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April 24, 2000

VIA HAND DELIVERY

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

ORIGINAL

RECEIVED-PPSC
00 APR 24 AM 10:56
RECORDS AND REPORTING

000478-EI

Re: Petition for Approval; Pre-Pay Residential Service Experimental Rate

Dear Ms. Bayo:

I enclose for filing an original plus fifteen (15) copies of Florida Power & Light's Petition for Approval of the Pre-Pay Residential Service Experimental Rate. Also included herewith is a computer diskette containing the Petition on WordPerfect 6/7/8.

If you have any questions or need further information please feel free to call me at the number listed above. Thank you for your consideration of this matter.

Sincerely,

R. Wade Litchfield
R. Wade Litchfield LDA

RWL/lmr
Enclosure

cc: Blanca Perez

RECEIVED & FILED
MM
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

05013 APR 24 8

FPSC-RECORDS/REPORTING

000478-01

BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

In re: Florida Power & Light Company's)
Request for Approval of a Pre-Pay)
Residential Service Experimental Rate)

Docket No. 000478-E1

Date Filed: April 24, 2000

**FLORIDA POWER & LIGHT COMPANY'S
PETITION FOR APPROVAL OF A PRE-PAY
RESIDENTIAL SERVICE EXPERIMENTAL RATE**

NOW BEFORE THIS COMMISSION, through undersigned Counsel, comes Florida Power & Light Company ("FPL" or the "Company") and hereby requests approval of a pre-pay residential service experimental rate and the accompanying service agreement. In support of this Petition, FPL states as follows:

1. FPL is a public utility subject to the jurisdiction of the Florida Public Service Commission ("Commission") under Chapter 366, Florida Statutes. FPL's General Offices are located at 9250 West Flagler Street, Miami, FL 33174.

2. Any pleading, motion, notice, order or other document required to be served upon the petitioner or filed by any party to this proceeding should be served upon the following individuals:

William G. Walker, III
Vice President
Florida Power & Light Company
215 South Monroe Street
Suite 810
Tallahassee, FL 32301-1859
(850) 224-7517
(850) 224-7197 (telecopier)

R. Wade Litchfield
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420
(561) 691-7101
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05013 APR 24 8

FPSC-RECORDS/REPORTING

3. FPL is seeking Commission approval of a voluntary residential pre-pay experimental rate in connection with a pilot program the Company intends to conduct among selected customers within certain areas of its service territory (sometimes referred to hereinafter as the “Pilot Program” or “the Pilot”). The proposed rate is identified as the Pre-pay Residential Service – Pilot/Experimental Rate, Rate Schedule PRS-1 and will be included in FPL’s tariff as Original Sheet No. 8.220. In connection with the Pilot and Rate Schedule PRS-1, FPL also submits herewith for approval a Pre-pay Residential Service Agreement (“Service Agreement”). Upon adoption, the Service Agreement will be placed in FPL’s tariff as Original Sheets Nos. 9.940 and 9.941. Rate Schedule PRS-1 and the Service Agreement are included herewith in Composite Exhibit A. Also included herewith for approval are tariff sheets revising FPL’s Index of Rate Schedules and Index of Standard Forms. A redline and final version of these sheets, Thirty-Sixth Revised Sheet No. 8.010 and Third Revised Sheet No. 9.011, are included in Composite Exhibit A.

4. The purpose of the Pilot Program is to: (1) assess customer acceptance of a pre-pay system of purchasing electricity; (2) consider the effects of the program on customer usage; (3) identify technical and operational issues associated with the pre-pay equipment and with administering a pre-pay program; and (4) identify the costs and benefits of operating and administering a pre-pay program.

