

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Investigation on plan by) DOCKET NO. 931034-EI
Florida Power and Light Company) ORDER NO. PSC-94-0151-FOF-EI
to close local offices and) ISSUED: February 8, 1994
contract with Eckerd Drugs to)
accept payments.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JULIA L. JOHNSON
DIANE K. KIESLING
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION

ORDER ON FLORIDA POWER AND LIGHT COMPANY'S PLAN
TO PROVIDE BILL PAYMENT LOCATIONS

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Florida Power and Light Company (FPL) and Jack Eckerd Corporation (Eckerds) entered into a contract by which Eckerds was designated FPL's exclusive agent to collect bill payments in person from FPL's customers. FPL intends to close all payment sections of its local offices by the end of 1994, except its Liberty City office, and under the terms of the contract, customers who paid their monthly bills in person were required to make their payments at an Eckerds Drug Store. The Eckerds agreement permitted Eckerds to charge FPL's customers \$0.35 for each bill payment handled by the stores. FPL did not request Commission approval of the contract; nor did it file a tariff incorporating the new bill payment arrangement.

Our staff recommended that the \$0.35 charge should not be permitted, that FPL should have filed a tariff reflecting the new bill payment arrangement, and that FPL should refund all transaction charges collected by Eckerds. At our December 21, 1993, Agenda Conference FPL agreed that it would no longer require

DOCUMENT NUMBER-DATE

01278 FEB-8 3

FPSC-RECORDS/REPORTING

that its customers pay \$0.35 to pay their bills in person. FPL stated that it was in the process of renegotiating its contract with Eckerds to eliminate the customer bill payment charge. FPL asserted that it would present a new Eckerds contract or another comparable free payment option for our review at the January 18, 1994 Agenda conference.

We agreed to consider a new plan for FPL's customers to pay their bills in person, with the condition that all customers who paid the charge to Eckerds from December 21 to January 18 would be entitled to reimbursement from FPL when the new plan was approved. We deferred a decision on the reimbursement of amounts collected before December 21 until the January 18 Agenda.

On January 18, 1993, FPL presented a modified proposal to offer its customers an in-person payment option at no charge. The terms of the proposal are as follows:

1. FPL has negotiated contracts with 105 businesses in its service area to provide in-person bill payment services to its customers.
2. FPL will compensate the businesses for the cost of the service to its customers. The customers will not be charged.
3. FPL will notify its customers of the new in-person bill payment options in a bill stuffer printed in Spanish and English. FPL will also provide an 800 number for customers to call to receive information about the nearest payment locations. The 800 number will appear on customers' bills.
4. FPL will refund all charges customers have paid to pay their bills in person. The refund will appear as a credit on customers' bills.
5. FPL will submit a specific plan to refund the bill payment charges for our staff's approval. FPL will inform our staff of any changes to, or problems with, the new in-person bill payment arrangements.

The proposal provides at least as many payment locations to customers as were available prior to the closure of local offices, and they are at least as conveniently located as the local offices. The proposal allows customers to pay utility bills at no additional

ORDER NO. PSC-94-0151-FOF-EI
DOCKET NO. 931034-EI
PAGE 3

charge, and it provides for a refund of all charges paid. We find that the plan is reasonable, and we approve it.

Since the charge should not have been imposed without prior Commission review and approval, the general body of rate payers should incur no costs associated with the correction of a situation that should never have occurred. FPL's stockholders should bear all costs associated with the associated refund. The assessment costs can serve as a reminder that any charges associated with regulated services must be approved by this Commission prior to implementation. It is therefore,

ORDERED by the Florida public Service Commission that Florida Power and Light Company's modified plan to provide in-person bill payment services as described in the body of this order is approved. It is further

ORDERED that Florida Power and Light Company shall submit a plan for a refund of all bill payment charges for administrative approval by our staff if the refund plan comports with the requirements of this order. It is further

ORDERED that this Order shall become final and this docket shall be closed unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

By ORDER of the Florida Public Service Commission, this 8th day of February, 1994.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)
MCB:bmi

by: Kay J. King

Chief, Bureau of Records

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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 1, 1994.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater 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 of the effective date 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.