

May 9, 2017

**E-PORTAL FILING**

Ms. Carlotta Stauffer, Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**Re: [New Filing] -In re: Joint Petition for approval of revised customer deposit tariff sheets, by Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation.**

Dear Ms. Stauffer:

Attached for filing on behalf of the Florida Public Utilities Company (electric and gas divisions), Florida Public Utilities Company-Fort Meade, Florida Public Utilities Company-Indiantown Division, and the Florida Division of Chesapeake Utilities Corporation, please find a Joint Petition for Approval of Modifications to Customer Deposit Tariff Sheets. Included with the Companies' Joint Petition are the following revised tariff pages, in clean and legislative format:

FPUC-Electric

First Revised Sheet No. 12  
First Revised Sheet No. 14

FPUC-Gas

Seventh Revised Sheet No. 13  
First Revised Sheet No. 13.1

Florida Division of Chesapeake Utilities Corporation

Second Revised Sheet No. 12  
Fifth Revised Sheet No. 32  
Third Revised Sheet No. 33

Florida Public Utilities Company- Indiantown Division

Third Revised Sheet No. 47  
Third Revised Sheet No. 48  
First Revised Sheet No. 49

Ms. Carlotta Stauffer, Clerk  
May 9, 2017  
Page 2

Florida Public Utilities Company-Fort Meade

Second Revised Sheet No. 11  
First Revised Sheet No. 14

As always, please don't hesitate to let me know if you have any questions. Thank you for your assistance with this filing.

Kind regards,

A handwritten signature in black ink, appearing to read "Beth Keating", written over a horizontal line.

Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Joint Petition for approval of revised customer deposit tariff sheets, by Florida Public Utilities Company and Florida Division of Chesapeake Utilities Corporation.**

Docket No.

Filed: May 9, 2017

**JOINT PETITION FOR APPROVAL OF  
MODIFICATIONS TO CUSTOMER DEPOSIT TARIFF SHEETS**

Florida Public Utilities Company (electric and natural gas divisions) (“FPUC”), Florida Public Utilities Company-Fort Meade (“Fort Meade”), Florida Public Utilities – Indiantown Division (“Indiantown”), and the Florida Division of Chesapeake Utilities Corporation (“Chesapeake”) (herein jointly referred to as “Joint Petitioners” or “Companies”), by and through their undersigned counsel, hereby file this Joint Petition, in accordance with Sections 366.04 and 366.05, Florida Statutes, and Rules 25-6.033, 25-6.097, 25-7.033, and 25-7.083, Florida Administrative Code, seeking approval by the Florida Public Service Commission (“Commission”) of modifications to their tariff provisions addressing customer deposits. In support of this request, the Companies state:

1) FPUC is both an electric utility and a natural gas utility subject to the Commission's jurisdiction under Chapter 366, Florida Statutes. Its principal business address is:

Florida Public Utilities Company  
1750 S 14th Street, Suite 200  
Fernandina Beach, FL 32034

2) Florida Public Utilities Company – Fort Meade, Florida Public Utilities Company-Indiantown Division, and the Florida Division of Chesapeake Utilities Corporation are also natural gas utilities subject to the Commission's jurisdiction under Chapter 366, Florida Statutes.

Like FPUC, their principal business address is:

Florida Public Utilities Company  
1750 S 14th Street, Suite 200  
Fernandina Beach, FL 32034

3) The name and mailing address of the persons authorized to receive notices are:

Beth Keating, Esq  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe Street, Suite 601  
Tallahassee, Florida 32301-1839  
(850) 521-1706  
bkeating@gunster.com

Mike Cassel  
Director, Regulatory and Governmental  
Affairs  
Florida Public Utilities Company/Chesapeake  
1750 S 14th Street, Suite 200  
Fernandina Beach, FL 32034  
mcassel@fpuc.com

4) The Commission has broad jurisdiction, including jurisdiction to grant the relief requested herein, under Sections 366.04 and 366.05, Florida Statutes, pursuant to which the Commission is authorized to establish rates and charges for public utilities, and in doing so, to consider, among other things, whether the rules, regulations and practices of the utility are fair and reasonable. The Company is unaware of any material facts in dispute in this regard. This is a Petition representing an initial request to the Commission, which is the affected agency located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399.

