

MEMORANDUM

MARCH 29, 2004

TO: DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES

FROM: OFFICE OF THE GENERAL COUNSEL (GERVASI) *EG*

RE: DOCKET NO. 040208-EI - CONSUMER COMPLAINT AGAINST FLORIDA POWER & LIGHT COMPANY BY LETICIA CALLARD.

Please place the attached correspondence from Leticia Callard dated March 22, 2004 in the docket file.

RG/jb

COMMUNICATIONS
DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES
MARCH 29 2004 11:11

DOCUMENT NUMBER DATE

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FPSC-COMMISSION CLERK

Public Service Commission
Capital Cir. Ofc Ctr.
2540 Shumard Oak Blvd.
Tallahassee, Fl. 32399-0850

ORIGINAL

Date : March 22, 2004

MAR 26 2004

To: Director ,Division of the Comm Clerk and Admin. Services

Re: Docket #040208-EI
Complaint against Florida Power & Light regarding backbilling for:
7860 S.W. 18Th Terrace
Miami, Fl 33155

Discussions of Issues:

From October 1978 thru July 2002 (which is when they replace the meter the first time) We have had the same meter for 24 years. When it was replaced the electrical box was thrown away by the service man and the box was rotted and oxidized inside the screws were broken as well as rotted.

I have on an average paid between \$ 75.00 and \$ 125.00 a month. I do not use the air conditioning. There might be a month in which I might use it a day or 2.(depending on the income)

We are a family of four on a yearly income of \$ 25,000 so we maintain a strict budget.

We reported on various occasions to FPL a wire we had that ran through a large tree in our back yard and on various occasions would spark and caused some of our personal items that blew out because of power surges. It was then that they sent a repair man who came opened the meter took it down,dropped it as is rolled various times almost into the pool. Turned the electricity off and moved this cable above the rooftop onto another pole. He returned the meter to it's place saying someone would be back with a new meter. (which no one ever did) So there own personell opened and broke the seal they are accusing us of smudges, scratches etc.)

It wasn't until we filed this complaint that FPL removed this cable from above my roof . Where the cable layed on the roof endangering my family for 12 years. (enclosed is a letter from Mr Ernesto Rencurrell's findings) FPL was found to be in violation of the NESC code. It wasn't until they were ordered by this inspector to repair at all cost to them that this was not done.

Consequently, we have been more than harrassed by them, they have fabricated data they have read their meters every week practically. They jumped my fence broke a panel, left mudd tracks all over my pool deck invading our property. We have always allowed them access to their meter.

Finalizing: We would like proven facts of such as photos, prints etc.
not word of mouth.

Why did they not have an independent testing done not their personell?.

They knowingly jeopardize my family for 12 years.

We asked them to compare neighboring billing

We would like a copy of one or two of our 1978 bills

They have fabricated these accusations with no true facts

At this time I ask this commission to review our facts as well and I would say that FP&L

was very negligent in handling this situation. We live very moderately and this is a hardship situation. Your assistance is deeply appreciated.

Thank You So Much,
Leticia Callard

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Leticia Callard

Note: We were in the process of replacing a new roof that was not able to be done due to FP&L not removing this cable in a timely manner. We current are not able to justify with our insurance co the difference in cost due to this negligence. We have sustained additional damages to our home.

Ernesto Rencurrell**ORIGINAL**

From: Jim Ruehl
Sent: Tuesday, January 28, 2003 7:43 AM
To: Ernesto Rencurrell
Subject: RE: Consumer Complaint #494349E--Customer Name-Jorge Luis and Leticia Callard

Thanks Ernie, I've forward this to consumer affairs.

-----Original Message-----

From: Ernesto Rencurrell
Sent: Monday, January 27, 2003 10:57 PM
To: Jim Ruehl
Subject: Consumer Complaint #494349E--Customer Name-Jorge Luis and Leticia Callard

1/27/2003

I received the fax on the above mentioned subject Monday morning when I got to the office. I immediately called the house of Mr. and Mrs. Callard early in the morning since I will be out of town the week of February the 3rd. Mr. Callard answered the phone and I introduced myself. I asked him if he or his wife were going to be available sometime today. He said that he would be available today in the morning. I asked him if he wanted to meet about 8:30 A.M. and he said that it was fine.

Mr. Callard was waiting for me outside in his front yard when I approached the house. I gave him my business card. He invited me into his house and proceeded to the rear exterior of the house. He started by showing me the pole in the rear where the original service drop was attached which use to service his house on the back. This pole is in the rear of 7850 N.W. 18 Terrace (next door neighbor). This pole is approximately 18 feet east of the property line, therefore Florida Power and Light Company (FPL) was encroaching on his neighbor's southwest corner of property. He told me that FPL relocated the service drop to the pole on the rear southwest corner of his own property due to a large "Nispero" tree that use to be located in the southeast corner of the property. This pole is inside his own property close to the southwest corner of the property line. After this was completed he removed the tree and built a pool in that same area.

