

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)

June 1, 2000



RECEIVED - FPSC

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

000676 - EI

Re: Florida Power & Light Company's Petition For Approval of Revisions to Its General Rules and Regulations for Electric Service And Request for Waiver from Rule 25-6.105(5)(g)

Dear Ms. Bayó:

I enclose for filing an original plus seven (7) copies of Florida Power & Light Company's Petition For Approval of Revisions to Its General Rules and Regulations for Electric Service And Request for Waiver from Rule 25-6.105(5)(g). 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,

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R. Wade Litchfield

RWL/jsb Enclosure

RECEIVED & FILED

DOCUMENT NUMBER-DATE

FPSC-RECORDS/REPORTING

an FPL Group company

ORIGINAL

FLORIDA PUBLIC SERVICE COMMISSION

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In re: Florida Power & Light Company's Petition for Approval of Revisions to Its General Rules and Regulations for Electric Service and Request for Waiver from Rule 25-6.105(5)(g) Docket No .: 000676-E1

Date Filed: June 1, 2000

FLORIDA POWER & LIGHT COMPANY'S PETITION FOR APPROVAL OF REVISIONS TO ITS GENERAL RULES AND REGULATIONS FOR ELECTRIC SERVICE AND REQUEST FOR WAIVER

NOW BEFORE THIS COMMISSION, through undersigned Counsel, comes Florida Power & Light Company ("FPL" or the "Company") and hereby petitions this Commission for approval of revisions to the Company's General Rules and Regulations for Electric Service and, to the extent necessary, requests a partial waiver from Rule 25-6.105(5)(g), Fla. Admin. Code. In support of its Petition, FPL states as follows:

- 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 NUMBER-DATE 06699 JUN-18

> FPSC-RECORDS/REPORTING

3. FPL seeks approval of the following addition to its General Rules and Regulations

for Electric Service. FPL proposes the addition of a new section 7.91 that would read:

7.91 Reconnection After Violation of Rules. The Company shall not be required to restore a customer's service after being disconnected in accordance with Rule and Regulation Section 1.6 (Discontinuance of Service) and Section 8.3 (Tampering with Meters) until the Customer has complied with all applicable rules and regulations of the Company, the Company has been reimbursed for all amounts past due, and the Customer has paid the service charge for reconnection of service as specified in the applicable tariff sheet.

Revised tariff sheets reflecting this change are included herewith in red-line and final formats as

Composite Exhibit A.

4. FPL submits that this addition is consistent with the Commission's Rules and

simply clarifies a utility's right to refuse to reconnect electric service until all amounts past due are paid. FPL's proposed section 7.91 is similar to section 4.13, Section IV, of Gulf Power

Company's tariff. Section 4.13 provides in part:

The Company shall not be required to restore service after being discontinued in accordance with Rule 4.11 or 4.12 above until the Customer has complied with all reasonable rules of the Company designed to prevent a recurrence, and the Company has been reimbursed for the full amount of service rendered and paid a \$16.00 service charge for restoration of service.

5. Florida Administrative Code Rule 25-6.101 states that "[b]ills shall not be

considered delinquent prior to the expiration of twenty (20) days from the date of mailing or delivery by the utility." Rule 25-6.105(5), in turn, imposes upon the utility an additional obligation to provide a nonpaying customer at least five working days notice prior to

discontinuance of service. Thus, a utility may not disconnect service for nonpayment until the

bill is deemed "delinquent," and the customer has had at least five working days advance written

notice of the utility's intent to disconnect service (the "Final Notice").

6. In many cases, utility field personnel will take action to disconnect service for a delinquent bill ("Bill No. 1"), the Final Notice for which has been issued and "expired," at a time when the subsequent bill ("Bill No. 2") also has become delinquent, or soon will become delinquent. FPL submits that in such cases where service has been properly disconnected, including disconnection for failure to pay for electric service, the utility is not required to reconnect service until the Customer has complied with all applicable rules, including the payment of any applicable service charges for reconnection and all amounts then delinquent, irrespective of whether a Final Notice with respect to such amounts has been issued and expired.

7. Rule 25-6.105(5)(g) (sometimes hereinafter the "Rule") provides that a utility may refuse or discontinue service for "nonpayment of <u>bills</u> or noncompliance with the utility's rules and regulations, and only after there has been a diligent attempt to have the customer comply including at least 5 working days written notice to the customer." (emphasis added.) In the case referred to above, a customer whose service has been properly disconnected for nonpayment of a bill will have received the required five working day's written notice prior to disconnection. FPL submits that under the Rule no further notice is necessary. The customer will have been given the requisite opportunity to make payment to avoid disconnection. Once disconnected, the question arises whether Final Notices on any subsequent delinquent bills must have been issued and expired before the utility may collect those delinquent amounts prior to reconnection. Staff has suggested that the answer to this question may be yes. FPL submits that the answer is no.

8. The Rule allows a utility to refuse service for the non-payment of bills, not a "bill." Further, the Rule does not specify that the five-day notice requirement must be issued with respect to each and every bill; rather, the Rule provides only that the utility may not refuse or discontinue service until after the customer has received "at least 5 working days' written

notice." In cases where the utility has properly disconnected the customer for non-payment, this requirement will have been met, --the customer will have received such notice and will have failed to take steps to avoid disconnection within the time prescribed.

