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October 1, 2002

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Betty Easley Conference Center, Room 110  
Tallahassee, Florida 32399-0850

**VIA HAND DELIVERY**

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COMMISSION  
CLERK

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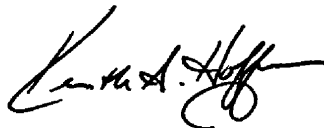
Re: In re: Petition of Florida Power & Light Company for Extension of Experimental Pre-Pay Residential Service Program

Dear Ms. Bayo:

Enclosed herewith for filing on behalf of Florida Power & Light Company ("FPL") are an original and fifteen copies of FPL's Petition for Extension of Experimental Pre-Pay Residential Service Program.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me. Thank you for your assistance with this filing.

Sincerely,



Kenneth A. Hoffman, Esq.

KAH/rl  
Enclosures  
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*R. V. N.*

**FPSC-BUREAU OF RECORDS**

DOCUMENT ALREADY FILED

10587 OCT-18

FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition of Florida Power & Light Company for Extension of Experimental Pre-Pay Residential Service Program )  
)  
)  
/

Docket No. 021013-EI  
Filed: October 1, 2002

**PETITION OF FLORIDA POWER & LIGHT COMPANY  
FOR EXTENSION OF EXPERIMENTAL PRE-PAY  
RESIDENTIAL SERVICE PROGRAM**

Florida Power & Light Company ("FPL") by and through its undersigned counsel, and pursuant to Rule 28-106.201, Florida Administrative Code, and Section 366.075, Florida Statutes, hereby petitions the Florida Public Service Commission ("Commission") for an extension of FPL's experimental pre-pay residential service rate and program for a period of 13 months, through December 31, 2003. In support of this Petition, FPL states as follows:

1. The name and address of the affected agency are:

Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

2. FPL is a public utility subject to the jurisdiction of the Commission under Chapter 366, Florida Statutes. FPL's General Offices are located at 9250 West Flagler Street, Miami, Florida 33174.

3. Any pleading, motion, notice, staff recommendation, order or other document filed or served in this proceeding should be served upon the following individuals on behalf of FPL:

Mr. William G. Walker, III  
Vice President, Regulatory Affairs  
Florida Power & Light Company  
215 S. Monroe Street  
Suite 810  
Tallahassee, FL 32302  
850/521-3910 (Telephone)  
850/521-3939 (Telecopier)

Kenneth A. Hoffman, Esq.  
Rutledge, Ecenia, Purnell & Hoffman, P.A.  
215 S. Monroe Street, Ste. 420  
Tallahassee, FL 32302  
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DOCUMENT NUMBER DATE

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FPSC-COMMISSION CLERK

4. On April 24, 2000, FPL filed a petition in Docket No. 000478-EI requesting the Commission to approve an experimental pre-pay rate schedule on a pilot basis. The petition was subsequently amended on June 2, 2000. In connection with FPL's request for approval of the experimental pre-pay rate schedule, on May 1, 2000, FPL filed a Petition for temporary partial waivers of Rule 25-6.099 and 25-6.100, Florida Administrative Code necessary for implementation of the pre-pay residential service program.

5. On July 14, 2000, the Commission issued Order PSC-00-1282-PAA-EI ("Order") approving FPL's pre-pay residential service experimental rate.<sup>1</sup> The Order approving the pre-pay pilot program included the approval of proposed pilot/experimental rates necessary for the implementation of the program.<sup>2</sup> Under the Order, the pre-pay residential experimental program and accompanying tariffs were approved effective December 1, 2000 for a period of two years. Accordingly, the approved pre-pay residential service program and rate are due to terminate on November 31, 2002. Pursuant to this Petition, FPL requests that the program and rate be extended for a period of 13 months, up to and through December 31, 2003.

6. As outlined in FPL's First Amended Petition for approval of the pre-pay residential service experimental rate filed in Docket No. 000478-EI and reflected in the Commission's Order, the experimental pre-pay program is a voluntary program targeted to customers within certain geographic areas of FPL's territory who have demonstrated a continued history of late payment fees,

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<sup>1</sup>The proposed agency action portion of Order No. PSC-00-1282 granted the above-mentioned rule waiver requests and was finalized by Consummating Order No. PSC-00-1442-CO-EI issued August 8, 2000.

