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March 4, 1998

IN REPLY REFER TO:

Ansley Watson, Jr.
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VIA FEDERAL EXPRESS

Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

98 MAR -5 10:54 AM '98
MAY 1998
RECEIVED
STATE OF FLORIDA
DIVISION OF RECORDS & REPORTING

Re: **Docket No. 961236-GU -- Petition for approval of experimental Rider FTA, Firm Transportation Supplier Aggregation Service, by Peoples Gas System, a division of Tampa Electric Company (formerly Peoples Gas System, Inc.)**

Dear Ms. Bayo:

We submitted for filing in the above docket on March 3, 1998 (transmittal letter dated March 2, 1998) on behalf of Peoples Gas System, a petition for an order approving modifications to Peoples' optional experimental Firm Transportation Supplier Aggregation Service Rider ("Rider FTA").

Through oversight, Exhibit "A" to the petition was not attached thereto. We now enclose for filing and attachment to the petition mentioned above the original and 15 copies of Exhibit "A", and apologize for any inconvenience this oversight may have caused in your office.

Please acknowledge your receipt and the date of filing of the enclosures on the duplicate copy of this letter and return the same to the undersigned in the enclosed preaddressed envelope.

Thank you for your usual assistance.

Sincerely,


ANSLEY WATSON, JR.

- ACK
- AFA
- APP
- DAF
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- MR
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- AWjr/a
- Enclosures
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FEDERAL BUREAU OF RECORDS

DOCUMENT NUMBER - DATE

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FPSC-RECORDS/REPORTING

Blanca S. Bayo, Director
March 4, 1998
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cc: Mrs. Cheryl Bulecza-Banks
Mr. J. Brent Caldwell

FIRM TRANSPORTATION SUPPLIER AGGREGATION SERVICE
Experimental Tariff
Rider FTA

Availability:

Limited in time and scope, on an experimental basis, and subject to the special conditions set forth herein, to any Customer who (a) requests service hereunder, (b) purchases Gas from a Qualified Aggregating Supplier (as herein defined), (c) would otherwise qualify for service under Rate Schedule GS, GSLV-1, GSLV-2 or GTSLV-2, and (d) commences service hereunder no later than the first day of the third month following the effective date of this Rider. Service pursuant to this Rider is available throughout the service areas of the Company when such service can be made available without detriment to service to the Company's other customers.

Availability is limited to the addition, by each participating Qualified Aggregating Supplier, of a maximum of 10 customers at the beginning of each of the first two months after the effective date of this Rider and additional customers, up to an aggregate maximum of 30 customers per participating Qualified Aggregating Supplier, at the beginning of the third month after the effective date of this Rider. Subject to the provisions of Special Conditions 2 and 12, no additional customers may be added by any Qualified Aggregating Supplier after the first day of the third month after the effective date of this Rider.

Applicability:

To transportation of Gas delivered to Company by a Qualified Aggregating Supplier for the account of Customer pursuant to this Rider.

Monthly Rate:

The Monthly Rate for transportation service applicable to each individually billed facility of Customer shall be the Monthly Rate applicable to such individually billed facility under Rate Schedule GS, GSLV-1, GSLV-2 or GTSLV-2, based upon the annual therm usage at such separately metered facility.

Special Conditions:

1. This Rider implements the Company's pilot program designed to test the feasibility of providing simplified transportation service to firm customers in a manner that will permit monitoring, feedback and an opportunity to modify the terms and conditions of this Rider in order to determine whether to continue such service or expand its availability to additional customers.
2. If Company determines that the pilot program implemented by this Rider is operating successfully, Company may, at any time after the effective date of this Rider, by providing written notice to the Commission, each then participating Qualified Aggregating Supplier, and any other Gas supplier who has notified the Company in writing that it desires to participate in the program, modify this Rider by increasing

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Issued By: William N. Cantrell, President Effective: ~~June 16, 1997~~
Issued On: ~~June 16, 1997~~

FIRM TRANSPORTATION SUPPLIER AGGREGATION SERVICE (continued)

the number of customers and/or Qualified Aggregating Suppliers eligible to participate in such program. Any such modification by Company shall become effective 30 days after the later to occur of the aforesaid notice required of Company and the filing by Company of revised tariff sheets reflecting such modification.

