMR”) tariff for residential and general service customers who request a meter that either does not utilize radio frequency communications to transmit data, or is otherwise required to be read manually.

In support of this Petition, DEF submits the following:

I. Preliminary Information

1. DEF is a public utility subject to the regulatory jurisdiction of the Commission pursuant to Chapter 366, F.S. The Company’s principal place of business is located at 299 First Avenue North, St. Petersburg, Florida 33701.

2. All notices, pleadings and correspondence required to be served on the petitioner should be directed to:

Dianne M. Triplett
Post Office Box 14042
St. Petersburg, FL 33733-4692
(727) 820-4692

Matthew R. Bernier
106 East College Avenue, Suite 800
Tallahassee, FL 32301
(850) 521-1428

3. DEF serves approximately 1.8 million retail customers in Florida. Its service area comprises approximately 20,000 square miles in 35 of the state’s 67 counties, including the densely populated areas of Pinellas and western Pasco Counties and the Greater Orlando area

in Orange, Osceola, and Seminole Counties. DEF supplies electricity at retail to approximately 350 communities and at wholesale to Florida municipalities, utilities, and power agencies in the State of Florida.

4. The Commission has jurisdiction pursuant to §§ 366.03, 366.04, 366.05 and 366.06, Florida Statutes. By Rule 25-6.049, F.A.C., the FPSC requires utilities to use commercially acceptable measuring devices owned and maintained by the utility to measure their customers' energy use.

II. Background

5. On September 20, 2012 Staff conducted a smart meter workshop to gather information on Automated Meter Infrastructure (“AMI”) and to address many of the concerns raised by Florida customers. AMI is considered the foundation for which utilities can one day build a smart grid to more efficiently and effectively manage and run the electric grid. It will provide future benefits to customers and it will bring great efficiencies and reliability to the electric grid.

6. Following the 2012 smart meter workshop, Staff issued a memorandum on February 11, 2013 entitled “Briefing on Smart Meters: Technical Information and Regulatory Issues” (“Briefing”). In that Briefing, Staff stated as follows: “Some consumers have expressed a desire to retain their existing analog meter instead of a smart meter; this is typically referred to as an ‘opt-out’ option. Electric utilities in Florida are not in agreement regarding whether or not there is a need to offer an opt-out provision. Nevertheless, if an opt-out option is provided, the customer who requests a non-smart meter should be responsible for all costs incurred by an IOU due to this decision.” Staff further notes in respect to optional service: “This is in accord with the FPSC’s longstanding policy of ensuring that the cost-causer pays the costs associated with his or her request. An IOU may submit an opt-out tariff for consideration by the FPSC.”

7. On November 20, 2017 in Order No. PSC-2017-0451-AS-EU in Docket No. 20170183-EI, the Commission approved DEF’s Second RRSSA. In part, the Second RRSSA provides DEF with a multi-year increase to base rates beginning with the first billing cycle of January 2019 which includes investment associated with DEF’s AMI project.

8. The scope of the AMI project is to upgrade all of the 1.8 million meters in DEF's service territory over a three-year period. DEF anticipates the AMI project will begin in November 2018 and the AMI meters will be deployed to all customers by 2021. The project will potentially include some non-residential meters not currently equipped with remote telemetry. The new AMI meters will become DEF's standard meter. Associated with the AMI project is meter communication infrastructure needed to enable communications with the meters and the Company's information technology systems. AMI will also allow the Company to provide customers with greater options and better tools to manage their consumption.

III. DEF's Proposal and Tariff Changes

9. Although the new meters will maximize the benefits of DEF's new intelligent customer information system to safely and reliably provide benefits to all customers, DEF anticipates that a small percentage of customers will ask DEF to refrain from installing this new standard meter at their premises, regardless of the greater options and better tools to manage electric consumption. DEF has reviewed experiences with other utilities that have implemented an opt-out program to estimate the number of potential customers that may choose to opt out of the standard meter. Based on this experience, DEF currently estimates that 0.15 percent of DEF's customer base will choose to opt out. In consideration of those customers, DEF has developed the attached NSMR tariff that will allow customers the option to opt-out of the standard meter.