5. The Pilot will involve the installation of a pre-pay meter in place of the existing meter at the customer’s residence.¹ In addition, FPL will provide a user display terminal to be placed inside the home. FPL also will provide the customer with two electronically encoded cards (“Smart Cards”) for use with the system. The Smart Card will contain the customer’s account information, and will be used for, among other things, the transfer of credits for electric usage to the

¹ As part of the equipment selection process, FPL will test every vendor’s meter. After a vendor is selected, every meter purchased will be tested before installation.

user display terminal, which in turn relays that information to the meter outside the home. To purchase electricity, the customer simply takes one of the Smart Cards to the nearest FPL pay agent where the dollar amount of the purchase in electric usage will be placed on the card as a credit. Upon returning home, the customer “swipes” the Smart Card in the user display terminal, which then conveys that information to the meter.

6. In addition to transferring Smart Card credit amounts to the meter, the user display terminal serves other important functions. The customer will be able to refer to the user display terminal for historical usage figures, the amount of energy being consumed at that moment, in kilowatt hours (“KWh”) and in dollars, as well as estimated usage time remaining on the meter given current or estimated rates of consumption. The user display terminal will provide the customer a warning signal when the prepaid amount on the meter drops below four days of estimated remaining usage. This will ensure that the customer has adequate notice and time to make additional Smart Card purchases as required. If the customer were to allow the amount of the credit on the meter to be fully depleted, a circuit in the meter would open, and power to the home would be temporarily suspended until the customer made an additional Smart Card purchase.

7. FPL believes the pre-pay program will provide significant benefits to customers that have difficulty managing their budgets or for whom the timing of their income is such that the payment of a large bill following actual consumption over a thirty-day period may be problematic. Many of these customers routinely pay their bills late, subjecting their accounts to late payment charges and other collection action. Others fail to pay at all, thus allowing their service to be disconnected until they can pay the amount due as well as a reconnection fee to have their service restored. In 1998, FPL residential customers paid approximately \$25 million in collection-related

customer charges, i.e., late payment fees, returned check charges, field collection charges and reconnection charges.

8. FPL has identified a sub-group of 60,000 residential customers whose accounts have been subject to multiple field visits during two consecutive years (the "Target Group"). On average, customers in the Target Group have had four field visits for collection/disconnection purposes per year during that two-year period. The Target Group, although representing only two percent (2%) of FPL's total residential accounts, was responsible for a grossly disproportionate share, thirty four percent (34%), of all FPL collection field visits in 1998. As a result of the high level of collection activities associated with these accounts, customers in this group spent an average of \$81 per year in collection-related customer charges. In one case, a customer incurred \$307 of such charges in a single year.

9. For customers in the Target Group, the pre-pay program may provide a viable and beneficial alternative to the current system. Paying for electricity after it has been consumed presents challenges to many customers who have difficulty managing their income. First, it is often difficult for such customers to save the money required to make the electric payment after the fact of consumption, particularly when these customers cannot project with any degree of precision the amount of their month-end bill. Second, the bill may become due at a low point in the customer's budget cycle. Third, because bills are rendered monthly, the amount due may be unmanageable for a customer who otherwise might have been able to make smaller more frequent payments for his electric consumption. The Pilot Program will provide these customers with the convenience and flexibility of purchasing electricity on an as-needed basis, and on a schedule and in amounts consistent with their individual budgets, and income and cash flow patterns, the same way in which they purchase most consumable goods. In addition, because

payment will be made in advance for electricity consumed, security deposits won't be required and will be returned to Pilot participants. Further, these customers will avoid the average payment of \$81 per year in collection-related service charges.

10. To assess customer acceptance of the pre-pay program, and to help shape potential broader deployment of such a program, FPL will conduct customer focus groups both before and after the Pilot.

11. In the interest of economy and efficiency, FPL intends to limit participation in the Pilot Program to two or three geographical areas within its service territory and to a maximum of eight hundred pre-pay meters. The Pilot Program areas will be determined based on the proximity to participating pay agents of large numbers of customers in the Target Group. Where possible, FPL will select Pilot pay agents that are open for business seven (7) days a week.

