

FLORIDA PUBLIC SERVICE COMMISSION  
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M E M O R A N D U M

March 20, 1997

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

FROM: DIVISION OF ELECTRIC AND GAS (KUMMER)<sup>col</sup>  
DIVISION OF LEGAL SERVICES (PAUGH)<sup>AP RVE P/T</sup>

RE : DOCKET NO. 970183-EI - REQUEST BY FLORIDA POWER & LIGHT  
TO REVISE TARIFF SHEETS 6.001, 6.002, 6.040, 6.050,  
6.060, AND 6.061 TO ADD A SECTION DEFINING UNOBSTRUCTED  
ACCESS COMPANY'S FACILITIES.

AGENDA: 04/1/97 - REGULAR AGENDA - TARIFF FILING - INTERESTED  
PERSONS MAY PARTICIPATE

CRITICAL DATES: 60 DAY SUSPENSION: 04/04/97

SPECIAL INSTRUCTIONS: I:\PSC\EAG\WP\970183.EI

CASE BACKGROUND

Florida Power & Light Company (FPL) first proposed a tariff revision clarifying the definition of "unobstructed access" in April 1996 in Docket No. 960565-EI. That language stated that if the utility did not have access to repair its facilities, it would notify the homeowner and require that the obstruction be removed within 20 working days. If the homeowner did not provide sufficient access within the specified period, FPL would remove the obstruction and bill the homeowner for the cost of removal. This matter was scheduled for Agenda in May 1996. However, upon further reflection, FPL withdrew the proposed tariff prior to Commission consideration and the docket was closed. After discussions with FPSC staff, FPL submitted revised language on February 5, 1997. The new language still requires the customer to provide unobstructed access to utility facilities. However, it now states that if the obstruction is not removed, or arrangements made for another option (such as relocation of the service drop), within 20 working days, FPL will terminate service until the matter is resolved. The customer has the right to request Commission review of termination of service under this provision and the utility has agreed that service will not be disconnected during the review of the complaint.

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FPSC-RECORDS/REPORTING

**DISCUSSION OF ISSUES**

**ISSUE 1:** Should the Commission approve the proposed revisions to Tariff Sheets 6.001, 6.002, 6.040, 6.050, 6.060, and 6.061 to add Section 5.6, Unobstructed Access to Company Facilities to Florida Power & Light Company's (FPL) Rules and Regulations?

**RECOMMENDATION:** Yes. The proposed language clarifies the definition of safe access by the utility to the premises of the Customer: (1) To require customers to work with the utility to prevent or mitigate obstructions; or (2) Risk discontinuance of service if customer-owned obstructions to utility facilities are not removed.

**STAFF ANALYSIS:** The proposed tariffs are included as Attachment 1. The utility currently has the ability to discontinue service if a customer does not provide safe and reasonable access under Rule 25-6.105(5)(f), Florida Administrative Code (F.A.C). The proposed addition is contained on Tariff Sheet 6.040 in the Rules and Regulation section of the utility's tariff. The remaining pages are revisions to the index and revisions required to accommodate spacing for the new text. The proposed language explicitly requires that the company have "perpetual unobstructed access to its overhead and underground facilities such as poles, underground cables, pad mounted transformers and meters in order to perform repair and maintenance in a safe, timely and cost-efficient manner." The new language is aimed at preventing or mitigating problems caused by external construction such as home additions, driveways, pools, and patios built after the electric facilities were installed. Inability to get to its facilities hinders timely and cost-effective repairs and maintenance and may result in delayed service restoration or unsafe conditions.

Under the new language, the customer is required to consult with the utility prior to any construction by the customer which might interfere with the utility's access to its facilities, to determine if relocation of the electric facilities is required. If a problem requiring utility maintenance occurs, and new or existing construction interferes with the utility's access, the utility shall discuss with the customer feasible alternatives to facilitate the necessary repairs at minimum disruption to both parties. The customer would be responsible for any costs incurred by the utility in excess of that required to perform the same function in an unobstructed area. If the only option is removal of the obstruction or relocation of the service, the customer is required to take action within 20 working days. This time frame is consistent with the utility's internal policy for completing repairs to remove ground straps used to temporarily restore underground service.