10. Consistent with Staff's 2013 Briefing, DEF recognizes that customers who refuse a smart meter should bear those costs as it is unfair to ask all customers to subsidize those costs incurred as a result of other customers' decisions. The tariff sought by DEF in this Petition is optional and only applies to DEF's customers who choose to forego the benefits associated with the new standard meter and request another, non-standard meter. Customers choosing to opt out from DEF's standard meter service will have to enroll to take service under the NSMR tariff. DEF's NSMR tariff provides an optional rate for customers who opt for a non-communicating meter. The NSMR tariff is cost-based and is consistent with the principle that customers requesting non-standard service should pay the incremental costs

associated with that service. Only a customer of record for a premise will have the option to elect the non-standard meter service for that premise.

11. DEF has analyzed the additional costs it expects to incur to develop and maintain the infrastructure and personnel required to service the distinct group of customers that opt-out from the standard meter program. DEF's analysis estimates that approximately 0.15 percent of DEF's AMI eligible customers will opt to receive service via the NSMR tariff. To ensure that the NSMR tariff is cost based and that the cost causer, rather than the general body of customers properly bears those costs, DEF proposes that customers who receive this non-standard service pay an Initial Set-Up Fee along with a Monthly Surcharge. The anticipated costs and the breakdown of those costs per customer are more fully outlined on the attached Exhibit A to this Petition. The Initial Set-Up Fee of \$96.34 is a one-time cost that must be paid by the customer at the time the customer initially takes service pursuant to the NSMR. In addition to the Initial Set-Up Fee, during the time the customer takes service pursuant to the NSMR, the customer also will pay a Monthly Surcharge of \$15.60. Customers who take service pursuant to the NSMR will be obligated to pay the Initial Set-Up Fee regardless of the length of time they take service pursuant to the NSMR, subject to the terms and conditions of the tariff, while the Monthly Surcharge will only be applicable during the time the customer actually takes service pursuant to this tariff. These charges, more fully explained in Exhibit A, represent the incremental costs to develop and administer the NSMR tariff. This fee structure ensures that DEF recovers incremental one-time costs along with ongoing operational costs it must incur to accommodate these customers. The costs to be recovered through the charges imposed under the NSMR tariff are incremental to, and not included in, the costs that are being recovered in rates established in DEF's Second RRSSA approved by this Commission in Order Number PSC-2017-0451-AS-EU.

12. DEF has developed a structured communication process to deploy AMI meters that establishes multiple touch points with customers while they process the meter deployment information being provided. DEF will communicate to customers the logistics and deployment of the AMI meters and provide them with facts to help them understand the benefits of the meter technology. DEF's communication process includes information on the Company's website, door hangers, and mail notifications. Customers will be able to enroll

in the NSMR tariff by calling DEF. DEF expects its systems to be ready for enrollment and billing in December 2018.

13. Those customers ultimately choosing not to participate in the AMI program will be advised of the NSMR tariff provisions and rates. The Company will then install a non-standard meter, which means a meter that does not have communications functionality. The Company currently plans to use a meter that does not have a radio installed, but reserves the right to use an AMI meter with its radio communication capability deactivated.

14. NSMR tariff customers cannot take service under a net metering rider or DEF's optional FixedBill Program, since the Company plans to use AMI meters to offer those optional services. Consistent with this provision, DEF also submits with this Petition a revision to Tariff Sheet No. 6.390, Rate Schedule FB-1, Optional FixedBill Program which specifies that customers taking service under the NSMR tariff may not participate in the FixedBill Program.

15. Original Tariff Sheet No. 6.395, Rate Schedule NSMR-1, Optional - Non-Standard Meter Rider (AMI Opt-Out), together with DEF's First Revised Sheet No. 6.390, Rate Schedule FB-1, Optional FixedBill Program, and DEF's proposed revised Index of Rate Schedules, Twenty-Third Revised Sheet No. 6.100, which reflects the addition of the Optional Fixed Bill Program, and Original Tariff Sheet No. 6.101, which shows the addition of the Optional – Non Standard Meter Rider (AMI Opt-Out), is attached as Composite Exhibit B, in legislative and clean formats.

