

ORIGINAL

MEMORANDUM

December 7, 1998

TO : DIVISION OF RECORDS & REPORTING

FROM : CHRISTIANA T. MOORE, ASSOCIATE GENERAL COUNSEL *AM*

RE : DOCKET NO. 980275-GU - PROPOSED AMENDMENT OF RULE 25-7.0131, F.A.C., INVESTOR-OWNED GAS UTILITY REGULATORY ASSESSMENT FEES

Attached is an original and three copies of the certification of Rule 25-7.0131. The Department of State must receive the original and two copies of the certification no later than 5:00 p.m., December 7, 1998. The Certification includes:

- (1) An original and two certified copies of Rule 25-7.0131, F.A.C., and a copy of Form PSC/ADM-67 (Rev. 01/99) incorporated by reference into the rule;
- (2) A summary of the rule;
- (3) A summary of the hearing on the rule; and
- (4) A written statement of the facts and circumstances justifying the rule.

CRT70131.MRD  
Attachments

ACK \_\_\_\_\_  
 AFA \_\_\_\_\_  
 APP \_\_\_\_\_  
 CAF \_\_\_\_\_  
 CMU \_\_\_\_\_  
 CTR \_\_\_\_\_  
 EAG \_\_\_\_\_  
 LEG \_\_\_\_\_  
 LIN \_\_\_\_\_  
 OPC \_\_\_\_\_  
 RCH \_\_\_\_\_  
 SEC   1   \_\_\_\_\_  
 WAS \_\_\_\_\_  
 OTH \_\_\_\_\_

DEPARTMENT OF STATE  
 TALLAHASSEE, FLORIDA  
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DOCUMENT NUMBER-DATE  
**13857 DEC-98**  
 FPSC-RECORDS/REPORTING

DOCKET NO. 980275-GU

CERTIFICATION OF  
PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES  
FILED WITH THE  
DEPARTMENT OF STATE

I do hereby certify:

(1) That all statutory rulemaking requirements of Chapter 120, F.S., have been complied with; and

(2) There is no administrative determination under subsection 120.56(2), F.S., pending on any rule covered by this certification; and

(3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(3)(e), F.S. They are filed not less than 28 days after the notice required by paragraph 120.54(3)(a), F.S., and;

(a) Are filed not more than 90 days after the notice;  
or

(b) Are filed not more than 90 days after the notice not including days an administrative determination was pending;  
or

(c) Are filed more than 90 days after the notice, but not less than 21 days nor more than 45 days from the date of publication of the notice of change; or

(d) Are filed more than 90 days after the notice, but not less than 14 nor more than 45 days after the adjournment of

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the final public hearing on the rule; or

∟/ (e) Are filed more than 90 days after the notice, but within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

∟/ (f) Are filed more than 90 days after the notice, but within 21 days after the date the transcript was received by this agency; or

∟/ (g) Are filed not more than 90 days after the notice, not including days the adoption of the rule was postponed following notification from the Joint Administrative Procedures Committee that an objection to the rule was being considered; or

∟/ (h) Are filed more than 90 days after the notice, but within 21 days after a good faith written proposal for a lower cost regulatory alternative to a proposed rule is submitted which substantially accomplishes the objectives of the law being implemented; or

∟/ (i) Are filed more than 90 days after the notice, but within 21 days after a regulatory alternative is offered by the small business ombudsman.

Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the undersigned agency by and upon their filing with the Department of State.

Rule No.

25-7.0131



Under the provision of subparagraph 120.54(3)(e)6., F.S.,  
the rules take effect 20 days from the date filed with the  
Department of State or a later date as set out below:

Effective: January 1 1999  
(month) (day) (year)

Blanca S. Bayó  
BLANCA S. BAYÓ, Director  
Division of Records & Reporting

Number of Pages Certified



1 25-7.0131 Regulatory Assessment Fees; Gas Utilities, Gas  
2 Municipals, and Gas Districts.

3 (1) As applicable and as provided in s. 350.113, F.S. and  
4 s. 366.14, F.S., each gas utility, municipal, or gas district  
5 shall remit a fee based upon its gross operating revenue. This  
6 fee shall be referred to as a regulatory assessment fee.

