

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

**ORIGINAL
FILE COPY**

IN RE: Amendment of Rule 25-7, : DOCKET NO. 891203-GU
F.A.C., Regulatory Assessment Fees :
for Gas Utilities, Municipals, and :
Districts. :
: Rule Hearing
-----: :
: :

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Florida Public Service Commission

FPSC Hearing Room 122
Fletcher Building
101 East Gaines Street
Tallahassee, Florida

Met pursuant to notice at 10:34 a.m.
Monday, January 29, 1990

BEFORE:

DAVID SMITH
Division of Appeals Attorney
Florida Public Service Commission

Reported By:

Lisa Girod Jones
Registered Professional Reporter

DOCUMENT NO.

1058-90

*W. Paul Rayborn
and Associates*

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APPEARANCES

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WADE L. HOPPING, Esquire, Hopping, Boyd, Green & Sams, 123 South Calhoun Street, Post Office Box 6526, Tallahassee, Florida 32314, (904)222-7500; on behalf of the Cities of Leesburg, Clearwater, Tallahassee, the Okaloosa Natural Gas District and the Lake Apopka Natural Gas District.

MARTHA CARTER BROWN, Esquire, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32399-0863; on behalf of Staff.

ALSO PRESENT: *W. Bleck* FRED PRYOR
Okaloosa Natural Gas District

Clearwater ROBERT BRUMBACK
City of Clearwater

25% COTTON INDEX

<u>EXHIBITS</u>	<u>For I.D.</u>	<u>Admitted</u>
1 - (Composite)	8	8
2 - (Composite) State of Position & Municipals & Gas Districts Revenues Historic & Projected, 1988, 1989, 1990	8	8
3 - FPSC Revenue & Cost Comparison Using Proposed Rate Changes	9	9

PROCEEDINGS

1 HEARING OFFICER SMITH: Good morning. My name is
2 David Smith. I am the Division of Appeals Attorney assigned
3 to act as hearing officer in this proceeding. This hearing is
4 being conducted pursuant to the rulemaking provisions of
5 Section 120.54, subsection 3, Florida Statutes. The proposed
6 rule amendment with which we are concerned today is Rule
7 25-7.0131, Florida Administrative Code, entitled Regulatory
8 Assessment Fees for gas, utilities, gas municipals and gas
9 districts. The rule amendment was proposed and a notice
10 published in the Florida Administrative Weekly on December
11 22nd, 1989 and a notice of rulemaking was issued by the
12 Commission on January the 8th, 1990 in Docket No. 89-1203-GU.

13 The function of this hearing is to allow the
14 Commission to inform itself of matters bearing upon the
15 proposed rule amendment by giving effective persons the
16 opportunity to present evidence and argument on the merits of
17 the rule amendment.

18 The format we'll be following today is rather
19 informal, legislative type format. We will dispense with
20 swearing of witnesses. Any person may make comments and
21 respond to questions.

22 At this time could we take appearances please?

23 MS. BROWN: I'm Martha Carter Brown with the
24 Division of Appeals, representing the Staff.
25

1 MR. HOPPING: I'm Wade Hopping, representing the
2 city of Leesburg, the city of Clearwater, the city of
3 Tallahassee, the Okaloosa Natural Gas District and the Lake
4 Apopka Natural Gas District.

5 MR. PRYOR: I'm Fred Pryor, Okaloosa Natural Gas
6 District.

7 MR. BRUMBACK: Robert Brumback from the city of
8 Clearwater.

9 HEARING OFFICER SMITH: Anyone else?

10 Do you have a suggestion how we might proceed?

11 MS. BROWN: Well, I think Mr. Hopping has a
12 statement that he would like to enter into the record and
13 we're fairly close to agreement. Perhaps he could describe
14 that for us.

15 MR. HOPPING: We've been working for sometime with
16 the staff, and I do believe we have agreement on some figures
17 and a recommended way to reconcile this matter. The city of
18 Leesburg, the city of Clearwater, city of Tallahassee,
19 Okaloosa Natural Gas District and Lake Apopka each filed a
20 request for this hearing.

21 Prior to the hearing we, representing those entities
22 and others, and counsel for -- the PSC staff and counsel met
23 in an attempt to resolve the issues between us. And in an
24 effort to expeditiously and cost-effectively dispose of those
25 issues, we've -- I believe we've agreed to the following -- at

1 least the municipals and the districts have agreed -- First,
2 that the appropriate 1990 revenue projection on which to base
3 the regulatory assessment fee rate for municipals and
4 districts is \$114,961,510. Attached to the document I passed
5 out is the listing of those 1988, '89 and 1990 revenues,
6 historic and projected. And if you'll look at the column
7 there, you'll see that the figure I described is the product
8 of adding all those numbers up.