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FPL cannot conceive of any sound policy served by reading the Rule in a way that 9. would require the utility to reconnect service to a customer who pays only the amount subject to the Final Notice that resulted in disconnection, simply because the Final Notice with respect to additional delinquent amounts may not have expired at the time reconnection is sought. In such an instance, the customer is already properly disconnected and no amount or form of additional notice will provide the customer with any further opportunity to avoid that result. Read fairly, the Rule should permit the utility, prior to reconnecting a customer's electric service, to require payment of all amounts then "delinquent" within the meaning of Rule 25-6.101, irrespective of whether additional Final Notices have run, or even issued. To read the Rule otherwise would result in a customer whose service had been properly disconnected for failure to pay Bill 1 to obtain reconnection simply by paying Bill 1 and ignoring the delinquent amount of Bill 2. In that circumstance, within a matter of days the Final Notice for Bill 2 will have expired and the account will have become eligible for disconnection once again. This will result in yet another field visit by utility personnel to collect or disconnect with respect to a bill that was already delinquent at the time of the reconnection. Exhibit B, included herewith, provides an example of the time line for field collection/disconnection actions.

10. In the event the Commission determines that the Rule requires FPL to reconnect service to a customer who pays only delinquent amounts for which a Final Notice has been issued and expired, FPL respectfully requests a waiver from such application of the Rule. Specifically, FPL would request a waiver from the Rule such that FPL could require the payment

of all "delinquent" amounts prior to reconnecting service to a customer whose service has been properly disconnected for violation of applicable rules and regulations.

11. 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 waiver from Rule 25-6.105(5)(g) because: (1) the purpose of the underlying statute(s) will be or has been achieved by other means; and (2) strict application of the Rule would result in repeated field visits to the same premises within short periods of time, thus imposing unnecessary costs on the Company and its ratepayers.

12. The statutory provisions underlying the Rule 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."

13. These broad statutory objectives are reflected, in part, in Rule 25-6.105 pertaining to the refusal or discontinuance of service by a utility. In particular, the Rule provides customers with the assurance that electric service will not be refused or discontinued except in certain

defined circumstances. Approving the waiver will not foil the underlying purpose of these statutes. Indeed, customers will not have their service disconnected by FPL for non-payment of a delinquent bill, except upon expiration of a Final Notice relative to the delinquent amount. Requiring, as a condition for reconnection the payment of an additional delinquent amount for which the corresponding Final Notice may not yet have expired does not deprive the customer of any appropriate protection or assurance against improper or premature disconnection or refusal to provide service. The customer in question is already without service. No amount or form of additional notice will cure this situation. The customer's remedy following disconnection will be to pay all delinquent amounts and applicable service charges in order to have service restored.

14. Allowing a customer to have service reconnected without requiring the payment of all delinquent places an unreasonable burden on the utility and the utility's ratepayers who bear costs not recovered through the reconnection fee assessed against the disconnected customer. Currently, the reconnection fee is \$19.00. FPL estimates its average cost disconnect and reconnect a customer to be approximately \$10.50 and \$25.00, respectively. As noted above, by the time a utility disconnects service, a customer often has a second delinquent bill. However, at the time a customer requests reconnection, a Final Notice may not yet have expired for the second delinquent bill. If service must be restored without collection of the additional delinquent amount from the customer, the utility will be forced to make another field visit within a few days of reconnection (following expiration of the additional Final Notice) to collect or disconnect service again with respect to the additional delinquent bill. This imposes unnecessary costs on the utility and its customers and represents a hardship that could be avoided through the requested waiver.

WHEREFORE, for the above and foregoing reasons, Florida Power & Light Company respectfully requests that the Commission grant its petition for a revision of its General Rules and Regulations for Electric Service, and, if necessary, grant its request for a partial waiver from Rule 25-6.105(5)(g).

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

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 <u>/>r</u> day of June, 2000 to the Joint Administrative Procedures Committee, c/o Carroll Webb, Room 120 Holland Building, Tallahassee, Florida 32399-1300.

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COMPOSITE EXHIBIT A

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FLORIDA POWER & LIGHT COMPANY

NinthTenth Revised Sheet No. 6.060 Cancels EighthNinth Revised Sheet No. 6.060

7.15 Summary Billing. A customer with ten (10) or more FPL accounts may request a single statement for the billing and payment of those accounts under Summary Billing. With Summary Billing, the Customer designates the accounts to be included and the cycle day each month when the Summary Bill is to be rendered. FPL will read each meter and calculate the billing amount for each account separately. The billing amount for each of the designated accounts will be totaled on the Summary Billing Statement, with each of the individual account bills attached as backup. Summary Bills are due when rendered and Customers are subject to removal from the program if bills are not paid within ten (10) days from the date of mailing.

7.2 Non-Receipt of Bills. Non-receipt of bills by the Customer shall not release or diminish the obligation of the Customer with respect to payment thereof.

