

State of Florida

Commissioners:
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DIVISION OF APPEALS
DAVID E. SMITH
DIRECTOR
(904) 413-6245

Public Service Commission

April 29, 1996

Mr. Carroll Webb
Joint Administrative Procedures
Committee
120 Holland Building
Tallahassee, Florida 32399

Re: Docket No. 960169-GU, Proposed Repeal of Rule 25-7.067, F.A.C., Heating Value Standard for Manufactured Gas; Rule 25-7.068, F.A.C., Heating Value Tests; and Rule 25-7.069, F.A.C., Calorimeter Equipment; and Amendment of Rule 25-7.085(2) (c), F.A.C., Customer Billing

Dear Mr. Webb:

Enclosed are an original and two copies of the following materials concerning the above referenced proposed rule:

- 1. A copy of the rules.
- 2. A copy of the F.A.W. notice.
- 3. A statement of facts and circumstances justifying the proposed rules.
- 4. A federal comparison statement.
- 5. A statement of the impact of the rules on small business.
- 6. No economic impact statement was prepared.
- 7. A statement that the agency has chosen the regulatory alternative that imposes the lowest net cost to society.

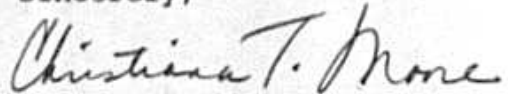
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Mr. Carroll Webb
April 29, 1996
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If there are any questions with respect to these rules, please do not hesitate to call on me.

Sincerely,



Christiana T. Moore
Associate General Counsel

ALMGS-7.MKD

Enclosures

cc: Division of Records & Reporting

1 25-7.067 Heating Value Standard for Manufactured Gas.

2 ~~(1) Each manufactured gas utility shall establish and~~
3 ~~maintain, with the approval of the Commission, a standard heating~~
4 ~~value for its product. This heating value standard, expressed in~~
5 ~~BTU per standard cubic foot, shall be filed with the Commission as~~
6 ~~a part of its schedule of rates or rules and regulations.~~

7 ~~(2) The monthly average heating value of the manufactured~~
8 ~~gas, as delivered to consumers within the area served, shall be not~~
9 ~~less than the heating value standard on file with the Commission.~~

10 ~~(3) The heating value of the manufactured gas shall be~~
11 ~~maintained with as little deviation as practicable and the average~~
12 ~~total heating value on any one day should not exceed or fall below~~
13 ~~the authorized standard by more than four percent (4%) except when~~
14 ~~a substitute gas is used in accordance with the provisions of (5)~~
15 ~~of this rule.~~

16 ~~(4) In maintaining the established heating value, the~~
17 ~~chemical composition and specific gravity shall be such as to~~
18 ~~attain satisfactory combustion in the customer's appliances at all~~
19 ~~times without repeated readjustment of the burners.~~

20 ~~(5) In situations where a supplemental or substitute gas is~~
21 ~~distributed by a utility, the gas quality shall be such that the~~
22 ~~utilization performance, when used as a fuel, will be satisfactory~~
23 ~~regardless of the heating value of the gas.~~

24 ~~(6) No utility shall change its standard of heating value~~
25 ~~without first obtaining the approval of the Commission for such~~

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~~struck-through~~ type are deletions from existing law.

1 ~~change.~~

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

3 Law Implemented: 366.05(1), F.S.

4 History: Repromulgated 1/8/75, 5/4/75, formerly 25-7.67, Repealed

5 _____
6 ~~25-7.068 Heating Value Tests.~~

7 ~~(1) Tests for heating value shall be made at a location or~~
8 ~~locations which will insure a representative sampling of the gas~~
9 ~~being sent out to the distribution system.~~

10 ~~(2) Any utility supplying manufactured or mixed gas shall~~
11 ~~determine the heating value of such gas at least once each day,~~
12 ~~except Sundays and holidays.~~

13 ~~(3) Any utility supplying natural gas shall make sufficient~~
14 ~~tests, or have access to such tests made by its supplier, as to~~
15 ~~ascertain the heating value.~~

16 ~~(4) Unless the Commission rules otherwise in specific cases,~~
17 ~~the average for any day shall be determined from the record of a~~
18 ~~recording calorimeter where such is available, or it shall be taken~~
19 ~~as the average of the results of all tests of heating value made on~~
20 ~~that day. The average of all such daily averages shall be taken as~~
21 ~~the monthly average.~~

22 ~~(5) Gas which has been compressed to more than five (5)~~
23 ~~pounds per square inch shall be tested for heating value after~~
24 ~~compression, except natural gas.~~

25 Specific Authority: 366.05, F.S.

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~~struck-through~~ type are deletions from existing law.

