BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| In Re: Request for approval of changes to Rate Schedule ED (Economic Development) by Ft. |) DOCKET NO. 970353-EM) ORDER NO. PSC-97-0525-FOF-EM) ISSUED: May 7, 1997 |
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| Pierce Utilities Authority. | } |

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING REVISIONS TO TARIFF

BY THE COMMISSION:

By Order No. PSC-95-1442-FOF-EM, issued November 28, 1995, we approved Fort Pierce Utilities Authority's (FPUA) Contract Electric Service Rate Schedule (C), Tariff Sheet No 11.5. The rate schedule allows FPUA to negotiate the energy portion of qualifying commercial customer's bills. Rate Schedule C was the first type of negotiated rate offered by FPUA. Through continued review of the tariff, FPUA now feels there is a need to clarify language regarding customers to whom the rate is applicable in order for the tariff to meet its original intent. By letter received December 6, 1996, FPUA has proposed changes to its Contract Electric Service Rate Schedule, Tariff Sheet 11.5.

FPUA's proposed changes specify a minimum increase of 200 kW in demand and require the customer to contract for a specific amount of capacity and energy. The current rate schedule C is applicable to qualifying commercial customers who increase maximum annual demand above historical levels and contract for a specific amount of new or additional capacity. All Public Administration and Retail Trade customers, as defined by the Office of Management and Budget's Standard Industrial Classification Manual, will be excluded from the rate schedule. The language relating to the monthly rate will remain unchanged.

The existing rate schedule is intended to encourage load growth by new and existing customers on FPUA's system. FPUA recognizes that not all new load merits a discounted rate because some will not necessarily benefit the overall system, therefore, a minimum increase of 200 kW in demand was established. Customers will be required to contract for a specific amount of energy as

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well as capacity. This will limit low load factor customers from taking advantage of the rate.

Attempting to eliminate free riders, FPUA will exclude Public Administration and Retail Trade customers. The location and growth of these customers is not dependent upon the cost of electricity but rather the market they are serving. Any discount given to these customers would be a needless loss of revenue to FPUA's system.

We believe the changes will benefit FPUA's ratepayers and agree that the ED rate schedule should not be offered to a broad range of customers contracting for load. The changes made to the rate schedule will better specify who can receive a discounted rate reducing the potential for customers to receive a discount while not creating any benefit for either FPUA or its ratepayers. The changes reinforce the original intent of the tariff and therefore, should be approved.

We approve the changes to Fort Pierce Utilities Authority's Tariff Sheet No. 11.5. We find that the proposed changes are reasonable. The changes requested more specifically define which customers will be eligible for the rate schedule. FPUA intends to rename the rate schedule from Contract Electric Service to Economic Development Electric Service (ED).

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that revisions to Tariff Sheet 11.5 Economic Development Electric Service are approved. It is further

ORDERED that the effective date of the revisions to Tariff Sheet 11.5 is December 12, 1996. It is further

ORDERED that if a protest is filed in accordance with the requirements set forth below, the tariff shall remain in effect pending resolution of the protest. It is further

ORDERED that if no protest is filed in accordance with the requirements set forth below, this docket shall be closed.

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By ORDER of the Florida Public Service Commission, this $\underline{7th}$ day of \underline{May} , $\underline{1997}$.

BLANCA S. BAYÓ, Director Division of Records and Reporting

(SEAL)

LJP

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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 action proposed files a petition for a formal Rule 25-22.036(4), Florida proceeding, as provided by provided Code, in the form Administrative 25-22.036(7)(a)(d) and (e), Florida Administrative Code. petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 28, 1997.

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 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.

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.