

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: January 23, 2020

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Ward) *cow use EST JAH*
Office of the General Counsel (Brownless) *mjsc*

RE: Docket No. 20190200-GU – Petition for approval of tariff modifications to Natural Choice Transportation Service Rider, the Gas Service Agreement, and the Natural Choice Transportation Service letter of authorization, by Peoples Gas System.

AGENDA: 02/04/20 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 60-day suspension date waived by the utility until February 4, 2020

SPECIAL INSTRUCTIONS: None

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COMMISSION CLERK
RECEIVED-FPSC

Case Background

On November 7, 2019, Peoples Gas System (Peoples or utility) filed a petition for approval of tariff modifications to the Natural Choice Transportation Service (NCTS) Rider, the Gas Service Agreement (GSA), and the NCTS Letter of Authorization. Peoples' NCTS Rider program was approved in July 2000. The program allows qualifying customers to purchase natural gas directly from a pool manager, while paying Peoples for the transportation of natural gas on its system.¹ The NCTS Letter of Authorization is the formal request by the customer for gas transportation service pursuant to Peoples' NCTS Rider. The GSA is a standard form, completed by the

¹ Order No. PSC-00-1814-TRF-GU, issued October 4, 2000, in Docket No. 2000810-GU, *In re: Petition for approval of modifications to tariff provisions governing transportation of customer-owned gas and tariff provisions to implement Rule 25-7.0335, F.A.C.*

Docket No. 20190200-GU

Date: January 23, 2020

customer, to initiate natural gas service with Peoples. The GSA is found on Tariff Sheet No. 8.102.

The proposed tariff sheets are shown in Attachment A to the recommendation. The utility waived the 60-day file and suspend provision of Section 366.06(3), Florida Statutes (F.S.), until the February 4, 2020 Agenda Conference. On January 22, 2020, Peoples filed a minor correction to Tariff Sheet No. 8.102. The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, F.S.

Discussion of Issues

Issue 1: Should the Commission approve Peoples' proposed tariff sheet modifications as shown in Attachment A?

Recommendation: Yes. The Commission should approve Peoples' proposed modifications as shown in Attachment A to the recommendation. The revised tariffs should become effective with the Commission's vote on February 4, 2020. (Ward)

Staff Analysis: Rule 25-7.0335, Florida Administrative Code (F.A.C.), requires local distribution companies (LDCs) to make gas transportation service available to non-residential customers. The rule also allows LDCs to offer transportation service to residential customers. Transportation service is a voluntary program that allows customers to purchase natural gas from a third-party marketer, or pool manager.

Peoples functions as a traditional LDC, providing gas service for sales customers, while also providing optional transportation service as required by Rule 25-7.0335, F.A.C. There are currently 27,000 customers participating in Peoples' NCTS program, along with 15 approved pool managers. The transportation customers pay the pool manager's charges for natural gas and are not subject to the utility's Commission-approved Purchased Gas Adjustment (PGA) rates, whereas sales customers are subject to PGA rates. The Commission does not approve or review natural gas prices pool managers charge their customers.

The NCTS Rider (Tariff Sheets Nos. 7.803-7.803.3) and associated tariffs provide the terms and conditions under which Peoples allows participating commercial and large residential customers to use a pool manager to purchase their natural gas. In the instant docket, the utility seeks to modify Tariff Sheet Nos. 7.803-2 and 7.803-3 to change the date by which the pool managers enroll a customer in the NCTS program. Peoples seeks to change the enrollment date from the twentieth day of the month to the fifteenth day of the month. Peoples states that this change would provide pool managers additional time to complete their therm usage forecast for the upcoming month, resulting in more timely and accurate gas supply nominations by the pool manager. The utility also seeks to modify Tariff Sheet No. 7.803-3 to change the deadline by which the pool manager may submit a request to terminate a customer to the sixteenth day of the month prior to termination. The current deadline is 30 days prior to the first day of the month that the termination is to take place. Peoples states that this requested modification would provide pool managers with more flexibility, by reducing the time frame for notification to Peoples when shifting customers between marketers, or returning customers to system supply.

