

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request of CENTRAL FLORIDA)	DOCKET NO. 881408-EC
ELECTRIC COOPERATIVE, INC. for)	ORDER NO. 21139
approval of proposed tariff changes.)	ISSUED: 4-28-89

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, CHAIRMAN
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 JOHN T. HERNDON

ORDER ACKNOWLEDGING RESPONSE TO
 COMMENT LETTER AND CLOSING DOCKET

At the December 6, 1988 Agenda Conference, the Commission voted to approve tariff revisions requested by Central Florida Electric Cooperative (CFEC) because the changes resulted in movement towards cost-based rates. However, the cost-of-service study provided by the utility indicated that its high levels of lighting and irrigation classes were being heavily subsidized by its other rate classes. Consequently, the Commission voted to issue a comment letter directing the utility to justify the apparent subsidization of its irrigation and lighting classes.

In its response to the comment letter, CFEC explained that improper allocation of revenues and costs to the irrigation class resulted from the use of an outdated cost-of-service model at a time of the transition to a new time of use rate. The Utility further stated that a new cost-of-service study to be commissioned for 1988 was expected to correct problems of the existing cost-of-service study and eliminate the appearance of gross subsidization of the irrigation class.

Addressing the subsidization of lighting classes, CFEC alleged that there is a discrepancy between its continuing property records and its billing records with respect to the number of lights. Since costs were allocated on the basis of continuing property records and revenues were allocated on the basis of billing records, a mismatch occurred in the cost-of-service study. CFEC advises that it believes any discrepancies will be reconciled following the conclusion of a field inventory of lighting fixtures and the preparation of a new cost-of-service study.

Accordingly, we hereby acknowledge receipt of the CFEC's response to our above-mentioned comment letter. Further, we find that the utility shall submit a copy of its new 1988 cost-of-service study upon completion for our review.

Based on the foregoing, it is, therefore

ORDERED that if no protests or objections are received within the time limits discussed below, this Order shall become final and this Docket shall be closed.

DOCUMENT NUMBER-DATE

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By ORDER of the Florida Public Service Commission
this 28th day of April, 1989.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

by: Kary Henson
Chief, Bureau of Records

RJF

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.