## **I. BACKGROUND**

5) In 2015, the Florida Legislature enacted changes to Chapter 366, Florida Statutes, which included new statutory language addressing customer deposits.<sup>1</sup> The language, as reflected in Section 366.05(1), Florida Statutes, provides that:

(c) Effective January 1, 2016, a utility may not charge or receive a deposit in excess of the following amounts:

1. For an existing account, the total deposit may not exceed 2 months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit amount is sought, dividing this total by 12, and multiplying the result by 2. If the account has less than 12

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<sup>1</sup>See, CS/HB 7109; Chapter No. 2015-129, Laws of Florida.

months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

2. For a new service request, the total deposit may not exceed 2 months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once a new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.

6) Following the statutory changes, the Commission amended its deposit rules for both gas and electric utilities, effective February 1, 2016.<sup>2</sup> The amended rules require that the methodology for determining the amount of the deposit charged for new and existing accounts be consistent with the methodology set forth in Section 366.05(1)(c), Florida Statutes.

#### **TARIFF SHEETS**

7) Consistent with Section 366.05(1), Florida Statutes, and in response to the amendments to Rules 25-6.097 and 25-7.083, Florida Administrative Code, the Company submits as Attachment A the required revised electric tariff sheets (in legislative and clean formats) reflecting the incorporation of language addressing the Company's methodology for calculating deposits for new and existing customer accounts. Attachment B contains the revised natural gas tariff sheets (in legislative and clean formats) reflecting similar changes.

8) The proposed revisions are in the public interest, consistent with the noted statutory changes, and necessitated by the changes to the Commission's deposit rules.

WHEREFORE, Florida Public Utilities Company (electric and gas divisions), Florida Public Utilities Company-Fort Meade, Florida Public Utilities Company-Indiantown Division, and the Florida Division of Chesapeake Utilities Corporation hereby respectfully request that the Commission approve, effective as of the date of the Commission's vote, the proposed revisions

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<sup>2</sup> Order No. PSC-16-0024-FOF-PU, issued January 12, 2016, in Docket No. 150241-PU.

to the Companies' respective electric and natural gas tariff provisions addressing customer deposits, as set forth in Attachments A and B, respectively, which are attached hereto and incorporated herein by reference.

Respectfully submitted this 9th day of May, 2017, by:



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Beth Keating, Esquire

Gunster Law Firm

215 South Monroe Street, Suite 601

Tallahassee, FL 32301

*Attorneys for Florida Public Utilities Company and  
the Florida Division of Chesapeake Utilities Corporation*

# ATTACHMENT A

## *FPUC Electric*

(Clean/Legislative-Tracked Changes)

*First Revised Sheet No. 12*

*First Revised Sheet No. 14*

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*RULES AND REGULATIONS (Continued)*

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3. Election of Rate Schedules (Continued)

responsible to notify Customers of the most favorable rates schedule and will not refund the difference in charge under different rate schedules to the same class of service.

Upon notification of any material changes in Customer's installation or load conditions, Company will assist in determining if a change in rates is desirable, but unless required by substantial changes in the Customer's installation, not more than (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose characteristics of load would require excessive investment in facilities of whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4B, the customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

- (1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.
- (2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.
- (3) A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.



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*RULES AND REGULATIONS (Continued)*

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4. Customer Deposits (Continued)

C. Refund of Deposits

After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.

D. Interest on Deposits

Two (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under section (c) above when the company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (c) until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest for the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

E. New or Additional Deposits

Company may require, upon written notice to an existing customer of not less than 30 days, a deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.

