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COMMISSIONERS: RONALD A. BRISÉ, CHAIRMAN LISA POLAK EDGAR ART GRAHAM EDUARDO E. BALBIS JULIE I. BROWN

STATE OF FLORIDA



MARSHALL WILLIS, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Hublic Service Commission

February 24, 2012

To: Florida Gas Municipals and Special Gas Districts

Re: Docket No. 110303-OT - Industry survey for legislative review of agency rules in effect on or before November 16, 2010

To Whom It May Concern:

Please see attached Staff's survey questions. Your timely response to these survey questions regarding Rule 25-7.0131, F.A.C. – Regulatory Assessment Fees; Gas Utilities, Gas Municipals, and Gas Districts will be used to complete the Commission's Compliance Economic Review required by Sections 120.745 and 120.541, Florida Statutes. All responses should be filed in Docket No. 110303-OT by 5:00 p.m., Wednesday, March 14, 2012, and addressed to:

Bill McNulty c/o Ann Cole Commission Clerk Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

If you have any questions, please contact me at 850-413-6848 or bmcnulty@psc.state.fl.us. Thank you for your assistance.

Sincerely,

/s/ Bill McNulty
Bill McNulty
Economic Analyst
Division of Economic Regulation

CLOST NEWBER-DAY

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FPSC Survey Questions re: Compliance Economic Review

Gas Municipals and Gas Districts

<u>Date Questions Issued:</u> February 24, 2012

Date Responses Due to Commission Clerk: March 14, 2012

FPSC Contact: Bill McNulty, bmcnulty@psc.state.fl.us, 850-413-6848

Rule 25-7.0131, F.A.C. - Survey Questions

The following survey questions apply to <u>Rule 25-7.0131, F.A.C. – Regulatory Assessment Fees; Gas Utilities, Gas Municipals, and Gas Districts</u>. For purposes of responding to these questions, please refer to Subsection 120.541(2), F.S., and Subparagraph 120.745(1)(b)2, F.S. "Transactional costs" are defined in Subparagraph 120.541(2)(d), F.S., as:

...direct costs that are readily ascertainable based upon standard business practices, including filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used or procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring and reporting, and any other costs necessary to comply with the rule.

The Gas Municipal's or Gas District's response data to these survey questions should be provided for the entire rule, unless the response data is available by rule section, in which case we request the response data be provided by rule section. Please present data in annualized format, if possible, and all cost or benefit dollar estimates should be stated in nominal terms.

- 1. What are the Gas Municipal's or Gas District's estimated transactional costs resulting from the Gas Municipal's or Gas District's compliance with Rule 25-7.0131, F.A.C., for the five year period beginning July 1, 2011? Please identify regulatory assessment fees separately from all other transactional costs required to comply with the rule.
- 2. What is the Gas Municipal's or Gas District's estimate of the likely impact, stated in terms of costs and/or benefits, on small businesses (as defined by s. <u>288.703</u>) located in the Gas Municipal's or Gas District's service territory, resulting from the implementation of Rule 25-7.0131, F.A.C., for the five year period beginning July 1, 2011?
- 3. What is the Gas Municipal's or Gas District's estimate of the likely impact, stated in terms of costs and/or benefits, on small counties and small cities (as defined in s. 120.52) located in the Gas Municipal's or Gas District's service territory, resulting from the implementation of Rule 25-7.0131, F.A.C., for the five year period beginning July 1, 2011?
- 4. What is the Gas Municipal's or Gas District's estimate of the likely impact, stated in terms of costs and/or benefits, on entities located in the Gas Municipal's or Gas District's service territory other than those specifically identified in Questions 2 and 3, resulting from the implementation of Rule 25-7.0131, F.A.C., for the five year period beginning July 1, 2011?

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- 5. What does the Gas Municipal or Gas District believe is the expected impact of Rule 25-7.0131, F.A.C., on economic growth, private sector job creation or employment, and private sector investment for the five year period beginning July 1, 2011 in the Gas Municipal's or Gas District's service territory?
- 6. What does the Gas Municipal or Gas District believe is the expected impact of Rule 25-7.0131, F.A.C., on business competitiveness, including the ability of persons doing business in the Gas Municipal's or Gas District's service territory to compete with persons doing business in states other than Florida or other domestic markets, productivity, and innovation, for the five year period beginning July 1, 2011?
- 7. What does the Gas Municipal or Gas District believe are the benefits of Rule 25-7.0131, F.A.C.?

