

Susan D. Cranmer  
Assistant Secretary and  
Assistant Treasurer

*the southern electric system*

961193-EI

October 1, 1996

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0870

Dear Ms. Bayo:

Enclosed are an original and fifteen copies of Gulf Power Company's Petition for approval of proposed changes to Sheet No. 4.12 of the Company's Retail Tariff regarding the period for holding deposits securing residential accounts.

Also enclosed is a 3.5 inch double sided, high density diskette containing the Petition in MicroSoft Word, Version 6 for Windows format as prepared on a MS-DOS based computer.

Upon approval, please return two copies of the approved tariff sheets to my attention.

ACK \_\_\_\_\_ Sincerely,

AFA \_\_\_\_\_  
APP \_\_\_\_\_ *Susan D. Cranmer*  
CAF \_\_\_\_\_

CMU \_\_\_\_\_ lw  
CTR \_\_\_\_\_  
EAG \_\_\_\_\_ Enclosures  
RECEIVED & FILED  
FPSC-BUREAU OF RECORDS

LEG \_\_\_\_\_ cc: Beggs and Lane  
LIN \_\_\_\_\_ Jeffrey A. Stone, Esquire  
OPC \_\_\_\_\_ Florida Public Service Commission  
RCH \_\_\_\_\_ Robert Elias  
SEC \_\_\_\_\_ Connie Kummer

WAS \_\_\_\_\_  
OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

10545 OCT-2 88

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Gulf Power Company's petition for )  
approval of proposed changes to Sheet No. 4.12 )  
of the Company's Retail Tariff regarding the period )  
for holding deposits securing residential accounts. )  
\_\_\_\_\_ )

Docket No. 96 1193 -EI  
Filed: October 1, 1996

PETITION

GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned counsel, hereby petitions the Florida Public Service Commission ("the Commission") for approval of the Company's proposed revision to Sheet No. 4.12 of Gulf Power's Tariff for Retail Electric Service to reduce the period that deposits of qualified residential customers are held from twenty-three months to twelve months. This petition along with the tariff sheet set forth in Attachment A is intended to meet the requirements of Rules 25-9.005(4)-(5) of the Florida Administrative Code. In support of this petition the Company states:

1. Notices and communications with respect to this petition and docket should be addressed to:

Jeffrey A. Stone	Susan D. Cranmer
Russell A. Badders	Asst. Secretary & Asst. Treasurer
Beggs & Lane	Gulf Power Company
P. O. Box 12950	P. O. Box 13470
Pensacola, FL 32576-2950	Pensacola, FL 32591-3470

2. Gulf Power Company, a wholly owned subsidiary of The Southern Company, is an electric utility providing retail electric service to customers within

northwest Florida and, pursuant to the provisions of Chapter 366 of the Florida Statutes, is subject to the regulation by the Florida Public Service Commission.

3. Gulf Power specifically seeks approval of Eighth Revised Sheet No. 4.12.

The only change proposed would allow the Company to reduce the period that deposits of qualified customers are held from twenty-three to twelve months. A copy of the revised tariff sheet is attached to this petition as Attachment "A" and incorporated herein by reference. The Company is proposing this change as part of its planned implementation of a new Customer Service System for customer billing and accounting.<sup>1</sup>

4. Pursuant to the existing Credit Regulations included in its tariff, Gulf

Power Company may collect a cash deposit from an applicant for service to guarantee the

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<sup>1</sup> The Southern Company is currently planning the implementation of a new Customer Service System to provide customer accounting and billing for all operating subsidiaries. It will replace an existing system serving all operating companies that is over 20 years old. In order to keep the cost of the new system as low as possible, every effort is being made to implement a system with one set of procedures for all five operating companies. Such a plan allows each of the operating companies and their respective customers to receive the maximum benefits associated with economies of scale by eliminating the need to develop and operate costly special applications for any one operating company. After much consideration and compromise, there remain only two items that require changes in Gulf's tariff to allow it to achieve the cost savings resulting from using the unified procedures. Furthermore, both of these changes provide benefit to Gulf's residential customers, providing what is frequently known as a "win-win" situation. The first, reduction of the period deposits of qualified residential customers are held from twenty-three to twelve months, is the subject of this petition. The second, changing from monthly to quarterly adjustments of bills for residential customers choosing the levelized billing option, is the subject of a separate petition filed concurrently with this one. Both of these proposed revisions to the Company's tariff are consistent with the requirements of the Commission's Rules for Electric Service by Electric Utilities. As a result, there is no request for a modification or waiver of the Commission Rules included within these two petitions. In each case, the Company seeks an effective date for the requested changes that corresponds with the expected implementation date of the new Customer Service System.