He said that the service drop was relocated in 1991. The service drop was installed with a section of the triplex cable resting on Mr. Callard's southwest corner part of his roof. He mentioned that FPL had promised to relocate the service drop to his southwest corner edge of wall which is closest to the pole. This would eliminate the hazardous condition of having the cable laying on the roof all the way to the weatherhead. Apparently FPL did not relocate the service drop.

After Hurricane Andrew struck in 1992, Mr. Callard said that he called FPL to have his service drop relocated because the cable was rubbing against the fiberglass roof due to the strong winds. He was concerned about the possibility of damage to the cable insulation, therefore creating a bigger problem. He said that FPL went to his house and installed rubber sleeves on the length of the cable laying on the roof. FPL mentioned again that they would relocate the service drop, therefore eliminating the hazardous condition. FPL never did relocate the service drop. Mr. Callard mentioned to me that at that point he notified the Florida Public Service Commission in Tallahassee.

According to Mr. Callard a representative from FPL met with an inspector from Metro-Dade County at his house. They suggested that the weatherhead could be relocated to the southwest corner edge of wall (very close to pole) and that it would go through the roof to meet the current local Miami-Dade County electrical codes. In the existing condition, the National Electric Safety Code on Table 234-1 states that a service drop with insulation must be a minimum of 3.5 feet from the roof. FPL is in violation of the NESC code.

FPL has given a letter of "RELEASE AND COMPROMISE OF ALL CLAIMS" to Mr. Callard so he can

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sign and notarize it. The letter basically states that FPL will pay up to \$3,000 to relocate the service drop while relieving FPL of any liability on their part. Mr. Callard has refused to sign and notarize the letter.

My recommendation would be the same as suggested by FPL and Miami-Dade County to have the weatherhead relocated from its present location to the rear of the southwest corner edge of wall and installed through the roof to meet the current local and national electrical codes. This would eliminate the cable running through that particular area of the fiberglass roof. Another solution would be to convert from an overhead service to an underground service by installing the meter can and downpipe in this same area.

If there are any questions, please call me at (305)470-5604.

Ernie Rencurrell

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



OFFICE OF THE GENERAL COUNSEL
RICHARD D. MELSON
GENERAL COUNSEL
(850) 413-6199

Public Service Commission

March 18, 2004

ORIGINAL

Ms. Leticia Callard
7860 SW 18th Terrace
Miami, Florida 33155

Re: Docket No. 040208-EI - Consumer complaint against Florida Power & Light Company by Leticia Callard.

Dear Ms. Callard:

Enclosed is a copy of the Staff Recommendation filed in this matter on March 18, 2004. The Commission is expected to consider this Recommendation at its March 30, 2004, Agenda Conference which will be held in Room 148, Betty Easley Conference Center, in Tallahassee beginning at 9:30 a.m.

If you wish to attend, please arrive promptly at the beginning of the Agenda Conference, as we cannot state the exact time at which this item will be heard. You are welcome to come to this Agenda Conference and observe and/or participate in the discussion of this item. If you have any questions, please feel free to call me at (850) 413-6224.

Sincerely,

A handwritten signature in black ink, appearing to read "Rosanne Gervasi".

Rosanne Gervasi
Senior Attorney

RG/dm

Enclosure

040208-rl.rg.doc

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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: March 18, 2004

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Office of The General Counsel (Gervasi) *RJW*
 Division of Consumer Affairs (Plescow) *RH*
 Division of Economic Regulation (Kummer) *JP* *CP* *BO* *JDS*

RE: Docket No. 040208-EI - Complaint of Mrs. Leticia Callard against Florida Power & Light Company regarding backbilling

AGENDA: 3/30/04 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\GCL\WP\040208.RCM.DOC

Case Background

On October 4, 2002, Mr. Jorge Callard filed a complaint with the Commission's Division of Consumer Affairs (CAF) on behalf of his wife, Mrs. Leticia Callard (customer of record) against Florida Power & Light Company (FPL or utility). According to Mr. Callard, FPL has inappropriately backbilled the Callards in the amount of \$9,398 for alleged unbilled energy, when the Callards had not diverted or otherwise tampered with the meter. Mr. Callard stated that the Callards have had problems with their electric service ever since Hurricane Andrew caused damage to their electric cable in 1992. Several times since then, FPL has sent its technicians to the residence to change the position of the cable, and to put a protective material over the roof of the home. On one occasion, an FPL technician dropped the meter on the ground. Mr. Callard assumes that the changes made by company technicians caused the diversion of his meter. Moreover, Mr. Callard asserted that he does not want FPL to trespass onto his property without his express permission, even if it is to read the meter.

Discussion of Issues

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Issue 1: Is there sufficient cause to determine whether meter tampering occurred at the Callard residence at 7860 SW 18th Terrace, Miami, Florida, to allow FPL to backbill the Callard account for unmetered kilowatt hours?

Recommendation: Yes. Prima facie evidence of meter tampering noted in FPL's reports, as well as during the informal conference, demonstrates that meter tampering occurred. Because the account was in Mrs. Callard's name during the entire period, she should be held responsible for a reasonable amount of backbilling.

