

State of Florida



## Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** December 16, 2013  
**TO:** Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk  
**FROM:** Kelley F. Corbari, Staff Attorney, Office of the General Counsel:  
RAS Section *KFC AM*  
**RE:** Documents to File in Docket No. 130290-EI  
Initiation of formal proceedings of Complaint No. 1115382E of  
Brian J. Ricca against Florida Power & Light, for failing to provide  
reasonable service

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Attached please find copies of the informal complaint file (Complaint No. 1115382E) of Mr. Brian J. Ricca as well as, a copy of Mr. Ricca's request to initiate formal proceedings against FPL, dated December 5, 2013. Please file the attached documents in the docket file.

Thank you for your assistance in this matter. Should you have any questions, please do not hesitate to contact me.

KFC

cc: Mr. Brian J. Ricca  
Florida Power & Light  
Office of Public Counsel  
Division of Engineering  
Office of Consumer Assistance & Outreach

COMMISSION  
CLERK

13 DEC 16 PM 3:12

RECEIVED FPSC

**From: Brian Joseph Ricca**  
**Phone: 727.656.5805**  
**1001 40<sup>th</sup> Ave N, St. Pete, FL, 33703**

**Dated: 12/5/2013**

**I would like to hereby make the request for a formal hearing with the Florida Public Service Commission regarding the below Florida law and original complaint which appears to be in direct violation of Florida Statute. The original complaint was listed as Complaint 1115382E - Ricca. I will be seeking compensation such that the utility company's requested CIAC charges be waived or drastically reduced. Any fast track options available would be greatly appreciated considering the delay which has already occurred.**

***Florida law 366.03 General duties of public utility.—Each public utility shall furnish to each person applying therefor reasonably sufficient, adequate, and efficient service upon terms as required by the commission.***

**The action that constitutes the violation is inefficient service due to internal errors within the original quote for CIAC charges. The company originally quoted the CIAC charges at a price of \$60,000 and *assured me both verbally and literally* that the shortest route had been taken to the home and no other viable options existed. 84 calendar days later the company acknowledged that the shortest route had not in fact been taken and the new price was to be approx. \$45,000. If I had paid the original quote, I would of overpaid by a large sum and this error is unacceptable. The company is claiming there was no error, but rather a change in route as a courtesy. The law requires the utility to provide reasonably efficient service which would not only mean the shortest route but also timely service. There is no way that such a large delay and the risk of overpayment can be considered reasonable.**

**The name and address of the person against whom the complaint is lodged is:  
Florida Power and Light: Toledo Blade SC  
2245 Murphy Ct  
North Port, FL 34289  
Phone: 941-423-4849  
Toll Free: 800-375-8805**

**/S/ Brian Joseph Ricca**

**Consumer Information**

Name: BRIAN RICCA  
Business Name:  
Svc Address: 7556 HAMPSHIRE CIR

Phone: (727)-656-5805

Can Be Reached:

City/Zip: North Port / 34288-

Date Transferred to BCO: 10/08/2013

Date Received by BCO: 10/08/2013

Suspense Date: 11/14/2013

**Utility Information**

Company Code: EI802  
Company: FLORIDA POWER & LIGHT COMPANY  
Attn. Roseanne Lucas1115382E

Sent to Agenda:  
Conf. Agenda Date: 10/08/2013  
Form X Date Sent: / /  
Form X Date Due: / /  
Form X Received Late:

Review Settlement Deadline: 12/14/2013

Review Analyst: JOHN PLESCOW

Pre. Conf. Sett. Amount: 0.00

Pre. Conf. Settlement:

Informal Conference Deadline: 01/28/2014

Informal Conf. Sch.: Conference Analyst:

Date of Informal Conference: / /

Informal Conf. Sett. Amount: 0.00 Informal Conf. Settlement:

Informal Conf. Resolve: Y Conf. Closed Date: 12/02/2013

Post Conf. Sett. Amount: 0.00

Post Conf. Settlement:

**Florida Public Service  
Commission - Consumer Request  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
850-413-6100**

Please review the "incorporated" Internet correspondence, located between the quotation marks on this form, in which the customer reports the following:

"-----Original Message-----

From: consumerComplaint@psc.state.fl.us [mailto:consumerComplaint@psc.state.fl.us]  
Sent: Monday, July 08, 2013 9:59 AM  
Cc: Consumer Contact  
Subject: E-Form Delay in Service TRACKING NUMBER: 33910

CUSTOMER INFORMATION

Name: Brian Ricca  
Telephone: 7276565805  
Email: brianricca@yahoo.com  
Address: 1001 40th Ave N St. Pete FL 33703



BUSINESS INFORMATION

Business Account Name: na

Account Number:

Address: 7556 Hampshire Circle North Port Florida 34288

COMPLAINT INFORMATION

Complaint: Delay in Service against Florida Power & Light Company

Details:

I have been advised by the Office of Public Counsel that FPL is required to provide service to my home. I am being asked to pay a hefty fee of \$60k by FPL to run the primary power line. I have attempted to negotiate with FPL or find less costly routes to no avail. I dont feel that I should have to pay to run the primary line since FPL is the only service provider in my area and I dont have any other options. My home is the first built home in the subdivision. FPL would run power for free if more homes were in the subdivision and they could benefit more, but this is not fair practice. I hope that your commission can help me receive standard power from FPL in a timely manner without any further delay. Thanks for the service that you provide and it would be very nice to have some help in this matter."

Per Consumer Complaint Rule 25-22.032, please use the following procedures when responding to PSC complaints.

1. Complaint resolution should be provided to the customer via direct contact with the customer, either verbally or in writing, within 15 working days after the complaint has been sent to the company.
2. A response to the PSC is due by 5:00 p.m. Eastern time, of the 15th working day after the complaint has been sent to the company.
3. The response should include the following:
  - a) the cause of the problem
  - b) actions taken to resolve the customer's complaint
  - c) the company's proposed resolution to the complaint
  - d) answers to any questions raised by staff in the complaint
  - e) confirmation that the company has made direct contact with the customer
4. Send your written response to the PSC, and copies of all correspondence with the customer to the following e-mail, fax or physical addresses:

E-Mail - pscreply@psc.state.fl.us

Fax - 850-413-7168

Mail - 2540 Shumard Oak Blvd.

Tallahassee, Florida 32399-0850

Case taken by Diane Hood

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Request No. 1115382E

Name BRIAN RICCA

Business Name \_\_\_\_\_



07/09/13 - Customer correspondence received via e-mail; forwarded to SMCray. /ewe

To whom it may concern,

Regarding a recent complaint that I filed, I would like to follow up on the complaint. I believe my complaint reference is 33910. I have received a response from FPL and would like to request assistance from PSC to evaluate FPL's basis for the amount quoted. Please let me know how to proceed.

Brian J. Ricca  
Phone:727-656-5805  
Fax:727-865-5295  
Web: www.BrianRicca.com

7/9/13: Reviewed customer correspondence; forwarding to company as additional information. Shonna McCray

7/9/13: ATTN COMPANY:

PLEASE SEE CUSTOMER'S ADDITIONAL CONCERNS. PLEASE PROVIDE AN ITEMIZED BILLING STATEMENT FOR THE PROPOSED CHARGES WITH YOUR RESPONSE DUE 7/29/13. Shonna McCray

7/11/13: Mr. Ricca transferred by Suzelle. He stated he received the same information from FPL. He stated he was checking on the status of his complaint. Explained the complaint process to Mr. Ricca and provided the due date for the response. Mr. Ricca asked what he could do to get the fee reduced. Explained to Mr. Ricca that I cannot provide any information on his concerns until the response is received and reviewed. Mr. Ricca requested I forward my contact information to him. Confirmed his email address. Customer's objection noted. Shonna McCray

7/11/13: Sent the following to customer via email:

"Good afternoon Mr. Ricca,

My contact number is 800-342-3552.

Thanks,  
Shonna D. McCray"

7/11/13: Received the following email from the customer:

"Okay, thanks. I spoke with a supervisor at FPL and they hope to have the complaint returned to your office later today. I would like to go ahead and request PSC's assistance in evaluating the cost basis of the quote upon receipt. I feel that the quoted price of approx. \$60k is too much money for a primary power connection. I hope the engineering department will be able to help.

Regards,

Brian J. Ricca

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Request No. 1115382E

Name BRIAN RICCA

Business Name \_\_\_\_\_

Phone:727-656-5805  
Fax:727-865-5295  
Web: www.BrianRicca.com"

Shonna McCray

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7/11/13 - UTILITY RESPONSE - A 3-day response was received from FPL. Added to case file. See utility's report in case file.

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07/12/13: Case closed in error. Reopened. RRoland

7/12/13: REVIEWED COMPANY RESPONSE. Response indicates the following:

- \* Maria Gonzalez made an unsuccessful attempt to contact Mr. Brian Ricca to acknowledge receipt of the complaint.
- \* A phone message was left advising the concern has been referred to the area's Service Center for further investigation and response, and apologizing for any inconvenience.
- \* Ms. Gonzalez also provided her contact information should Mr. Ricca have any additional concerns.
- \* Later that same day, Jeff Houhoulis, FPL Engineering Lead, spoke with Mr. Ricca and explained FPL's line extension policy and reviewed the information that had been provided to both the previous property owner and Mr. Ricca.
- \* Mr. Ricca stated the previous owner advised him of the estimated cost of the line extension prior to his purchasing the property, but requested that FPL provide him with the proposed route where we will power poles would be installed and an invoice for the line extension.
- \* Mr. Houhoulis provided Mr. Ricca an invoice for the overhead line extension, and also provided his contact information should Mr. Ricca have any further questions or concerns.
- \* On 7/9/13, the PSC requested an itemized billing statement for the proposed Contribution In Aid of Construction (CIAC) charges provided to Mr. Ricca.
- \* The breakdown of the estimated cost, for the construction of the line extension needed to provide service to this property, is as follows:
  - \$44,018.00 Capital - (24 poles, 4,132 feet of single phase OH primary conductor and labor to install all needed equipment)
  - \$14,233.00 Engineering & Overhead
  - \$ 223.00 O&M
  - \$ 1,239.00 Plant - (1 single phase transformer)
  - \$59,713.00 Total estimated construction cost
  - \$ -4,387.41 Estimated Annual Revenue (EAR) for 4 years
  - \$55,325.59 Total CIAC costs
- \* The Service Center emailed Mr. Ricca the invoice for the binding cost estimate totaling \$55,325.59, and is valid for a 6-month period.
- \* Mr. Ricca was also provided a diagram of the proposed route for the line extension.
- \* Mr. Ricca is satisfied with the information provided regarding the line extension.