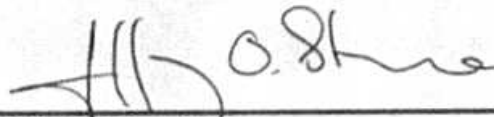
payment of all bills. Customer deposits securing residential accounts are currently refunded after the deposit has been held for a period of twenty-three months, provided the customer qualifies for a refund by maintaining a good payment record, as defined in the tariff. Such customers are designated as "A" customers. The proposed tariff change provides for these "A" customers to receive a refund of their deposit after it has been held for a period of twelve months. As a result of the proposed change, the Company will refund approximately \$380,000 in deposits to about 3,000 customers upon approval of the revised tariff sheet. This represents 29% of the residential deposits currently being held. The average eligible customer will benefit from a refund of about \$125.

5. Commission Rule 25-6.097(2), Refund of deposits, allows a utility to keep a qualifying residential customer's deposit a maximum of 23 months before it must be refunded. The Company's proposed tariff allows the Company to refund the qualifying residential customer's deposit after only 12 months. This clearly is within the established time limit, and is thereby in compliance with the Rule, to the benefit of the customer and of no significant disadvantage to the Company.

6. The Company's new Customer Service System is scheduled to be implemented beginning February 1, 1997. In order to coincide with this implementation and to avoid programming changes to the current customer accounting system between now and February 1, the Company requests that the tariff revision requested in this petition be effective February 1, 1997.

WHEREFORE, Gulf Power Company respectfully requests that the Florida Public Service Commission enter its order approving the Company's application of the Eighth Revised Tariff Sheet No. 4.12 attached hereto as Attachment "A" effective February 1, 1997, and to grant Gulf Power the permission to reduce the period deposits of qualifying residential customers are held as described herein.

Respectfully submitted this 1st day of October 1, 1996.



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**JEFFREY A. STONE**  
Florida Bar No. 325953  
**RUSSELL A. BADDERS**  
Florida Bar No. 007455  
**Beggs & Lane**  
P. O. Box 12950  
Pensacola, Florida 32576-2950  
(904) 432-2451  
**Attorneys for Gulf Power Company**

**Attachment A**

# GULF POWER COMPANY

## PART II

### CREDIT REGULATIONS

- 2.1 **DEPOSIT REQUIREMENT** - A cash deposit, amounting to approximately twice the estimated monthly bill (such estimate to be made by the Company), or guaranty satisfactory to the Company (each guarantor must enter into a guaranty contract), or in lieu thereof an irrevocable letter of credit from a bank or a surety bond, may be required at the option of the Company of an applicant for service to guarantee the payment of all bills and the protection of the Company's property on the Customer's premises. The Company reserves the right to require such deposits to be made by the Customer, or the original deposit to be increased to such amount as the Company shall deem necessary if at any time in the judgement of the Company such deposit or increase is necessary for its full protection.
- 2.2 **INTEREST ON DEPOSIT** - The Company will issue a receipt to the Customer covering the amount of the initial deposit. Interest will be paid at the rate of 6 percent for all residential customers. For non-residential customers, interest will be paid at the rate of 6 percent for 23 months and at 7 percent after 23 months for non-residential customers who meet the criteria (a-e) in section 2.3 below. The interest will be paid annually in June of each year by applying the credit to the Customer's electric service bill. The Company shall not be required to pay interest on any deposit when the deposit have been held for a period of less than six months.
- 2.3 **REFUND OF RESIDENTIAL DEPOSIT** - Customer deposits securing residential accounts will be refunded by crediting the amount of the deposit plus interest to the electric service bill after the deposit has been held for a period of twelve months, provided within the last twelve months the Customer has not (a) been sent more than one reminder notice, (b) been disconnected for non-payment, (c) had a dishonored check charged to the account, (d) tampered with the meter or stolen electricity, or (e) made fraudulent use of service. When the service is discontinued where a deposit exists on the account, the amount of the deposit, with accrued interest due from the last annual payment date or deposit date, will be paid to the Customer after deducting therefrom all sums owed to the Company by the Customer, including damages to the property of the Company on the Customer's premises.
- 2.4 **APPLICATION OF DEPOSIT** - Deposits shall not be applied in payment of current month bills, and such deposits shall in no way affect the Company's rights arising from non-payment of bills as provided for in the Company's "Rules and Regulations for Electric Service" or in applications or contracts for service.



