



Florida Public Service Commission

SPECIAL REPORT

JANUARY 2003 NO. 2

Proposed Pilot Flat Rate Billing Program by **City Gas of Florida**

On October 21, 2002, City Gas Company filed a petition with the Florida Public Service Commission (PSC of Commission) for approval of a pilot Flat Rate Billing program. If approved by the Commission, the program will affect City Gas residential natural gas customers in Miami-Dade and Broward counties by requiring all residential customers who use less than 600 therms per year (or 50 therms per month on average) to take service under the program. Customers using more than 600 therms per year will not be affected and will continue to receive service under the existing residential rate schedule.

Under the proposal, residential customers will pay a fixed monthly amount for their natural gas service, regardless of use. The company has requested that the pilot program become effective in May 2003, for a period of 24 months. For the first eight months of the pilot program, customers would pay \$26.55 per month (plus franchise fees and taxes). Thereafter, the fixed monthly bill will be adjusted annually at the beginning of each calendar year. At the conclusion of the pilot program, a determination would be made by the Commission to continue, modify or eliminate the program.

Those customers who currently consume less than 15 therms per month will see an increase in their bills under the proposal, and those who use more than that amount will see a reduction. The program is designed so that the total revenues received by City Gas will remain the same. City Gas has cited three reasons for requesting the pilot program: to simplify billing for residential customers, to encourage customers to make efficient use of natural gas, and to reduce meter reading and other expenses in order to delay or reduce the need for a general rate increase.

The staff of the PSC has scheduled a customer meeting on January 22, 2003 to provide customers the opportunity to express their views regarding City Gas' request.

PSC staff is currently scheduled to make a recommendation to the Commission on March 6, 2003, and the Commission vote is scheduled for March 18, 2003.

CUSTOMER MEETING

DOCKET NO. 021065-GU

Wednesday, January 22, 2003

6:00 p.m.

Biltmore Hotel

1200 Anastasia Avenue

Coral Gables, Florida

PSC Staff and Reference Numbers

For technical questions, contact:

Elisabeth Draper (850) 413-6706

David Wheeler (850) 413-6670

For legal questions, contact:

Jennifer Brubaker (850) 413-6228

For general questions, contact:

Bridget Hoyle (850) 413-6111

Or call toll-free 1-800-342-3552

(1-800-511-0809 to fax)

E-Mail: contact@psc.state.fl.us

Internet Home Page: www.floridapsc.com

PSC COMMISSIONERS



Chairman Jaber

Chairman Jaber was appointed to the Florida Public Service Commission (PSC) by Governor Jeb Bush in February 2000 to complete a term ending in January 2001. She was reappointed by Governor Jeb Bush for a term ending in January 2005. Chairman Jaber serves on the National Association of Regulatory Utility Commissioners' Committee on Telecommunications and the Committee on Consumer Affairs. Chairman Jaber chairs the Federal-State Joint Conference on Advanced Services created by the Federal Communications Commission (FCC) to promote the rapid deployment of advanced services to all Americans. In July 2001, she was appointed to the Federal-State Joint Board on Universal Service created to promote the availability and access to quality telecommunications services at just, reasonable and affordable rates throughout the Nation. Chairman Jaber has served as co-chair of the e-Infrastructure Subcommittee for the Information Service Technology Development Task Force (ITFlorida.com) and is a current member of the Florida Research Consortium, the affiliate of ITFlorida.com created as a partnership between Florida's universities and technology sectors to focus on high-tech research and development and collaboration between researchers and Florida's high-tech entrepreneurs. Chairman Jaber is a court-certified mediator and a member of the Florida Bar. Chairman Jaber received a bachelor of arts degree in political science and business from Stetson University in DeLand, Florida, and received a juris doctorate from the Stetson University College of Law in St. Petersburg, Florida.



Commissioner Deason

Commissioner Deason was first appointed to the Commission by the Florida Public Service Commission Nominating Council in January 1991 for a term ending in January 1995. He was subsequently reappointed by the late Governor Lawton Chiles for a term ending in January 1999. Commissioner Deason was then reappointed by Governor Jeb Bush to a term ending in January 2003, and to his current term which ends in January 2007. Commissioner Deason has served as Chairman of the Commission on two occasions, from January 1993 to January 1995, and from July 2000 to January 2001. Commissioner Deason is an active member of the National Association of Regulatory Utility Commissioners (NARUC). He currently serves on NARUC's Board of Directors, its Finance and Technology Committee, and the Federal/State Joint Conference on Accounting. Commissioner Deason also serves on the executive committee for the Nuclear Waste Strategy Coalition. Prior to his appointment, he served as Chief Regulatory Analyst in the Office of Public Counsel. In that capacity, he was responsible for the coordination of accounting and financial analysis used by the Public Counsel in cases before the Public Service Commission, presented testimony as an expert witness, and consulted with the Public Counsel on technical issues and ratemaking policies concerning regulated utilities in the State of Florida. From 1981 to 1987, Commissioner Deason served as Executive Assistant to PSC Commissioner Gerald L. Gunter, during which time he reviewed and analyzed staff recommendations and advised the Commissioner on those recommendations and other pertinent policy determinations. From 1977 to 1981, he served as a Legislative Analyst with the Office of Public Counsel. He attended the U.S. Military Academy at West Point, and in 1975 received his bachelor of science degree in accounting, summa cum laude, from Florida State University. He also received his master of accounting degree from FSU in 1989.



