

REQUEST TO ESTABLISH DOCKET  
(PLEASE TYPE)

Date November 30, 1998

Docket No. 981755-GU

1. Division Name/Staff Name Appeals/C. Moore CM
2. OPR Christiana Moore (APP) CM
3. OCR Ceryl R. Bulecza-Banks & Wayne Makin (EAG); Craig Hewitt (RRR)
4. Suggested Docket Title Proposed Amendment of Rule 25-7.083(1)(a), F.A.C., Customer Deposits

5. Suggested Docket Mailing List (attach separate sheet if necessary)

- A. Provide NAMES ONLY for regulated companies or ACRONYMS ONLY regulated industries, as shown in Rule 25-22.104, F.A.C.
- B. Provide COMPLETE name and address for all others. (Match representatives to clients.)
  1. Parties and their representatives (if any)

GU (Investor-owned gas utilities)

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_____	_____
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2. Interested Persons and their representatives (if any)

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6. Check one:

- Documentation is attached.  
 Documentation will be provided with the recommendation.

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PSC/RAR 10 (Revised 01/96)

DOCUMENT NUMBER-DATE

13375 NOV 30 98

FPSC-RECORDS/REPORTING

1        25-7.083   Customer Deposits.

2        (1)   Deposit required; establishment of credit.   Each  
3   company's tariff shall contain their specific criteria for  
4   determining the amount of initial deposit.   Each utility may  
5   require an applicant for service to satisfactorily establish  
6   credit, but such establishment of credit shall not relieve the  
7   customer from complying with the utilities' rules for prompt  
8   payment of bills.   Credit will be deemed so established if:

9        (a)   The applicant for service furnishes a satisfactory  
10   guarantor to secure payment of bills for the service requested.  
11   For residential customers, a satisfactory guarantor shall, at  
12   the minimum, be a customer of the utility with a satisfactory  
13   payment record.   For non-residential customers, a satisfactory  
14   guarantor need not be a customer of the utility.   Each utility  
15   shall develop minimum financial criteria that a proposed  
16   guarantor must meet to qualify as a satisfactory guarantor.   A  
17   copy of the criteria shall be made available to each new non-  
18   residential customer upon request by the customer.   A guarantor's  
19   liability shall be terminated when a residential customer whose  
20   payment of bills is secured by the guarantor meets the  
21   requirements of subsection (6) of this rule.   Guarantors  
22   providing security for payment of residential customers' bills  
23   shall only be liable for bills contracted at the service address  
24   contained in the contract of guaranty.

25        (b)   The applicant pays a cash deposit.

CODING:   Words underlined are additions; words in  
~~struck-through~~ type are deletions from existing law.

1 (c) The applicant for service furnishes an irrevocable  
2 letter of credit from a bank or a surety bond.

3 (2) Receipt for deposit. A non-transferable certificate of  
4 deposit shall be issued to each customer and means provided so  
5 that the customer may claim the deposit if the certificate is  
6 lost. When a new or additional deposit is required under Section  
7 3 of this rule a customer's cancelled check or validated bill  
8 coupon may serve as a deposit receipt.

9 (3) New or additional deposits. A utility may require,  
10 upon reasonable written notice of not less than 30 days, such  
11 request or notice being separate and apart from any bill for  
12 service, a new deposit, where previously waived or returned, or  
13 an additional deposit, in order to secure payment of current  
14 bills; provided, however, that the total amount of the required  
15 deposit shall not exceed an amount equal to the average actual  
16 charges for gas service for two billing periods for the 12-month  
17 period immediately prior to the date of notice. In the event the  
18 customer has had service less than 12 months, then the utility  
19 shall base its new or additional deposit upon the average actual  
20 monthly billing available.

21 (4) Record of deposit. Each utility having on hand  
22 deposits from customers or hereafter receiving deposits from them  
23 shall keep records to show:

- 24 (a) The name of each customer making the deposit;  
25 (b) The premises occupied by the customer;

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1 (c) The date and amount of deposit; and

2 (d) Each transaction concerning the deposit such as  
3 interest payments, interest credited or similar transactions.

4 (5) Interest on deposits.

5 (a) Each gas utility which requests deposits to be made by  
6 its customers shall pay a minimum interest on such deposits of 6  
7 percent per annum. The utility shall pay a minimum interest rate  
8 of 7 percent per annum on deposits of nonresidential customers  
9 qualifying under subsection (6) below when the utility elects not  
10 to refund such a deposit after 23 months.

11 (b) The deposit interest shall be simple interest in all  
12 cases and settlement shall be made annually, either in cash or by  
13 credit on the current bill. This does not prohibit any utility  
14 paying a higher rate of interest than required by this rule. No  
15 customer depositor shall be entitled to receive interest on his  
16 deposit until and unless a customer relationship and the deposit  
17 have been in existence for a continuous period of six months,  
18 then he shall be entitled to receive interest from the day of the  
19 commencement of the customer relationship and the placement of  
20 deposit.

21 (6) Refund of deposit. After a customer has established a  
22 satisfactory payment record and has had continuous service for a  
23 period of 23 months, the utility shall refund the residential  
24 customer's deposits and shall, at its option, either refund or  
25 pay the higher rate of interest specified above for

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1 nonresidential deposits, provided the customer has not, in the  
2 preceding 12 months, (a) made more than one late payment of a  
3 bill (after the expiration of 20 days from the date of mailing or  
4 delivery by the utility), (b) paid with check refused by a bank,  
5 (c) been disconnected for nonpayment, or at any time, (d)  
6 tampered with the gas meter, or (e) used service in a fraudulent  
7 or unauthorized manner. Nothing in this rule shall prohibit the  
8 company from refunding at any time a deposit with any accrued  
9 interest.

10 (7) Refund of deposit when service is disconnected. Upon  
11 termination of service, the deposit and accrued interest may be  
12 credited against the final account and the balance, if any, shall  
13 be returned promptly to the customer but in no event later than  
14 fifteen (15) days after service is discontinued.

15 Specific Authority: 366.05(1), 350.127(2), F.S.

16 Law Implemented: 366.03, 366.05(1), F.S.

17 History: Repromulgated 1/8/75, Amended 6/15/76, 6/10/80,  
18 1/31/84, formerly 25-7.83, Amended 10/13/88, 4/25/94, \_\_\_\_\_.

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