3. For purposes of this Rider, "Qualified Aggregating Supplier" means a Gas supplier who has, within 60 days following the effective date of this Rider:
 - a. Entered into agreements to sell Gas to Customers desiring to receive service pursuant to this Rider;
 - b. Executed and delivered to Company an unmodified Firm Delivery and Operational Balancing Agreement for an initial term of not less than one year, obligating such supplier to deliver Gas to Company (in a minimum aggregate amount of 100,000 therms annually) for the accounts of customers on a firm basis, resolve imbalances between the quantities of Gas delivered for the accounts of customers and quantities of Gas taken by such customers directly with the Company, and establish and maintain credit pursuant to the terms of such agreement; and
 - c. Executed and delivered to Company an unmodified Master Capacity Release Agreement providing for such supplier's acquisition from Company of primary firm interstate pipeline transportation capacity to be used for the transportation and delivery to Company of Gas purchased by customers receiving service pursuant to this Rider; provided, however, that Company reserves the right to limit the number of Qualified Aggregating Suppliers if Company reasonably determines that the number of such suppliers would cause the Company to be unable to effectively perform or administer service pursuant to this Rider.
4. To initiate service pursuant to this Rider, Customer shall execute and deliver to Company a Master Agreement for Gas Services, the basic form of which is set forth on Sheets 8.116 through 8.116-2 of this tariff, setting forth the terms and conditions of service to be provided by Company, and identifying Customer's Qualified Aggregating Supplier.
5. Subject to Special Condition 6 hereof, the initial period of service to each Customer hereunder shall be one year from the date such service commences.
6. Company shall have the right, exercisable on written notice to the Commission, each participating Qualified Aggregating Supplier, and each Customer receiving service hereunder, given not less than 90 days prior to the date on which this Rider has been in effect for one year, to terminate this

FIRM TRANSPORTATION SUPPLIER AGGREGATION SERVICE (continued)

Rider as it applies to each participating Customer (effective as of the end of the initial period of service hereunder to such Customer). Thereafter, Company shall also have the right, exercisable on written notice to the Commission, each participating Qualified Aggregating Supplier, and each Customer receiving service hereunder, to terminate this Rider as it applies to each participating Customer, to extend the effectiveness of this Rider on an experimental basis, to expand or reduce the scope of (or otherwise modify) this Rider, or to make this Rider permanent, any such action by Company to become effective as of the date specified in such notice.

7. A Customer receiving service under this Rider may, effective as of the commencement of any one-year extension of the term of its agreement for service hereunder, change its Qualified Aggregating Supplier by executing and delivering to the Company a new or amended Master Agreement for Gas Services not less than 15 days prior to the commencement of the month in which such new or amended Master Agreement for Gas Services is to become effective.
8. A Customer receiving service under this Rider may, at any time during the first year following the effective date of this Rider, discontinue service hereunder by giving Company 15 days written notice prior to the first day of the month in which such Customer desires to discontinue such service, and upon such discontinuance return to service under the otherwise applicable firm sales service rate schedule. After the end of the first year following the effective date of this Rider, a Customer receiving service hereunder may discontinue such service by giving Company 90 days written notice prior to the end of the term of the Master Agreement for Gas Services between Customer and Company.
9. For purposes of curtailment by the Company, each individually billed facility receiving service hereunder shall be treated by the Company in accordance with the curtailment provisions found in the rate schedule (i.e., GS, GSLV-1, GSLV-2 or GTSLV-2) otherwise applicable to such facility.
10. Amounts payable to Company pursuant to the rate schedule applicable to each individually billed facility shall be subject to the operation of the Company's Tax and Fee Adjustment Clause (set forth on Sheet No. 7.101-1), Energy Conservation Cost Recovery Clause (set forth on Sheet No. 7.101-1), and Competitive Rate Adjustment Clause (set forth on Sheets Nos. 7.101-1 through 7.101-3).
11. Except as modified by the provisions set forth above, service under this Rider shall be subject to the Rules and Regulations set forth in this tariff.

FIRM TRANSPORTATION SUPPLIER AGGREGATION SERVICE (continued)

12. If a customer participating in this pilot program elects to change its Qualified Aggregating Supplier in accordance with the provisions of Special Condition 7 or if the customer is notified by its serving Qualified Aggregating Supplier that the supplier will, for any reason, cease to provide the customer's gas supply under this pilot program, the customer may elect to change to any Qualified Aggregating Supplier then participating in the program. To accommodate such changes, the newly selected replacement Qualified Aggregating Supplier may exceed the otherwise applicable aggregate maximum limit of 30 customers

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