

DOCKET NO. 981755-GU

CERTIFICATION OF
PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES
FILED WITH THE
DEPARTMENT OF STATE

I do hereby certify:

/x/ (1) That all statutory rulemaking requirements of Chapter 120, F.S., have been complied with; and

/x/ (2) There is no administrative determination under subsection 120.56(2), F.S., pending on any rule covered by this certification; and

/x/ (3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(3)(e), F.S. They are filed not less than 28 days after the notice required by paragraph 120.54(3)(a), F.S., and;

/x/ (a) Are filed not more than 90 days after the notice; or

/ (b) Are filed not more than 90 days after the notice not including days an administrative determination was pending; or

/ (c) Are filed more than 90 days after the notice, but not less than 21 days nor more than 45 days from the date of publication of the notice of change; or

/ (d) Are filed more than 90 days after the notice but not less than 14 nor more than 45 days after the adjournment

- ACK _____
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the final public hearing on the rule; or

(e) Are filed more than 90 days after the notice, but within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

(f) Are filed more than 90 days after the notice, but within 21 days after the date the transcript was received by this agency; or

(g) Are filed not more than 90 days after the notice, not including days the adoption of the rule was postponed following notification from the Joint Administrative Procedures Committee that an objection to the rule was being considered; or

(h) Are filed more than 90 days after the notice, but within 21 days after a good faith written proposal for a lower cost regulatory alternative to a proposed rule is submitted which substantially accomplishes the objectives of the law being implemented; or

(i) Are filed more than 90 days after the notice, but within 21 days after a regulatory alternative is offered by the small business ombudsman.

Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the undersigned agency by and upon their filing with the Department of State.

Rule No.

25-7.083(1) (a)

Under the provision of subparagraph 120.54(3)(e)6., F.S.,
the rules take effect 20 days from the date filed with the
Department of State or a later date as set out below:

Effective: _____
(month) (day) (year)

Blanca S. Bayó
BLANCA S. BAYÓ, Director
Division of Records & Reporting

Number of Pages Certified

(S E A L)

CTM

1 25-7.083 Customer Deposits.

2 (1) Deposit required; establishment of credit. Each
3 company's tariff shall contain their specific criteria for
4 determining the amount of initial deposit. Each utility may
5 require an applicant for service to satisfactorily establish
6 credit, but such establishment of credit shall not relieve the
7 customer from complying with the utilities' rules for prompt
8 payment of bills. Credit will be deemed so established if:

9 (a) The applicant for service furnishes a satisfactory
10 guarantor to secure payment of bills for the service requested.
11 For residential customers, a satisfactory guarantor shall, at
12 the minimum, be a customer of the utility with a satisfactory
13 payment record. For non-residential customers, a satisfactory
14 guarantor need not be a customer of the utility. Each utility
15 shall develop minimum financial criteria that a proposed
16 guarantor must meet to qualify as a satisfactory guarantor. A
17 copy of the criteria shall be made available to each new non-
18 residential customer upon request by the customer. A guarantor's
19 liability shall be terminated when a residential customer whose
20 payment of bills is secured by the guarantor meets the
21 requirements of subsection (6) of this rule. Guarantors
22 providing security for payment of residential customers' bills
23 shall only be liable for bills contracted at the service address
24 contained in the contract of guaranty.

25 (b) The applicant pays a cash deposit.

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1 (c) The applicant for service furnishes an irrevocable
2 letter of credit from a bank or a surety bond.

3 (2) - (7) No Change.

4 Specific Authority: 366.05(1), 350.127(2), F.S.

5 Law Implemented: 366.03, 366.05(1), F.S.

6 History: Repromulgated 1/8/75, Amended 6/15/76, 6/10/80,

7 1/31/84, formerly 25-7.83, Amended 10/13/88, 4/25/94, _____.

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SUMMARY OF RULE

The amendment to the rule eliminates the requirement that a guarantor of a non-residential customer of a gas utility also be a customer of the utility.

SUMMARY OF HEARINGS ON THE RULE

No hearing was requested and none was held.

FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE

For many non-residential customers of public utilities, payment of a cash security deposit or the posting of a surety bond or letter of credit in an amount based upon two months' average billings constitutes a customer inconvenience, and a financial hardship. Many non-residential customers have parent or affiliated companies outside the utility's service territory. Often, the parent or affiliated companies are large, viable and profitable concerns with the financial wherewithal to secure the payment of the bills of the non residential customer. The ability to use its nationally recognized parent or affiliate as a payment guarantor expands the options available to Florida businesses to meet deposit requirements without significantly increasing the risk to utilities of payment default.

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