7 Regardless of the gross operating revenue of a company, a minimum  
8 annual regulatory assessment fee of \$25 shall be imposed.

9 (a) Each investor-owned gas utility shall pay a regulatory  
10 assessment fee in the amount of .005 ~~0.00375~~ of its gross  
11 operating revenue derived from intrastate business, excluding  
12 sales for resale between public utilities, municipal gas  
13 utilities, and gas districts or any combination thereof.

14 (b) Each municipal or gas district shall pay a regulatory  
15 assessment fee in the amount of 0.001919 of its gross operating  
16 revenue derived from intrastate business, excluding sales for  
17 resale between public utilities, municipal gas utilities, and gas  
18 district or any combination thereof.

19 (2) Regulatory assessment fees are due each January 30 for  
20 the preceding period or any part of the period from July 1 until  
21 December 31, and on July 30 for the preceding period or any part  
22 of the period from January 1 until June 30.

23 (3) If the due date falls on a Saturday, Sunday, or a legal  
24 holiday, the due date is extended to the next business day.  
25 the fees are sent by registered mail, the date of the

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~~struck-through~~ type are deletions from existing law.

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1 registration is the United States Postal Service's postmark date.  
2 If the fees are sent by certified mail and the receipt is  
3 postmarked by a postal employee, the date and the receipt is the  
4 United States Postal Service's postmark date. The postmarked  
5 certified mail receipt is evidence that the fees were delivered.  
6 Regulatory assessment fees are considered paid on the date they  
7 are postmarked by the United States Postal Service or received  
8 and logged in by the Commission's Division of Administration in  
9 Tallahassee. Fees are considered timely paid if properly  
10 addressed, with sufficient postage and postmarked no later than  
11 the due date.

12 (4) Commission Form PSC/ADM 67 (01/99 ~~07/96~~), entitled  
13 "Investor-Owned Natural Gas Utility Regulatory Assessment Fee  
14 Return" and Form PSC/ADM 71 (07/96), entitled "Gas Municipal or  
15 Gas District Regulatory Assessment Fee Return" are incorporated  
16 into this rule by reference and may be obtained from the  
17 Commission's Division of Administration. The failure of a  
18 utility to receive a return form shall not excuse the utility  
19 from its obligation to timely remit the regulatory assessment  
20 fees.

21 (5) Each utility, municipal, and gas district shall have up  
22 to and including the due date in which to:

- 23 (a) Remit the total amount of its fee or  
24 (b) Remit an amount which the utility, municipal, or gas  
25 district estimates is its full fee

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1 (6) Where the utility, municipal, or gas district remits  
2 less than its full fee, the remainder of the full fee shall be  
3 due on or before the 30th day from the due date and shall, where  
4 the amount remitted was less than 90 percent of the total  
5 regulatory assessment fee, include interest as provided by  
6 subsection (8)(b) of this rule.

7 (7) A utility, municipal, or gas district may request from  
8 the Division of Administration a 30-day extension of its due date  
9 for payment of regulatory assessment fees or for filing its  
10 return form.

11 (a) The request for extension must be written and  
12 accompanied by a statement of good cause.

13 (b) The request for extension must be received by the  
14 Division of Administration at least two weeks before the due  
15 date.

16 (c) Where a utility, municipal, or gas district receives an  
17 extension of its due date pursuant to this rule, then the  
18 utility, municipal, or gas district shall remit a charge in  
19 addition to the regulatory assessment fee, as set out in s.  
20 350.113, F.S.

21 (8) The delinquency of any amount due to the Commission  
22 from the utility, municipal, or gas district pursuant to the  
23 provisions of s. 350.113, F.S. and this rule, begins with the  
24 first calendar day after any date established as the due date  
25 either by operation of this rule or by an extension pursuant to

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1 | this rule.

2 |       (a) A penalty, as set out in s. 350.113, F.S. shall apply  
3 | to any such delinquent amounts.

4 |       (b) Interest at the rate of 12 percent per annum shall  
5 | apply to any such delinquent amounts.

6 | PROPOSED EFFECTIVE DATE 01/01/99.

