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May 1, 2020

### **VIA E-PORTAL FILING**

Mr. Adam J. Teitzman Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 20200085-GU - In re: Joint Petition for approval of territorial agreement in Sumter County, Florida by Peoples Gas System, The City of Leesburg and South Sumter Gas Company

Dear Mr. Teitzman:

Attached for electronic filing in the above docket please find the Joint Response of The City of Leesburg and Peoples Gas System to the Staff's Second Data Request (Nos. 1-6).

Your assistance in this matter is greatly appreciated.

Sincerely,

Andrew M. Brown

AB/plb

Attachment

cc: Walt L. Trierweiler, Senior Attorney, FPSC (via email: <a href="wtrierwe@psc.state.fl.us">wtrierwe@psc.state.fl.us</a>)

Jon C. Moyle, Esq. (via email: <a href="mailto:imoyle@moylelaw.com">imoyle@moylelaw.com</a>)

Ms. Paula K. Brown Ms. Kandi M. Floyd

PEOPLES GAS SYSTEM
DOCKET NO. 20200085-GU
STAFF'S SECOND DATA REQUEST
REQUEST NO. 1
BATES STAMPED PAGES: 1

FILED: MAY 01, 2020

### All Parties: (Joint response No. 1-2)

- 1. Response 7 states that three additional customers/accounts (fire station, district building, and Village Grown) will be transferred to Peoples if the territorial agreement in the instant petition is approved. It appears that these three transfers are outside of Commission Order No. PSC-2020-0052-FOF-GU issued on February 11, 2020. Please explain why the joint petitioners are seeking approval of three additional transfers.
- A. The three customers are currently receiving natural gas from the City of Leesburg and are outside of the Bigham North, East and West developments that were ordered to be transferred to Peoples in Order No. PSC-2020-0052-FOF-GU. The parties have agreed that with approval of this territorial agreement, these customers will be within the area that is to be served by Peoples and accordingly Peoples will provide natural gas service to those customers.

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2. Response 7 states that a customer notification letter dated April 1, 2020, was sent by Leesburg to its customers who will be transferred to Peoples. This letter does not provide information related to the differences in rates pursuant to Rule 25-7.0471, F.A.C. Since Peoples will be providing customer notification shortly as stated in response 7, please include information such as differences in rates (prior to transfer vs. after transfer) to the customers subject to the transfer and provide a copy of same to the Commission staff.

A. The City of Leesburg identified in its April 1, 2020 letter to current customers that it is not expected that the transfer would affect customer rates since the "native rate" in the City of Leesburg and SSGC / the Villages agreement generally billed customers according to Peoples RS-2 rate schedule. While the components of the rates that are currently charged by Leesburg according to Peoples RS-2 rate schedule may not align to the same billing categories, i.e. customer charge, distribution and clauses, the total billing rate is generally the same (excluding taxes). See attached letter from Peoples that will be mailed to all residential customers transferring from the City of Leesburg to Peoples identifying Peoples current Residential rates (RS-1, RS-2, and RS-3) and other general information.

Peoples will contact the three commercial customers identified in Question Number 1 individually to discuss transfer of service and applicable billing rates.

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Account number: Date

Dear NAME,

Welcome to Peoples Gas! We've been delivering safe, resilient, clean and affordable natural gas energy solutions to customers across Florida for 125 years and we're so pleased you're joining our customer family. We're ready to help you every step of the way and want to reassure you that you will not experience an interruption in your natural gas service during the transition of your account from the city of Leesburg to Peoples Gas.

To finalize setting up your account, please call us by May 22, 2020 at 352-671-4550 or 866-896-1222. We want to ensure we have your correct name, address and other personal information included on your account. You may need to provide your Social Security number or other personal identification numbers to verify your identity.

Your gas service will transfer to Peoples Gas on June 1, 2020 without interruption. Please continue to contact the city of Leesburg at **352-728-9800** with any questions about your service until that time. When you receive your final bill from the city of Leesburg, please make your payment by the specified due date using your usual payment method. This will ensure that your Leesburg account is in good standing when it transitions to Peoples Gas.

You will not need to pay a fee to start your Peoples Gas account, however we will collect a \$50 deposit to secure your account. The deposit will be included on the first bill you receive from Peoples Gas in July, and will be returned to you with interest after 23 months of continuous service and no more than one late payment. Interested in waiving the deposit? You may contact us to request that we run a credit check to see if you qualify.

We are reviewing your past natural gas history with the city of Leesburg and will assign you to the appropriate Peoples Gas rate class depending on your typical usage. Here's an overview of our residential rate classes and monthly charges:

|                     | RS-1 (0-99 therms/month) | <b>RS-2</b> (100-249 therms/month) | <b>RS-3</b> (250-1,999 therms/month) |
|---------------------|--------------------------|------------------------------------|--------------------------------------|
| Customer Charge     | \$11.40                  | \$14.25                            | \$19.01                              |
| Distribution Charge | \$0.46066/therm          | \$0.46066/therm                    | \$0.46066/therm                      |
| PGA*                | \$0.76495/therm          | \$0.76495/therm                    | \$0.76495/therm                      |

<sup>\*</sup>The PGA, or Purchased Gas Adjustment, is the cost of natural gas purchased for you by Peoples Gas and delivered to your property. This cost can adjust monthly.

