

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for authority) DOCKET NO. 960308-GU
to implement bimonthly meter-) ORDER NO. PSC-96-0583-FOF-GU
reading program systemwide by) ISSUED: May 6, 1996
Peoples Gas System, Inc.)
_____)

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING PETITION FOR AUTHORITY TO IMPLEMENT
BIMONTHLY METER-READING PROGRAM SYSTEMWIDE

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

By Order No. PSC-94-0999-FOF-GU issued August 18, 1994, we approved Peoples Gas System, Inc.'s, (Peoples) petition for authority to implement a one-year pilot bi-monthly meter reading program in Peoples' South Florida Division (October 1994 - September 1995). The Order also granted a temporary exemption from certain provisions of Rules 25-7.084 and 25-7.085, Florida Administrative Code, which requires meters to be read every month.

On October 17, 1995, the Commission issued Order No. PSC-95-1287-FOF-GU approving Peoples' petition to extend the end of the pilot program in its South Florida Division for an addition six-month period (October 1, 1995 - April 1, 1996).

On March 8, 1996, Peoples filed its petition for authority to implement its bi-monthly meter reading program on a system-wide residential basis. Peoples proposes to stagger the implementation in its operating divisions in order to accommodate training and division-specific program installation. Peoples anticipates implementing the program in May 1996 in its Jacksonville and

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Orlando Divisions, in July 1996 in its St. Petersburg, Sarasota, and Lakeland Divisions, and in September 1996 in its Tampa, Eustis, and Daytona Divisions.

At this time Peoples does not intend to implement the program in its Highlands or Palm Beach Gardens Divisions. These divisions have such a small number of residential customers that implementation would not be cost effective.

During the first twelve months of the pilot program, an average of 63,996 residential customers in Peoples' South Florida Division were involved. The pilot program has resulted in a reduction to meter-reading expense of approximately \$50,000 for the first twelve months of the program.

During the pilot program, Peoples experienced problems in the estimation routine, computer problems, meters that did not meet a profile to be estimated, and customer complaints. Peoples corrected these problems and projects that the annual savings in meter reading expense by implementing the program on a system-wide basis will be approximately \$300,000.

For these reasons, we find that Peoples' request for authority to implement bi-monthly meter-reading program system-wide is hereby granted.

Commission Order No. PSC-94-0999-FOF-GU granted a temporary exemption for the pilot program from certain provisions of Rules 25-7.084 and 25-7.085, Florida Administrative Code, that require meters to be read every month and billings based on those monthly meter readings. Peoples' has requested a similar exemption for the system-wide program.

We find that Peoples' request for an exemption from those provisions of Rules 25-7.084 and 25-7.085, Florida Administrative Code, which require monthly meter readings and bills based on those monthly readings, is reasonable and therefore, is hereby granted.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Peoples' request for authority to implement bi-monthly meter-reading program system-wide is hereby granted. It is further

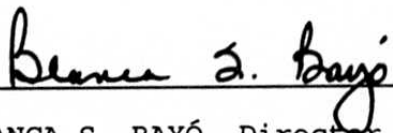
ORDERED that Peoples' request for an exemption from those provisions of Rules 25-7.084 and 25-7.085, Florida Administrative Code, which require monthly meter readings and bills based on those monthly readings is granted. It is further

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ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission, this 6th day of May, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this

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order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 28, 1996.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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.

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.