9 Since this proceeding was started, I might make one
10 observation about these figures. In the initial submittals
11 there were some gaps which have been filled in. In addition,
12 the city of Gainesville has moved from an IOU category to a
13 city municipal owned, just as a function of a contract.
14 Additionally, Reedy Creek and some others would have been
15 brought in and placed in the appropriate category.

16 Second, municipals and special districts should be
17 aggregated for purposes of establishing a regulatory
18 assessment rate inasmuch as the regulatory jurisdiction of the
19 Commission is the same for both types of natural gas
20 utilities. The original proposal segregated those and it's
21 not always easy to decide which is which. And although it
22 would -- it makes a few dollars difference to the districts,
23 in essence, the aggregating them penalizes them, they are
24 willing to do that for ease of administration and for
25 expeditious treatment of this matter.

1 Third, for purposes of this proceeding, the
2 appropriate amount of regulatory costs to attribute to
3 municipals and districts, including the six percent service
4 charge imposed by Chapter 215 Florida Statutes, is \$220,604.
5 That's taking the figure of roughly 207- from the chart and
6 applying the six percent fee for that -- 207,368, and applying
7 a six percent fee.

8 Fourth, the appropriate regulatory assessment fee
9 when you make these changes in the numbers, is .001919. We
10 believe the Commission rules should be revised to reflect this
11 rate.

12 Finally, the petitioners believe that regulatory
13 assessment rates for them should be set to cover the cost of
14 regulation of a particular industry or class within an
15 industry. The ongoing process of cost allocation revenue
16 projection and establishment of a proper rate needs continued
17 scrutiny. Petitioners as public entities must continually
18 review and refine their cost methodologies and projection
19 techniques to insure that their ratepayers and taxpayers do
20 not pay an inappropriate rate.

21 We respectfully urge the Commission to do likewise in
22 order to insure that the costs of regulation are appropriately
23 distributed and assessed. Attached to this statement of
24 position is a copy of the numbers alluded to, which shows the
25 revenue projections for 1990, the actual revenues for '89 and

1 the actual revenues for '88 for all of the municipals and
2 districts.

3 HEARING OFFICER SMITH: Does staff have any
4 questions or comments?

5 MS. BROWN: No, I think we have some exhibits to
6 enter into the record and --

7 HEARING OFFICER SMITH: First of all, do you agree
8 that that is the understanding you've reached?

9 MS. BROWN: Yes, yes, we've had several
10 deliberations over the past week or two, and as far as I
11 understand, I do understand that the staff agrees to these
12 changes.

13 HEARING OFFICER SMITH: Fine. Now, the exhibits.

14 MS. BROWN: We have -- let me get it. We have
15 an exhibit book which --

16 (Discussion off the record)

17 MS. BROWN: Excuse me for a minute.

18 (Pause)

19 MS. BROWN: Composite exhibit book should be entered
20 into the record as Exhibit 1.

21 HEARING OFFICER SMITH: I have the black folder here
22 which has seven things in it. Do you want to add anything to
23 that or do you want separate exhibits for the others?

24 MS. BROWN: I don't think it really matters.

25 HEARING OFFICER SMITH: I think it might be less

1 confusing if we just put the black book of seven items, a
2 proposed rule, notice of rulemaking, notice of rulemaking by
3 the Commission, FAW notice, JAPC materials, impact statement
4 and joint request for hearing. That would be identified and
5 entered into the record as Exhibit No. 1. Okay, now what
6 else do we have?

7 (Composite Exhibit No. 1 identified and admitted.)

8 MS. BROWN: Then we have Mr. Hopping's statement.

9 MR. HOPPING: And the attached sheet of numbers.

10 HEARING OFFICER SMITH: We'll go ahead and put the
11 statement in and the attached document which is entitled
12 Municipals and Gas Districts, Revenues - Historic and
13 Projected for years 1988, 1989 and 1990. That will be
14 Composite Exhibit 2.

15 (Composite Exhibit No. 2 identified and admitted.)

16 MS. BROWN: Then we have the Florida Public Service
17 Commission Revenue & Cost Comparison Using Proposed Rate
18 Changes. This form is slightly different than the form that's
19 attached in the composite exhibit, but this is the most
20 updated version which reflects the new rate.