1 Law Implemented: 366.05, F.S.

2 History: Repromulgated 1/8/75, 5/4/75, formerly 25-7.68, Repealed

3 _____.

4 ~~25-7.069 Calorimeter Equipment.~~

5 ~~(1) The utility shall maintain or have access to an approved~~
6 ~~type calorimeter located as specified in Rule 25-7.068(1).~~

7 ~~(2) The utility may use a standard recording calorimeter which~~
8 ~~shall be maintained in proper working order and shall be subjected~~
9 ~~to accuracy tests at least three times a year at four month~~
10 ~~intervals with a standard calorimeter or against a standard gas.~~

11 ~~(3) The calorimeter, method of testing, and accuracy tests~~
12 ~~shall be subject to inspection and approval of the Commission.~~

13 Specific Authority: 366.05(1), F.S.

14 Law Implemented: 366.05(3), F.S.

15 History: Repromulgated 1/8/75, 5/4/75, formerly 25-7.69, Repealed

16 _____.

17 25-7.085 Customer Billing.

18 (1) Bills shall be rendered monthly. With the exception of
19 a duplicate bill, each customer's bill shall show at least the
20 following information:

21 (a) The meter reading and the date the meter was read plus
22 the meter reading for the previous period. When an electronic
23 meter is used, the gas volume consumed for the billing month may be
24 shown. If the gas consumption is estimated, the word "estimated"
25 shall prominently appear on the bill.

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1 (b) Therms and cubic feet consumed.

2 (c) The total dollar amount of the bill, indicating
3 separately:

4 1. Customer charge.

5 2. Energy (therm) charge exclusive of fuel cost in
6 cents per therm.

7 3. Fuel cost in cents per therm (no fuel costs shall
8 be included in the charge for energy).

9 4. Total gas cost which is the sum of the customer
10 charge, total fuel cost and total energy cost.

11 5. Franchise fees, if applicable.

12 6. Taxes, as applicable on purchases of gas by the
13 customer.

14 7. Any discount or penalty, if applicable.

15 8. Past due balances.

16 9. The gross and net billing, if applicable.

17 (d) Identification of the applicable rate schedule.

18 (e) The date by which payment must be made in order to
19 benefit from any discount or avoid any penalty, if applicable.

20 (f) The average daily therm consumption for the current
21 period and for the same period in the previous year, for the same
22 customer at the same location.

23 (g) The delinquent date or the date after which the bill
24 becomes past due.

25 (h) Any conversion factors which can be used by customers to

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1 | convert from meter reading units to billing units.

2 | (i) Where budget billing is used, the bill shall contain the
3 | current month's consumption and charges separately from budgeted
4 | amounts.

5 | (j) The name of the utility plus the address and telephone
6 | number of the local office where the bill can be paid and questions
7 | concerning the bill can be answered.

8 | (2) All gas utilities shall charge for gas service on a
9 | thermal basis instead of on a volume basis. The provisions
10 | governing customer billing on a thermal basis shall be as follows:

11 | (a) The unit of service shall be the "Therm."

12 | (b) The number of therms which shall have been taken by
13 | consumer during a given period shall be determined by multiplying
14 | the difference in the meter readings in cubic feet at the beginning
15 | and end of the period by the conversion factors in (1) (h) including
16 | a heating-value factor which has been determined as prescribed in
17 | (c) below.

18 | (c) The heating-value factor for gas utilities receiving and
19 | distributing natural gas shall be the average thermal value of the
20 | natural gas received and distributed during the preceding month.
21 | ~~For manufactured gas utilities the heating value factor shall be~~
22 | ~~the heating value standard which the utility has on file with the~~
23 | ~~Commission, divided by 100,000; provided that during the calendar~~
24 | ~~month nearest coinciding with the billing period the average~~
25 | ~~heating value as determined under Rule 25-7.068(4) is at or above~~

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1 ~~that standard.~~ In case the average heating value during the
2 calendar month has been below the standard, then the value to be
3 used in determining the factor shall be the heating value standard
4 minus a deduction of one percent (1%) for each one percent (1%) or
5 fraction thereof that the average heating value has been below the
6 standard.