7 | Specific Authority: 350.127(2), F.S., 366.14, F.S. (1989)

8 | Law Implemented: 350.113, F.S., 366.14, F.S. (1989)

9 | History: New 5/18/83, formerly 25-7.131, Amended 10/16/86,  
10 | 4/25/90, 07/08/96,\_\_\_\_\_.

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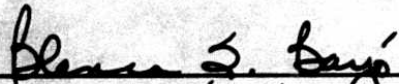
CODING: Words underlined are additions; words in  
~~struck-through~~ type are deletions from existing law.



**CERTIFICATION OF  
FORM INCORPORATED BY REFERENCE  
IN RULES FILED WITH THE DEPARTMENT OF STATE**

Pursuant to Rule 1S-1.005, Florida Administrative Code, I do hereby certify that the attached is a true and correct copy of the following form incorporated by reference in Rule 25-7.0131. Under the provisions of subparagraph 120.54(3)(e)(6), F.S., the attached form takes effect 20 days from the date filed with the Department of State, or a later date as specified in the rule.

PSC/ADM-67 (Rev. 01/99) - Investor-Owned Natural Gas Utility  
Regulatory Assessment Fee Return.

  
\_\_\_\_\_  
BLANCA S. BAYÓ, Director  
Division of Records & Reporting

\_\_\_\_\_  
Number of Pages Certified



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58 DEC -7 PM 12:04  
DEPARTMENT OF STATE  
TALLAHASSEE, FLORIDA

# Investor-Owned Natural Gas Utility Regulatory Assessment Fee Return

## Florida Public Service Commission

(See Filing Instructions on Back of Form)

**STATUS:**

\_\_\_\_\_ Actual Return  
 \_\_\_\_\_ Estimated Return

1

**PERIOD COVERED:**

FIELD 3

**FOR PSC USE ONLY**

Check# \_\_\_\_\_

\$ \_\_\_\_\_ 0601001  
 003001

\$ \_\_\_\_\_ P  
 0601001  
 004011

\$ \_\_\_\_\_ I

Postmark Date \_\_\_\_\_

Initials of Preparer \_\_\_\_\_

Please Complete Below if Official Mailing Address Has Changed

\_\_\_\_\_  
 (Name of Utility) (Address) (City/State) (Zip)

LINE NO.	ACCOUNT CLASSIFICATION	INTRASTATE AMOUNTS	LINE NO.	ACCOUNT CLASSIFICATION	INTRASTATE AMOUNTS
1.	<b>GAS SERVICE REVENUES:</b>		24.	Deferred Conservation Cost Recovery Revenues	\$ _____
2.	Residential Sales (480)	\$ _____	25.	Unbilled Revenues	_____
3.	Commercial Sales (481)	_____	26.	Other	_____
4.	Industrial Sales (481)	_____	27.	Provision for Rate Refund (496)	_____
5.	Other Sales To Public Authorities (482)	_____	28.	Pipeline Refunds	_____
6.	Interdepartmental Sales (484)	_____	29.	Other Refunds	_____
7.	Total Sales To Ultimate Consumers	\$ _____	30.	Total Other Operating Revenues	\$ _____
8.	Sales For Resale (483)	_____	31.	Total Gas Operating Revenues	\$ _____
9.	Total Natural Gas Service Revenues	\$ _____	32.	Adjustments: (Specify)	_____
10.	Revenues From Manufactured Gas	_____	33.	_____	_____
11.	Total Gas Service Revenues:	\$ _____	34.	_____	_____
12.	<b>OTHER OPERATING REVENUES</b>		35.	_____	_____
13.	Intrautility Transfers (485)	_____	36.	Total Adjustments	\$ _____
14.	Forfeited Discounts (487)	_____	37.	Revenues Subject To Regulatory Assessment Fee	_____
15.	Miscellaneous Service Revenues (488)	_____	38.	<b>REGULATORY ASSESSMENT FEE RATE</b>	_____ .005
16.	Revenue from Transportation of Others' Gas (489)	_____	39.	<b>REGULATORY ASSESSMENT FEE DUE (Line 37 x Line 38)</b>	\$ _____
17.	Sales of Products Extracted from Natural Gas (490)	_____	40.	LESS: Payment For Jan. 1 - Jun. 30 Period (_____)	_____
18.	Revenue From Natural Gas Processed by Others (491)	_____	41.	Net Regulatory Assessment Fee Due	_____
19.	Incidental Gasoline and Oil Sales (492)	_____	42.	Penalty For Late Payment	_____
20.	Rent From Gas Property (493)	_____	43.	Interest For Late Payment	_____
21.	Interdepartmental Rents (494)	_____			
22.	<b>OTHER GAS REVENUES (495)</b>				
23.	Deferred Purchased Gas Adjustment Revenues	_____	44.	<b>TOTAL AMOUNT DUE</b>	\$ _____