Second, Peoples seeks to modify its NCTS Letter of Authorization, contained in Tariff Sheet Nos. 8.118-8.118.2. The utility is proposing to streamline the process by modernizing the terminology, allowing for electronic signatures, and making the form more compatible with its internal information systems. Peoples states that the modified form would simplify the enrollment process and de-enrollment process in the NCTS program. Peoples also modified Tariff Sheet No. 8.118-2 to allow a pool manager to complete one Letter of Authorization for a customer with multiple meters at one location.

Finally, Peoples seeks to modify its Gas Service Agreement, contained within Tariff Sheet No. 8.102, which was last modified in 2003. The utility states that modification is required to simplify the terminology, allow for electronic signatures, and generally make the form and the information it provides more compatible with their internal information system supporting the NCTS program.² The utility states that in October 2019, it provided pool managers with an overview of the Gas Management System and an update on the proposed changes contained in the instant petition. Peoples asserts that none of the pool managers have expressed any concerns with the proposed modifications.

Conclusion

Staff notes that the requested tariff revisions are intended to provide the pool managers with additional time each month to complete their therm usage forecasts, while also allowing more flexibility in their time frame to submit a request to terminate a customer. The modifications would also modernize the terminology and allow for electronic signatures on the NCTS Letter of Authorization and the GSA. Staff believes that the proposed modifications are reasonable and would meet their intended purpose.

In light of the foregoing, the Commission should approve Peoples' proposed modifications as shown in Attachment A to the recommendation. The revised tariffs should become effective with the Commission's vote on February 4, 2020.

² Staff has included the proposed clean version of the GSA (in Attachment A, Tariff Sheet No. 8.102), rather than the legislative version, to more accurately reflect the changes, as the table is being replaced entirely.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon 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 tariffs should remain in effect, with any revenues held subject to refund, 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

~~Sixth-Seventh~~ Revised Sheet No. 7.803-2
Cancels ~~Fifth-Sixth~~ Revised Sheet No. 7.803-2

NATURAL CHOICE TRANSPORTATION SERVICE (Continued)

3. To initiate service pursuant to this Rider, a Customer shall select a Pool Manager from Company's approved Pool Manager list and Pool Manager shall enroll customer electronically via company's website for service under this Rider. The Pool Manager shall obtain a letter of authorization in the form set forth on Sheet 8.118 of this tariff and have signed by the Customer prior to such electronic enrollment. Pool Manager shall also pay to Company a registration fee of \$10.00 for each Customer account to which service is initiated hereunder. Service by Company to a Customer account for which service hereunder has been properly requested by electronic enrollment prior to the ~~twenty-first~~ ~~sixteenth~~ day of the month pursuant to this Rider will commence on the first day of the Customer's billing period of the next calendar month following receipt by the Company of the aforesaid electronic enrollment. Service under Rider will be delayed until the first day of the Customer's billing period in the second calendar month following enrollment by the Pool Manager for any Customer enrolled after the ~~twentieth-fifteenth~~ day of the month.
4. A Customer account receiving service under this Rider may terminate service hereunder by its then serving Pool Manager and commence service hereunder (within the time and in the manner provided in Special Condition 3) by a different Pool Manager. The new Pool Manager shall pay to Company a registration fee of \$10.00 for each account.
5. If a Pool Manager requests the Company provide the twelve-month consumption history for a Customer account, the Company shall provide to the Pool Manager the history and apply an administrative fee charge equal to \$20 per customer account to Pool Manager's monthly invoice.
6. A Customer receiving service under this Rider may discontinue service hereunder by giving Company 30 days written notice. A Customer who elects to terminate transportation service under this Rider in order to return to sales service will be required to remain on sales service for a period not less than twelve successive billing periods. A Customer who returns to sales service due to abandonment by its Pool Manager will not be required to remain on sales service but cannot return to the same Pool Manager, or any affiliated company, for at least twelve successive billing periods.
7. For purposes of curtailment or interruption by Company, each individually billed account receiving service hereunder shall be treated by the Company in accordance with the curtailment provisions found in the applicable rate schedule or Curtailment Plan as filed with the Florida Public Service Commission.
8. Accounts receiving service pursuant to this Rider will be subject to the Swing Service Charge (set forth on Sheet No. 7.101-3).

