BEFORE THE TENNESSEE PUBLIC SERVICE COMMISSION NASHVILLE, TENNESSEE

March 5, 1996

IN RE:

Tennessee Public Service Commission Rulemaking for all Gas Companies Regarding: Mergers and Acquisitions, Advertising and Sales Promotions, Large Customer Contract Flexibility, and Incentive Regulation for Gas Supply.

Docket No. 95-03829

ORDER

This matter is before the Tennessee Public Service Commission upon its own motion.

BACKGROUND

The above-referenced docket file was opened on October 27, 1995. Pursuant to a notice by the Commission on October 30, 1995, various interested parties submitted comments to the Commission regarding the above-referenced proposed rules. After comments had been received on December 1, 1995, an informal workshop was held by the Commission staff on January 10, 1996. The purpose of the informal workshop was to solicit additional commentary regarding the content of the proposed gas utility rules. Subsequently, the staff submitted the final draft of the proposed rules to the Commission for consideration at the regularly scheduled Commission Conference of January 30,1996. At that conference, the Commission in a unanimous vote approved the aforementioned rules. On March 5, 1996 these rules came before this Commission for adoption.

COMMISSION CONSIDERATION

This matter was considered at the regularly scheduled Commission Conference held on the March 5,1996. The Commissioners in a unanimous vote adopted the proposed rules so that the rulemaking proceedings will advance in this matter, and that these rules will next be submitted to the office of the Attorney General pursuant to the requirements of T.C.A. § 4-5-211. Moreover, in adopting these rules, the Commission has also by unanimous vote expressly repealed Public Service Commission Rule 1220-4-5-.45, which specifically dealt with advertising by gas utilities. Furthermore, as noted in the transcript of the Commission Conference of January 30, 1996 since this is the process of rulemaking without a hearing, any interested party if they so chose, will be able to convene a contested case requesting a hearing on this matter only after publication of the proposed rules by the Secretary of State in the Tennessee Administrative Register.

At the time of the entry of this Order, no contested case exists. The appropriate time in which a contested case can be brought is within thirty (30) days of publication of these proposed rules as discussed above.

IT IS THEREFORE ORDERED THAT:

- 1) The proposed rules drafted by the staff of the Commission are hereby adopted;
- 2) That these proposed rules are to be submitted to the office of the Attorney General upon the siging of this order so that they will be reviewed pursuant to the requirements of T.C.A. § 4-5-211; and

That Tennessee Public Service Commission Rule § 1220-4-5-.45 governing the advertising of gas utilities is hereby repealed

COMMISSIONER

CHAIRMAI

ATTEST:

EXECUTIVE DIRECTOR

95-03829/HEP