

Blanca S. Bayo
December 18, 1998
Page 2

cc: Mrs. Cheryl Bulecza-Banks
Mr. J. Brent Caldwell
Ms. Angela Llewellyn

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for approval of Firm)
Transportation Supplier Aggregation)
(FTA) service rider by Peoples)
Gas System, Inc.)
_____)

Docket No. 961236-GU
Submitted for filing:
12-21-98

AMENDMENT TO
PETITION OF PEOPLES GAS SYSTEM
FOR MODIFICATION AND EXTENSION OF
FIRM TRANSPORTATION
AGGREGATION (FTA) SERVICE RIDER

Peoples Gas System ("Peoples" or the "Company"), by its undersigned attorneys, files this amendment to its petition for an order approving a two-year extension of, modifications to and expansion of its optional experimental Firm Transportation Supplier Aggregation Service Rider ("Rider FTA"), previously filed in this docket on December 1, 1998, and in support thereof says:

1. The purpose of this amendment is to clarify and correct certain portions of Peoples' original petition and of Exhibits A, B and F thereto.

Customer Participation in the Modified Pilot Program

2. Peoples has received questions regarding whether a currently participating "pool" of less than 10 customer accounts served by a single supplier will continue to be eligible to participate in the modified program for which Peoples' petition seeks approval, notwithstanding the proposed 10-customer-account proposed in the modified program. Peoples' intent is not to disqualify those currently participating in the pilot program, although customers and suppliers (who would be called "Pool Managers" under the modified program) would still be required to complete the paperwork required for participation in the program as modified.

Neither did Peoples intend that a Customer Pool be disqualified from further participation

in the modified pilot program in the event the number of customer accounts in that pool should fall below 10 following the pool's initiation of service under the modified Rider FTA.

Peoples submits herewith Revised Exhibits A, B and F to its original petition, which clarify the Company's intent that customers participating in the initial pilot program, and Customer Pools which fall below 10 customer accounts after initiating service under the revised program, are eligible to continue their participation subject to meeting other program criteria. These revised exhibits supersede and replace Exhibits A, B and F which were attached to Peoples' initial petition.

Closure of Program or Closure to Additional Customer Accounts

3. The revised tariff sheets (Exhibit A and F) to Peoples' original petition also did not accurately express Peoples' intent with respect to the manner in which the Company would proceed in the event it became unable to accept additional customer accounts for participation in the modified pilot program. As filed, Peoples reserved the right, exercisable in its sole discretion at any time, to close Rider FTA to participation by additional customer accounts. The language used did not provide for the Commission's review of Peoples' determination that additional customer accounts could not be accepted by the Company. Paragraphs 3 and 7 of the Special Conditions of Rider FTA have been modified to recognize the Commission's authority in this regard. These changes are shown on the revised exhibits submitted herewith. As revised, Peoples would suspend the addition of new customer accounts and/or Pool Managers while it petitioned the Commission for authority to cease taking new participants in the program.

Limitation of Modified Program to 1,000 Customer Accounts

4. Although paragraph 10.B. of Peoples' original petition states that approval is

sought to expand customer participation in the modified pilot program to permit aggregated transportation service to "a total of up to 1,000 customer accounts," this limitation was inadvertently omitted from the revised Rider FTA (Exhibits A and F) attached to the petition. Revised Exhibits A and F submitted herewith correct this oversight.

Weighted Average Cost of Capacity

5. In order to correct statements made in Peoples' original petition with respect to the cost rates for Peoples' weighted average cost of capacity during certain periods, the second grammatical paragraph of paragraph 11.A. of Peoples' petition is amended to read as follows:

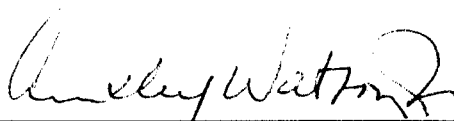
The impact on capacity costs recovered through the Purchased Gas Adjustment Clause is reduced by requiring Pool Managers to acquire capacity held by Peoples at the weighted average cost. Based on Peoples' current mix of interstate pipeline capacity, the weighted average cost of capacity, if released at a constant quantity every month in 1999, would be \$0.4421 per MMBtu. The monthly weighted average cost rates per MMBtu, estimated for 1999, will vary slightly between a low of \$0.4279 in January and March and a high of \$0.4579 in June and September, and will change as Peoples' mix of capacity changes.

