

FLORIDA PUBLIC SERVICE COMMISSION  
Capital Circle Office Center • 2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

**M E M O R A N D U M**

JUNE 24, 1996

**TO:** DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

**FROM:** DIVISION OF LEGAL SERVICES (WAGNER) *lw RVE*  
DIVISION OF CONSUMER AFFAIRS (DURBIN) *DD*  
DIVISION OF ELECTRIC & GAS (GOAD) *Rg CSC*

**RE:** DOCKET NO. 960726-EI - FLORIDA POWER & LIGHT COMPANY -  
COMPLAINT OF MR. EDDY GROSSE AGAINST FLORIDA POWER &  
LIGHT COMPANY CONCERNING BILLING FOR ELECTRIC USE AT  
CUSTOMER'S RENTAL PROPERTY. *JDJ*

**AGENDA:** 07/16/96 - REGULAR AGENDA - PROPOSED AGENCY ACTION -  
INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** NONE

**SPECIAL INSTRUCTIONS:** S:\PSC\LEG\WP\960726EI.RCM

**CASE BACKGROUND**

On March 12, 1996, Mr. Eddy Grosse filed an inquiry with the Public Service Commission's Division of Consumer Affairs (CAF). Mr. Grosse objected to Florida Power & Light Company (FPL) transferring unpaid balances from FPL accounts at rental properties he owns to his residential account. Mr. Grosse stated that his tenants had the electric service in their name and that he was not the customer of record at the rental properties.

FPL's report to CAF stated that Mr. Grosse was the customer of record on three accounts that were transferred to his residential account on February 9, 1996. The accounts were:

1. Account #72037-41421, 2231 Filmore Street, #HSE, Miramar, Florida. Active from June 16, 1994 until September 19, 1995
2. Account #87065-27135, 2231 Filmore Street, Apartment 5, Miramar, Florida. Active from April 11, 1995 until August 18, 1995

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3. Account #02301-46474, 2233 Filmore Street, Miramar, Florida. Active from September 19, 1994 until August 18, 1995

FPL states that the accounts were opened in Mr. Grosse's name and deposits were waived by referencing Mr. Grosse's residential account.

Final bills on the three accounts were left unpaid so the balances were transferred to Mr. Grosse's residential account at 3501 South 130th Avenue, Miramar, Florida. The transferred balance of \$871.12 consisted of:

1. \$172.19 from account #87065-27135.
2. \$197.61 from account #02301-46474.
3. \$501.32 from account #72037-41421.

The bills for the accounts in question came directly to Mr. Grosse's office at 1689 North Hiatus Road, Pembroke Pines. Mr. Grosse issued checks in payment of the accounts without questioning their validity.

On April 1, 1996, CAF staff advised Mr. Grosse that it appeared that the accounts were established by Mr. Grosse; therefore, FPL was not in violation of the rules of the Florida Public Service Commission in transferring the outstanding balances to Mr. Grosse's account. Mr. Grosse requested that an informal conference be conducted. This was done on June 3, 1996.

No resolution was achieved at the informal conference. Staff sets forth the following recommendation.

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**STAFF ANALYSIS**

**ISSUE 1:** Has FPL established that Mr. Eddy Grosse knew, or should have known, of the existence of the accounts in question that he is being billed for?

**RECOMMENDATION:** Yes. Mr. Grosse received bills and made payments to FPL on the accounts.

**STAFF ANALYSIS:** According to FPL records, the three accounts in question were opened using Mr. Grosse's Social Security number. Deposits were waived since Mr. Grosse was a previous customer. Bills were mailed to Mr. Grosse's office. FPL provided copies of checks used to pay the three accounts. The checks were drawn on an account in the name of Tridessus, Inc. of which Mr. Grosse is president. The checks were signed by Mr. Grosse.

Staff believes that since the bills for the three accounts in question came to Mr. Grosse's office at 1689 N. Hiatus Road, Pembroke Pines, checks bearing his signature and the account numbers of the three accounts were used to pay the bills, Mr. Grosse knew, or should have known, that the accounts were open in his name. His failure to question FPL concerning the validity of the accounts over a period beginning in June, 1994, and continuing until February 9, 1996, suggests that Mr. Grosse was in agreement that the accounts were legitimate.

Mr. Grosse stated that his agreement with his tenants was that the tenant would establish electric service in the tenant's name. Mr. Grosse was not able to produce a copy of leases in which his tenants agreed to such an arrangement. Mr. Grosse provided copies of rent receipts bearing a note stating that the customer was "responsible for her own utilities." The receipts did not bear the signature of the tenants.

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**ISSUE 2:** Is FPL in compliance with the Florida Administrative Code and its tariff in holding Mr. Grosse responsible for payment of the outstanding balance of \$871.12?

**RECOMMENDATION:** Yes. FPL is in compliance with the Florida Administrative Code and its tariff.

**STAFF ANALYSIS:** FPL Tariff Number 1.5 states, "The company may refuse or discontinue service for failure to settle, in full, all prior indebtedness incurred by any Customer(s) for the same class of service at any one or more locations of such Customer(s)." FPL has demonstrated that accounts in Mr. Grosse's name were not paid in full and constitute prior indebtedness.

Rule 25-6.105(5)(g), Florida Administrative Code, authorizes an electric utility to discontinue service "for nonpayment of bills or noncompliance with the utilities rules and regulations, and only after there has been a diligent attempt to have the customer comply, including at least 5 working days' written notice..." Staff believes that if Mr. Grosse fails to pay the outstanding balance on the accounts at the rental properties, FPL will be justified in discontinuing service at his residence.

**ISSUE 3:** Should this docket be closed.

**RECOMMENDATION:** Yes, if no protest is filed within 21 days of the issuance of this order.

**STAFF ANALYSIS:** Pursuant to Rule 25-22.029(4), Florida Administrative Code, any person whose substantial interests are affected by the proposed agency action shall have 21 days after the issuance of the order to file a protest. If no notice is filed, the docket should be closed.