

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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**COMMISSION
CLERK**

DATE: April 12, 2011
TO: Ann Cole, Commission Clerk, Office of Commission Clerk
FROM: Connie S. Kummer, Chief of Certification & Tariffs, Division of Economic Regulation *CS*
RE: Letter of intent to file tariff by City of Lakeland Electric Utility

Please file the attached document in the 110000 undocketed matters file. Thanks you.

DOCUMENT NUMBER-DATE

02421 APR 12 =

FPSC-COMMISSION CLERK



April 4, 2011

Ms. Connie Kummer
Florida Public Service Commission
Division of Electric Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Letter of Intent to File Revised Electric Rate Tariff of Lakeland Electric, City of Lakeland

Dear Ms. Kummer:

Enclosed is an informational copy of a new Interruptible rate schedule Lakeland Electric, City of Lakeland, expects to file later this year. Terms and conditions of service mirror those of existing Interruptible rate schedules with changes that include: 1) high demand and load factor, 2) reciprocal sixty (60) months written notice to terminate service, and 3) minimum of six (6) months before reinstatement of eligibility under the rate schedule. Pricing will be determined by the outcome of 2011 Rate Study scheduled for completion prior to October 2011.

The Electric Rate Tariff pages included are:

- Sheet No. 8.8, Original
- Sheet No. 8.8.1, Original
- Sheet No. 8.8.2, Original
- Sheet No. 8.8.3, Original
- Sheet No. 8.8.4, Original

Any questions should be directed to my attention at 863-834-6522 or by e-mail.

Respectfully,

Jeffrey R. Sprague
Manager Pricing & Rates

Enclosures

RECEIVED
 FLORIDA PUBLIC SERVICE
 COMMISSION
 DIVISION OF
 ECONOMIC REGULATION
 11 APR -0 AM 7:47

RATE SCHEDULE LDISX-1
LARGE DEMAND INTERRUPTIBLE RATE
Optional Time-Of-Day

Rate LDISX-1
Page 5 of 5

(Continued from Sheet No. 8.8.3)

Special Provisions: (Continued)

4. Customers taking service under this interruptible rate schedule who desire to transfer to a non-interruptible rate schedule will be required to give Lakeland Electric written notice at least sixty (60) months prior to such transfer. Such notice shall be irrevocable unless Lakeland Electric and the customer shall mutually agree to void the revocation. Transfer to another interruptible rate schedule for which the Customer is eligible is not subject to this notice provision.
5. If Customer fails to remain eligible for service under the terms of this interruptible rate schedule Lakeland Electric shall reassign the Customer to the appropriate rate schedule until such time as the Customer re-establishes eligibility. Service so terminated may be restored after not less than six (6) months and under a new Term of Service.
6. So long as Customer remains eligible for service under this rate schedule Lakeland Electric shall not terminate service without sixty (60) months written notice.
7. In the event the Customer fails to deliver the specified interruptible load, billing adjustments will be made, back to the most recent interruption by the Lakeland Electric, to remove the Controlled Demand Credit. The adjustment shall be billed at a rate 1.25 times the Controlled Demand Credit. The Customer shall be ineligible for the Controlled Demand Credit until the ability to deliver the agreed interruptible load is demonstrated.
8. Lakeland Electric may purchase power and energy from other sources for the customer's use during periods when interruptions are required but is not required to do so pursuant to this schedule. When possible, Lakeland Electric, will provide advanced notification of purchases made for the customer or as soon as practical thereafter and similar notification will be provided upon termination of such purchases. The customer will be required to pay the actual charges of such purchases in lieu of the otherwise applicable energy charges (energy charge, capacity charge, and fuel adjustment) provided in this rate schedule. These costs shall be based on the customer's proportionate share of a higher cost of such purchased energy plus 1.04 mills per kWh. The cost of such purchased energy shall be based on the average cost of all purchased power and energy provided under this rate schedule during the corresponding calendar month.
9. Lakeland Electric, when possible, will provide advanced notification when interruptions are eminent or as soon as practical; thereafter, when advanced notice is not feasible.

RATE SCHEDULE LDISX-1
LARGE DEMAND INTERRUPTIBLE RATE
Optional Time-Of-Day

Rate LDISX-1
Page 1 of 5

Available:

In all territory served by Lakeland Electric.

Applicable:

To any general service customer whose highest 30-minute interval demand is 7,500 kW or greater and load factor of 95% or greater six (6) or more of the twelve (12) most recent billing periods, including the current billing period, and where service may be interrupted by Lakeland Electric . Service under this rate schedule is not offered to Customers for whom an interruption would interfere with functions necessary for the protection of public health and safety. Lakeland Electric reserves the right to limit the total load served under this schedule.

Character of Service:

The electric energy delivered under this schedule shall be: A-C; 60 Hertz; three phase; at the standard utility voltage offered by Lakeland Electric.

Limitation of Service:

Resale not permitted under this rate schedule. Service hereunder is at the sole option of Lakeland Electric. Electric power and energy service supplied hereunder may be interrupted if required to: 1) provide service to its firm power customers during periods of capacity shortages; or 2) supply emergency interchange to other utilities for their firm load obligations. Each point of delivery served hereunder shall have installed special equipment to insure immediate discontinuance of service in the event of a system disturbance. Such special equipment shall be under the sole control of Lakeland Electric.

Notice of Interruption:

In the event an interruption is called in response to Limitation of Service, Lakeland Electric will attempt to provide no less than 30 minutes notice. Notice of less than 30 minutes may be given if necessary to prevent loss of power to firm service customers.