6. Finally, to the extent Peoples' original petition and exhibits did not make it clear, Peoples now emphasizes that although participants in the existing pilot program may continue their participation in the program as modified, such participation will be subject to the program's modified terms and conditions.

WHEREFORE, Peoples respectfully requests that the Commission grant its petition herein as modified above, and issue its order approving (A) a two-year extension of the Firm

Transportation Aggregation Service Rider pilot program, (B) the modifications to the program, effective on June 1, 1999 or such later date as may be required for Peoples' new gas management system to be operational, (C) continuation of the current program until the time Peoples' new gas management system is operational and the program, as modified, becomes effective, and (D) authority to implement the pilot program, as modified, in Peoples Natural Gas Tariff, Original Volume No. 2.

Respectfully submitted this 18th day of December, 1998.



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Attorneys for Peoples Gas System

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 1

Second Revised Sheet No. 7.803
Cancels First Revised Sheet No. 7.803

FIRM TRANSPORTATION AGGREGATION SERVICE
Experimental Tariff
Rider FTA

Availability:

Limited in time and scope, on an experimental basis during the period from June 1, 1999 through May 31, 2001, and subject to the special conditions set forth herein, to any Customer account for which gas service is received from Company and (a) for which service hereunder is requested as a part of a Customer Pool (as herein defined), (b) for which Gas is purchased as a part of Gas purchased from or through a Pool Manager (as herein defined) for a Customer Pool administered by such Pool Manager, and (c) which would otherwise qualify for service under Rate Schedule SGS, GS, CSLS, GSLV-1, GSLV-2, GTSLV-2, NGVSS or NGVTS. No more than 40 independent Customer Pools (including those established under Company's Natural Gas Tariff, Original Volume No. 2) and no more than 1,000 Customer accounts (including those receiving service under Company's Natural Gas Tariff, Original Volume No. 2) may receive service pursuant to this Rider. Service pursuant to this Rider is available throughout the service areas of the Company (including those served pursuant to the Company's Natural Gas Tariff, Original Volume No. 2) when such service can be made available without detriment to service to the Company's other customers.

Applicability:

To transportation of Gas delivered to Company by a Pool Manager for a Customer account pursuant to this Rider.

Monthly Rate:

The Monthly Rate for transportation service applicable to each individually billed Customer account shall be the Monthly Rate applicable to such individually billed account under Rate Schedule SGS, GS, CSLS, GSLV-1, GSLV-2, GTSLV-2, NGVSS or NGVTS, based upon the annual therm usage of such separately metered account.

Special Conditions:

1. This Rider implements the Company's modified pilot program designed to test the feasibility of providing simplified transportation service to firm customers in a manner that will permit monitoring, feedback and an opportunity to modify the terms and conditions of this Rider in order to determine whether to continue such service or expand its availability to additional Customer accounts.
2. If Company determines that the modified pilot program implemented by this Rider is operating successfully, Company may, at any time after the effective date of this Rider, by providing written notice to the Commission, each then participating Pool Manager, and any other person who has notified the Company in writing that it desires to participate in the modified program, modify this Rider by increasing the number of Customer accounts and/or Pool Managers eligible to participate in such program. Any such future modification by Company shall become effective 30 days after the later to occur of the aforesaid notice required of Company and the filing by Company of revised tariff sheets reflecting such modification.
3. For purposes of this Rider, "Customer Pool" means a group of not less than 10 Customer accounts which, in the aggregate, have

