FLORIDA PUBLIC SERVICE COMMISSION Capital Circle Office Center, 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

MEMORANDUM

AUGUST 1, 1996

TO : DIRECTOR OF RECORD AND REPORTING

FROM : DIVISION OF ELECTRIC AND GAS (WHEELER,

DIVISION OF LEGAL SERVICES (WAGNER) LW

RE : DOCKET NO. 960325-EI - REVISION OF TARIFFS ON UNDERGROUND DISTRIBUTION DIFFERENTIAL COSTS FOR FLORIDA POWER AND

LIGHT COMPANY, FLORIDA POWER CORPORATION, GULF POWER

COMPANY AND TAMPA ELECTRIC COMPANY

AGENDA: AUGUST 13, 1996 - TARIFF FILING

INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: August 31, 1996: 60-DAY TARIFF SUSPENSION DATE

SPECIAL INSTRUCTIONS: I:\PSC\EAG\WP\960325.RCM

CASE BACKGROUND

On May 7, 1996 the Commission voted to approve the underground residential distribution tariff updates submitted by Florida Power & Light Company, Florida Power Corporation, and Tampa Electric Company. These tariffs contain the charges residential customers pay for underground service in lieu of standard overhead, service. At that same agenda conference, the Commission voted to deny Gulf Power Company's (Gulf's) filing because Gulf indicated that they were in the process of developing a new underground differential tariff which differed from the tariff originally filed. Gulf filed this revised tariff on July 2, 1996.

DOCUMENT NUMBER-DATE

August 1, 1996 Docket No. 960325-EI

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission suspend Gulf Power Company's updated tariff sheets and charges associated with the installation of underground electric distribution facilities?

RECOMMENDATION: Yes. (WHEELER, BREMAN)

STAFF ANALYSIS: On July 2, 1996, Gulf filed revised underground residential distribution tariffs. The method used by Gulf to determine its underground residential distribution charges this year differs from that used in the past. Gulf is now proposing an underground design which reflects the use of cable in conduit for all primary and secondary conductors. The previous design utilized direct burial of conductors. Due to errors made in Gulf's filing, and the need for additional documentation to support Gulf's filing, staff believes it is appropriate to suspend the tariffs at this time.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. This docket should remain open pending resolution of Gulf Power Company's updated tariff.

STAFF ANALYSIS: Staff recommends that this docket should remain open pending resolution of Gulf Power Company's updated tariff sheets and charges associated with the installation of underground electric distribution facilities.