



ORIGINAL

99 NOV -2 AM II: 53

MAILROOM



JAMES A. MCGEE SENIOR COUNSEL

November 1, 1999

Ms. Blanca S. Bayó, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

991662-EI

Re: Petition of Florida Power Corporation for approval to convert its residential seasonal service rider from experimental to permanent status.

Dear Ms. Bayó:

Enclosed for filing are an original and fifteen copies of the subject petition of Florida Power Corporation.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in WordPerfect format. Thank you for your assistance in this matter.

Very truly yours

James A. McGee

JAM/ams Enclosure

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In	re:	Petiti	on	of	Florida	Power					
Corporation for approval to convert its											
residential seasonal service rider from											
e	xperim	ental	to	pe	rmanent	status.					

Docket No.	
Submitted for filing:	
November 2, 1999	

PETITION

Florida Power Corporation (Florida Power) hereby petitions the Commission to approve the conversion of its experimental Residential Seasonal Service Rider, Rate Schedule RSS-1, to a permanent tariff, thereby continuing to offer seasonal customers taking service under Rate Schedules RS-1 and RSL-1 the option of leaving their service active with a reduced customer charge while absent from their residence. In support of its petition, Florida Power states as follows:

- 1. By Order No. PSC-98-0041-FOF-EI, issued January 6, 1998 in Docket No. 971468-EI, the Commission granted Florida Power's petition for approval of a 24-month experimental Residential Seasonal Service Rider. The experimental Rider was aimed at the approximately 35,000 seasonal customers of Florida Power who disconnect service to their residences upon their departure in the Spring and reconnect service upon their return in the Fall in order to avoid paying an \$8.85 monthly customer charge during their absence.
- 2. This disconnect/reconnect practice had several adverse effects on both the seasonal customers and Florida Power. The customers had to coordinate the departure from and return to their residence with Florida Power customer service

DOCUMENT NUMBER-DATE

personnel to assure that service is disconnected and reestablished in a timely manner. They also had to pay a \$15 reconnection charge. From Florida Power's standpoint, the additional cost of two field trips had to be incurred -- one to disconnect service and another to reconnect service. In addition, the disconnect and reconnect activities associated with seasonal customers occurred during, and in fact helped cause, the peak workload periods of the year. This resulted in scheduling difficulties and overtime expense, as well as delays in performing other activities, such as disconnections for non-payment. The disconnection of service also resulted in lost customer charge revenues and, to a lesser extent, lost sales revenues.

- 3. To minimize these adverse effects from disconnecting and reconnecting service, the experimental Residential Seasonal Service Rider offered a reduced monthly customer charge of \$3.00 to seasonal customers who were absent from their residence for at least three months during the billing months of March through October, so long as their monthly consumption did not exceed 210 kWh. In addition, the Rider eliminated the need for seasonal customers to arrange for their service to be disconnected and reestablished, and also avoided the \$15 reconnection charge.
- 4. Based on results to date, Florida Power considers the Seasonal Service experiment to be successful. Of the approximately 35,000 seasonal customers eligible for the Rider, Florida Power anticipated a participation level of between 10,000 to 15,000 customers. Through September 1999, 28,666 customers have elected to participate in the program. This provides a clear indication of the program's popularity in meeting the needs of seasonal customers. In addition, this

high participation level will enable Florida Power to avoid the expense of over 57,000 disconnections and reconnection, while freeing the affected Florida Power personnel to perform other customer service activities.

- 5. The monthly consumption of participating seasonal customers has averaged between 160 and 185 kWh, compared with 60 to 80 kWh originally anticipated. In addition, between 20% to 25% of participating customers have exceeded 210 kWh in at least one summer month and therefore paid the full customer charge. This indicates that the 210 kWh consumption threshold provides a reasonable safeguard against the effects of customers returning earlier than expected or not leaving at all.
- 6. In summary, Florida Power believes that its experience to date with the experimental Seasonal Service Rider and the high level of customer acceptance warrant continuation of the Rider on a permanent basis. Revised Rate Schedule RSS-1, which incorporates the change from experimental to permanent status, is contained in the attached Exhibit A. Exhibit B shows the revisions to the rate schedule in legislative format. In addition, Special Provision 1 has been revised to strengthen the customer eligibility requirement against certain customers who are not truly seasonal. Special Provision 3 has also been revised to conform the customer charge terminology with the "Rate Per Month" section of the rate schedule.

