

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of modifications to tariff provisions governing main and service extension amortization surcharge by Tampa Electric Company d/b/a Peoples Gas System.

DOCKET NO. 001755-GU
ORDER NO. PSC-01-0391-TRF-GU
ISSUED: February 15, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI

ORDER APPROVING MODIFICATIONS OF TARIFF PROVISIONS

BY THE COMMISSION:

Tampa Electric Company d/b/a Peoples Gas System (Peoples or Company) extends main pipelines and service facilities in accordance with Rule 25-7.054, Florida Administrative Code, and the provisions of its approved tariff. The rule requires each utility to maintain a standard policy governing the amount of main and service extension that will be made at no cost to a new customer. Extensions are to be made at no cost to the customer when the capital investment necessary to extend the facilities to provide service is equal to, or less than, the maximum allowable construction cost (MACC). When the required capital investment is more than the MACC, Peoples will extend service subject to either a construction deposit agreement (contribution-in-aid-of-construction), or a Main and Service Extension Amortization (MSEA) Surcharge. The MSEA Surcharge allows the cost in excess of the MACC, to be collected from the customer over time as an additional bill item.

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We have jurisdiction over this matter pursuant to Sections 366.04, 366.05, and 366.06, Florida Statutes.

On December 5, 2000, Peoples filed its petition for approval of modifications to its tariff provisions governing main and service extension amortization surcharge. Currently, the MSEA Surcharge is calculated as a single per-therm charge that would apply to any customer(s) in the area served by the extended main and service facilities for which the MSEA Surcharge is levied, regardless of rate class.

Under the Company's proposed modification, the MSEA Surcharge would vary by rate class, as is the case in an interim increase calculation. The MSEA Surcharge would be calculated as follows:

<u>MSEA Non-fuel Revenue Requirement</u>	X	<u>Revenue of Customer's Rate Class</u>
Total Non-fuel Revenue		Projected Therm Consumption of Customer's Rate Class

The surcharge would be amortized over a period not to exceed 10 years. The other provisions of the MSEA Surcharge tariff would remain unchanged.

We believe that Peoples' proposed modifications to its tariff provisions governing main and service extension amortization surcharge are reasonable and therefore, approved. The tariff will become effective February 6, 2001.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the petition for Approval of Modification to Tariff Provisions Governing Main and Service Extension Amortization Surcharge by Tampa Electric Company d/b/a Peoples Gas system, is granted. It is further

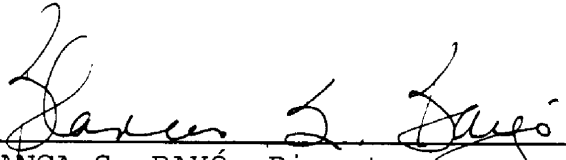
ORDERED that the effective date of the tariff modifications is February 6, 2001. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

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ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 15th day of February, 2001.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the

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Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on March 8, 2001.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.