Shonna McCray

7/12/13: 12:33 p.m. Called Mr. Brian Ricca at 727-656-5805 to review the response; no answer; left message requesting a

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Request No. 1115382E

Name BRIAN RICCA

Business Name \_\_\_\_\_

return call. Shonna McCray

7/12/13: Sent email to brianricca@yahoo.com advising the response had been received and requested a return call. Shonna McCray

7/12/13: Mr. Ricca transferred by Ruth. Reviewed the response with Mr. Ricca. He is not satisfied with the amount FPL proposes to charge to install the new service. Advised Mr. Ricca that I would forward his complaint to my Supervisor for review and referral to the appropriate department for additional review. Shonna McCray

7/12/13: Complaint forwarded to Supervisor for review and referral. Shonna McCray

07/24/2013 Acknowledgement letter returned as "Attempted - Not Known Unable To Forward." Added letter to file, since the customer has already objected to the complaint. ACalhoun

7/24/13: Changed mailing address to address noted on the customer's original email to the PSC. Shonna McCray

7/25/13: Customer correspondence received via email. Added to file. Shonna McCray

7/25/13: Customer emailed FPL the following:

"----- Forwarded Message -----

From: Brian J. Ricca <brianricca@yahoo.com>  
To: "David.E.Diez@fpl.com" <David.E.Diez@fpl.com>  
Sent: Thursday, July 25, 2013 1:51 PM  
Subject: Fw: 7556 Hampshire Circle

----- Forwarded Message -----

From: Brian J. Ricca <brianricca@yahoo.com>  
To: "Jeffrey.Houhoulis@fpl.com" <Jeffrey.Houhoulis@fpl.com>  
Sent: Thursday, July 25, 2013 1:47 PM  
Subject: 7556 Hampshire Circle

Jeff,

Thanks for the follow-up. I had misplaced your email but wanted to respond. Is there anyway that you could send me a more detailed break down of costs involved with original quote? I am still having a hard time imagining how the costs could run so high.

Even if there are 25 poles involved, how much could each pole costs? Maybe \$100 each? I see railroad ties being sold for \$20 each and utility poles are probably 5 x's larger. I realize that copper or other wiring can be expensive but the price can't be more than \$4-5k. In my opinion, the fpl contractors must be well-trained in constructing new power lines and probably do the work every day. Even with a 10 person crew, labor should not exceed \$4-5k. Engineering costs should be minimal since this type of work is done every day. In addition, the mentioned equipment any other equipment/costs are most likely common items for FPL and acquired in bulk pricing. I would imagine most of the equipment, material and labor

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Request No. 1115382E

Name BRIAN RICCA

Business Name \_\_\_\_\_

PAGE NO: 5



costs are pretty much every day items for your company with trained individuals who do the work and use materials commonly.

I don't mean to doubt you but would appreciate a more detailed breakdown of costs in writing. I know that you mentioned the quote is computer generated. I believe that the materials used may be accurate; however, the pricing just doesn't line up. Also, you mentioned that fpl does not make money off of the work but costs seem excessive nonetheless.

My concern is that the home has been vandalized over and over again due to lack of power. I purchased the home for a very discounted price given issues. There are several other issues existent at the home though. The home requires up to \$50k in rehab due to vandalism. The price to run the power would not leave me any equity in the home and send it under water actually. The home has sat for a long time due to these mentioned issues. Solar power could be an option but most homes that use solar are still grid-connected and costs are still expensive... there are maintenance and practicality issues as well. Overall, I am unable to complete my normal work at home without power and any other owner would have the same problem. In my opinion, the home deserves to have service in a timely manner without excessive costs. The lack of power to the area affects FPL, the property owners, and the City of North Port, all of whom could benefit from the service.

Finally, I'm confident that the sub-division will have new construction completed within a reasonable time of your company providing power. Is new construction guaranteed? No, but isn't the investment of infrastructure and general expansion at the core of your company's business and an asset to the company? I hope that FPL and PSC will be able to help me and that the line will be provided in a timely manner, preferably without any costs. At the minimum, I hope that PSC will be able to convince FPL to reduce quote to under \$5k. I hope that your company can get together and decide to make an exception to costs in a timely manner. I feel that any addition to power in the area is a big asset to FPL.

Brian J. Ricca  
Phone:727-656-5805  
Fax:727-865-5295  
Web: www.BrianRicca.com"

7/29/13: REVIEWED TECHNICAL'S RESPONSE AND ADDED TO FILE. Shonna McCray

7/29/13: This inquiry closed. Shonna McCray

8/5/13: Received email from customer and added to file:

"From: Brian J. Ricca [mailto:brianricca@yahoo.com]

Sent: Monday, August 05, 2013 11:06 AM

To: Elisabeth Draper

Cc: Jim Dean; Patti Daniel; Paul Vickery; Ellen Plendl; Patti Daniel; Shonna McCray

Subject: Re: FPL CIAC charges for North Port property

Okay, I have included some more info below. I would hope that the PSC engineers were able to question the distance at the minimal, especially given the resources available to the staff. I have just been passed from one person to another; however, and the staff makes me feel like they don't want to be bothered. One staff member became upset when I asked the most basic of questions.

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Request No. 1115382E

Name BRIAN RICCA

Business Name \_\_\_\_\_

I have attached a map of the routes and the linear footage on quote does not seem accurate. The quote shows approx 4100+ ln ft required. The red line on map is the quoted route and approx 3500 ln. ft. and the green line is a shorter route at less than 3100 sq. ft. I would definitely want to go with the shorter route. These measurements are approximate but the green line would mean at least a 25% savings for me. I would also like to receive any additional credit as well for future buildings. I realize that mistakes happen but the end result is the most important thing for me. Time is of the essence for me however. Any reduction in costs is a huge plus for my planned budget.

Brian J. Ricca  
Phone:727-656-5805  
Fax:727-865-5295  
Web: www.BrianRicca.com"  
Shonna McCray

8/7/13: Received call from Ceil; requested the complaint be re-sent to FPL. Shonna McCray

8/7/13: Complaint being sent to FPL for informational purposes. Shonna McCray  
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09-29-2013 - E-mail from Mr. Ricca to Patti Daniel entered by JPlescow:

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Sunday, September 29, 2013 11:42 AM  
To: Patti Daniel  
Subject: Re: Complaint 1115382E - Ricca

Patti,

I have not been able to resolve the high fee with FPL to run power to my home. The original quote was found to be inaccurate and thus I have reason to believe that other errors may exist. The CIAC is overly conservative as well. I would like further review of the quote to see if lower upfront costs can be established. Any option to reduce the upfront costs significantly would be greatly appreciated. Please let me know your thoughts.

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09-30-2013 - E-mail from Patti Daniel to FPL entered by JPlescow:From: Patti Daniel [mailto:PDaniel@PSC.STATE.FL.US]  
Sent: Monday, September 30, 2013 8:16 AM  
To: Adams, Lynne  
Cc: Elisabeth Draper; Paul Vickery; Jim Dean  
Subject: FW: Complaint 1115382E - Ricca

Lynn, can you bring us up to speed on Mr. Ricca's situation? See following email.

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Sunday, September 29, 2013 11:42 AM  
To: Patti Daniel  
Subject: Re: Complaint 1115382E - Ricca

Patti,

I have not been able to resolve the high fee with FPL to run power to my home. The original quote was found to be inaccurate and thus I have reason to believe that other errors may exist. The CIAC is overly conservative as well. I would like further review of the quote to see if lower upfront costs can be established. Any option to reduce the upfront costs significantly would be greatly appreciated. Please let me know your thoughts.

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10-03-2013 -

From: Adams, Lynne [mailto:Lynne.Adams@fpl.com]  
Sent: Thursday, October 03, 2013 4:49 PM  
To: Patti Daniel  
Cc: Elisabeth Draper  
Subject: Proposed CIAC For Ricca Residence

Hi Patti,  
I just left you a voicemail message regarding this.

Thank you,  
Lynne Adams  
521-3904

From: Houhoulis, Jeffrey  
Sent: Thursday, October 03, 2013 4:15 PM  
To: bill@donofrioassociatesllc.com  
Cc: Brian J. Ricca  
Subject: RE: Proposed CIAC For Ricca Residence

Messrs. D'Onofrio/Ricca -

See FPL's responses (below in red) to your questions. Additionally, as previously explained to Mr. Ricca, Rule 25-6.064(6) (a) and (6) (b), Florida Administrative Code, provide customers additional rights and protection that could result in adjustment or true-up of the CIAC initially paid. Section (6) (a) provides the ability for a customer to request a true-up of the CIAC to reflect the actual cost of construction as well as the actual base revenues received. Please note that the true-up request must be made within 12 months following the in-service date of the new facilities. Section (6) (b) provides the opportunity for the proration of CIAC, should additional customers be served by these new facilities within a 3-year period.

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



Note: A copy of this communication will be provided to the Florida Public Service Commission

Thank you,

Jeff Houhoulis  
Engineering Lead  
Toledo Blade Management Area  
941-423-4850

From: William N. D'Onofrio, CPA [mailto:bill@donofrioassociatesllc.com]  
Sent: Monday, September 30, 2013 11:40 AM  
To: Houhoulis, Jeffrey  
Cc: Brian J. Ricca; Diez, David E  
Subject: Proposed CIAC For Ricca Residence  
Importance: High

Dear Mr. Houhouls:

I have been employed by Mr. Ricca to review FPL's cost estimates and policies regarding the company's request for a Contribution In Aid of Construction (CIAC) for the proposed line extension to Hampshire Circle, City of North Port, Florida.

Candidly, the overall average cost per foot that Mr. Ricca has been quoted seems excessive in my experience as does the "engineering and overhead" component of the estimate. Nevertheless, we wish to understand how the estimate was derived and its composition before deciding to go forward. FPL utilizes its Work Management System (WMS) to develop its estimated work order job costs. Inputs and calculation within the system include the design, labor and material units required along with current labor and material rates/charges. Cost estimates and details that have been previously provided to Mr. Ricca are the same as the output/level of detail generated by WMS. As mentioned above, customers have the right to request a true-up of the CIAC based on actual charges incurred and base revenues received.

In addition:

1. Will the proposed line extension be constructed by FPL company crews or is the estimate based on employing contract crews (and thus based on contract labor costs)? Who will be performing this work is unknown at this time since (as is typical) FPL will assign resources (FPL vs. contractor) just prior to executing the work, based on projects/available resources at that that time. Labor costs included in FPL's estimates are based on current FPL labor rates.
2. Is any of the work proposed to be performed on an overtime basis? No. FPL's cost estimate includes no overtime rates/charges.
3. The number of engineering hours included in the cost estimate? Estimated engineering, supervision and overhead charges are determined/allocated to each job utilizing a historical relationship of the actual engineering, supervision and overhead charges allocated to the actual capital expenditures incurred for these types of projects.
4. Are all new services charged for the transformer or is this charge unique to CIAC work orders? Per Rule 25-6.046(2), electric utilities are to charge for all/total estimated overhead work order job costs, excluding the cost of the service drop and the meter.
5. The derivation of the estimated annual revenue the new service will generate? For CIAC purposes, FPL utilizes

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

current electric base rates applied to the average historical electrical usage associated with the size (air conditioned square footage) of the customer's home or facility.

Sincerely,  
/s/William N. D'Onofrio, CPA

William N. D'Onofrio, CPA  
Principal Consultant  
D'Onofrio & Associates, LLC  
Cell: 614.634.0220

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10-04-2013 - E-mail from FPL to Patti Daniel entered by JPlescow:

From: Adams, Lynne [mailto:Lynne.Adams@fpl.com]  
Sent: Friday, October 04, 2013 11:43 AM  
To: Patti Daniel  
Subject: Complaint 1115382E - Ricca

Patti,

Following is a summary of the contact FPL has had with Mr. Ricca. This is in addition to the correspondence that FPL has provided to the CPA that Mr. Ricca has hired.

In his email to you, Mr. Ricca indicated that the original quote from FPL was found to be inaccurate and has reasons to believe that other errors may exist.

