

August 17, 2000

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Ms. Blanca S. Bayo, Director  
 Division of Records and Reporting  
 Florida Public Service Commission  
 2540 Shumard Oak Blvd.  
 Tallahassee, FL 32399-0850

Re: Docket No. 000717-GU

Dear Ms. Bayo:

Enclosed for filing in Docket No. 000717-GU, please find the original and twelve copies of City Gas Company of Florida's Amendment to Petition for Authority to Implement Contract Transportation Service.

Should you have any questions with respect to this filing, please contact me at (850) 877-5282.

Sincerely,

*Michael A. Palecki*

Michael A. Palecki  
**NUI Corporation**  
 PMB 224  
 3539 Apalachee Parkway  
 Tallahassee, FL 32308  
 (850)877-5282

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c: Wayne Makin

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: City Gas Company's  
Petition for Authority to Implement  
Contract Transportation Service

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Docket No. 000717-GU

Filed: August 17, 2000

**ADMENDMENT TO PETITION FOR AUTHORITY TO  
IMPLEMENT CONTRACT TRANSPORTATION SERVICE**

City Gas Company of Florida, a division of NUI Corporation ("NUI City Gas" or "the Company") hereby amends its June 15, 2000 Petition for Authority to Implement Contract Transportation Service, including Exhibit 1, attached thereto, and states:

1. After conversations with Commission Staff, the Company has agreed to delete from the proposed tariff, the provision that would require the Commission to treat any service agreement entered into pursuant to the tariff as a confidential document. The Company reserves the right to request confidential treatment from the Commission on a case by case basis pursuant to applicable Statutes and Commission Rules regarding confidentiality. The provision of the proposed tariff contemplating that the Company submit to the Commission each contract entered into pursuant to the tariff has also been deleted. The Company acknowledges that the Commission shall have continuous access upon request to any contract entered into pursuant to the tariff.

2. An amended copy of proposed Rate Schedule KTS is attached hereto as Exhibit 1 (amended).

**WEREFOR**, NUI City Gas respectfully requests that the Florida Public Service Commission authorize the Company to implement its proposed Contract Transportation

DOCUMENT NUMBER - DATE

**10094** AUG 17 2000

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Service tariff as amended herein.

Respectfully submitted this 17<sup>th</sup> day of August 2000.

*Michael A. Palecki*

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Michael A. Palecki  
**NUI CORPORATION**  
PMB 224  
3539 Apalachee Parkway  
Tallahassee, FL 32311  
(850) 877-5282

**EXHIBIT 1  
(amended)**

**RATE SCHEDULE KTS  
Contract Transportation Service**

**Availability**

Throughout the service area of the Company.

**Objective**

The objective of this service classification is to enable the Company to attach incremental load to its system by providing the Company with the flexibility to negotiate individual service agreements with customers taking into account competitive and economic market conditions and system growth opportunities.

**Applicability**

Transportation service is available under this rate schedule to any non-residential, commercial or industrial customer bringing a minimum new incremental demand of 250,000 additional therms per year to the Company's system at one location.

Terms of service including operating conditions and, if applicable, a capital repayment mechanism acceptable to Company, which may include, but shall not be limited to, a minimum monthly or annual bill, will be set forth in individual service agreements between the Company and the customer. Absent a service agreement with Company under this rate schedule, Company has no obligation to provide, and the customer shall have no right to receive, service under this rate schedule, and customer may elect to receive service under other applicable rate schedules.

**Gas Supply Obligation**

The Company shall have no obligation to provide natural gas supplies to customers under this rate schedule.

**Monthly Rate**

Transportation Charge: An amount negotiated between Company and customer, but not less than \$0.01 per therm. The rate shall not be set lower than the incremental cost the Company incurs to serve the customer. The transportation charge shall include any capital recovery mechanism. The transportation charge shall be determined by the Company based on Company's evaluation of competitive and overall economic market conditions and the opportunity for the Company to expand its system into areas not served with natural gas. Such evaluation may include, but is not necessarily limited to: the cost of gas which is available to serve customer; the delivered price and availability of customer's alternate fuel or energy source; the nature of the customer's operations (such as load factor, fuel efficiency, alternate fuel capacity, etc.); and the opportunity to extend gas service to areas not supplied with natural gas. With respect to existing customers, an additional load of at least 250,000 therms must be added, and the negotiated KTS rate will only apply to the additional load added to the Company's system.

### Interruption and Curtailment

Company shall have the right to reduce or completely curtail deliveries to Customer pursuant to this rate schedule:

- (A) If in Company's opinion, Customer will overrun the volume of gas to which it is entitled from its supplier (or overrun the volume of gas being delivered to Company for Customer's account); or
- (B) in the event Company is notified by its supplier or pipeline transporter to interrupt or curtail deliveries to Customer, or deliveries of gas for uses of the same type or category as Customer's use of gas hereunder; or
- (C) when necessary to maintain the operational reliability of Company's system

### Confidentiality

The Company and Customer each regard the terms and conditions of the negotiated service agreement as confidential, proprietary business information.

The Company and Customer will utilize all reasonable and available measures to guard the confidentiality of said information, subject to the requirements of courts and agencies having jurisdiction hereof.

### Special Conditions

1. Service under this rate schedule shall be subject to Section 11 of Rules and Regulations for Transportation – Special Conditions, except to the extent modified in a service agreement.
2. The rates set forth in this rate schedule shall be subject to the operation of the Company's Tax and Other Adjustments set forth on Sheet No. 26.
3. Service under this rate schedule shall be subject to the Rules and Regulations set forth in the tariff, except to the extent modified in a service agreement.
4. If the provision of service hereunder requires the installation of natural gas equipment at customer's facility, Company and customer may enter into an agreement as to the terms and conditions regarding the reimbursement of costs relating to such equipment. The initial term of the service agreement shall, at a minimum, be equal to the period of cost reimbursement. The rates established in the Monthly Rates section may be adjusted to provide for such cost reimbursement to the Company including carrying costs.
5. Service under this rate schedule shall not be subject to the Competitive Rate Adjustment Clause.

6. When entering into a service agreement with a customer under this rate schedule, Company will take reasonable steps to mitigate the potential of any revenue shortfalls between the revenues received under a service agreement and the total cost and expenses relating to the associated capital investment made by the Company.