

April 7, 1999

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

APR 9 9 51 AM '99
 PUBLIC SERVICE COMMISSION
 MAIL ROOM

**Re: Docket No. 960725-GU Proposed Rule 25-7.0355,
 S.A.C., Transportation Service**

Dear Ms. Bayo:

As a follow up to the March 24, 1999 workshop regarding the above referenced rule, NUI City Gas Company of Florida is pleased to have the opportunity to provide comments regarding the proposed rule. As indicated at the workshop, NUI supports the rulemaking. The intent of this rule is consistent with legislative and regulatory initiatives in other states regarding competition and customer choice programs.

While there were several concerns raised at the workshop, it has been NUI's experience in other jurisdictions that none of the issues were of the magnitude to substantially change the proposed rule. Administrative burdens, costs to shareholders, and penalties on customers are all issues that other LDC's have addressed in other states.

ACK _____

AFA _____

APP 1

CAF _____

CMU _____ **Specific Comments on Rule:**

CTR _____

EAG 5 With regard to the filing date, NUI supports December 31, 1999 filing date. The Commission may wish to consider language such as "... by December 31, 1999, except upon a showing of good cause by the utility, an extension of time, not to exceed 60 days, may be granted for the utility to file its transportation service tariff."

OPC _____

RCH 1 With regard to paragraph 2A, there should be no modifications of this paragraph. The issues raised at the workshop should be handled on an individual basis by each LDC in their respective tariffs.

SEC 1

WAS _____

OTH _____

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With regard to paragraph 2B, all of the marketers present objected to the customer notarizing a statement identifying their marketer or agent. NUI supports the marketers' objection. If the issue that the Commission Staff is concerned with is slamming; LDC's can add provisions to their tariffs that would strongly penalize third party suppliers from engaging in slamming. This could include preventing the third party supplier from doing business on the LDC's system if they engage in that type of activity. Electronic automation is playing a bigger role in the natural gas industry, obtaining notarized documents creates additional administrative burdens to collect, file and maintain. NUI would suggest that each LDC address the issue of slamming and how it intends to prohibit such practices on their individual system. As a fall back or compromise, NUI would suggest that the marketer be responsible for obtaining a wet signature from the customer and producing it in the event of a customer complaint.

Again, NUI Corporation thanks the Commission Staff for the opportunity to comment on this proposed rulemaking and commends the Staff on their efforts to bring customer choice programs to the residents of Florida.

Very truly yours,



Michael A. Palecki
Manager, Regulatory Affairs
NUI Corporation

MAP*db

cc: Wayne Makin, Division of Electric and Gas
Mary Anne Helton, Division of Legal Services
Parties of Record