25-7.0131 Regulatory Assessment Fees; Gas Utilities, Gas Municipals, and Gas Districts.

- (1) As applicable and as provided in Sections 350.113 and 366.14, F.S., each gas utility, municipal, or gas district shall remit a fee based upon its gross operating revenue. This fee shall be referred to as a regulatory assessment fee. Regardless of the gross operating revenue of a Gas Municipal or Gas District, a minimum annual regulatory assessment fee of \$25 shall be imposed.
- (a) Each investor-owned gas utility shall pay a regulatory assessment fee in the amount of .005 of its gross operating revenue derived from intrastate business, excluding sales for resale between public utilities, municipal gas utilities, and gas districts or any combination thereof.
- (b) Each municipal or gas district shall pay a regulatory assessment fee in the amount of 0.001919 of its gross operating revenue derived from intrastate business, excluding sales for resale between public utilities, municipal gas utilities, and gas district or any combination thereof.
- (2) Regulatory assessment fees are due each January 30 for the preceding period or any part of the period from July 1 until December 31, and on July 30 for the preceding period or any part of the period from January 1 until June 30.
- (3) If the due date falls on a Saturday, Sunday, or a legal holiday, the due date is extended to the next business day. If the fees are sent by registered mail, the date of the registration is the United States Postal Service's postmark date. If the fees are sent by certified mail and the receipt is postmarked by a postal employee, the date and the receipt is the United States Postal Service's postmark date. The postmarked certified mail receipt is evidence that the fees were delivered. Regulatory assessment fees are considered paid on the date they are postmarked by the United States Postal Service or received and logged in by the Commission's Division of Administrative Services in Tallahassee. Fees are considered timely paid if properly addressed, with sufficient postage and postmarked no later than the due date.
- (4) Commission Form PSC/ECR 67 (01/99), entitled "Investor-Owned Natural Gas Utility Regulatory Assessment Fee Return" and Form PSC/ECR 71 (07/96), entitled "Gas Municipal or Gas District Regulatory Assessment Fee Return" are incorporated into this rule by reference and may be obtained from the Commission's Division of Administrative Services. The failure of a utility to receive a return form shall not excuse the utility from its obligation to timely remit the regulatory assessment fees.
 - (5) Each utility, municipal, and gas district shall have up to and including the due date in which to:
 - (a) Remit the total amount of its fee or
 - (b) Remit an amount which the utility, municipal, or gas district estimates is its full fee.
- (6) Where the utility, municipal, or gas district remits less than its full fee, the remainder of the full fee shall be due on or before the 30th day from the due date and shall, where the amount remitted was less than 90 percent of the total regulatory assessment fee, include interest as provided by paragraph (8)(b) of this rule.
- (7) A utility, municipal, or gas district may request from the Division of Administrative Services a 30-day extension of its due date for payment of regulatory assessment fees or for filing its return form.
 - (a) The request for extension must be written and accompanied by a statement of good cause.
- (b) The request for extension must be received by the Division of Administrative Services at least two weeks before the due date.
- (c) Where a utility, municipal, or gas district receives an extension of its due date pursuant to this rule, then the utility, municipal, or gas district shall remit a charge in addition to the regulatory assessment fee, as set out in Section 350.113, F.S.
- (8) The delinquency of any amount due to the Commission from the utility, municipal, or gas district pursuant to the provisions of Section 350.113, F.S., and this rule, begins with the first calendar day after any date established as the due date either by operation of this rule or by an extension pursuant to this rule.
 - (a) A penalty, as set out in Section 350.113, F.S., shall apply to any such delinquent amounts.
 - (b) Interest at the rate of 12 percent per annum shall apply to any such delinquent amounts.

Specific Authority 350.127(2), 366.14 FS. Law Implemented 350.113, 366.14 FS. History-New 5-18-83, Formerly 25-7.131, Amended 10-19-86, 4-25-90, 7-7-96, 1-1-99.