RULES AND REGULATIONS (Continued)

3. Election of Rate Schedules (Continued)

responsible to notify Customers of the most favorable rates schedule and will not refund the difference in charge under different rate schedules to the same class of service.

Upon notification of any material changes in Customer's installation or load conditions, Company will assist in determining if a change in rates is desirable, but unless required by substantial changes in the Customer's installation, not more than (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose characteristics of load would require excessive investment in facilities of whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4B, the customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

(1) ~~The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:~~

- ~~• previous billings at the service address;~~
- ~~• average billings for the class of Customer (residential or non-residential);~~
- ~~• average billings based on the type of equipment/appliances in service or to be put into service.~~

~~In the absence of historical information, the deposit amount shall be determined by the following schedule:~~

<u>Rate Classification:</u>	<u>Initial Deposit Amount</u>
Residential	\$ 175.00
General Service Non-Demand	\$ 370.00
General Service Demand	\$ 5,325.00
General Service Large Demand	\$ 12,000.00
Outdoor Lighting Service	\$ 215.00
Outdoor Lighting Service HP Sodium/Metal Halide	\$ 205.00
Street Lighting Mercury Vapor	\$ 220.00
Street Lighting HP Sodium Vapor	\$ 220.00

(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

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(2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.

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(3) (2) A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at Company's discretion.

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*RULES AND REGULATIONS (Continued)*

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4. Customer Deposits (Continued)

C. Refund of Deposits

After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.

D. Interest on Deposits

Two (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under section (c) above when the company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (c) until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest for the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

E. New or Additional Deposits

Company may require, upon ~~reasonable~~ written notice to an existing customer of not less than 30 days, ~~such notice being separate and apart from any bill for service, a new deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills;~~ Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; -provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.

## ATTACHMENT B

### FPUC- Gas

*Seventh Revised Sheet No. 13*

*First Revised Sheet No. 13.1*

### FPUC-Fort Meade

*Second Revised Sheet No. 11*

*First Revised Sheet No. 14*

### FPUC-Indiantown Division

*Third Revised Sheet No. 47*

*Third Revised Sheet No. 48*

*First Revised Sheet No. 49*

### Florida Division of Chesapeake Utilities Corporation

*Second Revised Sheet No. 12*

*Fifth Revised Sheet No. 32*

*Third Revised Sheet No. 33*

(Clean/Legislative-Tracked Changes)

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*RULES AND REGULATIONS (Continued)*

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3. Election of Rate Schedules (Continued)

Upon notification of any material change in Customer's installation or load connections, Company will assist in determining if a change in rates is desirable, but, unless required by substantial changes in the customer's installation, not more than one (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose unusual characteristics of load would require excessive investment in facilities or whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4-B, the customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

(2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12 and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.

(3) A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) months' for deposits over \$150, which may be granted at the Company's discretion.

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*RULES AND REGULATIONS (Continued)*

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4. Customer Deposits (Continued)

C. Refund of Deposits

After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.

D. Interest on Deposits

Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulation of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section (C) above when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (C) until the Commission sets a new interest rate applicable to the Company.

E. New or Additional Deposits

Company may require, upon written notice to an existing customer of not less than 30 days, a deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.

F. Retention of Deposits

Retention by Company, prior to final settlement, of said deposit shall not be considered as a payment or part payment of any bill for service. Company shall, however apply said deposit against unpaid bills for service. In such case, Customer shall be required to restore deposit to original amount.