Issued By: William N. Cantrell, President
Issued On: November 30, 1998

Effective: June 1, 1999

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 1

First Revised Sheet No. 7.803-1
Cancels Original Sheet No. 7.803-1

FIRM TRANSPORTATION AGGREGATION SERVICE (continued)

annual Gas consumption of at least 100,000 Therms, provided, however, that, subject to all other provisions hereof, (a) a group of Customer accounts served by a single supplier under this Rider prior to January 1, 1999 shall qualify as a Customer Pool hereunder, and (b) reduction in the number of Customer accounts comprising a Customer Pool shall not disqualify the Customer Pool for service hereunder as long as the Customer Pool met the foregoing definition at the time its service hereunder commenced. Company shall have the right at any time on written notice to the Commission, each then participating Pool Manager, and each Customer receiving service hereunder, to temporarily suspend initiation of service hereunder to additional Customer accounts and/or Pool Managers, and petition the Commission for authority to close this Rider to participation by additional Customer accounts. Any such notice by Company shall be effective as of the day following the day on which it is sent by Company provided Company's petition to the Commission is filed prior to, or within seven (7) days following, the day on which Company's notice is issued.

4. For purposes of this Rider, "Pool Manager" means a person or entity which has:
 - a. Entered into agreements to sell Gas to, or procure Gas for, Customer accounts desiring to receive service pursuant to this Rider as part of a Customer Pool;
 - b. Executed and delivered to Company after January 1, 1999 an unmodified Firm Delivery and Operational Balancing Agreement (in the form set forth on Sheets 8.119 through 8.119-9 of this tariff) for an initial term of not less than one year, obligating such person or entity to deliver Gas to Company on a firm basis (in a minimum aggregate amount of 100,000 therms annually) for the accounts which are part of a Customer Pool, resolve directly with the Company imbalances between (i) the quantities of Gas delivered to Company for the accounts in the Customer Pool and (ii) the quantities of Gas taken by such Customer Pool, and establish and maintain credit pursuant to the terms of such agreement; and
 - c. Executed and delivered to Company after January 1, 1999 an unmodified Master Capacity Release Agreement providing for such person's or entity's acquisition from Company of primary firm interstate pipeline transportation capacity to be used for the transportation and delivery to Company of Gas purchased by a Customer Pool receiving service pursuant to this Rider.

Subject to the provisions of Special Conditions 3 and 5, additional Customer accounts may be added to a Customer Pool administered by a Pool Manager at any time. A Pool Manager may be disqualified by Company from providing service hereunder in accordance with the Firm Delivery and Operational Balancing Agreement.

5. To initiate service pursuant to this Rider, a Customer shall execute and deliver to a Pool Manager (for delivery by such Pool Manager to Company) (i) a letter of authorization in the form set forth on Sheets 8.118 through 8.118-1 of this tariff and (ii) a copy of a recent Company invoice for service for each account for

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 1

First Revised Sheet No. 7.803-2
Cancels Original Sheet No. 7.803-2

FIRM TRANSPORTATION AGGREGATION SERVICE (continued)

which the Customer desires to receive service pursuant to this Rider. Service by Company to a Customer account pursuant to this Rider will commence on the first day of the month following (but not less than 30 days after) the Pool Manager's delivery to Company of a properly completed letter of authorization and the required invoice(s). Company will provide written notice, not less than two weeks prior to the scheduled commencement of service hereunder, to each Pool Manager, and to each Customer having an account to be served hereunder by such Pool Manager, regarding their respective eligibility to participate in service pursuant to this Rider.

6. Subject to Special Condition 7 hereof and Availability (above), the initial period of service to each Customer account hereunder shall be one year from the date such service commences.
7. Company shall have the right, exercisable on written notice to the Commission, each participating Pool Manager, and each Customer receiving service hereunder, given not less than 90 days prior to the date on which this Rider has been in effect for one year, to terminate this Rider as it applies to each participating Customer account (effective as of the end of the initial period of service hereunder to such Customer account). Thereafter, Company shall also have the right, exercisable on written notice to the Commission, each participating Pool Manager, and each Customer receiving service hereunder, to terminate this Rider as it applies to each participating Customer account, to extend the effectiveness of this Rider on an experimental basis, to expand or reduce the scope of (or otherwise modify) this Rider, or to make this Rider permanent, any such action by Company to become effective as of the date specified in an order of the Commission approving such action.
8. A Customer account receiving service under this Rider may terminate service hereunder by its then serving Pool Manager and commence service hereunder (within the time and in the manner provided in Special Condition 5) by a different Pool Manager. There shall be no charge by Company to Customer for the first such change of Pool Managers for an account within a 12-month period. A Customer shall pay to Company for each subsequent change in Pool Managers for any account an administrative fee of \$10.00.
9. A Customer receiving service under this Rider may at any time discontinue service hereunder by giving Company 90 days written notice.
10. For purposes of curtailment or interruption by Company, each individually billed account receiving service hereunder shall be treated by the Company in accordance with the curtailment provisions found in the rate schedule (i.e., SGS, GS, CSLS, GSLV-1, GSLV-2, GTSLV-2, NGVSS or NGVTS) otherwise applicable to such account.
11. Amounts payable to Company by Customer pursuant to the rate schedule applicable to each individually billed account shall be subject to the operation of the Company's Tax and Fee Adjustment Clause (set forth on Sheet No. 7.101-1), Energy Conservation Cost Recovery Clause (set forth on Sheet No. 7.101-1), and Competitive Rate Adjustment Clause (set forth on Sheets Nos. 7.101-1 through 7.101-3).