## GULF POWER COMPANY

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- 2.3 REFUND OF RESIDENTIAL DEPOSIT - Customer deposits securing residential accounts will be refunded by crediting the amount of the deposit plus interest to the electric service bill after the deposit has been held for a period of ~~twelve~~twenty-three months, provided within the last twelve months the Customer has not (a) been sent more than one reminder notice, (b) been disconnected for non-payment, (c) had a dishonored check charged to the account, (d) tampered with the meter or stolen electricity, or (e) made fraudulent use of service. When the service is discontinued where a deposit exists on the account, the amount of the deposit, with accrued interest due from the last annual payment date or deposit date, will be paid to the Customer after deducting therefrom all sums owed to the Company by the Customer, including damages to the property of the Company on the Customer's premises.
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One Energy Place  
Pensacola, Florida 32520

Tel 850 444 6000

*Forwarded CML  
Further Handling*

October 3, 1997



*G*

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Dockets 961193-EI and 970677-EI

In the dockets listed above, the Commission approved changes to Gulf Power's tariff related to the period for holding deposits and to budget billing. In Docket 961193-EI, a revision to Sheet No. 4.12 related to deposits was approved in Order No. PSC-96-1453-FOF-EI dated December 2, 1996. In Docket 970677-EI, the Commission approved changes to Gulf's Budget Billing tariff in Order No. PSC-97-0923-FOF-EI dated August 4, 1997. Subsequent to the approval of the tariffs, I sent letters to you dated January 19, 1997 (Docket 961193-EI) and August 8, 1997 (Docket 970677-EI) requesting that the implementation of these tariff changes be delayed to coincide with the implementation of Gulf's new Customer Service System (CSS). We agreed that the simplest way to accomplish this would be to return the originally approved tariff sheets to you, and request a new approved tariff sheet with the appropriate effective date to coincide with CSS.

Gulf's plan is to implement CSS on October 10, 1997. Therefore, I am requesting the attached tariff sheets (nos. ii, iii, 4.12, 6.1, 6.14, and 7.24) be approved with that effective date. I am returning the originally approved tariff sheet no. 4.12 that was dated February 1, 1997. According to our records, we did not receive approved tariff sheets for the other pages listed, due to our request for delay. Thank you so much for your help in this matter.

Sincerely,

*Susan D. Cranmer*

Susan D. Cranmer  
Assistant Secretary and Assistant Treasurer

Attachment

cc: Beggs and Lane  
Jeffrey A. Stone, Esquire  
Florida Public Service Commission  
Connie Kummer

