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Attorneys and Counselors at Law
123 South Calhoun Street
P.O. Box 391 32302
Tallahassee, FL 32301
P: (850) 224-9115
F: (850) 222-7560
ausley.com

March 12, 2024

VIA ELECTRONIC FILING

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

Re: New Docket No. _____
Petition of Peoples Gas System, Inc. for Approval to Suspend the Natural Gas Fryer Rebate
within the Commercial Retention Program

Dear Mr. Teitzman:

Attached for filing on behalf of Peoples Gas System, Inc. is the company's Petition for
Approval to Suspend the Natural Gas Fryer Rebate within the Commercial Retention Program.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'V. Ponder'.

Virginia Ponder

VLP/ne
Attachment

cc: All Parties

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval to Suspend)
the Natural Gas Fryer Rebate Within the)
Commercial Retention Program)
_____)

DOCKET NO.: _____

FILED: March 12, 2024

PEOPLES GAS SYSTEM, INC.’S PETITION FOR APPROVAL
TO SUSPEND THE NATURAL GAS FRYER REBATE
WITHIN THE COMMERCIAL RETENTION PROGRAM

Pursuant to Sections 366.04 and 366.05, Florida Statutes, and Rule 28-106.301, Florida Administrative Code, Peoples Gas System, Inc. (“Peoples” or “the company”), by and through its undersigned counsel, hereby files this Petition seeking approval from the Florida Public Service Commission (“Commission”) to suspend the Natural Gas Fryer Rebate within the Commercial Retention Program. In support of this request, the company hereby states:

1. The Petitioner’s name and address are:

Peoples Gas System, Inc.
P.O. Box 2562
Tampa, Florida 33601-2562

2. Peoples is a wholly owned subsidiary of TECO Gas Operations, Inc., which is a subsidiary of TECO Energy, Inc., which is a wholly owned subsidiary of Emera United States Holdings, Inc., which is a wholly owned subsidiary of Emera Incorporated. Peoples is a natural gas distribution public utility subject to the Commission’s jurisdiction under Chapter 366, Florida Statutes.

3. The company’s demand-side management (“DSM”) plan and featured individual programs were approved by the Commission in Order No. PSC-2021-0242-PAA-EG on July 2,

2021. Among the 11 individual programs¹ in the company's approved DSM plan, is the Commercial Retention Program. Peoples' Commercial Retention Program is available to any existing commercial or industrial customer located within Peoples service area, apart from natural gas fired cogeneration and interruptible customers.

4. The Commercial Retention Program is designed to encourage current natural gas customers to make cost-effective improvements to existing commercial/industrial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas equipment.

5. The Commercial Retention Program provides rebates for five different appliances: (1) Natural Gas Cooktop/range; (2) Natural Gas Dryer; (3) Natural Gas Fryer; (4) Natural Gas Tank Water Heater; and (5) Natural Gas Tankless Water Heater. This Petition addresses the suspension of the Natural Gas Fryer rebate (the "Fryer Rebate").

6. When Peoples developed the standards for the Fryer Rebate in 2019, only two low-cost fryers were available. In the past three years, three additional low-cost fryer models have entered the marketplace. This unexpected shift in the marketplace led to rapid growth in the installation of low-cost fryers. Since 2019, participants in the Fryer Rebate grew from around 19 to 1,696 participants in 2023. Peoples paid a total of \$4.8 million in Fryer Rebates in 2023, with 97 percent of those fryers being low-cost models.

¹ The 11 approved programs include: (1) Residential Customer Assisted Energy Audit; (2) Residential New Construction; (3) Residential Retrofit; (4) Residential Retention; (5) Commercial Walk-Through Energy Audit; (6) Commercial New Construction; (7) Commercial Retrofit; (8) Commercial Retrofit Combined Heat and Power; (9) Commercial Retrofit Electric Replacement; (10) Commercial Retention; and (11) Conservation Research and Development (R&D)

7. At the end of February 2024, the company had paid approximately \$1,199,500 in Fryer Rebates with \$1,108,500 being for low-cost models.

8. The market shift and increased level of participation make the Fryer Rebate unsustainable and too costly for the company's customers. Peoples respectfully requests the Commission suspend the Fryer Rebate as soon as practicable, but no later than July 1, 2024, to allow the company an opportunity to update the Fryer Rebate standards and submit such revisions with its DSM plan filing following the Commission's final order establishing goals in Docket No. 20240018.

9. Peoples is not aware of any disputed issues of material fact associated with this Petition.

10. Peoples' address is 702 North Franklin Street, Tampa, Florida 33601. Correspondence, notices, orders, and other documents concerning this petition should be sent to:

J. Jeffry Wahlen
Virginia L. Ponder
Malcolm N. Means
Ausley McMullen
123 S. Calhoun St.
Tallahassee, FL 32301-1517
jwahlen@ausley.com
vponder@ausley.com
mmeans@ausley.com

Paula K. Brown
regdept@tecoenergy.com
Manager, Regulatory Coordination
Peoples Gas System, Inc.
Post Office Box 111
Tampa, Florida 33601-0111

Karen L. Bramley
klbramley@tecoenergy.com
Director, Regulatory Affairs
Peoples Gas System, Inc.
Post Office Box 2562
Tampa, FL 33601-2562

WHEREFORE, Peoples respectfully requests that the Commission enter an Order approving the suspension of the Natural Gas Fryer Rebate within the Commercial Retention Program.

DATED this 12th day of March, 2024.



J. JEFFRY WAHLEN
VIRGINIA PONDER
MALCOLM N. MEANS
jwahlen@ausley.com
vponder@ausley.com
mmeans@ausley.com
Ausley McMullen
Post Office Box 391
Tallahassee, Florida 32302
(850) 224-9115

Attorneys for Peoples Gas System, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition, filed on behalf of Peoples Gas System, Inc., has been furnished by electronic mail on this 12th day of March 2024 to the following:

Jacob Imig
Jonathan Rubottom
Office of General Counsel
Florida Public Service Commission
Room 390L – Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
jimig@psc.state.fl.us
jrubotto@psc.state.fl.us

Tom Ballinger
Phillip Ellis
Division of Engineering
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
tballing@psc.state.fl.us
pellis@psc.state.fl.us

Walt L. Trierweiler
Patricia A. Christensen
Office of Public Counsel
111 West Madison Street – Room 812
Tallahassee, FL 32399-1400
trierweiler.walt@leg.state.fl.us
christensen.patty@leg.state.fl.us



ATTORNEY