

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of tariff
modifications to implement transportation
balancing charge rider, by Florida City Gas.

DOCKET NO. 20230110-GU
ORDER NO. PSC-2023-0357-PCO-GU
ISSUED: November 28, 2023

The following Commissioners participated in the disposition of this matter:

ANDREW GILES FAY, Chairman
ART GRAHAM
GARY F. CLARK
MIKE LA ROSA
GABRIELLA PASSIDOMO

ORDER SUSPENDING TARIFF

BY THE COMMISSION:

Background

On September 26, 2023, Florida City Gas (FCG or utility) filed a petition for approval of tariff modifications to implement a Transportation Balancing Charge (TBC) rider. FCG is an investor-owned natural gas utility that provides service to two different types of gas supply customers: sales customers and transportation customers. Sales customers purchase gas from the utility and are charged through the Purchased Gas Adjustment (PGA) for the cost of natural gas, in addition to base rates. FCG explained that transportation customers are commercial and industrial customers that elect to purchase their natural gas supply from a gas marketer authorized as a third party supplier by FCG. Transportation customers negotiate directly with third party suppliers for the purchase of the natural gas commodity and are not charged through the PGA by the utility.

FCG stated that the purpose of the proposed TBC rider is to recover the cost of transportation and storage fees incurred on behalf of transportation customers. In its petition, FCG explained that these costs of transportation and storage fees are a result of mitigating imbalances between the amount of gas nominated by the third party supplier on behalf of its transportation customers and the quantity actually consumed, also known as “swing gas service.” Nominations specify the monthly quantity of natural gas a transportation customers desires to receive; the third party supplier is responsible for making arrangements for transporting and delivering the gas. Since the actual gas quantity consumed by the transportation customer may vary from the gas delivered, FCG is responsible for balancing the system.

FCG explained that sales customers are currently subsidizing transportation customers because a portion of the capacity and storage costs paid for by sales customers through the PGA are being used to balance the system on behalf of transportation customers. The proposed TBC rider would be a cents per therm charge applicable to transportation customers. The utility has also proposed that all revenues from the TBC rider be booked and reflected as a credit to the PGA.

We have jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

Decision

The proposed Transportation Balancing Charge Rider rate and associated tariffs shall be suspended to allow Commission staff sufficient time to review the petition and gather all pertinent information in order to present us with an informed recommendation on the tariff proposal.

Pursuant to Section 366.06(3), F.S., we may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change, a reason, or written statement of good cause for doing so within 60 days. We find that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida City Gas's proposed Transportation Balancing Charge rider and associated tariffs shall be suspended to allow Commission staff sufficient time to review the petition and gather all pertinent information in order to present the us with an informed recommendation on the tariff proposal.

ORDERED that this docket shall remain open pending our decision on the proposed tariff revision.

By ORDER of the Florida Public Service Commission this 28th day of November, 2023.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

AAW

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.