

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:** November 29, 2018

**TO:** Office of Commission Clerk (Stauffer)

**FROM:** Division of Economics (Merryday) *HM*  
Office of the General Counsel (Brownless) *mm JSC*

**RE:** Docket No. 20180183-GU – Petition for approval of tariff modifications, by Peoples Gas System.

**AGENDA:** 12/11/18 – Regular Agenda – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 60-day suspension date waived by the utility until 12/11/2018

**SPECIAL INSTRUCTIONS:** Place after 20180182-EI on the Agenda

RECEIVED-FPSC  
 2018 NOV 29 AM 9:43  
 COMMISSION CLERK

### Case Background

On October 2, 2018, Peoples Gas System (Peoples or utility) filed a petition for approval of a tariff modification relating to refusal or discontinuation of service. The proposed tariff modification is designed to protect Peoples’ field employees from dangerous situations resulting from customer threats, as numerous incidents have occurred recently. The Commission approved a similar tariff for Florida Power & Light Company (FPL) in 1996.<sup>1</sup> Peoples is a division of Tampa Electric Company, which filed a similar petition in Docket No. 20180182-EI. The utility’s proposed tariff modification is shown in Attachment A to the recommendation. On October 3, 2018, Peoples provided a letter waiving the 60-day file and suspend provision of Section 366.06(3), Florida Statutes (F.S.), until the December 11, 2018 Agenda Conference.

<sup>1</sup> Order No. PSC-96-0585-FOF-EI issued May 6, 1996, in Docket No. 19960307-EI, *In re: Proposed revision of rules and regulations, pertaining to access portion of tariff, by Florida Power & Light Company.*

Docket No. 20180183-GU

Date: November 29, 2018

Peoples responded to staff's data requests on October 26, 2018, and November 6, 2018. The Commission has jurisdiction pursuant to Sections 366.04, 366.05, and 366.06, F.S.

### Discussion of Issues

**Issue 1:** Should the Commission approve Peoples' proposed tariff modification as shown in Attachment A to the recommendation?

**Recommendation:** Yes, the Commission should approve Peoples' proposed tariff modification as shown in Attachment A to the recommendation. The proposed tariff modification is consistent with the tariff provision the Commission approved for FPL and is consistent with Rule 25-7.089, Florida Administrative Code (F.A.C.). (Merryday)

**Staff Analysis:** The utility states that its field employees have experienced a number of threats, assaults, and harassments made by customers. In response to staff's first data request, the utility detailed some of these threats, which include verbal abuse and threats of physical harm.

Utilities currently have the ability to disconnect or refuse service for conditions specified in Rule 25-7.089, F.A.C. Specifically, Rule 25-7.089(2)(f), F.A.C., allows gas utilities to refuse or discontinue service for neglect or refusal to provide safe and reasonable access to the utility provided that written notice be given to the customer. Rule 25-7.089(2)(h), F.A.C., allows the utility to disconnect service without notice in the event of a condition known to the utility to be hazardous.

Peoples' current tariff provides the conditions under which Peoples may refuse or discontinue service. As shown in Attachment A to the recommendation, the proposed tariff modification to tariff sheet No. 5.101-2 states that the utility may discontinue or refuse service:

[f]or actions or threats made by a customer, or anyone on the customer's premises, which are reasonably perceived by a Company employee as violent or unsafe, after affording the customer reasonable opportunity to cease from any further act of violence or unsafe condition.

As stated in the case background, the Commission approved a similar tariff for FPL in 1996. Like Peoples' proposed tariff modification, FPL's approved tariff allows FPL to discontinue service as a result of threats made against employees.<sup>2</sup>

To assure that unwarranted disconnections do not occur, the utility explained that the Corporate Security Department will investigate threat incidents and verify whether the actions or threats made by the customer have created a dangerous condition warranting disconnection. Peoples' head of corporate security will notify the utility's Customer Service Department of valid incidents and will decide whether or not a disconnection notice will be issued to the customer.