During the past few months, FPL has had many communications with Mr. Ricca and has reviewed and considered every available option presented by him. During this process, multiple cost estimates have also been provided and discussed with Mr. Ricca. FPL believes the cost estimates provided are accurate and in compliance with all applicable rules and tariffs.

In addition to the cost breakdowns provided below, Mr. Ricca has questioned FPL on the use of a licensed independent contractor to install overhead lines. The following explanation has been offered to Mr. Ricca. The associated tariff is attached:

Per the Electric Tariff, 6.090, Section 10.2.6., FPL will design, install, own and maintain the electric distribution facilities up to the designated point of delivery (in this case, up to, but not including the meter can on the house), no payments made for a line extension will convey ownership or rights to provide the service. Therefore, no one except FPL or its contractors are allowed to install/maintain FPL power lines.

In another email from FPL's service center lead engineer to Mr. Ricca, please see the response to the customer's questions regarding installing lines underground:

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



In order to go underground you would need to obtain the permits from the City of North Port and a 10' easement from every lot owner along the proposed underground route and a certified as-built survey of the cable route. Underground power lines are installed on private property and not in the Right of Way like an overhead power line. I inventoried both an overhead job and an underground job to help you make your decision. In reference to the underground job, FPL provides credits to customers for trenching and installing FPL provided PVC per the existing Underground Tariff filed with the FPSC, there is also no Estimated Annual Revenue provided for Underground.

The prorated line extension policy still applies. FPL expects 2 additional customers to build homes within the three year period from the time the line is energized, if that happens FPL would collect 2/3 of the initial cost and make a refund to you in that amount.

FPL will continue to work with Mr. Ricca and strive to satisfy his needs.

Following are the written estimates that FPL has provided to the customer:

" The following is a breakdown of cost to provide an overhead line extension

The job consists of a 4,132 foot single phase Overhead primary extension with 24 poles and a single phase transformer to serve this 1,153 sq. ft. single family residence. The Customer Contribution is calculated by using the Total Cost of the Job less four times the Estimated Annual Revenue.

The binding estimate also includes 36 down guys and 18 anchors as noted in bold.

\$44,018.00 Capital - (36 down guys and 18 anchors, 24 poles, 4,132 feet of single phase OH primary conductor and labor to install all needed equipment)  
\$14,233.00 Engineering & Overhead  
\$ 223.00 O&M  
\$ 1,239.00 Plant - (1 single phase transformer)  
\$59,713.00 Total estimated construction cost  
\$ -4,387.41 Estimated Annual Revenue (EAR) for four years  
  
\$55,325.59 Total Contribution In Aid of Construction (CIAC) costs

" The following is a breakdown of cost to a second route for underground service

2,956 feet of trenching and 2" pvc - customer will get a credit for trenching and pvc installation per FPL specs.  
180' bore and 2" flex pipe

3,136 feet of primary cable, cable reel setup and pulling baskets  
4 primary splice boxes with single phase splices and cable  
1 URD riser with terminations  
1 25Kva padmounted transformer with terminations

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



\$31,868.00 Capital - Equipment listed above  
\$10,315.00 Engineering & Overhead  
\$ 809.00 O&M  
\$ 1,139.00 Plant - (1 single phase transformer)  
\$44,130.00 Total estimated construction cost due to FPL up front

\$ -12,324.48 Less Credit for customer trenching and installing PVC - applied after job is completed

\$31,850.85 Balance of construction cost applied to job, nonrefundable.

" The following is a breakdown of cost to the second route for an overhead line extension.

\$32,967.00 Capital - (24 down guys and 12 anchors, 20 poles, 3,136 feet of single phase OH primary conductor and labor to install all needed equipment)

\$10,664.00 Engineering & Overhead

\$ 223.00 O&M

\$ 1,239.00 Plant - (1 single phase transformer)

\$45,093.00 Total estimated construction cost

\$ -4,387.41 Estimated Annual Revenue (EAR) for four years

\$40,705.59 Total Contribution In Aid of Construction (CIAC) costs

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10/7/13: Received a call from Baldwyn English (Comm. Brise's office) regarding this complaint. He advised they received an email from Mr. Ricc a regarding his complaint. He needed an overview of the case because he is out of the office. Provided an overview of the complaint and resolution to Baldwyn English. Shonna McCray

10/07/13: Delivered case file to process review. RRoland

10/8/13: Received email from Baldwyn English; the customer is not satisfied with the resolution and request that his concerns be forwarded to the next level. Shonna McCray

10/8/13: Complaint referred to Supervisor for referral to Process Review. Shonna McCray

10/08/13: Complaint reopened and delivered to process review. RRoland

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\*\*\*\*\*PROCESS REVIEW ASSIGNMENT\*\*\*\*\*

10/8/13 - In accordance with FPSC Rule 25-22.032(7), Florida Administrative Code, the customer's complaint has been escalated to the Process Review Phase of the complaint progression. The case has been reassigned to the Bureau of Consumer Assistance (BCA) Process Review Group (PRG).

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

NOTICE: As this customer has chosen to escalate this complaint to the process review phase, THE COMPANY must notify the assigned Process Review staff member immediately of all communications between THE COMPANY and THE CUSTOMER regarding this complaint. This instruction is inclusive of resolution and settlement agreement offers, negotiations, and conclusions while this PRT complaint is open and under active investigation.

\* The PRG staff member assigned to conduct the review of this complaint is JOHN PLESCOW. He may be contacted at 850-413-6115.

The customer's complaint status is active and under further investigation. Therefore, Pursuant to FPSC Rule 25-22.032(3) F.A.C., until this matter is concluded and the complaint is closed by PRG staff, PLEASE DO NOT DISCONNECT THE CUSTOMER'S SERVICE FOR NON-PAYMENT OF THE SPECIFIED DISPUTED AMOUNT.

The above notification was E-mailed to the company. Copy of the E-mail has been placed in the case file.

-----entered by Neal E. Forsman

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10-08-2013 - The following E-mail was received from Mr. Ricca:

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Tuesday, October 08, 2013 2:56 PM  
To: John Plescow  
Subject: complaint appeal

I have additional info that I would like to share with the PSC regarding my complaint. Please let me know how to get started with the appeal process.

Thanks.

Brian J. Ricca  
Phone:727-656-5805  
/JPlescow

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10-09-2013 - Mr. Ricca returned my Call. Mr. Ricca believes that FPL is not being transparent. Mr. Ricca believes that FPL is not providing complete information regarding the cost of providing his home with service. For example, he said that FPL told him the overhead engineering expense would be \$1,500.00, but he said FPL did not breakdown the \$1,500.00 charge.

Mr. Ricca said he found mistakes in FPL's calculations. Mr. Ricca said that originally FPL said that it would cost \$55,000.00 to provide him with overhead service, He said that was later reduced to \$41,000.00, because he found a shorter way to provide the service. Mr. Ricca appears to believe that FPL should have tried to provide the service using the shortest path. He did not provide any other suggested errors. Note, he did not provide any mathematical errors, or any specific individual FPL charges that were incorrect.

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

Mr. Ricca acknowledged that there are other shorter ways for service to be provided. One option would be for him to secure easements or rights of way for the utility's facilities, but he appears not to want to try to secure the right of way himself. A second way over a canal is not allowed by his municipality

Mr. Ricca further wanted to know if he could higher a contractor to place the facilities in the easement. He appears to believe that he could find a contractor that could build the facilities for less than FPL would charge.

Mr. Ricca believes that FPL is charging him to provide service to his neighborhood, and FPL should have to provide his home with service, because the utility has an obligation to serve him.

Mr. Ricca wanted to know how my review of his complaint would take place. I explained that I would review the documentation provided by both FPL and him. I explained that I would try to determine if FPL violated FPSC rules, or its tariffs, in the handling of this matter. Mr. Ricca understands that once I complete my review, I will follow-up with him in writing.

/JPlescow

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10-09-2013 - I called FPL, and I spoke to Ms. Bruner. I requested to know if FPL had record of informing the previous home ownerof the cost of having service provided to the home.

Ms. Bruner will follow-up with me.

/JPlescow

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10-09-2013 - The following was forwarded from Mr. Stolting to the FPSC's consumer contact E-mail address:

From: Derrell Scott  
Sent: Wednesday, October 09, 2013 2:00 PM  
To: John Plescow  
Subject: FW: Complaint 1115382E - Ricca

From: Consumer Contact  
Sent: Wednesday, October 09, 2013 1:00 PM  
To: Derrell Scott  
Subject: FW: Complaint 1115382E - Ricca

Please add to the file. DHood

From: Steven Stolting  
Sent: Wednesday, October 09, 2013 12:34 PM  
To: Consumer Contact

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



Subject: FW: Complaint 1115382E - Ricca

As shown below, I received this complaint as a referral from the Office of the Auditor General. I've provided it to Patti Daniel as well, since she was mentioned below. I understand it's in Process Review, and John Plescow is involved. If Mr. Ricca contacts me, I will refer him back to the Process Review group. This is for your information/files.

Thanks,

Steve Stolting

From: DAVID VICK [mailto:DAVIDVICK@AUD.STATE.FL.US]  
Sent: Wednesday, October 09, 2013 9:52 AM  
To: brianricca@yahoo.com  
Subject: FW: Complaint 1115382E - Ricca

Mr. Ricca,

Your best contact for assistance would be the Florida Public Service Commission's Inspector General at (850) 413-6071.

Thanks,

David

David R, Vick, Audit Manager  
Florida Auditor General

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Monday, October 07, 2013 2:27 PM  
To: FLAUDGEN  
Subject: Fw: Complaint 1115382E - Ricca

Please let me know if able to help with the below case. The utility company is leaving my home without power and won't provide transparency within their quote to provide power.

Messrs. D'Onofrio/Ricca -

See FPL's responses (below in red) to your questions. Additionally, as previously explained to Mr. Ricca, Rule 25-6.064(6) (a) and (6) (b), Florida Administrative Code, provide customers additional rights and protection that could result in adjustment or true-up of the CIAC initially paid. Section (6) (a) provides the ability for a customer to request a true-up of the CIAC to reflect the actual cost of construction as well as the actual base revenues received. Please note that the true-up request must be made within 12 months following the in-service date of the new facilities. Section (6) (b) provides the opportunity for the proration of CIAC, should additional customers be served by these new facilities within a 3-year period.

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Request No.	<u>1115382E</u>	Name	<u>BRIAN RICCA</u>	Business Name	<u></u>
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Note: A copy of this communication will be provided to the Florida Public Service Commission

Thank you,

Jeff Houhoulis  
Engineering Lead  
Toledo Blade Management Area  
941-423-4850  
/JPlescow

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10-10-2013 - I received the following E-mail from Mr. Ricca:

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Thursday, October 10, 2013 7:15 AM  
To: John Plescow  
Cc: bill@donofrioassociatesllc.com  
Subject: 7556 Hampshire Circle

John,

I will try to send all of the questions, complaints, and possible resolutions to you this evening or tomorrow. The following info contains the response from fpl when my consultant who is a cpa with utility experience requested transparency. You can be the judge of the response but in my opinion the answers were not received in detail. The reason that detail is not being provided is because it would force FPL to admit large omissions within the quote. We received answers that were vague and the supporting docs. were not provided. Basically, I am being told that I can pay now and ask questions later or hope for a refund in the future. FPL's responses are in bold rather than red. Mr. D'onofrio is helping me with my case. Have a great day. Thanks.

