

State of 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-

**DATE:** MAY 20, 1999

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

**FROM:** DIVISION OF LEGAL SERVICES (COLLINS)  
DIVISION OF ELECTRIC AND GAS (DRAPER)  
DIVISION OF CONSUMER AFFAIRS (STOKES)

**RE:** DOCKET NO. 990526-EI- COMPLAINT BY RENA DENSON AGAINST  
FLORIDA POWER CORPORATION REGARDING IMPROPER BILLING

**AGENDA:** 06/01/99 - REGULAR AGENDA - PROPOSED AGENCY ACTION -  
INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** NONE

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\LEG\WP\990526.RCM

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CASE BACKGROUND

On December 23, 1997, Mr. Gene Denson filed a complaint on behalf of his wife, Mrs. Rena Denson (Mrs. Denson or customer) with the Commission's Division of Consumer Affairs (CAF) against Florida Power Corporation (FPC or company). Mr. Denson stated that he had reported to FPC that someone was stealing the electricity at his residence, 433 Declaration Drive, Orlando, Florida. He stated that he made arrangements with the company to place the account on hold, pending his request for a meter check. He asserted that FPC advised him not to pay the bill, pending the outcome of the meter check. However, Mr. Denson stated that his service was disconnected for nonpayment and stated that FPC took almost two months to test the meter.

In its January 15, 1998, report to CAF, FPC stated that it had written off \$154.55 from the customer's account from a previous address (7622 Forest City Road, Orlando) for service from March 5, 1996 through June 4, 1996. When the service was activated at the

DOCUMENT NUMBER-DATE  
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FPSC-RECORDS/REPORTING

Declaration Drive address in April 1997, the company stated that the \$154.55 amount was transferred to that account on May 2, 1997.

FPC reported that the service was subsequently disconnected for nonpayment on May 22, 1997. FPC stated that Mrs. Denson requested reconnection based on a promise to pay the transferred amount of \$154.55, the April 1997 bill (\$61.12 April usage plus a \$15 service charge to reconnect service), and the \$180 deposit, resulting in a total of \$410.67. The company stated that it denied the request. Additionally, FPC asserted that it received a \$180 payment from the customer on May 23, 1997, but the service was also disconnected again on June 20, 1997, and July 31, 1997, for nonpayment. FPC reported that it received a \$56 payment from Mrs. Denson on July 31, 1997, leaving an outstanding balance of \$594.68. Further, the company stated it received two payments of \$50 and \$323 from an agency on August 4, 1997, and August 18, 1997, respectively, for payments on Mrs. Denson's account.

FPC reported that Mr. Denson called the company on October 17, 1997, stating that his bills were too high and requested a meter test pursuant to Rule 25-6.059, Florida Administrative Code. FPC stated that it reread the meter on October 18, 1997, indicating that 967 kilowatt hours were used since the previous reading on September 17, 1997, resulting in a daily average of 31 kilowatt hours. The company stated that a letter was sent to Mr. Denson on November 3, 1997, explaining the meter reading verification, which indicated the account kilowatt-hour usage.

The company stated that when it turned off all of the circuit breakers to the meter serving the Densons' residence on December 8, 1997, the meter disc stopped spinning. The company stated that no additional load was found on the meter. Additionally, FPC stated that it scheduled an on-site meter test for December 5, 1997. The company stated that the test was delayed since the meter testing equipment needed repairs. FPC reported that it notified Mr. Denson of this delay on December 8, 1997.

The company stated Mr. Denson called about the meter test on December 19, 1997. Since the meter testing equipment had not been repaired, FPC indicated that Mr. Denson agreed to allow the company to replace the meter and perform a shop meter test. FPC stated that it placed a "do not cut" notation on Mrs. Denson's account. However, the company reported that Mrs. Denson's service was disconnected in error for nonpayment on December 23, 1997, but was restored later that same day.