AS PROVIDED IN SECTION 350.113, FLORIDA STATUTES, THE MINIMUM ANNUAL FEE IS \$25

THIS FORM MUST BE COMPLETED AND RETURNED REGARDLESS OF THE AMOUNT OF REVENUES REPORTED

I, the undersigned owner/officer of the above-named vendor, have read the foregoing and declare that to the best of my knowledge and belief the above information is a true and correct statement. I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

\_\_\_\_\_  
 (Signature of Utility Official) (Title) (Date)

\_\_\_\_\_  
 (Please Print Name) Telephone Number (\_\_\_\_\_) Fax Number (\_\_\_\_\_) F.E.I. No. \_\_\_\_\_

98 DEC - 7 PM 8:00  
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 ADMINISTRATIVE SERVICES  
 FLORIDA

Rule 25-7.0131  
Docket No. 980275-GU

**SUMMARY OF RULE**

Amends Rule 25-7.0131, F.A.C., to increase the regulatory assessment fee charged to investor-owned gas utilities from .375 percent to .5 percent of gross operating revenues from intrastate business.

**SUMMARY OF HEARINGS ON THE RULE**

No hearing was requested and none was held.

**FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE**

Section 350.113(3), Florida Statutes, provides that regulatory assessment fees shall, to the extent practicable, be related to the cost of regulating the type of regulated company. In a recent report of a review of Commission operations, the Auditor General found that regulatory assessment fee (RAF) collections during the 1996-97 fiscal year did not appear to be related to the cost of regulation for all industries. The Commission responded to the report stating that it would consider the need for changes in the RAF rates charged to regulated companies.

The Division of Administration reviewed RAF revenues and costs for each industry and determined that the cost of regulating investor-owned gas utilities has exceeded RAF revenues

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TALLAHASSEE, FLORIDA  
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# Investor-Owned Natural Gas Utility Regulatory Assessment Fee Return

## Florida Public Service Commission

(See Filing Instructions on Back of Form)

**STATUS:**

\_\_\_\_\_ Actual Return  
 \_\_\_\_\_ Estimated Return

[REDACTED] 1

**PERIOD COVERED:**

FIELD 3

**FOR PSC USE ONLY**

Check# \_\_\_\_\_

\$ \_\_\_\_\_ 0601001  
 003001

\$ \_\_\_\_\_ P  
 0601001  
 004011

\$ \_\_\_\_\_ I

Postmark Date \_\_\_\_\_

Initials of Preparer \_\_\_\_\_

Please Complete Below if Official Mailing Address Has Changed

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 (Name of Utility) (Address) (City/State) (Zip)

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THIS FORM MUST BE COMPLETED AND RETURNED REGARDLESS OF THE AMOUNT OF REVENUES REPORTED

I, the undersigned owner/officer of the above-named vendor, have read the foregoing and declare that to the best of my knowledge and belief the above information is a true and correct statement. I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

\_\_\_\_\_  
 (Signature of Utility Official)

\_\_\_\_\_  
 (Please Print Name)

\_\_\_\_\_  
 (Title) (Date)

Telephone Number (\_\_\_\_\_) Fax Number (\_\_\_\_\_) \_\_\_\_\_

F.E.I. No. \_\_\_\_\_

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 9 DEC - 7 PM '00  
 TALLAHASSEE, FLORIDA

**FLORIDA PUBLIC SERVICE COMMISSION**  
Instructions For Filing Regulatory Assessment Fee Return  
(Investor-Owned Natural Gas Utility)

1. **WHEN TO FILE:** To avoid payment of penalties and interest, this Regulatory Assessment Fee Return and payment must be filed or postmarked:

*On or before July 30 for the six-month period January 1 through June 30, AND  
On or before January 30 for the six-month period July 1 through December 31.*

However, if July 30 or January 30 falls on a Saturday, Sunday, or holiday, the Regulatory Assessment Fee may be filed or postmarked on the next business day, without penalty.