\*\*\*\*\*NOTE, the E-mail included copies of correspondence that had been previously provided to the FPSC.\*\*\*\*\*

/JPlescow

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10-10-2013 - I received the following E-mail from Mr. Ricca's CPA:

From: Bill D'Onofrio [mailto:bill@donofrioassociatesllc.com]  
Sent: Thursday, October 10, 2013 7:44 AM  
To: Brian J. Ricca  
Cc: John Plescow  
Subject: Re: 7556 Hampshire Circle

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

John

If you would like to discuss i can be reached today after 10:00 am at 614-634-0220.

Regards

Bill

Sent from my iPhone

\*\*\*\*\*NOTE, the E-mail included copies of correspondence that had been previously provided to the FPSC.\*\*\*\*\*

/JPlescow

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10-11-2013 - I received the following from FPL via E-mail:

From: Bruner, Cecelia [mailto:Cecelia.Bruner@fpl.com]  
Sent: Thursday, October 10, 2013 5:14 PM  
To: John Plescow  
Subject: Rica 1115382E

John,

FYI...

FPL had been in communications with the previous owner, Douglas Battaglia in March/April, 2013 to provide service to the property located at 7556 Hampshire Cir, North Port, Fl. FPL provided Mr. Battaglia with FPL's line extension policy and a "ball park" estimate of \$60,000.00.

Mr. Ricca was aware that an extension of our facilities was required to provide service to the property and the "ball park" estimate of 60,000.00 prior to purchasing the home in May, 2013.

On July 9, 2013, FPL provided Mr. Ricca with an "actual" cost estimate of 55,325.59. Mr. Ricca stated that he understood FPL's line extension policy, and indicated he was "just exploring all options" before committing to paying for the line extension.

I will be out of the office and returning on 10/16/2013.

Ceil

Ceil Bruner, Sr Consumer Issues Analyst  
Regulatory & State Governmental Affairs  
Florida Power & Light Company (FPL)  
700 Universe Blvd (D1470)  
Juno Beach, Fl 33408

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



Phone: 561-694-4934

/JPlescow

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10-11-2013 - Mr. Stolting the FPSC's Au titer General called me, an we discussed Mr. Ricca's complaint. I explained that for overhead service that FPL originally quoted Mr. Ricca a cost to install the facilities of about \$55,000.00. I further explained that Mr. Ricca said the cost had been reduced to about \$41,000.00, because Mr. Ricca suggested a shorter alternative way for FPL to run its facilities.

I also advised that the home in question's previous owner had been given by FPL a estimated cost to provide service in the amount of \$60,000.00. I stated that Mr. Ricca had previously acknowledged that the cost to have service connected to the home had been provided to him by the home's previous owner.

We discussed, what I believed at this time, are the applicable rues and tariffs.

/JPlescow

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10-11-2013 - Two copies of the following e-mail were received from Mr. Ricca:

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Friday, October 11, 2013 12:11 PM  
To: John Plescow  
Subject: Fw: 7556 Hampshire Circle

John,

Thanks for taking the time to review my case. I have included some of my concerns in this email and hope that you will be able to encourage FPL to provide timely service to my residence. I would like to kindly request that the PSC proposes FPL to run the service to the home free of charge and without further appeal due to internal errors. I have been told verbally by the lead engineer Jeff that he would like for the PSC to tell him to run the service without charge, but this must be done by the PSC. FPL can't provide waivers to one customer and not another supposedly. The below info permits a waiver to charges however.

I have been ensured by FPL employees for 4 months that the quote provided was the shortest route. I waited patiently for PSC review and spent many hours searching for other solutions, meeting with city officials, FPL engineers to no avail. During all of this tiime, the home remained without power and thus, susceptible to vandalism and mold issues from high humidity. FPL standards of providing timely and reliable service appear to be in direct violation of Florida Statutes, company ethics and tariffs. Being a monopoly, the utility is obligated to provide reliable and timely service. I have waited patiently and am forced to continue to do so amongst internal errors, despite mold and vandalism issues with the home not being cured. If the original quote had been paid, it would of been overpaid by \$14k plus. There is absolutely no excuse for this lack of service and it is in fact, ridiculous. The reason alternative routes and solutions were sought was because the quote was obviously excessive.

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

I have consulted with a CPA utility specialist who agreed the quote seems high. When the CPA consultant asked for a documented breakdown of costs, the response did not include any of the requested detail or supporting documents. Some of the most important questions were omitted from the response. General and vague answers were received. Now the home is forced to be denied service even longer while appealing with the PSC and trying to find transparency or answers within the quote. During my original appeal, I relied heavily on the all parties to utilize vast resources and catch errors that were seen by any staff. The home has had to suffer lack of service amongst internal errors, lack of transparency, violation of Florida Statutes, utility standards and ethics, in addition to utility tariff. Due to lack of prompt and reliable service, I have also suffered loss of time, hassle and financial consequences. Obviously a large corporation has more resources to bear the brunt of the damage caused, more than one single customer . The errors were in no way related to my own actions and solely the utility company shall bear blame. In my opinion, the utility company will recover funds for the extension in a timely manner and the current quote appears to contain additional omissions. Also, the utility company will benefit from new homes built in the future as well. Again, there is no excuse for lack of service amongst repeated glitches and lack of accurate info. I would like to kindly ask the PSC staff to request immediate service without any requests for charges or further appeal in accordance with Florida utility law for providing reliable service.

After all of the hassle and loss of time, being asked to pay the hefty fee and wait longer for service, pending further FPL investigation, would simply be ridiculous. The home and the myself have already had enough damage and penalty for internal mistakes, none of which I can be held accountable for in anyway. I am unable and unwilling to pay the ciac given the circumstances.

In order to reach a prompt resolution, I would truly appreciate if PSC staff would propose FPL staff to run the extension free of charge, promptly and without further request due to all of the following factors: loss of time and hassle customer suffered, heavy financial burden to one single customer, ability for the largest state utility to bear the costs, potential for additional homes built, monthly usage fees which will be received, issues with the homes security, customers patience amongst errors, FPL's commitment to timely service, and general company ethics with regards to customers concern. Patiently awaiting your response.

Kind Regards,

Brian J. Ricca  
/JPlescow

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10-11-2013 - I called Mr. Ricca, and we discussed the allegations made in his most recent E-mail correspondence to the FPSC.

I requested to know if Mr. Ricca could provide the specific rules and tariffs that he believes FPL has violated. Mr. Ricca said he thought that was what the FPSC would do. I explained that I was reviewing the FPSC's rules and FPL's tariffs as part of my investigation; however, if he had specific rules or tariffs that he thought FPL was violating, he should provide them to me, for further review.

Mr. Ricca stated that he believed FPL must be violating FPSC rules, and FPS's tariffs. He said that FPL must be

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



ethically bound to provide him with service. He further alleged that FPL could not provide service to one customer, and deny service to another customer. Mr. Ricca then asked what I thought of the FPSC ordering FPL to not charge him to provide service. Mr. Ricca wants the FPSC to order FPL to build the facilities that would only serve his home at the time and not charge him for the construction of the facilities that only benefit him, because he has the only home in the development.

/JPlescow

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10-11-2013 - Mr. Ricca sent the following in response to our above conversation:

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Friday, October 11, 2013 2:08 PM  
To: John Plescow  
Cc: brianricca@yahoo.com  
Subject: Fw: 7556 Hampshire Circle

John,

Here is a link to the law and below are key points which appear to be reinforce my previous statements. I have also attached other documents. I would hope that you have these documents available to you already but have sent just in case.

<http://www.flsenate.gov/Laws/Statutes/2013/Chapter366/All>

366.03?General duties of public utility.-Each public utility shall furnish to each person applying therefor reasonably sufficient, adequate, and efficient service upon terms as required by the commission. No public utility shall be required to furnish electricity or gas for resale except that a public utility may be required to furnish gas for containerized resale. All rates and charges made, demanded, or received by any public utility for any service rendered, or to be rendered by it, and each rule and regulation of such public utility, shall be fair and reasonable. No public utility shall make or give any undue or unreasonable preference or advantage to any person or locality, or subject the same to any undue or unreasonable prejudice or disadvantage in any respect.

History.-s. 3, ch. 26545, 1951; s. 3, ch. 76-168; s. 1, ch. 77-457; s. 16, ch. 80-35; s. 2, ch. 81-318; ss. 1, 15, ch. 82-25; ss. 20, 22, ch. 89-292; s. 4, ch. 91-429.

366.055?Availability of, and payment for, energy reserves.-

(1)?Energy reserves of all utilities in the Florida energy grid shall be available at all times to ensure that grid reliability and integrity are maintained. The commission is authorized to take such action as is necessary to assure compliance. However, prior commitments as to energy use:

- (a)?In interstate commerce, as approved by the Federal Energy Regulatory Commission;
  - (b)?Between one electric utility and another, which have been approved by the Federal Energy Regulatory Commission; or
  - (c)?Between an electric utility which is a part of the energy grid created herein and another energy grid
- shall not be abridged or altered except during an energy emergency as declared by the Governor and Cabinet.

(2) (a)?When the energy produced by one electric utility is transferred to another or others through the energy grid and under the powers granted by this section, the commission shall direct the appropriate recipient utility or utilities to reimburse the producing utility in accordance with the latest wholesale electric rates approved for the producing utility

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



by the Federal Energy Regulatory Commission for such purposes.

(b)?Any utility which provides a portion of those transmission facilities involved in the transfer of energy from a producing utility to a recipient utility or utilities shall be entitled to receive an appropriate reimbursement commensurate with the transmission facilities and services provided. However, no utility shall be required to sell purchased power to a recipient utility or utilities at a rate lower than the rate at which the power is purchased from a producing utility.

(3)?To assure efficient and reliable operation of a state energy grid, the commission shall have the power to require any electric utility to transmit electrical energy over its transmission lines from one utility to another or as a part of the total energy supply of the entire grid, subject to the provisions hereof.

History.-s. 3, ch. 74-196; s. 3, ch. 76-168; s. 1, ch. 77-457; ss. 6, 16, ch. 80-35; s. 2, ch. 81-318; ss. 20, 22, ch. 89-292; s. 4, ch. 91-429.

)?In fixing the just, reasonable, and compensatory rates, charges, fares, tolls, or rentals to be observed and charged for service within the state by any and all public utilities under its jurisdiction, the commission is authorized to give consideration, among other things, to the efficiency, sufficiency, and adequacy of the facilities provided and the services rendered; the cost of providing such service and the value of such service to the public; the ability of the utility to improve such service and facilities; and energy conservation and the efficient use of alternative energy resources; provided that no public utility shall be denied a reasonable rate of return upon its rate base in any order entered pursuant to such proceedings. In its consideration thereof, the commission shall have authority, and it shall be the commission's duty, to hear service complaints, if any, that may be presented by subscribers and the public during any proceedings involving such rates, charges, fares, tolls, or rentals; however, no service complaints shall be taken up or considered by the commission at any proceedings involving rates, charges, fares, tolls, or rentals unless the utility has been given at least 30 days' written notice thereof, and any proceeding may be extended, prior to final determination, for such period; further, no order hereunder shall be made effective until a reasonable time has been given the utility involved to correct the cause of service complaints, considering the factor of growth in the community and availability of necessary equipment.