# GULF POWER COMPANY

## TABLE OF CONTENTS

<u>Section</u>	<u>Description</u>
Section I	Description of Territory Served
Section II	Miscellaneous
Section III	Technical Terms and Abbreviations
Section IV	Rules and Regulations
Section V	List of Communities Served
Section VI	Rate Schedules
	RS - Residential Service
	GS - General Service - Non-Demand
	GSD - General Service - Demand
	LP - Large Power Service
	PX - Large High Load Factor Power Service
	OS - Outdoor Service
	SE - Supplemental Energy Rider (Optional)
	BB - Budget Billing (Optional Rider)
	CR - Cost Recovery Clause - Fossil Fuel & Purchased Power
	PPCC - Purchased Power Capacity Cost Recovery Clause
	ECR - Environmental Cost Recovery Clause
	- - Billing Adjustments and Payment of Bills
	ECC - Cost Recovery Clause - Energy Conservation
	RST - Residential Service - Time-of-Use Conservation (Optional)
	GST - General Service - Non-Demand - Time-of-Use Conservation (Optional)
	GSDT - General Service - Demand - Time-of-Use Conservation (Optional)
	LPT - Large Power Service - Time-of-Use Conservation (Optional)
	PXT - Large High Load Factor Power Service - Time-of-Use Conservation (Optional)
	SBS - Standby and Supplementary Service
	ISS - Interruptible Standby Service
	RSVP - Residential Service Variable Pricing
	EPQ - Enhanced Power Quality
	RTP - Real Time Pricing
	CIS - Commercial/Industrial Service Rider (Optional)

# GULF POWER COMPANY

<u>Section</u>	<u>Description</u>
Section VII	Standard Contract Forms
Form 1	Contract for Electric Power
Form 2	Contract for Electric Service for Resale
Form 3	Contract for Seasonal Electric Power
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Form 5	Application for Service and General Area Lighting Service Agreement - Rate Schedule OS (Part II)
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Form 11	Contract for Time-of-Use Conservation Rate
Form 12	Request for Interconnection of Customer-Owned Generation
Form 13	Standby Service Agreement
Form 14	Standby Service Interconnection Agreement
Form 15	Agreement for Residential Energy Management Pilot Study
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Form 17	Application for Underground Cost Estimate
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Form 19	Optional Relamping Service Agreement Customer-Owned General Area Lighting - Rate Schedule OS (Part I/II)
Form 20	Optional Up Front Payment of Fixture(s)
Form 21	Optional Up Front Payment of Additional Facilities
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Form 23	Assignment of Lighting Service Contract
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Section VIII	Special Contracts and Agreements

# GULF POWER COMPANY

## PART II

### CREDIT REGULATIONS

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**GULF POWER COMPANY**

<u>Designation</u>	<u>URSC</u>	<u>Classification</u>	<u>Sheet No.</u>
RS	RS	Residential Service	6.2
GS	GS	General Service - Non-Demand	6.3
GSD	GSD	General Service - Demand	6.4
LP	GSLD	Large Power Service	6.6
PX	GSLD1	Large High Load Factor Power Service	6.8
OS	SL, OL, OL1, OL2	Outdoor Service	6.10
SE		Supplemental Energy (Optional Rider)	6.13
BB		Budget Billing (Optional Rider)	6.14
CR		Cost Recovery Clause - Fossil Fuel and Purchased Power	6.15
PPCC		Purchased Power Capacity Cost Recovery Clause	6.15.1
ECR		Environmental Cost Recovery Clause	6.15.2
		Billing Adjustments and Payment of Bills	6.16
ECC		Cost Recovery Clause - Energy Conservation	6.16.1
RST	RST	Residential Service - Time-of-Use Conservation (Optional)	6.17
GST	GST	General Service - Non-Demand Time-of-Use Conservation (Optional)	6.19
GSDT	GSDT	General Service - Demand Time-of-Use Conservation (Optional)	6.21
LPT	GSLDT	Large Power Service - Time-of-Use Conservation (Optional)	6.24
PXT	GSLDT1	Large High Load Factor Power Service - Time-of-Use Conservation (Optional)	6.27
SBS		Standby and Supplementary Service	6.29
ISS		Interruptible Standby Service	6.33
RSVP	RS1	Residential Service Variable Pricing	6.39
EPQ		Enhanced Power Quality	6.41
RTP		Real Time Pricing	6.42
CIS		Commercial/Industrial Service (Optional Rider)	6.44

# GULF POWER COMPANY

## RATE SCHEDULE BB

### BUDGET BILLING (Optional Rider)

**AVAILABILITY** - Available throughout the entire territory served by the Company.

**APPLICABILITY** - This budget billing rider will, upon completion of the Request for Residential Budget Billing form, be applied to any customer receiving residential electric service under Rate Schedule RS except those customers with current delinquent bills or those customers disqualified from the program within the twelve preceding months. Eligible customers will be notified of availability of this rider annually.

