

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for approval of tariff  
modification to delete miscellaneous service  
charges for bills paid electronically, by Peoples  
Gas System.

DOCKET NO. 070094-GU  
ORDER NO. PSC-07-0283-TRF-GU  
ISSUED: April 2, 2007

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman  
MATTHEW M. CARTER II  
KATRINA J. McMURRIAN

ORDER APPROVING TARIFF MODIFICATION

BY THE COMMISSION:

On January 30, 2007, Peoples Gas System (Peoples) filed a petition for approval of a tariff modification deleting a miscellaneous service charge for bills paid electronically. We have jurisdiction to approve this tariff modification pursuant to Section 366.05, Florida Statutes, and for the reasons explained below we approve it.

Peoples began accepting credit cards, debit cards, and electronic checks for bill payment at no additional charge to the customer in August 1992. Then, in Peoples' 2002 rate case, the Commission approved a charge of 3.5 percent of the billed amount for customers who chose those options to pay their bills. The Commission found that the 3.5 percent of the billed amount was cost-based, and appropriately recovered the additional costs of electronic transactions from those customers.<sup>1</sup> Peoples then began using an outside vendor to process the electronic transactions and charge customers the 3.5 percent transaction fee.

In 2006 Visa informed Peoples' vendor that a percentage-based fee violates Visa's rules. In view of Visa's rules, Peoples is currently renegotiating with the vendor to charge a fixed transaction fee of approximately \$3 instead of a percentage-based fee to customers who chose to pay their bills electronically.

Peoples then filed this petition to delete the 3.5 percent service charge provision from its tariff. The tariff provision is no longer necessary, since the fee is being charged to customers by the outside vendor, not Peoples. This is consistent with the decision the Commission made regarding Tampa Electric Company's (TECO) credit card fee. In 2001, TECO filed a petition to include a provision in its tariff to allow payment by credit card through a third party vendor. Customers using this option are charged a \$4.95 fee by the third party vendor. The Commission found that since the fee is being charged by the vendor and not the utility, no tariff provision is

<sup>1</sup> See Order No. PSC-03-0038-FOF-GU, at 18.

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necessary. TECO withdrew its petition.<sup>2</sup> Several other utilities, including Gulf Power Company, allow payment by credit card through an outside vendor.

We approve Peoples' petition to delete its tariff language for bills paid electronically. This payment selection is optional and the transaction fee is being charged by an outside vendor, not the utility. Peoples states that it will inform its customers of the change in the transaction fee if they choose to pay their bills through the outside vendor.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Petition for approval of tariff modification to delete miscellaneous service charges for bills paid electronically, by Peoples Gas System is approved. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund 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 2nd day of April, 2007.



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ANN COLE  
Commission Clerk

( S E A L )

MCB

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<sup>2</sup> See Order No. PSC-01-1590-FOF-EI, issued on August 1, 2001, in Docket No. 010727-EI, in Re: Petition for approval to revise tariff for service charges for payment through a third party vendor by Tampa Electric Company.

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 Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 23, 2007.

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.