21 HEARING OFFICER SMITH: Okay, we'll identify this as
22 Exhibit No. 3; that is the Florida Public Service Commission
23 Revenue & Cost Comparison Using Proposed Rate Changes. And
24 the one I have is dated January 25, 1990. Are there any
25 others?

(Exhibit No. 3 identified and admitted.)

1
2 MS. BROWN: No, I think that's it for exhibits,
3 although, Mr. Smith, I did want to mention Mrs. Sewell has
4 just told me the forms, when we propose the change in the
5 rule, we'll also need to change the forms that are included in
6 that black exhibit to reflect the new agreed-upon rate.

7 HEARING OFFICER SMITH: To change the forms attached
8 to the rules; is that what you're saying?

9 MS. BROWN: Yes.

10 MR. HOPPING: We didn't have any objection to that
11 issue and we'd stipulate that that's no problem as far as
12 we're concerned. That applies to other people as well.

13 HEARING OFFICER SMITH: I have been give a statement
14 of issues for hearing and I take it everybody is in an
15 agreement on the resolution of those issues, but for the
16 record I'll read them.

17 First issue was should the Commission adopt the
18 proposed rule imposing a regulatory assessment fee of
19 one-fourth of one of percent on municipal and special district
20 natural gas utilities and three-eighths of one percent on
21 investor-owned natural gas utilities? Are those the levels
22 that we're talking about now?

23 MR. HOPPING: No, the -- that would be .0025. And
24 so the revised one is .001919.

25 MS. BROWN: That's correct.

1 MR. HOPPING: But it remains the same for investor-
owned natural gas.

2 HEARING OFFICER SMITH: Did the investor-owned
3 utilities object to the rule?

4 MS. BROWN: No.

5 HEARING OFFICER SMITH: Okay, so as modified in the
6 stipulation between the Staff and the parties, that issue is
7 resolved, or everyone is in agreement.

8 The next issue is what the appropriate revenue
9 protection to use in setting a regulatory assessment fee for
10 a municipal special district and investor-owned gas utilities?
11 And I assume that that's the exhibit that --

12 MS. BROWN: Well, perhaps we can state this a
13 different way. Issue 1, the answer that we both agree on is
14 no. The one-fourth of one percent will not be the rate.
15 Issue 2, the answer to that is .001919.

16 MR. HOPPING: No, Issue 2 is revenue projection.
17 Issue 1 --

18 MS. BROWN: That's right, I'm sorry.

19 HEARING OFFICER SMITH: Is that the sheet she gave
20 me?

21 MS. BROWN: Yes.

22 MR. HOPPING: So the answer, if I may, the answer to
23 question 1 is no.

24 MS. BROWN: Right.
25

1 MR. HOPPING: .0019 is the appropriate rate. The
2 answer to question 2 is 200,000 -- \$207,368, plus six percent
3 statutory service charge as required by Chapter 215, which is
4 a net number of 220,604.

5 MS. BROWN: I'm --

6 MR. HOPPING: Isn't that right?

7 MS. BROWN: I think the revenue projection is --

8 MR. HOPPING: I'm sorry, now I did it.

9 MS. BROWN: \$114,961,510.

10 MR. HOPPING: You're correct. I'm sorry. I
11 apologize.

12 HEARING OFFICER SMITH: Would somebody just state
13 that figure?

14 MS. BROWN: The revenue projection agreed on by the
15 staff and the petitioners is \$114,961,510.

16 HEARING OFFICER SMITH: That's for 1990?

17 MR. HOPPING: That's correct.

18 (Pause)

19 MS. BROWN: We're sorry for the little conference,
20 but we're finished now.

21 HEARING OFFICER SMITH: Is that the correct figure
22 then, 116 million?

23 MR. HOPPING: 114--.

24 HEARING OFFICER SMITH: Okay, so that was -- that
25 would be the resolution of Issue No. 2 then. Anything else?

1 Any other issues that have been raised that we have not
2 addressed?

3 MS. BROWN: No.

4 HEARING OFFICER SMITH: Staff have any comments,
5 questions? Do the utilities have any further statements or
6 comments, questions?

7 (No response)

8 HEARING OFFICER SMITH: That being the case, I think
9 we will be able to adjourn the hearing. But one thing you
10 might wish to know is the schedule for this case calls for the
11 transcripts to be due on the 8th of February with a Staff
12 recommendation to the Commission on March the 8th and the
13 agenda conference at which the rule would be considered is
14 March the 20th. Do you have any questions about the
15 rulemaking procedure?