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 1

First Revised Sheet No. 7.803-3
Cancels Original Sheet No. 7.803-3

FIRM TRANSPORTATION AGGREGATION SERVICE (continued)

12. If requested by a Customer account and the Pool Manager administering service hereunder to such account, Company will bill the Pool Manager's charges for service provided hereunder to such account. Company shall charge a Pool Manager \$5.00 per bill for such optional service.
13. Except as modified by the provisions set forth above, service under this Rider shall be subject to the Rules and Regulations set forth in this tariff.

FIRM TRANSPORTATION SUPPLIER AGGREGATION SERVICE
Experimental Tariff
Rider FTA

Availability:

Limited in time and scope, on an experimental basis during the period from June 1, 1999 through May 31, 2001, and subject to the special conditions set forth herein, to any Customer who ~~(a) requests service hereunder, (b) purchases Gas from account for which gas service is received from Company and (a) for which service hereunder is requested as a part of a Customer Pool (as herein defined), (b) for which Gas is purchased as a part of Gas purchased from or through a Pool Manager Qualified Aggregating Supplier (as herein defined), (c) for a Customer Pool administered by such Pool Manager, and (c) which~~ would otherwise qualify for service under Rate Schedule SGS, GS, CSLS, GSLV-1, GSLV-2, or GTSLV-2, NGVSS or NGVTS and ~~(d) commences service hereunder no later than the first day of the third month following the effective date of this Rider. No more than 40 independent Customer Pools (including those established under Company's Natural Gas Tariff, Original Volume No. 2) and no more than 1,000 Customer accounts (including those receiving service under Company's Natural Gas Tariff, Original Volume No. 2) may receive service pursuant to this Rider.~~ Service pursuant to this Rider is available throughout the service areas of the Company (including those served pursuant to the Company's Natural Gas Tariff, Original Volume No. 2) when such service can be made available without detriment to service to the Company's other customers.

~~Availability is limited to the addition, by each participating Qualified Aggregating Supplier, of a maximum of 10 customers at the beginning of each of the first two months after the effective date of this Rider and additional customers, up to an aggregate maximum of 30 customers per participating Qualified Aggregating Supplier, at the beginning of the third month after the effective date of this Rider. Subject to the provisions of Special Conditions 2 and 12, no additional customers may be added by any Qualified Aggregating Supplier after the first day of the third month after the effective date of this Rider.~~

Applicability:

To transportation of Gas delivered to Company by a Qualified Aggregating Supplier Pool Manager for a Customer the account of ~~Customer~~ pursuant to this Rider.

Monthly Rate:

The Monthly Rate for transportation service applicable to each individually billed ~~facility of Customer~~ account shall be the Monthly Rate applicable to such individually billed ~~facility account~~ under Rate Schedule SGS, GS, CSLS, GSLV-1, GSLV-2, or GTSLV-2, NGVSS or NGVTS, based upon the annual therm usage ~~at~~ of such separately metered facility account.

Special Conditions:

1. This Rider implements the Company's modified pilot program designed to test the feasibility of providing simplified transportation service to firm customers in a manner that will permit monitoring, feedback and an opportunity to modify the terms and conditions of this Rider in order to determine whether

to continue such service or expand its availability to additional ~~customers~~ Customer accounts.