Issued By: ~~G.L. Gillette, President~~
Issued On: ~~June 25, 2015~~

Effective: ~~January 4, 2017~~

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

Fourth-Fifth Revised Sheet No. 7.803-3
Cancels Third-Fourth Revised Sheet No. 7.803-3

NATURAL CHOICE TRANSPORTATION SERVICE (Continued)

9. Except as modified by the provisions set forth above, service under this Rider shall be subject to the Rules and Regulations set forth in this tariff.
10. If a Customer receiving service pursuant to this Rider has annual consumption greater than or equal to 500,000 therms annually, then the Company will install and maintain facilities for remote monitoring of the Customer's hourly gas flow. The Customer will reimburse the Company for the expense incurred for the investment in and installation of these facilities.
11. A Pool Manager may terminate Gas supply to a Customer pursuant to this Rider electronically via Company's website ~~30 days~~ prior to the ~~first~~ sixteenth day of the month as of which such termination ~~is to be effective~~ will commence on the first day of the Customer's billing period of the next calendar month following receipt by the Company of the aforesaid electron termination. In the event of non-payment by Customer for charges due, a Pool Manager may terminate Gas supply to a Customer by giving five business days ~~written notice to Company prior to the first day of the month as of which such termination is to be effective~~. Any such notice shall be accompanied by (a) documentary evidence of the Customer's failure to make payment for a period of at least 60 days, (b) Pool Manager's affidavit that it has made commercially reasonable and good faith efforts to collect the amount due, and (c) a non-refundable termination fee of \$30.00 per account number. A Customer whose Gas supply is terminated by a Pool Manager pursuant to this special condition will automatically return to sales service provided by Company until such time as the Customer elects, subject to the conditions of this Rider, to receive service hereunder through a different Pool Manager. Additional deposit may be required from the Customer to return to sales service.
12. It is the Customer's obligation to make payments to the Company (or to an Authorized Payment Agent of the Company) of all bills rendered. Payment by a Customer to a third party (including a ~~Third-Party~~ Third-Party Gas Supplier or Customer's Pool Manager) which has not been designated by Company as an Authorized Payment Agent will not satisfy the Customer's obligation to make payment of Company's bill for Gas Service.

Issued By: William N. Cantrell, President
Issued On: December 1, 2003

Effective: December 1, 2003

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

Fourth-Fifth Revised Sheet No. 8.118
Cancels Third-Fourth Revised Sheet No. 8.118



TECO
PEOPLES GAS
AN EMERA COMPANY

**NATURAL CHOICE TRANSPORTATION SERVICE
PEOPLES GAS SYSTEM LETTER OF AUTHORIZATION**

PGS Rev 03/16 NATURAL CHOICE TRANSPORTATION SERVICE
Letter of Authorization

Peoples Gas System ("PGS")
P.O. Box 2562
Tampa, Florida 33601-2562

TO WHOM IT MAY CONCERN:

This letter constitutes a formal request by the undersigned ("Customer") for gas transportation service pursuant to Peoples Gas System's ("PGS") Rider NCTS and other applicable provisions of PGS's applicable Natural Gas Tariff, on file with the Florida Public Service Commission, as the same may be amended from time to time (the "Tariff"), for the following PGS customer account number(s):

ACCOUNT NUMBER(S): _____

CUSTOMER CONTACT: _____ Company: _____
Contact Name: _____
Address: _____
City, State, Zip Code: _____
Phone: _____ Fax: _____
E-mail Address: _____

CUSTOMER INFORMATION: _____ Customer/Company: _____
DBA: _____
Contact Name: _____
Service Address: _____
City, State, ZIP Code: _____
Business Telephone: _____ Mobile: _____
Email Address: _____

ACCOUNT INFORMATION:

I. Enrolling a Customer's "existing service" gas location:
A. Account Number _____ (printed on your monthly gas utility bill)
Or use the
B. Contract Number _____ (reference Customer online account at
<https://account.tecoenergy.com>)

II. Pre-enroll a Customer's "new service" gas location
A. Business Partner Number* _____
and the
B. Installation Number* _____

*The Customer's "Business Partner" and "Installation" numbers are documented on the Gas Service Agreement (GSA) executed by the Customer and PGS. Otherwise, contact PGS Customer Service at 866-832-6249, or wait until your location is "active" and use your Contract or Account Number.