(Continued to Sheet No. 8.8.1)

RATE SCHEDULE LDISX-1
LARGE DEMAND INTERRUPTIBLE RATE
Optional Time-Of-Day

Rate LDISX-1
Page 2 of 5

(Continued from Sheet No. 8.8)

Net Rate Per Month:

Customer Charge:

Primary Metering Voltage	\$	XXX.XX
Secondary Metering Voltage	\$	XXX.XX

Demand Charge:	\$	X.XX per kW of Billing Demand
Controlled Demand Credit:	\$	X.XX per kW of Controlled Demand

Energy Charge:

On Peak :	X.XXX cents per kWh
Off Peak:	X.XXX cents per kWh

All time periods stated in prevailing time.

	<u>Summer</u>	<u>Winter</u>
On-Peak Hours	<u>Apr. 1 - Oct. 31</u>	<u>Nov. 1 - March 31</u>
(Monday - Friday)	1:01 PM - 10:00 PM	6:01 AM - 12:00 Noon and 5:01 PM - 10:00 PM

Off-Peak Hours All other weekday hours, and all hours on Saturdays, Sundays, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be off-peak.

Minimum Bill:

Customer charge, Facilities Charge, demand charge, plus Adjustments-

Adjustments:

Fuel charge, as contained in Schedule BA-1
Florida Gross Receipts and Regulatory Tax Adjustment, as contained in Schedule BA-2
10% Utility Tax inside City limits, as contained in Schedule BA-2
10% Surcharge outside City limits, as contained in Schedule BA-2
Environmental Compliance Cost Charge as contained in Schedule BA-3
Polk County Public Service Tax, as adopted by Polk County
Florida State Sales Tax, as adopted by The State of Florida

Payment:

Net bills are due when rendered and are delinquent thirty (30) days after the billing date.

(Continued to Sheet No. 8.8.2)

RATE SCHEDULE LDISX-1
LARGE DEMAND INTERRUPTIBLE RATE
Optional Time-Of-Day

Rate LDISX-1
Page 3 of 5

(Continued from Sheet No. 8.8.1)

Determination of Billing Demand:

Billing demand is the highest of: (1) the maximum 30-minute interval demand established during the current on-peak period or (2) 28% of the highest 30-minute interval demand established during the current off-peak period.

Where charges specified in a rate schedule are based upon the measured maximum 30-minute integrated demand, it is intended that such demand shall fairly represent the capacity which Lakeland Electric is required to stand ready to supply. In case of installations which use this service in a manner such that measurement over a 30-minute interval does not result in a fair or equitable measure of the supply capacity required to serve the customer's load, then the measured demand may be adjusted taking into account the known character of use and the rating data of the equipment connected or from special tests, the intent being that the demand so determined shall fairly represent the customer's capacity requirement.

In cases where Lakeland Electric elects to use connected load, instead of demand measurement, as the method for determining demand, it will take into account the known character of use and the rating data of the equipment connected, the intent being that the demand so determined shall fairly represent the customer's capacity requirement.

Controlled Demand:

The amount recognized by the Lakeland Electric as available for interruption.

Delivery Voltage Discounts:

Primary Voltage Service:

Service at primary voltage, where available, will be supplied under this rate schedule upon request. When service is supplied at primary voltage the customer will own and maintain all substations, lines, transformer supporting structures, transformers and other equipment required for utilization of the delivery voltage. Lakeland Electric will own no equipment beyond the primary voltage metering point.

A \$0.26 per KW metering voltage discount on demand charges and a 4.8% discount on energy, plus non-exempt fuel as specified in Schedule BA-1, charges and on Schedule BA-3 charges will be allowed when service is delivered and metered at primary voltage.

(Continued to Sheet No. 8.8.3)

RATE SCHEDULE LDISX-1
LARGE DEMAND INTERRUPTIBLE RATE
Optional Time-Of-Day

Rate LDISX-1
Page 4 of 5

(Continued from Sheet No. 8.8.2)

Delivery Voltage Discounts (cont.):

Secondary Service Metered at Primary Voltage:

In cases where secondary service is being supplied, but Lakeland Electric has elected to meter the service at primary voltage, there will be discounts of \$0.26 applied to the demand charge and 1% applied to energy, plus non-exempt fuel as specified in Schedule BA-1, charges and to the Schedule BA-3 charge. No new secondary service will be constructed with metering at the primary voltage.

Facilities Charge:

When the Customer requests and when Lakeland Electric agrees to furnish, install, and maintain facilities for the exclusive use of the Customer, such Customer will be required to pay a facilities charge in addition to the above demand and energy rate. The facilities charge will be based upon the cost of such excess facilities.

Terms and Conditions:

Power factor at the time of the monthly peak demand must be maintained above 90%. Service hereunder is subject to the rules and regulations for electric service as adopted by Lakeland Electric from time to time and on file with the City Clerk.

Term of Service:

The initial Term of Service shall be sixty (60) months with automatic annual renewal of identical duration on the anniversary date of service in lieu of contract. Notice to terminate service by either party shall be in accordance with terms in the Special Provisions.

Special Provisions:

1. When the customer increases his electrical load, which increase requires Lakeland Electric to increase facilities installed for the specific use of the customer, a new Term of Service may be required under this rate at the option of Lakeland Electric.
2. Lakeland Electric may, under the provisions of this rate, at its option, require a special contract with the customer.
3. Lakeland Electric will furnish service under this rate at a single voltage through one point of delivery and measured through one meter. Equipment to supply additional voltages or additional facilities for the use of the customer shall be furnished and maintained by the customer.

(Continued to Sheet No. 8.8.4)