If, after 20 working days, the customer has failed to remedy

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the situation or make other arrangements with the utility, the utility may discontinue service pursuant to Rule 25-6.105(5)(f), F.A.C. The utility must comply with all applicable noticing requirements contained in Rule 25-6.105. The notice sent in compliance with this rule would not be sent until the expiration of the 20 working days and includes the FPSC's toll free number if the customer wishes to contest the discontinuance of service. The company has agreed that the customer may appeal discontinuance of service pursuant to this provision to the Commission and that service will not be disconnected until the Commission makes a final resolution of the complaint. If approved, the new requirement will be explained in a bill stuffer sent to customers in late April to early May.

Although the new language applies to all utility facilities, FPL has experienced problems primarily with directly buried underground service drops where customers build permanent structures over underground facilities. Unlike cable in conduit which can be repaired without digging up the conduit, when a service problem occurs with direct buried drops, the company is unable to dig up the cable for repairs without destroying the customer's patio or pool or driveway. The use of direct buried cable is being phased out over time since all underground service drop installations since 1985 have been placed in conduit. As a result, the areas with the cable is most likely to fail due to deterioration or damage will be located in older subdivisions where homeowners are more apt to have extended or improved upon the original structures and built over utility lines.

Currently, when a failure occurs in a direct buried service drop, the company places a temporary above-ground connection, or ground strap, to restore service until the customer can remove the obstruction to allow proper repair of the underground facilities, or the drop can be relocated. However, the utility has found that once service is restored, the customer has little incentive to remove the obstruction or pay for relocation of the drop, especially if the cost is substantial. This can create a potentially dangerous situation with prolonged use of ground strap connections.

In response to staff concerns, FPL has assured staff that simply the presence of a utility-installed groundstrap would not be considered a hazardous condition subject to disconnect without notice under Rule 25-6.105(5)(h), F.A.C. "Hazardous conditions" under this provision refers to a dangerous situation on the customer's side of the meter such as exposed wires, a damaged weather head, inability to meet building code (common following Hurricane Andrew). It would not apply to a situation resulting from a temporary repair installed by the utility.

The company believes more explicit tariff language covering

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access to facilities will assist their field staff in all situations where access is at issue.

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

**RECOMMENDATION:** The proposed changes should be effective upon Commission approval.

**STAFF ANALYSIS:** The change simply makes more explicit FPL's authority to have access to its facilities. It does not change any customer's rates or charges and customers still may request that the Commission investigate any particular utility request for removal of an obstruction by the company to determine if the request is the only viable option. Appeal of any disconnect notice to the Commission automatically halts disconnect proceedings until the matter can be investigated by the Commission staff.

**ISSUE 3:** Should this Docket be closed?

**RECOMMENDATION:** Yes. If no timely protest is filed, this docket should be closed.

**STAFF ANALYSIS:** This docket should be closed if no person whose substantial interests are affected by the action proposed by this recommendation files a petition for formal proceeding within the allowed 21-day protest period. If a protest is filed, the tariff should remain in effect.



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## 5 COMPANY'S INSTALLATIONS

**5.1 Protection of Company's Property.** The Customer shall properly protect the Company's property on the Customer's premises, and shall permit no one but the Company's agents, or persons authorized by law, to have access to the Company's wiring, meters, and apparatus.

**5.2 Damage to Company's Property.** In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.

**5.3 Relocation of Company's Facilities.** When there is a change in the Customer's operation or construction which, in the judgment of the Company, makes the relocation of Company's facilities necessary, or if such relocation is requested by the Customer, the Company will move such facilities at the Customer's expense to a location which is acceptable to the Company.

**5.4 Attachments to Poles.** The use of the Company's poles, wires, towers, structures or other facilities for the purpose of fastening or supporting any radio or television aerials or other equipment, or any wires, ropes, signs, banners or other things, not necessary to the supplying by the Company of electric service to the community, or the locating of same in such proximity to the Company's property or facilities as to cause, or be likely to cause, interference with the supply of electric service, or a dangerous condition in connection therewith, is prohibited, and the Company shall have the right forthwith to remove same without notice. The violator of these rules is liable for any damage resulting therefrom.

