

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Gulf Power Company for approval)	DOCKET NO. 881102-EI
of interruptible standby service)	ORDER NO. 20572
tariff.)	ISSUED: 1-9-89

The following Commissioners participated in the disposition of this matter:

KATIE NICHOLS, Chairman
 THOMAS M. BEARD
 GERALD L. GUNTER
 JOHN T. HERNDON
 MICHAEL MCK. WILSON

ORDER APPROVING TARIFF

BY THE COMMISSION:

On June 21, 1988, we ordered Gulf Power Company (Gulf) to file an interruptible standby tariff in compliance with Federal Energy Regulatory Commission Rule 292.305 (18 C.F.R. § 292.305). Gulf filed its initial interruptible standby tariff on August 8, 1988. On September 1, 1988, Gulf withdrew its initial ISS tariff and filed an amended petition with a revised ISS tariff that conformed more closely to the rate design for interruptible standby service set forth in Order No. 17159. In re: Generic Investigation of Standby Rates for Electric Utilities, Docket No. 850673-EI, Order No. 17159, issued on February 6, 1987.

At our September 20 agenda conference, we found that Gulf's September 1 filing was deficient in three areas: the reservation and daily demand charges do not reflect the cost impact of the Southern Company's Intercompany Interchange Contract on Gulf; the customer charge would not adequately recover the costs of metering and interruption equipment; and a lack of clarity in the provision concerning interruptions. Based on these findings we denied the tariff and ordered Gulf to refile an interruptible standby tariff within 10 days of our vote. In re: Petition of Gulf Power Company for approval of its interruptible standby service tariff, Docket No. 850673-EI, Order No. 20188, issued on October 21, 1988, at 2-5.

Gulf filed the ordered revised tariff on October 19, 1988. In reviewing this tariff, our Staff discovered that the production and transmission unit costs in the compliance cost of service study summary submitted in Docket No. 850673-EI and used in the development of Gulf's firm standby service rates in that docket and in the interruptible standby rates in this docket had not been adjusted for losses. Upon Staff's request, Gulf reviewed its compliance study summary and filed a corrected summary and firm and nonfirm standby tariffs with the affected charges revised on December 1, 1988 and that tariff is the subject of this order.

Gulf's December 1 ISS tariff does correct all of the deficiencies identified in Order No. 20188. Additionally, the December 1 tariff does reflect the revised compliance study summary unit costs with production and transmission units costs adjusted for losses. Because all deficiencies previously

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identified have been corrected and the fact that the ISS rate schedule conforms with the rate design adopted by this Commission in Order No. 17159, we hereby approve it.

Gulf's current SS rate schedule for firm standby service has reservation and daily demand charges which are not adjusted for losses. Using the loss-adjusted production and transmission unit costs provided by Gulf, the current \$.95 reservation charge would be raised to \$.98 and the October-May and June-September daily demand charges would increase from \$.54 to \$.56 and \$.41 to \$.42, respectively. Even though these changes are minor, we find that these errors should be corrected. Therefore, we will require that Gulf refile its SS rate schedule with the revised charges within 15 days of our vote on this issue.

For the reasons stated above, it is

ORDERED that the ISS rate schedule for the provision of interruptible standby service submitted on December 1, 1988, is hereby approved. It is further

ORDERED that Gulf Power Company refile its SS rate schedule for the provision of firm standby service with reservation and daily demand charges based on the revised summary from the compliance cost of service study in Docket No. 840086-EI within 15 days of our vote or by January 4, 1989.

By ORDER of the Florida Public Service Commission
this 9th day of JANUARY, 1989.


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

SBr

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.

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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.