

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of tariff agreement  
for residential guarantor program by Tampa  
Electric Company.

DOCKET NO. 100217-EI  
ORDER NO. PSC-10-0430-TRF-EI  
ISSUED: July 6, 2010

The following Commissioners participated in the disposition of this matter:

NANCY ARGENZIANO, Chairman  
LISA POLAK EDGAR  
NATHAN A. SKOP

ORDER APPROVING STANDARD TARIFF FORM

BY THE COMMISSION:

BACKGROUND

Rule 25-6.097, Florida Administrative Code (F.A.C.), Customer Deposits, allows utilities to require customers to satisfactorily establish credit to obtain electric service. In lieu of posting a cash deposit, a customer may secure a letter of credit, post a surety bond, or obtain a third party guarantor. For residential customers, the guarantor shall, at a minimum, be a customer of the utility with a satisfactory payment record. In order to standardize the provision of the third party guarantor option, Tampa Electric Company (TECO) has proposed a new standard form (Tariff Sheet 7.300) which clearly states the guarantor's obligations.

We have jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

DECISION

Pursuant to Rule 25-6.097, F.A.C., utilities are allowed to require a customer to satisfactorily establish credit in order to initiate or maintain electric service. Such credit may be established through a cash deposit, a letter of credit, a surety bond, or a third party guarantor. As the name implies, the third party guarantor agrees to be liable for any debt incurred by the customer of record for the provision of electric service. TECO is the only one of the four large investor-owned utilities which does not currently have a standard form for this option. Utilities are not required to file standard forms for routine transactions, but it is beneficial to ensure consistency in treatment of customers.

TECO's proposed language is almost identical to the language approved for Florida Power and Light Company (FPL), whose first agreement was approved in 1980. Progress Energy Florida, Inc. adopted similar, if less detailed, language on third party guarantors in 1982. Gulf Power Company adopted language very similar to FPL's in 1993.

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The advantage of having a specific form ensures that all third party guarantors are treated equally. Specifying the responsibilities of the guarantor in a form, which must be signed and notarized, reduces the likelihood that the guarantor will misunderstand the responsibilities they are assuming. As TECO's language clearly sets forth the responsibilities of a third party guarantor, and is consistent with language already approved for the three other major investor owned utilities, we hereby approve the proposed standard form.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the standard tariff form proposed by Tampa Electric Company is hereby approved as set forth in the body of this Order. It is further

ORDERED that if no person whose substantial interests are affected requests a hearing to address this matter, then Docket No. 100217-EI shall be closed upon issuance of a Consummating Order. The tariff shall be effective as of June 15, 2010, the date of our vote. If a protest is filed within 21 days of the issuance of our Order, the tariff shall remain in effect pending resolution of the protest. Potential signatories to the tariff shall be aware that TECO's tariff may be subject to a request for hearing, and if a hearing is held, may subsequently be revised. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 6th day of July, 2010.



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ANN COLE  
Commission Clerk

( S E A L )

CMK

NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 27, 2010.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.