In the instances where a customer's service is being refused pursuant to the proposed tariff modification, the company stated it will notify the customer as soon as practicable of the reason for refusal of service. The utility states that in most cases, a disconnection will have already taken place, and the restoration of service is what is being denied. Peoples notes that it does not take disconnection of its customers or refusal of service lightly and that disconnecting or refusing

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<sup>2</sup> See FPL tariff sheet No. 6.010, section 1.6 - Discontinuance of Service.

service will be considered an extreme event that will follow other efforts to remedy the situation, up to and including law enforcement or security escorts. Once the threatening condition is resolved to the utility's satisfaction, the utility will reconnect the customer.

Staff has reviewed Peoples' petition and responses to data requests and believes Peoples' proposed tariff modification is warranted. Additionally, the proposed tariff modification follows the Commission's previous actions for FPL and is consistent with Rule 25-7.089, F.A.C. Therefore, staff recommends approval of Peoples' proposed tariff modification. The proposed tariff modification should become effective on December 11, 2018.

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

**Recommendation:** Yes. If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariff should be suspended pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order. (Brownless)

**Staff Analysis:** If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariff should be suspended pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

Peoples Gas System  
a Division of Tampa Electric Company  
Original Volume No. 3

Second-Third Revised Sheet No. 5.101-2  
Cancels First-Second Revised Sheet No. 5.101-2

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**RULES AND REGULATIONS (Continued)**

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**E. WITHHOLDING OF GAS SERVICE**

Company will refuse to establish Gas Service to any location where it finds that establishment of Gas Service will create an unsafe or hazardous condition on the Customer's premises.

Company may discontinue Gas Service to an existing Customer or refuse to serve a prospective Customer where such Customer's use of Gas is or will be detrimental or hazardous to the Gas Service supplied to other Customers.

Company may discontinue service to an existing Customer or refuse to establish Gas Service for actions or threats made by a customer, or anyone on the customer's premises, which are reasonably perceived by a Company employee as violent or unsafe, after affording the customer reasonable opportunity to cease from any further act of violence or unsafe condition.

Company will not establish Gas Service to any Customer where that Customer is in arrears for Gas Service at that location or another location in the Company's service area.

If a prospective Customer requests connection for Gas Service but denies the Company's employees and representatives access to the Customer's Installation for the purpose of inspecting the appliances prior to establishing Gas Service, the Company may refuse to provide Gas Service to the prospective Customer.

Fraudulent Use of Gas:

Company will discontinue Gas Service without notice:

- a. In the event of tampering with regulators, valves, Meters or other facilities furnished and owned by Company, or
- b. In the event of other fraudulent use of Gas Service.

Whenever Gas Service is discontinued for unauthorized or fraudulent use thereof, the Company, before restoring Gas Service, may require Customer to make, at Customer's expense, all changes in piping or equipment necessary to eliminate the fraudulent use and to pay an amount reasonably estimated as the deficiency (if any) in Company's revenue and all costs incurred by Company resulting from such unauthorized or fraudulent use.

As used herein, "costs incurred by Company" shall include the Company's cost to cut and cap the Customer's service line at the Main, together with the cost incurred by the Company to restore service to the Customer, in the event the Company, in order to discontinue service to the Customer pursuant to this section, has been required (after final notice to the Customer requesting payment, and the Customer's denial of access by Company to its meter for the purpose of discontinuing service) to cut and cap the Customer's service line at the Main. If a Customer whose service line has been cut and capped as aforesaid thereafter requests restoration of Gas Service, Company may require such Customer to pay (in addition to any other charges payable pursuant to these Rules and Regulations) all costs incurred by Company to effect the previous discontinuance of Gas Service to such Customer, as well as all costs incurred by Company to restore Gas Service to such Customer.

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Issued By: ~~G. L. Gillette~~ T. J. Szelistowski, President  
Issued On: ~~October 19, 2014~~

Effective: ~~March 13, 2012~~

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