

Writer's Direct Dial: (561) 691-7101

R. Wade Litchfield Senior Attorney Florida Authorized House Counsel Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 (561) 691-7135 (Facsimile)

May 1, 2000

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RECORDS AND

VIA HAND DELIVERY

Blanca S. Bayó, Director Division of Records and Reporting Florida Public Service Commission Betty Easley Conference Center Room 110 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

> Florida Power & Light Company's Re:

> > Petition for Waivers from Rules 25-6.099 and 25-6.100

Docket No: 000478-EI

Dear Ms. Bayó:

I enclose for filing an original plus seven (7) copies of Florida Power & Light Company's Petition for Waivers from Rules 25-6.099 and 26-6.100. 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 in this matter.

Sincerely,

R. Wade Litchfield

APP CAF RWL/isb CMU CTR

AFA

EAG LEG

MAS OPC

Enclosure

cc: Joint Administrative Procedures Committee

RRR SEC

DOCUMENT NUMBER-DATE

MAY -18

an FPL Group company

ORIGINAL

BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

In re: Florida Power & Light Company's)	Docket No.	000478-EI
Request for Approval of a Pre-Pay)		
Residential Service Experimental Rate)	Date Filed:	May 1, 2000

FLORIDA POWER & LIGHT COMPANY'S PETITION FOR WAIVERS FROM RULES 25-6.099 and 25-6.100

NOW BEFORE THIS COMMISSION, through undersigned Counsel, comes Florida Power & Light Company ("FPL" or the "Company") and, pursuant to Section 120.542, Florida Statutes (1999), hereby petitions this Commission for partial waivers from certain requirements of Rules 25-6.099 and 25-6.100 of the Florida Administrative Code. In support of its 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 of the 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 (561) 691-7135 (telecopier)

DOCUMENT HUMBER-DATE

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- 3. FPL has submitted in the above-numbered and entitled proceeding under separate cover a Petition for Approval of a Pre-Pay Residential Service Experimental Rate in connection with the proposed pre-pay residential pilot program (the "Pilot" or "Pilot Program"). As described in its Petition filed April 24, 2000, the Pilot will involve the installation of a pre-pay meter in place of the existing meter at the customer's residence. 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 user display terminal, which in turn will relay 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.
- 4. 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

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.

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.

- 5. FPL seeks temporary waivers from certain requirements of Rules 25-6.099 and 25-6.100 (sometimes hereinafter the "Rules") for the limited purposes and duration of the Pilot. FPL's request for waivers is a partial request in that the Company is seeking such waivers only with respect to customers who elect to participate in the Pilot. The Rules would remain fully effective with respect to non-participant customers.
- 6. FPL seeks a partial waiver from the requirements of Rule 25-6.099. Rule 25-6.099 provides:

Each service meter shall be clearly marked to indicate the units measured. Unless special circumstances warrant, meters shall be read at monthly intervals on the approximate corresponding day of each meter-reading period.

7. FPL seeks a partial waiver from the requirements of Rule 25-6.100, subsections (1), (2), (4) and (5). Rule 25-6.100(1) provides that "bills are to be rendered monthly and as promptly as possible following the reading of meters." Rule 25-6.100(2) requires that bills reflect certain information pertaining to the calculation of the bill, including the date the meter was read, the dollar amount of the bill, identification of the applicable rate schedule, the date by which payment must be made, the average daily kWh consumption for the current period and for the same period in the previous year, the delinquent date, any conversion factors that can be used by customers to convert from meter reading units to billing units, the current month's consumption where budget billing is used, the name of the utility, plus the address and telephone number of the local office where the bill can be paid and questions can be answered. Rule 25-6.100(4) does

not allow the regular meter reading date to be advanced or post-poned more than five days without a pro-ration of the billing for the period. Rule 25-6.100(5) also requires pro-ration of charges for initial or opening bills unless energy consumption is carried over to the next normal billing period.

8. This Commission's authority to grant waivers from the requirements of its rules is set forth in section 120.542 of the Florida Statutes (1999). Subsection 120.542(2) provides, in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of the rule would create a substantial hardship or would violate principles of fairness.

FPL respectfully submits that the Commission should grant the requested waivers from the Rules 25-6.099 and 25-6.100 because: (1) the purpose of the underlying statute(s) will be or has been achieved by other means; and (2) strict application of the Rules would prevent the implementation of the Pilot, thus effectively imposing a substantial hardship on the Company and its electric consumers.

9. The statutory provisions underlying the Rules are section 366.03 and subsection 366.05(1) of the Florida Statutes. Among other things, subsection 366.05(1) authorizes the Commission to prescribe "standards of quality and measurements, and service rules and regulations to be observed by each public utility." Section 366.03 states that each "public utility shall furnish...service upon terms as required by the Commission." Section 366.03 also provides that rates charged shall be fair and reasonable and that "[n]o public utility shall make or give any undue or unreasonable preference or advantage to any person or locality, or subject the same to any undue or

unreasonable prejudice or disadvantage in any respect." Rules 25-6.099 and 25-6.100 further the objectives of these statutory provisions in outlining specific terms upon which the reading of meters and billing of electrical service is accomplished such that customers may have assurance that the process by which their bill is determined is fair, reasonable and non-discriminatory.

- 10. Approving the waivers will not foil the underlying purpose of the statutes. Indeed, it is intended and expected that the Pilot Program will provide the same, or perhaps better, assurance to customers in terms of the way in which their electric consumption is metered and the way in which they are billed for such service. Although meters will be inspected from time to time, they will not need to be read monthly. Indeed, the pre-pay system in effect will be reading meters continuously as the credited amount of electricity on the meter is consumed by the customer. Moreover, in lieu of a monthly bill showing the total amount of energy consumed over the prior billing period, the customer will have instantaneous access to a broad range of information via the user display in his or her home.
- being consumed at that moment in kilowatt hours ("kWh") and in dollars, as well as the estimated usage time remaining on the meter given current or estimated rates of consumption. In addition, the receipt the customer receives at the point of purchase will show the rate being charged and the corresponding amount of energy purchased. The user display also will alert the customer four days in advance of the estimated depletion of the usage credit on the meter. This will allow the customer to make an additional Smart Card purchase in order to avoid a lapse in service availability. Thus, while the customer may not receive precisely the same information in the exact format currently required by Rule 25-6.100, on the whole Pilot participants will have

better and more timely information than what is required by Rule 25-6.100(2). FPL submits that the statutory objectives promoted through the above-referenced portions of Rule 25-6.100 will be met through the Pilot Program.

12. Strict application of Rules 25-6.099 and 25-6.100 would be inconsistent with the Pilot so as to prevent its implementation. FPL submits that in light of the potential benefits of the Pilot Program, depriving the Company of the opportunity to implement the Pilot constitutes a substantial hardship on both the Company and its customers within the meaning of section 120.542 of the Florida Statutes.

WHEREFORE, for the above and foregoing reasons, Florida Power & Light Company respectfully requests that the Commission grant its request for temporary partial waivers from the above-referenced provisions of Rules 25-6.099 and 25-6.100.

Respectfully submitted,

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

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition for Waivers from Rules 25-6.099 and 25-6.100 has been furnished by U.S. Mail this ^{1st} day of May, 2000 to the Joint Administrative Procedures Committee, c/o Carroll Webb, Room 120 Holland Building, Tallahassee, Florida 32399-1300.

R. Wade Litchfield