(2)?The power and authority herein conferred upon the commission shall not cancel or amend any existing punitive powers of the commission but shall be supplementary thereto and shall be construed liberally to further the legislative intent that adequate service be rendered by public utilities in the state in consideration for the rates, charges, fares, tolls, and rentals fixed by said commission and observed by said utilities under its jurisdiction.

(3)?The term "public utility" as used herein means all persons or corporations which the commission has the authority, power, and duty to regulate for the purpose of fixing rates and charges for services rendered and requiring the rendition of adequate service.

(4)?No electric utility may collect impact fees designed to recover capital costs in initiating new service unless the utility can demonstrate and the commission finds that such fees are fair, just, and reasonable and are collected from the ultimate utility customer of record at such time as or after permanent electric service is provided. This prohibition shall not apply to underground electric distribution lines or line extension charges collected pursuant to approved tariffs.

History.-ss. 1, 2, 3, 4, ch. 67-326; s. 3, ch. 76-168; s. 1, ch. 77-457; s. 53, ch. 78-95; ss. 4, 16, ch. 80-35; s. 2, ch. 81-318; ss. 3, 20, 22, ch. 89-292; s. 4, ch. 91-429.

The Florida Public Service Commission is committed to making sure that Florida's consumers receive some of their most essential services - electric, natural gas, telephone, water, and wastewater - in a safe, reasonable, and reliable

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

manner. In doing so, the PSC exercises regulatory authority over utilities in one or more of three key areas: rate base/economic regulation; competitive market oversight; and monitoring of safety, reliability, and service.

25-6.064 Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities.

- (1) Application and scope. The purpose of this rule is to establish a uniform procedure by which investor-owned electric utilities calculate amounts due as contributions-in-aid-of-construction (CIAC) from customers who request new facilities or upgraded facilities in order to receive electric service, except as provided in Rule 25-6.078, F.A.C.
- (2) Contributions-in-aid-of-construction for new or upgraded overhead facilities (CIACOH) shall be calculated as follows:

CIACOH

= Total estimated work order job cost of installing the facilities - Four years expected incremental base energy revenue - Four years expected incremental base demand revenue, if applicable

- (a) The cost of the service drop and meter shall be excluded from the total estimated work order job cost for new overhead facilities.
  - (b) The net book value and cost of removal, net of the salvage value, for existing facilities shall be included in the total estimated work order job cost for upgrades to those existing facilities.
  - (c) The expected annual base energy and demand charge revenues shall be estimated for a period ending not more than 5 years after the new or upgraded facilities are placed in service.
  - (d) In no instance shall the CIACOH be less than zero.
- (3) Contributions-in-aid-of-construction for new or upgraded underground facilities (CIACUG) shall be calculated as follows:

CIACUG = CIACOH + Estimated difference between cost of providing the service underground and overhead

- (4) Each utility shall apply the formula in subsections (2) and (3) of this rule uniformly to residential, commercial and industrial customers requesting new or upgraded facilities at any voltage level.
- (5) The costs applied to the formula in subsections (2) and (3) shall be based on the requirements of Rule 25-6.0342, F.A.C., Electric Infrastructure Storm.
- (6) All CIAC calculations under this rule shall be based on estimated work order job costs. In addition, each utility shall use its best judgment in estimating the total amount of annual revenues which the new or upgraded facilities are expected to produce.
  - (a) A customer may request a review of any CIAC charge within 12 months following the in-service date of the new or upgraded facilities. Upon request, the utility shall true-up the CIAC to reflect the actual costs of construction and actual base revenues received at the time the request is made.
  - (b) In cases where more customers than the initial applicant are expected to be served by the new or upgraded facilities, the utility shall prorate the total CIAC over the number of end-use customers expected to be served by the new or



upgraded facilities within a period not to exceed 3 years, commencing with the in-service date of the new or upgraded facilities. The utility may require a payment equal to the full amount of the CIAC from the initial customer. For the 3-year period following the in-service date, the utility shall collect from those customers a prorated share of the original CIAC amount, and credit that to the initial customer who paid the CIAC. The utility shall file a tariff outlining its policy for the proration of CIAC.

(7) The utility may elect to waive all or any portion of the CIAC for customers, even when a CIAC is found to be applicable. If however, the utility waives a CIAC, the utility shall reduce net plant in service as though the CIAC had been collected, unless the Commission determines that there is a quantifiable benefit to the general body of ratepayers commensurate with the waived CIAC. Each utility shall maintain records of amounts waived and any subsequent changes that served to offset the CIAC.

(8) A detailed statement of its standard facilities extension and upgrade policies shall be filed by each utility as part of its tariffs. The tariffs shall have uniform application and shall be nondiscriminatory.

(9) If a utility and applicant are unable to agree on the CIAC amount, either party may appeal to the Commission for a review.

Specific Authority 366.05(1), 350.127(2) FS. Law Implemented 366.03, 366.05(1), 366.06(1) FS. History-New 7-29-69, Amended 7-2-85, Formerly 25-6.64, Amended 2-1-07.

Brian J. Ricca  
Phone:727-656-5805  
Fax:727-865-5295  
Web: www.BrianRicca.com  
/JPlescow

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10-11-2013 - The following was received from Mr. Ricca's CPA via E-mail:

From: bill@donofrioassociatesllc.com [mailto:bill@donofrioassociatesllc.com]  
Sent: Friday, October 11, 2013 2:03 PM  
To: John Plescow; Brian J. Ricca  
Subject: Re: 7556 Hampshire Circle

John,  
If I might I'd like to add some additional thoughts on the subject CIAC issue as it applies to the Ricca situation.

While the collection of a CIAC makes sense in most cases, the Ricca situation points out the flaws in the system as it is being applied by FPL.

First, as I recall my old utility days the CIAC concept was usually applied to developers. Developers would buy many acres of land and then expect local government and or utility companies to put in the infrastructure. The problem was that the lots and the infrastructure would potentially sit for years before generating tax revenue or operating income as the case might be. Thus the developer put all the risk on others and then reaped the profit as the lots were sold. Mr. Ricca is not a developer who will profit from the future use of the FPL line; he simply will enjoy utility service as any homeowner should expect.

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



Second, Mr. Ricca will not own acreage which will require an unreasonable extension of utility service. He has simply purchased a modest home that is close to the street.

Third, given the state of the Florida economy over the last seven or more years Mr. Ricca is in no position to gamble that the lots along the requested line extension will have homes built within the three year refund period in FPL's tariffs. If construction goes forward, however, FPL will own a distribution line with a 30 year life and will reap the benefits of the line extension, with no capital outlay or risk, in perpetuity.

Part of the problem with the Ricca case is that FPL is proposing to spread their overheads to this job as they would any other construction project that would be capitalized and included in rate base for recovery over a 30 year period. While one can appreciate that this is the "standard" accounting procedure the sheer magnitude of the overheads (more than \$14,000) makes the "cost" in the instant case appear excessive. The line was likely designed using software that took an FPL engineer less than an hour to program and run.

Notwithstanding the fact that the overheads are excessive in the instant case, as you can see from FPL's responses to the questions I posed to them the company is unwilling to share with Mr. Ricca the individual components of what makes up their estimate. I can tell you from experience that the work management system prices out each cost component that makes up the estimate - the poles, cross arms, conductor, etc. - why is the company stonewalling Mr. Ricca's request for those figures?

Finally, let me add that I am a board member of a cooperative electric utility in Union County Ohio. I asked our vice president of engineering what a line extension costs us; the answer was about \$7 per foot. While I fully appreciate that each company has its own cost structure to deal with, it appears unreasonable to me that a single phase distribution line in Florida should cost nearly twice as much as a similar line in Ohio.

I sincerely hope that staff can work with us to persuade FPL to reconsider its CIAC request in the instant case so Mr. Ricca can finally occupy the home he has purchased.

Sincerely,  
William N. D'Onofrio, CPA  
Principal Consultant  
D'Onofrio & Associates, LLC  
/JPlescow

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10-14-2013 - The following was received from Mr. Ricca via E-mail

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Sunday, October 13, 2013 11:38 AM  
To: John Plescow  
Subject: 7556 Hampshire Circle

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

John,

I have attached the utility company's tariff document for your review as well. I have completed all of my diligence and I'm confident that the home has been denied service in an unfair manner. I am happy to help and provide supporting documentation, but I'm not an expert on utility law by any means. I have included Florida laws and company policy in some of my previous emails which I believe prove my case. I don't have all of the rules and regulations of the Florida Public Service Commission however. I could really use the help of your staff to help me interpret the different rules because I don't have this type of problem everyday. I am also busy with my own career and would just like regular electricity in a timely manner like every other person. Please note the below rule which grants the utility company the right to waiver the ciac fee altogether. Please don't hesitate to contact me with any questions. Thank you for trying to help.

25-6.064 Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities.

(1) Application and scope. The purpose of this rule is to establish a uniform procedure by which investor-owned electric utilities calculate amounts due as contributions-in-aid-of-construction (CIAC) from customers who request new facilities or upgraded facilities in order to receive electric service, except as provided in Rule 25-6.078, F.A.C.

(7) The utility may elect to waive all or any portion of the CIAC for customers, even when a CIAC is found to be applicable. If however, the utility waives a CIAC, the utility shall reduce net plant in service as though the CIAC had been collected, unless the Commission determines that there is a quantifiable benefit to the general body of ratepayers commensurate with the waived CIAC. Each utility shall maintain records of amounts waived and any subsequent changes that served to offset the CIAC.

Brian J. Ricca

\*\*\*\*\*Note, the attachment has been added to the file.\*\*\*\*\*

/JPlescow

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10-18-2013 - Mr. Ricca called. He wanted to know the status of my investigation. I explained that I was still reviewing the documentation. Mr. Ricca wanted to know what I had found. I explained that because my investigation was still on going, I could not provide an answer at this time. I explained that once I completed my investigation, I would be following-up with him in writing.

/JPlescow

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10-21-2013\*\*\*\*\*DISPUTED AMOUNT - \$60,000.00.\*\*\*\*\*

This was the amount identified when the complaint was opened on July 8, 2013. Note, this is consistent with FPL's records, which indicated that the home's previous owner was given an estimated cost to connect the service in the amount of \$60,000.00. FPL records further reflect that the cost has been reduced since the complaint was taken.

Also note, Mr. Ricca's service is not jeopardy of being interrupted. The home was not connected to FPL facilities when he bought it. Mr. Ricca understood to get service he would need to have service and facilities provided by FPL. I confirmed this timeline with FPL.

Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



/JPlescow

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10-23-2013 - I confirmed with FPL staff that on July 9, 2013, FPL informed Mr. Ricca that the total Contribution In Aid of Construction (CIAC) costs were \$55,325.59. I further learned that on August 5, 2013, FPL provide the cost for the service to be provided via underground facilities and the cost to provide the service using an alternative route to run the overhead facilities. FPL reported the total estimated construction cost for the underground facilities was \$44,130.00. Note, FPL reported that Mr. Ricca could do his own trenching and installing PVC conduit, which would yield a credit in the amount of \$12,324.48. This would leave a remaining balance for construction cost in the amount of \$31,850.85. FPL's records reveal that the total CIAC costs to run overhead facilities via the alternative route was \$40,705.59.

/JPlescow

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10-31-2013 - Mr. Ricca called. He requested to know the status of his complaint. I explained that it was still being reviewed by FPSC staff. I further explained that I would check with my management to verify the status of the complaint, and I would follow-up with him.

