State of Florida



Hublic 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:

May 10, 2012

TO:

Office of Commission Clerk (Cole)

FROM:

Division of Economic Regulation (Draper, Kummer)

Office of the General Counsel (Jaeger)

RE:

Docket No. 120075-EI - Request by Gulf Power Company to modify its

underground residential differential tariffs.

AGENDA: 05/22/12 – Regular Agenda – Tariff Filing - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER:

Administrative

CRITICAL DATES:

06/01/12 (60-Day Suspension Date)

11/30/12 (8-Month Effective Date)

SPECIAL INSTRUCTIONS:

None

FILE NAME AND LOCATION:

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Case Background

On April 2, 2012, Gulf Power Company (GULF) filed a petition for Commission approval of revision to its Underground Residential Distribution (URD) Tariff Sheet Nos. 4.25, 4.26, 4.26.1, and 4.26.2, and their associated charges. The URD tariffs apply to new residential developments and represent the additional costs GULF incurs to provide underground distribution service in place of overhead service.

Rule 25-6.078, Florida Administrative Code, requires investor-owned electric utilities (IOUs) to file updated URD charges for Commission approval at least every three years, or sooner if a utility's underground cost differential for the standard low-density subdivision varies from the last approved charge by 10 percent or more.

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FPSC-COMMISSION CLERK

Docket No. 120075-EI Date: May 10, 2012

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

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Discussion of Issues

<u>Issue 1</u>: Should the proposed tariffs be suspended?

Recommendation: Yes. (Draper, Kummer)

<u>Staff Analysis</u>: Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such increase a reason or written statement of good cause for doing so within 60 days. Staff believes the reason stated below is good cause consistent with the requirement of Section 366.03(3), F.S.

Staff is recommending that the tariff be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposal.

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Issue 2: Should this docket be closed?

<u>Recommendation</u>: No. This docket should remain open pending the Commission's final decision on the proposed tariff revision. (Jaeger)

<u>Staff Analysis</u>: This docket should remain open pending the Commission's final decision on the proposed tariff revision.