IV. Effective Date and Process

16. In support of this Petition, the Company has filed the appropriate, original and amended tariff sheets, providing the Commission with the necessary information to issue its Proposed Agency Action ("PAA") on the Company's Petition. If approved, the tariff sheets filed with this Petition would become effective the first billing cycle of December, 2018. If the tariffs are not approved and revised tariffs are required, then the revised tariffs would become effective with the first billing cycle after the Commission votes to approve the revised tariffs. If the Commission's order is protested, DEF reserves the right to submit additional testimony addressing issues identified in any protest of the PAA Order, if necessary.

17. Section 366.076(1), F.S. provides that the Commission may conduct a limited proceeding to consider and act upon any issue within its jurisdiction, including any matter which once resolved, would require a public utility to adjust its rates. Further, because DEF is filing the proposed original tariff sheet and revised tariff sheets for approval, this Petition should be considered by the Commission as a “file and suspend” pursuant to its authority under Section 366.06(3), F.S.

18. DEF is not aware at this time that there will be any disputed issues of material fact in this proceeding.

WHEREFORE, for the above-stated reasons, DEF respectfully requests that the Commission grant this Petition and approve the tariff sheets attached in Exhibit B to this Petition.

Respectfully Submitted,

s/Dianne M. Triplett

DIANNE M. TRIPLETT

299 First Avenue North
St. Petersburg, FL 33701
T: 727.820.4692
F: 727.820.5519

E: Dianne.Triplett@Duke-Energy.com

MATTHEW R. BERNIER

106 East College Avenue, Suite 800
Tallahassee, FL 32301
T: 850.521.1428
F: 727.820.5519

E: Matthew.Bernier@Duke-Energy.com

Attorneys for DUKE ENERGY FLORIDA, LLC

EXHIBIT A

**ENROLLMENT FEE AND MONTHLY SURCHARGE
CALCULATIONS**

Duke Energy Florida - Non-Standard Meter Rider (NSMR) Cost Analysis

	2018	2019	2020	2021	2022	
Expenses (One-Time per Participant)						
<u>One-time Costs to Establish NSMR</u>						
1	Customer Service @ 3 mins/customer	\$1.40				Customer Care Specialist will take calls for opt-out participants, explain tariff details, and set up account.
2	Metering Services work order mgmt @ 5 mins/customer	\$2.93				Work Force Mgmt Spec II to create initial work orders for meter programming, meter exchange and manual read routing.
3	Metering Services technician to program and label meter @ 30 mins/customer	\$29.09				Field Meter Tech to program the opt-out meter and apply opt-out label to help ensure an opt-out meter is not replaced with a communicating AMI meter.
4	Metering Services technician to exchange meter @ 45 mins/customer	\$43.63				Field Meter Tech to travel to customer premise, remove existing meter and replace with opt-out meter, close work orders.
5	Vehicle to exchange meter @ 45 mins/customer	\$4.61				Vehicle > 8500 used by "Field Metering" travel for meter exchange.
6	Manual meter reading route analysis @ 20 mins/customer	\$14.68				Meter Route Analyst to determine location of opt-out participant and find existing manual reading route to adjust for efficient meter reading route.
	Total One-Time Charge	\$96.34				Sum of rows (1) through (6)
Development of Monthly Rates						
Current Rates						
1	Monthly Rate per meter	\$15.60	\$15.60	\$15.60	\$15.60	\$15.60 Monthly rate to capture meter reading expenses and 100% of IT System Costs at NPV=0
Current Participants						
2	NSMR	18	1,201	2,461	2,710	2,710 Estimated cumulative number of NSMR Customers
Annual Revenue						
3	NSMR	\$3,300	\$224,886	\$460,796	\$507,416	\$507,416 (12 months) * (# of participants) * (Monthly Rate)
	Total Annual Revenue	\$3,300	\$224,886	\$460,796	\$507,416	\$507,416
Expenses Recovered via Monthly Rate (Initial Development plus On-going)						
<u>On-Going Monthly Cost to Support NSMR</u>						
1	Monthly Meter Readings * 12 * # of NSMR Customers	\$2,331	\$158,837	\$325,459	\$358,387	\$358,387 Total Monthly meter reading costs * 12 months * # of participants
2	Customer IT System Change to provide NSMR tariff (100%)	\$374,014	\$0	\$0	\$0	\$0 IT Cost for System Implementation (100% of total)
3	Total Expenses (2018-2022, including IT System Change)	\$374,014	\$2,331	\$158,837	\$325,459	\$358,387
4	Net Income	(\$374,014)	\$969	\$66,050	\$135,337	\$149,029 Total Revenue minus Total Expenses
5	Taxes @ 25.345%	(\$94,794)	\$246	\$16,740	\$34,301	\$37,771 Net Income times 25.345%
6	After Tax Income	(\$279,220)	\$724	\$49,309	\$101,036	\$111,258 Net Income - Taxes
7	5-Year Net Present Value @ 8.15% WACC	\$0.00				
	Target Rate to Achieve \$0 NPV:		\$15.60	Total Monthly Charge per Participant		