WHEREFORE, Florida Power Corporation respectfully requests that, for the reasons stated above, the Commission grant this petition and approve Rate

Schedule RSS-1, as set forth in Exhibit A hereto, as a permanent Residential Seasonal Service Rider.

By

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL FLORIDA POWER CORPORATION

James A. McGee

Post Office Box 14042

St. Petersburg, FL 33733-4042 Telephone: (727) 820-5184

Facsimile: (727) 820-5519

EXHIBIT A

Residential Seasonal Service Rider Rate Schedule RSS-1



SECTION No. VI
First Revised Sheet No. 6.350
Cancels Original Sheet No. 6.350

Page 1 of 1

RATE SCHEDULE RSS-1 Residential Seasonal Service Rider

		••			
Δ	1/2	u	hi	lit∖	,

Available throughout the entire territory served by the Company.

Applicable:

To customers receiving residential service under Rate Schedule RS-1 or RSL-1 that meet the special provisions of this schedule.

Rate Per Month:

Other than as stated below, the otherwise applicable rate schedule for electric service will apply.

Standard Customer Charge

\$8.85

Seasonal Customer Charge

\$ 3.00

Seasonal Billing Periods:

The billing months of March through October.

Special Provisions:

- 1. To qualify for service under this rider, the customer's premise must be occupied each year during a portion of the billing months of November through February and must not be occupied at least three months during the billing months of March through October.
- 2. The maximum allowable consumption for a seasonal billing period is 210 kWhs. However, if the seasonal billing period exceeds 30 days, the maximum allowable consumption is increased by seven (7) kWh per day.
- 3. If kWh usage during the seasonal billing period is less than or equal to the maximum allowable consumption for the billing period, the seasonal customer charge will apply. For non-seasonal billing months and those seasonal billing months that exceed the allowed maximum allowable consumption, the standard customer charge will apply.
- 4. All other provisions of the otherwise applicable rate schedule will apply to customers served under this schedule.

EXHIBIT B

Residential Seasonal Service Rider

Rate Schedule RSS-1 (legislative format)



SECTION No. VI
First Revised Sheet No. 6.350
Cancels Original Sheet No. 6.350

Page 1 of 1

RATE SCHEDULE RSS-1 Experimental Rider Residential Seasonal Service Rider

Availability:

Available throughout the entire territory served by the Company.

Applicable:

To customers receiving residential service under Rate Schedule RS-1 or RSL-1 that meet the special provisions of this schedule.

This experimental rider will terminate and be closed to further participation by customers 24 months after the initial effective date, unless the rider is extended by order of the Florida Public Service Commission.

Rate Per Month:

Other than as stated below, the otherwise applicable rate schedule for electric service will apply.

Standard Customer Charge

\$ 8.85

Seasonal Customer Charge

\$ 3.00

Seasonal Billing Periods:

The billing months of March through October.

Special Provisions:

- A seasonal customer eligible for service under this rider is defined as a customer who is absent from his/her residence for at least three
 months during the period from March through October. To qualify for service under this rider, the customer's premise must be occupied
 each year during a portion of the billing months of November through February and must not be occupied at least three months during the
 billing months of March through October.
- 2. The maximum allowable consumption for a seasonal billing period is 210 kWhs. However, if the seasonal billing period exceeds 30 days, the maximum allowable consumption is increased by seven (7) kWh per day.
- 3. If kWh usage during the seasonal billing period is less than or equal to the maximum allowable consumption for the billing period, the seasonal customer charge will apply. For non-seasonal billing months and those seasonal billing months that exceed the allowed maximum allowable consumption, the non-seasonal standard customer charge will apply.
- 4. All other provisions of the otherwise applicable rate schedule will apply to customers served under this schedule.

STATE OF FLORIDA

Commissioners: JOE GARCIA, CHAIRMAN J. TERRY DEASON SUSAN F. CLARK JULIA L. JOHNSON E. LEON JACOBS, JR.



DIVISION OF RECORDS & REPORTING BLANCA S. BAYÓ DIRECTOR (850) 413-6770

Public Service Commission

November 3, 1999

James A. McGee, Senior Counsel Florida Power Corporation Post Office Box 14042 St. Petersburg, Florida 33733-4042

Re: Docket No. 991662-EL

Dear Mr. McGee:

This will acknowledge receipt of a petition by Florida Power Corporation for approval to convert its residential seasonal service rider from experimental to permanent status, which was filed in this office on November 2, 1999 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (850) 413-6078 or FAX (850) 413-6079.

> Division of Records and Reporting Florida Public Service Commission