2. If Company determines that the modified pilot program implemented by this Rider is operating successfully, Company may, at any time after the effective date of this Rider, by providing written notice to the Commission, each then participating ~~Qualified Aggregating Supplier Pool Manager~~, and any other ~~Gas supplier person~~ who has notified the Company in writing that it desires to participate in the modified program, modify this Rider by increasing the number of ~~customers~~ Customer accounts and/or Pool Managers ~~Qualified Aggregating Suppliers~~ eligible to participate in such program. Any such future modification by Company shall become effective 30 days after the later to occur of the aforesaid notice required of Company and the filing by Company of revised tariff sheets reflecting such modification.
3. For purposes of this Rider, "Customer Pool" means a group of not less than 10 Customer accounts which, in the aggregate, have annual Gas consumption of at least 100,000 Therms, provided, however, that, subject to all other provisions hereof, (a) a group of Customer accounts served by a single supplier under this Rider prior to January 1, 1999 shall qualify as a Customer Pool hereunder, and (b) reduction in the number of Customer accounts comprising a Customer Pool shall not disqualify the Customer Pool for service hereunder as long as the Customer Pool met the foregoing definition at the time its service hereunder commenced. Company shall have the right, exercisable in its sole discretion at any time on written notice to the Commission, each then participating Pool Manager, and each Customer receiving service hereunder, to temporarily suspend initiation of service hereunder to additional Customer accounts and/or Pool Managers, and petition the Commission for authority to close this Rider to participation by additional Customer accounts. Any such notice by Company shall be effective as of the day following the day on which it is sent by Company provided Company's petition to the Commission is filed prior to, or within seven (7) days following, the day on which Company's notice is issued.
4. For purposes of this Rider, "Pool Manager" "Qualified Aggregating Supplier" means a Gas supplier who person or entity which has, within 60 days following the effective date of this Rider:
 - a. Entered into agreements to sell Gas to, or procure Gas for, Customer accounts ~~Customers~~ desiring to receive service pursuant to this Rider as part of a Customer Pool;
 - b. Executed and delivered to Company after January 1, 1999 an unmodified Firm Delivery and Operational Balancing Agreement (in the form set forth on Sheets 8.119 through 8.119-9 of this tariff) for an initial term of not less than one year, obligating such ~~supplier person or entity~~ to deliver Gas to Company on a firm basis (in a minimum aggregate amount of 100,000 therms annually) for the accounts of ~~customers on a firm basis which are part of a Customer Pool~~, resolve directly with the Company imbalances between (i) the quantities of Gas delivered to Company for the accounts of customers in the Customer Pool and (ii) the

quantities of Gas taken by such ~~customers directly with the Company~~ Customer Pool, and establish and maintain credit pursuant to the terms of such agreement; and

- c. Executed and delivered to Company after January 1, 1999 an unmodified Master Capacity Release Agreement providing for such ~~supplier's~~ person's or entity's acquisition from Company of primary firm interstate pipeline transportation capacity to be used for the transportation and delivery to Company of Gas purchased by ~~customers~~ a Customer Pool receiving service pursuant to this Rider.

~~provided, however, that Company reserves the right to limit the number of Qualified Aggregating Suppliers if Company reasonably determines that the number of such suppliers would cause the Company to be unable to effectively perform or administer service pursuant to this Rider. Subject to the provisions of Special Conditions 3 and 5, additional Customer accounts may be added to a Customer Pool administered by a Pool Manager at any time. A Pool Manager may be disqualified by Company from providing service hereunder in accordance with the Firm Delivery and Operational Balancing Agreement.~~