**5.5 Interference with Company's Facilities.** The Customer should not allow trees, vines and shrubs to interfere with the Company's adjacent overhead conductors, service wires, pad mounted transformers and meter. Such interference may result in an injury to persons, or may cause the Customer's service to be interrupted. In all cases the customer should request the Company to trim or remove trees and other growth near the Company's adjacent overhead wires, and under no circumstances should the Customer undertake this work himself, except around service cables when specifically authorized by and arranged with the Company.

**5.6 Unobstructed Access to Company's Facilities.** The Company shall have perpetual unobstructed access to its overhead and underground facilities such as poles, underground cables, pad mounted transformers and meters in order to perform repair and maintenance in a safe, timely and cost-efficient manner. The Customer is responsible for contacting the Company for guidance before constructing any items which may obstruct the Company's access. Such items include, but are not limited to, building additions, decks, patios, pools, fences or pavings. Relocation of the Company's facilities, as provided in Section 5.3 of these Rules and Regulations, may be necessary. Should an item interfere with access to Company facilities requiring repair or maintenance, the Company will explore with the Customer all alternatives deemed feasible by the Company to determine the method of repair most acceptable to the Customer. When the most acceptable or only option involves the Customer removing the obstruction or the Customer taking other actions, the Customer shall accomplish the work within 20 working days. Should the Customer fail to accomplish said work within 20 working days or to make other satisfactory arrangements with the Company, the Company may elect to discontinue service to the Customer, pursuant to F.A.C. Rule 25-6.105 (5) (f). In all cases, the Customer will be responsible for all costs in excess of a standard, unobstructed repair.

## 6 SECURITY DEPOSITS GUARANTIES

## 6.1 Security Deposit/Guaranty.

- (1) Before the Company renders service or upon termination of an existing Unconditional Guaranty Contract, each applicant will be required to provide:
  - a) information which satisfies the Company's application requirements for no deposit, or
  - b) a Security Deposit consisting of cash, surety bond, or irrevocable bank letter of credit, or
  - c) a guaranty satisfactory to the Company to secure payment of bills.
- (2) Each guarantor must enter into the guaranty contract set forth as Tariff Sheet No. 9.400. The amount of such initial Security Deposit, if required, shall be based upon estimated billings for a period of two average months, but not less than \$25.00. Estimations shall be based on previous billings at the service address, and/or the equipment/appliances in service or to be put into service. After four (4) months history is recorded, the initial Security Deposit may be adjusted to compensate for over or under estimations. Such adjustment may consider seasonal factors. After twelve (12) months of billing history is recorded, the initial Security Deposit may again be adjusted to compensate for over or under estimations. The Company may require a subsequent Security Deposit from a Customer, including one whose initial Security Deposit was refunded/released. A Security Deposit/guaranty may be held by the Company until refunded or released under the terms of rule 6.3.

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**6.2 Deposit Interest.** The interest due will be paid once a year, ordinarily as a credit on regular bills, and on final bills when service is discontinued. No interest will be paid if service is ordered disconnected for any cause within six months from the date of initial service.

**6.21 Residential Deposits.** Simple interest at the rate of 6% per annum will be paid to residential Customers for cash deposits when held by the Company.

**6.22 Nonresidential Deposits.** Simple interest at the rate of 6% per annum will be paid on cash deposits of nonresidential customers. However, simple interest at the rate of 7% per annum will be paid on cash deposits of nonresidential Customers provided the Customer has had continuous service for a period of not less than 23 months, and has not in the preceding 12 months: a) made more than one late payment of the bill (after the expiration of 20 days from the date of mailing or delivery by the Company), b) paid with a check refused by a bank, c) been disconnected for nonpayment at any time, d) tampered with the electric meter, or e) used service in a fraudulent or unauthorized manner.

