

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building
101 East Gaines Street
Tallahassee, Florida 32399-0850

M E M O R A N D U M

August 13, 1992

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF ELECTRIC AND GAS (KUMMER)^{CK}
DIVISION OF LEGAL SERVICES (CHRIST) *MRC MP JDJ*

RE: DOCKET NO. 920800-EI, PETITION BY FLORIDA POWER &
LIGHT TO WAIVE CERTAIN SERVICE CHARGES FOR GOOD-
PAYING CUSTOMERS

AGENDA: SEPTEMBER 1, 1992 - CONTROVERSIAL - PARTIES MAY
PARTICIPATE

CRITICAL DATES: 60 DAYS EXPIRES SEPTEMBER 11, 1992

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve the proposed tariff revision by Florida Power & Light Company to allow the utility to waive Reconnection Charge, Returned Check Charges, Late Payment Charge and Field Collection Charges once in any 12-month period for otherwise good-paying customers, upon justification to the company?

STAFF RECOMMENDATION: No. The purpose of a tariff is to establish uniform policies which can be applied in an objective and non-discriminatory manner. Allowing the company the discretion to waive charges on their own evaluation opens the door to discrimination and unfair application of tariffed rates.

STAFF ANALYSIS: While the utility has a certain amount of latitude in setting policies and charges for services, once that policy has been approved in a tariff, the Commission has generally taken the position that the policy must be enforced uniformly. This is to ensure that all customers are held to the same impartial standards. The utility has offered no basis upon which waivers will be granted, nor have they defined what constitutes a "good paying customer". To allow the utility to determine what constitutes a "justified" waiver of a service charge allows the appearance, if not the actuality, of discrimination.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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WAIVE.FPL

In addition to the inherent arbitrary nature of such waivers, the 12 month criteria proposed is self-defeating. A customer could potentially have serious payment problems, resulting in additional costs to the utility of a different variety (Late Payment one time, Returned Check the next, etc.), every 12-months and still be eligible, time and again for waiver of those charges. The additional costs associated with that customer must be collected from the general body of ratepayers. While the utility may not intend for that to occur, there is no protection in the tariff to prevent it, should a customer challenge the utility's determination of the justification offered. Staff believes allowing the utility the discretion of determining who merits a waiver, absent any objective criteria, will increase the number of complaints and the administration of such charges. Therefore, staff recommends that the proposed tariff change be denied.

ISSUE 2: Should this docket be closed?

STAFF RECOMMENDATION: If no substantially affected person files a protest within 21 days of the date of the order disposing of this matter, this docket should be closed.

SERVICE CHARGES

A \$16.00 service charge will be made for an initial connection.

A ~~service~~ Reconnection ~~e~~Charge will be made for the reconnection of service after disconnection for nonpayment or violation of a rule or regulation.

A \$16.00 service charge will be made for the connection of an existing account.

A Returned Check ~~e~~Charge of \$15 or 5% of the amount of the check, whichever is greater, shall be added to the customer's bill for electric service for each check dishonored by the bank upon which it is drawn. Termination of service shall not be made for failure to pay the returned check charge.

Charges for services due and rendered which are unpaid as of the past due date are subject to a Late Payment Charge of 1.5% applied to any past due unpaid balance of all accounts, except the accounts of federal, state, and local governmental entities, agencies, and instrumentalities. A Late Payment Charge shall be applied to the accounts of federal, state, and local governmental entities, agencies, and instrumentalities at a rate no greater than allowed, and in a manner permitted, by applicable law.

A \$5.50 Field Collection Charge will be added to a customer's bill for electric service when a field visit is made and payment is collected on a delinquent account. If service is disconnected, or a current receipt of payment is shown at the time of the field visit, this charge will not be applied.

FPL may waive the Reconnection Charge, Returned Check Charge, Late Payment Charge and Field Collection Charge once in any twelve (12) month period for any Customer who would otherwise have had a satisfactory payment record (as defined in 25-6.097(2) F.A.C.), upon acceptance by FPL of a reasonable explanation justifying a waiver.

CONSERVATION INSPECTIONS AND SERVICESResidential Dwelling Units:

A charge of \$15.00 will be made for a computerized energy analysis in which a comprehensive on-site evaluation of the residence is performed.

Commercial/Industrial:

There is no charge for conservation inspections and services (Business Energy Services).