EXHIBIT B

(Clean & Legislative format)

ORIGINAL TARIFF SHEET NO. 6.395

FIRST REVISED TARIFF SHEET NO. 6.390

TWENTY-THIRD REVISED TARIFF SHEET NO. 6.100

ORIGINAL TARIFF SHEET NO. 6.101

RATE SCHEDULE NSMR-1
Optional - Non-Standard Meter Rider (AMI Opt-Out)

Availability:

Available throughout the entire territory served by the Company.

Applicable:

This optional Rider is available to customers who request a meter that either does not utilize radio frequency communications to transmit data, or is otherwise required to be read manually provided that such a meter is available for use by the Company. At the Company's option, meters to be read manually may be either a smart meter with the radio frequency communication capability disabled or other non-communicating meter. The meter manufacturer and model chosen to service the customer's ("Opt-Out Customer") premise are at the discretion of the Company and are subject to change at the Company's option at any time.

Character of Service:

Electric energy supplied hereunder must meet the Character of Service and usage specifications consistent with service under the Opt-Out Customer's otherwise applicable tariff.

Rate:

<u>Initial Set-Up Fee (one-time service fee)</u>	<u>\$ 96.34</u>
<u>Rate per month</u>	<u>\$ 15.60</u>

All charges and provisions of the Opt-Out Customer's otherwise applicable rate schedule shall also apply.

Limitation of Service:

This Rider is not available to Net Metering customers or customers participating in the *FixedBill* program. This Rider is also not available to customers who have tampered with the electric meter service or used service in a fraudulent or unauthorized manner, at the current or any prior location. Service under this Rider is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations Governing Electric Service" on file with the Florida Public Service Commission.

Term of Service:

Not less than one (1) billing period. The Company reserves the right to terminate this Rider at any time upon notice to the Customer for violation of any of the terms or conditions of this Rider.

Special Provisions:

Customers taking service under this Rider relocating to a new premise who wish to continue service under this Rider are required to request new service under this Rider including payment of the Initial Set-Up Fee at the new premise. Customers who cancel service under this Rider and then later re-enroll for this service at any location would also be required to submit another Initial Set-Up Fee.

RATE SCHEDULE FB-1
Optional – FixedBill Program**Availability:**

Available throughout the entire territory served by the Company.

Applicable:

To customers taking service under the Company's Standard Residential Tariff Rate Schedules who have lived in their current residence for the previous 12 months, have had their electricity priced on the Company's Standard Residential Tariffs for the previous 12 months, have a load profile that can be modeled with reasonable predictability, and are current on their electric service bill. Within the last 12 months, the customer may not have:

- 1) Defaulted on a payment arrangement;
- 2) Entered into a multi-month payment arrangement;
- 3) Had a payment that was not honored by a financial institution; or
- 4) Been disconnected for non-payment of electric service.

Character of Service:

Electric energy supplied hereunder must meet the Character of Service and usage specifications consistent with service under the Company's Standard Residential Tariffs.

Limitation of Service:

Service under this rate schedule is not available to Net Metering customers, ~~or~~ customers with multiple electric meters on one account, ~~or~~ Non-Standard Meter Rider customers. Customers may not participate in both *FixedBill* and Budget Billing.