**BILLING** - Under the Budget Billing plan, the Monthly billing is determined as follows:

1. The Annual Base Amount is calculated using the most recent 12 months billings for the premises (including billings for Rate Schedule OSII, if any.) and then averaged and rounded to the nearest whole dollar (Monthly Budget Billing Amount). If the customer has not resided at the premises for 12 months, the Annual Base Amount will be determined by the Customer's available monthly billings plus the previous occupant's billings. If the premises is new or sufficient actual consumption is not available, a 12-month estimated bill will be used.
2. The Monthly Budget Billing Amount is recalculated every month using the most recent Annual Base Amount plus any deferred balances (the difference in prior billings made under the Budget Billing Plan and that of actual charges).

$$\begin{array}{rclcl} \text{Monthly Budget} & = & \text{12-month Summation} & + & \text{Deferred} \\ \text{Billing Amount} & & \text{Actual or Est. Annual Base} & & \text{Balance} \\ & & 12 & & \end{array}$$

If the difference between the newly calculated Monthly Budget Billing Amount and the current Monthly Budget Billing Amount is greater than \$5.00 and 10%, then the Monthly Budget Billing Amount will be reestablished at the newly calculated amount (rounded to the nearest whole dollar).

3. At the Customer's option (in lieu of carrying the deferred balance forward in the recalculation of the Monthly Budget Billing Amount) any deferred balance that is outstanding at the Customer's annual review may be settled either through being applied to the Customer's new bill (if a credit balance) or direct payment to the Company (if a debit balance).

**TERM OF CONTRACT** - Upon execution of a Request for Residential Budget Billing form, billing under the provisions of this rider shall continue thereafter until terminated as provided below.

**TERMINATION** - Billing under this agreement shall be subject to termination by either party giving notice to the other party. This agreement may be terminated by the Company if the account becomes delinquent or if the customer moves from the address specified on the Request for Residential Budget Billing. In the event billing under this agreement is terminated, any amount the customer has been underbilled shall immediately become due and payable to the Company and any amount overbilled shall be refunded to the Customer. Billing may be terminated under this agreement without terminating or affecting any service agreement between the Company and the Customer. In such event, billing under the normal monthly billing procedure will be resumed subsequent to the settlement statement rendered by the Company; however, nothing in this agreement shall be construed to waive the Company's rights to discontinue service in the event of failure to pay bills or for any other lawful cause as set forth in its electric tariff.

**SERVICE UNDER THIS RATE SCHEDULE IS SUBJECT TO RULES AND REGULATIONS OF THE COMPANY AND THE FLORIDA PUBLIC SERVICE COMMISSION.**

**GULF POWER COMPANY**  
**REQUEST FOR RESIDENTIAL BUDGET BILLING**  
**Form 8**

Name	Effective Month	Date of Request	Taken By
Address	Service Account Number		
Town	Est. Annual KWH	Est. Mo. Bill-1st Mo. (include current FCA)	

1. I agree to pay monthly, a budget bill based on my annual billings.
2. In the event that I am delinquent in payment of monthly bills, I understand that I may be removed from this budget billing plan, and my account will then revert to actual usage bills, with all unpaid amounts for actual metered usage becoming immediately due.
3. In case I should move from the above service address this agreement is terminated and all unpaid amounts become due.
4. I may cancel this agreement at any time, but in such case all unpaid amounts become due.
5. I understand that I will not be accepted for this plan unless all amounts currently billed to me at the above address have been paid in full.
6. This agreement shall be automatically renewed annually unless terminated by notice or as described in Paragraph 2 or 3 above.

\_\_\_\_\_  
Customer's Signature

\_\_\_\_\_  
Date