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IN REPLY REFER TO:

Ansley Watson, Jr.
P.O. Box 1531
Tampa, Florida 33601
e-mail: aw@macfar.com

June 29, 2010

100342-GU

VIA FEDEX

Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Petition for approval of tariff modifications for discontinuance of service for non-payment of bills, by Peoples Gas System

Dear Ms. Cole:

Enclosed for filing with the Commission on behalf of Peoples Gas System, please find the original and 12 copies of Peoples' petition referenced above. Enclosed also are five copies of each of the following revised sheets to Peoples' Natural Gas Tariff, Original Volume No. 3, for which the Company's petition seeks the Commission's approval:

Second Revised Sheet No. 5.401-1
First Revised Sheet No. 5.401-1

The coded (legislative style) versions of each of the above revised sheets required by Rule 25-9.005, F.A.C., are attached to the Company's petition.

COM _____
APA _____
ECR _____
GCL _____
RAD 11 + 5 tariff sheets
SSC _____
ADM _____
OPC _____
CLK _____

Please acknowledge your receipt of the enclosures, the date of their filing, and the docket number assigned, on the enclosed copy of this letter, and return the same to me in the enclosed preaddressed envelope.

100342-GU

5096 JUN 30 2010

FPSC-COMMISSION CLERK

Ann Cole
June 29, 2010
Page 2

Thank you for your usual assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Ansley Watson, Jr.", with a stylized, cursive script.

Ansley Watson, Jr.

AWjr/a
Enclosures

cc: Ms. Kandi M. Floyd

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of tariff)
modifications for discontinuance of)
service for non-payment of bills, by)
Peoples Gas System)
_____)

Docket No.

Submitted for Filing:
6-30-10

**PETITION OF PEOPLES GAS SYSTEM
FOR APPROVAL OF TARIFF MODIFICATIONS**

Peoples Gas System ("Peoples" or the "Company"), by its undersigned attorneys, files this petition for approval of modifications to its Natural Gas Tariff, Original Volume No. 3, related to discontinuance of service for non-payment of bills, submits herewith revised tariff sheets to become effective the date of the Commission's vote, and in support of its petition states:

1. The name, address and telephone number of the petitioner are:

Peoples Gas System
P. O. Box 2562
Tampa, Florida 33601-2562
(813) 228-4111

2. The names and mailing addresses of the persons to whom notices, orders and correspondence regarding this petition are to be sent are:

Ansley Watson, Jr.
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, Florida 33601-1531

Ms. Paula K. Brown
Regulatory Affairs
Peoples Gas System
P. O. Box 2562
Tampa, Florida 33601-2562

3. Peoples is a natural gas local distribution company ("LDC") providing sales and transportation delivery of natural gas throughout most of the State of Florida, and is a public utility subject to the Commission's regulatory jurisdiction under Chapter 366, *Florida Statutes*.

4. By this petition, Peoples seeks the Commission's approval for certain tariff modifications necessary to clarify when and under what circumstances the Company may discontinue service that is "medically essential" because of a residential customer's non-payment of bills rendered for gas service.

5. Rule 25-7.089, F.A.C., entitled "Refusal or Discontinuance of Service by Utility" provides generally that a gas utility may discontinue service for non-payment of bills "only after there has been a diligent attempt to have the customer comply, including 5 working days written notice to the customer, such notice being separate and apart from any bill for service." Peoples' tariff contains substantially the same provisions with respect to discontinuance of service to customers to whom gas service is not medically essential.

6. Rule 25-7.089(8), F.A.C., requires each gas utility to "submit, as a tariff item, a procedure for discontinuance of service when that service is medically essential," but contains no specific requirements with respect to the procedures to be followed in such a case, and no definition of "medically essential." Section 366.15, *Florida Statutes*, contains certain requirements with respect to "medically essential electric public utility service," but is not applicable to natural gas utilities subject to the Commission's jurisdiction.¹ The statute does, however, permit an electric public utility to discontinue medically essential electric service for an electric customer's non-payment of bills upon the utility's compliance with certain notice requirements.

7. Peoples' tariff, Section 5.401-1, G., currently provides, as it has for many years, that the Company will postpone discontinuance of Gas Service to a residential

¹ The statute does not apply to gas utilities because it applies to "medically essential electric service," and defines the term "medically essential," as used in the statute, as medical dependence on "electric-powered equipment."

Customer if such discontinuance will cause or severely aggravate a medical emergency of the Customer, a member of the Customer's family or other permanent resident of the premises where Gas Service is rendered. Under these conditions, Peoples' tariff allows a residential customer seven days to enable the customer to arrange for payment if the customer provides to the Company a statement of a licensed Florida physician or public health or social services official that identifies the medical emergency and specifies the period during which discontinuance of service will aggravate the medical condition. Peoples' tariff, however, could be interpreted to say that the Company may not discontinue service to a "medically essential" customer if the customer is unable to make payment and the medical condition continues to exist. Under the procedures in Section 366.15, if the customer does not make payment within the prescribed time, an electric utility may discontinue electric service.

