

Redington Towers One Condominium Association, Inc.
17900 Gulf Boulevard
Redington Shores, FL 33708

January 15, 1998

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

77542-EI

Re: Petition for declaratory statement
regarding eligibility for pre-1981
buildings for conversion to
master metering by Florida Power
Corporation.

Dear Ms. Bayó:

Enclosed for filing in the subject docket are copies of Redington Towers' brief
regarding eligibility of pre-1981 buildings for conversion to master metering.

ACK — Please acknowledge your receipt of the above filing on the enclosed copy of this
AEA letter and return to the undersigned.

APP *Hellon*

Sincerely,

Robert W. Glover
Robert W. Glover
President Elect
(813) 319-2073

CAF _____
CMU _____
CTR _____
EAG *2* _____
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Attach: (2)

DOCUMENT NUMBER-DATE

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FPSC RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Petition for declaratory
statement regarding eligibility
of pre-1981 buildings for
conversion to master metering
by Florida Power Corporation.**

Docket No. 971542

**Submitted for filing:
January 15, 1998**

BRIEF FOR DECLARATORY STATEMENT

Redington Towers One request that the Commission consider the material in this brief as part of the deliberation with respect to Florida Power's Petition for Declaratory Statement on the interpretation of Rule 25 - 6.049 (5), F.A.C.

Introduction

- 1. The name of this Petitioner and his business address is:**

**Redington Towers One Condominium Association, Inc.
c/o Infiniti Property Management Co.
1301 Seminole Blvd., Suite 110
Largo, Florida 33770**

- 2. All notices, orders, pleadings and other communications in this proceeding should be directed to:**

**Robert W. Glover - President
c/o Infiniti Property Management Co.
1301 Seminole Blvd., Suite 110
Largo, Florida 33770**

**Tel: (813) 585-3491
(813) 319-2073**

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Commission Rule to be Interpreted

3. The declaratory statement requested by Florida Power involves the interpretation of Commission Rule 25-6.049(5) through (7), F.A.C., ('the Master Metering Rule' or 'the Rule'), and in particular paragraph (5)(a) of the Rule, which provides in pertinent part:

Individual electric metering by the utility shall be required for each separate occupancy unit of new commercial establishments, residential buildings, condominiums, cooperatives, marinas, and trailer, mobile home and recreational vehicle parks for which construction is commenced after January 1, 1981.

Declaratory Statement Sought

4. Based on the facts described below, Redington Towers One requests a declaration by the Commission that:

Upholds and enforces Commission Rule 25-6.49(5) through (7) F.A.C. ('the Master Metering Rule' or 'the Rule').

Factual Background

5. Redington Towers One is one of a three building Condominium Complex, which is located in the Town of Redington Shores, Florida, and built prior to January 1, 1981. One of our sister buildings applied for and was granted permission to switch to master metering for residential users. This changeover was made in August of 1997. In their letter of October 10, 1997 (copy attached), Florida Power declined to provide master metering for

Redington Tower One. Letters of protest have been filed with Florida Power and the PSC Bureau of Electricity & Gas.

Basically, the problem is with a very recent re-interpretation by Florida Power of the Florida Public Service Commission Rule 15-6.049 which mandates individual metering for condos permitted after January 1, 1981. In this re-interpretation, Florida Power, citing this rule as its authority, denies the freedom of condos built earlier to switch from individual metering to master metering and thereby effectively extends the mandatory individual metering of condos permitted after January 1, 1981 to those built before. Our date is earlier than January 1, 1981. It is pertinent that, only a few months earlier, Florida Power, recognizing that older condos were not precluded from applying for master metering by this section, approved and executed the transition from individual metering to master metering for one of the three buildings of our complex.

We regard their re-interpretation as totally arbitrary and intended to keep as many customers as possible on the highest possible rate. As between our several buildings, it is obviously discriminatory, and will affect our comparative real estate values. The difference in rates is about 38%.

Moving to master metering is projected to save our families involved several thousand dollars per month.

The statement in their letter to us (copy attached) that the change to master metering would reduce the incentive for individual unit owners to conserve electricity is incorrect. As Florida Power knows because they helped develop the program in our sister building, our plan anticipates master metering to the Association followed by individual apartment metering through existing sub-metering. The Association will pass along the cost of electricity to the individual apartment owners in proportion to their actual usage. Furthermore, our plan continues Florida Power Energy Load Management / Conservation programs, with the credits from same flowing to the appropriate unit owner. The unit owners' incentives to conservation are therefore unchanged. Since Florida Power is familiar with this aspect of our program, their statement that the incentives for conservation are lost is, at best, disingenuous.

We are not breaking ground for new programs. It was stated in the July 1997 issue of a condo manager's trade magazine that master metering is common among older condos. The sub-metering we propose to retain conservation incentives may be unique.

Discussion

6. We are of the opinion that Florida Power has made some misleading and some cases incorrect assertions in their petition of November 21, 1997 and we are also of the opinion the commission should hear our side of these issues. Specifically, we contest statements made by Florida Power on page 4 of their Petition, para 7:

(Order No. PSC - 97 - 1352 - FOF - EU, issued October 27, 1997 in Docket No. 970647-EU) dealt with Dunedin Beach Campground and it is self-serving and grossly misleading to compare Redington Towers Condominium complex to a campground facility. Condominiums are self-governing entities, regulated by the State of Florida as Florida (not for profit) Corporations. The last sentence on this page suggests "no hardship" if the Rule in question were not enforced. This cannot be farther from the truth. The owners at Redington Towers have been forced to pay an unnecessarily high rate for electricity since before 1981 and to continue this injustice would be grossly unfair!