16 (No response.)

17 MR. HOPPING: Will your recommendation be consistent
18 with the stipulation?

19 HEARING OFFICER SMITH: Yes. I don't know what
20 other basis I would have to change it. Well, that being the
21 case, there being no further business, the hearing is
22 adjourned.

23 (Hearing concluded at 10:50 a. m.)
24
25

CERTIFICATE

1 State of Florida)

2 County of Leon)

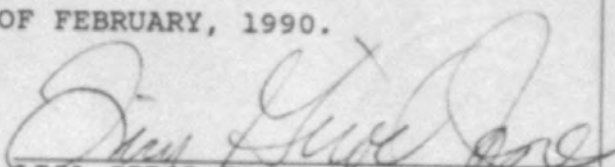
3 I, LISA GIROD JONES, Registered Professional
4 Reporter, and Notary Public in and for the State of Florida
5 at Large, at Tallahassee, Florida, do hereby certify as
6 follows:

7 THAT I correctly reported in shorthand the
8 foregoing proceedings at the time and place stated
9 in the caption thereof;

10 THAT I later reduced my shorthand notes to
11 typewriting, or under my supervision, and that the foregoing
12 pages 1 through 12, both inclusive, contain a full, true, and
13 correct transcript of the proceedings on said occasion;

14 THAT I am neither of kin nor of counsel to any
15 party involved in this matter, nor in any manner am I
16 interested in the result thereof;

17 DATED THIS 1st DAY OF FEBRUARY, 1990.

18 
19 LISA GIROD JONES
20 Registered Professional Reporter
21 Notary Public, State of Florida
22 at Large.

23 My Commission Expires: 5-11-93
24
25

STATEMENT OF POSITION

The City of Leesburg, the City of Clearwater, the City of Tallahassee, the Okaloosa Natural Gas District and the Lake Apopka Natural Gas District each filed a request for hearing on the Commission's proposed amendment to Rule 25-7.0131, F.A.C. to impose a regulatory assessment fee on municipal and special district natural gas utilities.

Prior to the hearing, PSC staff and counsel for the named municipals and districts met in an attempt to resolve the issues raised by the request. In an effort to expeditiously and cost-effectively resolve this matter, the named municipals and districts have agreed to the following:

First, the appropriate 1990 revenue projection on which to base the regulatory assessment fee rate for municipals and districts is \$114,961,510. The revenue projections were provided by the respective cities and districts in response to PSC staff questions or specific requests by petitioners.

Second, municipals and special districts should be aggregated for purposes of establishing a regulatory assessment rate inasmuch as the regulatory jurisdiction of the commission is the same for both types of natural gas utilities.

Third, for purposes of this proceeding, the appropriate amount of regulatory costs to attribute to municipals and districts, including the 6% service charge imposed by Ch. 215, Florida Statutes, is \$220,604.

Fourth, the appropriate regulatory assessment rate is .001919. The Commission's rule should be revised to reflect this rate.

Finally, Petitioners believe that regulatory assessment rates should be set to cover the cost of regulation of a particular industry or class within an industry. The ongoing process of cost allocation, revenue projection, and establishment of a proper rate, needs continued scrutiny. Petitioners, as public entities, must continually review and refine their costing methodologies and projection techniques to ensure that their ratepayers and taxpayers do not pay inappropriate rates. We respectfully urge the Commission to do likewise in order to ensure that the costs of regulation are appropriately distributed and assessed.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 891203-GU EXHIBIT NO. 2
COMPANY/ Staff
WITNESS: _____
DATE: 2/2/90