7 (d) The consumer shall be billed to the nearest one-tenth of
8 a therm.

9 (3) Whenever the period of service for which an initial or
10 opening bill would be rendered is less than the normal billing
11 period, no bill for that period need be rendered if the volume
12 amount consumed is carried over and included in the next regular
13 monthly billing. If, however, a bill for such period is rendered,
14 the applicable charges, including minimum charges, shall be
15 prorated.

16 (4) Franchise Fees.

17 (a) When a municipality charges a utility any franchise fee,
18 the utility may collect that fee only from its customers receiving
19 service within that municipality. When a county charges a utility
20 any franchise fee, the utility may collect that fee only from its
21 customers receiving service within that county.

22 (b) A company may not incorporate any franchise fee into its
23 other rates for service.

24 (c) This subsection shall not be construed as granting a
25 municipality or county the authority to charge a franchise fee.

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1 This subsection only specifies the method of collection of a
2 franchise fee, if a municipality or county, having authority to do
3 so, charges a franchise fee.

4 (5) When there is sufficient cause, estimated billings may be
5 used by a utility provided that with the customer's third
6 consecutive estimated billing the customer is informed of the
7 reason for the estimation and whom to contact to obtain an actual
8 meter reading if one is desired. An actual meter reading must be
9 taken at least once every six months. If an estimated bill appears
10 to be abnormal once an actual meter reading is obtained, the bill
11 for the entire estimation period shall be computed at a rate based
12 on use of service during the entire period and the estimated bill
13 shall be deducted. If there is substantial evidence that such use
14 occurred during only one billing period, the bill shall be
15 computed.

16 (6) Regular meter reading dates may be advanced or postponed
17 not more than five days without a proration of the billing for the
18 period.

19 (7) The practices employed by each utility regarding customer
20 billing shall have uniform application to all customers on the same
21 rate schedule.

22 Specific Authority: 366.05(1), F.S.

23 Law Implemented: 366.05(1), 366.06(1), F.S.

24 History: Amended 12/15/73, Repromulgated 1/8/75, amended 5/4/75,
25 11/21/82, 12/26/82, formerly 25-7.85, Amended 10/10/95, _____.

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FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 960'69-GU

RULE TITLE:	RULE NO.:
Heating Value Standard for Manufactured Gas	25-7.067
Heating Value Tests	25-7.068
Calorimeter Equipment	25-7.069
Customer Billing	25-7.085

PURPOSE AND EFFECT: The purpose in repealing or revising these rules is to eliminate rules that are considered to be obsolete.

SUMMARY: The rules being repealed or revised are obsolete provisions that regulate manufactured gas utility activities.

RULEMAKING AUTHORITY: 366.05(1), Florida Statutes.

LAW IMPLEMENTED: 366.05(1), 366.05(3), 366.06(1), Florida Statutes.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

HEARING: IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE AND PLACE SHOWN BELOW:

TIME AND DATE: 10:00 A.M., May 29, 1996

PLACE: Room 152, Betty Easley Conference Center, 4075 Esplanade Way, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THESE RULES AND THE ECONOMIC IMPACT STATEMENT IS: Director of Appeals, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399.

THE FULL TEXT OF THESE RULES ARE:

25-7.067 Heating Value Standard for Manufactured Gas.

~~(1) Each manufactured gas utility shall establish and maintain, with the approval of the Commission, a standard heating value for its product. This heating value standard, expressed in BTU per standard cubic foot, shall be filed with the Commission as a part of its schedule of rates or rules and regulations.~~

~~(2) The monthly average heating value of the manufactured gas, as delivered to consumers within the area served, shall be not less than the heating value standard on file with the Commission.~~

~~(3) The heating value of the manufactured gas shall be maintained with as little deviation as practicable and the average total heating value on any one day should not exceed or fall below the authorized standard by more than four percent (4%) except when a substitute gas is used in accordance with the provisions of (5) of this rule.~~

~~(4) In maintaining the established heating value, the chemical composition and specific gravity shall be such as to attain satisfactory combustion in the customer's appliances at all times without repeated readjustment of the burners.~~

~~(5) In situations where a supplemental or substitute gas is distributed by a utility, the gas quality shall be such that the utilization performance, when used as a fuel, will be satisfactory regardless of the heating value of the gas.~~

~~(6) No utility shall change its standard of heating value without first obtaining the approval of the Commission for such change.~~

Specific Authority: 366.05(1) FS.

