



Public Service Commission

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RECORDS AND REPORTING
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DATE: APRIL 8, 1999

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

FROM: DIVISION OF LEGAL SERVICES (MAYE, COLLINS) *RC*
DIVISION OF ELECTRIC AND GAS (GING) *RVE*

RE: RECOMMENDATION FOR APPROVAL OF REVISIONS TO GENERAL RULES AND REGULATIONS AND TARIFFS PERTAINING TO MEDICALLY ESSENTIAL ELECTRIC SERVICE.

- DOCKET NO. 990334-EI - FLORIDA POWER CORPORATION
- DOCKET NO. 990336-EI - TAMPA ELECTRIC COMPANY
- DOCKET NO. 990293-EI - FLORIDA POWER & LIGHT COMPANY
- DOCKET NO. 990317-EI - GULF POWER COMPANY

AGENDA: 04/20/99 - REGULAR AGENDA - TARIFF FILING - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: 05/08/99

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\LEG\WP\990334.RCM

CASE BACKGROUND

During the August 4, 1998, Agenda Conference the Commission instructed Staff and the Investor Owned Electric Utilities (IOU) to give a presentation at Internal Affairs explaining the policies and procedures for Medically Essential electric service. On November 2, 1998, Staff gave an overview and the IOUs explained their policies and procedures regarding Medically Essential electric service as well as their various "Share" programs and their contributions. Tony Giorgio of "Compassion National Children's Foundation" also made a presentation explaining the concerns of his foundation.

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During the discussions, staff believes that the Commission generally agreed with the proposed unified tariff, however the Commission expressed concern that the IOUs were requiring additional deposits to customers taking service under the Medically Essential electric service tariff. The Commission asked the staff and the IOUs to explore solutions within the context of the proposed unified tariff.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve the modifications to the Investor Owned Utilities' tariffs regarding Medically Essential Electric Service.

STAFF RECOMMENDATION: Yes. The Commission should approve the modifications to the Investor Owned Utilities' Medically Essential Electric Service Tariffs.

STAFF ANALYSIS: Following the November 2, 1998, Internal Affairs the utilities and Commission Staff worked on modifications to the Medically Essential Electric service tariffs to address the concerns expressed by the Commission regarding additional deposits. The additional language included in the proposed tariff is as follows: "The Company will grant special consideration to a Medically Essential Service Customer in the application of Rule 25-6.097(3) Customer Deposits, of the Florida Administrative Code." This additional language should ease financial burden of additional deposits on Medically Essential customers.

Mr. Giorgio continues to express concerns that the tariff does not go far enough. In a letter dated March 22, 1999, Mr. Giorgio suggested that the IOUs expand the definition of Medically Essential electric service to include customers who do not require continuously operating electric-powered medical equipment, eliminate additional deposits for anyone qualifying for Medically Essential service, and follow policies consistent with some other states including: New Hampshire, Massachusetts, Oregon, and New York. New Hampshire and Massachusetts allow customers to receive

an indefinite extension of service, Oregon allows an extension of up to 12 months for chronic cases, and New York's Consolidated Edison keeps records of customers who use electrically operated support system, so they can "help in case of an emergency."

Staff believes that the proposed tariff makes significant progress in all of these areas. Although the definition of Medically Essential was not expanded to include customers with asthma for example, the definition of Medically Essential among the IOUs will be the same, medically Essential customers will be granted special consideration regarding additional deposits and the proposed unified tariff will be consistent with the vast majority of the 50 states that Staff surveyed.

Each IOU has submitted a tariff containing the following language:

For purposes of this section, a Medically Essential Service Customer is a residential customer whose electric service is medically essential, as affirmed through the certificate of a doctor of medicine licensed to practice in the State of Florida. Service is "medically essential" if the customer has continuously operating electric-powered medical equipment necessary to sustain the life of or avoid serious medical complications requiring immediate hospitalization of the customer or another permanent resident at the service address. The physician's certificate shall explain briefly and clearly, in non-medical terms, why continuance of electric service is medically essential, and shall be consistent with the requirements of the Company's tariff. A customer who is certified as a Medically Essential Service Customer must renew such certification periodically through the procedures outlined above. The Company may require certification no more frequently than 12 months.

The Company shall provide Medically Essential Service Customers with a limited extension of time, not to exceed thirty (30) days, beyond the date service would normally be subject to disconnection for non-payment of bills (following the requisite notice pursuant to Rule 25-6.105 (5) of the Florida Administrative Code). The Company shall provide the Medically Essential Service Customer with written notice specifying the date of disconnection based on the limited extension. The Medically Essential Service Customer shall be responsible for making mutually satisfactory arrangements to ensure

payment within this additional extension of time for service provided by the Company and for which payment is past due, or to make other arrangements for meeting medically essential needs.

No later than 12 noon one day prior to the scheduled disconnection of service of a Medically Essential Service Customer, the Company shall attempt to contact such customer by telephone in order to provide notice of the scheduled disconnect date. If the Medically Essential Service Customer does not have a telephone number listed on the account, or if the utility cannot reach such customer or other adult resident of the premises by telephone by the specified time, a field representative will be sent to the residence to attempt to contact the Medically Essential Service Customer, no later than 4 pm of the day prior to scheduled disconnection. If contact is not made, however, the company may leave written notification at the residence advising the Medically Essential Service Customer of the scheduled disconnect date; thereafter, the Company may disconnect service on the specified date. The Company will grant special consideration to a Medically Essential Service Customer in the application of Rule 25-6.097(3) of the Florida Administrative Code.

Staff believes the utilities are taking adequate steps to protect customers who require life sustaining medical equipment in addition to the Medically Essential designation. Through various "Share" programs the IOUs' shareholders and customers donated more than \$1.4 million last year. These funds are distributed by social agencies to customers in need, many of which are Medically Essential electric customers. It is important to emphasize that the purpose of the Medically Essential tariff is not to prevent disconnection entirely, but only to allow the customer more time to explore other options. However, by providing additional information and protection, staff believes the proposed uniform tariff would be a step forward in simplifying the application of the Medically Essential electric service provision.

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ISSUE 2: What should be the effective date of the tariffs?

STAFF RECOMMENDATION: The effective date of the tariffs should be June 1, 1999.

STAFF ANALYSIS: The effective date of the tariffs should be June 1, 1999 to allow for the protest period to expire and provide the utilities the opportunity to train their personnel and make the necessary adjustments to their customer billing systems.

DOCKET NOS. 990334-EI, 990336-EI, 990293-EI, 990317-EI
DATE: April 8, 1999

ISSUE 3: Should this docket be closed?

STAFF RECOMMENDATION: Yes. If no person whose substantial interests are affected by the Commission's order in this docket files a protest within 21 days of the issuance of the order, this docket should be closed. If a protest is timely filed, the tariff should remain in effect pending resolution of the protest.

STAFF ANALYSIS: If no person whose substantial interests are affected by the Commission's order in this docket files a protest within 21 days of the issuance of the order, this docket should be closed. If a protest is timely filed, the tariff should remain in effect pending resolution of the protest.