FixedBill Amount:

Subject to its Terms and Conditions, *FixedBill* offers customers a predetermined electric bill for 12 months and protects participating customers from unpredictable bills caused by weather related usage and changes in electric rates. The customer's Monthly *FixedBill* Amount will be calculated starting with at least 12 months of past Actual Usage data, applying weather normalization and any applicable Usage and Risk Adders, using the following formula:

$$[(\text{Predicted Weather Normalized Monthly kWh Usage} \times (1 + \text{Usage Adder})) \times (\text{expected Non-Fuel Energy Charges including expected Cost Recovery Factors, expected Fuel Cost Recovery Factor and expected Asset Securitization Charge})] \times (1 + \text{Risk Adder}) - \text{expected applicable credits} + \text{expected Customer Charge}$$

The Monthly *FixedBill* Amount will not include Applicable Taxes and other charges such as service charges, lighting and non-regulated products and services. Applicable Taxes and fees will be applied to the *FixedBill* Amount and included in the total amount due.

Definitions:

Applicable Removal Charges: Charges incurred when the customer discontinues *FixedBill* service before the 12 month Service Agreement period expires. The Company will calculate what the customer would have paid under the Standard Residential Tariff during the *FixedBill* Service Agreement period. If the customer has paid less than the Standard Residential Tariff, the customer will be charged the difference. If the customer paid more than the Standard Residential Tariff, the customer will not be credited the difference.

Applicable Taxes: See Rate Schedule BA-1, Sheet No.6.105

Asset Securitization Charge: See Rate Schedule BA-1, Sheet no. 6.106

Actual Energy Usage: The customer's actual energy usage for a designated time period.

Cost Recovery Factors: See Rate Schedule BA-1, Sheet no. 6.105 and 6.106

Non-Fuel Energy Charge: See Rate Schedule RS-1, Sheet no. 6.120

Fuel Cost Recovery Factor: See Rate Schedule BA-1, Sheet no. 6.105 and 6.106.

Load Management Credit Amounts: See Rate Schedule RSL-1, Sheet no. 6.130

(Continued on Page No. 2)

ISSUED BY: Javier J. Portuondo, Managing Director Rates & Regulatory Strategy – FL

EFFECTIVE: **March 1, 2018**

INDEX OF RATE SCHEDULES

FPSC UNIFORM RATE SCHEDULE DESIGNATION		BEGINS ON SHEET NO.
BA-1	Billing Adjustments	6.105
SC-1	Service Charges	6.110
RS-1	Residential Service	6.120
RSL-1	Residential - Load Management (Optional)	6.130
RSL-2	Residential - Load Management - Winter Only - (Optional)	6.135
RST-1	Residential Service (Optional Time of Use) (Closed to New Customers as of 02/10/10)	6.140
GS-1	General Service - Non-Demand	6.150
GST-1	General Service - Non-Demand (Optional Time of Use)	6.160
GS-2	General Service - Non-Demand (100% Load Factor Usage)	6.165
GSD-1	General Service - Demand	6.170
GSDT-1	General Service - Demand (Optional Time of Use)	6.180
GSLM-1	General Service - Load Management (Optional)	6.220
GSLM-2	General Service - Load Management - Standby Generation	6.225
CS-1	Curtable General Service (Closed to New Customers as of 04/16/96)	6.230
CS-2	Curtable General Service	6.235
CS-3	Curtable General Service Fixed Curtable Demand	6.2390
CST-1	Curtable General Service (Optional Time of Use) (Closed to New Customers as of 04/16/96)	6.240
CST-2	Curtable General Service (Optional Time of Use)	6.245
CST-3	Curtable General Service (Optional Time of Use) Fixed Curtable Demand	6.2490
IS-1	Interruptible General Service (Closed to New Customers as of 04/16/96)	6.250
IS-2	Interruptible General Service	6.255
IST-1	Interruptible General Service (Optional Time of Use) (Closed to New Customers as of 04/16/96)	6.260
IST-2	Interruptible General Service (Optional Time of Use)	6.265
LS-1	Lighting Service	6.280
SS-1	Firm Standby Service	6.310
SS-2	Interruptible Standby Service	6.315
SS-3	Curtable Standby Service	6.320
TS-1	Temporary Service	6.330
RSS-1	Residential Seasonal Service Rider	6.350
CISR-1	Commercial/Industrial Service Rider	6.360
PPS-1	General Service – Premier Power Service Rider	6.370
ED-1	Economic Development Rider	6.380
EDR-1	Economic Re-Development Rider	6.385
FB-1	Optional – Fixed Bill Program	6.390