On January 5, 1998, FPC tested the old meter that served Mrs. Denson's Declaration Drive address. The results indicated that the meter was operating at an average accuracy of 100.11 percent. The company provided CAF with a copy of its January 10, 1998, letter to Mrs. Denson explaining the meter test results and a copy of the meter test report. Further, FPC reported that it reread the new meter usage on January 13, 1998. The results indicated a daily average of 35 kilowatt hours, approximately the same daily usage as the old meter.

Rule 25-6.052(1), Florida Administrative Code, establishes the accuracy limits from 98 percent to 102 percent for watt-hour meters. CAF sent Mrs. Denson a closeout letter on February 24, 1998, explaining the meter accuracy limits, and the meter test results indicated that the meter was registering within the accuracy limits.

On December 9, 1998, Mr. Denson filed another complaint with CAF. He stated that his complaint pertains to meter tampering at 433 Declaration Drive, Orlando, Florida. Mr. Denson stated that he was unable to dispute it. He also provided his new address as 664 Creekwood Drive, Orlando, Florida. Mr. Denson stated that his service was disconnected on December 3 and 7, 1998, for nonpayment and he was not allowed to make payment arrangements. Further, he stated that he was told that the company had permission by the PSC to disconnect the service. Mr. Denson explained that his bills were temporarily sent to 50 Gulfport Drive due to a mailbox break-in and that his latest bill showed that he had until December 17, 1998, to pay the bill and stated that he did not receive a final notice for payment. Mr. Denson also requested a copy of the meter test results and stated that he was overbilled \$152. He also stated that an FPC representative reviewed the bills and stated that the final bill was \$240, instead of \$388. CAF initiated another complaint with FPC.

On December 28, 1998, FPC reported to CAF that the recent complaint covered the same issues as the previous complaint. The company stated that the service was eligible for disconnection for nonpayment of \$331.09. FPC stated that a letter (certified and regular mail) was mailed to the customer on December 2, 1998, requesting payment before December 10, 1998. The company acknowledged that the amount in dispute was \$152, which left \$179.09 eligible for service disconnection. FPC also stated that the meter test results were mailed to Mrs. Denson on January 10, 1998.

On January 26, 1999, CAF received Mrs. Denson's letter requesting an informal conference. Additionally, CAF received a telephone call from Mr. Denson on January 27, 1999, stating that he was not aware that his complaint was closed and had not received a close-out letter. Mr. Denson continued to dispute the billing of the account.

CAF contacted FPC on January 27, 1999, regarding Mr. Denson's concerns. The company stated that the customer's service was disconnected on January 26, 1999, for nonpayment of \$476. However, FPC reported that it restored the service after a \$200 payment, with the understanding that the customer would make payment arrangements on the \$276 outstanding balance.

On March 2, 1999, CAF sent Mrs. Denson another letter, stating that \$152 was identified as the disputed amount and \$343.89 needed to be paid by March 19, 1999, to avoid possible service interruption. Additionally, the letter stated that all future charges would not be considered part of the dispute.

On March 18, 19, and 22, 1999, Mr. Denson further discussed his concerns with CAF. He was concerned that only \$152 was identified as the disputed amount. Mr. Denson offered to pay \$250 as a settlement amount. Then, he stated that he considered \$433 as the amount in dispute, not \$152. Mr. Denson changed his mind again and stated that everything was in dispute, except the \$66.47 current bill. Later, Mr. Denson stated that he was disputing \$371 but was not sure of the disputed amount since he did not have copies of the bills.

On March 22, 1999, CAF again contacted FPC regarding Mr. Denson's concerns. Initially, FPC stated that the \$250 could be applied toward the \$495.89 outstanding balance, as of February 1999. However, the company said later that the customer needed to pay \$200 to prevent service interruption on March 22, 1999. Additionally, FPC stated that it would accept an amended disputed amount, if the customer paid \$200 and provided in writing the exact disputed amount with an explanation. CAF explained this information to Mr. Denson and arranged a three-way conference call. Mr. Denson stated that he was not going to pay \$200 and stated that he may be moving from the Creekwood Drive address. Mr. Denson requested that the informal conference be held at FPC's Winter Park's office on the morning of April 12 or 13, 1999.