Law Implemented: 366.05(1) FS.

History: Repromulgated 1-8-75, 5-4-75, formerly 25-7.67, Repealed

~~25-7.068 Heating Value Tests.~~

~~(1) Tests for heating value shall be made at a location or locations which will insure a representative sampling of the gas being sent out to the distribution system.~~

~~(2) Any utility supplying manufactured or mixed gas shall determine the heating value of such gas at least once each day, except Sundays and holidays.~~

~~(3) Any utility supplying natural gas shall make sufficient tests, or have access to such tests made by its supplier, as to ascertain the heating value.~~

~~(4) Unless the Commission rules otherwise in specific cases, the average for any day shall be determined from the record of a recording calorimeter where such is available, or it shall be taken as the average of the results of all tests of heating value made on that day. The average of all such daily averages shall be taken as the monthly average.~~

~~(5) Gas which has been compressed to more than five (5) pounds per square inch shall be tested for heating value after compression, except natural gas.~~

Specific Authority: 366.05 FS.

Law Implemented: 366.05 FS.

History: Repromulgated 1-8-75, 5-4-75, formerly 25-7.68, Repealed

~~25-7.069 Calorimeter Equipment.~~

~~(1) The utility shall maintain or have access to an approved type calorimeter located as specified in Rule 25-7.068(1).~~

~~(2) The utility may use a standard recording calorimeter which shall be maintained in proper working order and shall be subjected to accuracy tests at least three times a year at four month intervals with a standard calorimeter or against a standard gas.~~

~~(3) The calorimeter, method of testing, and accuracy tests shall be subject to inspection and approval of the Commission.~~

Specific Authority: 366.05(1) FS.

Law Implemented: 366.05(3) FS.

History: Repromulgated 1-8-75, 5-4-75, formerly 25-7.69, Repealed

25-7.085 Customer Billing.

(1) Bills shall be rendered monthly. With the exception of a duplicate bill, each customer's bill shall show at least the following information:

(a) The meter reading and the date the meter was read plus the meter reading for the previous period. When an electronic meter is used, the gas volume consumed for the billing month may be shown. If the gas consumption is estimated, the word "estimated" shall prominently appear on the bill.

(b) Therms and cubic feet consumed.

(c) The total dollar amount of the bill, indicating separately:

1. Customer charge.
2. Energy (therm) charge exclusive of fuel cost in cents per therm.

3. Fuel cost in cents per therm (no fuel costs shall be included in the charge for energy).

4. Total gas cost which is the sum of the customer charge, total fuel cost and total energy cost.

5. Franchise fees, if applicable.

6. Taxes, as applicable on purchases of gas by the customer.

7. Any discount or penalty, if applicable.

8. Past due balances.

9. The gross and net billing, if applicable.

(d) Identification of the applicable rate schedule.

(e) The date by which payment must be made in order to benefit from any discount or avoid any penalty, if applicable.

(f) The average daily therm consumption for the current period and for the same period in the previous year, for the same customer at the same location.

(g) The delinquent date or the date after which the bill becomes past due.

(h) Any conversion factors which can be used by customers to convert from meter reading units to billing units.

(i) Where budget billing is used, the bill shall contain the current month's consumption and charges separately from budgeted amounts.

(j) The name of the utility plus the address and telephone number of the local office where the bill can be paid and questions concerning the bill can be answered.

(2) All gas utilities shall charge for gas service on a

thermal basis instead of on a volume basis. The provisions governing customer billing on a thermal basis shall be as follows:

(a) The unit of service shall be the "Therm."

(b) The number of therms which shall have been taken by consumer during a given period shall be determined by multiplying the difference in the meter readings in cubic feet at the beginning and end of the period by the conversion factors in (1) (h) including a heating-value factor which has been determined as prescribed in (c) below.

