

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval to modify swing service charge, individual transportation service rider, and off-system service rate schedule, by Peoples Gas System, Inc.

DOCKET NO. 20250026-GU
ORDER NO. PSC-2025-0090-PCO-GU
ISSUED: March 24, 2025

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman
ART GRAHAM
GARY F. CLARK
ANDREW GILES FAY
GABRIELLA PASSIDOMO SMITH

ORDER SUSPENDING TARIFF

BY THE COMMISSION:

Background

On January 13, 2025, Peoples Gas System, Inc. (Peoples or utility) filed a petition for approval of modifications to the Swing Service Charges applicable to transportation customers, Individual Transportation Service (ITS), and Off System Service (OSS).

In 2000, we approved Peoples' Natural Choice Program, which enabled customers to more easily receive transportation service from the utility by consolidating and simplifying the existing transportation programs.¹ The Natural Choice Program offered two types of transportation service: a "pooled" service through the Natural Choice Transportation Service (NCTS) and "individual" service through the ITS Rider. NCTS customers are pooled together in groups and are supplied gas by a Pool Manager, which is a third-party natural gas marketer.

The Pool Manager is responsible for supplying and managing natural gas for its customer pool as well as acquiring firm upstream capacity from Peoples. While Pool Managers deliver a fixed daily quantity of gas supply and capacity, the amount of gas actually consumed by NCTS customers varies. As a result, Peoples varies (or swings) the level of gas and capacity delivered to the utility's system through operational purchases and sales in order to balance the system. The cost to swing gas adds costs to the Purchased Gas Adjustment (PGA) clause, paid for by Peoples' sales customers.

¹ Order No. PSC-00-1814-TRF-GU, issued October 4, 2000, in Docket No. 000810-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., Tampa Electric Company d/b/a Peoples Gas System.*

The Swing Service Charge is designed to recover the cost to swing gas for transportation customers and is credited to the PGA clause. The Swing Service Charge is a cents per therm charge applicable to NCTS customers, who purchase gas from third party marketers, and therefore do not pay the PGA charge. In 2015, we approved updated calculations for the Swing Service Charges to reflect Peoples' then-current cost of providing swing service.² In the instant petition, Peoples is proposing to update the methodology and calculations of the costs included in estimating system balancing costs, resulting in revised Swing Service Charges.

With respect to the ITS Rider, Peoples is proposing to increase the eligibility threshold from 182,500 to 500,000 annual therms and to add a requirement to receive a certain minimum daily pipeline capacity from Peoples (versus receiving capacity from a third party). Currently, ITS customers are not required to acquire pipeline capacity from Peoples.

Finally, Peoples proposed a change to the sharing mechanism contained in its OSS tariff, which was first approved in 1994. The OSS tariff allows Peoples interruptible sales of gas to commercial customers not connected to the utility's distribution system. Currently, the tariff provides that 25 percent of net revenues are retained by Peoples and 75 percent credited to the PGA. Peoples is proposing to change the sharing to 50/50.

We have jurisdiction over this matter pursuant to Sections 366.04, 366.041, 366.05, and 366.06, Florida Statutes (F.S.).

Decision

Peoples' proposed revisions to the tariffs associated with its Swing Service Rider, Individual Transportation Service Rider, and Off System Service be shall suspended to allow our staff sufficient time to review the petition and gather all pertinent information in order to present us with an informed recommendation on the tariff proposals.

Pursuant to Section 366.06(3), F.S., we may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change, a reason, or written statement of good cause for doing so within 60 days. We find that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Based on the foregoing, it is

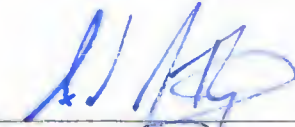
ORDERED by the Florida Public Service Commission that the proposed modifications to Peoples Gas System, Inc.'s proposed revisions to the tariffs associated with its Swing Service Rider, Individual Transportation Service Rider, and Off System Service be shall suspended to allow our staff sufficient time to review the petition and gather all pertinent information in order to present us with an informed recommendation on the tariff proposals. It is further

² Order No. PSC-15-0570-TRF-GU, issued December 17, 2015, in Docket No. 150220-GU, *In re: Petition for approval of tariff modifications related to the swing service charge, by Peoples Gas System.*

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ORDERED that this docket shall remain open pending our decision on the proposed tariff revision.

By ORDER of the Florida Public Service Commission this 24th day of March, 2025.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.