INDEX OF RATE SCHEDULES

<u>FPSC UNIFORM</u> <u>RATE SCHEDULE</u> <u>DESIGNATION</u>		<u>BEGINS ON</u> <u>SHEET NO.</u>
NSMR-1	Optional - Non-Standard Meter Rider (AMI Opt-Out)	6.395



RATE SCHEDULE NSMR-1
Optional - Non-Standard Meter Rider (AMI Opt-Out)

Availability:

Available throughout the entire territory served by the Company.

Applicable:

This optional Rider is available to customers who request a meter that either does not utilize radio frequency communications to transmit data, or is otherwise required to be read manually provided that such a meter is available for use by the Company. At the Company's option, meters to be read manually may be either a smart meter with the radio frequency communication capability disabled or other non-communicating meter. The meter manufacturer and model chosen to service the customer's ("Opt-Out Customer") premise are at the discretion of the Company and are subject to change at the Company's option at any time.

Character of Service:

Electric energy supplied hereunder must meet the Character of Service and usage specifications consistent with service under the Opt-Out Customer's otherwise applicable tariff.

Rate:

Initial Set-Up Fee (one-time service fee)	\$ 96.34
Rate per month	\$ 15.60

All charges and provisions of the Opt-Out Customer's otherwise applicable rate schedule shall also apply.

Limitation of Service:

This Rider is not available to Net Metering customers or customers participating in the *FixedBill* program. This Rider is also not available to customers who have tampered with the electric meter service or used service in a fraudulent or unauthorized manner, at the current or any prior location. Service under this Rider is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations Governing Electric Service" on file with the Florida Public Service Commission.

Term of Service:

Not less than one (1) billing period. The Company reserves the right to terminate this Rider at any time upon notice to the Customer for violation of any of the terms or conditions of this Rider.

Special Provisions:

Customers taking service under this Rider relocating to a new premise who wish to continue service under this Rider are required to request new service under this Rider including payment of the Initial Set-Up Fee at the new premise. Customers who cancel service under this Rider and then later re-enroll for this service at any location would also be required to submit another Initial Set-Up Fee.

RATE SCHEDULE FB-1
Optional – FixedBill Program**Availability:**

Available throughout the entire territory served by the Company.

Applicable:

To customers taking service under the Company's Standard Residential Tariff Rate Schedules who have lived in their current residence for the previous 12 months, have had their electricity priced on the Company's Standard Residential Tariffs for the previous 12 months, have a load profile that can be modeled with reasonable predictability, and are current on their electric service bill. Within the last 12 months, the customer may not have:

- 1) Defaulted on a payment arrangement;
- 2) Entered into a multi-month payment arrangement;
- 3) Had a payment that was not honored by a financial institution; or
- 4) Been disconnected for non-payment of electric service.

Character of Service:

Electric energy supplied hereunder must meet the Character of Service and usage specifications consistent with service under the Company's Standard Residential Tariffs.

Limitation of Service:

Service under this rate schedule is not available to Net Metering customers, customers with multiple electric meters on one account, or Non-Standard Meter Rider customers. Customers may not participate in both *FixedBill* and Budget Billing.

FixedBill Amount:

Subject to its Terms and Conditions, *FixedBill* offers customers a predetermined electric bill for 12 months and protects participating customers from unpredictable bills caused by weather related usage and changes in electric rates. The customer's Monthly *FixedBill* Amount will be calculated starting with at least 12 months of past Actual Usage data, applying weather normalization and any applicable Usage and Risk Adders, using the following formula:

$$[(\text{Predicted Weather Normalized Monthly kWh Usage} \times (1 + \text{Usage Adder})) \times (\text{expected Non-Fuel Energy Charges including expected Cost Recovery Factors, expected Fuel Cost Recovery Factor and expected Asset Securitization Charge})] \times (1 + \text{Risk Adder}) - \text{expected applicable credits} + \text{expected Customer Charge}.$$

The Monthly *FixedBill* Amount will not include Applicable Taxes and other charges such as service charges, lighting and non-regulated products and services. Applicable Taxes and fees will be applied to the *FixedBill* Amount and included in the total amount due.