RULES AND REGULATIONS (Continued)

3. Election of Rate Schedules (Continued)

Upon notification of any material change in Customer's installation or load connections, Company will assist in determining if a change in rates is desirable, but, unless required by substantial changes in the Customer's installation, not more than one (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose unusual characteristics of load would require excessive investment in facilities or whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4-B, the customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

~~(1) The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:~~

- ~~• previous billings at the service address;~~
- ~~• average billings for the class of Customer (residential or non-residential);~~
- ~~• average billings based on the type of equipment/appliances in service or to be put into service.~~

~~In the absence of historical information, the deposit amount shall be determined by the following schedule:~~

<u>Rate Classification</u>	<u>Initial Deposit Amount</u>
Residential	\$ 112.00
Residential-Generator-Only	\$ 112.00
General-Service-1	\$ 640.00
General-Service-Transportation-1	\$ 640.00
General-Service-2	\$ 640.00
General-Service-Transportation-2	\$ 640.00
Commercial-Generator-Only	\$ 640.00
Large-Volume-Service	\$ 2,041.00
Large-Volume-Transportation-Service	\$ 2,041.00
Interruptible-Service	\$ 2,041.00
Interruptible-Service-Transportation-Service	\$ 2,041.00
Gas-Lighting-Service	\$ 240.00
Gas-Lighting-Transportation-Service	\$ 240.00
Natural-Gas-Vehicle-Service	\$ 7,500.00

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(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

(2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12 and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.

(3) (2) A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.

RULES AND REGULATIONS (Continued)

4. Customer Deposits (Continued)

C. Refund of Deposits

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After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.

D. Interest on Deposits

Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulation of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section (C) above when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (C) until the Commission sets a new interest rate applicable to the Company.

E. New or Additional Deposits

Company may require, upon reasonable written notice to an existing customer of not less than 30 days, ~~such notice being separate and apart from any bill for service, a new deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills;~~ Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.

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Retention by Company, prior to final settlement, of said deposit shall not be considered as a payment or part payment of any bill for service. Company shall, however apply said deposit against unpaid bills for service. In such case, Customer shall be required to restore deposit to original amount.

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*RULES AND REGULATIONS (Continued)*

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3. Election of Rate Schedules (Continued)

Upon notification of any material change in Customers installation or load connections, Company will assist in determining if a change in rates is desirable, but, unless required by substantial changes in the Customer's installation, not more than one (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose unusual characteristics of load would require excessive investment in facilities or whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4-B, the customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes as follows:

- (1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.
- (2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.
- (3) A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.

*RULES AND REGULATIONS (Continued)*

4. Customer Deposits

(Continued) Refund of

Deposits

- C. After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.
- D. Interest on Deposits  
Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulation of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under section (C) above when the Company elects not to refund such deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (C) until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.
- E. New or Additional Deposits  
Company may require, upon written notice to an existing customer of not less than 30 days, a deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12- month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.
- F. Retention of Deposits  
Retention by Company, prior to final settlement, of said deposit shall not be considered as a payment or part payment of any bill for service. Company shall, however apply said deposit against unpaid bills for service. In such case, Customer shall be required to restore deposit to original amount.

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*RULES AND REGULATIONS (Continued)*

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- (2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.
- (3)(2) A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.

RULES AND REGULATIONS (Continued)

3. Election of Rate Schedules (Continued)

Upon notification of any material change in Customers installation or load connections, Company will assist in determining if a change in rates is desirable, but, unless required by substantial changes in the Customer's installation, not more than one (1) such change in rates will be made within any twelve (12) month period.

Company will require a written contract with special guarantee from Applicants whose unusual characteristics of load would require excessive investment in facilities or whose requirements for service are of a special nature.

4. Customer Deposits

A. Deposit Required

Unless credit is otherwise established in accordance with Section 4-B, the customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes as follows:

(1) ~~The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:~~

- ~~• previous billings at the service address;~~
- ~~• average billings for the class of Customer (residential or non-residential);~~
- ~~• average billings based on the type of equipment/appliances in service or to be put into service.~~

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In the absence of historical information, the deposit amount shall be determined by the following schedule:

<u>Rate Classification</u>	<u>Initial Deposit Amount</u>
Residential	\$ 112.00
General Service 1	\$ 640.00
General Service Transportation 1	\$ 640.00
Large Volume Service	\$ 2,041.00
Large Volume Transportation Service	\$ 2,041.00
Natural Gas Vehicle Service	\$ 7,500.00

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- (1) ~~For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.~~

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*RULES AND REGULATIONS (Continued)*

4. Customer Deposits

(Continued) Refund of

Deposits

- C. After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option either refund or pay the higher rate of interest specified below for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. Company may, at its option, refund a deposit in less than 23 months.
- D. Interest on Deposits  
Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulation of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under section (C) above when the Company elects not to refund such deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section (C) until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.
- E. New or Additional Deposits  
~~Company may require, upon reasonable written notice to an existing customer of not less than 30 days, such notice being separate and apart from any bill for service, a new deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charges for service for two billing periods for the 12- month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then the Company shall base its new or additional deposit upon the average actual monthly billing available.~~
- F. Retention of Deposits  
Retention by Company, prior to final settlement, of said deposit shall not be considered as a payment or part payment of any bill for service. Company shall, however apply said deposit against unpaid bills for service. In such case, Customer shall be required to restore deposit to original amount.

B. Deposits Required

Unless credit is otherwise established in accordance with Section III A, a customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c). Florida Statutes, as follows:

- (1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.
- (2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.
- (3) A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.

C. RECORD OF DEPOSIT. With respect to a cash deposit, Company will keep records to show:

- (1) The name of Customer making the deposit;
- (2) The premises occupied by Customer;
- (3) The date and amount of the deposit; and
- (4) Each transaction concerning the deposit, such as, interest payments, interest credited, or similar transactions.



INTEREST ON DEPOSIT. Two percent (2%) per annum interest will be credited to a Consumers account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section III. E. when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section III.E. until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

E. REFUND OF DEPOSIT.

- (1) After a Residential Customer has established a satisfactory payment record and has had continuous service for a period of not less than twenty-three (23) months, the Company shall refund the Residential Customer's deposit and shall, at its option, either refund or pay the higher rate of interest specified in Section III. D. INTEREST ON DEPOSITS, for non-residential deposits provided that the Customer has not in the preceding twelve (12) months: (a) made more than one late payment of the bill, (b) paid with a check refused by a bank, (c) been disconnected for non-payment, (d) tampered with the meter, or, (e) used service in a fraudulent or unauthorized manner.
- (2) Upon termination of Transportation Service, Company shall credit the amount of any cash deposit and accrued interest thereon against the final amount due Company from Customer, and the balance, if any, shall be returned to Customer no later than ten (10) working days after the final bill for service is rendered.

F. RECEIPT FOR CASH DEPOSIT. A non-transferable receipt will be issued to a Customer for any cash deposit and means provided so that such Customer may claim the deposit if the receipt is lost. When a new or additional cash deposit is required under Section III. G, of this Tariff, a Customer's canceled check or validated bill coupon may serve as a deposit receipt.

G. NEW OR ADDITIONAL DEPOSITS. Company may require, upon written notice to an existing customer of not less than thirty (30) days, a deposit, (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required deposit shall

not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The thirty (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had service for less than 12 months, then Company will base the amount of the new or additional deposit upon the average actual monthly billing available.

- H. RETURNED CHECK CHARGE. If a Customer's check for the deposit amount is returned to the Company and not paid by the drawer's bank, the Company shall follow the procedures set forth in Section 832.07, Florida Statutes. Termination of Transportation Service shall not be made for failure to pay such returned check charge.

IV. BILLING

- A. BILLING PERIODS. Each Customer's Meter shall be read at regular intervals. Recorded meter readings for Individual Transportation Service Customers shall be provided to the Customer, and Customer's Agent if so authorized by Customer. Recorded Meter readings for all Customer Accounts in the Aggregated Transportation Service Customer Pool shall be provided to the Pool Manager. Applicable meter readings shall be included by the Company on all bills rendered to the Customer. Bills for Monthly Imbalance Quantities, and other charges as provide in this tariff, related to Aggregated Transportation Service for Customers assigned to the Customer Pool shall be billed to the Customer, Customer's Agent or Pool Manager, as applicable. All bills shall be rendered on a regular monthly basis, as soon as practical after determination of their amount.