7.3 Evidence of Consumption When service used is measured by meters, the Company's accounts thereof shall be accepted and received at all times, places and courts as prima facie evidence of the quantity of electricity used by the Customer unless it is established that the meter is not accurate within the limits specified by the Commission.

7.4 Application of Rate Schedules Electric service will be measured by a single metering installation for each point of delivery. The Company will establish one point of delivery for each Customer and calculate the bill accordingly. Two or more points of delivery shall be considered as separate services and bills separately calculated for each point of delivery.

The Company may adjust the measured kilowatt-demand (kwd) of a Customer to compensate for registration of an abnormal demand level due to testing of electrically-operated equipment prior to general operation provided that the Customer contacts the Company in advance and schedules the testing at a mutually agreed upon time.

7.5 Optional Rate. Where a Customer is eligible to take service at a given location under one of two or more optional rate schedules, the Company will, on request, assist in the selection of the most advantageous rate on an annual basis. If the Customer applies in writing for another applicable schedule, the Company will bill on such elected schedule from and after the date of the next meter reading. However, a Customer having made such a change of rate may not make another change until an interval of 12 months has elapsed.

7.6 Taxes and Charges. All of the Company's rates, including minimum and demand charges and service guarantees, are dependent upon Federal, State, County, Municipal, District, and other Governmental taxes, license fees or other impositions, and may be increased or a surcharge added if and when the cost per kilowatt hour, or per Customer, or per unit of demand or other applicable unit of charge, is increased because of an increase in any or all such taxes, license fees or other impositions. A franchise charge shall be added to the bills of all Florida Public Service Commission jurisdictional customers, as determined by the franchise agreements between Florida Power & Light Company and governmental authorities. The charge shall be computed as a percentage of the bill for energy including fuel delivered within the franchise area, excluding separately stated taxes and the franchise charge itself. This charge shall reflect the estimated amount of the annual franchise payment to that specified governmental authority in which the Customer's account is located, plus adjustment for the gross receipts tax and the regulatory assessment fee, and shall be corrected at least annually for any differences between the actual collections and actual payments.

7.7 Disconnection and Reconnection ofResidential Service.

7.71 Disconnection of Residential Service When a residential Customer orders service discontinued, the Company may ask the Customer to open the main switch upon vacating the premises. This will allow the use of electric service until the time of departure and will insure that no energy is used or charges accrue after the Customer leaves. As convenient, after the date of disconnection, a Company employee will visit the premises to read the meter.

7.72 Reconnection of Residential Service A Customer who reconnects service by closing the switch should give immediate notice thereof to the Company so that proper records may be maintained. Should the Customer neglect to give such notice, the regular meter reader will note this fact and reconnection will be recorded as of the date when the switch was closed. If this date cannot be readily determined, reconnection shall be recorded as of the next preceding meter reading date.

<u>7.8 Change of Occupancy</u>. When change of occupancy takes place on any premises supplied by the Company with electric service, notice should be given to the Company not less than three (3) days prior to the date of change by the outgoing party who will be held responsible for all electric service used on such premises until such notice is received and the Company has had a reasonable time to discontinue service. However, if such notice has not been received prior thereto, the application of the succeeding occupant for the electric service will automatically terminate the prior account.

7.9 Delinquent Bills Bills are due when rendered and become delinquent if not paid within twenty (20) days from the mailing or delivery date. Thereafter, following five (5) working days' written notice, service may be discontinued and the deposit applied toward settlement of the bill. For purposes of this subsection, "working day" means any day on which the Company's business offices are open and the U.S. Mail is delivered.

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Issued by: P. J. Evanson, President Effective: May 1, 2000

FLORIDA POWER & LIGHT COMPANY

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

CURRENT PROCESS:

	May Billing Date	May's Bill Due Date	May's Final Notice Mailed	May's Final Notice Due	June Billing Date	Field Eligible May Billing	June's Bill Due Date	June's Final Notice Mailed	Disconnected & Reconnected For May's Bill	June's Final Notice Due	Field Eligible June Billing	Disconnected Reconnected Reconnected Reconnected Reconnected Reconnected
Date	5/28	6/18	6/19	6/26	6/26	6/27*	7/17	7/18	7/19	7/25	7/26	7/31
PROPOSED PROCESS:												
	May Billing Date	May's Bill Due Date	May's Final Notice Mailed	May's Final Notice Due	June Billing Date	Field Eligible May Billing	June's Bill Due Date	June's Final Notice Mailed	Disconnected for May's Bill	Reconnect for all past due (May & June)		
Date	5/28	6/18	6/19	6/26	6/26	6/27*	7/17	7/18	7/19	7/19**		

• A customer could be disconnected anytime after 6/26. However, depending upon the write-off risk, as determined by factors such as length of service and payment history, a customer may be disconnected immediately or may receive a phone call and be given additional time to pay. Also, due to the occasionally high number of non-paying customers, FPL sometimes is faced with a backlog of accounts eligible for disconnection. These two situations may result in a field visit for collection or disconnection not occurring until after a second bill has become delinquent.

** With the collection of all past due balances, the customer's account is made current.