**6.3 Refund of Cash Deposit/Release of Other Security or Guaranty.** After a residential Customer has established a prompt payment record and has had continuous service for a period of not less than 23 months, the Company will no longer require a Security Deposit or guaranty for that account, provided the Customer has not, in the preceding twelve (12) months: a) made more than one (1) late payment of the bill (after the expiration of 20 days from the date of mailing or delivery by the Company), b) paid with a check refused by a bank, c) been disconnected for non-payment, or, at any time d) tampered with the electric meter, or e) used service in a fraudulent or unauthorized manner. When the Company no longer requires a Security Deposit or guaranty because the residential Customer meets these terms or because the Customer closes the service account and the Company has received final payment for all bills for service incurred at the account, any cash deposit held by the Company for that account will be refunded, and the obligors on any surety bond, irrevocable letter of credit or guaranty for that account will be released from their obligations to the Company. Cash deposit receipts are not negotiable or transferable and the deposit is refundable only to the Customer whose name appears thereon. Refunds of cash deposits may be conditioned by the Company upon a showing of proper identification by the person seeking the refund that the individual is the Customer whose name appears on the service account.

**6.4 Transfer of Security Deposit/Guaranty.** A Customer moving from one service address to another may have the Security Deposit transferred from the former to the new address. If the Security Deposit at the former service address is more or less than required by Rule 6.1 for the new address, the amount of the Security Deposit may be adjusted accordingly. Guaranties may not be transferred to a new service address, however, the guarantor may enter into a new guaranty contract (Tariff Sheet No. 9.400) for the new service address.

## 7 BILLING

**7.1 Billing Periods.**

**7.11 Regular Bills.** Regular bills for service will be rendered monthly. Bills are due when rendered and shall be considered as received by the Customer when delivered or mailed to the service address or some other place mutually agreed upon.

**7.12 Prorated Bill.** The bill may be prorated if the billing period is for more or less than a full month. Should service be disconnected within less than a month from date of connection, the amount billed will not be less than the regular monthly minimum bill.

**7.13 Month.** As used in these Rules and Regulations, a month is an interval between successive regular meter reading dates, which interval may be 30 days, more or less.

**7.14 Budget Billing.** Any residential Customer who has no delinquent balances with the Company is eligible to participate in the Budget Billing Plan described below for RS-1 rate billings. A Customer may terminate participation in the Plan at any time and may be terminated from the Plan by FPL if the Customer becomes subject to collection action on this service account. Once a Customer's participation in the Plan has terminated he/she may not rejoin the plan for 12 months. Each eligible Customer not on this plan will be notified annually of its availability.

Under the Budget Billing Plan, a Customer is billed monthly on a levelized consumption basis rather than on the basis of current consumption. The levelized amount is determined by averaging the last 12 monthly billings for the premise, or the average of all available billing history, whichever is less, and applying the current RS-1 rate and appropriate adjustments. If the Customer has not resided at the premise for 12 months, the Customer's monthly billings plus the previous tenant's billings will be used. Any difference between the levelized amount and the regular bill amount is added to a deferred balance. The current levelized amount is adjusted each month by adding the deferred balance adjustment, which is calculated by dividing the current deferred balance total by 12. The levelized amount, plus the deferred balance adjustment, constitutes the current month's Budget Bill amount. Customers on the plan will receive the following information on their monthly bill: current consumption and associated charges, the total budget bill charge, and the cumulative deferred balance.

If the Customer's participation in the plan is terminated, any amount in the deferred balance which the Customer owes to FPL will be billed to the Customer according to the terms of Rule 7.9. any amount in the deferred balance which is owed to the Customer will be credited against any outstanding billed amounts, and any remaining balance will be credited against the Customer's future billings or returned upon request. Customers who transfer the location of their service account within FPL's service territory will have the debit or credit balance transferred to the new service address.



