

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Approval of Annual Underground Residential) DOCKET NO. 890320-EI
 Distribution Tariff Revisions.) ORDER NO. 21199
) ISSUED: 5-8-89

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 APPROVING REVISION OF TARIFFS RELATING
 TO UNDERGROUND ELECTRIC DISTRIBUTION FACILITIES

BY THE COMMISSION:

Florida Power & Light Company (FPL), Florida Power Corporation (FPC), and Tampa Electric Company (TECO) have requested approval of their updated tariff sheets, submitted pursuant to the provisions of Section 366.06, Florida Statutes, and Rules 25-6.033 and 25-6.078(3), Florida Administrative Code.

The utilities propose that the following per lot cost differentials be applied to underground service to residential subdivisions consisting of single family dwellings (low density subdivision) and mobile home parks (high density subdivision).^{1/} Underground charges represent the additional costs to provide underground service instead of standard overhead service. The cost of standard overhead service is recovered through base rates.

1988 Overhead vs. Underground Per Lot Cost Differentials 2/

	\$ 1988 Existing	\$ 1989 Proposed
<u>Single Family Dwelling (low density)</u>		
FPL ^{3/}	360	326
FPC	303	347
TECO	335	355
<u>Mobile Home Park (high density) - Individual Meters</u>		
FPL ^{3/}	256	212
FPC	188	217
TECO	262	290
<u>Mobile Home Park (high density) - Ganged Meters</u>		
FPL ^{3/}	81	63
FPC	52	71

- ^{1/} Unless waived, as provided for in Rule 25-6.078(8), Florida Administrative Code, an applicant for underground installation shall be responsible for payment of the cost differential.
- ^{2/} Attachment "A" is a tabulation of the 1988 and 1989 overhead, underground and differential costs for FPC, FPL and TECO in the three customer categories.
- ^{3/} FPL deleted the favorable and difficult trenching cost differentials and substituted a single contribution added for all soil conditions based on an average of actual soil conditions for jobs worked during the previous year. In 1987, 51% favorable and 49% difficult soil conditions were reported. The 1989 costs were not adjusted for the 1988 actual soil conditions.

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04535 MAY -8 1989

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We have reviewed the respective filings for the installation of new residential underground service and find that the proposed revisions are appropriate and should be implemented.

In addition, FPC and FPL proposed changes to tariffs on removal and conversion of existing overhead service to underground service. In reviewing these proposed changes, there appear to be discrepancies in the methods used by the utilities to determine these costs, both with the application of existing tariff language and the overall methodology used. In order to allow Staff time to develop sufficient data to determine the appropriate treatment of those costs, we will suspend the proposed changes in Sections 12.3.6 and 12.5 of FPC tariff and in Sections 10.2.13 and 10.5.3 of FPL's tariff.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the underground electric distribution facilities tariffs submitted on behalf of Florida Power & Light Company, Florida Power Corporation and Tampa Electric Company are hereby approved except for those we are suspending hereinafter. It is further

ORDERED that Sections 12.3.6 and 12.5 for FPC and Sections 10.2.13 and 10.5.3 for FPL is hereby suspended for the reasons stated in the body of this Order. It is further

ORDERED that this docket shall remain open to determine how costs associated with Sections 12.3.6 and 12.5 for FPC and Sections 10.2.13 and 10.5.3 for FPL should be determined.

By ORDER of the Florida Public Service Commission, this 8th day of May, 1989.


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

MRC

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.

SINGLE FAMILY DWELLING (LOW DENSITY)

	FPC (a)			FPL (c)			TECO (d)			GULF (e)		
	1988	1989	% INCREASE	1988	1989	% INCREASE	1988	1989	% INCREASE	1988	1989	% INCREASE
OVERHEAD COST (\$)												
MATERIAL	303.33	315.93	4.15	453.64	428.97	-5.44	361.80	394.99	9.17	335.58	350.52	4.45
LABOR	159.89	163.48	2.25	262.87	324.49	23.44	165.94	134.71	-18.82	251.13	254.62	1.39
TOTAL	463.22	479.41	3.50	716.51	753.46	5.16	527.74	529.70	0.37	586.71	605.14	3.14
TOTAL + SOIL CONDITIONS ADDER (b)				720.89								
UNDERGROUND COST (\$)												
MATERIAL	419.10	465.25	11.01	585.12	597.24	2.07	451.83	491.41	8.76	469.78	491.11	4.54
LABOR	346.56	360.87	4.13	472.95	482.65	2.05	410.98	392.88	-4.40	470.03	471.91	0.40
TOTAL	765.66	826.12	7.90	1058.07	1079.89	2.06	862.81	884.29	2.49	939.81	963.02	2.47
TOTAL + SOIL CONDITIONS ADDER (b)				1080.50								
DIFFERENTIAL COST (\$)												
MATERIAL	115.77	149.32	28.98	131.48	168.27	27.98	90.03	96.42	7.10	134.20	140.59	4.76
LABOR	186.67	197.39	5.74	210.08	158.16	-24.71	245.04	258.17	5.36	218.90	217.29	-0.74
TOTAL	302.44	346.71	14.64	341.56	326.43	-4.43	335.07	354.59	5.83	353.10	357.88	1.35
TOTAL + SOIL CONDITIONS ADDER (b)				359.61								

