BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Petition for approval of tariff revisions to implement customer relationship management (CRM) project, by Peoples Gas System. | DOCKET NO. 150160-GU  ORDER NO. PSC-15-0415-TRF-GU  ISSUED: October 1, 2015 |

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman

LISA POLAK EDGAR

RONALD A. BRISÉ

JULIE I. BROWN

JIMMY PATRONIS

ORDER APPROVING TARIFF REVISIONS

BY THE COMMISSION:

Background

On June 25, 2015, Peoples Gas System (Peoples or the Company) filed a petition for approval of tariff revisions related to the implementation of Peoples’ and Tampa Electric Company’s (Tampa Electric) Customer Relationship Management (CRM) project. Peoples and Tampa Electric are both owned by TECO Energy. Peoples seeks approval of modifications to its budget pay plan and deposit tariff provisions as well as the addition of summary billing so as to align these provisions with those proposed by Tampa Electric in Docket No. 150159-EI. In addition, Peoples proposes a modification to its Rider Natural Choice Transportation Service (Rider NCTS).

Currently, Peoples and Tampa Electric are served by legacy mainframe customer billing and meter information systems. The CRM project will update and modernize these systems with new hardware and software. Peoples requested approval of its proposed tariff revisions to be effective on the transition date to the CRM system, expected to occur on or about July 5, 2016.

Peoples and Tampa Electric met with Commission staff and the Office of Public Counsel in noticed meetings on March 31 and June 1, 2015, to provide an overview of the CRM project. Commission staff issued one data request. The tariff pages, as approved, are contained in Attachment 1. The tariff pages, as approved herein, are in legislative format in order to display our approved changes in type-and-strike.

We have jurisdiction over this matter pursuant to Sections 366.03, 366.05, and 366.06, Florida Statutes.

Decision

Peoples proposed changes to its budget pay plan, deposits, and Rider NCTS. In addition, Peoples proposes to add a summary billing option. Each of the proposed changes, as approved herein, are discussed below.

Budget Pay Plan

Peoples’ Budget Pay Plan is an option for residential customers designed to help customers stabilize their monthly payments. Currently, the budgeted payment is recalculated on each anniversary of the customer’s participation in the plan. At that time, any credit deferred balances are refunded and 1/12 of any debit deferred balances are added to the monthly recalculated balance. From time to time during the year, Peoples reviews the monthly budgeted amount and compares it to a recalculated amount. If the recalculated amount varies by 25 percent or more from the budgeted amount, the Company may begin to charge the recalculated amount.

Peoples proposes to change the name of its Budget Pay Plan to Budget Billing Plan. The proposed Budget Billing Plan modifies the current plan by extending its availability to small commercial customers, changing the qualifying criteria, and changing the 25 percent variance allowance to 15 percent. Currently, in order to qualify, a customer must have no owed balance, allowing only a short window of opportunity between the payment of the current bill and receipt of a new bill. Under the proposed plan the customer must have no overdue amount and no pending disconnection for non-payment to qualify. The 25 percent variance amount is being reduced to 15 percent primarily because 25 percent, while not significant for residential gas bills, according to Peoples, can be significant for residential electric bills. Peoples and Tampa Electric agree that a 15 percent threshold would have little impact on Peoples’ customers and at the same time, it would mitigate potential volatility for Tampa Electric’s customers and allow both companies to have the same budget billing process.

Deposits

Currently, residential customers may provide a recent credit reference from another gas or electric utility reflecting a good credit rating for the prior 12 months in order to establish credit, allowing the deposit to be waived. According to Peoples, this method is an outdated and time consuming process that is losing favor with utilities. Peoples’ approved proposal would replace it with an optional credit verification through an external/independent credit monitoring service to determine if the security deposit may be waived. As with Tampa Electric, Peoples states that the proposed verification will not have an impact on a customer’s credit score.

Rider NCTS

Peoples’ current Rider NCTS allows firm service customers who use more than 2,000 therms per year to purchase natural gas through a third-party supplier or pool manager. Rider NCTS customers who would like to change to a different pool manager must make the request prior to the 21st day of the current month in order for service to commence on the first day of the following month. Consequently, customers often received pro-rated bills from two pool managers because the billing cycle may not always begin on the first of the month. Peoples’ proposal, as approved herein, changes the effective start date of a pool manager change to the customer’s next billing period; thus, the customer would receive only one pool manager’s bill in a billing cycle.

Summary Billing Plan

Peoples proposed new Summary Billing Plan is similar to Tampa Electric’s plan proposed in Docket No. 150159-EI. The plan would offer summary billing to customers who have ten or more accounts. Peoples would read each meter and calculate a bill for each account separately, with the amount totaled on a summary billing statement (with the individual bills attached as back-up). Customers would have the option to separate accounts into groups. If a customer fails to pay within ten days of mailing, the customer may be removed from the program; however, no delinquency actions will be taken unless the summary bill remains unpaid for more than 20 days.

Communications Plan

Peoples plans to carry out what it describes as a comprehensive communications plan so that customers and others affected by the proposed changes will be fully informed. The Company’s plan includes the use of various owned media (e.g., bill inserts, newsletters, websites, etc.) and external media (e.g., newspaper/online advertisements, social media, press releases, etc.) to communicate the CRM project changes and benefits to its customers. The communications will be tailored to each customer segment.

Effective Date

We find that Peoples’ proposed tariff revisions are reasonable and are hereby approved. Peoples expects the transition date of the CRM system to occur on or about July 5, 2016. Peoples shall notify this Commission in writing of the actual transition date no later than 30 days prior to that date. The proposed tariff revisions, as approved herein, shall be made effective as of the actual transition date.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Peoples Gas System’s petition for approval of tariff revisions to implement the customer relationship management (CRM) project is hereby approved. It is further

ORDERED that Peoples Gas System shall notify this Commission in writing of the actual transition date no later than 30 days prior to that date. It is further

ORDERED that the approved tariff revisions shall be made effective on the actual transition date. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, any revenues collected once the tariff becomes effective shall be held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 1st day of October, 2015.

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|  | /s/ Carlotta S. Stauffer |
|  | CARLOTTA S. STAUFFER  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.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 22, 2015.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.