5. ~~4-~~ To initiate service pursuant to this Rider, a Customer shall execute and deliver to a Pool Manager (for delivery by such Pool Manager to Company) (i) a letter of authorization in Master Agreement for Gas Services, the basic form of which is set forth on Sheets 8.116 8.118 through 8.116-2 8.118-1 of this tariff, setting forth the terms and conditions of service to be provided by Company, and identifying Customer's Qualified Aggregating Supplier and (ii) a copy of a recent Company invoice for service for each account for which the Customer desires to receive service pursuant to this Rider. Service by Company to a Customer account pursuant to this Rider will commence on the first day of the month following (but not less than 30 days after) the Pool Manager's delivery to Company of a properly completed letter of authorization and the required invoice(s). Company will provide written notice, not less than two weeks prior to the scheduled commencement of service hereunder, to each Pool Manager, and to each Customer having an account to be served hereunder by such Pool Manager, regarding their respective eligibility to participate in service pursuant to this Rider.
6. ~~5-~~ Subject to Special Condition 6 7 hereof and Availability (above), the initial period of service to each Customer account hereunder shall be one year from the date such service commences.
7. ~~6-~~ Company shall have the right, exercisable on written notice to the Commission, each participating Qualified Aggregating Supplier Pool Manager, and each Customer receiving service hereunder, given not less than 90 days prior to the date on which this Rider has been in effect for one year, to terminate this Rider as it applies to each participating Customer account (effective as of the end of the initial period of service hereunder to such Customer account). Thereafter, Company shall also have the right, exercisable on written notice to the Commission, each participating Qualified Aggregating Supplier Pool Manager, and each Customer receiving service hereunder, to terminate this

Rider as it applies to each participating Customer account, to extend the effectiveness of this Rider on an experimental basis, to expand or reduce the scope of (or otherwise modify) this Rider, or to make this Rider permanent, any such action by Company to become effective as of the date specified in an order of the Commission approving such notice action.

8. ~~7-~~ A Customer account receiving service under this Rider may, effective as of the commencement of any one year extension of the term of its agreement for terminate service hereunder, change its Qualified Aggregating Supplier by executing and delivering to the Company a new or amended Master Agreement for Gas Services not less than 15 days prior to the commencement of the month in which such new or amended Master Agreement for Gas Services is to become effective by its then serving Pool Manager and commence service hereunder (within the time and in the manner provided in Special Condition 5) by a different Pool Manager. There shall be no charge by Company to Customer for the first such change of Pool Managers for an account within a 12-month period. A Customer shall pay to Company for each subsequent change in Pool Managers for any account an administrative fee of \$10.00.
9. ~~8-~~ A Customer receiving service under this Rider may, at any time during the first year following the effective date of this Rider, discontinue service hereunder by giving Company 15 days written notice prior to the first day of the month in which such Customer desires to discontinue such service, and upon such discontinuance return to service under the otherwise applicable firm sales service rate schedule. After the end of the first year following the effective date of this Rider, a Customer receiving service hereunder may discontinue such service by giving Company 90 days written notice prior to the end of the term of the Master Agreement for Gas Services between Customer and Company.
10. ~~9-~~ For purposes of curtailment or interruption by the Company, each individually billed facility account receiving service hereunder shall be treated by the Company in accordance with the curtailment provisions found in the rate schedule (i.e., SGS, GS, CSLS, GSLV-1, GSLV-2, or GTSLV-2, NGVSS or NGVTS) otherwise applicable to such facility account.
11. ~~10-~~ Amounts payable to Company by Customer pursuant to the rate schedule applicable to each individually billed facility account shall be subject to the operation of the Company's Tax and Fee Adjustment Clause (set forth on Sheet No. 7.101-1), Energy Conservation Cost Recovery Clause (set forth on Sheet No. 7.101-1), and Competitive Rate Adjustment Clause (set forth on Sheets Nos. 7.101-1 through 7.101-3).
12. If requested by a Customer account and the Pool Manager administering service hereunder to such account, Company will bill the Pool Manager's charges for service provided hereunder to such account. Company shall charge a Pool Manager \$5.00 per bill for such optional service.
13. ~~11-~~ Except as modified by the provisions set forth above, service under this Rider shall be subject to the Rules and

Regulations set forth in this tariff.