As signified by initials in the box _____, Customer hereby authorizes PGS to release to the "Pool Manager" named below, the ~~its~~ twelve-month historical gas usage for the account(s) listed above. Customer understands that said Pool Manager will be assessed a fee of \$20 per account in accordance with PGS Natural Choice Transportation Service Rider (NCTS), payable upon receipt of request, for the authorized information.

Customer has entered, or intends to enter, into one or more agreement(s) with Pool Manager providing for Pool Manager's delivery of the gas purchased by Customer from or through Pool Manager to PGS, Delivery of that gas takes place pursuant to the a separate Firm Delivery and Operational Balancing Agreement between PGS and Pool Manager (the "Firm Delivery Agreement").

Provided the Firm Delivery Agreement is in effect at the time gas is tendered to PGS by or on behalf of Pool Manager for Customer's account(s) listed above, PGS will transport gas delivered for such account(s) pursuant to Rider NCTS and the

Issued By: C. L. Gillette T. J. Szelistowski, President Effective: March 30, 2015
Issued On: April 1, 2015

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

**Fourth-Fifth Revised Sheet No. 8.118
Cancels ~~Third-Fourth~~ Revised Sheet No. 8.118**

applicable provisions of the Tariff, PGS's tariff on file with the Florida Public Service Commission ("FPSC"), as the same may be amended from time to time.

Subject to the terms of Rider NCTS and the Firm Delivery Agreement, such service shall continue until any of Customer, Pool Manager, or PGS gives written notice to the others of the termination of such service in accordance with Rider NCTS. If the Firm Delivery Agreement is terminated for any reason as it applies to any Gas to be delivered for Customer's account(s) ~~for transportation by PGS,~~ PGS shall have the right to immediately terminate transportation service to the above account(s) under Rider NCTS.

Customer understands that it may terminate participation in Rider NCTS with thirty (30) days' notice and return to ~~sales-gas~~ service from the Company. However, the Customer must then remain on ~~sales-gas~~ service from the Company for the following twelve-month period. In the event the Pool Manager terminates its agreement with the Customer without the Customer's consent, the Customer may return to Rider NCTS, but not to the same Pool Manager within the twelve-month period.

~~Customer agrees to pay PGS in accordance with the applicable rate schedule for the transportation of gas for Customer's account(s), including charges that may be applicable under Rider NCTS that are not applicable under sales service. Customer understands that it is responsible for the payment of all bills rendered to Customer by Pool Manager, and that each Pool Manager's bill for gas purchased by Customer will be rendered separately from PGS's bill for transportation service. It is the Customer's obligation to make payments to the Company (or to an Authorized Payment Agent of the Company) of all bills rendered. Payment by a Customer to a third party (including a Third-Party Gas Supplier) which has not been designated by Company as an Authorized Payment Agent will not satisfy the Customer's obligation to make payment of Company's bill for Gas Service.~~

~~Customer affirms that it has been informed of the list of approved pool managers for the supply of gas for transportation under Rider NCTS, available on the PGS website (www.peoplesgas.com).~~

Signature: _____
Print Name: _____
Title: _____
Date: _____

~~The undersigned Pool Manager agrees that it will keep confidential, and not use or disclose to any person not named herein, information received pursuant to the above authorization, or information received from the above Customer, except to the extent necessary to deliver gas to PGS for transportation to the above Customer account(s), or as may be required by law (in which case Pool Manager will provide notice to PGS prior to making such disclosure).~~

Pool Manager: _____
By: _____
Title: _____

~~Customer history requested by Pool Manager. If requested, payment must be received to deem complete.~~



Issued By: G. L. Gillette, T. J. Szelistowski, President
Issued On: April 1, 2015