Composite Ex. 2
1/29/90 JSJ

MUNICIPALS AND GAS DISTRICTS
REVENUES - HISTORIC AND PROJECTED
FOR YEARS 1988, 1989, 1990

<u>MUNICIPALS AND DISTRICTS</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>
Blountstown, City of	681,292	326,615	327,000
Century, Town of	392,087	322,392	344,000
Chattahoochee, City of	270,975	228,669	270,000
Chipley, City of	394,549	390,000	395,000
Clearwater, City of	8,798,000	8,616,000	8,836,000
Crescent City, City of	68,846	64,006	72,200
Defuniak Springs, City of	846,874	830,000	912,000
Escambia County Utilities	509,068	457,495	500,000
Ft. Meade, City of	255,930	258,700	261,000
Ft. Pierce Utilities	4,127,982	4,210,990	4,489,100
Gainesville Gas	12,859,909	12,200,000	12,875,000
Gulf Breeze, City of	601,246	567,000	615,000
Havana, Town of	427,198	356,247	357,630
Jasper, City of	307,776	275,459	340,000
Jay, Town of	114,598	106,560	110,000
Lake Apopka Natural Gas	4,368,306	4,669,891	4,809,970
Lake City, City of	1,761,374	1,748,649	1,778,000
Leesburg, City of	3,566,500	3,897,800	4,100,646
Live Oak, City of	636,415	538,809	587,612
Madison, City of	1,017,840	1,021,000	1,058,000
Marianna, City of	1,084,016	1,062,000	1,300,000
Milton, City of	2,866,000	2,365,000	2,853,000
Oklaosa County Gas	13,812,140	13,897,285	14,852,726
Palatka Gas Authority	1,459,363	1,234,391	1,333,090
Pensacola Energy Services	29,540,330	27,204,140	30,000,000
Perry, City of	1,357,000	1,291,000	1,300,000
Quincy Municipal Gas	1,194,000	1,000,000	1,200,000
Reedy Creek Utilities	2,594,785	3,253,129	4,108,035
Starke, City of	708,846	723,123	741,201
Sunrise, City of	2,352,100	2,300,000	2,600,000
Tallahassee, City of	9,249,800	9,000,000	11,270,300
Williston, City of	364,566	326,516	365,000
	*****	*****	*****
	106,589,711	104,742,866	114,961,510

TELEPHONE PUBLIC SERVICE COMMISSION
REVENUE & COST COMPARISON USING PROPOSED RATE CHANGES

(1-3) 01/25/90

ASSESSMENT RATE	ASSESSABLE REVENUES										
	COMMUNICATIONS	WATER & SEWER	RAILROAD	TELEPHONE	ELECTRIC	SEA	INVESTMENT	CITY	TOTAL	TOTAL	
	1/8 OF 1% *	4 1/2% *	N/A	1/8 OF 1% *	1/64 OF 1% *	1/64 OF 1% *	1/2 OF 1% *	1/4 OF 1% *	ASSESSMENT FEES	REGULATORY COSTS	100% CHARGE

1987 (1987-88)	Assessable Revenue	\$3,643,152,000	\$127,377,360		\$6,856,030,000	\$1,320,275,200	\$594,841,600	\$272,552,800	\$14,176,661	\$16,349,475	\$12,804,129,160	0%
	Assessable Rate	1/8 OF 1%	2 1/2%		1/12 OF 1%	1/64 OF 1%	1/64 OF 1%	1/8 OF 1%				
	Assessable Fee	\$4,578,940	\$1,181,934		\$5,713,339	\$706,293	\$92,944	\$403,191				
	Regulatory Cost	\$5,137,648	\$4,992,992		\$4,937,042	\$129,303	\$44,464	\$1,228,126				
	Cost to Revenue Less 4% 1/4	0.1492%	4.0897%		0.0166%	0.0104%	0.0008%	0.4051%				

1988 (1988-89 ACTION)	Assessable Revenue	\$3,945,364,000	\$135,825,760	\$0	\$7,149,400,000	\$1,458,201,600	\$650,285,600	\$293,814,400	\$16,981,899	\$17,378,667	\$13,632,872,160	0%
	Assessable Rate	1/8 OF 1%	2 1/2%		1/12 OF 1%	1/64 OF 1%	1/64 OF 1%	1/8 OF 1%				
	Assessable Fee	\$4,831,705	\$1,395,644		\$5,957,834	\$227,844	\$101,604	\$367,268				
	Regulatory Cost	\$5,828,694	\$5,203,524		\$4,600,506	\$251,506	\$251,506	\$1,226,231				
	Cost to Revenue Less 4% 1/4	0.1572%	4.0756%		0.0606%	0.0183%	0.0411%	0.4442%				

1989 (1989-90 Estimate)	Assessable Revenue	\$4,079,720,000	\$128,960,720		\$7,314,628,000	\$1,475,254,400	\$653,913,600	\$330,328,000	\$17,954,735	\$19,100,275	\$13,732,806,320	1%
	Assessable Rate	1/8 OF 1%	2 1/2%		1/8 OF 1%	1/64 OF 1%	1/64 OF 1%	1/8 OF 1%				
	Assessable Fee	\$5,099,650	\$1,274,018		\$6,093,286	\$222,696	\$102,174	\$412,911				
	Regulatory Cost	\$6,135,118	\$5,806,600		\$5,152,373	\$281,163	\$281,163	\$1,371,278				
	Cost to Revenue Less 4% 1/4	0.1600%	4.0561%		0.0708%	0.0210%	0.0457%	0.4410%				

