

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-**

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**DATE:** February 23, 2006

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

**FROM:** Division of Economic Regulation (Baxter, Draper, Lee)  
Office of the General Counsel (Brown)

**RE:** Docket No. 060017-EI – Petition for approval of revised underground residential distribution tariffs, by Progress Energy Florida, Inc.

**AGENDA:** 03/07/06 – Regular Agenda – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 03/07/06 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

**FILE NAME AND LOCATION:** S:\PSC\ECR\WP\060017.RCM.DOC

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### Case Background

On January 6, 2006, Progress Energy Florida, Inc. (PEF) filed a petition for Commission approval of revisions to its Underground Residential Distribution (URD) tariffs and their associated charges.

Rule 25-6.078, Florida Administrative Code, requires investor-owned electric utilities to file updated underground residential distribution 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. PEF's current URD charges were approved in Order No. PSC-04-0519-TRF-EI, issued on May 24, 2004, in Docket No. 031122-EI, in Re: Petition for approval of revised underground residential distribution tariff

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by Progress Energy Florida, Inc. To comply with the 3-year filing requirement of the rule, PEF filed the petition.

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 Progress Energy Florida, Inc.'s petition for approval of revisions to its Underground Residential Distribution (URD) tariffs be suspended?

**Recommendation:** Yes. (Baxter)

**Staff Analysis:** On January 6, 2006, Progress Energy Florida, Inc. (PEF) filed a petition for Commission approval of revisions to its Underground Residential Distribution (URD) tariffs and their associated charges. 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 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.