

MEMORANDUM

APRIL 13, 1998

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12:00
FPSC Records/Reporting

TO: DIVISION OF RECORDS AND REPORTING *JJP RUE*
FROM: DIVISION OF LEGAL SERVICES (PAUGH)
RE: DOCKET NO. 980131-EI - PETITION BY TAMPA ELECTRIC COMPANY
FOR APPROVAL OF EMERGENCY RELAY POWER SUPPLY SERVICE
OPTION FOR GENERAL SERVICE CUSTOMERS

98-0508-FOF-EI

Attached is an ORDER APPROVING REVISIONS TO TARIFFS to be issued in the above referenced docket. (Number of pages - 5)

LJP/js
Attachment
cc: Division of Electric and Gas (Goad)
I:980131or.ljp

2 fax
0 mail

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Tampa
Electric Company for approval of
emergency relay power supply
service option for general
service customers.

DOCKET NO. 980131-EI
ORDER NO. PSC-98-0508-FOF-EI
ISSUED: April 13, 1998

The following Commissioners participated in the disposition of
this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

ORDER APPROVING REVISIONS TO TARIFFS

BY THE COMMISSION:

CASE BACKGROUND

On January 26, 1998, Tampa Electric Company (TECO) filed a petition for approval of Emergency Relay Power Supply Service Option (Relay Service) for its general service (GS) non-demand and general service time of day (GST) customers. Relay Service provides a higher-than-standard level of reliability for customers who cannot withstand more than a few seconds of service interruption. Customers subscribing to Relay Service are connected to a primary distribution circuit and a back-up distribution circuit or trunk-line. The back-up trunk-line is connected to a back-up substation on which capacity is reserved for Relay Service customers. An automatic throwover switch is installed between the primary and back-up trunk-lines and the customer's service entrance using a back-up tap-line. When an outage is sensed on the primary trunk-line the automatic throwover switch will change the power source to the back-up trunk-line. The customer experiences only a short (a few seconds) interruption of service as opposed to a possibly prolonged outage.

Currently Relay Service is only available to general service demand customers. When the service is requested, the customer must pay a contribution in aid of construction (CIAC) equal to the sum of: 1) his load ratio share of the investment cost of the back-up

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trunk-line; 2) the investment cost of the back-up tap-line; 3) and the investment cost of the automatic throwover switch.

In addition to the foregoing charges, the customer pays a monthly charge. This monthly charge is comprised of the following three components: 1) the investment cost to support the portion of the back-up substation held in reserve; 2) the operation and maintenance expenses of the portion of back-up substation held in reserve; and 3) the operation and maintenance expense of the back-up trunk-line. The charge is applied on a demand basis, which is \$0.60 per kilowatt (kW).

PETITION

TECO has requested approval to offer Relay Service to its GS and GST customers who may desire this service, but who are not currently offered this option under the existing tariffs. Since GS and GST customers are billed only on an energy (kWh) basis, TECO converted the monthly kW charge to a kWh amount. TECO applied the same methodology used to develop the current kW charge to GS and GST class data from its last rate case to arrive at the proposed kWh rate. GS and GST customers will also have to pay a CIAC, just as is required of customers who are currently offered the service.

In the case of a multi-serviced facility (for example, a retail mall) the owner/operator of the facility usually requests relay service and pays the CIAC. These facilities typically receive service from a single point of delivery, thus all the service drops in the facility originate from a single transformer or switch room. If Relay Service is provided, it is provided prior to the transformer or switch room, so that any customer with a service drop beyond the point of delivery receives Relay Service. Since the entire facility benefits from Relay Service, the general service demand customers within the multi-serviced facility are billed the tariffed monthly charge based on their demand and the owner/operator of the facility is billed the tariffed charge multiplied by the difference between the facility's demand and the total of the general service demand customers' demand.

Under TECO's petition, in the future if Relay Service is requested by an owner/operator of a multi-serviced facility through a single point of delivery, GS demand, GS non-demand and GST non-demand customers will be charged a monthly tariffed charge. However, customers with leases predating the owner/operator's request will not be obligated for the monthly charge until their

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lease is renewed. The unrecovered monthly charges will be the responsibility of the facility owner/operator. When the customers renew their leases it will be the obligation of the owner/operator to indicate in the new lease that the lessee will be responsible for the monthly charge going forward. In addition, the owner/operator must also ensure that new occupants are aware of their responsibility to pay the monthly charge. The owner/operator requesting Relay Service will still pay the CIAC for the total facility.

Because the cost of installation of the additional facilities required for the service and charges for the recurring costs of the service are borne by the customers taking the Relay Service option, TECO's general body of ratepayers are held harmless. Extending the option of Relay Service to GS and GST customers will provide an opportunity for GS and GST customers to tailor their service to their needs without affecting others.

Based on the foregoing, we find that offering Relay Service will provide an option to GS and GST customers who desire a higher-than-standard level of reliability without impacting the general body of ratepayers. Therefore, we approve Tampa Electric Company's petition to offer Emergency Relay Power Service to its general service non-demand and general service time-of-day non-demand customers.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Tampa Electric Company's petition to revise its GS and GST tariffs to offer Emergency Relay Power Service as set forth herein is hereby approved. It is further

ORDERED that the GS and GST tariffs to offer Emergency Relay Power Service shall become effective on the date of our vote, March 24, 1998. It is further

ORDERED that if a protest is filed in accordance with the requirement set forth below in the Notice of Further Proceedings, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. It is further

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ORDERED that if no protest is filed in accordance with the requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 13th day of April, 1998.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

LJP

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Chapter 25-22.036(4), Florida Administrative Code, in the form provided by Chapter 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 4, 1998.

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In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

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 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 date this Order becomes final, pursuant to Chapter 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Chapter 9.900(a), Florida Rules of Appellate Procedure.