

FLORIDA PUBLIC SERVICE COMMISSION
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M E M O R A N D U M

MARCH 12, 1998

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FPSC - Records/Reporting

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF ELECTRIC & GAS (MAKIN, BULECZA-BANKS, LOWERY) *WJM CRB JDJ*
DIVISION OF LEGAL SERVICES (KEATING) *RVE*

RE: DOCKET NO. 961236-GU - PEOPLES GAS SYSTEM, A DIVISION OF
TAMPA ELECTRIC COMPANY - PETITION FOR APPROVAL OF
MODIFICATION OF FIRM TRANSPORTATION SUPPLIER AGGREGATION
(FTA) SERVICE RIDER BY PEOPLES GAS SYSTEM, A DIVISION OF
TAMPA ELECTRIC COMPANY

AGENDA: MARCH 24, 1998 - REGULAR AGENDA - TARIFF FILING -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: MAY 4, 1998

SPECIAL INSTRUCTIONS: S:\PSC\EAG\WP\961236GU.RCM

CASE BACKGROUND

On October 14, 1996, Peoples Gas System filed a petition for approval to implement a one-year pilot program for Firm Transportation Supplier Aggregation Service Rider (FTA). The purpose of the FTA Rider was to test a transportation program on a pilot basis to determine the feasibility of providing simplified transportation service to firm customers. The Commission approved Peoples Gas System's petition by Commission Order No. PSC-96-1515-FOF-GU, issued December 21, 1996.

On December 1, 1997, Peoples Gas, a division of Tampa Electric Company (Peoples), filed a petition to extend the FTA Rider for one year. The Commission approved Peoples' petition by Commission Order No. PSC-98-0270-FOF-GU, issued February 10, 1998.

On March 4, 1998, Peoples filed the current petition that seeks to modify the FTA Rider. The purpose of the modification is to permit participating Qualified Aggregating Suppliers to exceed the limit of the thirty-customer threshold, originally established in Peoples original FTA Rider.

DOCUMENT NUMBER-DATE

03140, MAR 12 98

FPSC - RECORDS/REPORTING

DOCKET NO. 961236-GU
DATE: March 12, 1998

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve Peoples' petition for modification of the Firm Transportation Supplier Aggregation (FTA) Service Rider to permit currently participating Qualified Aggregating Suppliers to exceed the limit of the thirty-customer threshold?

RECOMMENDATION: Yes. The Commission should approve Peoples' petition for modification of the Firm Transportation Supplier Aggregation (FTA) Service Rider to permit currently participating Qualified Aggregating Suppliers to exceed the limit of the thirty-customer threshold.

STAFF ANALYSIS: On January 20, 1998, the Commission voted to approve Peoples' petition for a one-year extension of its FTA Rider. Later that week, Peoples was informed that two participating suppliers no longer intended to supply gas to two customers. However, the two customers wanted to continue to participate in the FTA Rider. Based on the provisions in the FTA Rider as originally approved, the customers are required to contract for service with one of the remaining Qualified Aggregating Suppliers. Currently, there are only two Qualified Aggregating Suppliers with less than thirty customers. To provide the two customers the opportunity to choose from more than two suppliers, Peoples filed a petition on March 4, 1998, requesting the FTA Rider be modified to permit the Qualified Aggregating Suppliers to exceed the originally established threshold of thirty customers. The purpose of the modification is solely to accommodate those customers who have participated in the program from its inception. Peoples will not permit the total number of customers or Qualified Aggregating Suppliers to increase.

To provide the customers additional supplier options, Staff recommends that Peoples's request for modification to the Firm Transportation Supplier Aggregation (FTA) Service Rider to permit currently participating Qualified Aggregating Suppliers to exceed the limit of thirty customers be approved.

DOCKET NO. 961236-GU
DATE: March 12, 1998

ISSUE 2: Should this Docket be closed?

RECOMMENDATION: No. The docket should remain open until the Commission issues its final order in Docket No. 960725-GU, Unbundling Natural Gas Services. If a final order is not issued prior to the expiration of the one-year extension of the pilot granted by Commission Order No. PSC-98-0270-FOF-GU, issued February 10, 1998, Peoples must file a petition in this docket to end, extend, or convert the pilot program to a full program. If a protest is filed within 21 days from the issuance of the order, the rates should remain in effect with any increase held subject to refund, pending resolution of the protests.

STAFF ANALYSIS: The docket should remain open until the Commission issues its final order in Docket No. 960725-GU, Unbundling Natural Gas Services. If a final order is not issued prior to the expiration of the one-year extension to the pilot, granted by Commission Order No. PSC-98-0270-FOF-GU, issued February 10, 1998, Peoples must file a petition in this docket to end, extend, or convert the pilot program to a full program. If a protest is filed within 21 days from the issuance of the order, the rates should remain in effect with any increase held subject to refund, pending resolution of the protests.