

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: June 24, 2004

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

FROM: Division of Economic Regulation (Springer, Baxter, Slemkewicz)
Office of the General Counsel (Brown)

RE: Docket No. 040442-EI – Petition for authority to implement proposed FlatBill rate schedule by Gulf Power Company.

AGENDA: 07/06/04 – Regular Agenda – Tariff Filing – Interested Persons May Participate

CRITICAL DATES: 60-Day Suspension Date: 07/11/04

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\040442.RCM.DOC

Case Background

On May 12, 2004, Gulf Power Company (Gulf) filed a petition for authority to implement a proposed FlatBill rate schedule. Gulf's FlatBill is an optional pricing program that offers residential and small commercial customers an annual fixed electric bill regardless of their usage during the year. The Commission approved Gulf's FlatBill program for implementation as a pilot project in Order No. PSC-02-0787-FOF-EI in Docket No. 010949-EI, issued June 10, 2002. The FlatBill pilot program was conducted during 2003.

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

Discussion of Issues

Issue 1: Should Gulf Power Company's proposed FlatBill tariff be suspended?

Recommendation: Yes. (Springer, Baxter, Slemkewicz)

Staff Analysis: On May 12, 2004, Gulf Power Company filed a petition for authority to implement a proposed FlatBill rate schedule. Staff is recommending that the tariff be suspended to allow staff sufficient time to review the petition in order to present the Commission an informed recommendation on the tariff proposal.

Pursuant to Section 366.06(3), Florida Statutes, 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 that the reason stated above is good cause consistent with the requirement of Section 366.06(3), Florida Statutes.

Issue 2: Should this docket be closed?

Recommendation: No. (Brown)

Staff Analysis: This docket should remain open pending the Commission vote on the proposed tariff revision.