/JPlescow

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10-31-2013 - I spoke to Ms. Hicks because my supervisor was not in the office today. She informed me that Mr. Ricca's complaint is now being reviewed by FPSC legal staff, and legal staff will be responding to Mr. Ricca in writing. Ms. Hicks said I could share the findings of my review with Mr. Ricca.

/JPlescow

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10-31-2013 - I called Mr. Ricca, and I requested he return my call.

Mr. Ricca returned my call, and we discussed his complaint. I explained that my review had found that FPL had not violated State Statutes, FPSC rules, or FPL's tariffs, in the handling of this matter. Mr. Ricca disagreed with my findings. He said FPL had to violate FPSC rules because it did not provide him with timely or reliable service. Even though, there were no facilities to provide him the service.

Mr. Ricca believes that FPL took to long to provide him with a reasonable amount for CIAC. He said because FPL did not initially find the shortest way to run the facilities, he would have been overcharged by \$20,000. He said that by rule the company had to find the shortest path. Mr. Ricca did not provide a specific rule. He indicated that the FPSC should make the company provide the shortest route, or the FPSC's technical staff should find the shortest route as part of its investigation.

Mr. Ricca acknowledged that the first cost of approximately \$59,000, for overhead facilities, was provided to him on July 9, 2013. He further acknowledged that the two other, less expensive ways to run the service, were provided to him 26 days later on August 5, 2013. Note, Mr. Ricca said the less expensive routes were provided to FPL by him, and he should have not had to do FPL's work. The two August 5, 2013, routes were for both overhead and underground facilities.

Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



Mr. Ricca wanted me to specifically to request that FPL provide the facilities at no cost to him, because FPL violated FPSC rules. I again explained that my review and Ms. Daniel's review both found that FPL did not violate state statutes, FPSC rules, or FPL's tariffs; therefore, I could not make FPL further reduce the CIAC cost. Mr. Ricca insisted that the PSC could request that FPL provide the facilities at no cost.

Mr. Ricca further believes that FPL must have violated FPSC rules because the process was not transparent. FPL did not answer his questions related to labor cost and other cost. Thus, FPL was not being transparent. Even though, Ms. Daniel's review found the cost were reasonable.

Mr. Ricca insisted that because the company was obligated to provide timely and reliable service, and it took FPL too long to get him the information, the utility should provide the facilities at no cost. Mr. Ricca understands that if FPL did not charge him the CIAC, the rate payers would pay for the facilities that only benefit him.

Mr. Ricca indicated that the FPSC and me specifically did not do anything to resolve this matter. I explained that legal staff now was reviewing the results of both Ms. Daniel's and my investigation. I further explained that legal staff would be following-up with him.

/JPlescow

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11-04-2013 - Mr. Stolting called me. He left a message indicating he would call me tomorrow.

/JPlescow

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11-05-2013 - Mr. Stolting called. He wanted to know the status of the complaint. He acknowledged that he saw my notes from my most recent conversation with Mr. Ricca on October 31, 2013. I explained that the information from October 31, 2013, was the most current information I was aware of.

Mr. Stolting said he had asked Jenifer Crawford if she had received the case, and she informed him that she had not received it yet. I suggested he contact Rhonda Hicks to learn the status of this complaint.

/JPlescow

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11-07-2013 - The following letter was mailed to Mr. Ricca:  
November 7, 2013

Certified and Regular Mail

Mr. Brian Ricca  
1001 40th Ave N  
St. Petersburg. FL 33703-4525

Re: Florida Public Service Commission Complaint Number 1115382E

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

Dear Mr. Ricca:

This letter is in further response to Florida Public Service Commission (FPSC) complaint number 1115382E, initially filed with the FPSC on July 8, 2013, against Florida Power & Light Company (FPL). The purpose of my letter is to apprise you of the findings and conclusion of my administrative review in this matter.

You have voiced continued disagreement with actions taken by FPL to resolve your complaint. Furthermore, you expressed dissatisfaction with the FPSC's investigative efforts and its conclusion of your complaint. Subsequently, in contemplation of your further queries concerning final disposition of this case, I have taken the opportunity to carefully review your case file and analyze the presented documentation in correlation with applicable FPSC Rules as set forth in the Florida Administrative Code (F.A.C.). I have also reviewed and discussed the details of John Plescow's investigation and findings with him. After thoroughly examining the details and facts presented in this matter, I believe that Mr. Plescow's investigation of this matter has been capaciously conducted to assure that all of your documented concerns and issues have been addressed.

To emphasize and clarify what was previously explained various FPSC staff's communications with you, I would like to recapitulate the facts that have led to staff's conclusions in this matter. Following is a summation of my analysis, which I believe addresses each of the concerns you have identified regarding this matter.

When you filed your complaint, you reported to FPSC staff that FPL is required to provide service to your home located at 7556 Hampshire Circle, North Port, Florida. You further explained that FPL informed you that you would be required to pay \$60,000 towards the cost of building the necessary facilities to service your property. You advised staff that you had contacted FPL and attempted to negotiate a less expensive alternative. You expressed your belief that you should not be required to pay FPL to run service to your home, even though it is the only house located in the development.

FPL has investigated and responded to your complaint. In addition to my review, Patti Daniel, Bureau Chief, Economic Impact Rate Design, has carefully reviewed your case file and analyzed the presented documentation in correlation with applicable FPSC Rules as set forth in the Florida Administrative Code (F.A.C.). In brief, I concur with the findings of Ms. Daniel's investigation and her conclusions as expounded in her letter to you on July 29, 2013.

Following is a summary of actions taken by FPL in response to your complaint concerning this matter, and the results and conclusions of my review and further investigation concerning this matter. Upon careful review of the utility's reports, I believe the following information addresses all of your concerns.

Contribution-in-Aid-of-Construction (CIAC) Estimated Costs

FPSC Rule 25-6.064, F.A.C. - Contribution-in-Aid-of-Construction for Installation of New or Upgraded Facilities establishes uniform procedures by which regulated electric utilities calculate amounts due as CIAC from customers who request new facilities or upgraded facilities in order to receive electric service. For your information and review, a copy of FPSC Rule 25-6.064, F.A.C. is enclosed. Section (2) of this rule specifies a calculation formula for determining estimated CIAC costs associated with overhead facilities. In accordance with the specified calculation formula in section (2), FPL estimated that CIAC charges for overhead facilities necessary to provide electric service to your property would be \$55,325.59. Following is a summary of the estimated overhead CIAC charges that was presented to the

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



FPSC.

Overhead CIAC Calculation Chart

Symbol	Amount	Description
	\$44,018.00	Capital Equipment and Costs - (36 down guys and 18 anchors, 24 poles, 4,132 feet of single phase overhead (OH) primary conductor and labor to install all needed equipment)
+	\$14,233.00	Engineering & Overhead
+	\$ 223.00	Operations and Maintenance
+	\$ 1,239.00	Plant - (1 single phase transformer)
=	\$59,713.00	Total estimated construction cost
-	\$ 4,387.41	Estimated Annual Revenue (EAR) for four years
=	\$55,325.59	Total Contribution In Aid of Construction (CIAC) costs

Documentation provided by FPL reflects that an invoice dated July 11, 2013, in the amount of \$55,325.59 was mailed to you. Additionally, the above CIAC cost summary was provided to you by Jeff Houhoulis, FPL Toledo Blade Engineering Lead, in his E-mail correspondence to you dated July 25, 2013. As Mr. Houhoulis informed you, the binding cost estimate is valid for six months.

FPSC Rule 25-6.064(9), F.A.C. states: "If a utility and applicant are unable to agree on the CIAC amount, either party may appeal to the Commission for a review." During your telephone conversation with Shonna McCray, FPSC Regulatory Specialist, on July 12, 2013, you expressed your continued objection to FPL's estimated CIAC charges. In accordance with FPSC Rule 25-6.064(9), F.A.C., your complaint was referred to the FPSC's Division of Economics and assigned to Patti Daniel, Bureau Chief, Economic Impact Rate Design, for further review.

FPSC Rule 25-6.064(6) states: "All CIAC calculations under this rule shall be based on estimated work order job costs. In addition, each utility shall use its best judgment in estimating the total amount of annual revenues which the new or upgraded facilities are expected to produce.

(a) A customer may request a review of any CIAC charge within 12 months following the in-service date of the new or upgraded facilities. Upon request, the utility shall true-up the CIAC to reflect the actual costs of construction and actual base revenues received at the time the request is made.

(b) In cases where more customers than the initial applicant are expected to be served by the new or upgraded facilities, the utility shall prorate the total CIAC over the number of end-use customers expected to be served by the new or upgraded facilities within a period not to exceed 3 years, commencing with the in-service date of the new or upgraded facilities. The utility may require a payment equal to the full amount of the CIAC from the initial customer. For the 3-year period following the in-service date, the utility shall collect from those customers a prorated share of the original CIAC amount, and credit that to the initial customer who paid the CIAC. The utility shall file a tariff outlining its policy for the proration of CIAC."

In accordance with FPSC Rule 25-6.064(6), FPL's Tariff Sheet 6.199 Section 11.1.2 - CIAC True-Up states: "An Applicant may request a one-time review of a paid CIAC amount within 12 months following the inservice date of the new or upgraded facilities. Upon receiving a request, which must be in writing, the Company shall true-up the CIAC to reflect the actual construction costs and a revised estimate of base revenues. The revised estimate of base revenues shall be developed from the actual base revenues received at the time the request is made. If the true-up calculation result is

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



different from the paid CIAC amount, the Company will either issue a refund or an invoice for this difference. This CIAC review is available only to an initial Applicant who paid the original full CIAC amount, not to any other Applicants who may be required to pay a pro-rata share as described in section 11.1.3." In this regard, FPL reported to Ms. Daniel that Mr. Houhoulis discussed the CIAC True-Up option with you; however, FPL reported that you did not want FPL to recalculate one year and possibly bill you an additional CIAC in the event that revenue is less than expected.

Furthermore, in accordance with FPSC Rule 25-6.064(6), FPL's Tariff Sheet 6.199 Section 11.1.3 - Proration of CIAC states: "CIAC is proratable if more Applicants than the Initial Applicant are expected to be served by the new or upgraded facilities ("New Facilities") within the three-year period following the in-service date. The Company shall collect the full CIAC amount from the Initial Applicant. Thereafter, the Company shall collect, and pay to the Initial Applicant, a pro-rata share of the CIAC from each additional Applicant to be served from these New Facilities until the three-year period has expired, or until the number of Applicants served by the New Facilities equals the number originally expected to be served during the three-year period, whichever comes first. Any CIAC or pro-rata share amount due from an Applicant shall be paid prior to construction. For purposes of this tariff, the New Facilities' in-service date is defined as the date on which the New Facilities are installed and service is available to the Initial Applicant, as determined by the Company." In this regard, FPL reported that Mr. Houhoulis estimated that two more homes may be build and served from constructed facilities within a three-year period. If anticipated additional customers are served from the facilities, each will pay FPL a pro-rata share in the amount of \$18,441.86 (CIAC \$55,325.59 ÷ 3 customers in 3 years). Subsequently, you would be entitled to a refund of a portion of the CIAC. This information was provided in Ms. Daniel's E-mail correspondence to you dated July 29, 2013.

