

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of
Firm Transportation Supplier
Aggregation (FTA) service rider
by Peoples Gas System, Inc.

DOCKET NO. 961236-GU
ORDER NO. PSC-98-0489-FOF-GU
ISSUED: April 7, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

ORDER APPROVING TARIFF MODIFICATION

BY THE COMMISSION:

On October 14, 1996, Peoples Gas System ("Peoples" or "the Company") filed a petition to implement a one-year pilot program for Firm Transportation Supplier Aggregation Service Rider (FTA Rider). The purpose of the FTA Rider was to test a transportation program on a pilot basis to determine the feasibility of providing simplified transportation service to firm customers. By Order No. PSC-96-1515-FOF-GU, issued December 13, 1996, we granted Peoples' petition. By Order No. PSC-98-0270-FOF-GU, issued February 10, 1998, we approved a one-year extension of the FTA Rider.

On March 3, 1998, Peoples filed the current petition that seeks to modify the FTA Rider. The purpose of the modification is to permit participating Qualified Aggregating Suppliers to exceed the limit of the thirty-customer threshold established in Peoples' original FTA Rider. For the reasons set forth below, we find that Peoples' petition should be granted.

In its petition, Peoples states that, during the week after our approval of the FTA Rider's one-year extension, the Company was informed that two participating suppliers no longer intended to supply gas to two businesses representing 24 customer locations. According to Peoples, the two businesses want to continue to participate in the FTA Rider. Based on the provisions in the FTA

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Rider as originally approved, those businesses are required to contract for service at each customer location with one of the remaining Qualified Aggregating Suppliers.

In its petition, Peoples states that the withdrawal of the two suppliers effectively leaves only two participating suppliers from which the affected customers may choose due to: (1) the thirty customer limit imposed by the FTA Rider; and (2) affiliate relationships between the two withdrawing suppliers and six remaining suppliers. To provide the affected customers the opportunity to choose from more than two suppliers, Peoples requests the FTA Rider be modified to permit Qualified Aggregating Suppliers to exceed the rider's thirty customer limit. According to Peoples, the purpose of the modification is solely to accommodate those customers who have participated in the program since its inception. Peoples also states that the modification is not intended to increase the total number of customers or Qualified Aggregating Suppliers currently participating in the program.

We find that Peoples' petition to modify its FTA Rider should be approved in order to provide additional supplier options to the affected customers. In its petition, Peoples requested that this modification become effective as of the date of our vote to approve it. We find this request reasonable. In addition, we find that this docket should remain open until we issue a final order in Docket No. 960725-GU, Unbundling of Natural Gas Services. If we do not issue a final order in Docket No. 960725-GU prior to the expiration of Peoples' FTA Rider as it is currently approved, Peoples must file a petition in this docket to end or extend Rider FTA or convert Rider FTA to a full program.

Based on the foregoing, it is

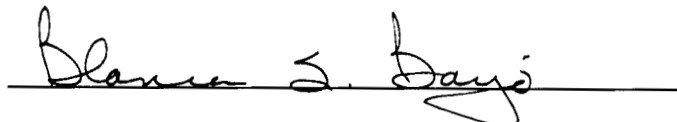
ORDERED by the Florida Public Service Commission that Peoples Gas System's petition to modify its Firm Transportation Supplier Aggregation Service Rider to permit currently participating Qualified Aggregating Suppliers to exceed the current thirty-customer limit is approved. It is further

ORDERED that if a protest is filed in accordance with the requirements set forth below in the Notice of Further Proceedings, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. It is further

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ORDERED that this docket shall remain open until this Commission issues a final order in Docket No. 960725-GU, Unbundling of Natural Gas Services. If a final order is not issued prior to the expiration of Peoples Gas System's Firm Transportation Supplier Aggregation Service Rider as it is currently approved, Peoples Gas System must file a petition in this docket to end or extend the rider or to convert the rider to a full program.

By ORDER of the Florida Public Service Commission this 7th day of April, 1998.

A handwritten signature in cursive script, reading "Blanca S. Bayó", is written over a solid horizontal line.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

WCK

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.

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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 action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 28, 1998.

In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

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.

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the date this Order becomes final, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

M E M O R A N D U M

APRIL 13, 1998

RECEIVED
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3:30
FPSC - Records Management

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (C. KEATING) *WCK RUE*

RE: DOCKET NO. 961236-GU - PETITION FOR APPROVAL OF FIRM
TRANSPORTATION SUPPLIER AGGREGATION (FTA) SERVICE RIDER
BY PEOPLES GAS SYSTEM, INC.

98-0489-FOF-GU

Attached is an ORDER APPROVING TARIFF MODIFICATION to be issued in the above referenced docket. (Number of pages - 4)

WCK/js
Attachment
cc: Division of Electric and Gas (Makin, Bulecza-Banks, Lowery)
I:961236o2.wck

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mailed - 3/2
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