

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

OCTOBER 31, 1996

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

FROM: DIVISION OF ELECTRIC & GAS (DRAPER) *EJD* *CKW*
DIVISION OF LEGAL SERVICES (WAGNER) *RVE* *JDJ*

RE: DOCKET NO. 961193-EI - PETITION FOR APPROVAL OF PROPOSED
CHANGES TO SHEET NO. 4.12 OF RETAIL TARIFF REGARDING THE
PERIOD FOR HOLDING DEPOSITS SECURING RESIDENTIAL ACCOUNTS
BY GULF POWER COMPANY

AGENDA: NOVEMBER 12, 1996 - REGULAR AGENDA - TARIFF FILING -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: DECEMBER 2, 1996

SPECIAL INSTRUCTIONS: S:\PSC\EAG\WP\961193EI.RCM

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve Gulf Power Company's (Gulf) proposed revised tariff sheet (Eighth Revised Sheet No. 4.12) that provides for the refund of residential deposits?

RECOMMENDATION: Yes. Revised tariff Sheet No. 4.12 should be approved.

STAFF ANALYSIS: Gulf requests that the Commission approve its proposed revision to Sheet No. 4.12 of Gulf'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. Currently, Gulf refunds customer deposits, securing residential accounts, provided the deposit has been held for a period of twenty-three months and the customer qualifies for a refund by maintaining a good payment record.

Rule 25-6.097(2), Florida Administrative Code, states that after a customer has established a satisfactory payment record for a period of 23 months, the utility shall refund the deposit. Rule 25-6.097(4)(b), Florida Administrative Code, however, states

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FPSC-RECORDS/REPORTING

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"Nothing in this rule shall prohibit a utility from refunding at any time a deposit with any accrued interest."

If the Commission approves the revised tariff sheet, Gulf estimates that it will refund \$380,000 in deposits to about 3,000 customers upon implementation of the revised tariff. The average eligible customer will receive a refund of about \$125.

Staff recommends that the Commission approve Gulf's revised tariff because Gulf's proposed tariff is in compliance with the Florida Administrative Code, will benefit Gulf's ratepayers, and does not create any significant disadvantage for Gulf.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if Issue 1 is approved this tariff should become effective February 1, 1997. If a protest is filed within 21 days from the issuance date of the Order, the tariff should remain in effect with any increase held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed.

STAFF ANALYSIS: Gulf requests that the tariff become effective February 1, 1997. Gulf maintains that this effective date will coincide with Gulf's ability to administer and implement this tariff revision in its billing system. At the conclusion of the protest period, if no protest is filed, this docket should be closed.