12. With some exceptions, customers in the selected geographic areas that have had collection field visits within the past two years, or who move into a residence with existing prepay equipment, will be eligible to participate in the Pilot. For example, customers on time-of-use rates or whose accounts are registered as Medically Essential Service Customers under the Company's tariff may not participate in the Pilot Program. Further, so that FPL may better assess in isolation the effects of the Pilot Program on energy usage and other consumer behavior, and for other practical reasons, participants in the Pilot Program may not also participate in certain other programs offered by FPL, such as load control, budget billing, e-bill, and automatic funds transfer.

13. Participation in the Pilot is strictly voluntary. The precise methods for soliciting customer participation within the limits established under the Pilot have yet to be determined.²

² FPL will conduct customer focus groups before the onset of the Pilot. These focus groups will assist FPL in developing a customer communication and education program for the Pilot Program.

However, FPL expects that one avenue will be to offer participation in the Pilot as an alternative for target customers who receive a final notice and cannot afford to pay the entire outstanding balance. As a condition to participation, the customer would be required to sign the Service Agreement. Once the Customer agrees to participate in the Pilot Program, his deposit will be credited against his account. Any remaining balance due on the customer's account will be recovered through Smart Card purchases until fully paid. If the remaining balance is \$150 or less, thirty percent (30%) of each purchase amount will be applied towards the remaining balance. If the remaining balance is greater than \$150, the customer's account and Smart Card will be programmed such that thirty percent (30%) of the outstanding balance will be paid by the Customer during each of the first three months, and the remaining ten percent (10%) will be paid in the fourth month. These amounts must be paid in addition to any energy purchases for prospective consumption.

14. The PRS-1 Rate was developed by altering the base energy charge under FPL's Residential Service Rate RS-1 to levelize the current residential step rate, and to include a portion of the cost of the hardware used in the Pilot. The base energy rate levelizes the step rate by computing the average rate based on consumption of 1225 kWh: the first 750 kWh at 3.511 cents per kWh and the additional 475 kWh at 4.511 cents per kWh. In addition, the base energy charge seeks to recover \$81 annually toward the cost of the hardware. As indicated earlier, customers in the Target Group spend an average of \$81 per year in collection-related service charges; thus, participating customers, while making some contribution to the cost of the Pilot Program, on average will be held harmless. An additional amount of 0.551 cents per kWh is added to the base energy charge. This amount was computed by dividing \$81 by the product of 12 months and 1225 kWh per month. All of the other components of Rate RS-1 (e.g., fuel recovery, conservation, and environmental cost recovery charges) and all applicable taxes are included in the PRS-1 Rate. The PRS-1 Rate will be

updated annually based on changes to the cost recovery clauses. This experimental rate will be reviewed at the end of the Pilot in connection with assessing the actual costs associated with providing the Pilot Program. While the total cost of the hardware for the Pilot will far exceed the amount recovered from participants, FPL anticipates that hardware costs will decrease over the next few years.³ Exhibit B shows the derivation of the PRS-1 Rate and its comparison to the RS-1 Rate. FPL designed the PRS-1 Rate to be revenue neutral, assuming consumption patterns remain the same.⁴

15. In the event the customer loses or damages the user display terminal or Smart Cards, the Company will assess a replacement fee, not to exceed \$165. The replacement fee will be based on actual replacement costs, which will be identified once a vendor is selected and equipment costs are finalized. Replacement costs for Smart Cards are not likely to exceed \$5 per card.

16. Smart Card purchases may be made by cash or check, unless the customer is on a “cash only” basis. If a purchase is made with a check that is returned for lack of sufficient funds, the customer will be placed on a cash-only basis and will have to pay in full the outstanding prior purchase amount before making any further purchases.

17. In order to provide the Company with a reasonable period of time in which to collect data and assess the success of the Pilot Program, and to recover a portion of the program costs, the rate contemplates a minimum service term of twelve (12) months for participants. However, a customer may terminate service under Rate Schedule PSR-1 at any time provided the customer pays an early termination charge, and is able to post the requisite deposit as security for non-payment of bills under the general residential rate. The early termination fee is twenty-two cents (\$0.22 for

³ Although FPL has requested various vendors to submit bids on the supply of the pre-pay equipment, the Company has not yet finalized its selection of an equipment vendor.

