

State of Florida



## Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

### -M-E-M-O-R-A-N-D-U-M-

**DATE:** SEPTEMBER 14, 2000

**TO:** DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

**FROM:** DIVISION OF COMPETITIVE SERVICES (BROWN, BULECZA-BANKS) *5bb*  
DIVISION OF LEGAL SERVICES (K. WALKER) *KAW RUE*

**RE:** DOCKET NO. 001059-GU - PETITION BY TAMPA ELECTRIC COMPANY D/B/A PEOPLES GAS SYSTEM FOR APPROVAL OF REVISIONS TO NATURAL GAS TARIFF, TO EXTEND APPLICABILITY OF TRIP CHARGE/COLLECTION AT CUSTOMER PREMISES TO WEST FLORIDA REGION.

**AGENDA:** 9/26/2000 - REGULAR AGENDA - TARIFF FILING - INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** 60-DAY SUSPENSION DATE: OCTOBER 3, 2000

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\CMP\WP\001059.RCM

#### CASE BACKGROUND

On August 4, 2000, Peoples Gas System (Peoples), submitted a petition, along with tariff modifications, to extend the applicability of its Trip Charge/Collection. Peoples' tariff charge entitled "Trip Charge/Collection at Customer Premises" currently applies to all of its service areas except Ocala and Panama City (the West Florida Region). Jurisdiction over this matter is vested in the Commission by Sections 366.04, 366.05 and 366.06, Florida Statutes.

DOCUMENT NUMBER-DATE

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**DISCUSSION OF ISSUES**

**ISSUE 1:** Should the Commission approve Peoples Gas System (Peoples) petition for approval of revisions to its Natural Gas Tariff, Original Volume No. 3, which would extend the applicability of the Company's Trip Charge/Collection at Customer Premises to the Company's West Florida Region?

**RECOMMENDATION:** Yes. The Commission should approve Peoples' petition for approval of revisions to its Natural Gas Tariff, which would extend the applicability of its Trip Charge/Collection at Customer Premises to its West Florida Region.

**STAFF ANALYSIS:** The purpose of Peoples' petition is to extend the applicability of the Trip Charge/Collection to Peoples' West Florida Region. This charge was approved by the Commission in Docket No. 911150-GU, Order No. PSC-92-0924-FOF-GU. This charge applies when an employee, agent, or representative of Peoples makes a trip to the customer's premises for the purpose of terminating gas service or providing final notice of termination for nonpayment of bills. During this time, the customer would have the opportunity to avoid termination by submitting payment of the bill including the trip charge fee. However, if the customer is not available once the company representative arrives, this charge would not apply and termination of services would occur. The charge for the company representative coming to the premises is ten dollars, which is less than the twenty-five dollar charge the customer would incur to restore service, if terminated.

Peoples incurs additional expenses when a customer's natural gas service is terminated because of nonpayment of bills. By allowing the Company to accept payment, including the trip charge, the Company and the customer save time and expense associated with reconnection. Extending the applicability of the Trip Charge into the West Florida Region is expected to impact 350 customer accounts who reach "Final Notice" status every month in the Ocala and Panama City areas combined. Thus, with the \$10 trip charge, the total annual trip charge revenue would be \$42,000 (350 X 12 X \$10.) A one percentage point on equity for Peoples is approximately \$2,642,000. An increase in revenues of \$42,000 would increase Peoples return on equity by approximately 1.6 basis points.

Accordingly, Staff recommends that the Commission approve Peoples' petition, and approve modifications in the company's tariff sheets which would extend the applicability of Trip Charge/Collection at Customer Premises to the West Florida Region.

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This would make the charge applicable to all of Peoples' service areas, possibly prevent termination of natural gas services for customers and prevent a service charge for restored services.

**ISSUE 2:** Should this docket be closed?

**RECOMMENDATION:** Yes, if no protest is filed within 21 days of the issuance of the Order. If a protest is filed within 21 days from the issuance of the Order, the tariff should remain in effect with any increase held subject to refund, pending resolution of the protest. (Walker)

**STAFF ANALYSIS:** If no person whose substantial interests are affected by the proposed agency action or tariff revision files a protest within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a consummating order. If a protest is filed within 21 days from the issuance of the order, the tariff should remain in effect with any increase held subject to refund, pending resolution of the protest.