<sup>2</sup>The Commission approved tariffed rates set forth in Original Sheet Nos. 8.220, 9.940 and 9.941, Thirty-Sixth Revised Sheet No 8.010 and Third Revised Sheet No. 9.011.

field collection charges and/or reconnection fees. Specifically, the target group of the program is customers who reside in premises that have been subject to multiple field visits during two consecutive years.

The program involves the replacement of the existing meter at the customer's premises with a special meter, and the installation of a user display terminal. The customer is issued two "smart cards" by FPL that can be used at any of several pay stations to credit the cards with the amount of electricity purchased by the user. Once the card has been credited with a purchase, the customer swipes the card into the home pre-pay terminal and the total amount on the card is transferred to the customer's meter. The user display terminal displays current and historical usage (in kwh and dollars) and the amount of time remaining based on current usage. The terminal also signals to the customer when there are four days or less remaining based on estimated usage. It is then up to the customer to purchase additional credits for continued usage.

There is no deposit required to participate in the program. The rates approved by the Commission for the implementation of the pilot program are approximately seven percent higher than the standard residential rate. The slightly increased rate is intended and necessary to recover from participating customers a portion of the equipment costs of the program. However, as noted in the Order approving the program, customers will no longer incur late payment fees, field visits, and reconnection fees.

7. Since implementation of the pilot program in June, 2001, over 700 customers have participated in the program. Generally speaking, customers who have participated in the program have been highly satisfied with their ability to purchase electricity in small increments that they can afford and the fact that they no longer were subject to a traditional deposit, late payment fees or field

disconnection and/or re-connection charges. Participating customers have also become more aware of their consumption patterns due to the information available to them on the user display terminal.

8. In light of the substantial participation and high level of satisfaction that have resulted thus far with the pilot program, FPL maintains that it is appropriate to continue the program on a pilot, experimental basis. The pilot program has thus far achieved the benefits contemplated by the Commission when it initially approved the program. Continuation of the program will provide the opportunity for participating customers to continue to participate and derive the benefits contemplated by the Commission when it initially approved the pilot program. Continuation of the program on a pilot basis for an additional 13 months also will allow time for further research and analysis of the effects and results of program participation, including: (a) assessment of customers' acceptance of a pre-pay system of purchasing electricity; and (b) consideration of the effects of the program on customer usage. An extension of the pre-pay residential service program would allow FPL to continue to collect such data to measure the cost effectiveness of implementing this program on a permanent basis. Finally, extension of the program would allow additional time for the equipment costs associated with the program to decrease, thereby making continuation of the program more viable on a financial basis.

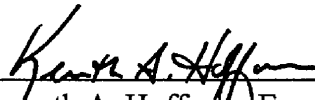
9. FPL is not aware of any disputed issues of material fact. This petition is not in response to a prior agency decision. Therefore, FPL cannot provide a statement of when and how FPL "received notice of the agency decision."

10. Attached herewith is FPL's proposed Second Revised Sheet No. 8.220, in legislative and final formats, reflecting the proposed extension of the program through December 31, 2003, unless extended by order of the Commission or terminated earlier by the company upon notice to

the customers. Second Revised Sheet No. 8.220 also adds language advising participating customers that if the rate schedule is terminated, such customers would be transferred to the other wise applicable rate schedule.

WHEREFORE, for the foregoing reasons, FPL respectfully requests that the Commission granting Petition and approve an extension of FPL's experiment pre-pay residential service program and rate through December 31, 2003, together with the attached Second Revised Tariff Sheet No. 8.220.

RESPECTFULLY SUBMITTED this 1<sup>st</sup> day of October, 2002.

