

BEFORE THE
FLORIDA
PUBLIC SERVICE COMMISSION

DOCKET NO. 960725-GU

UNBUNDLING OF GAS SERVICES

Comments of Enron Capital & Trade Resources Corp.

These are the comments of Enron Capital & Trade Resources Corp. ("Enron") in the above-entitled and numbered cause. Any questions concerning these comments should be addressed to:

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Enron appreciates the opportunity to share its observations on the model tariff for firm transportation service which was sent to all parties by memo dated October 6, 1997. In the first instance, Enron would note that it is unclear what size of customer is intended to be covered by this tariff. It may be appropriate to include different sorts of provisions for a small commercial customer than for a large commercial customer who chooses to transport natural gas. This model does not signal the Commission's intent as to customer coverage nor the time frame in which the Commission intends to permit residential transport. Consequently, Enron would request the opportunity to offer further comments when those issues are clarified.

Enron's comments herein will identify the page to which they refer.

Original Sheet No. 9

- It should be no more difficult to obtain transportation service than sales service from the LDC. In many cases, customers need sign nothing to obtain sales service. The data required for service provided here should be made to match the data required for sales service. If telephonic or electronic enrollment will suffice for sales service, transportation service should not require a written form.
- The tariff should require the LDC to identify any deficiencies in a request for service by a date certain, e. g. 48 hours from receipt of the request.
- It should be sufficient that a designated agent have a written contract with a customer making the agency designation which is available to the LDC upon request. There should be no need for an affidavit. To require the LDC to obtain and store those agency agreements would be a burden on all parties involved.
- The cost-based fee for usage data should not be a barrier to entry.

Original Sheet No. 10

- It would be administratively simpler to require a standard agreement between the LDC and any transporter of gas that the transporter will have title to the gas.
- It should not be a requirement that the transporter have secured firm upstream capacity and it should certainly not be a requirement that the capacity be acquired from the LDC. The transporter should be able to acquire its capacity from any source available. The agreement between the transporter and the LDC should contain assurances that the transporter has sufficient assets to deliver gas on a firm basis.
- Customer should be able to choose to be billed for the applicable LDC charges by its gas supplier.

Original Sheet No. 11

- It should not be necessary for a transportation customer to have a written contract with the LDC if a written contract was not required for the same customer to take sales service from the LDC. The LDC's tariff and agreement with the aggregator should suffice to cover the terms and conditions of service.

Original Sheet No 16

- See comments on Original Sheet No. 9 as to the requirement for a written request for transportation service and a written contract.
- The account opening, meter, and trip charges should be the same for transportation service as it is for sales service.

Original Sheet No. 18

- Section L should not be used to prevent the purchase of gas by a building manager who includes the cost for the use of that gas in the rental charges paid by tenants.

Original Sheet No. 19

- An agent of Customer should be able to give the notification required in Section C.

Original Sheet No. 21

- The requirement for establishment of credit and new deposits should be the same for sales and transportation service. A deposit should not be required for a transportation customer if he is not required to make a deposit as a sales customer.
- Refunds of deposits should work the same for sales and transportation service.

Original Sheet No. 23

- Customer should be able to choose a single bill rendered by his marketer which includes charges for both the gas commodity and transportation service.
- Payment by wire transfer should not be required for transportation service if it is not required for sales service to the same customer.
- The language in Section C on billing disputes should track language on similar disputes for sales customers.

Original Sheet No. 25

- Depending upon the size of the customer, it may be unreasonable to expect a small customer to maintain the records required by Section L.

Original Sheet No. 26

- If the LDC provides system supply gas under this provision, it shall be provided at the applicable sales rate.

Original Sheet No. 28

- The gas quality specifications should be no more stringent than those of the delivering pipeline.

Original Sheet No. 36

- The meter required by Section N should be the same for sales service as for transportation service.

Original Sheet No. 39

- See comments on Sheet No. 36.

Original Sheet No. 40

- The provisions concerning main extensions should be the same for sales and transportation service.

Original Sheet No. 44

- It should not be required that a customer's waiver of standby service be in the form of an affidavit. A written assertion should be enough. There is no need for it to be sworn.

Original Sheet No. 50

- The force majeure provision should be the same for sales and transportation service.

Original Sheet No. 54

- Curtailment procedures should be applied to both sales and transportation customers without discrimination.
- To the extent the LDC takes a customer's gas, a penalty rate should be paid. The rate for confiscated gas should track the penalty rates applied for overtakes during an operational flow order. The rates provided in Section D are not adequate for any confiscation. There should be a cost to the LDC which chooses to take gas from a customer who has been able to get it to the city gate in a curtailment situation.

Original Sheet No. 56

- Curtailment procedures and priorities for transportation customers should be the same as for similarly situated sales customers. If a customer is not curtailed when he is using sales service, he should not be curtailed when taking transportation service.

Original Sheet No. 65

- Marketers should be permitted to trade imbalances among themselves before they are cashed out. It is conceivable that the LDC could have a zero balance at the end of the month because the imbalances of Marketer A and Marketer B cancel each other out. If there is no harm to the system, there should be no penalties. Once imbalances are traded, then the cash out should apply.

Original Sheet No. 68

- The Commission and the LDC may wish to provide the opportunity for providing cash out in kind.

Original Sheet No. 71

- The nominations made under this section should be capable of being given by fax or electronically. Also, only the item being changed should be required to be confirmed.

Original Sheet No. 74

- See comments on Original Sheet No. 10 concerning capacity assignment.

Original Sheet No. 75

- The assignment methodology should be applied in a non-discriminatory fashion to all shippers.
- The use of FTS-1 versus FTS-2 capacity should not be used to disadvantage any particular class of customer nor their marketer.

Original Sheet No. 76

- In Section G, capacity recalled to provide standby service should only be recalled from the customer using the standby service. The LDC should not be permitted to recall capacity from Customer A to provide standby service to Customer B.

Original Sheet No. 78

- The agent service agreement should serve to meet many of the customer imposed obligations listed previously in this tariff. To the extent the marketer or agent provides information on a customer's behalf, the customer should be relieved of that obligation. Customer should only have to enter into agreements with its marketer who will then provide all applicable data and assurances to LDC.

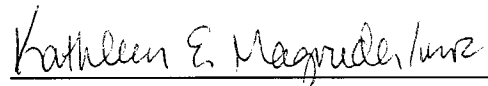
Original Sheet No. 80

- The marketing affiliate should be required to be a separate company with separate offices, separate personnel, and separate books of account. These rules appear to permit the LDC to assign personnel to the affiliate function and charge for their use. The potential for subsidization by the regulated ratepayer is very real and should be avoided by requiring a separate legal entity.
- The code of conduct should be fleshed out to provide more protection against affiliate abuses. For example, the LDC should not be permitted to promote its affiliate to customers; affiliates should not be able to make joint sales calls with utility employees; the affiliate should not be permitted to use the same computer system as the LDC; etc. A number of states have adopted codes of conduct to regulate the relationship between gas utilities and their affiliates. The Commission should examine those codes in redrafting this provision.

- The tariff should also incorporate a dispute resolution process and strong penalties for the failure of the LDC to comply with these rules.

Enron thanks the Commission for the opportunity to submit these comments and looks forward to future deliberations in this docket.

Respectfully submitted,



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November 17, 1997

CERTIFICATE OF SERVICE

I certify that a copy of these comments has been served on all parties of record or their attorneys, or both, depositing a copy in the United States Mail, first class postage prepaid properly addressed.

This is the 17th day of November 1997.

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