

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval to amend Experimental Small Commercial Transportation Service and for permanent approval of tariff by City Gas Company of Florida.

DOCKET NO. 982003-GU  
ORDER NO. PSC-99-0484-FOF-GU  
ISSUED: March 8, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
JULIA L. JOHNSON  
E. LEON JACOBS, JR.

ORDER APPROVING PETITION FOR APPROVAL OF AMENDED TARIFF  
AND PERMANENT APPROVAL OF TARIFF

BY THE COMMISSION:

On August 21, 1997, City Gas Company of Florida (City Gas) filed a request for approval to implement an Experimental Small Commercial Transportation Service Rate Schedule (SCTS). On October 3, 1997, City Gas amended the portion of the petition relating to customer qualification. By Order No. PSC-97-1536-FOF-GU, issued December 8, 1997, in Docket No. 971084-GU, we approved City Gas' request for the experimental program.

On December 29, 1998, City Gas petitioned to amend the Experimental Small Commercial Transportation Service and make the SCTS Rate Schedule permanent. On January 14, 1999, City Gas filed an amendment to the petition to correct errors in the originally-filed exhibits.

I. HISTORY OF THE SCTS

Prior to the implementation of the experimental SCTS Rate Schedule, only customers who consumed 120,000 therms or more, annually, at one billing location, were allowed to purchase their

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own gas supplies. To allow additional customers the opportunity to purchase natural gas directly from third party suppliers, City Gas filed a petition requesting approval of an Experimental Small Commercial Transportation Service program. We approved City Gas' petition on an experimental basis for a one year period. Under City Gas' program, small commercial customers gained the opportunity to purchase their own gas supplies without having to purchase additional metering equipment. Only City Gas and Peoples Gas System offer small commercial aggregation programs.

After a year of experience with the program, City Gas concluded that the program was effective, but needed to be modified. City Gas is seeking modifications to prevent costs from being shifted from participating customers to nonparticipating customers.

## II. THE SCTS RATE AS MODIFIED

The modifications proposed by City Gas require third party suppliers to add incremental load and accept assignment of interstate pipeline capacity amounts equivalent to the consumption of the small commercial customers that the third party supplier has obtained. The additional load will offset the capacity City Gas currently holds for system growth. Requiring this load results in a reduction to the capacity costs borne by the firm, nontransporting customers.

As of November 1998, two hundred and nineteen customers, and six marketers are participating in the program. A total volume of 282,000 therms of natural gas has been delivered under the program for November 1998. The SCTS Rate Schedule will continue to have the same customer charge and transportation charge as the Commercial Sales (CS) Rate Schedule unless the individual customer qualifies for another rate class, in which case the customer charge and transportation charge for that class will apply. The SCTS rate will be the same as the customer's bundled rate, absent the purchased gas adjustment charge.

Customers will not be charged to designate their original third party supplier under the SCTS Rate Schedule. However, customers will be charged a \$50.00 fee to cover administrative costs each time they elect to change their third party supplier.

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After a review of the petition and the quarterly reports submitted by City Gas, we find that the experimental status should be removed from the Small Commercial Transportation Service (SCTS) Rate Schedule, as amended by City Gas, and the rate should become permanent.

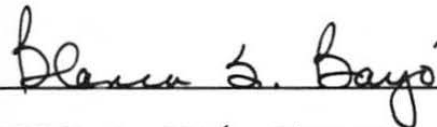
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that City Gas Company of Florida's petition for approval of amended small commercial transportation service and permanent approval of tariff is granted.

ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no protest is filed in accordance with the requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 8th day of March, 1999.



BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on March 29, 1999.

In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the date this Order becomes final, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.