# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Revision of tariffs on underground distribution differential costs for Florida Power & Light Company, Florida Power Corporation, Gulf Power Company, and Tampa Electric Company.	) DOCKET NO. 950240-EI ) ) ) ) )
In Re: Petition for modification of tariff charges for single-phase service laterals by Tampa Electric Company.	) DOCKET NO. 950331-EI ) ORDER NO. PSC-95-0575-FOF-EI ) ISSUED: May 9, 1995 )

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman J. TERRY DEASON JOE GARCIA JULIA L. JOHNSON DIANE K. KIESLING

#### ORDER APPROVING TARIFF REVISIONS

BY THE COMMISSION:

Pursuant to Section 366.06(4), Florida Statutes, and Rules 25-6.033, and 25-6.078, Florida Administrative Code, Florida Power Corporation (FPC), Florida Power & Light Company (FPL), Gulf Power Company (GPC), and Tampa Electric Company (TECO) have filed their annual revised tariffs and charges associated with the installation of underground residential distribution service. These costs represent the additional costs to provide underground service in place of the standard overhead service. The cost of standard overhead service is recovered in the base rates paid by all customers. The proposed changes were accompanied by work papers which reasonably explained the derivation of the charges.

Based on the following analysis, we find that Florida Power & Light Company's, Tampa Electric Company's, Florida Power Corporation's, and Gulf Power Company's updated tariff sheets and charges associated with the installation of underground electric distribution facilities to serve new residential subdivision customers should be approved.

DOCUMENT NUMBER-DATE

04515 NAY-98

The updated tariff sheets include the following per lot differential costs as listed in Table 1.

## TABLE 1

RESIDENTIAL SUBDIVISIONS	FPC	FPL	TECO	GULF
Single Family	\$257	\$329	\$274	\$359
Mobile Home Park - Individual Meters	\$175	\$182	\$183	\$280
Mobile Home Park - Ganged Meters	\$41	\$0	N/A	N/A

#### 1995 UNDERGROUND PER LOT DIFFERENTIAL COSTS

We have included a summary of the following individual lot differential costs to be applied to residential subdivisions consisting of single family dwellings (226-lot, low density subdivisions) and mobile home parks (176-lot, high density subdivisions). The estimated lot cost differentials for the different types of subdivisions are listed in Tables 2 through 4.

#### TABLE 2

## 1995 OVERHEAD VS. UNDERGROUND PER LOT COST DIFFERENTIALS

Single Family Dwelling (Low Density)	1994 Existing	1995 Proposed	Percent (%) Change
FPC	\$235.66	\$256.50	8.84
FPL	\$246.32	\$329.33	33.74
TECO	\$329.40	\$273.75	(16.89)
GULF	\$388.10	\$359.13	(7.46)

# TABLE 3

1995 OVERHEA	D VS. UNDERGROUN	D PER LOT COST D	IFFERENTIALS
Mobile Home Park (High Density) - Individual Meters	1994 Existing	1994 Proposed	Percent (%) Change
FPC	\$157.48	\$174.89	11.06
FPL	\$136.46	\$182.32	33.61
TECO	\$229.94	\$183.44	(20.22)
GULF	\$234.78	\$279.69	19.13

#### TABLE 4

1995 OVERHEA	D VB. UNDERGROUND	D PER LOT COST DI	FFERENTIALS
Mobile Home Park (High Density) - Ganged Meters	1994 Existing	1995 Proposed	Percent (%) Change
FPC	\$30.28	\$40.84	34.87
FPL	\$00.00	\$00.00	00.00

FPC's differential costs have increased slightly between overhead and underground since last year. This increase is primarily due to a design change to underground installations. The company has begun to lay a spare conduit in the same trench with the direct buried cable to allow for cost-effective replacement in case of failure. When the existing direct-buried cable fails, a new conductor can be pulled through the spare conduit without digging a new trench. FPC also proposed changes to its charges for undergrounding of feeder mains, and charges for undergrounding service laterals served from an overhead system, for both new and existing facilities.

FPL's differential costs have increased due in part to a decrease in the labor cost of overhead service. This decrease resulted from productivity improvements in FPL's service centers. There were no corresponding decreases in underground labor because much of this work is performed by contract labor crews. FPL has also proposed changes to its charges for the undergrounding of other facilities such as feeder mains and the undergrounding of service laterals from new and existing overhead services.

TECO's differentials have decreased from last year due to a change in the design of its underground installations. The company now employs direct burial of cable instead of cable in conduit, which has lowered the cost of underground installations relative to overhead. In addition, TECO experienced increases in the labor cost for overhead low density installations due to errors discovered in the previous estimates, as well as design changes. TECO has also proposed changes to its charges for the undergrounding of single-phase service laterals for both new installations and the conversion of existing overhead service drops to single-phase service laterals.

Gulf's differential for high density subdivisions increased by 19% due to an increase in the labor costs associated with underground service. There was a slight decrease in the lowdensity differential. Gulf also proposed changes to its charges for the undergrounding of secondary service laterals from overhead facilities for both single and three-phase commercial or residential service.

Tampa Electric Company and Gulf Power Company did not submit ganged meter tariffs because there has not been enough demand in their service areas to install many ganged meters. These two companies merely charge their ganged meter customers the underground differential for high density subdivisions. FPL's differential cost for ganged meters in high density subdivisions is minimal. Since it would not be cost effective to bill such a small differential, the cost has been rounded to zero.

Based on the foregoing, it is

ORDERED that Florida Power & Light Company's, Tampa Electric Company's, Florida Power Corporation's, and Gulf Power Company's revised tariff sheets and charges associated with the installation of underground electric distribution facilities to serve new residential subdivision customers are hereby approved. It is further

ORDERED that the revised tariffs for Florida Power Corporation, Tampa Electric Company and Gulf Power Company shall be effective April 18, 1995. It is further

ORDERED that the revised tariffs for Florida Power & Light Company shall be effective 30 days from the date of this Order. It is further

ORDERED that these dockets should be automatically closed if no person whose substantial interests are affected by the action proposed files a timely petition for a formal proceeding. If a protest is timely filed the tariffs shall remain in effect pending resolution of the protest.

By ORDER of the Florida Public Service Commission, this 9th day of <u>May</u>, <u>1995</u>.

> BLANCA S. BAYO, Director Division of Records and Reporting

Chief, Bureau of Records

(SEAL)

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### NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section Florida Statutes, to notify parties of 120.59(4), 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.

The Commission's decision on these tariffs is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida

Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on May 30, 1995.

In the absence of such a petition, this order shall become final on the day subsequent to the above date.

Any objection or protest filed in these dockets 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 this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the date this Order becomes final, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.