1990 (1990-91 Estimate)	Assessable Revenue	\$4,240,200,000	\$135,297,822		\$7,454,706,000	\$1,500,172,000	\$607,048,000	\$336,971,202	\$18,646,471	\$19,972,659	\$14,425,836,934	5%
	Assessable Rate	1/8 OF 1%	4 1/2%		1/8 OF 1%	1/64 OF 1%	1/64 OF 1%	3/8 OF 1%				
	Assessable Fee	\$5,301,000	\$5,180,366		\$9,293,683	\$231,381	\$107,129	\$1,263,642				
	Regulatory Cost	\$6,425,789	\$6,171,895		\$5,308,453	\$209,600	\$209,600	\$1,238,994				
	Cost to Revenue Less 4% 1/4	0.1612%	5.6944%		0.0760%	0.0203%	0.0452%	0.3750%				

(a) Rail Transportation Sunset, October 1985.
(b) Proposed assessment rates of 4 1/2% for Water & Sewer, 3/8 of 1% for Gas, 1/8, and 1/5 of 1% for Gas Municipals & Districts effective 1990.

(1) Revenue assessment rates fractions are converted into decimals as follows:
 0.375% = 3/8 of 1% 0.1667% = 1/6 of 1% 0.0625% = 1/16 of 1%
 0.2500% = 1/4 of 1% 0.1250% = 1/8 of 1% 0.0156% = 1/64 of 1%
 0.2000% = 1/5 of 1% 0.0833% = 1/12 of 1% 2.5000% = 2 1/2%
 4.5000% = 4 1/2%

REVENUE FOR THE FIRST SIX MONTHS OF 1990 AND 4 1/2% FOR THE LAST SIX MONTHS.

THE CALCULATION FOR FIGURING THE "COST TO REVENUE LESS 4% 1/4" IS AS FOLLOWS:

REGULATORY COST / (ASSESSABLE REVENUE x 94%) IE: \$6,425,789 / (\$4,240,200,000 x 94%) = 0.1612%

Exhibit No. 3
1/29/90 JWG

DOCKET NO. 891203-GU
AMENDMENT OF RULE 25-7.0131, F.A.C.
REGULATORY ASSESSMENT FEE FOR GAS
UTILITIES, MUNICIPALS AND DISTRICTS

EXHIBIT BOOK

1. Proposed Rule.
2. Notice of Workshop - Issued August 31, 1989.
3. Notice of Rulemaking - Issued January 8, 1990.
4. FAW Notice - Published December 22, 1989.
5. JAPC Materials:

Statement of Facts and Circumstances Justifying Rule
Statement on Federal Standards
Statement of Impact on Small Business

6. Economic Impact Statement - Dated November 17, 1989.
7. Joint Request for Hearing - Filed January 12, 1990.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 891203-GU EXHIBIT NO. 1
COMPANY/ Staff
WITNESS: _____
DATE: 2/2/90

Composite Ex. 1
1/29/90 JJJ

1 25-7.0131 Regulatory Assessment Fees; Gas Utilities, Gas
2 Municipals, and Gas Districts.

3 (1) As applicable and as provided in s. 350.113, F.S. (1985)
4 and s. 366.14, P.S. 1989), each gas utility, municipal, or gas
5 district shall remit a fee based upon its gross operating
6 revenue. This fee shall be referred to as a regulatory assessment
7 fee and each gas utility shall pay a regulatory assessment fee in
8 the amount of one-eighth of one percent of its gross operating
9 revenues derived from intrastate business. Regardless of the
10 gross operating revenue of a company, a minimum annual regulatory
11 assessment fee of \$25 shall be imposed.

12 (a) Each investor-owned gas utility shall pay a regulatory
13 assessment fee in the amount of three-eighths of one percent of its
14 gross operating revenue derived from intrastate business,
15 excluding sales for resale between public utilities, municipal gas
16 utilities, and gas districts or any combination thereof.

17 (b) Each municipal or gas district shall pay a regulatory
18 assessment fee in the amount of one-fourth of one percent of its
19 gross operating revenue derived from intrastate business,
20 excluding sales for resale between public utilities, municipal gas
21 utilities, and gas district or any combination thereof.

