FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

DATE: September 24, 1991

RE: DOCKET NO. 910781-GU - Investigation into the application of the flexible pricing provision of Industrial Interruptible Service rate schedule of FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (formerly Central Florida Gas Company). (Deferred from 8/6/91 Commission Conference)

Issue 1: Chesapeake has charged its interruptible customers at a rate within its approved flex rate range, but above the base nonfuel energy charge set in its last rate case. That base charge was developed using a cost of service study. The Company has never charged a rate less than the base non-fuel energy charge; that is, they have never flexed down. Is the Company's interpretation of its tariff consistent with the Commission's intent in approving those tariff provisions?
Recommendation: The Commission's intent cannot be clearly determined from the record in the Chesapeake rate case or in the record of the West Florida rate case (Docket 871255-GU). The stipulated acceptance of Chesapeake's flex rate was based on the flex rate established for West Florida in that case.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY	DISSENTING
Susan F. Clark	
Michael McK. Wilson	
J. Terry Deason	

REMARKS/DISSENTING COMMENTS:

PSC/RAR33(5/90)

The Commission directed that this decision not [illegible] as P.A.A.

<u>Issue 2:</u> Should the Commission clarify its intent regarding whether a gas utility may flex its rate above the base non-energy fuel charge regardless of whether it has previously suffered revenue loss from flexing its rate at that level?
<u>Recommendation:</u> Yes.

APPROVED

<u>Issue 3:</u> Should Chesapeake be required to have a tariff under which interruptible customers would be able to receive service under a set interruptible rate; that is, a rate that is not subject to flex?
<u>Recommendation:</u> No.

APPROVED

<u>Issue 4:</u> Should gas utilities be required to have a separate rate classification of contract interruptible customers?
<u>Recommendation:</u> No, a separate class is not necessary.

APPROVED

<u>Issue 5:</u> Does Chesapeake's tariff, as approved, permit the Company to charge a rate above its base non-fuel energy charge without regard to any previous revenue shortfall due to downward flex of its interruptible rate?
<u>Recommendation:</u> Yes, it does.

APPROVED

Issue 6: Should Chesapeake be permitted to flex its interruptible rate up or down within the approved range of 0.00 centers to 90 percent of the applicable firm rate based solely upon the company's evaluation of competitive conditions as stated in Chesapeake's tariff and without regard to any previous revenue shortfall?
Primary Recommendation: No. The flex provision should only be increased to recover lost revenues associated with a prior decrease in the flex rate. The Commission should order Chesapeake to revise its interruptible tariff to reflect the Commission's decision on this issue.

DENIED

Alternate Recommendation: Yes.

APPROVED

Issue 7: Should Chesapeake be required to refund the surplus revenues collected from its interruptible customers?
Recommendation: No. Chesapeake should not be required to refund the surplus revenues collected from its interruptible customers.

APPROVED

Issue 8: Should this docket be closed?
Recommendation: Yes. If no request for a hearing is timely filed, this docket should be closed when the protest period has run.

APPROVED