RELIEF REQUESTED

8. Peoples seeks the Commission's approval of modifications to the provisions in its tariff governing discontinuance of "medically essential" gas service for a gas customer's non-payment of bills. The changes:

- a. provide a "Medically Essential Service Customer" a limited extension of time, not to exceed 30 days, beyond the time when service might otherwise be discontinued for non-payment of bills to make mutually acceptable arrangements for the payment of past due bills, or to make other arrangements to meet the medically essential needs;
- b. define "medically essential" as the residential customer's medical dependence on gas-powered equipment that must be operated continuously

or as circumstances require to avoid the loss of life or immediate hospitalization; and

- c. require the Company to provide the customer with written notice specifying the date service will be discontinued based on the limited extension of time.

The definition of "medically essential" in the proposed changes is virtually identical to the definition used in Section 366.15.

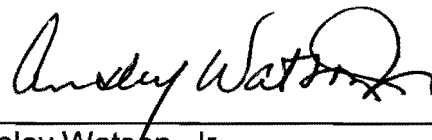
9. Peoples submits that the tariff modifications are reasonable, comply with the requirements of Rule 25-7.089(8) that a gas utility "submit . . . a procedure for discontinuance of service when that service is medically essential," and should be approved by the Commission.

Legislative Format Tariff Sheets

10. Attached to this petition are the tariff sheets from Peoples' approved tariff on which the requested modifications appear.

WHEREFORE, Peoples respectfully requests that the Commission enter its order permitting the revised tariff sheets submitted with this petition to become effective on the date of the Commission's vote disposing of this petition.

Respectfully submitted,



Ansley Watson, Jr.
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, Florida 33601-1531
Phone: (813) 273-4321
Fax: (813) 273-4396
E-Mail: aw@macfar.com

Attorneys for Peoples Gas System

BILLING (Continued)

F. DISCONTINUANCE OF SERVICE AND/OR CHANGE OF OCCUPANCY

Unless otherwise provided in the specific rate schedule under which Customer receives Gas Service, a Customer intending to discontinue Gas Service shall furnish notice of such intent to Company not less than five (5) business days prior to the desired date of such discontinuation.

Customer shall be responsible for all Gas Service provided to the premises at which discontinuance is desired until the expiration of five (5) business days following Company's receipt of the notice required above.

Company will automatically terminate Gas Service to a Customer after acceptance by Company of a Gas Service Agreement from a succeeding occupant of the premises previously occupied by the Customer requesting termination of Gas Service.

G. DISCONTINUANCE OF SERVICE FOR NON-PAYMENT OF BILLS

Gas Service will be discontinued for non-payment of bills but only after Company has made a diligent attempt to have the Customer make payment, including at least five (5) business days' written notice to Customer, such notice being separate and apart from any bill for Gas Service, unless the controversy over the non-payment has been resolved through mutual agreement, or successfully disputed by Customer.

~~Notwithstanding any other provision of this rule the foregoing sentence, Company shall provide a limited extension of time, not to exceed thirty (30) days beyond the date Gas Service would normally be subject to discontinuance for non-payment of bills, discontinue Gas Service to a residential Customer whose Gas Service is medically essential, as affirmed by the certificate of a medical doctor licensed to practice in Florida (a "Medically Essential Service Customer"). Gas Service is "medically essential" if the residential Customer has a medical dependence on Gas-powered equipment that must be operated continuously or as circumstances require to avoid the loss of life or immediate hospitalization if such discontinuance will cause or severely aggravate a medical emergency of the Customer, a member of the Customer's family or another permanent resident of the premises where Gas Service is rendered provided that the Customer conforms to the procedures described in subparagraph (1) of this Section G. As used in this section, "medical emergency" means that the discontinuance of Gas Service would require hospitalization as certified by a medical doctor. The physician's certificate shall explain briefly and clearly, in non-medical terms, why continuance of Gas Service is medically essential. The Company shall provide the Medically Essential Service Customer with written notice specifying the date service will be discontinued based on the limited extension referenced above. The Medically Essential Service Customer shall be responsible for making mutually satisfactory arrangements to ensure payment within this additional extension of time for Gas Service rendered by Company and for which payment is past due, or making other arrangements for meeting the medically essential needs. The Company may discontinue Gas Service to the Medically Essential Service Customer on the date specified in the Company's notice if payment is not made on or before such date.~~

Issued By: Gordon L. Gillette~~William N. Cantrell~~, President

Effective: January 16, 2003

Issued On: ~~December 31, 2002~~

- ~~1. Company will postpone the discontinuance of Gas Service for a period of seven (7) days to enable the Customer to arrange for payment, if the Customer produces a licensed Florida physician's statement or notice from a public health or social services official which identifies the medical emergency and specifies the period of time during which discontinuance will aggravate the medical condition. Thereafter, Company may discontinue Gas Service unless the Customer demonstrates by affidavit that:~~
- ~~a. neither the Customer nor any other permanent resident of the premises where Gas Service is rendered is able to make payment of the bill; or~~
 - ~~b. that the Customer has sought available public assistance funds and will apply a reasonable portion of any payments of public funds or other income available to the Customer to the amount due; or~~
 - ~~e. that the medical condition for which discontinuance of Gas Service was postponed continues to exist.~~

During the period that Gas Service is continued under the provisions of this section, the Customer shall continue to be responsible for the cost of the residential Gas Service.