  
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Kenneth A. Hoffman Esq.  
Rutledge, Ecenia, Purnell & Hoffman, P.A.  
P. O. Box 551  
Tallahassee, Florida 32302  
Telephone: 850-681-6788  
Telecopier: 850-681-6515

*Attorneys for Florida Power & Light Company*

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PREPAY RESIDENTIAL SERVICE – PILOT/EXPERIMENTAL RATE

RATE SCHEDULE: PRS-1

AVAILABLE:

This is an experimental rate available through the execution of a Prepay Residential Service Agreement with FPL. Availability is limited to between 800 and 1,000 meters in geographic areas selected by the Company.

Service under this experimental schedule shall terminate ~~two years from the effective date of this tariff~~ on December 31, 2003, unless extended by order of the Florida Public Service Commission, or terminated earlier by the Company upon notice to the Florida Public Service Commission. If this rate schedule is terminated, any existing customers shall be transferred to the otherwise applicable rate schedule.

APPLICATION:

This rate schedule may be offered, at the Company's option to Customers that have had collection field visits within the past two years or to Customers who move into a premise with existing prepay equipment.

Customers who take service under time of use rates or who are designated as Medically Essential Service Customers as defined in Section 1.65 of the Company's General Rules and Regulations for Electrical Service are not eligible for this prepay residential service schedule. The prepay residential schedule is not available to customers that within the past 12 months have made unauthorized connections to, or tampered with the Company's meter. Customers may not participate in certain programs offered by FPL, including, but not limited to Load Control, Budget Billing, Automatic Funds Transfer, 62+ Plan, Double Notice Protection, Checkfree, and E-Bill.

SERVICE:

Single phase, 60 hertz at available standard voltage. All residential service required on the premises by the Customer shall be supplied through one meter. Additionally, FPL will furnish, install and own all of the prepay equipment including the meter, the user terminal, and smart cards. Resale of service is not permitted hereunder.

PREPAID RATE PER KWH:

Non-Fuel Charges:

Base Energy Charge	4.559¢ per kWh
Conservation Charge	See Sheet No. 8.030
Capacity Payment Charge	See Sheet No. 8.030
Environmental Charge	See Sheet No. 8.030

Additional Charges:

Fuel Charge	See Sheet No. 8.030
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

TERM OF SERVICE:

The term of service is twelve months.

SPECIAL PROVISIONS:

The Customer shall enter into a Prepay Residential Service Agreement with the Company to be eligible for the prepay program. If the Customer wishes to terminate participation in the program prior to the expiration of the term of service, an early termination fee will be assessed. However, the early termination fee will be waived if the Customer requests termination due to malfunction of the pre-pay equipment. The early termination fee will be calculated by multiplying the number of days remaining in the unexpired service term by twenty cents. However, if the Customer moves outside a five-mile radius of a participating pay agent, the early termination fee will be waived.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provisions of this schedule and said "General Rules and Regulations for Electric Service" the provisions of this schedule shall apply.

PREPAY RESIDENTIAL SERVICE – PILOT/EXPERIMENTAL RATE

RATE SCHEDULE: PRS-1

AVAILABLE:

This is an experimental rate available through the execution of a Prepay Residential Service Agreement with FPL. Availability is limited to between 800 and 1,000 meters in geographic areas selected by the Company.

Service under this experimental schedule shall terminate on December 31, 2003, unless extended by order of the Florida Public Service Commission, or terminated earlier by the Company upon notice to the Florida Public Service Commission. If this rate schedule is terminated, any existing customers shall be transferred to the otherwise applicable rate schedule.

APPLICATION:

This rate schedule may be offered, at the Company's option to Customers that have had collection field visits within the past two years or to Customers who move into a premise with existing prepay equipment.

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SERVICE:

Single phase, 60 hertz at available standard voltage. All residential service required on the premises by the Customer shall be supplied through one meter. Additionally, FPL will furnish, install and own all of the prepay equipment including the meter, the user terminal, and smart cards. Resale of service is not permitted hereunder.

PREPAID RATE PER KWH:

Non-Fuel Charges:	
Base Energy Charge	4.559¢ per kWh
Conservation Charge	See Sheet No. 8.030
Capacity Payment Charge	See Sheet No. 8.030
Environmental Charge	See Sheet No. 8.030
Additional Charges:	
Fuel Charge	See Sheet No. 8.030
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

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The term of service is twelve months.

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