2. **FEE:** Each utility shall pay the currently authorized percentage, as indicated on Line 38 on the reverse side, of its gross operating revenues derived from intrastate business. Gross Operating Revenues are defined as the total revenues before expenses. The currently authorized percentage was implemented by Section 25-7.0131(1)(a), Florida Administrative Code. Annual revenue amounts are to be reported on the return for the period ended December 31.

3. **FAILURE TO FILE BY DUE DATE:** A Regulatory Assessment Fee Return must be completed, signed, and filed even if there are no revenues to report or if the minimum amount is due. Failure to file a return by the established due date will result in a penalty being added to the amount of fee due, 5% for each 30 days or fraction thereof, not to exceed a total penalty of 25% (Line 42). In addition, interest shall be added in the amount of 1% for each 30 days or fraction thereof, not to exceed a total of 12% per year (Line 43).

4. **EXTENSION:** A request should be made by filing the enclosed *Request for Extension to File Regulatory Assessment Fee Return* form (PSC/ADM-124), two weeks prior to the filing date. If an extension is granted, a charge shall be added to the amount due:

*0.75% of the fee to be remitted for an extension of 15 days or less, or  
1.5% of the fee for an extension of 16 to 30 days.*

In lieu of paying the charges outlined above, a utility may file a return and remit payment based upon estimated gross operating revenues. If such return is filed by the normal due date, the utility shall be granted a 30-day extension period in which to file and remit the actual fee due without paying the above charges, provided the estimated fee payment remitted is at least 90% of the actual fee due for the period. An automatic 30-day extension to file an actual return may be obtained by checking the "Estimated Return" space in the top left-hand corner on the reverse side.

5. **FEE ADJUSTMENTS:** Computational errors and/or differences in gross operating revenues reported for regulatory assessment fee purposes and those reported in the annual report may cause adjustments to amounts paid to the Commission. The utility will be notified as to the amount and reason for any adjustment. Penalty and interest charges may be applicable to additional amounts owed to the Commission by reason of the adjustment. A utility may file a written request for a refund of any overpayments. The request should be directed to Fiscal Services at the below-referenced address.

6. **MAILING INSTRUCTIONS:** Please complete this form, retain the last copy for your records, and return the original and the remaining copy in the enclosed preaddressed envelope. This will assure a more accurate and expeditious recording of your payment. However, if you are unable to use the envelope, please address your remittance as follows:

Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

ATTENTION: Fiscal Services

7. **ADDITIONAL ASSISTANCE:** If any additional assistance is required in preparing the Regulatory Assessment Fee Return, please contact the Division of Auditing and Financial Analysis at (850) 413-6480 or at the above-referenced address, directing correspondence to the attention of the division.



Rule 25-7.0131  
Docket No. 980275-GU

**SUMMARY OF RULE**

Amends Rule 25-7.0131, F.A.C., to increase the regulatory assessment fee charged to investor-owned gas utilities from .375 percent to .5 percent of gross operating revenues from intrastate business.

**SUMMARY OF HEARINGS ON THE RULE**

No hearing was requested and none was held.

**FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE**

Section 350.113(3), Florida Statutes, provides that regulatory assessment fees shall, to the extent practicable, be related to the cost of regulating the type of regulated company. In a recent report of a review of Commission operations, the Auditor General found that regulatory assessment fee (RAF) collections during the 1996-97 fiscal year did not appear to be related to the cost of regulation for all industries. The Commission responded to the report stating that it would consider the need for changes in the RAF rates charged to regulated companies.

The Division of Administration reviewed RAF revenues and costs for each industry and determined that the cost of regulating investor-owned gas utilities has exceeded RAF revenues

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for all but two fiscal years (92-93 and 93-94) since 1989-90.  
This deficit is projected to continue unless the RAF rate is  
increased.