



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

---

DATE: July 1, 1996  
 TO: All Interested Persons  
 FROM: Beth Culpepper, Esquire *ec RVE*  
 RE: Docket No. 960725-GU - UNBUNDLING OF NATURAL GAS SERVICES

---

Attached is a list of issues proposed by Commission staff for consideration in this docket. This list is preliminary and subject to revision. Should you have revisions or additions to this list, please file them with the Division of Records and Reporting on or before July 23, 1996. For scheduling and participation information pertaining to this docket, refer to the Order on Procedure, which will also be filed today. Please do not hesitate to contact me at (904) 413-6212 if you have any further questions regarding this docket.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC   1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

07039 JUL-1 96

FPSC-RECORDS/REPORTING

NATURAL GAS UNBUNDLING PROPOSED ISSUES  
DOCKET NO. 960725-GU

OBLIGATION TO SERVE / SERVICE OFFERINGS

1. Should the Local Distribution Company (LDC) be required to be the supplier of last resort?
2. Should the LDC be required to offer transportation service to all classes of customers?
3. Should the LDC have the obligation to offer backup or no-notice service for firm transportation customers?
4. Should the LDC be relieved of its obligation to transport if the customer fails to secure firm supplies or backup service?
5. Should the LDC be allowed to use transportation customers' gas in critical need situations?
6. Should LDCs be allowed to curtail gas service to a firm transportation customer who has demonstrated that their gas supply arrived at the LDC city gate?
7. Should the LDC be allowed to require transportation customers using gas for "essential human needs" to contract for standby service?
8. Should the LDC be required to offer customers the ability to combine unbundled and bundled services?
9. Should the LDC be allowed to require a waiting period to transportation customers wanting to return to bundled service?
10. Should the price for transportation service be based on cost of service principles?

**BALANCING**

11. Should the LDC be required to file balancing tariffs that establish a period when transportation customers can balance deliveries into and out of the utility's system?
12. Should the LDC be allowed to issue Operational Flow Orders and impose special volume conditions and/or balancing provisions in case of system emergencies and capacity constraints?
13. Should the LDC be allowed to impose penalties when a customer fails to balance deliveries and withdrawals within an established time frame?
14. Should the LDC be required to institute a tolerance range for purposes of setting the threshold before an Operational Flow Order is issued?
15. Should balancing obligations, costs and penalties be based on a "no harm/no foul" principle?
16. Should the LDC be allowed to impose metering requirements on the transportation customers to ensure the LDC remains in balance with the pipeline?
17. Should the LDC be allowed to vary the metering requirements between classes?
18. Should the LDC be required to institute:
  - hourly flow limitations
  - mid-day nominations
  - no notice service
  - monthly cash out provisions
  - transportation nomination rules
  - delivery point allocation rules

**AGGREGATION**

19. Should LDCs be required to have aggregation tariffs?
20. Should capacity releases to aggregators be subject to recall to correct any mismatch between customer load and assigned capacity outside a determined tolerance?

**MARKETERS AND AFFILIATED MARKETERS**

21. Should the LDCs be allowed to charge marketers penalties for any daily over or under deliveries?
22. Should the LDC be required to develop eligibility policies/standards to evaluate potential marketers?
23. Should the Commission initiate rule-making to establish guidelines for utilities with marketing affiliates?

**STRANDED INVESTMENT**

24. Should the LDC be allowed to require transportation customers to take capacity held by the LDC?
25. Should the LDC be allowed to require marketers to pay the maximum rate for capacity purchased from an LDC?
26. Should the LDC be allowed to require an exit fee payment when a customer chooses to use third party capacity?
27. Should the LDC be required to make permanent relinquishments of unneeded capacity at max rates to lessen stranded capacity costs?
28. Should the LDC be allowed to institute a temporary Capacity Realignment Adjustment to recoup the LDC's stranded capacity costs?

**OTHER ISSUES**

29. Should LDCs be required to unbundle meter reading, billing, and collection services?
30. Should the LDCs be required to file unbundled tariffs within 90 days of the issuance of a Commission Order on unbundling?