- B. PAYMENT. Bills are due and payable at the office of the Company in accordance with the FPSC rules and regulations, and the requirements of this section.

- (1) Customers may choose to pay their bill in person or by mail no later than twenty (20) days from the date of mailing by the Company.
- (2) Company may offer an electronic direct bank debit payment option. If such a payment option is offered, Customers may choose to participate in the program by completing an agreement with the Company. Customers choosing this payment method agree that the Company may debit their bank account for the balance due on the Customer's Transportation Service account on the fifteenth (15th) day following the date of mailing by the Company.

- C. PARTIAL MONTH. Upon commencement of Transportation Service less than fifteen (15) days prior to a regular monthly billing date and when Transportation Service continues thereafter to the same Customer at the same address where Customers are receiving Transportation Service on monthly rate schedules, no

B. Deposits Required

Unless credit is otherwise established in accordance with Section III A, a customer shall make a deposit. The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes, as follows:

~~(1) The amount of the initial deposit, if required, may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:~~

- ~~• previous billings at the service address;~~
- ~~• average billings for the class of Customer (residential or non-residential);~~
- ~~• average billings based on the type of equipment/appliances in service or to be put into service.~~

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~~In the absence of historical information, the deposit amount shall be determined by the following schedule:~~

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<u>Rate Classification</u>	<u>Initial Deposit Amount</u>
Residential	\$ 112.00
Commercial Small	\$ 640.00
Commercial Large	\$ 2,041.00
Industrial	\$ 2,041.00
Natural Gas Vehicle Service	\$ 7,500.00

~~(1) For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.~~

~~(2) For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by adding the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of the deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.~~

(3) (2) A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits over \$150, which may be granted at the Company's discretion.

C. RECORD OF DEPOSIT. With respect to a cash deposit, Company will keep records to show:

- (1) The name of Customer making the deposit;
- (2) The premises occupied by Customer;
- (3) The date and amount of the deposit; and
- (4) Each transaction concerning the deposit, such as, interest payments, interest credited, or similar transactions.

INTEREST ON DEPOSIT. Two percent (2%) per annum interest will be credited to a Consumers account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section III. E. when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section III.E. until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

E. REFUND OF DEPOSIT.

- (1) After a Residential Customer has established a satisfactory payment record and has had continuous service for a period of not less than twenty-three (23) months, the Company shall refund the Residential Customer's deposit and shall, at its option, either refund or pay the higher rate of interest specified in Section III. D. INTEREST ON DEPOSITS, for non-residential deposits provided that the Customer has not in the preceding twelve (12) months: (a) made more than one late payment of the bill, (b) paid with a check refused by a bank, (c) been disconnected for non-payment, (d) tampered with the meter, or, (e) used service in a fraudulent or unauthorized manner.
- (2) Upon termination of Transportation Service, Company shall credit the amount of any cash deposit and accrued interest thereon against the final amount due Company from Customer, and the balance, if any, shall be returned to Customer no later than ten (10) working days after the final bill for service is rendered.

F. RECEIPT FOR CASH DEPOSIT. A non-transferable receipt will be issued to a Customer for any cash deposit and means provided so that such Customer may claim the deposit if the receipt is lost. When a new or additional cash deposit is required under Section III. G, of this Tariff, a Customer's canceled check or validated bill coupon may serve as a deposit receipt.

