

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to modify Tariff Sheet Nos. 4.113 and 4.122 regarding conversion of and construction of underground residential facilities by Progress Energy Florida, Inc.	DOCKET NO. 080719-EI ORDER NO. PSC-09-0119-PCO-EI ISSUED: March 2, 2009
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The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

ORDER SUSPENDING PROGRESS ENERGY FLORIDA, INC.'S,
PROPOSED TARIFF SHEETS

BY THE COMMISSION:

On December 19, 2008, Progress Energy Florida (PEF) filed a petition to modify Tariff Sheet Nos. 4.113 and 4.122 regarding conversion and construction of underground residential facilities. Customers who opt to convert their overhead electric distribution system to underground facilities are required to pay PEF a Contribution in Aid of Construction (CIAC), which represents the conversion costs incurred by PEF. The proposed tariff revisions are designed to implement the requirements of Rule 25-6.115(11)(a), Florida Administrative Code (F.A.C.), that PEF include the net present value of operations costs, including the average historical storm restoration costs, for comparable facilities over the expected life of the facilities in determining the CIAC paid by the customer. Rule 25-6.115, F.A.C., was amended in February 2007 to require that the calculation of CIAC paid by customers for underground conversions include the difference in the net present value of operational costs between underground and overhead systems.¹

In Order No. PSC-08-0786-TRF-EI, issued on December 2, 2008, we directed PEF to refile its underground residential distribution (URD) tariff to include in its differential lost pole attachment revenues.² Pole rental revenues are revenues paid to PEF for use of the utility's poles by third-party attachers, such as cable and telephone companies. This petition implements our order. We have jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

¹ See Order No. PSC-07-0043-FOF-EU, issued January 17, 2007, in Docket No. 060172-EU, In re: Proposed rules governing placement of new electric distribution facilities underground, and conversion of existing overhead distribution facilities to underground facilities, to address effects of extreme weather events.

² See Order No. PSC-08-0786-TRF-EI, issued December 2, 2008, in Docket No. 080186-EI, In re: Petition for approval of revised underground residential distribution tariffs, by Progress Energy Florida, Inc.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Pursuant to Section 366.06(3), F.S., we may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such increase a reason or written statement of good cause for doing so within 60 days. We hereby suspend PEF's tariff to allow staff sufficient time to review the petition and gather all pertinent information in order to present us with an informed recommendation on the tariff proposal.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Progress Energy Florida's proposed tariff shall be suspended. It is further

ORDERED that this docket shall remain open pending our vote on the proposed tariff revision.

By ORDER of the Florida Public Service Commission this 2nd day of March, 2009.



ANN COLE
Commission Clerk

(S E A L)

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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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, 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 wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.