CAF sent Mr. Denson a package containing copies of both complaint files, with the billing and payment history information for the Declaration Drive and Creekwood Drive addresses. CAF

DATE: MAY 20, 1999

verified with Airborne Express on March 22, 1999, that the March 19, 1999, package--that was sent to Mr. Denson by overnight service--was left at Mr. Denson's door on March 22, 1999, at 11:27 a.m.

On March 26, 1999, FPC reported that the customer still had not paid the bill, but it saw a moving van at Mrs. Denson's residence. On April 1, 1999, the company stated that the residence appeared to be vacant.

On April 12, 1999, FPC stated it had applied \$189.11 on the customer's account for the \$180 deposit plus interest. At that time, the company stated that the outstanding balance was \$368. FPC also stated that the social security number on the account belongs to another person in Philadelphia.

An informal conference was scheduled for April 13, 1999, at 10 a.m. at FPC's Winter Park's office as requested by Mr. Denson. CAF sent a letter to Mr. & Mrs. Denson regarding this information. Additionally, voice messages were left on the beeper that Mr. Denson provided as a telephone number. However, there was no response to the letter and telephone calls. Mr. & Mrs. Denson did not appear for the scheduled informal conference.

#### DISCUSSION OF ISSUES

**ISSUE 1:** Was Mrs. Rena Denson's service improperly disconnected on December 23, 1997?

**RECOMMENDATION:** Yes.

**STAFF ANALYSIS:** FPC stated that a "do not cut" notation was placed on Mrs. Denson's account on December 19, 1997, pending the meter test results. However, the company reported that it disconnected the customer's service for nonpayment in error on December 23, 1997, but it was restored the same day. Records show that the account was not billed a reconnection charge for the December 23, 1997, service disconnection. Staff believes that because FPC promptly restored service the same day, and did not impose a reconnection charge, no further action by the Commission is warranted regarding this issue.

**ISSUE 2:** Was Mrs. Denson's account properly billed for the kilowatt-hour consumption that registered on the meter serving her former residence at 433 Declaration Drive, Orlando. Florida?

**STAFF RECOMMENDATION:** Yes

**STAFF ANALYSIS:** Florida Power Corporation tested the old meter on January 5, 1998, and the results indicated that the meter was operating at 100.11 percent average accuracy. Rule 25-6.052 (1), Florida Administrative Code, establishes the watthour meter accuracy limits from 98 percent to 102 percent. Thus, the old meter serving the customer's residence was operating within the accuracy limits. Additionally, the new meter reading serving Mrs. Denson's residence indicated a daily average of 35 kilowatt hours. This reading indicated approximately the same daily average usage as the old meter, 31 kilowatt hours.

**ISSUE 3:** Should this complaint be dismissed?

**RECOMMENDATION:** Yes

**STAFF ANALYSIS:** Mr. & Mrs. Denson did not meet for the scheduled informal conference on April 13, 1999. They have not provided CAF with any documents to substantiate Mr. Denson's claim that the account should be adjusted \$152 for the disputed amount. Additionally, the Densons have been unavailable; several messages left on a voice mail system have not been returned and the social security number given to FPC does not belong to either Mr. or Mrs. Denson. Therefore, the Commission cannot proceed with this matter and it should be dismissed.

**ISSUE 4:** Should this docket be closed?

**RECOMMENDATION:** Yes.

**STAFF ANALYSIS:** If no person whose substantial interests are affected files a request for a Section 120.57(1), Florida Statutes, hearing within 21 days of the order, the order will become final

DOCKET NO.990526-EI  
DATE: MAY 20, 1999

and effective upon the issuance of a consummating order. Since no further action will be required, this docket should be closed.