G. NEW OR ADDITIONAL DEPOSITS. Company may require, upon reasonable written notice to an existing customer of not less than thirty (30) days, ~~ten (10) days, such request or notice being separate and apart from any bill for Transportation Service, a new cash deposit, (including guaranty, letter of credit or surety bond) (where previously waived or returned), or an additional cash deposit (or increase in the amount of a guaranty, letter of credit or surety bond), in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required cash deposit or other security shall~~

not exceed an amount equal to the average actual charges for service for two billing periods for the 12-month period immediately prior to the date of notice. The thirty (30) ~~ten (10)~~ day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the customer has had ~~If Customer has received Transportation Service service~~ for less than 12 months, then Company will base the amount of the new or additional ~~cash deposit or other security~~ upon the average actual monthly billing available.

- H. RETURNED CHECK CHARGE. If a Customer's check for the deposit amount is returned to the Company and not paid by the drawer's bank, the Company shall follow the procedures set forth in Section 832.07, Florida Statutes. Termination of Transportation Service shall not be made for failure to pay such returned check charge.

#### IV. BILLING

- A. BILLING PERIODS. Each Customer's Meter shall be read at regular intervals. Recorded meter readings for Individual Transportation Service Customers shall be provided to the Customer, and Customer's Agent if so authorized by Customer. Recorded Meter readings for all Customer Accounts in the Aggregated Transportation Service Customer Pool shall be provided to the Pool Manager. Applicable meter readings shall be included by the Company on all bills rendered to the Customer. Bills for Monthly Imbalance Quantities, and other charges as provide in this tariff, related to Aggregated Transportation Service for Customers assigned to the Customer Pool shall be billed to the Customer, Customer's Agent or Pool Manager, as applicable. All bills shall be rendered on a regular monthly basis, as soon as practical after determination of their amount.
- B. PAYMENT. Bills are due and payable at the office of the Company in accordance with the FPSC rules and regulations, and the requirements of this section.
- (1) Customers may choose to pay their bill in person or by mail no later than twenty (20) days from the date of mailing by the Company.
  - (2) Company may offer an electronic direct bank debit payment option. If such a payment option is offered, Customers may choose to participate in the program by completing an agreement with the Company. Customers choosing this payment method agree that the Company may debit their bank account for the balance due on the Customer's Transportation Service account on the fifteenth (15th) day following the date of mailing by the Company.
- C. PARTIAL MONTH. Upon commencement of Transportation Service less than fifteen (15) days prior to a regular monthly billing date and when Transportation Service continues thereafter to the same Customer at the same address where Customers are receiving Transportation Service on monthly rate schedules, no

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H. DEPOSIT REQUIREMENTS

If a prospective Consumer does not satisfy one of the creditworthiness criteria defined in Section G, then payment of an initial deposit shall be required according to the following criteria:

1. Deposit Required

The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes as follows:

- a. For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.
- b. For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.
- c. A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits amounts over \$150, which may be granted at the Company's discretion.



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2. New or Additional Deposits

The Company may require, upon written notice to an existing customer of not less than thirty (30) days, a deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills. Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required new or additional deposit shall not exceed an amount equal to the average actual charges for service for two (2) billing periods during the twelve (12) month period immediately prior to the date of notice. The (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the Consumer has had service less than twelve (12) months, then the utility shall base its new or additional deposit upon the average actual monthly billing available.

I. INTEREST ON DEPOSITS

Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section II.J.1. when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section II.J.1. until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

J. REFUND OF DEPOSITS

1. With Satisfactory Payment Record

After a Residential Consumer has established a satisfactory payment record and has had continuous service for a period of not less than 23 months, the Company

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**H. DEPOSIT REQUIREMENTS**

If a prospective Consumer does not satisfy one of the creditworthiness criteria defined in Section G, then payment of an initial deposit shall be required according to the following criteria:

**1. Deposit Required**

The amount of the deposit shall be calculated in conformity with the requirements of Section 366.05(1)(c), Florida Statutes as follows:

a. The amount of the initial deposit, if required may not exceed an amount necessary to cover charges for service for two (2) month's average billings to be calculated either:

- previous billings at the service address;
- average billings for the class of Customer (residential or non-residential);
- average billings based on the type of equipment/appliances in service to be put into service.