22 (2) Regulatory assessment fees are due each January 30 for
23 the preceding period or any part of the period from July 1 until
24 December 31, and on July 30 for the preceding period or any part
25 of the period from January 1 until June 30. The regulatory
26 assessment fees shall be remitted with the Commission's Regulatory
27 Assessment Fee Return form PSC/EAG 3, PSC/EAG - or PSC/EAG -
28 (Rev. - - -) which are hereby incorporated by reference.
29 Each utility, municipal, and gas district shall have up to and
30 including the due date in which to:

31 (a) Remit the total amount of its fee, or

CODING: Words underlined are additions; words in
~~struck-through~~ type are deletions from existing law.

1 (b) Remit an amount which the utility, municipal, or gas
2 district estimates is its full fee, or

3 (c) Seek and receive from the Commission a 30-day extension
4 of its due date.

5 (3) Where the utility, municipal, or gas district remits less
6 than its full fee pursuant to subsection (2)(b) of this rule, the
7 remainder of the full fee shall be due on or before the 30th day
8 from the due date and shall, where the amount remitted was less
9 than 90% of the total regulatory assessment fee, include interest
10 as provided by subsection (5)(b) of this rule.

11 (4) Where a utility, municipal, or gas district receives a
12 30-day extension of its due date pursuant to subsection (2)(c) of
13 this rule, then the utility, municipal, or gas district shall
14 remit a charge in addition to the regulatory assessment fee, as
15 set out in s. 350.113 (5), F.S. (1985).

16 (5) The delinquency of any amount due to the Commission from
17 the utility, municipal, or gas district pursuant to the provisions
18 of s. 350.113, F.S. (1985) and this rule, begins with the first
19 day after any date established as the due date either by operation
20 of this rule or by an extension pursuant to this rule.

21 (a) A penalty, as set out in s. 350.113, F.S. (1985) shall
22 apply to any such delinquent amounts.

23 (b) Interest at the rate of 12% per annum shall apply to any
24 such delinquent amounts.

25 Specific Authority: 350.127(2), F.S., 366.14, F.S. (1989)

26 Law Implemented: 350.113, F.S., 366.14, F.S. (1989)

27 History: New 5/18/83, formerly 25-7.131, Amended 10/16/86.

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struck-through type are deletions from existing law.

