BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO: 960725-GU

IN RE: PROPOSED RULE 25-7.0335, F.A.C.

NOTICE OF PROPOSED RULE DEVELOPMENT

TO

ALL INTERESTED PERSONS

ISSUED: September 23, 1999

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission staff has initiated the development of Rule 25-7.0335, Florida Administrative Code, to adopt provisions relating to the transportation or unbundling of natural gas.

The attached Notice of Proposed Rule Development will appear in the October 1, 1999, edition of the Florida Administrative Weekly. A rule development workshop will be presided by the Commission at the following time and place:

> Florida Public Service Commission 9:30 a.m., Wednesday, November 17, 1999 Betty Easley Conference Center Room 148, 4075 Esplanade Way Tallahassee, Florida

Any person requiring some accommodation at this workshop because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

By Direction of the Florida Public Service Commission, this 23rd day of September, 1999.

BLANCA S. BAYÓ, Director

Division of Records & Reporting

(SEAL)

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DOCKET NO. 960725-GU PAGE 2

NOTICE OF PROPOSED RULE DEVELOPMENT

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO: 960725-GU

RULE TITLE:

RULE NO .:

Transportation Service

25-7.0335

PURPOSE AND EFFECT: To require all investor-owned natural gas utilities to file a tariff that offers the transportation of natural gas to all non-residential customers. The rule also sets out the terms and conditions that must be included in the transportation service tariff. The rule also provides that natural gas utilities may offer transportation service to residential customers.

SUBJECT AREA TO BE ADDRESSED: The unbundling of natural gas and the provision of transportation services by natural gas utilities. BACKGROUND: Commission staff recommended that the Commission propose the version of Rule 25-7.0335, F.A.C., included at the bottom of this notice at the August 31, 1999, agenda conference. The Commission denied staff's recommendation, and scheduled this workshop in order to learn more about unbundling in the natural gas industry and the policy choices embodied in staff's recommendation. SPECIFIC AUTHORITY: 350.127(2), 366.05(1), F.S.

LAW IMPLEMENTED: 366.03, F.S.

A RULE DEVELOPMENT WORKSHOP PRESIDED BY THE COMMISSION WILL BE HELD AT THE TIME, DATE, AND PLACE SHOWN BELOW:

TIME AND DATE: 9:30 a.m., Wednesday, November 17, 1999

DOCKET NO. 960725-GU PAGE 3

PLACE: Betty Easley Conference Center, Room 148, 4075 Esplanade Way, Tallahassee, FL 32301

Interested persons may obtain a copy of the workshop agenda by calling Wayne Makin at (850) 413-6644 on or after Monday, November 1, 1999.

Any person requiring some accommodation at this workshop because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT IS: Wayne Makin, Division of Electric and Gas, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS: 25-7.0335 Transportation Service

- (1) Each utility must offer the transportation of natural gas to all non-residential customers. Each utility may offer the transportation of natural gas to residential customers.
- (2) In order to meet the objective set out in subsection (1), each utility must file a transportation service tariff with the Commission by March 31, 2000. Each tariff must include in its rules and regulations the utility's policy governing the transportation of natural gas. Each tariff must also comply with

DOCKET NO. 960725-GU PAGE 4

Rule 25-7.033, F.A.C. In addition, each tariff must set out the following terms and conditions:

- (a) The utility is responsible for the transportation of natural gas purchased by the customer. The utility is not responsible for providing natural gas to a customer that elects service under the transportation service tariff. If the customer's marketer, broker, or agent fails to provide the customer with natural gas, the utility may disconnect service to the customer or provide natural gas under its otherwise applicable tariff provision.
- (b) For customers that engage a marketer, broker, or agent to arrange and oversee the customer's gas purchase, the utility must obtain from that customer a statement that identifies the legal name, street address, mailing address if different from street address, and phone number of the marketer, broker, or agent.
- (c) At the customer's request, the utility must provide an historical monthly usage summary with sufficient detail so that the customer can calculate its Maximum Daily Transportation Quantity (MDTQ). The utility may charge a cost-based fee for this summary.
- (3) The utility must apply its transportation service tariff provisions in the same manner to all similarly situated affiliated and non-affiliated marketers, brokers, and agents.

Specific Authority: 350.127(2), 366.05(1), F.S.

Law Implemented: 366.03, F.S.

<u>History: New</u>