⁴ Through the Pilot, FPL will assess changes in participant usage patterns.

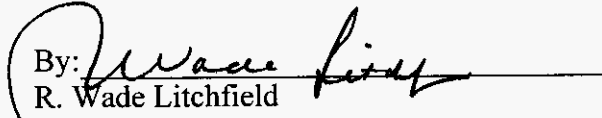
each day remaining in the twelve month service term. This fee was derived by dividing \$81 (the partial recovery of equipment cost assumed by Rate Schedule PSR-1 over a one-year period) by 365 days.

18. Prepay meters have been deployed for some time in the United Kingdom, South Africa, and Canada. In the United States, several pilots have been conducted. The technology employed involved hard-wiring between the user display and the meter. This technology was extremely costly for utilities to install. However, new technology has evolved that is expected to result in higher penetration of pre-pay metering in the United States. One of the utilities successfully deploying this technology currently is Salt River Project (“Salt River”) an electrical cooperative in Arizona. Salt River Project deployed 2,000 pre-pay meters in 1995 and is currently in the process of purchasing an additional 20,000 meters. Salt River has conducted extensive research on the first 2,000 meters installed. Salt River has determined, among other things, that pre-pay metered customers have reduced their electric consumption on average by approximately 10-13%. Salt River’s customer satisfaction with pre-pay meters is very high. Salt River reports positive results and feedback from customer focus groups and surveys. According to Salt River, approximately 92% of the customers were satisfied or very satisfied with the program and 73% were very satisfied.

19. In evaluating the success of the Pilot, FPL will assess the technology deployment, operational and program administration, customer receptivity and satisfaction, and the costs and benefits associated with the pre-pay program. In order to pursue the Pilot Program, FPL requires Commission approval of the PRS-1 Rate and the accompanying Service Agreement. In addition, FPL may also require Commission waiver of Rules 25-6.099 and 25-6.100 of the Florida Administrative Code. FPL will request such waivers by separate filing.

WHEREFORE, for the above and foregoing reasons, Florida Power & Light Company respectfully requests that the Commission grant this Petition for Approval of a Pre-Pay Pilot Program and approve for use in connection therewith Rate Schedule PSR-1 and the Pre-pay Residential Service Agreement.

Respectfully submitted,

By: 
R. Wade Litchfield
Florida Authorized House Counsel
Attorney for
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420
(561) 691-7101
(561) 691-7135 telecopier

**COMPOSITE
EXHIBIT A**

INDEX OF RATE SCHEDULES

<u>RATE SCHEDULE</u>	<u>DESCRIPTION</u>	<u>SHEET NO.</u>
BA	Billing Adjustments	8.030
GS-1	General Service - Non Demand (0-20 kw)	8.101
GST-1	General Service - Non Demand - Time of Use (0-20 kw)	8.103
GSD-1	General Service Demand (21-499 kw)	8.105
GSDT-1	General Service Demand - Time of Use (21-499 kw)	8.107
GSL	General Service Load Management Program	8.109
RS-1	Residential Service	8.201
RST-1	Residential Service -Time of Use	8.205
RSL	Residential Load Management Program	8.207
CU	Common Use Facilities Rider	8.211
PRS-1	Pre-pay Residential Service – Pilot/Experimental Rate	8.220
GSLD-1	General Service Large Demand (500-1999 kw)	8.310
GSLDT-1	General Service Large Demand - Time of Use (500-1999 kw)	8.320
CS-1	Curtable Service (500-1999 kw)	8.330
CST-1	Curtable Service -Time of Use (500-1999 kw)	8.340
GSLD-2	General Service Large Demand (2000 kw +)	8.412
GSLDT-2	General Service Large Demand - Time of Use (2000 kw +)	8.420
CS-2	Curtable Service (2000 kw +)	8.432
CST-2	Curtable Service -Time of Use (2000 kw +)	8.440
CST-3	Curtable Service -Time of Use (2000 kw +)	8.542
CS-3	Curtable Service (2000 kw +)	8.544
GSLD-3	General Service Large Demand (2000 kw +)	8.551
GSLDT-3	General Service Large Demand - Time of Use (2000 kw +)	8.552
OS-2	Sports Field Service	8.602
MET	Metropolitan Transit Service	8.610
RTP-GX	Real Time Pricing-General Service	8.620
CILC-1	Commercial/Industrial Load Control Program (Closed Schedule)	8.650
CDR	Commercial/Industrial Demand Reduction Rider	8.680
SL-1	Street Lighting	8.715
PL-1	Premium Lighting	8.720
OL-1	Outdoor Lighting	8.725
SL-2	Traffic Signal Service	8.730
RL-1	Recreational Lighting	8.743
SST-1	Standby and Supplemental Service	8.750
ISST-1	Interruptible Standby and Supplemental Service	8.760
EDR	Economic Development Rider	8.800
DSMAR	Demand Side Management Adjustment Program Rider	8.810
TR	Transformation Rider	8.820
SJT	St. John's Transitional Rider	8.900