**INVESTOR-OWNED NATURAL GAS UTILITIES
REGULATORY ASSESSMENT FEE RETURN
FLORIDA PUBLIC SERVICE COMMISSION**

OR PSC USE ONLY

0601001
\$ 003001
\$ P
0601001
004010
\$ I

STATUS:
ACTUAL RETURN _____
ESTIMATED RETURN _____

PERIOD COVERED:
 JAN. 1 - JUN. 30, 19____
 JUN. 30 - DEC. 31, 19____
 JAN. 1 - DEC. 31, 19____

F.E.I. NO. : _____

TELEPHONE NO. : _____

CONTACT PERSON: _____

LINE NO.	ACCOUNT CLASSIFICATION		INTRASTATE AMOUNTS
1.	<u>GAS SERVICE REVENUES:</u>		
2.	RESIDENTIAL SALES (480)	\$	_____
3.	COMMERCIAL SALES (481)		_____
4.	INDUSTRIAL SALES (481)		_____
5.	OTHER SALES TO PUBLIC AUTHORITIES (482)		_____
6.	INTERDEPARTMENTAL SALES (484)		_____
7.	TOTAL SALES TO ULTIMATE CONSUMERS	\$	_____
8.	SALES FOR RESALE (483)		_____
9.	TOTAL NATURAL GAS SERVICE REVENUES	\$	_____
10.	REVENUES FROM MANUFACTURED GAS		_____
11.	TOTAL GAS SERVICE REVENUES:	\$	_____
12.	<u>OTHER OPERATING REVENUES:</u>		
13.	INTRACOMPANY TRANSFERS (485)	\$	_____
14.	FORFEITED DISCOUNTS (487)		_____
15.	MISCELLANEOUS SERVICE REVENUES (488)		_____
16.	REVENUE FROM TRANSPORTATION OF OTHERS' GAS (489)		_____
17.	SALES OF PRODUCTS EXTRACTED FROM NATURAL GAS (490)		_____
18.	REVENUE FROM NATURAL GAS PROCESSED BY OTHERS (491)		_____
19.	INCIDENTAL GASOLINE AND OIL SALES (492)		_____
20.	RENT FROM GAS PROPERTY (493)		_____
21.	INTERDEPARTMENTAL RENTS (494)		_____
22.	<u>OTHER GAS REVENUES (495):</u>		
23.	PURCHASED GAS ADJUSTMENT OVER/UNDER RECOVERIES		_____
24.	CONSERVATION COST RECOVERY OVER/UNDER RECOVERIES		_____
25.	UNBILLED REVENUES		_____
26.	OTHER (SPECIFY)		_____
27.	<u>PROVISION FOR RATE REFUND (496):</u>		
28.	PIPELINE REFUNDS		_____
29.	OTHER REFUNDS		_____
30.	TOTAL OTHER OPERATING REVENUES	\$	_____
31.	TOTAL GAS OPERATING REVENUES	\$	_____
32.	<u>ADJUSTMENTS: (SPECIFY)</u>		
33.	_____	\$	_____
34.	_____		_____
35.	_____		_____
36.	TOTAL ADJUSTMENTS	\$	_____
37.	REVENUES SUBJECT TO REGULATORY ASSESSMENT FEE	\$	_____
38.	<u>REGULATORY ASSESSMENT FEE DUE*</u>		
39.	3/8 of 1% of LINE 37 (0.00375)	\$	_____
40.	LESS: APPROVED PRIOR-PERIOD OVERPAYMENT		_____
41.	LESS: PAYMENT FOR JAN. 1 - JUN. 30 PERIOD		_____
42.	NET REGULATORY ASSESSMENT FEE DUE	\$	_____
43.	PENALTY FOR LATE PAYMENT		_____
44.	INTEREST FOR LATE PAYMENT		_____
45.	TOTAL AMOUNT DUE	\$	_____

* AS PROVIDED FOR IN SECTION 350.113 (F.S.), THE MINIMUM ANNUAL FEE IS \$25.

I, the undersigned owner/officer of the above-named utility, have read the foregoing. Under the penalties of perjury, I declare that, to the best of my knowledge and belief, the above is a true and correct statement of gross revenues derived from intrastate business for the period indicated.

COMPANY OFFICIAL: _____ TITLE: _____ DATE: _____
(Signature)

**GAS MUNICIPALS AND GAS DISTRICTS
REGULATORY ASSESSMENT FEE RETURN
FLORIDA PUBLIC SERVICE COMMISSION**

FOR PSC USE ONLY

\$ _____ 0601002
003001
\$ _____ P
0601002
004010
\$ _____ I

STATUS:

ACTUAL RETURN _____
ESTIMATED RETURN _____

PERIOD COVERED:

JAN. 1 - JUN. 30, 19____
 JUN. 30 - DEC. 31, 19____

F.E.I. NO. : _____

TELEPHONE NO. : _____

CONTACT PERSON: _____

LINE NO.	ACCOUNT CLASSIFICATION	INTRASTATE AMOUNTS
1.	GAS SERVICE REVENUES:	\$ _____
2.	OTHER OPERATING REVENUES:	\$ _____
3.	OTHER GAS REVENUES:	\$ _____
4.	TOTAL GROSS REVENUES:	\$ _____
5.	LESS:	
	a) SALES FOR RESALE:	\$ _____
	b) SALES FOR ELECTRIC GENERATION TO ELECTRIC COOPERATIVES, MUNICIPALS, AND INVESTOR-OWNED UTILITIES:	\$ _____
6.	REVENUES SUBJECT TO REGULATORY ASSESSMENT FEE:	\$ _____
7.	REGULATORY ASSESSMENT FEE DUE* [1/4th of 1% of LINE 6 (0.0025)]	\$ _____
8.	LESS: APPROVED PRIOR-PERIOD OVERPAYMENT	\$ _____
9.	NET REGULATORY ASSESSMENT FEE DUE	\$ _____
10.	PENALTY FOR LATE PAYMENT	\$ _____
11.	INTEREST FOR LATE PAYMENT	\$ _____
12.	TOTAL AMOUNT DUE	\$ _____

* AS PROVIDED FOR IN SECTION 350.113 (F.S.), THE MINIMUM ANNUAL FEE IS \$25.

I, the undersigned owner/officer of the above-named utility, have read the foregoing. Under the penalties of perjury, I declare that, to the best of my knowledge and belief, the above is a true and correct statement of gross revenues derived from intrastate business for the period indicated.

COMPANY OFFICIAL: _____ TITLE: _____ DATE: _____
(Signature)