~~12. If a customer participating in this pilot program elects to change its Qualified Aggregating Supplier in accordance with the provisions of Special Condition 7 or if the customer is notified by its serving Qualified Aggregating Supplier that the supplier will, for any reason, cease to supply the customer's gas supply under this pilot program, the customer may elect to change to any Qualified Aggregating Supplier then participating in the program. To accommodate such changes, the newly selected replacement Qualified Aggregating Supplier may exceed the otherwise applicable aggregate maximum limit of 30 customers.~~

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 2

Third Revised Sheet No. 7.528
Cancels Second Revised Sheet No. 7.528

FIRM TRANSPORTATION AGGREGATION SERVICE
Experimental Tariff
Rider FTA

Availability:

Limited in time and scope, on an experimental basis during the period from June 1, 1999 through May 31, 2001, and subject to the special conditions set forth herein, to any Customer account for which gas service is received from Company and (a) for which service hereunder is requested as a part of a Customer Pool (as herein defined), (b) for which Gas is purchased as a part of Gas purchased from or through a Pool Manager (as herein defined) for a Customer Pool administered by such Pool Manager, and (c) which would otherwise qualify for service under Rate Schedule CS, LCS, FIS, TFIS or LCT. No more than 40 independent Customer Pools (including those established under Company's Natural Gas Tariff, Original Volume No. 1) and no more than 1,000 Customer accounts (including those served under Company's Natural Gas Tariff, Original Volume No. 1) may receive service pursuant to this Rider. Service pursuant to this Rider is available throughout the service areas of the Company (including those served pursuant to the Company's Natural Gas Tariff, Original Volume No. 1) when such service can be made available without detriment to service to the Company's other customers.

Applicability:

To transportation of Gas delivered to Company by a Pool Manager for a Customer account pursuant to this Rider.

Monthly Rate:

The Monthly Rate for transportation service applicable to each individually billed Customer account shall be the Monthly Rate applicable to such individually billed account under Rate Schedule CS, LCS, FIS, TFIS or LCT based upon the annual therm usage of such separately metered account.

Special Conditions:

1. This Rider implements the Company's modified pilot program designed to test the feasibility of providing simplified transportation service to firm customers in a manner that will permit monitoring, feedback and an opportunity to modify the terms and conditions of this Rider in order to determine whether to continue such service or expand its availability to additional Customer accounts.
2. If Company determines that the modified pilot program implemented by this Rider is operating successfully, Company may, at any time after the effective date of this Rider, by providing written notice to the Commission, each then

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 2

Third Revised Sheet No. 7.528-1
Cancels Second Revised Sheet No. 7.528-1

FIRM TRANSPORTATION AGGREGATION SERVICE (continued)

participating Pool Manager, and any other person who has notified the Company in writing that it desires to participate in the modified program, modify this Rider by increasing the number of Customer accounts and/or Pool Managers eligible to participate in such program. Any such future modification by Company shall become effective 30 days after the later to occur of the aforesaid notice required of Company and the filing by Company of revised tariff sheets reflecting such modification.

3. For purposes of this Rider, "Customer Pool" means a group of not less than 10 Customer accounts which, in the aggregate, have annual Gas consumption of at least 100,000 Therms, provided, however, that, subject to all other provisions hereof, (a) a group of Customer accounts served by a single supplier under this Rider prior to January 1, 1999 shall qualify as a Customer Pool hereunder, and (b) reduction in the number of Customer accounts comprising a Customer Pool shall not disqualify the Customer Pool for service hereunder as long as the Customer Pool met the foregoing definition at the time its service hereunder commenced. Company shall have the right at any time on written notice to the Commission, each then participating Pool Manager, and each Customer receiving service hereunder, to temporarily suspend initiation of service hereunder to additional Customer accounts and/or Pool Managers, and petition the Commission for authority to close this Rider to participation by additional Customer accounts. Any such notice by Company shall be effective as of the day following the day on which it is sent by Company provided Company's petition to the Commission is filed prior to, or within seven (7) days following, the day on which Company's notice is issued.
4. For purposes of this Rider, "Pool Manager" means a person or entity which has:
 - a. Entered into agreements to sell Gas to, or procure Gas for, Customer accounts desiring to receive service pursuant to this Rider as part of a Customer Pool;
 - b. Executed and delivered to Company after January 1, 1999 an unmodified Firm Delivery and Operational Balancing Agreement (in the form set forth on Sheets 8.033 through 8.044 of this tariff) for an initial term of not less than one year, obligating such person or entity to deliver Gas to Company on a firm basis (in a minimum aggregate amount of 100,000 therms annually) for the accounts which are part of a Customer Pool, resolve directly with the Company imbalances between (i) the quantities of Gas delivered to Company for the accounts in the Customer Pool and (ii) the quantities of Gas taken by

Peoples Gas System
a Division of Tampa Electric Company
Original Volume No. 2

Second Revised Sheet No. 7.529
Cancels First Revised Sheet No. 7.529

FIRM TRANSPORTATION AGGREGATION SERVICE (continued)

such Customer Pool, and establish and maintain credit pursuant to the terms of such agreement; and

- c. Executed and delivered to Company after January 1, 1999 an unmodified Master Capacity Release Agreement providing for such person's or entity's acquisition from Company of primary firm interstate pipeline transportation capacity to be used for the transportation and delivery to Company of Gas purchased by a Customer Pool receiving service pursuant to this Rider.

Subject to the provisions of Special Conditions 3 and 5, additional Customer accounts may be added to a Customer Pool administered by a Pool Manager at any time. A Pool Manager may be disqualified by Company from providing service hereunder in accordance with the Firm Delivery and Operational Balancing Agreement.

5. To initiate service pursuant to this Rider, a Customer shall execute and deliver to a Pool Manager (for delivery by such Pool Manager to Company) (i) a letter of authorization in the form set forth on Sheets 8.031 through 8.032 of this tariff and (ii) a copy of a recent Company invoice for service for each account for which the Customer desires to receive service pursuant to this Rider. Service by Company to a Customer account pursuant to this Rider will commence on the first day of the month following (but not less than 30 days after) the Pool Manager's delivery to Company of a properly completed letter of authorization and the required invoice(s). Company will provide written notice, not less than two weeks prior to the scheduled commencement of service hereunder, to each Pool Manager, and to each Customer having an account to be served hereunder by such Pool Manager, regarding their respective eligibility to participate in service pursuant to this Rider.
6. Subject to Special Condition 7 hereof and Availability (above), the initial period of service to each Customer account hereunder shall be one year from the date such service commences.
7. Company shall have the right, exercisable on written notice to the Commission, each participating Pool Manager, and each Customer receiving service hereunder, given not less than 90 days prior to the date on which this Rider has been in effect for one year, to terminate this Rider as it applies to each participating Customer account (effective as of the end of the initial period of service hereunder to such Customer account). Thereafter, Company shall also have the right, exercisable on written notice to the Commission, each participating Pool Manager, and each Customer receiving service hereunder, to terminate this Rider as it applies to each participating Customer

FIRM TRANSPORTATION AGGREGATION SERVICE (continued)

account, to extend the effectiveness of this Rider on an experimental basis, to expand or reduce the scope of (or otherwise modify) this Rider, or to make this Rider permanent, any such action by Company to become effective as of the date specified in an order of the Commission approving such action.

8. A Customer account receiving service under this Rider may terminate service hereunder by its then serving Pool Manager and commence service hereunder (within the time and in the manner provided in Special Condition 5) by a different Pool Manager. There shall be no charge by Company to Customer for the first such change of Pool Managers for an account within a 12-month period. A Customer shall pay to Company for each subsequent change in Pool Managers for any account an administrative fee of \$10.00.
9. A Customer receiving service under this Rider may at any time discontinue service hereunder by giving Company 90 days written notice.
10. For purposes of curtailment or interruption by Company, each individually billed account receiving service hereunder shall be treated by the Company in accordance with the curtailment provisions found in the rate schedule (i.e., CS, LCS, FIS, TFIS or LCT) otherwise applicable to such account.
11. Amounts payable to Company by Customer pursuant to the rate schedule applicable to each individually billed account shall be subject to the operation of the Company's Tax and Fee Adjustment Clause (set forth on Sheet No. 7.102), Energy Conservation Cost Recovery Clause (set forth on Sheet No. 7.103), and Firm Rate Adjustment (set forth on Sheets Nos. 7.103 through 7.105).
12. If requested by a Customer account and the Pool Manager administering service hereunder to such account, Company will bill the Pool Manager's charges for service provided hereunder to such account. Company shall charge a Pool Manager \$5.00 per bill for such optional service.
13. Except as modified by the provisions set forth above, service under this Rider shall be subject to the Rules and Regulations set forth in this tariff.