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MOBILE HOME PARK (HIGH DENSITY) - INDIVIDUAL METERS (f)

	FPC			FPL			TECO		
	1988	1989	% INCREASE	1988	1989	% INCREASE	1988	1989	% INCREASE
OVERHEAD COST (\$)									
MATERIAL	215.27	223.47	3.81	382.06	346.47	-9.32	278.19	297.08	6.79
LABOR	116.38	118.94	2.20	199.97	259.56	29.80	128.36	100.86	-21.42
TOTAL	331.65	342.41	3.24	582.03	606.03	4.12	406.55	397.94	-2.12
TOTAL + SOIL CONDITIONS ADDER (b)				585.57					
UNDERGROUND COST (\$)									
MATERIAL	293.12	323.10	10.23	507.15	509.32	0.43	363.57	387.07	6.46
LABOR	226.36	236.00	4.26	314.76	308.43	-2.01	304.56	300.93	-1.19
TOTAL	519.48	559.10	7.63	821.91	817.75	-0.51	668.13	688.00	2.97
TOTAL + SOIL CONDITIONS ADDER (b)				841.51					
DIFFERENTIAL COST (\$)									
MATERIAL	77.85	99.63	27.98	125.09	162.85	30.19	85.38	89.99	5.40
LABOR	109.98	117.06	6.44	114.79	48.87	-57.43	176.20	200.07	13.55
TOTAL	187.83	216.69	15.36	239.88	211.72	-11.74	261.58	290.06	10.89
TOTAL + SOIL CONDITIONS ADDER (b)				255.94					

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MOBILE HOME PARK (HIGH DENSITY) - GANGED METERS (9)

	FPC			FPL		
	1988	1989	% INCREASE	1988	1989	% INCREASE
OVERHEAD COST (\$)						
MATERIAL	192.13	196.21	2.12	360.30	310.75	-13.75
LABOR	91.49	92.84	1.48	167.84	217.82	29.78
TOTAL	283.62	289.05	1.91	528.14	528.57	0.08
TOTAL + SOIL CONDITIONS ADDER (b)				531.68		
UNDERGROUND COST (\$)						
MATERIAL	214.98	234.62	9.14	422.54	390.63	-7.55
LABOR	120.44	124.93	3.73	183.97	200.63	9.06
TOTAL	335.42	359.55	7.19	606.51	591.26	-2.51
TOTAL + SOIL CONDITIONS ADDER (b)				612.39		
DIFFERENTIAL COST (\$)						
MATERIAL	22.85	38.41	68.10	62.24	79.88	28.34
LABOR	28.95	32.09	10.85	16.13	-17.19	-206.57
TOTAL	51.80	70.50	36.10	78.37	62.69	-20.01
TOTAL + SOIL CONDITIONS ADDER (b)				80.71		

Notes:

- (a) To subdivisions with a density of 1.0 to 6 dwelling units per acre.
- (b) This is an adjusted total that reflects the previous year's operating experience plus a soil conditions adder that dispenses with two charges for favorable and difficult trenching conditions. The adder reflects an average of actual soil conditions for jobs worked during 1987. FPL did not calculate adjusted totals for 1989.
- (c) To subdivisions with a density of 0.5 to 6 dwelling units per acre (excluding multiple occupancy buildings). In 1983, the density was described as 0.5 or more.
- (d) To subdivisions with an average density of 1.5 or more dwelling units per acre.
- (e) Data submitted for informational purposes only in accordance with Commission Order 8483, Docket No. 770158-EU(G1).
- (f) To subdivisions with a density of 6 or more dwelling units per acre. FPL applies the tariff to mobile homes, townhouses, and buildings that do not exceed 4 units per service lateral.
- (g) To mobile home subdivisions with a density of 6 or more dwelling units per acre taking service from a multi-unit meter center.

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