Issued by: P. J. Evanson, President
 Effective:

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OL-1	Outdoor Lighting	8.725
SL-2	Traffic Signal Service	8.730
RL-1	Recreational Lighting	8.743
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Issued by: P. J. Evanson, President
 Effective:

PREPAY RESIDENTIAL SERVICE – PILOT/EXPERIMENTAL RATERATE SCHEDULE: PRS-1AVAILABLE:

This is an experimental rate available through the execution of a Prepay Residential Service Agreement with FPL. Availability is limited to 800 meters in geographic areas selected by the Company.

Service under this experimental schedule shall terminate two years from the effective date of this tariff, unless extended by order of the Florida Public Service Commission, or terminated earlier by the Company upon notice to the Florida Public Service Commission.

APPLICATION:

This rate schedule may be offered, at the Company's option to Customers that have had collection field visits within the past two years or to Customers who move into a premise with existing prepay equipment.

Customers who take service under time of use rates or who are designated as Medically Essential Service Customers as defined in Section 1.65 of the Company's General Rules and Regulations for Electrical Service are not eligible for this prepay residential service schedule. The prepay residential schedule is not available to customers that within the past 12 months have made unauthorized connections to, or tampered with, the Company's meter. Customers may not participate in certain programs offered by FPL, including, but not limited to Load Control, Budget Billing, Automatic Funds Transfer, 62+ Plan, Double Notice Protection, Checkfree, and E-Bill.

SERVICE:

Single phase, 60 hertz at available standard voltage. All residential service required on the premises by the Customer shall be supplied through one meter. Additionally, FPL will furnish, install and own all of the prepay equipment including the meter, the user terminal, and smart cards. Resale of service is not permitted hereunder.

PREPAID RATE PER KWH:

Non-Fuel Charges:	
Base Energy Charge	4.911¢ per kWh
Conservation Charge	See Sheet No. 8.030
Capacity Payment Charge	See Sheet No. 8.030
Environmental Charge	See Sheet No. 8.030
Additional Charges:	
Fuel Charge	See Sheet No. 8.030
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

TERM OF SERVICE:

The term of service is twelve months.

SPECIAL PROVISIONS:

The Customer shall enter into a Prepay Residential Service Agreement with the Company to be eligible for the prepay program.

If the Customer wishes to terminate participation in the program prior to the expiration of the term of service, an early termination fee will be assessed. The early termination fee will be calculated by multiplying the number of days remaining in the unexpired service term by twenty two cents. However, if the Customer moves outside a five-mile radius of a participating pay agent, the early termination fee will be waived.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provisions of this schedule and said "General Rules and Regulations for Electric Service" the provisions of this schedule shall apply.

