

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF STAFF WORKSHOP

TO

ALL INTERESTED PERSONS

UNDOCKETED

IN RE: EXAMINATION OF THE POTENTIAL COSTS AND BENEFITS OF
UNBUNDLING THE NATURAL GAS LOCAL DISTRIBUTION COMPANIES
IN THE STATE OF FLORIDA

ISSUED: September 13, 1995

NOTICE is hereby given pursuant to Rule 25-22.001, Florida Administrative Code, that the Staff of the Florida Public Service Commission will conduct a workshop on the above referenced item at the following time and place:

8:30 a.m., Thursday, October 12, 1995
Room 148, Betty Easley Conference Center
4075 Esplanade Way
Tallahassee, FL 32399-0863

PURPOSE:

The purposes of this workshop are as follows:

- 1) To identify the potential costs and benefits associated with unbundling investor-owned natural gas utility services.
- 2) To identify barriers to unbundling.
- 3) To identify the major issues that will need to be addressed by the Commission. (See attached list)
- 4) To establish a schedule of future events concerning this item.

Persons wishing to make presentations at this workshop should contact Wayne Makin in the Bureau of Gas Regulation at (904) 413-6644. Presentations will be limited to fifteen minutes.

Any person requiring some accommodation at this workshop because of a physical impairment should call the Division of Records and Reporting at (904) 413-6770 at least five calendar days prior to the workshop. If you are hearing or speech impaired,

DOCUMENT NUMBER-DATE

~~09009~~ SEP 13 1995

FPSC-RECORDS/REPORTING

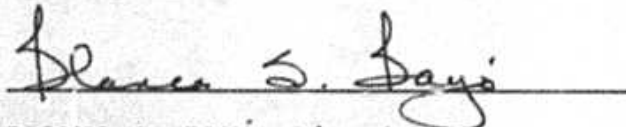
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please contact the Florida Public Service Commission using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

JURISDICTION

Jurisdiction is vested in this Commission pursuant to Chapter 366, Florida Statutes.

By DIRECTION of the Florida Public Service Commission, this
13th day of September, 1995.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

SLE

STAFF WORKSHOP ON UNBUNDLING AND LDC RESTRUCTURING

T E N T A T I V E A G E N D A

- 8:30 - 9:00 a.m. **OPENING REMARKS**
Cheryl R. Bulecza-Banks
Chief, Bureau of Gas Regulation
- 9:00 - 9:30 a.m. **PURPOSE AND OBJECTIVE OF WORKSHOP -
RESPONSIBILITIES IN A COMPETITIVE
ENVIRONMENT**
Wayne R. Makin
Economic Analyst
- 9:30 - 10:45 a.m. **INDUSTRY PRESENTATIONS (limited to 15 min.)**
- 10:45 - 11:00 a.m. **BREAK**
- 11:00 - 12:00 p.m. **INDUSTRY PRESENTATIONS**
- 12:00 - 1:00 p.m. **LUNCH**
- 1:00 - 2:30 p.m. **INDUSTRY PRESENTATIONS**
- 2:30 - 2:45 p.m. **BREAK**
- 2:45 - 3:45 p.m. **INDUSTRY PRESENTATIONS**
- 3:45 - 4:15 p.m. **LDC ROUNDTABLE**
- 4:15 - 4:30 p.m. **CLOSING REMARKS**
Cheryl R. Bulecza-Banks
Chief, Bureau of Gas Regulation
 . Post Workshop Comments Due
 . Scheduling Events

* All persons wishing to speak at this workshop are urged to be present at 8:30 a.m. as this workshop may be adjourned early if all other interested persons have spoken.

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WORKSHOP ON UNBUNDLING AND LDC RESTRUCTURING

- . What services should be unbundled? (i.e. UPSTREAM: firm and interruptible sales and transportation, balancing, storage. DOWNSTREAM: standby services, meter reading, billing)
- . What class(es) of customers should be offered unbundled services?
- . Who should bear the costs incurred in providing unbundled transportation service?
- . How should the needs of customers be met if they do not want to contract for unbundled service?
- . Should an LDC have the obligation to provide firm bundled service to any of its customers?
- . Should customers have the right to choose a combination of core and non-core services?
- . Should LDCs have the obligation to provide standby or backup service for firm transportation customers?
- . Should LDCs allow small customers to aggregate loads in order to qualify for transportation service? What terms and conditions should apply?
- . Would the failure of an end-user to secure firm supplies or LDC backup service, relieve the LDC of any potential obligation to serve?
- . If LDCs are required to be the "supplier of last resort", (provide supply to customer who return when their third-party services fail), do the consumers and their third-party suppliers have a responsibility to pay any additional costs incurred by the LDC?
- . Should the LDC be required to develop policies regarding eligibility? (i.e. demonstration of adequate city-gate gas supply, demonstrate ability to react to shortfalls in their city gate gas supply)

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- . Should LDCs be required to offer potential transportation customers, and their third-party vendors access to the records of that customer's consumption patterns for a cost-based fee?
- . What metering requirements should be imposed on the transportation customers to ensure the LDC remains in balance with the pipeline? Should the requirements differ for each class of customers?
- . Should LDCs be allowed to issue Operational Flow Orders and impose special volume conditions and/or balancing provisions in case of system emergencies and capacity constraints?
- . Should LDCs be allowed to curtail gas service to a transportation customer who has demonstrated that their gas supply arrived at the LDC city gate?
- . What type of transition costs will the LDC incur? What is the magnitude of the costs?
- . Should the LDCs have the right to require customers to pay a cost-based exit fee if they wish to switch from one utility service to another?
- . Should LDCs be required to propose rates and rate structures for each unbundled service based on the revenue requirement responsibility established for each service?
- . What is a reasonable time frame for implementing unbundling for the LDCs? Should this time frame vary from one LDC to another?
- . Should LDCs be allowed to propose flexible, or negotiated rates for specific services as long as it proves the rates are not unduly discriminatory?
- . What class(es) of customers should be required to nominate capacity requirements on a daily basis?

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- . What key services should be offered:
 - . full requirements year-round firm supply
 - . full requirements seasonal firm supply (e.g. summer-only, winter-only)
 - . full requirements quasi-firm (i.e. specified # days per year)
 - . interruptible supply
 - . stand-by supply
 - . peaking supply
 - . swing/no-notice supply
 - . balancing
 - . emergency supply (best efforts)
- . What other services should the LDC consider offering on an unbundled basis?
 - . Meter Reading
 - . Billing
 - . Collection

COMPANIES SCHEDULED TO SPEAK

- . Associated Gas Distributors of Florida
- . Citrus Gas Marketing
- . Enron Capital and Trade
- . The Hiller Group Inc./Tenneco Gas Marketing
- . Chevron
- . Norstar Energy
- . Texas Ohio Gas, Inc.
- . Natural Gas Services

If your company desires to make any presentation, please call Wayne Makin at (904) 413-6644.

Airport
9 Miles



Capital Circle S.E.

Shumard Oak Blvd.

Capital Circle Office Center

Esplanade Way

Visitor Parking

Florida Public Service Commission
Gunter Building
2540 Shumard Oak Blvd.

Betty Easley
Conference Center
4075 Esplanade Way

Staff and Visitor Parking