As Ms. Daniel explained in her E-mail correspondence to you dated July 29, 2013, upon her further review, it appears that FPL's proposed CIAC costs to service your property are consistent with FPSC Rule 25-6.064(9), F.A.C. As well, Elisabeth Draper, FPSC Economic Supervisor, further explained in her E-mail correspondence to you dated August 5, 2013, FPSC engineering staff reviewed FPL's estimated CIAC costs and concluded that the amount is reasonable. Ms. Draper further advised you that FPL does not allow its customers to utilize private contractors to construct FPL overhead distribution facilities.

In your E-mail correspondence to Ms. Draper dated August 5, 2013, you requested that Ms. Draper review a quote you received from a private contractor to dig the trench for underground service. As Ms. Draper explained in her August 5, 2013, E-mail reply, the FPSC does not regulate private contractors; therefore, the quote you presented to Ms. Draper is not subject to the FPSC's jurisdiction and review.

In his E-mail correspondence to you dated August 5, 2013, Mr. Houhoulis indicated that he reexamined FPL's proposed power line route and redesigned it. In brief, based on a new power line route, the route could be designed a total of 3,136 feet shorter. As such, Mr. Houhoulis prepared two new CIAC proposals for you to consider; underground facilities and shortened overhead facilities.

Section (3) of Rule 25-6.064, F.A.C., provides a calculation formula for determining estimated CIAC costs associated with underground facilities. In accordance with the section (3) formula, FPL estimated that CIAC charges for underground facilities necessary to provide electric service to your property would be \$31,850.85. FPL reported that an itemized billing statement for the proposed CIAC charges was submitted to you. Following is a summary of the estimated

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Request No. 1115382E

Name BRIAN RICCA

Business Name \_\_\_\_\_



underground CIAC charges that was presented to the FPSC.

Underground CIAC Calculation Chart

Symbol	Amount	Description
	\$31,868.00	Capital - Equipment
+	\$10,315.00	Engineering & Overhead
+	\$ 809.00	Operations and Maintenance
+	\$ 1,139.00	Plant - (1 single phase transformer)
=	\$44,130.00	Total estimated construction cost due to FPL up front
-	\$12,324.48	Less Credit for customer trenching and installing PVC - applied after job is completed
=	\$31,850.85	Balance of construction cost applied to job, nonrefundable.

FPL reported that it informed you that if you choose to have the facilities installed underground, you would need to obtain and submit the necessary permits from the City of North Port, obtain a ten foot wide easement from every lot owner along the proposed underground route, and obtain a certified as-built survey.

Additionally, in an attempt to reduce your CIAC charges, FPL submitted an alternative proposal for running overhead service facilities via an alternative shorter route for your consideration. FPL determined that this alternative shorter route would cost \$40,705.59. Following is a summary of the estimated CIAC charges for this proposed shorter route.

Alternative Shorter Overhead CIAC Calculation Chart

Symbol	Amount	Description
	\$32,967.00	Capital - (24 down guys and 12 anchors, 20 poles, 3,136 feet of single phase OH primary conductor and labor to install all needed equipment)
+	\$10,664.00	Engineering & Overhead
+	\$ 223.00	Operations and Maintenance
+	\$ 1,239.00	Plant - (1 single phase transformer)
=	\$45,093.00	Total estimated construction cost
-	\$ 4,387.41	Estimated Annual Revenue (EAR) for four years
=	\$40,705.59	Total Contribution In Aid of Construction (CIAC) costs

In your E-mail to Mr. Plescow dated October 11, 2013, you referenced several parts of Chapter 366, Florida Statutes, Public Utilities, which you believed would allow the FPSC to order FPL to reduce the CIAC. Specifically you provided Florida State Statute 366.041, Rate fixing; adequacy of facilities as criterion. Section 4 of this statute states: "no electric utility may collect impact fees designed to recover capital costs in initiating new service unless the utility can demonstrate and the commission finds that such fees are fair, just, and reasonable and are collected from the ultimate utility customer of record at such time as or after permanent electric service is provided. This prohibition shall not apply to underground electric distribution lines or line extension charges collected pursuant to approved tariffs." In is important to note that this Statute exempts "underground electric distribution lines or line extension charges collected pursuant to approved tariffs." As such, FPL is allowed to bill you charges associated with extending its facilities to serve your property.

Conclusion

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

FPSC Rule 25-6.064(9), F.A.C., states, "if a utility and applicant are unable to agree on the CIAC amount, either party may appeal to the Commission for a review." Ms. Daniel's review of FPL's CIAC costs to serve your property at 7556 Hampshire Circle, North Port, Florida found that the CIAC costs were consistent with Rule 25-6.064, F.A.C., which allows the cost for the new facilities to be passed on to you. In conclusion, I concur with the findings of Ms. Daniel's and Mr. Plescow's investigations and Ms. Daniels's conclusions as expounded in her E-mail correspondence to you dated July 29, 2013. The FPSC's investigation of this matter has been thoroughly conducted to ensure that FPL has complied with all applicable statutes, rules, tariffs, and Orders of the FPSC.

FPSC Rule 25-6.064(7), F.A.C., states: "the utility may elect to waive all or any portion of the CIAC for customers, even when a CIAC is found to be applicable. If however, the utility waives a CIAC, the utility shall reduce net plant in service as though the CIAC had been collected, unless the Commission determines that there is a quantifiable benefit to the general body of ratepayers commensurate with the waived CIAC. Each utility shall maintain records of amounts waived and any subsequent changes that served to offset the CIAC." While this rule does allow FPL the option to "elect to waive all or any portion of the CIAC for customers", FPL has elected not to waive any portion of the modified CIAC related to the extension of its facilities to serve your home.

My review of these matters indicates that the proposed CIAC charges were determined in accordance with FPSC rules and FPL's tariffs. You have presented no documentation or evidence that supports your contention that you should be billed less for CIAC charges or that FPL has improperly estimated your CIAC charges. Furthermore, there is nothing to support that you, as customer of record, are not responsible for payment in full of the billed CIAC charges in order to receive electric service at your property.

My administrative review and resultant conclusion is that it does not appear that FPL has violated any jurisdictionally applicable provision of the Florida Statutes, the Florida Administrative Code, FPSC Order, or its tariff in the handling of your account. The FPSC is unable to grant you the redress you are seeking from FPL. Subsequently, at this point, all due consideration has been given to your complaint and the informal complaint process as specified in FPSC Rule 25-22.032, F.A.C., Customer Complaints, has been concluded.

If you disagree with the disposition of your complaint, you may file an application for initiation of formal proceedings for relief against FPL. The application for formal proceedings must be filed with the FPSC's Office of the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850. If you wish to file other than by mail, the preferred method, you may do so via E-mail at [filings@psc.state.fl.us](mailto:filings@psc.state.fl.us). A request for a formal hearing cannot be received via fax. If you decide to file via E-mail, you must attach your request as a Microsoft (MS) Word document and include an electronic signature such as - /s/ (your name).

The application for formal proceedings must be filed pursuant to the provisions of The Florida Statutes, Chapter 120, Administrative Procedure Act; Florida Administrative Code, Decisions Determining Substantial Interests, Chapter 28-106.201 - Initiation of Proceedings; and the FPSC's procedural rules, in particular, Rule 25-22.036, F.A.C. For your information and review, you may access Rule 25-22.036, F.A.C. - Initiation of Formal Proceedings at the following internet link:

[https://www.flrules.org/gateway/RuleNo.asp?title=RULES GOVERNING PRACTICE AND PROCEDURE&ID=25-22.036](https://www.flrules.org/gateway/RuleNo.asp?title=RULES%20GOVERNING%20PRACTICE%20AND%20PROCEDURE&ID=25-22.036).

You may also access Chapter 28-106.201, F.A.C. at the following internet link:

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Request No. 1115382E

Name BRIAN RICCA

Business Name \_\_\_\_\_



<https://www.flrules.org/gateway/RuleNo.asp?title=DECISIONS DETERMINING SUBSTANTIAL INTERESTS&ID=28-106.201>.

The utility will have the opportunity to respond to your application, which would be addressed by the FPSC pursuant to the statutes and rules cited above. You should be aware, however, that if it is determined that your formal complaint application does not fulfill the requirements specified in Rule 25-22.036, F.A.C. or if the Commission is unable to grant the relief you are seeking, your application for formal proceedings may be dismissed. If you have further questions regarding filing an application for formal proceedings, please call the FPSC's Office of the Commission Clerk office at 850-413-6770.

If you have any questions or concerns, please do not hesitate to contact me. This complaint will be closed on November 20, 2013. I can be reached via toll-free number 1-800-342-3552, my direct line 850-413-6459, or via E-mail at - nealforsman@psc.state.fl.us.

Sincerely,

Neal E. Forsman  
Regulatory Program Administrator

Process Review Group  
Florida Public Service Commission

Office of Consumer Assistance and  
Bureau of Consumer Assistance

Outreach

cc: Florida Power & Light Company  
/JPlescow

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11-08-2013 - The above Administrative Review Letter dated November 7, 2013, was E-mailed to Mr. Ricca today. See the following E-mail:

From: Rhonda Hicks  
Sent: Friday, November 08, 2013 3:33 PM  
To: 'brianricca@yahoo.com'  
Cc: Neal Forsman; John Plescow; Baldwyn English  
Subject: Brian Ricca Admin. Review Letter

Mr. Ricca,  
Attached is an electronic copy of the letter previously mailed to you on Nov 7, 2013, via certified and U.S. Mail.

Sincerely,  
  
Rhonda Hicks

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

/JPlescow

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11-13-2013 - I spoke to Ms. Bruner. I requested she send me any additional correspondence FPL receives from Mr. Ricca.

/JPlescow

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11-14-2013 - Correspondence received from FPL as an E-mail attachment. The attachment is a PDF (image) and cannot be pasted in to the notes screen.

The attachment is FPL's November 12, 2013 response to Mr. Ricca. FPL states that it did not violate state statutes, FPSC rules, or its tariffs in the handling of this matter. FPL denied Mr. Ricca's request to waive part or all of the CIAC, and FPL denied Mr. Ricca's request to make \$50.00 monthly payments to pay off the CIAC.

From: Cecelia.Bruner@fpl.com [mailto:Cecelia.Bruner@fpl.com]  
Sent: Thursday, November 14, 2013 3:28 PM  
To: John Plescow  
Subject: Ricca 1115382E

John,

As discussed, attached is recent correspondence between Mr. Ricca and FPL.

(See attached file: Brian Ricca 1115382E Attachment (7 pages).pdf)

Cecil Bruner, Sr Consumer Issues Analyst  
Florida Power & Light Company (FPL)  
700 Universe Blvd (D1470)  
Juno Beach, Fl 33408  
Phone: 561-694-4934

/JPlescow

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11-14-2013 - The following E-mail and attachments was added to the file. Note, The attachment is copies of previous correspondence that are already part of the file.

From: Rhonda Hicks  
Sent: Thursday, November 14, 2013 3:49 PM  
To: John Plescow; Neal Forsman  
Subject: FW: Brian Ricca Admin. Review Letter

John,  
Please add to file. Thanks.

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



Mr. Ricca called me around 3pm and asked that I review his information. I told him I would. Please note the case with this comment.