Staff Analysis: In support of its conclusion that meter tampering occurred at 7680 SW 18th Terrace, FPL documented several events. On the regular read date of June 5, 2001, the meter reading was 05733, billing 1036 kilowatt hours (kwh), for a bill amount of \$91.00. On the next month's read date of July 5, 2001, the meter reading was 05361; a regressive reading. The meter reader noted smudges and fingerprints on the meter dials, and issued an investigative request to FPL's Revenue Protection Department.

Meter number 5C35633 was removed on July 24, 2002 (with a reading of 23974), and was sent for testing. The meter reader noted that the meter seal was cut, the head on the inner seal was missing, and the dial had apparently been tampered with. Meter No. 5C35633 was removed with a reading of 23974, and a new meter, meter no. 5C46714, was set and sealed.

Meter number 5C35633 tested with a Full Load 99.62%, Light Load 97.80%, and Weighted Average 99.26%. The tester indicated that the meter reflected the following:

Broken inner seal	Smudges on nameplate
Scratches on disk	Raised/lower disk
Smudges on register	Scratches on register
Blade wear/shiny blades	Tampered bearing screw (top)
Tampered bearing screw (bottom)	Dial tampering
Dials off scale	Tampered full load adjustment
Tampered light load adjustment	

After establishing direct benefit of the unbilled energy, the utility may bill the customer based on a reasonable estimate of usage. Rule 25-6.105, Florida Administrative Code, provides that "[i]n the event of unauthorized or fraudulent use, or meter tampering, the utility may bill the customer on a reasonable estimate of the energy used." FPL has clearly demonstrated that the meter at 7860 SW 18th Terrace was altered in order to prevent an accurate recording of the energy used. Moreover, FPL reported that electric service was established in the name of Leticia

Issue 2: Is FPL's calculation of the backbilled amount of \$9,279.18, which includes investigation charges of \$348.21, reasonable?

Recommendation: Yes, the backbilled amount of \$9,279.18 is a reasonable approximation of the unbilled energy plus investigative costs. The customer should be encouraged to contact FPL immediately to make payment arrangements for this amount in order to avoid discontinuance of service without notice, which is authorized pursuant to Rule 25-6.105(5)(i), Florida Administrative Code. Moreover, the customer should be placed on notice that pursuant to Rule 25-6.105(5)(f), Florida Administrative Code, FPL is also authorized, upon sufficient notice, to refuse or discontinue service for neglect or refusal to provide safe and reasonable access to the utility for the purpose of reading meters or inspection and maintenance of equipment owned by the utility.

Staff Analysis: FPL's documentation provides that on the regular read date of June 5, 2001, the meter reading was 05733, billing 1036 kwh, for a bill amount of \$91.00. On the next month's read date of July 5, 2001, the meter reading was 05361; a regressive reading. The meter reader noted smudges and fingerprints on the meter dials, and issued an investigative request to FPL's Revenue Protection Department. A Revenue Protection investigator visited the premises the following day, on July 6, 2001, and obtained a reading of 05497. This reading indicated that 136 kwh had been used in one day, and would project to 4080 kwh in 30 days.

On July 16, 2001, a meter reader obtained a reading of 06515. A prorated bill was issued for 572 kwh, using 06305 as the reading for service from June 5, 2001 to July 5, 2001. The bill amount was \$47.81. On the regular read date of August 3, 2001, the meter reading was 07958, billing 1653 kwh, for a bill amount of \$152.67. This reading also indicated that 1443 kwh had been used since the meter reading obtained on July 16, 2001, which would project to 2404 kwh in 30 days.

The billing from August, 2001 through June, 2002 is as follows:

<u>Service Date</u>	<u>KWH</u>	<u>Amount</u>
August 3, 2001	1653	\$152.67
September 4, 2001	1367	\$124.08
October 3, 2001	1269	\$105.90
November 1, 2001	1243	\$108.10
December 4, 2001	1112	\$ 95.88
January 7, 2002	972	\$ 82.93
February 6, 2002	976	\$ 83.32
March 7, 2002	889	\$ 75.18

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Moreover, as noted in the case background, Mr. Callard has asserted that he does not want FPL to trespass onto his property without his express permission, even if it is to read the meter. During a meeting between Mr. Callard and FPL staff held on July 11, 2003, Mr. Callard threatened that if any more FPL employees came onto his property, there would be serious consequences, "to the effect that he would lose several years of his life." The customer should be placed on notice that pursuant to Rule 25-6.105(5)(f), Florida Administrative Code, FPL is authorized, upon sufficient notice, to refuse or discontinue service for neglect or refusal to provide safe and reasonable access to the utility for the purpose of reading meters or inspection and maintenance of equipment owned by the utility.

Case 494349E

George & Leticia Callard vs Florida Power & Light



RETURN RECEIPT REQUESTED

Public Serv Comm.
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

ATTN: Ofc of the General Counsel
Dir. of Consumer Affairs - (Plescow) ✓
" " Economic Regulation - (Krummen)

Letter from customer to Director Division CCA with copy of e-mail from Ernesto Rencurrell to Jim Ruehl, and copy of letter from Rosanne Gervasi to customer with enclosed copy of Staff Recommendation.

Rec'd 03/26/04