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:

AUGUST 26, 1999

TO:

DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM:

DIVISION OF LEGAL SERVICES (C. KEATING) WCK

DIVISION OF CONSUMER AFFAIRS (DEMELLO, STOKES)

DIVISION OF ELECTRIC AND GAS (KUMMER)

RE:

DOCKET NO. 991155-EI - COMPLAINT BY WALTER STEIGER AGAINST

FLORIDA POWER CORPORATION REGARDING ELECTRIC

OUTAGES.

AGENDA:

09/07/99 - REGULAR AGENDA - DECISION PRIOR TO HEARING -

INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\LEG\WP\991155.RCM

CASE BACKGROUND

On April 7, 1999, Mr. Walter Steiger ("Mr. Steiger" or "customer") filed a complaint with the Commission's Division of Consumer Affairs ("CAF") against Florida Power Corporation ("FPC"). Steiger claimed that for the past several years he has experienced frequent power outages during stormy conditions. Steiger also claimed that after these outages FPC consistently restored service to residences served by underground facilities before it restored service to residences, like his, served by overhead facilities. Additionally, Mr. Steiger claimed that a service interruption that occurred while he was out of the state caused a large amount of food in his freezer to spoil. Mr. Steiger requested compensation from FPC for the loss. CAF forwarded Mr. Steiger's complaint to the Commission's Division of Electric and Gas (EAG) for follow-up.

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On May 13, 1999, FPC submitted to the Commission its response to Mr. Steiger's complaint. In its response, FPC acknowledged seven outages at the customer's residence since January 1998: four outages in 1998 caused by tree contact with distribution lines; two storm-related outages in 1998; and one outage in 1998 caused by a traffic accident. FPC stated that it inspected the circuit serving Mr. Steiger's residence and found it in good condition. stated that it had recently completed tree trimming around that circuit in February 1999. FPC noted that the circuit passed through several areas of heavy tree and vegetation growth. stated that it would monitor Mr. Steiger's circuit and make any necessary improvements. Further, FPC indicated that it had denied Mr. Steiger's claim for damages for spoiled food because the spoilage was the result of a power outage that occurred while the customer was out of town for six months, and FPC was not made aware of the outage. FPC explained that it would not have been aware of the outage absent notification from the customer, because Mr. Steiger is the only customer served through a particular transformer.

By letter dated May 26, 1999, EAG notified Mr. Steiger of its proposed resolution of his complaint. In its letter, EAG stated that because most of the outages reported by FPC were tree-related, FPC's recent tree trimming around the customer's circuit should significantly reduce the possibility of outages. EAG also informed Mr. Steiger that the Commission does not have the authority to award damages for the spoiled food. EAG's letter notified Mr. Steiger of his right to request an informal conference.

By letter dated July 11, 1999, Mr. Steiger requested an informal conference on his complaint. In his letter, Mr. Steiger indicated that FPC has corrected his outage problem. Mr. Steiger also acknowledged that the Commission lacks the authority to award damages on his spoiled food claim. Mr. Steiger's only remaining complaint is that FPC has underreported the actual number of outages that he has experienced. In his letter, Mr. Steiger requested an informal conference on this issue because he feels until FPC's cannot receive fair treatment that he misrepresentations are exposed.

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DISCUSSION OF ISSUES

ISSUE 1: Should the Commission dismiss Mr. Walter Steiger's complaint against Florida Power Corporation?

RECOMMENDATION: Yes. Pursuant to Rule 25-22.032(4), Florida Administrative Code, the Commission should dismiss Mr. Steiger's complaint because it states no basis for relief under the Florida Statutes, Commission rules or orders, or applicable tariffs.

STAFF ANALYSIS: As stated above, Mr. Steiger indicated in his informal conference request that FPC has corrected the outage problem that was the subject of his original complaint. Mr. Steiger also acknowledged that the Commission lacks jurisdiction to award damages for his spoiled food claim. Mr. Steiger requests an informal conference on the sole issue of whether FPC has underreported the number of outages he has experienced.

It is possible that Mr. Steiger experienced more service interruptions than were reported by the utility. Customers often do not distinguish between momentary interruptions inherent in the system design and longer outages. Momentary interruptions are generally caused by transient faults such as a tree limb brushing a line, or an animal shorting out facilities. A breaker recognizes the fault and opens then closes within seconds to attempt to reestablish power. Customers beyond the point of the fault may see a fractional second power interruption, but depending on the location of the fault, it may or may not register on the utility's automated monitoring system. Α failure to report interruptions does not constitute a deliberate intent by the utility to mislead the customer, but simply a limitation of the monitoring equipment. In any event, the tree-trimming performed by FPC should reduce the occurrence of such momentary outages on Mr. Steiger's circuit.

Further, regardless of the outcome of an investigation into the number of outages that actually occurred, the Commission will have no basis upon which to grant the customer any relief. Rule 25-22.032(4), Florida Administrative Code, provides that upon receipt of an informal conference request, the Director of CAF may recommend that the Commission dismiss the complaint "based on a finding that the complaint states no basis for relief under the Florida Statutes, Commission rules or orders, or the applicable

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tariffs." Therefore, staff recommends that the Commission dismiss Mr. Steiger's complaint because is states no basis for relief.

ISSUE 2: Should this docket be closed?

 $\underline{\textbf{RECOMMENDATION}}\colon$ The docket should be closed after the time for filing an appeal has run.

 $\underline{\mathtt{STAFF}\ \mathtt{ANALYSIS}}$: The docket should be closed 32 days after issuance of the order, to allow the time for filing an appeal to run.