From: Brian J. Ricca [mailto:brianricca@yahoo.com]  
Sent: Thursday, November 14, 2013 3:17 PM  
To: Rhonda Hicks  
Subject: Re: Brian Ricca Admin. Review Letter

please find the attached file. I hope that you can open this type of file to see the highlighted sections.

Regards,

Brian J. Ricca  
Phone:727-656-5805  
Fax:727-865-5295  
Web: www.BrianRicca.com

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From: Rhonda Hicks <RHicks@PSC.STATE.FL.US>  
To: brianricca@yahoo.com  
Cc: Neal Forsman <NForsman@PSC.STATE.FL.US>; John Plescow <JPlescow@PSC.STATE.FL.US>; Baldwin English <BEnglish@PSC.STATE.FL.US>  
Sent: Friday, November 8, 2013 3:33 PM  
Subject: Brian Ricca Admin. Review Letter

Mr. Ricca,  
Attached is an electronic copy of the letter previously mailed to you on Nov 7, 2013, via certified and U.S. Mail.

Sincerely,

Rhonda Hicks  
/JPlescow

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11/18/13 - On 11/14/13, while I was on medical leave, I received a voicemail message from Mr. Ricca. He indicated that he received my administrative review letter and was in disagreement with the content and the conclusion stated in my letter. He further stated that several of his issues were not addressed in my letter and have never been addressed by the FPSC. He requested a return call to further discuss his concerns.

I reviewed Mr. Ricca's letter to me dated 11/14/13, which was attached to his E-mail correspondence to Rhonda Hicks dated 11/14/13. In response to Mr. Ricca's concerns, I have summarized my thoughts and conclusions as follows

" Because FPL did not originally present the shortest route, upon consideration, other options were provided. I don't see where this planning constitutes unreliable or inefficient planning.

" Because service availability for the property, I don't believe that discrimination occurred because the residence is the only one in the subdivision.

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

" There is no applicable FAC or statute established as a standard in order to properly "scrutinize" FPL's price quotes. There is no applicable rule that requires seeking bidding and compelling FPL to accept "low bidder." FPL's estimated is based on established guidelines and labor and material costs.

" No rule requiring an open, competitive, "transparent" process.

" No rule established to determine "fairness".

" Mr. Ricca states that the quote has not be held up to questioning and scrutiny. However, our technical division reviewed the information and determined the costs to be fair.

" I don't see where there was an "error" on FPL's part; they simply relooked and reevaluated and offered Mr. Ricca alternative options.

" Mr. Ricca believes the costs are excessive - My question is based on what? There are no standards or guidelines to compare estimated costs.

" On what basis can the FPSC compel FPL to provide build sheet detailing of each cost component - including labor rates, etc. Most likely, a great deal of this information would be considered proprietary.

I discussed my conclusions with Rhonda Hicks, who is in agreement with my deducement. We agreed that I should contact Mr. Ricca and further discuss his concerns with him. However, it is important to clarify with him that there is nothing further at this stage that the FPSC can do for him to compel FPL to waive the CIAC charges.

-----entered by Neal E. Forsman

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11/19/13 - I called Mr. Ricca @ 10:34 am; there was no answer so I left a voicemail message requesting a return call from Mr. Ricca to discuss his concerns.

Mr. Ricca returned my call @ 11:04 am. We discussed his complain and concerns. Mr. Ricca is adamant that FPL has committed a violation of FPSC rules by refusing to provide him service in a timely, efficient, and effective manner. I advised him that since existing service was not available at his property, FPL could not provide the service until he pays the itemized CIAC charges to run service to his property. Mr. Ricca further believes that FPL violated FPSC rules by not first providing him the shortest and least expensive route. I advised Mr. Ricca that FPL later provided him two additional alternative routes, both designed to save him money in response to his objection to the original costs. I advised him that by not providing him these alternatives from the very beginning does not constitute a violation of existing FPSC rules regarding CIAC. However, Mr. Ricca continued to be determined that the FPSC is able to order FPL to waive any and all CIAC charges. I repeatedly advised him that at this phase, there is no rule that establishes the authority for the FPSC to order FPL to waive the charges; however, I again advised Mr. Ricca of his right to file a petition for formal proceedings if he believes FPL has committed a violation of FPSC rules. Mr. Ricca stated that he will most likely file formal proceedings against FPL, but he wanted to put forward a proposal before doing so.

Mr. Ricca explained that he simply cannot afford to pay the CIAC charges. He proposed that FPL consider reducing the CIAC charges by 50%. I advised Mr. Ricca that although I have no basis to compel FPL to do so, I would present his proposal to FPL and his reason for asking for the reduction. I informed him that I would contact FPL's FPSC Liaison and put forward his proposal. I advised Mr. Ricca that I would get back to him after I have further information. Mr. Ricca stated that he will forgo filing formal proceedings until after he heard back from me regarding his proposal.

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At 11:51 am, I called FPL Liaison Roseanne Lucas. She was not available, so I left a message for her to return my call to further discuss Mr. Ricca's complaint.

-----entered by Neal E. Forsman

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_



11/20/13 - I received a return call from Roseanne Lucas at 10:05 am. I informed Ms. Lucas of my discussion with Mr. Ricca on 11/19/13, and provided her with the details of our conversation, including Mr. Ricca's proposal for a 50% reduction in CIAC charges. I further advised Ms. Lucas that Mr. Ricca has agreed to forgo filing formal proceedings until after he has received FPL's response to his proposal. Ms. Lucas stated that she would present Mr. Ricca's proposals to senior management and get back to me when she has a response.

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I called and spoke with Mr. Ricca at 11:15 am. I advised him that I presented his 50/50 proposal to FPL and am waiting for the utility's response, which most likely will take at least 1-2 weeks. Mr. Ricca thanked me for presenting his proposal and indicated he would wait for further response from me.

-----entered by Neal E. Forsman

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11/26/13 - I received a call from Roseanne Lucas at 1:33 pm. Ms. Lucas reported that FPL has considered Mr. Ricca's proposal for a 50% reduction of CIAC charges. FPL has rejected Mr. Ricca's proposal; furthermore, FPL will not provide any reduction in the CIAC charges submitted to Mr. Ricca. If he wishes to have service extended to his property, he will need to pay the specified CIAC charges. Mr. Lucas indicated that she will provide an E-mail

-----entered by Neal E. Forsman

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11/26/13 - I received a call from Roseanne Lucas at 1:33 pm. Ms. Lucas reported that FPL has considered Mr. Ricca's proposal for a 50% reduction of CIAC charges. FPL has rejected Mr. Ricca's proposal; furthermore, FPL will not provide any reduction in the CIAC charges submitted to Mr. Ricca. If he wishes to have service extended to his property, he will need to pay the specified CIAC charges. Mr. Lucas indicated that she will provide an E-mail

-----entered by Neal E. Forsman

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12/2/13 - I retrieved a voicemail message that was left on my voicemail during my absence on 11/27/13 from Mr. Ricca. Mr. Ricca asked for a return call regarding the status of FPL's response to his proposal.

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I returned Mr. Ricca's call at 9:26. There was no answer so I left a voicemail message asking Mr. Ricca to return my call.

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I received a call from Mr. Ricca at 9:32 am. I advised Mr. Ricca that FPL has rejected his proposal to reduce his CIAC charges. In order to obtain service, FPL is requiring payment of the CIAC charges in full. Mr. Ricca still does not accept FPL's decision and believes that FPL should waive all CIAC charges. I advised Mr. Ricca that at this time, his informal complaint investigation has concluded and nothing further can be done for him. I advised him that if he believes he has grounds to file a petition for formal proceedings against FPL, he may do so as previously advised and instructed. Mr. Ricca stated that he indeed intends to file formal proceedings. He asked me to forward him further clarification regarding how to file a petition for formal proceedings. I advised him that I will E-mail him further information.

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The following E-mail was sent to Mr. Ricca:

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_

" From: Neal Forsman

Sent: Monday, December 02, 2013 11:55 AM

To: 'brianricca@yahoo.com'

Subject: FPSC Informal Complaint # 1115382E - Ricca, Brian - Information for Filing a Petition for Formal Proceedings

This E-mail is as follow-up to our earlier telephone conversation this date. At your request, I am sending you information that will instruct you how to file a petition for formal proceedings. As we discussed and as I explained in my letter to you dated November 7, 2013:

Ø In brief, submit a written summary of your complaint, what FPSC rules you allege that FPL violated, the requested relief you are seeking, and your desire to file a petition for formal proceedings against FPL.

Ø The application for formal proceedings must be filed with the FPSC's Office of the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850.

Ø If you wish to file other than by mail, the preferred method, you may do so via E-mail at filings@psc.state.fl.us. A request for a formal hearing cannot be received via fax.

Ø If you decide to file via E-mail, you must attach your request as a Microsoft (MS) Word document and include an electronic signature such as - /s/ (your name).

Ø The application for formal proceedings must be filed pursuant to the provisions of Chapter 120, Florida Statutes, the Uniform Rules of Administrative Procedure found in Chapter 28-106, F.A.C. and the FPSC's procedural rules, in particular the criteria established in Rule 25-22.036, F.A.C., which states:

25-22.036 Initiation of Formal Proceedings.

(1) Application. An application is appropriate when a person seeks authority from the Commission to engage in an activity subject to Commission jurisdiction.

(2) Complaints. A complaint is appropriate when a person complains of an act or omission by a person subject to Commission jurisdiction which affects the complainant's substantial interests and which is in violation of a statute enforced by the Commission, or of any Commission rule or order.

(3) Form and Content.

(a) Application. An application shall be governed by the statute or rules applicable to applications for authority. In the absence of a specific form and content, the application shall conform to this rule.

(b) Complaint. Each complaint, in addition to the requirements of paragraph (a) above shall also contain:

1. The rule, order, or statute that has been violated;
2. The actions that constitute the violation;
3. The name and address of the person against whom the complaint is lodged;
4. The specific relief requested, including any penalty sought."

-----entered by Neal E. Forsman

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12/2/13 - The following E-mails were sent to Mr. Ricca from the Clerk's Office, a copy of which were sent to me and added to the case file for complaint # 1115382E:

" From: Filings@psc.state.fl.us

Sent: Monday, December 02, 2013 10:57 AM

To: brianricca@yahoo.com

Cc: Neal Forsman; Hong Wang

Subject: FW: Request for a Formal Hearing

We are in receipt of the attached electronic filing received at 10:08 a.m. The filing received at 10:20 a.m. has

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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_





-----entered by Neal E. Forsman

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12/2/13 - \*\*COMPLAINT CLOSED\*\* - My PRG Administrative Review Letter was mailed on November 7, 2013. Since then, there have been several telephone conversations with Mr. Ricca. He has been advised that all due consideration has been given to this complaint and the complaint process as specified in FPSC Rule 25-22.032 F.A.C., Customer Complaints. All efforts to assist Mr. Ricca in the informal complaint process have concluded. As of 12/2/13, Mr. Ricca has made clear that he will be filing a petition for formal proceedings against FPL. Complaint Closed as GI-32.

----- entered by:

Neal E. Forsman  
Regulatory Program Administrator  
Process Review Group  
Florida Public Service Commission  
Office of Consumer Assistance and Outreach  
Bureau of Consumer Assistance  
Phone: (850)413-6459 FAX: (850)413-6460  
nforsman@psc.state.fl.us  
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Request No. 1115382E Name BRIAN RICCA Business Name \_\_\_\_\_