

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power Corporation for approval to convert residential seasonal service rider from experimental to permanent status.

DOCKET NO. 991662-EI
ORDER NO. PSC-00-0101-TRF-EI
ISSUED: January 10, 2000

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.

ORDER APPROVING PETITION

BY THE COMMISSION:

By Order No. PSC-98-0041-FOF-EI, issued January 6, 1998, in Docket No. 971468-EI, we approved Florida Power Corporation's (FPC or the Company) petition for an experimental Residential Seasonal Service Rider. The Rider was expected to alleviate some of the problems associated with the large number of seasonal customers who disconnect service in the spring and reconnect service in the fall. FPC estimated that it had between 30,000 and 35,000 residential customers who typically disconnect service to their residences upon their departure after the winter season and reconnect service upon their return before the next winter season, with an average absence from the FPC system of four to five months. These seasonal customers were motivated to have their service disconnected while away from their residence to avoid paying a monthly customer charge of \$8.85.

The rider was available during the billing months of March through October to customers who were planning on being absent from their residence for at least three months. The rider remained in

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effect during this period for each billing month in which consumption did not exceed 210 kWh, or 7 kWh per day for billing months over 30 days. If consumption exceeded this consumption threshold, the full customer charge was billed. (This consumption threshold was intended to recognize when occupancy of the residence had been resumed, while allowing minimal usage when unoccupied for lighting, security devices, etc.) For customers who requested service under the rider, service remained active and was subject to a reduced customer charge of \$3.00 per month. The reduced customer charge, was intended to minimize the existing economic incentive to disconnect service.

Because these seasonal customers typically leave during the spring and return during the fall this created a burden on customer service and field personnel to schedule and perform the associated disconnects and subsequent reconnects. This led to excess overtime and a backlog of disconnections for non-payment as well.

FPC now seeks to make this experimental tariff a permanent service offering. This order addresses FPC's request.

In FPC's petition for the experimental Residential Seasonal Service Rider (RSS-1), FPC anticipated that 10,000 to 15,000 customers would participate. Since FPC's RSS-1 Rider has been in effect, 28,000 of the approximately 35,000 eligible customers have elected to participate in the program.

The program has provided benefits to both customers and the utility. Customer benefit by avoiding disconnections and reconNECTIONS while allowing them to use minimal amounts of electricity for security lights and other limited use appliances they may want to operate in their absence. The Company benefits by avoiding overtime expense and avoiding a backlog of disconnections and reconNECTIONS during the busiest time of year. The Company has also benefitted from increased revenues due to the \$3.00 customer charge and kWh usage which would otherwise be lost.

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We believe that the Rider should be approved on a permanent basis. It will provide cost savings to the company and convenience to the customers. It allows FPC to better manage its customer service personnel during peak periods of disconnection and reconnection while offering savings to the customer with the added benefits of continuous electric service. The program has been well received by customers, participation is voluntary, and there are no additional charges or fees for non-participants. Therefore, we find that Florida Power Corporation's petition to convert its residential seasonal service rider from experimental to permanent status is approved, effective December 21, 1999.

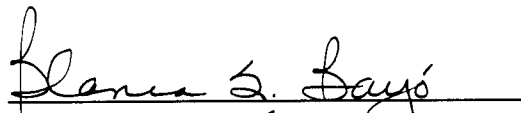
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Power Corporation's petition to convert its residential seasonal service rider from experimental to permanent status is approved, effective December 21, 1999. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 10th day of January, 2000.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)
RVE

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NOTICE OF FURTHER PROCEEDINGS

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 proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, 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 31, 2000.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

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.

M E M O R A N D U M

January 10, 2000

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RECORDS AND
REPORTING

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (ELIAS) *RVE*

RE: DOCKET NO. 991662-EU - PETITION BY FLORIDA POWER
CORPORATION FOR APPROVAL TO CONVERT RESIDENTIAL SEASONAL
SERVICE RIDER FROM EXPERIMENTAL TO PERMANENT STATUS

0101-00

Attached is an Order Approving Petition to be issued in the above-referenced docket. (Number of pages in order - 4)

RVE/csc
Attachment
cc: Division of Electric and Gas
I:991662or.rve

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