

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

MEMORANDUM

October 31, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF ELECTRIC & GAS (KUMMER) ^{KW}
DIVISION OF LEGAL SERVICES (WAGNER) ^{RVE} JDJ

RE: DOCKET NO. ⁹⁶¹²²⁹ 961299-EI, REQUEST BY FLORIDA POWER & LIGHT
COMPANY TO REQUIRE SOCIAL SECURITY NUMBERS ON THIRD
PARTY GUARANTOR AGREEMENTS

AGENDA: NOVEMBER 12, 1996 - REGULAR AGENDA - TARIFF FILING -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60 DAYS EXPIRES NOVEMBER 16, 1996

SPECIAL INSTRUCTIONS: S:\PSC\EAG\WP\961299.RCM

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve Florida Power & Light's (FPL) request to modify Tariff Sheets 9.400 and 9.401, Unconditional Guaranty contract to require both the customer and the guarantor to provide social security numbers in order to take advantage of the third party guarantor option?

STAFF RECOMMENDATION: Yes.

STAFF ANALYSIS: Rule 25-6.097, Florida Administrative Code, establishes the minimum criteria for establishing credit. One option is for customer in good standing to sign a guarantor agreement for the customer, agreeing to be responsible for the account in the event the customer defaults on payments. Specifically, 25-6.097(a) F.A.C., states that at a minimum, a satisfactory guarantor shall be a customer of the utility with a satisfactory payment record. FPL requests that the Commission approve its proposed tariff provisions allowing FPL to require both the customer's and the guarantor's social security number when a customer attempts to satisfactorily establish credit by

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way of a guarantor. Some minor additional wording clarification in the body of the agreement is also proposed.

Like many utilities, FPL uses a commercial credit company to verify the credit worthiness of customers when making deposit decisions. Credit companies typically require a social security number in order to verify credit history. Utility representatives state that FPL has always requested social security numbers from customers applying for the third-party guarantor option even though the existing form did not have a specific line item for it and such requests have never been refused. FPL maintains that the proposed modification simply codifies existing practice and makes clear that social security numbers are required when a customer chooses to establish credit by furnishing to FPL a satisfactory guarantor. If either a customer or guarantor refuses to provide their social security number, FPL will not recognize the third party as a satisfactory guarantor. Consequently, the customer would be required to establish credit by some other method.

ISSUE 2: What should be the effective date of this change?

RECOMMENDATION: The proposed change should be effective November 12, 1996.

STAFF ANALYSIS: This language change simply codifies how FPL has been applying the contract and should represent no change in the standard for approval or disapproval of any third-party guarantor arrangements. Therefore staff recommends that the revised tariffs become effective on November 12, 1996.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: Yes. If a protest is filed within 21 days from the issuance date of the order, the tariff should remain in effect pending resolution of the protest. If no timely protest is filed, this docket should be closed.

STAFF ANALYSIS: At the conclusion of the protest period, this docket may be closed.

(Continued from Sheet No. 9.400)

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 19____, by _____, personally known _____ or produced identification _____, (type of identification produced) _____.

Notary Public, State of Florida

Printed Name of Notary Public

My Commission Expires: _____

Commission Number _____

Accepted:

Agreed:

FPL

By: _____
Name _____ Date _____

Guarantee Signature _____ Date _____

Title _____ Location _____

Guarantee Social Security No. _____