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In the absence of historical information, the deposit amount shall be determined by the following schedule:

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<u>Rate Classification</u>	<u>Initial Deposit Amount</u>
FTS-1	\$ 55.00
FTS-2	\$ 75.00
FTS-2.1	\$ 150.00
FTS-3	\$ 300.00
FTS-3.1	\$ 500.00
FTS-4	\$ 1,000.00
FTS-5	\$ 1,850.00
FTS-6	\$ 3,200.00
FTS-7	\$ 4,300.00
FTS-8	\$ 7,650.00
FTS-9	\$ 11,500.00
FTS-10	\$ 17,000.00
FTS-11	\$ 30,500.00
FTS-12	\$ 86,500.00
FTS-NGV	\$ 7,500.00

a. For an existing account or premise, the total deposit may not exceed two (2) months of average actual charges, calculated by adding the monthly charges from the 12-month period immediately before the date any change in the deposit is sought, dividing this total by 12, and multiplying the result by 2. If the account or premise has less than 12 months of actual charges, the deposit shall be calculated by adding the available monthly charges, dividing this total by the number of months available, and multiplying the result by 2.

b. For a new service or premise request, the total deposit may not exceed two (2) months of projected charges, calculated by the 12 months of projected charges, dividing this total by 12, and multiplying the result by 2. Once the new customer has had continuous service for a 12-month period, the amount of deposit shall be recalculated using actual data. Any difference between the projected and actual amounts must be resolved by the customer paying any additional amount that may be billed by the utility or the utility returning any overcharge.

c. b. A residential customer may request the amount of the initial deposit be billed and paid in even installments over a period of two (2) month's for deposit amounts between \$50 and \$150 and three (3) month's for deposits amounts over \$150, which may be granted at the Company's discretion.

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RULES AND REGULATIONS

(Continued)

~~c. Request for Billing of Initial Deposit Amount~~

~~Prospective Residential Consumers may request to be billed for the amount of the initial deposit. A bill for prospective Residential Consumer's initial deposit is due upon receipt and shall be considered delinquent by the Company at the expiration of seven (7) days from the date of mailing by the Company. Delinquent accounts are subject to Section R, Discontinuance of Transportation Service.~~

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2. New or Additional Deposits

The Company may require, upon reasonable written notice to an existing customer of not less than thirty (30) days, such request or notice being separate and apart from any bill for Transportation Service, a new deposit (including guaranty, letter of credit or surety bond) where previously waived or returned, or an additional deposit, in order to secure payment of current bills; Such notice for a deposit shall be separate and apart from any bill for service and shall explain the reason for the deposit; provided, however, that the total amount of the required new or additional deposit shall not exceed an amount equal to the average actual charges for Transportation Service for two (2) billing periods during the twelve (12) month period immediately prior to the date of notice. The (30) day notice shall not apply when service is being reestablished after discontinuance of service for non-payment. In the event the Consumer has had service less than twelve (12) months, then the utility shall base its new or additional deposit upon the average actual monthly billing available.

1. INTEREST ON DEPOSITS

Two percent (2%) per annum interest will be credited to a Consumer's account annually in accordance with the current effective rules and regulations of the Commission. Three percent (3%) per annum will be credited annually on deposits of Residential Consumers qualifying under Section II.J.1. when the Company elects not to refund such a deposit after twenty-three (23) months. The Company shall credit annually three percent (3%) per annum on deposits of non-Residential Consumers qualifying for refund under Section II.J.1. until the Commission sets a new interest rate applicable to the Company. No customer shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit. Deposits shall cease to bear interest upon discontinuance of service.

J. REFUND OF DEPOSITS

I. With Satisfactory Payment Record

After a Residential Consumer has established a satisfactory payment record and has had continuous service for a period of not less than 23 months, the Company