



# Public Service Commission

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RECORDS & REPORTING  
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**DATE:** SEPTEMBER 24, 1998

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

**FROM:** DIVISION OF ELECTRIC AND GAS (DRAPER, WHEELER)  
DIVISION OF LEGAL SERVICES (C. KEATING)

**RE:** DOCKET NO. 981050-EI - PETITION FOR APPROVAL OF NEW STREET LIGHT OFFERINGS BY FLORIDA POWER CORPORATION

**AGENDA:** OCTOBER 6, 1998 - REGULAR AGENDA - TARIFF FILING - INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** 60-DAY SUSPENSION DATE: OCTOBER 20, 1998

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\EAG\WP\981050.RCM

### DISCUSSION OF ISSUES

**ISSUE 1:** Should the Commission approve Florida Power Corporation's (FPC) petition for approval of new street light offerings?

**RECOMMENDATION:** Yes. Staff has reviewed the proposed changes and their accompanying workpapers and recommends that they be approved with an effective date of October 6, 1998.

**STAFF ANALYSIS:** FPC is proposing changes to its Lighting Service, Rate Schedule LS-1. The changes include the addition of three new types of Sodium Vapor fixtures and 15 new concrete pole types.

The maintenance charges for the new fixtures were developed based on the cost of maintenance and assumed failure rates. The energy charges were developed based on the estimated energy usage of the lamps and the non-fuel energy rate for lighting of 1.593 cents per kilowatt hour. The fixture charges were developed by

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applying a fixed charge carrying rate to the installed cost of the fixtures. The proposed charges for the new fixtures are as follows:

	<u>Open Bottom</u>	<u>Deco Post Top Monticello</u>	<u>Deco Post Top Flagler</u>
Fixture Charge:	\$3.81	\$10.89	\$14.86
Maintenance Charge:	\$1.74	\$ 1.47	\$ 1.47
Energy Charge:	<u>\$0.54</u>	<u>\$ 0.91</u>	<u>\$ 0.91</u>
Total Mo. Charge:	\$6.09	\$13.27	\$17.24

In addition, FPC is proposing 15 new concrete poles. The charges for these new offerings were developed by applying a fixed charge carrying rate to the installed cost of the poles.

In addition to the above discussed changes, FPC proposes to extend the minimum initial term of service under the LS-1 rate schedule from three to six years. FPC states that six years is a more appropriate term for lighting service because a three-year term does not allow for recovery of the cost of installing and maintaining the fixtures. FPC also clarifies that it will replace lamps within three business days after the customer notifies the company that the lamp is burned out, and adds language that all new leased lighting facilities will be installed on company-owned poles after December 31, 1998. Finally, FPC proposes to no longer offer certain fixtures and steel poles to new customers. Customers currently leasing these fixtures and poles will be able to continue leasing them.

Staff has reviewed all the proposed changes discussed above and their accompanying workpapers, and believes that they are reasonable and should be approved with an effective date of October 6, 1998.

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**ISSUE 2:** Should this docket be closed?

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

**STAFF ANALYSIS:** If a protest is filed within 21 days of the Commission order approving this tariff, the tariff should remain in effect pending resolution of the protest, with any increased revenue held subject to refund. If no protest is filed, this docket may be closed.