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State of Florida



Aublic Service Commission COMMISSION

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD CLERK
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: September 28, 2011

TO: Office of Commission Clerk (Cole)

FROM: Office of the General Counsel (Barrera)

Division of Economic Regulation (Daniel, Draper)

RE: Docket No. 110277-GU – Application for approval of tariff revisions to reflect

service in Nassau and Okeechobee Counties, by Florida Public Utilities Company

AGENDA: 10/18/11 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED:

PREHEARING OFFICER: Administrative

CRITICAL DATES: 11/21/11 (60-Day Suspension Date)

05/21/12 (8-Month Effective Date)

all Commissioners ac

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\GCL\WP\110277.RCM.DOC

Case Background

Florida Public Utilities Company filed tariffs to revised its territorial boundaries to reflect service in Nassau and Okeechobee Counties. There is currently no territorial agreement among gas utilities which includes this territory. The Commission has jurisdiction over these matters under Sections 366.04, 366.05(1) and 366.06(3), Florida Statutes.

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Docket No. 110277-GU Date: September 28, 2011

Discussion of Issues

<u>Issue 1</u>: Should the Commission suspend the proposed tariff sheets filed by Florida Public Utilities Company to reflect an expansion of its territorial boundaries?

Recommendation: Yes. Staff needs more time to determine whether a need exists for service, and whether any other gas utilities may contest this expansion of territory. (Daniel, Draper)

<u>Staff Analysis</u>: The tariffs as filed mention a desire for some customers to receive gas service in this area. However, FPUC provided no firm requests for service, nor is there any discussion on whether service from FPUC would be the most economical way to extend gas service to potential customers in the area. Suspending the tariffs, pursuant to Section 388.06(3), Florida Statutes, will allow staff more time to explore these concerns.

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Issue 2: Should this docket be closed?

<u>Recommendation</u>: No. The Docket should remain open to complete the evaluation of the proposed tariffs. (Barrera)

<u>Staff Analysis</u>: The docket should remain open to allow staff to complete its analysis of the impact of the proposed changes. A recommendation will be brought to the Commission at a subsequent Agenda for final disposition of the proposed changes.