Issued by: P. J. Evanson, President

Effective:

(Continued from Sheet No. 9.010)

	<u>Sheet No.</u>
Underground Conduit Installation Agreement	9.725
Long-Term Rental Agreement for Distribution Substation Facilities	9.730
Facilities Rental Agreement	9.750
Electric Service and Meter Socket Requirement	9.760
Easement (Individual)	9.770
Easement (Corporation)	9.775
<i>Momentary Parallel Operation Interconnection Agreement</i>	9.780
Interconnection Agreement For Qualifying Facilities	9.800
Standard Offer Contract for the Purchase of Firm Capacity and Energy from a Qualifying Facility	9.850
Standby Service Agreement	9.900
Standby and Supplemental Service Agreement	9.910
Interruptible Standby and Supplemental Service Agreement	9.920
Medically Essential Service	9.930
<u>Pre-pay Residential Service Agreement</u>	<u>9.940</u>

(Continued from Sheet No. 9.010)

	<u>Sheet No.</u>
Underground Conduit Installation Agreement	9.725
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Easement (Corporation)	9.775
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Interconnection Agreement For Qualifying Facilities	9.800
Standard Offer Contract for the Purchase of Firm Capacity and Energy from a Qualifying Facility	9.850
Standby Service Agreement	9.900
Standby and Supplemental Service Agreement	9.910
Interruptible Standby and Supplemental Service Agreement	9.920
Medically Essential Service	9.930
Pre-pay Residential Service Agreement	9.940

Issued by: P. J. Evanson, President
Effective:

PREPAY RESIDENTIAL SERVICE AGREEMENT

This Agreement is made this _____ day of _____, _____, by and between _____ (hereinafter called the "Customer"), currently located at _____ in _____, Florida, and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida (hereinafter called the "Company"). This Agreement may be transferred. This agreement is available and applicable only for customers who will be taking service under the Prepay Residential Service Schedule.

WITNESSETH

For and in consideration of the mutual covenants and agreements expressed herein, the Company and the Customer agree as follows:

1. The Company agrees to furnish and the Customer agrees to take electric service subject to the terms and conditions of the Company's Prepay Residential Service Schedule ("Schedule PRS-1") as currently approved or as may be modified from time to time by the Florida Public Service Commission ("Commission"). The Customer understands and agrees that, whenever reference is made in this Agreement to Schedule PRS-1, both parties intend to refer to Schedule PRS-1 as it may be modified from time to time. A copy of the Company's presently approved Schedule PRS-1 is attached hereto as Exhibit A and is hereby made an integral part of this Agreement.
2. In the event the Customer relocates to another premise within five miles of a participating pay agent, this agreement shall remain in effect and service under the Prepay Residential Service Schedule shall continue, at the Company's option and subject to the availability of prepay equipment. If the Customer terminates participation in the prepay residential service pilot program prior to 12 months of service, the early termination fee provision under "Special Provisions" in Schedule PRS-1 shall apply. FPL may remove a Customer from this program for violation of this Agreement, termination of the program by FPL or the FPSC, or for violation by the Customer of FPL's "General Rules and Regulations for Electric Service" or other applicable provision of FPL's tariff. If for any reason the Customer is removed from or ceases to participate in the program, the Customer will take service at the then applicable rate and may be required to furnish a deposit.
3. The prepay residential schedule is not available to customers who are on time-of-use rates or to the Medically Essential Service Customers as defined in Section 1.65 of the Company's General Rules and Regulations for Electrical Service. The prepay residential schedule is not available to customers that within the past 12 months have made unauthorized connections to, or tampered with the Company's meter. Customers may not participate in certain programs offered by FPL, including, but not limited to Load Control, Budget Billing, Automatic Funds Transfer, 62+ Plan, Double Notice Protection, Checkfree, and E-Bill.
4. The Company will furnish, install, maintain, and own all of the prepay equipment including the meter, the user terminal, and smart cards. Any batteries required for operations of the user display terminal will be initially provided to the Customer. Replacement batteries are the Customer's responsibility.
5. The duly authorized agents of the Company shall have safe access to the premises of the Customer at all reasonable hours for the purpose of installing, maintaining, and inspecting or removing the Company's property, reading meters and other purposes incident to performance under or termination of the Company's Agreement with the Customer, and in such performance shall not be liable for trespass.
6. At the time of installation, a \$15 temporary credit will be provided. This amount will be deducted from the first smart card purchase.
7. If the Customer has a deposit with the Company, a refund will be issued for the deposit amount plus interest against all outstanding balances. A payment extension may be granted on any remaining balance at the Company's option.
8. Power purchases may not exceed \$150 per smart card per transaction and may not be less than \$10 per smart card per transaction. Purchases must be made in whole dollar amounts.

