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OF COUNSEL
W. ROBERT FOXES

January 12, 1990

BY HAND-DELIVERY

Mr. Steve C. Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

Re: Docket No. 891203-GU

Dear Mr. Tribble:

Enclosed for filing on behalf of Clearwater Gas System, City of Leesburg, Lake Apopka Natural Gas District and Okaloosa County Gas District in the above-referenced docket are the original and 15 copies of their Joint Request for Hearing on Proposed Rule.

By copy of this letter, this document has been furnished to the party on the attached certificate of service.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMJ _____
- CTR _____ /tsd
- EAG _____
- LEG _____
- LIN 6 cc: James D. Beasley, Esq.
- OPC _____
- RCH 1 _____
- SEC _____
- WAS _____

Very truly yours,



Wade L. Hopping

OTH Adm / Secnell

DOCUMENT NUMBER-DATE
00377 JAN 12 1990
FPSC-RECORDS/REPORTING

BEFORE THE PUBLIC SERVICE COMMISSION

IN RE: Amendment of Rule) Docket No. 891203-GU
25-7.0131, F.A.C., Regulatory)
Assessment Fee for Gas Utilities,) Filed: January 12, 1990
Municipals and Districts)
_____)

JOINT REQUEST FOR HEARING ON PROPOSED RULE BY
CLEARWATER GAS SYSTEM, CITY OF LEESBURG,
LAKE APOPKA NATURAL GAS DISTRICT, AND
OKALOOSA GAS DISTRICT

CLEARWATER GAS SYSTEM, CITY OF LEESBURG, LAKE APOPKA NATURAL GAS DISTRICT, and OKALOOSA COUNTY GAS DISTRICT (hereinafter "Petitioner" or collectively "Petitioners"), by and through their undersigned counsel, and pursuant to Rule 25-22.016, F.A.C., and Section 120.54, F.S., hereby jointly request a hearing on the Public Service Commission's (Commission) proposal to amend Rule 25-7.0131, F.A.C., to revise the regulatory assessment fees for gas utilities. In support of this request, Petitioners state:

1. Clearwater Gas System is a municipally owned and operated gas utility providing natural gas service to customers in the City of Clearwater. Its full name and address are:

Clearwater Gas System
400 North Myrtle Avenue
Clearwater, Florida 34615

2. The City of Leesburg owns and operates a natural gas utility providing natural gas service to customers in the City of Leesburg. Its full name and address are:

City of Leesburg
223 South Fifth Street
Leesburg, Florida 32748

DOCUMENT NUMBER-DATE

00377 JAN 12 1990

FPSC-RECORDS/REPORTING

3. The Lake Apopka Natural Gas District is an independent special district providing natural gas service to customers in the Lake Apopka area being in parts of Orange and Lake Counties. Its full name and address are:

Lake Apopka Natural Gas District
1500 East Highway 50
Post Office Box 771275
Winter Garden, Florida 34777-1275

4. The Okaloosa County Gas District is an independent special district providing natural gas service to customers in Okaloosa County and portions of Escambia, Walton, and Santa Rosa Counties. Its full name and business address are:

Okaloosa County Gas District
Post Office Box 548
Valparaiso, Florida 32580

5. Petitioners' representatives for purposes of receiving notices, orders, and other communications in this docket are:

Wade L. Hopping
Cheryl G. Stuart
Hopping Boyd Green & Sams
Post Office Box 6526
Tallahassee, Florida 32314

with a copy to each of the following:

Robert Brumback
Clearwater Gas System
400 North Myrtle Avenue
Clearwater, FL 34615

Julian M. Roberts
Lake Apopka Natural Gas
District
1500 East Hwy 50
Post Office Box 771275
Winter Garden, FL 34777-1275

Donald Napier
City of Leesburg
223 South Fifth Street
Leesburg, FL 32748

Fred Pryor
Okaloosa County Gas
District
Post Office Box 548
Valparaiso, FL 32580

6. Petitioners' interests are substantially affected by the Commission's proposed rule which would impose a regulatory assessment fee of one-fourth of one percent of gross operating revenue on municipal and special district providers of natural gas, and three-eighths of one percent of gross operating revenue on investor-owned gas utilities. Petitioners are municipal or special district gas utilities who would be subject to this new fee.

7. Petitioners believe the proposed rule is arbitrary and an abuse of discretion in that it lacks any verifiable explanation of the methodology used to allocate the costs of regulation to utilities under the Commission's jurisdiction. Such an allocation of costs is necessary to assist in setting the appropriate regulatory assessment fee for gas utilities. Petitioners believe the methodology used to allocate costs to assist in establishing this specific proposed regulatory assessment fee for gas utilities is arbitrary, resulting in an inappropriate regulatory assessment fee.

8. Petitioners further believe the proposed fee is arbitrary in that it would generate revenues in excess of those needed by the Commission to cover the cost of regulation of municipal and special district natural gas utilities, in contravention of the intent of Sections 366.14 and 350.113, F.S. Petitioners therefore oppose the Commission's proposal to amend Rule 25-7.0131.

WHEREFORE, Petitioners request that the Commission hold a public hearing pursuant to Section 120.54, F.S., on the proposed amendment to Rule 25-7.0131.

RESPECTFULLY SUBMITTED this 12th day of January, 1990.

HOPPING BOYD GREEN & SAMS

By: 

Wade L. Hopping
Cheryl G. Stuart
Post Office Box 6526
Tallahassee, FL 32314
(904) 222-7500

Attorneys for Petitioners

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was sent to the following by U.S. Mail, this 12th day of January, 1990:

James D. Beasley, Esq.
Attorney for City Gas Company
Ausley McMullen McGehee
Carothers & Proctor
227 South Calhoun Street
Tallahassee, Florida 32301


Attorney