

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: JULY 11, 2002

TO: DIRECTOR, DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES (BAYÓ)

FROM: DIVISION OF ECONOMIC REGULATION (E. DRAPER) EJD DRW
OFFICE OF THE GENERAL COUNSEL (ECHTERNACHT) KNE WAT JOT 198

RE: DOCKET NO. 020562-EI - PETITION TO ALLOW CUSTOMER-OWNED
STREET LIGHT MONITORING SYSTEMS TO TAKE SERVICE UNDER THE
SL-1 RATE BY FLORIDA POWER & LIGHT COMPANY.

AGENDA: 7/23/02 - REGULAR AGENDA - TARIFF FILING - INTERESTED
PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: 8/4/02

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\020562.RCM

CASE BACKGROUND

On June 5, 2002, Florida Power & Light Company (FPL) submitted a proposed tariff revision to allow customer-owned street light monitoring systems to take service under the Street Lighting (SL-1) rate.

The City of Stuart (City) purchased 40 street light monitoring devices that, when installed on light fixtures, allow the City to remotely monitor whether a photocell and/or lamp is on or off. The devices consume a small and predictable amount of electricity.

Subsequent to the purchase of the devices, the City indicated to FPL that it wanted to find a cost-effective way to purchase electricity from FPL for the devices. The discussions resulted in the proposed tariff revision in this docket.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

The Commission has jurisdiction pursuant to Sections 366.04 and 366.06, Florida Statutes.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve FPL's proposal to allow customer-owned street light monitoring systems to take service under the Street Lighting (SL-1) rate?

RECOMMENDATION: Yes. The Commission should approve FPL's proposal to allow customer-owned street light monitoring systems to take service under the Street Lighting (SL-1) rate. (E. DRAPER)

STAFF ANALYSIS: On June 5, 2002, FPL submitted a proposal to allow customer-owned street light monitoring systems to take service under the SL-1 rate.

The proposal was filed in response to the City's desire to cost-effectively purchase the small amount of electricity used by a street light monitoring system. The street light monitoring system will consist of 40 small devices that will be mounted on FPL's street light fixtures. The devices transmit information regarding the operation of the photocell and the lamp to a local antenna, which in turn sends the data to a central computer system. This allows the City to remotely monitor the performance of its street lights. The need to patrol or rely on citizens to report malfunctioning lights is therefore eliminated. The City will pay FPL to install the devices and replace them when necessary.

Customers will be charged the current SL-1 non-fuel energy charge of 2.060 cents per kilowatt-hour (kWh), all otherwise applicable SL-1 adjustment clause factors, and all applicable taxes. Customers taking service under the SL-1 rate are not assessed a customer charge.

Service under the SL-1 rate will be unmetered. For billing purposes, the monthly usage of the devices will be estimated based upon information provided by the customer. The minimum monthly billed kWh per device will be 1 kWh, and the maximum will be 5 kWh.

Staff believes that allowing customer-owned street light monitoring systems that use a minimal amount of energy to take service under the SL-1 rate is appropriate. Requiring customers to purchase electricity under the otherwise applicable General Service Non-Demand (GS-1) rate would be cost prohibitive. Under the GS-1 rate, in addition to the non-fuel energy charge, the City would pay a \$5.58 customer charge for unmetered service for each device. In addition, the low kWh usage of these monitoring devices does not justify the cost of creating a rate designed solely for this type of consumption. The proposal allows FPL to cost-effectively meet the needs of a municipality without negatively impacting the general body of ratepayers. For these reasons, staff recommends that FPL's proposal to allow customer-owned street light monitoring systems to take service under the SL-1 rate should be approved.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if Issue 1 is approved, this tariff should become effective on July 23, 2002. If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order. (ECHTERNACHT)

STAFF ANALYSIS: If Issue 1 is approved, this tariff should become effective on July 23, 2002. If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.