We want to make doing business with us as easy as possible for you. Visit **tecoaccount.com** to register for your online account access. You can manage your account, enroll in programs, view and pay your bill and more, all from the device of your choice. We've included some frequently asked questions with this letter. Should you think of anything else you'd like to ask, please contact us by calling **352-671-4550** or toll free at **866-896-1222**, or by sending an email to **LeesburgNewCustomer@tecoenergy.com**.

We value safety above all else, so we offer important tips to help you use natural gas safely, identify pipelines in your area, be prepared for storms and more at **peoplesgas.com/safety**. And our commitment to safety extends beyond your natural gas service. We protect your sensitive information which we may require as part of our process to verify your identity and review your credit.

We look forward to starting service with you in June.

Thank you,

**Peoples Gas** 

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# Frequently asked questions about the transition of natural gas accounts from the city of Leesburg to Peoples Gas

#### Q. Why is my account transitioning from the city of Leesburg to Peoples Gas?

A. The transfer of your account is a result of an agreement between the city of Leesburg and Peoples Gas regarding the areas each company serves with natural gas. The agreement was approved by the Florida Public Service Commission in January 2020.

#### Q. Will Peoples Gas charge a deposit?

A. Yes, Peoples Gas will charge a \$50 deposit to secure residential accounts. If you would like to learn more about having the deposit waived, you may contact us at **352-671-4550** or toll free at **866-896-1222** and we will run a credit check to see if you qualify.

#### Q. Will Peoples Gas charge a start-up fee?

A. No, you will not be charged a start-up or activation fee when your account transitions to Peoples Gas.

#### Q. Will I lose service during the transition?

A. No, you should not experience an interruption in your natural gas service when your account transitions to Peoples Gas.

#### Q. Will my billing and due dates be the same with Peoples Gas as they are with Leesburg?

A. You can expect to receive your bill around the same time that you received your bill from the city of Leesburg – likely in the first part of the month.

### Q. I receive a paperless bill from the city of Leesburg. How can I receive a paperless bill from Peoples Gas?

A. If you are already a paperless billing customer, when your account transitions to Peoples Gas, we will automatically enroll your account in our free paperless billing program.

## Q. My payment is automatically deducted from my bank account each month. How can I pay my Peoples Gas bill the same way?

A. Peoples Gas offers Direct Debit, a free and easy way to automatically pay your bill each month. To sign up, visit **tecoaccount.com**. Once you register your account, you'll be able to enroll in Direct Debit with one click.

### Q. I make my payment electronically through my bank each month. How can I pay my Peoples Gas bill the same way?

A. If you pay your bills using your bank's online payment service, you'll need to remove your city of Leesburg account information after your final bill and update your bank with your new Peoples Gas account information.

#### Q. Can I manage my account online?

A. Yes, Peoples Gas offers online account access at **tecoaccount.com**. If you have any problems registering your account, please contact us and we'll be happy to help.

#### Q. I have other questions about my account. How can I reach Peoples Gas?

A. We have a dedicated team ready to assist you with any questions you may have about this transition. Please contact us weekdays from 7:30 a.m. to 6 p.m. at **352-671-4550** or toll free at **866-896-1222**, or send an email to <u>LeesburgNewCustomer@tecoenergy.com</u>.

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# <u>Please refer to the Territorial Agreement in the joint petition for the following questions:</u>

- 3. Please explain what the abbreviation terms VCL and COL represent as indicated in the legend of Exhibit A Map showing the service territories of Peoples and Leesburg within Sumter County.
- A. The terms are as follows:

  VLC Villages Land Company

  COL City of Leesburg

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**4.** Section 2.1(d) on page 4 of the territorial agreement, refers to an Exhibit B. If there is an Exhibit B, please file a copy of this exhibit in the docket file.

**A.** There is no exhibit B. It is listed in error and should instead refer to Exhibit A.

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**5.** Please explain what is referred to as "Villages Grown" on page 4 of the Territorial Agreement.

**A.** The Villages Grown is a natural gas customer of the City of Leesburg that will be transferred to Peoples. It is a farm situated on 45 acres with hydroponic and aeroponic technologies to grow vegetables and other produce.

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6. Section 2.1 in Boundary Provisions lists eight customers ranging from residential to industrial that will be served by Peoples. It appears that these customers fall outside of Commission Order No. PSC-2020-0052-FOF-GU issued on February 11, 2020. Please discuss how these customers differ from the customers discussed in question 1 above.

A. The purpose of the Territorial Agreement is to allocate territory between Peoples in order to prevent future territorial disputes between the parties in consideration of where main lines have already been extended. A portion of the allocated territory includes already existing or future named Villages developments which are identified on the map that is attached to the Territorial Agreement as identified in Exhibit A. The customers identified in question 1 above are contained in Bailey West as described in subparagraph (e) in the section of the Agreement that identifies the territory to be assigned to Peoples. The only areas in the territory assigned to Peoples where customers are currently receiving natural gas service from Leesburg are the Bigham developments and the customers in Bailey West that are described in response to Number 1.