

State of Florida



Public Service Commission

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COMMUNICATIONS
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PSC

DATE: MARCH 16, 2000

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

FROM: DIVISION OF ELECTRIC AND GAS (GING);
DIVISION OF LEGAL SERVICES (ISAAC) *ORR* *RVL* *RT*

RE: DOCKET NO. 000206-EI - PETITION TO MODIFY DEFINITION OF RESIDENTIAL SERVICE RATE BY GULF POWER COMPANY.

AGENDA: 3/28/00 - REGULAR AGENDA - TARIFF FILING INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\EAG\WP\000206B.COM

CASE BACKGROUND

On February 29, 2000, the Commission suspended Gulf Power Company's proposed tariff modifying the definition of its Residential Service (RS) rate. The proposed tariff was suspended to allow the opportunity to request more supporting data, and additional time to evaluate the request.

DOCUMENT NUMBER-DATE

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APPROVED BY: [Signature] REPORT NO.

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DATE: March 16, 2000

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve Gulf Power Company's (GPC) petition to modify the definition of residential service? (GING)

RECOMMENDATION: Yes. The Commission should approve GPC's petition to modify the definition of residential service.

STAFF ANALYSIS: On January 20, 2000, GPC filed a petition to modify the applicability of its Residential Service (RS) rate schedule to include separately metered detached garages, pools, boat docks, etc. as residential service. The current definition does not specify that separately metered facilities located at the same premises shall be charged the residential rate. As a result of this lack of specificity many customers which take service at a separate delivery point are being charged the commercial rate at their second delivery point. The current definition is so narrow that customers with separately metered facilities such as garages, pools, and boat docks which are clearly residential in nature are charged the commercial rate. The proposed modification will more accurately bill customers for the service they are receiving.

GPC performed a query of its Customer Accounting System to identify customers who would be affected by the definition change. The query identified all customers who have both residential and general service accounts at the same address. These customers will be sent a letter notifying them of their eligibility. GPC also plans for meter readers to do a physical audit through one complete billing cycle to identify additional customers who qualify that were not located through the customer accounting system. A preliminary survey of the customer accounting database indicates the number of existing customers that qualify for this change to be less than five percent (approximately 1,000) of the commercial customers taking service under the General Service rate schedule. GPC will train meter reading personnel as well as customer service representatives to insure that all new and existing customers are aware of the changes.

GPC's petition further modifies the applicability criterion requiring RS customers to live in units "suitable for year-round family occupancy containing full kitchen facilities." GPC requested this modification to more accurately define residential service. The previous criterion required customers to have "housekeeping facilities." Although GPC does not know of any existing problems with customers trying to circumvent the current language they believe the proposed language is more specific. Staff does not believe that the modification from "housekeeping

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facilities to "full kitchen facilities" substantively changes the applicability of residential service and therefore recommends approval of the change.

Staff recommends approval of the modifications to the definition of residential service. These changes will insure that customers are charged the appropriate rate for the character of service they receive and provide a more specific definition of the applicability criteria. Staff believes that GPC has undertaken an appropriate plan to notify existing customers who qualify for RS service and prospective customers who may qualify.

ISSUE 2: What is the appropriate effective date of the proposed tariff change? (GING)

RECOMMENDATION: The effective date of the tariff should be May 1, 2000, as requested by the Company.

STAFF ANALYSIS: If the Commission approves the proposed tariff changes as discussed in Issue 1 at its March 26, 2000, Agenda Conference, the changes should become effective on May 1, 2000. GPC requests that the tariff become effective May 1, 2000 to allow them time to identify all customers who are eligible for residential service under the modified definition.

ISSUE 3: Should this docket be closed? (ISAAC)

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 charges held subject to refund pending resolution of the protest. If no protest is filed, this docket should be closed upon the issuance of a Consummating Order.