

, BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida  
Power Corporation for approval  
of experimental Residential  
Seasonal Service Rider, Rate  
Schedule RSS-1.

DOCKET NO. 971468-EI  
ORDER NO. PSC-98-0041-FOF-EI  
ISSUED: January 6, 1998

The following Commissioners participated in the disposition  
of this matter:

JULIA L. JOHNSON, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
DIANE K. KIESLING  
JOE GARCIA

ORDER GRANTING APPROVAL OF 24-MONTH  
EXPERIMENTAL RESIDENTIAL SEASONAL SERVICE RIDER

On November 6, 1997, Florida Power Corporation (FPC) filed a  
Petition for approval of a 24-month experimental Residential  
Seasonal Service Rider. The Rider was filed in an attempt to  
alleviate some of the problems associated with the large number of  
seasonal customers who disconnect their service in the Spring and  
reconnect their service in the Fall. FPC currently has nearly  
35,000 residential customers who typically disconnect their service  
at the close of Florida's winter season. Approximately the same  
number of customers seek to reconnect their service upon their  
return in the fall. This gap results in an average absence from  
the Florida Power System of four (4) to five (5) months. In order  
to avoid paying a monthly customer charge of \$8.85, these seasonal  
customers have their service disconnected.

Seasonal customers create a burden on customer service and  
field personnel to schedule and perform the associated disconnects  
and subsequent reconnects. This leads to excess overtime and a  
backlog of disconnections for non-pay as well. A reconnection fee  
of \$15 is charged to customers upon reconnection. There is no  
charge for the initial disconnect of the customer if their balance  
is paid in full. In addition to the increased costs associated  
with this pattern of disconnection and reconnection are the lost

DOCUMENT NUMBER-DATE

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FPC REPORTS/REPORTING

customer charge revenues during the months when the customers are gone. Consequently, FPC proposed to offer on a twenty four (24) month experimental "Residential Seasonal Service Rider".

The Rider will be available during the billing months of March through October to customers who will be absent from their residence for at least three months. The Rider will remain in effect during this March through October period for each billing month in which consumption does not exceed 210 kWh, or 7 kWh per day for billing months over 30 days. If consumption exceeds this threshold, the full customer charge will be billed. (This consumption threshold is intended to recognize when occupancy of the residence has been resumed, while allowing minimal usage when unoccupied for lighting, security devices, etc.) For customers requesting service under the Rider, service will remain active and be subject to a reduced customer charge of \$3.00 per month. The reduced customer charge, coupled with the opportunity to avoid a reconnection charge, will minimize or eliminate the existing economic incentive to disconnect service.

The Rider shall be for a 24-month experimental period to evaluate program participation, savings and costs, and the effect of free riders. This period should allow FPC to collect and analyze data needed to determine whether the estimates and assumptions used in developing the Rider are reasonably accurate and warrant continuing the Rider on a permanent basis. FPC will submit a report on its evaluation of this data to Staff at least 60 days prior to the expiration of the Rider.

The Rider will help FPC better manage its customer service and field personnel during these peak periods of disconnection and reconnection while offering a savings to the customer with the added benefits of continuous electric service. Participation is voluntary and there are no additional charges or fees for non-participants.

Upon consideration, we find that the proposed 24-month experimental Residential Seasonal Service Rider is reasonable and should be approved.

Based on the foregoing, it is


ORDERED that FPC's request for approval of a 24-month experimental Residential Seasonal Service Rider is hereby granted.

ORDER NO. PSC-98-0041-FOF-EI  
DOCKET NO. 971468-EI  
PAGE 3

ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no protest is filed in accordance with the requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 6th day of January, 1998.

  
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BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

JCB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida

ORDER NO., PSC-98-0041-FOF-EI  
DOCKET NO. 971468-EI  
PAGE 4

Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 27, 1998.

In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater 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 of the date this Order becomes final, 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.