Page 5. Para 9.

Florida Power offers (Order No. PSC - 97 - 0074 - FOF - EU, issued January 24, 1997 in Docket No. 951485-EU) for comparison. This order does not reflect the circumstances prevailing here at the Redington Towers complex. Specifically in sub para (a).

Condominium owners are provided with essential services such as security guards, fire alarms, trash collection, water, sewer, etc through a licensed management company, responsible to the Condo Board of Directors of the Condominium Association. Condominium Associations must comply with Florida Condominium Statutes with respect to delivery of these services and other unit owner rights with oversight provided by the Bureau of Condominiums. The users of electricity under master metering will be afforded all of the same consumer protections as are provided now for the services listed above.

Sub Para b.

The argument that our customers, whose usage is residential in nature, should not benefit from the commercial rate discount has been largely mitigated by the implementation, by Florida Power of "load management." Participation in this program by users enables Florida Power to shed heavy electrical loads, such as air-conditioning and heating, during peak usage periods. This leveling of residential

demand makes the characteristics of residential usage more in line with the fairly level demand by commercial users. The sister building in our complex has experienced a large increase in the participation by users in the load management program because of greater incentives and better publicity by their Board of Directors.

Sub Para c

It is a falsehood for Florida Power to infer that users will lose the option to participate in conservation programs. Florida Power knows full well, because they administer these programs at the master metered building in our complex, that ALL conservation programs are still in place and are in fact being enhanced through condo Board activism.

The last Florida Power quote on page 9 of para 9 appears to have been taken out of context as we would expect that the commission's outdated policy of retaining authority over the provision of electricity to end users will soon yield to new and better ideas for the distribution of electricity under deregulation.

Wherefore,

**Redington Towers One requests that the Commission uphold Rule 25-6.049(5),
F.A.C. in that this Rule has already withstood the test of time for 17 years and rule
that Florida Power comply and allow master metering of electricity for Redington
Tower One.**

Respectfully submitted,

**Robert W. Glover
President - Elect
Redington Towers One
Tel: (813) 585-3491 (Business Office)
(813) 319-2073 (Home)**



October 10, 1997

Mr. Robert W. Glover
Director, Redington Towers No. 1
17900 Gulf Boulevard
Redington Towers Unit 14-F
Redington Shores, FL 33708-1101

Re: Redington Towers I
Request for Conversion
to Master Metering

Dear Mr. Glover:

I am in receipt of your correspondence to me of October 8, 1997 regarding subject matter. I am enclosing correspondence I submitted to Mr. Robert Holthaus of Redington Towers explaining Florida Power's position.

We share your concern regarding the inconsistency afforded Building II to have been converted to master metering and Florida Power's refusal to permit additional buildings at the Redington Towers complex to be converted. Quite frankly, the problem is that Building II should not have been allowed to be converted to master metering. Having done so is counter to the Florida Public Service Commission's intent to establish individual metering of condominiums and many other multi-unit facilities for the purposes of encouraging conservation and avoiding other electric service problems. Since Building II has been changed recently to master metering, Florida Power believes it would be unreasonable to seek to correct the problem by requiring that particular building to be reinstated with individual metering. However, Florida Power cannot allow additional buildings of the complex to be converted; we believe that if we did allow this it would be a flagrant violation of the Commission's rules.

I am hopeful of your understanding of this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "William C. Slusser, Jr.", is written over a faint, illegible typed name.

William C. Slusser, Jr.
Director, Pricing

Enclosure

cc: James J. Wickman, Florida Power Corp. Energy Solutions



October 10, 1997

Mr. Robert Holthaus
17940 Gulf Boulevard
Redington Towers Unit 10C
Redington Shores, FL 33708

**Re: Request for Conversion
to Master Metering**

Dear Mr. Holthaus:

Based on the Florida Public Service Commission's rule 25-6.049, F.A.C., which I provided you in correspondence dated September 29, 1997, Florida Power cannot accommodate your Condominium's request to convert additional buildings having individual metered occupancy units to master metering of these occupancy units.

As I discussed with you by telephone last week, the rule was established in 1980 when the Commission attempted to establish greater conservation efforts, and it was their opinion that individual metering in a multi-unit facility provides greater incentive for conservation than master metering.

Additionally, the Commission has expressed a number of other concerns regarding master metering that support the enforcement of this rule. These concerns include:

- (1) Loss of consumer protections by the severance of direct relationships between the utility and the end user of the electricity;
- (2) Inappropriate rate charges resulting from the application of a general service (commercial) rate to a master metered facility whose usage characteristics are residential in nature;
and
- (3) Inability of end users to participate in Commission approved conservation programs.

I am hopeful of your understanding of Florida Power's enforcement of this rule to accomplish the Commission's objectives of promoting conservation and alleviating other problems posed with master metering.

Sincerely,

A handwritten signature in cursive script that reads "William C. Slusser, Jr.".

William C. Slusser, Jr.
Director, Pricing

cc: James J. Wickman, Florida Power Corp. Energy Solutions