Effective: March 30, 2015

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

Original Sheet No. 8.118-1

Continued from Sheet No. 8.118

Customer agrees to pay PGS in accordance with the applicable rate schedule for the transportation of gas for Customer's account(s), including charges that may be applicable under Rider NCTS that are not applicable under gas service. Customer understands that it is responsible for the payment of all bills rendered to Customer by Pool Manager, and that each Pool Manager's bill for gas purchased by Customer will be rendered separately from PGS's bill for transportation service. It is the Customer's obligation to make payments to the Company (or to an Authorized Payment Agent of the Company) of all bills rendered. Payment by a Customer to a third party (including a Third Party Gas Supplier) which has not been designated by Company as an Authorized Payment Agent will not satisfy the Customer's obligation to make payment of Company's bill for Gas Service.

Customer affirms that it has been informed of the list of approved pool managers for the supply of gas for transportation under Rider NCTS, available on the PGS website (www.peoplesgas.com).

Signature/Print Name: _____ Title: _____

Print Name/Signature: _____ Date: _____

Title: _____

Date: _____

The undersigned Pool Manager agrees that it will keep confidential, and not use or disclose to any person not named herein, information released pursuant to the above authorization, or information received from the above Customer, except to the extent necessary to deliver gas to PGS for transportation to the above Customer account(s), or as may be required by law (in which case Pool Manager will provide notice to PGS prior to making such disclosure).

Pool Manager: _____ Title: _____

By/Signature: _____ Date: _____

Title: _____

Customer history requested by Pool Manager. If requested, payment must be received to deem complete.

Issued By: T. J. Szelistowski, President
Issued On:

Effective:

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

Original Sheet No. 8.118-2

Attachment "A"

If Enrolling Additional "ACTIVE" PGS Locations,

Please provide the following information for each location when installing meters at multiple locations.

DBA: _____ Customer's Initials: _____
Service Address: _____ Billing Address: _____
City, State, Zip Code: _____ City, State, Zip Code: _____
Account Number: _____ or Contract Number: _____


The above information can be duplicated for multiple locations.

Issued By: T. J. Szelistowski, President
Issued On:

Effective:

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

Second Revised Sheet No. 8.102
 Cancels First Revised Sheet No. 8.102

		Gas Service Agreement		No.		
Business Partner Name (Customer)		Phone	Cell Phone	E-mail		
Service Address		City	State	Zip		
Doing Business As (DBA)		City Limits (Enter Yes or No)	County Name			
Mailing Address		City	State	Zip		
Contact Name		Phone	E-mail			
Federal ID	Tax Exempt (Yes or No)	Date Service Line Requested	Date Gas Service Requested			
Field Contact Name		Phone	E-mail			
SALES INSTRUCTIONS/REMARKS			SERVICE TYPE			
			Main (Enter On or Off)			
			New (N), Added Load (AL)			
			Reactivate (RA) Manifold (MA)			
			Resident (R), Comm (C)			
			Industrial (I)			
			Rate Class			
			Map #			
QTY.	APPLIANCE TYPE	PEAK HR DEMAND CF/H	ANNUAL THERMS PRESENT ADDITIONAL	PRESSURE AT EQPT.	FINANCIAL INFORMATION	OTHER SERVICES
					Gas Deposit	WH Billing Prog
					Turn-on Charge	Conversion Bill
					Aid to Construction	Other
					Construction Deposit	Other
					Prepayment	Other
					Balance Due	Other
					DEALER INFORMATION (if applicable)	
					Dealer Name	
					Dealer Phone	Alt Phone
					Services to be provided by Dealer	
TOTAL						
TO BE COMPLETED BY PGS ONLY						
Meter Size	Regulator Size	BP#		CA#		
System Pressure	Delivery Pressure	Premise#		Install#		
Conversion Propane Company		Meter#		Project#		
REMARKS						
I have read all of the terms and conditions on the second page and agree to them.						
Business Partner/Customer Signature			Sales Rep Signature		Sales Rep ID #	
Business Partner/Customer Printed Name			Sales Rep Printed Name		Date	
PGS CUSTOMER SERVICE CONTACT DURING INSTALLATION OF GAS SERVICE					PHONE#: 1-877-832-6747	

Issued By: T. J. Szelistowski, President
 Issued On:

Effective: