

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for approval of optional budget billing program for residential natural gas customers, by Florida Public Utilities Company.	DOCKET NO. 060087-GU ORDER NO. PSC-06-0205-TRF-GU ISSUED: March 14, 2006
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The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

ORDER APPROVING OPTIONAL BUDGET BILLING PROGRAM FOR
RESIDENTIAL NATURAL GAS CUSTOMERS

BY THE COMMISSION:

On January 30, 2006, Florida Public Utilities Company (FPUC or Company) petitioned this Commission to approve the Company's proposed Optional Budget Billing Program (program) for residential customers of its natural gas utility. The Company believes that its program is similar to those offered by other utilities and would enable eligible residential customers to stabilize their monthly payments.

We have jurisdiction pursuant to Sections 366.04, 366.05, and 366.06 Florida Statutes.

Optional Budget Billing Program

The purpose of the program is to even out the amount a customer pays each month by averaging the totals of the most recent 12 monthly bills. The average amount becomes the amount due for each of the next 12 months.

FPUC proposes to calculate the monthly bill for the coming year based upon the customer's past 12 months' actual usage. After one year, any under or over payment (based upon the difference between what the customer paid and what the customer should have paid) will be averaged into the coming year's monthly budget payment.

After the customer's budgeted monthly payment amount has been initially established, FPUC may recalculate the budgeted monthly payment from time to time. If the recalculated budgeted monthly payment varies by 10 percent or more from the budgeted monthly payment amount then in effect, FPUC may begin charging the recalculated amount on the customer's next successive bill. As an example, if a customer adds or removes a gas appliance, this could cause

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the recalculated budgeted monthly payment amount to vary by more than 10 percent from the initial budgeted monthly payment amount.

To be eligible for the program, a customer must be a year-round customer in good standing for the past 12 consecutive months. The customer's bill will display the same information it currently displays, but the amount due will be the budgeted monthly payment.

Participation in the program, once initiated, may be terminated by request of the customer at any time, or by the company in the event the customer is delinquent in making payment of the budgeted monthly payment amount for two successive months, or the customer terminates gas service from the company. In these cases, the customer's participation in the plan will be terminated and the customer will be required to settle the account with FPUC in full.

If a customer terminates participation in the program, but remains a customer of FPUC, the customer will be required to pay any net under payment balance with the next regular monthly bill, and any net over payment balance will be used to reduce the amount due for the next regular monthly bill.

Based on the above, we hereby approve FPUC's optional budget billing program. The program will allow FPUC's customers the opportunity to better plan their monthly natural gas expenses, and smooth out traditionally high-bill months over the balance of the year.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Public Utilities Company's request for an optional budget billing program for its residential natural gas customers is hereby approved as set forth in the body of this Order. It is further

ORDERED that this tariff is hereby approved effective February 28, 2006. It is further

ORDERED that if a timely protest is filed within 21 days of the issuance of the Consummating Order, the tariff shall remain in effect pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 14th day of March, 2006.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 4, 2006.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

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.