(c) The heating-value factor for gas utilities receiving and distributing natural gas shall be the average thermal value of the natural gas received and distributed during the preceding month. ~~For manufactured gas utilities the heating value factor shall be the heating value standard which the utility has on file with the Commission, divided by 100,000, provided that during the calendar month nearest coinciding with the billing period the average heating value as determined under Rule 25-7.068(4) is at or above that standard.~~ In case the average heating value during the calendar month has been below the standard, then the value to be used in determining the factor shall be the heating value standard minus a deduction of one percent (1%) for each one percent (1%) or fraction thereof that the average heating value has been below the standard.

(d) The consumer shall be billed to the nearest one-tenth of a therm.

(3) Whenever the period of service for which an initial or opening bill would be rendered is less than the normal billing

period, no bill for that period need be rendered if the volume amount consumed is carried over and included in the next regular monthly billing. If, however, a bill for such period is rendered, the applicable charges, including minimum charges, shall be prorated.

(4) Franchise Fees.

(a) When a municipality charges a utility any franchise fee, the utility may collect that fee only from its customers receiving service within that municipality. When a county charges a utility any franchise fee, the utility may collect that fee only from its customers receiving service within that county.

(b) A company may not incorporate any franchise fee into its other rates for service.

(c) This subsection shall not be construed as granting a municipality or county the authority to charge a franchise fee. This subsection only specifies the method of collection of a franchise fee, if a municipality or county, having authority to do so, charges a franchise fee.

(5) When there is sufficient cause, estimated billings may be used by a utility provided that with the customer's third consecutive estimated billing the customer is informed of the reason for the estimation and whom to contact to obtain an actual meter reading if one is desired. An actual meter reading must be taken at least once every six months. If an estimated bill appears to be abnormal once an actual meter reading is obtained, the bill for the entire estimation period shall be computed at a rate based on use of service during the entire period and the estimated bill

shall be deducted. If there is substantial evidence that such use occurred during only one billing period, the bill shall be computed.

(6) Regular meter reading dates may be advanced or postponed not more than five days without a proration of the billing for the period.

(7) The practices employed by each utility regarding customer billing shall have uniform application to all customers on the same rate schedule.

Specific Authority: 366.05(1) FS.

Law Implemented: 366.05(1), 366.06(1) FS.

History: Amended 12-15-73, Repromulgated 1-8-75, amended 5-4-75, 11-21-82, 12-26-82, formerly 25-7.85, Amended 10-10-95,_____.

NAME OF PERSON ORIGINATING PROPOSED RULES: C. Edward Mills, Division of Electric and Gas.

NAME OF SUPERVISOR OR PERSON(S) WHO APPROVED THE PROPOSED RULES: Florida Public Service Commission.

DATE PROPOSED RULES APPROVED: April 16, 1996

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (904) 413-6770 at least five calendar days prior to

the hearing. If you are hearing or speech impaired, please contact the Florida Public Service Commission using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

Rules 25-7.067, 25-7.068,
25-7.069, 25-7.085(2)(c)
Docket No. 960169-GU

**STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE**

Rules 25-7.067, 25-7.068, and 25-7.069, Florida Administrative Code, require manufactured gas utilities to maintain a standard heating value; require certain heating value tests; and require utilities to maintain or have access to calorimeter equipment to measure heating value. The second sentence of Rule 25-7.085(2)(c) prescribes the heating value factor for manufactured gas utilities. Because no manufactured gas utilities have been located in Florida for the past 20 to 30 years, and none are expected to locate within the State in the foreseeable future, the rules are unnecessary. The heating value tests and calorimeter equipment prescribed by the rules were used predominantly for manufactured gas and are also not needed now.

STATEMENT ON FEDERAL STANDARDS

There is no federal standard on the same subject.

STATEMENT OF IMPACT ON SMALL BUSINESS

The repeal of these rules will have no impact on small business.

**STATEMENT THAT THE AGENCY HAS CHOSEN THE REGULATORY ALTERNATIVE
THAT IMPOSES THE LOWEST NET COST ALTERNATIVE TO SOCIETY**

Because repeal of these rules does not result in a "substantial increase in costs" or "significant adverse effects" to the parties directly affected an Economic Impact Statement is not required and none was prepared.