BILLING (Continued)

- ~~2. Failure to submit the affidavit, failure to apply a reasonable portion of any public assistance funds or other income of the Customer to the amount owed to Company, or failure to respond to reasonable inquiries regarding the continued validity of the facts stated in the affidavit shall permit Company to discontinue Gas Service.~~
- ~~3. During the period that Gas Service is continued under the provisions of this section, the Customer shall continue to be responsible for the cost of the residential Gas Service.~~

H. ADJUSTMENT OF BILLS FOR METER ERROR

Whenever a Meter is found to have an average error as defined in Commission Rule 25-7.62, of more than two percent (2%) fast, Company will refund to Customer the amount billed in error for one half the period since the last Meter test. This one half period will not exceed twelve (12) months unless it can be shown that the error was due to some cause, the date of which can be fixed, in which case the overcharge will be computed back to but not beyond such date, based upon available records. If the Meter has not been tested in accordance with Commission Rule 25-7.64, the period for which it has been in service beyond the regular test period will be added to the twelve (12) months in computing the refund. The refund will not include any part of any minimum or Customer charge.

Company may backbill Customer if a Meter is found to be slow, non-registering or partially registering. Company may not backbill for any period greater than twelve (12) months from the date it removes the Meter of a Customer, which Meter is later found by Company to be slow, non-registering or partially registering. If it can be ascertained that the Meter was slow, non-registering or partially registering for less than twelve (12) months prior to removal, then Company may backbill only for the lesser period of time. Customer may extend the payments of the backbill over the same amount of time for which Company issued the backbill.

1. Whenever a Meter tested is found to have an average error of more than two-percent (2%) slow, Company may bill Customer an amount equal to the unbilled error. If Company has required a Meter test deposit, Customer may be billed only for the portion of the unbilled error which is in excess of the deposit retained by Company.
2. In the event of a non-registering or a partially registering Meter, unless the provisions of subsection (3) of this rule apply, Customer may be billed on an estimate based on previous bills for similar usage.
3. When a Meter is found to be in error in excess of the prescribed limits of two percent (2%) -fast or slow, the figure to be used for calculating the amount of refund or charge shall be that -percentage of error as determined by the test.

Issued By: ~~William N. Cantrell~~ Gordon L. Gillette, President

Effective: ~~June 9, 2000~~

Issued On: ~~May 10, 2000~~

4. In the event of unauthorized use, Customer may be billed on a reasonable estimate of the Gas consumed.

Issued By: ~~William N. Cantrell~~ Gordon L. Gillette, President

Issued On: ~~May 10, 2000~~

Effective: ~~June 9, 2000~~

BILLING (Continued)

F. DISCONTINUANCE OF SERVICE AND/OR CHANGE OF OCCUPANCY

Unless otherwise provided in the specific rate schedule under which Customer receives Gas Service, a Customer intending to discontinue Gas Service shall furnish notice of such intent to Company not less than five (5) business days prior to the desired date of such discontinuation.

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Notwithstanding the foregoing sentence, Company shall provide a limited extension of time, not to exceed thirty (30) days beyond the date Gas Service would normally be subject to discontinuance for non-payment of bills, to a residential Customer whose Gas Service is medically essential, as affirmed by the certificate of a medical doctor licensed to practice in Florida (a "Medically Essential Service Customer"). Gas Service is "medically essential" if the residential Customer has a medical dependence on Gas-powered equipment that must be operated continuously or as circumstances require to avoid the loss of life or immediate hospitalization of the Customer or another permanent resident of the premises where Gas Service is rendered. The physician's certificate shall explain briefly and clearly, in non-medical terms, why continuance of Gas Service is medically essential. The Company shall provide the Medically Essential Service Customer with written notice specifying the date service will be discontinued based on the limited extension referenced above. The Medically Essential Service Customer shall be responsible for making mutually satisfactory arrangements to ensure payment within this additional extension of time for Gas Service rendered by Company and for which payment is past due, or making other arrangements for meeting the medically essential needs. The Company may discontinue Gas Service to the Medically Essential Service Customer on the date specified in the Company's notice if payment is not made on or before such date.

During the period that Gas Service is continued under the provisions of this section, the Customer shall continue to be responsible for the cost of the residential Gas Service.

BILLING (Continued)

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2. In the event of a non-registering or a partially registering Meter, unless the provisions of subsection (3) of this rule apply, Customer may be billed on an estimate based on previous bills for similar usage.
3. When a Meter is found to be in error in excess of the prescribed limits of two percent (2%) fast or slow, the figure to be used for calculating the amount of refund or charge shall be that percentage of error as determined by the test.
4. In the event of unauthorized use, Customer may be billed on a reasonable estimate of the Gas consumed.