Definitions:

Applicable Removal Charges: Charges incurred when the customer discontinues *FixedBill* service before the 12 month Service Agreement period expires. The Company will calculate what the customer would have paid under the Standard Residential Tariff during the *FixedBill* Service Agreement period. If the customer has paid less than the Standard Residential Tariff, the customer will be charged the difference. If the customer paid more than the Standard Residential Tariff, the customer will not be credited the difference.

Applicable Taxes: See Rate Schedule BA-1, Sheet No.6.105

Asset Securitization Charge: See Rate Schedule BA-1, Sheet no. 6.106

Actual Energy Usage: The customer's actual energy usage for a designated time period.

Cost Recovery Factors: See Rate Schedule BA-1, Sheet no. 6.105 and 6.106

Non-Fuel Energy Charge: See Rate Schedule RS-1, Sheet no. 6.120

Fuel Cost Recovery Factor: See Rate Schedule BA-1, Sheet no. 6.105 and 6.106.

Load Management Credit Amounts: See Rate Schedule RSL-1, Sheet no. 6.130

(Continued on Page No. 2)

ISSUED BY: Javier J. Portuondo, Managing Director Rates & Regulatory Strategy – FL

EFFECTIVE:



INDEX OF RATE SCHEDULES

FPSC UNIFORM RATE SCHEDULE DESIGNATION		BEGINS ON SHEET NO.
BA-1	Billing Adjustments	6.105
SC-1	Service Charges	6.110
RS-1	Residential Service	6.120
RSL-1	Residential - Load Management (Optional)	6.130
RSL-2	Residential - Load Management - Winter Only - (Optional)	6.135
RST-1	Residential Service (Optional Time of Use) (Closed to New Customers as of 02/10/10)	6.140
GS-1	General Service - Non-Demand	6.150
GST-1	General Service - Non-Demand (Optional Time of Use)	6.160
GS-2	General Service - Non-Demand (100% Load Factor Usage)	6.165
GSD-1	General Service - Demand	6.170
GSDT-1	General Service - Demand (Optional Time of Use)	6.180
GSLM-1	General Service - Load Management (Optional)	6.220
GSLM-2	General Service - Load Management - Standby Generation	6.225
CS-1	Curtable General Service (Closed to New Customers as of 04/16/96)	6.230
CS-2	Curtable General Service	6.235
CS-3	Curtable General Service Fixed Curtable Demand	6.2390
CST-1	Curtable General Service (Optional Time of Use) (Closed to New Customers as of 04/16/96)	6.240
CST-2	Curtable General Service (Optional Time of Use)	6.245
CST-3	Curtable General Service (Optional Time of Use) Fixed Curtable Demand	6.2490
IS-1	Interruptible General Service (Closed to New Customers as of 04/16/96)	6.250
IS-2	Interruptible General Service	6.255
IST-1	Interruptible General Service (Optional Time of Use) (Closed to New Customers as of 04/16/96)	6.260
IST-2	Interruptible General Service (Optional Time of Use)	6.265
LS-1	Lighting Service	6.280
SS-1	Firm Standby Service	6.310
SS-2	Interruptible Standby Service	6.315
SS-3	Curtable Standby Service	6.320
TS-1	Temporary Service	6.330
RSS-1	Residential Seasonal Service Rider	6.350
CISR-1	Commercial/Industrial Service Rider	6.360
PPS-1	General Service – Premier Power Service Rider	6.370
ED-1	Economic Development Rider	6.380
EDR-1	Economic Re-Development Rider	6.385
FB-1	Optional – Fixed Bill Program	6.390

ISSUED BY: Javier J. Portuondo, Managing Director, Rates & Regulatory Strategy - FL

EFFECTIVE:



INDEX OF RATE SCHEDULES

FPSC UNIFORM
RATE SCHEDULE
DESIGNATION

BEGINS ON
SHEET NO.

NSMR-1

Optional - Non-Standard Meter Rider (AMI Opt-Out)

6.395