

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for approval of ) DOCKET NO. 940821-GU  
Off-System Sales Service (OSSS) ) ORDER NO. PSC-94-1215A-FOF-GU  
rate schedule by FLORIDA PUBLIC ) ISSUED: November 10, 1994  
UTILITIES COMPANY. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
SUSAN F. CLARK  
JOE GARCIA  
JULIA L. JOHNSON  
DIANE K. KIESLING

AMENDATORY ORDER APPROVING OFF-SYSTEM SALES RATE SCHEDULE

BY THE COMMISSION:

This amendatory order corrects several scrivener's errors and omissions in Order No. PSC-94-1215-FOF-GU that occurred when certain sections of another order approving a similar tariff were inadvertently transcribed into Order No. PSC-94-1215-FOF-GU. This amendatory order replaces the earlier order.

Florida Public Utilities Company (FPUC) filed a petition for approval of its Rate Schedule OSSS-1 on August 22, 1994. The new rate schedule would provide for interruptible sales of gas for non-residential use to any person not connected to the Company's distribution system.

Because FPUC has had few opportunities to increase its capacity on the Florida Gas Transmission Company (FGT) system, it has had to reserve sufficient capacity to provide for system growth. Due to fluctuations in its customers' gas requirements on a day to day and seasonal basis, some of the capacity reserved by FPUC on the interstate pipelines goes unused. Whether or not the reserved capacity is used by FPUC or its customers, the fixed reservation charges associated with that capacity must be paid to the pipeline.

DOCUMENT NUMBER-DATE

11395 NOV 10 1994

FPSC-RECORDS/REPORTING

FPUC presently has no rate schedules that allow sales to persons not connected to its distribution system. (Sales to persons not connected to a distributor's facilities are described as "off-system" sales). None of the gas sold off-system would move through facilities owned or operated by FPUC. Rather, the gas would be delivered to the customer using FPUC's capacity on FGT.

In making sales under the OSSS-1 rate schedule, FPUC would recover all costs, including reservation charges associated with the quantities of gas sold.

The Non Gas Energy Charge would be an amount determined by FPUC based on competitive conditions existing at the time of each transaction, not less than \$0.000 per therm and not more than the currently applicable firm rate. This is the same rate as FPUC's approved transportation rates.

Rate Schedule OSSS-1 incorporates a mechanism for sharing on a 50/50 basis with its sales customers whatever non gas revenues FPUC derives from off-system or opportunity sales, including demand charges above the prevailing rates for like periods, or rates negotiated by FGT's customers via FGT's relinquishment program on its Electronic Bulletin Board system. That is, FPUC would retain 50% of such revenues above the line, and the firm sales customers would receive 50% through a credit to the costs of purchases in the Purchased Gas Adjustment docket.

We approve the proposed Off-System rate schedule, effective September 20, 1994, for the following reasons: 1). If any person not directly connected to FPUC's distribution system purchases capacity that is not needed at the time by FPUC, the savings in FGT reservation charges will flow directly to FPUC customers through the Purchased Gas Adjustment Clause; 2). Fifty percent of any gas revenues FPUC derives from off-system or opportunity sales under the OSSS-1 rate schedule will be credited to the firm sales customers as a credit to the cost of purchased gas. Fifty percent would be retained by FPUC above the line; 3). The Off-System Sales will improve system load factor and provide additional revenue with which to meet the company's revenue requirements.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Petition for approval of Off-System Sales (OSSS-1) Rate Schedule by Florida Public Utilities Corporation is approved effective September 20, 1994.

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By ORDER of the Florida Public Service Commission, this 10th  
day of November, 1994.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

by: Kay Ferguson  
Chief, Bureau of Records

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