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August 31, 2007

ELECTRONIC FILING

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 070135: Petition for Waiver of Service Line Abandonment Provisions of Rule 25-12.045, F.A.C., by Florida Natural Gas Association

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket, please find the original and 7 copies Florida Natural Gas Association's Settlement Proposal. Thank you for your assistance with this filing.

Sincerely,

A handwritten signature in cursive script, appearing to read "Beth Keating", written over a horizontal line.

Beth Keating
AKERMAN SENTERFITT
106 East College Avenue, Suite 1200
Tallahassee, FL 32302-1877
Phone: (850) 224-9634
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cc: David Rogers (FNGA)
Jeff Householder

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In the Matter of:)
Petition for Waiver of Service Line)
Abandonment Provisions of Rule)
25-12.045, F.A.C. by the Florida Natural)
Gas Association.)

Docket No. 070135-GU
Filed: August 31, 2007

THE FLORIDA NATURAL GAS ASSOCIATION'S SETTLEMENT PROPOSAL

The Florida Natural Gas Association ("FNGA"), by and through its undersigned counsel, hereby submits this Settlement Proposal with regard to its Protest of Proposed Agency Action Order No. PSC-07-0488-PAA-GU, issued June 8, 2007. As set forth in FNGA's Protest, the FNGA filed its protest of the Commission's Proposed Agency Action Order No. PSC-07-0488-PAA-GU, because the FNGA and its members were concerned that certain language on page 3 of that Proposed Agency Action Order could be construed contrary to the Commission's otherwise apparent intent to grant FNGA's request for waiver of subparts (b) and (c) of Rule 25-12.045, F.A.C. In light of productive settlement discussions with PSC Staff, the FNGA proposes the following:

1. The Commission will issue an Order clarifying that the FNGA's Petition for Waiver of Rule 25-12.045(1)(b) and (c), F.A.C., is granted in its entirety.
2. If the requested clarification is made and the Waiver is granted, LDCs that avail themselves of the terms of the Waiver will continue to comply with Rule 25-12.044, F.A.C., when a gas line becomes inactive. Rule 25-12.044, F.A.C., requires that the valve or service line either be closed and locked, or plugged, when gas service to a customer is turned off or interrupted. Currently, LDC operators meet the requirements of this Rule through the use of a meter lock.

3. If the clarification is made and the Waiver is granted, LDCs that avail themselves of the terms of the requested Waiver will continue to comply with all other federal and state safety requirements, unless and until a waiver of such requirements has been requested from and granted by the appropriate regulatory authority.

By submitting the foregoing, the FNGA hopes to assure the Commission that FNGA's member operators will continue to apply prudent safety precautions throughout the duration of the requested Waiver, and will, as such, continue to meet the underlying requirements of Section 368.05(2), Florida Statutes. Thus, the FNGA respectfully requests that the Commission accept the FNGA's Settlement Proposal set forth herein, and approve the FNGA's Petition for Waiver of Rule 25-12.045, Florida Administrative Code, in its entirety. If the proposal set forth herein is accepted, FNGA suggests that there will be no need for a Section 120.57, Florida Statutes, hearing; consequently, if the Commission accepts this Proposal of Settlement without modification, the Commission may deem the FNGA's Protest of Order No. PSC-07-0488-PAA-GU withdrawn.

Respectfully submitted this 31th day of August, 2007.

~~Florida Natural Gas Association~~



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