Commissioner Baez

Commissioner Baez was appointed to the Florida Public Service Commission by Governor Jeb Bush on August 23, 2000, to complete a term ending January, 2002. He was then reappointed by the Governor to a four year term ending January, 2006. Prior to his appointment, Commissioner Baez was an attorney in Miami, Florida, with a statewide practice representing municipal and county governments in telecommunications, cable franchising and other regulatory matters. He was Executive Assistant to Commissioner Joe Garcia from 1994 to 1998. A native of South Florida, Commissioner Baez received his undergraduate degree from Florida International University in 1988, and his Juris Doctorate degree from Nova University, Shepard Broad Law Center, in 1993. Commissioner Baez serves on the National Association of Regulatory Utility Commissioners' Committees on Electricity and International Relations and is Past-President of the Southeastern Association of Regulatory Utility Commissioners. He was appointed to the North American Electric Reliability Council, and is a member of the Florida Bar and American Bar Association. He is a past Director of the Hispanic Bar Association, 2nd Judicial District.



Commissioner Bradley

Commissioner Bradley was appointed to the Florida Public Service Commission by Governor Jeb Bush for a four year term beginning January 8, 2002. Commissioner Bradley serves on the National Association of Regulatory Utility Commissioners' Committees on Consumer Affairs, Gas and International Relations. He is also a member of the Energy Market Access Partnership Board which is a joint project between the Department of Energy and the National Association of Regulatory Utility Commissioners. Prior to his appointment to the Commission, Commissioner Bradley served as a member of the Florida Legislature for seven years representing District 55 which includes Pinellas, Manatee and Hillsborough Counties. As a member of the Legislature, he served as the Vice Chairman of the Utilities and Telecommunications Committee and as the Chairman of the Select Committee on Energy Restructuring. Commissioner Bradley also served as the Chairman of the Business Development and International Trade Committee and Chairman of the Economic Development Council. As a legislator, Commissioner Bradley maintained a special interest in improving Florida's educational system and expanding business opportunities for all citizens. Commissioner Bradley earned his Bachelor of Science Degree from the University of Tampa and his Masters Degree from the University of Michigan. He served as an educator in Pinellas County for several years and he developed several private enterprises involving real estate and livestock.



Commissioner Davidson

Governor Jeb Bush appointed **Commissioner Davidson** to the Florida Public Service Commission for a four-year term ending January 2007. Prior to his appointment, Commissioner Davidson served as the Executive Director of the Florida's Information Technology Taskforce and, subsequently, as the Staff Director to the State's first-ever Committee on Information Technology. In those roles, he was responsible for developing public policies to help ensure that Florida maintains progressive economic development processes and rational regulatory regimes. Prior to relocating to Florida, Commissioner Davidson was an attorney resident in the New York office of Baker & McKenzie and, subsequently, the New York office of Duane Morris. In his practice, he was responsible for an array of regulatory, commercial, international, and technology matters. His work included multi-jurisdiction antitrust disputes, compliance proceedings before the DOJ and the SEC, complex commercial disputes, and international technology matters. Commissioner Davidson has handled an array of domestic and international arbitrations and mediations. In New York, he served as Special Professor of Law at Hofstra University School of Law, teaching international arbitration. A Phi Beta Kappa graduate, Davidson received his baccalaureate and juris doctorate degrees from the University of Florida. Commissioner Davidson holds a Masters Degree in International Business from Columbia University and a Masters of Law in Trade Regulation from New York University.

Consumer Statements at PSC Meetings

The Commissioners are interested in what consumers have to say about City Gas Company's request to implement a pilot flat rate billing program for residential customers in the Miami Division. The main purpose of this meeting is to receive comments from the public.

Anyone may make a statement, and speaking is an effective way to let the Commissioners know how you feel about the case under review. Those consumers who wish to speak should arrive early. The meeting will begin as scheduled and continue until all the consumers have been heard.

At the beginning of the meeting, procedures will be set up to establish an order for comments. PSC staff will have sign-up sheets, and consumers will be called in the order of those sheets. PSC staff will be available to coordinate consumer comments and assist members of the public.

Any person who wishes to comment or provide information to the PSC staff may do so at the meeting, orally or in writing. Written comments also may be sent to: Florida Public Service Commission, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. Your letter will be placed in the correspondence file of this docket (Docket No. 021065-GU). For your convenience, a comment form is attached to this Special Report. You may also call the PSC's toll-free number, **1-800-342-3552**, or dial **1-800-511-0809** to fax.

Any person who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by writing to: Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

Florida Public Service Commission *Bureau of* **Consumer Outreach**

2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 184
Tallahassee, Florida 32399-0850

The Public Service Commission's Bureau of Consumer Outreach provides a staff of information specialists who are available to answer questions from Florida consumers.

To reach a PSC consumer representative, please call the Bureau of Consumer Outreach during business hours at (850) 413-6100 or send a fax to 1-800-511-0809. See the PSC's Internet home page at www.floridapsc.com.

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Florida Public Service Commission
Division of the Commission Clerk and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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