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VIA ELECTRONIC MAIL AND U.S. MAIL

Ms. Blanca S. Bayó, Director
Division of Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Petition for approval of proposed revision to Tariff Sheet Nos. 6.050 and 6.052 to expand application of current residential budget billing program to customers served under GS-1 rate on experimental basis, by Florida Power & Light Company ("FPL") – Docket No. 030315-EI.

Dear Ms. Bayó:

Pursuant to Order No. PSC-03-0676-TRF-EI, issued June 4, 2003 in the above-referenced docket, FPL hereby provides its report to the Commission Staff on the results of the budget billing program offered on an experimental basis to customers served under the GS-1 rate.

Background

On June 4, 2003, the Commission approved FPL's petition to expand the optional budget billing program to GS-1 Rate Customers on an experimental basis (the "Pilot"). The Pilot was available to 10,000 GS-1 Rate customers beginning June 1, 2003 and running through December 31, 2004, at which point FPL ended the Pilot. The Pilot operated in the same manner as FPL's residential budget billing program ("Residential Program") in all but one respect. In contrast to the Residential Program, to be eligible to participate in the Pilot the customer must have received twelve consecutive months of GS-1 service at the service address. This requirement was necessary because of the potentially significant differences in billing history among GS-1 customers that change service addresses and among different customers at the same service address. Differences in usage among residential customers at the same service address and among different residences occupied by the same customer have not shown as much variation.

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Although both Tampa Electric Company and Gulf Power Company already offer budget billing to their commercial customers, FPL initially offered this program as a pilot to assess acceptance among GS-1 customers and the impact, if any, on GS-1 customer write-offs.

Assessment

Approximately 10,000 GS-1 customers were offered the budget billing program. Approximately 9% of these customers took part in the Pilot, which FPL considers a favorable response. Results from the Pilot also indicate that the GS-1 write-offs were not significant. Based on the results of the Pilot, FPL will be filing a request to make the small business budget billing program a permanent offering for all GS-1 customers.

Conclusion

FPL regrettably acknowledges that this report is not timely filed. Though FPL intended to file this report in the final quarter of 2004, as was requested, FPL employees involved in analyzing the Pilot were otherwise occupied in responsibilities associated with the 2004 storm season and its after-effects. FPL respectfully requests that its late-filed report be accepted and reviewed as though timely filed.

Please contact me if you have any questions about this filing. Thank you for your assistance.

Sincerely,



Natalie F. Smith

NFS:ec

cc: Adrienne Vining, Senior Attorney