(Continued on Sheet No. 9.941)

Issued by: P. J. Evanson, President

Effective:

(Continues from Sheet 9.940)

- 9. Customers may make smart card purchases of power with cash or check, unless they are on a "cash only" status in which case they may only make such purchases with cash.
- 10. The Customer is responsible for managing the energy purchases and consumption. A warning signal will forewarn the Customer that the electricity purchase is running out. If the Customer allows the amount displayed in the user terminal to drop to zero, the power will automatically go off. The Customer may restore power at any time by making an additional smart card purchase.
- 11. FPL will not mail regular monthly bill payment information to customers on this program. The Customer will receive a receipt of payment at each smart card purchase.
- 12. If it is necessary for FPL to remove the prepay equipment, the Customer must return the smart cards and user terminal to FPL. If the Customer moves to other premises the Customer must return the smart cards to FPL and leave the user terminal inside the residence. If the smart cards or the user terminal is misplaced or damaged, a replacement fee will be assessed, not to exceed \$165.
- 13. If the Customer tampers with the prepay equipment (meter, user terminal, and smart cards), the Customer will be removed from the prepay program and must take service at the then applicable rate. The Customer may be billed a deposit and any applicable fees as well as any unpaid balance.
- 14. This Agreement supersedes all previous agreements and representations, either written or oral, heretofore made between the Company and the Customer with respect to matters herein contained.
- 15. This Agreement is subject to the Company's "General Rules and Regulations for Electric Service" and the Rules of the Commission.

IN WITNESS WHEREOF, the Customer and the Company have caused this Agreement to be duly executed as of the day and year first above written.

CUSTOMER

FLORIDA POWER & LIGHT COMPANY

Signed: _____

Signed: _____

Name: _____

Name: _____

Title: _____

Issued by: P. J. Evanson, President
Effective:

EXHIBIT B

Charge For 1,225 kwh (Avg Monthly kwh for Premises with 2 or more field visits in 12 mos.)

Collection-related service charges paid per year by Target Group customers:

\$81

	Current Rate Bill Amount	Pre-Pay Bill Amount
Customer Charge	\$5.65	
Non-Fuel Energy (first 750 kwh @ 3.511 cents)	26.33	
Non-Fuel Energy (additional kwh @ 4.511 cents)	21.43	
Base Energy Charge	<u>\$53.41</u>	\$60.16
Base Energy Cents / KWH *	4.360	4.911
Conservation Clause	2.32	2.32
Environmental Clause	0.20	0.20
Capacity Clause	6.14	6.14
Fuel Clause	22.91	22.91
Total Clauses (effective 1/00)	<u>31.57</u>	<u>31.57</u>
Electrical Service Amount	\$84.98	\$91.73
Cents / KWH	6.937	7.488
Gross Receipts	0.87	0.94
Franchise Fee (using avg.)	3.76	4.06
Utility Tax (using max.)	<u>7.56</u>	<u>8.27</u>
Total Bill	<u><u>\$97.17</u></u>	<u><u>\$105.00</u></u>
Additional Monthly Charge		\$7.83

*Note: Levelized Base Energy Charge of 4.360 cents/kWh is the average rate based on 1225 kWh consumption using step rates.
Additional Base Energy Charge of 0.551cents/kWh determined by dividing \$81 by (12 months x 1225 kWh per month)