**7.15 Summary Billing.** A customer with ten (10) or more FPL accounts may request a single statement for the billing and payment of those accounts under Summary Billing. With Summary Billing, the Customer designates the accounts to be included and the cycle day each month when the Summary Bill is to be rendered. FPL will read each meter and calculate the billing amount for each account separately. The billing amount for each of the designated accounts will be totaled on the Summary Billing Statement, with each of the individual account bills attached as backup. Summary Bills are due when rendered and Customers are subject to removal from the program if bills are not paid within ten (10) days from the date of mailing.

**7.2 Non-Receipt of Bills.** Non-receipt of bills by the Customer shall not release or diminish the obligation of the Customer with respect to payment thereof.

**7.3 Evidence of Consumption.** When service used is measured by meters, the Company's accounts thereof shall be accepted and received at all times, places and courts as prima facie evidence of the quantity of electricity used by the Customer unless it is established that the meter is not accurate within the limits specified by the Commission.

**7.4 Application of Rate Schedules.** Electric service will be measured by a single metering installation for each point of delivery. The Company will establish one point of delivery for each Customer and calculate the bill accordingly. Two or more points of delivery shall be considered as separate services and bills separately calculated for each point of delivery.

The Company may adjust the measured kilowatt-demand (kwd) of a Customer to compensate for registration of an abnormal demand level due to testing of electrically-operated equipment prior to general operation provided that the Customer contacts the Company in advance and schedules the testing at a mutually agreed upon time.

**7.5 Optional Rate.** Where a Customer is eligible to take service at a given location under one of two or more optional rate schedules, the Company will, on request, assist in the selection of the most advantageous rate on an annual basis. If the Customer applies in writing for another applicable schedule, the Company will bill on such elected schedule from and after the date of the next meter reading. However, a Customer having made such a change of rate may not make another change until an interval of 12 months has elapsed.

**7.6 Taxes and Charges.** All of the Company's rates, including minimum and demand charges and service guarantees, are dependent upon Federal, State, County, Municipal, District, and other Governmental taxes, license fees or other impositions, and may be increased or a surcharge added if and when the cost per kilowatt hour, or per Customer, or per unit of demand or other applicable unit of charge, is increased because of an increase in any or all such taxes, license fees or other impositions. A franchise charge shall be added to the bills of all Florida Public Service Commission jurisdictional customers, as determined by the franchise agreements between Florida Power & Light Company and governmental authorities. The charge shall be computed as a percentage of the bill for energy including fuel delivered within the franchise area, excluding separately stated taxes and the franchise charge itself. This charge shall reflect the estimated amount of the annual franchise payment to that specified governmental authority in which the Customer's account is located, plus adjustment for the gross receipts tax and the regulatory assessment fee, and shall be corrected at least annually for any differences between the actual collections and actual payments.

**7.7 Disconnection and Reconnection of Residential Service**

**7.71 Disconnection of Residential Service.** When a residential Customer orders service discontinued, the Company may ask the Customer to open the main switch upon vacating the premises. This will allow the use of electric service until the time of departure and will insure that no energy is used or charges accrue after the Customer leaves. As convenient, after the date of disconnection, a Company employee will visit the premises to read the meter.

**7.72 Reconnection of Residential Service.** A Customer who reconnects service by closing the switch should give immediate notice thereof to the Company so that proper records may be maintained. Should the Customer neglect to give such notice, the regular meter reader will note this fact and reconnection will be recorded as of the date when the switch was closed. If this date cannot be readily determined, reconnection shall be recorded as of the next preceding meter reading date.

**7.8 Change of Occupancy.** When change of occupancy takes place on any premises supplied by the Company with electric service, notice should be given at the nearest office of the Company not less than three (3) days prior to the date of change by the outgoing party who will be held responsible for all electric service used on such premises until such notice is received and the Company has had a reasonable time to discontinue service. However, if such notice has not been received prior thereto, the application of the succeeding occupant for the electric service will automatically terminate the prior account.

**7.9 Delinquent Bills.** Bills are due when rendered and become delinquent if not paid within twenty (20) days from the mailing or delivery date. Thereafter, following five (5) working days' written notice, service may be discontinued and the deposit applied toward settlement of the bill. For purposes of this subsection, "working day" means any day on which the Company's business offices are open and the U.S. Mail is delivered.