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Matilda Sanders

0777-TRF

From: Janice Banka  
Sent: Monday, June 10, 2002 9:42 AM  
To: CCA - Orders / Notices  
Subject: Order / Notice Submitted

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Date and Time: 6/10/02 9:39:00 AM  
Docket Number: 020325  
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Order Approving Tariff Modification.

Number of pages in order - 5.

Thanks "J"

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of tariff modifications relating to payment of bills for services rendered and payment processing arrangements entered into by customers of the Company, by Tampa Electric Company d/b/a Peoples Gas System.

DOCKET NO. 020325-GU  
ORDER NO. PSC-02-0777-TRF-GU  
ISSUED: June 10, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman  
J. TERRY DEASON  
BRAULIO L. BAEZ  
MICHAEL A. PALECKI  
RUDOLPH "RUDY" BRADLEY

ORDER APPROVING TARIFF MODIFICATION

BY THE COMMISSION:

BACKGROUND

On April 9, 2002, Tampa Electric Company, d/b/a Peoples Gas System (Peoples or Company) filed a petition to modify the sections of its Natural Gas Tariff relating to payment of bills for services. This petition was amended on April 17, 2002. Based on its amended petition, Peoples seeks approval to modify its tariff to include language that clarifies the customer's obligation to make bill payments for gas service.

Transportation customers of Peoples often use third parties for bill payment. Before Enron's bankruptcy, some of Peoples' transportation customers had billing arrangements with Enron. Under these arrangements, Peoples would send the customer's bill to Enron, and Enron would send the customer a single bill. The customer would then submit payment to Enron. Enron would forward Peoples its portion of the payment. When Enron went bankrupt,

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customers that had paid their bills through Enron found that Peoples had not received payment. Peoples' position is that the transportation customers are responsible for payment to Peoples for the transportation portion of the bill, and the submission of payments by the customer to Enron does not relieve the customer of its obligation to Peoples. To codify its position, Peoples filed this petition to modify its tariff so that the customer's responsibility is clear.

. We have jurisdiction over this matter pursuant to several provisions of Chapter 366, Florida Statutes, including Sections 366.04, 366.05 and 366.06, Florida Statutes.

#### TARIFF MODIFICATION

Peoples currently allows customers to make bill payments to authorized payment agents. These agents are located in areas that are convenient and readily accessible to Peoples' customers. To qualify as an authorized agent, a \$200,000 bond must be provided for each location or payment outlet. The bond is required in case of default by the agent. By requiring a bond, the customer is free from liability should the authorized agent default and fail to submit the customer's payment to Peoples. Further, the customer would not be subject to discontinuance of service should the agent default on payment.

However, some customers, of both sales service and transportation service, enter into their own payment processing arrangements with entities that have not been designated by Peoples as an "authorized payment agent." Peoples states that, under these arrangements, the entity engaged as the agent of the customer receives the bills rendered by Peoples, and pays the bills for the customer.

Certain transportation service customers send their gas bills directly to their third party gas supplier or to their pool manager under Peoples' Natural Choice Transportation Service Rider. These customers have entered into arrangements with third parties to make payments to Peoples. Currently, none of the third party gas suppliers or pool managers used by Peoples' transportation service customers have been designated by Peoples as an "authorized payment agent."

Because these third parties are not authorized agents, Peoples does not recognize the customer's payment until Peoples has received payment for the customer's account. Peoples states that should a third party fail to make payment to Peoples for the customer's account, the customer is still obligated to Peoples for the gas service received. Because the language in Peoples' current tariff does not address a customer's payment obligation should its third party billing agent default, Peoples believes tariff language should be included so that customers are informed of their payment obligations should they choose to use an unauthorized party as a billing agent.

Currently, Peoples' tariff language is not clear with respect to such payment arrangements. As part of the clarification, Peoples proposes that language be added stating that a customer's payment to a third party, which has not been designated as an "authorized payment agent" of Peoples, does not constitute payment to the Company.

The tariff modifications will eliminate any doubt that if the third party fails to remit payment on behalf of the customer, the customer's obligation to make payment to the Company will not have been satisfied and the customer would be subject to discontinuance of service for non-payment, unless the third party has been designated as an "authorized payment agent" by the Company.

Based on the Company's amended petition, we find that Peoples' proposed modification of its Natural Gas Tariff to put its customers on notice that it is their obligation to make payment of bills for gas service either to the Company or to an entity which the Company has designated as an "authorized payment agent" is appropriate and shall be approved.

Based on the foregoing, it is

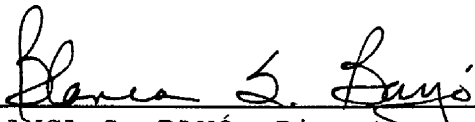
ORDERED by the Florida Public Service Commission that the Petition, as amended, of Tampa Electric Company, d/b/a Peoples Gas System, to modify its tariffs as set forth in the body of this Order is approved. It is further

ORDER NO. PSC-02-0777-TRF-GU  
DOCKET NO. 020325-GU  
PAGE 4

ORDERED that if a timely protest is filed within 21 days of this Order, the revised tariff sheet shall remain in effect pending resolution of the protest. It is further

ORDERED that if no protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 10th day of June, 2002.

  
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BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

( S E A L )

RRJ

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.

ORDER NO. PSC-02-0777-TRF-GU  
DOCKET NO. 020325-GU  
PAGE 5

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 Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 1, 2002.

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.