

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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FPSC - COMMISSION CLERK

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In the Matter of:

DOCKET NO. 20180117-GU

PETITION FOR APPROVAL OF
TARIFF MODIFICATIONS FOR
USE OF NATURAL GAS FOR GAS
HEAT PUMPS BY CUSTOMERS,
BY PEOPLES GAS SYSTEM.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 10

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER JULIE I. BROWN
COMMISSIONER DONALD J. POLMANN
COMMISSIONER GARY F. CLARK
COMMISSIONER ANDREW G. FAY

DATE: Tuesday, August 7, 2018

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: ANDREA KOMARIDIS
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
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TALLAHASSEE, FLORIDA
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1 P R O C E E D I N G S

2 CHAIRMAN GRAHAM: Item No. 10.

3 MS. GUFFNEY: Good morning, Commissioners.
4 Sevini Guffey with Commission staff.

5 Item 10 is a petition from Peoples Gas System
6 requesting approval of a new tariff and charges for
7 residential and commercial customers who use gas
8 heat pumps to -- for their cooling and heating
9 needs.

10 The gas heat-pump technology uses natural gas
11 to operate its compressor, and the customers with
12 gas heat pumps are expected to use substantially
13 more natural gas compared to traditional gas
14 customers. And the proposed per-therm distribution
15 charge is based on the cost to serve a gas heat-
16 pump customer.

17 There's been no customer comments or contacts
18 regarding this petition, and staff recommends the
19 approval of Peoples' petition. And staff is
20 available to answer questions.

21 CHAIRMAN GRAHAM: Thank you, staff.

22 Commissioners, any questions of staff?

23 Commissioner Clark.

24 COMMISSIONER CLARK: I just had one quick
25 question. Your -- on Page 3 of the

1 recommendations, you suggested that an eight-ton
2 gas heat-pump system would use 160 therms a month.
3 At the current rate, that would put a customer's
4 monthly heating cost at about eight bucks; is that
5 right?

6 MS. GUFFNEY: Yes. So, a regular gas customer
7 would use an average of about 20 therms per month,
8 but if they have a gas heat-pump system, their gas
9 usage is going to increase up to about 160 gas
10 therms a month.

11 So, they're proposing a blended rate, which
12 includes the regular natural-gas equipment that the
13 person would have, such as the stove or a gas water
14 heater, clothes dryer.

15 So, the per-therm rate is a combined, blended
16 rate.

17 COMMISSIONER CLARK: So, that -- that was my
18 question: Is it a combined rate or an add-on. So,
19 I would assume the heat pump is metered separately,
20 and the nine-cent rate is applied strictly to the
21 heat-pump usage at 160 therm- -- which is not \$8,
22 it's actually \$15, but -- my apologies.

23 MS. GUFFNEY: For commercial customers, it's
24 going to be separately metered, and for residential
25 customers, it's going to be a single meter; so,

1 therefore, they are proposing the lower rate and
2 using the single meter.

3 COMMISSIONER CLARK: So, it would -- the nine
4 cent is the blended rate.

5 MS. GUFFNEY: Correct.

6 COMMISSIONER CLARK: Okay. Okay. I
7 understand.

8 MS. GUFFNEY: For all the equipment plus the
9 gas heat-pump system.

10 COMMISSIONER CLARK: Okay. Thank you.

11 CHAIRMAN GRAHAM: Was that a motion?

12 COMMISSIONER CLARK: Move staff, Mr. Chairman.

13 COMMISSIONER BROWN: Second.

14 CHAIRMAN GRAHAM: It's been moved and second,
15 staff recommendation on Item No. 10.

16 MS. GUFFNEY: Thank you.

17 CHAIRMAN GRAHAM: Any further discussion?

18 Seeing none, all in favor, say aye.

19 (Chorus of ayes.)

20 CHAIRMAN GRAHAM: Any opposed?

21 By your action, you have approved the staff
22 rec on Item No. 10.

23 MS. GUFFNEY: Thank you.

24 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, ANDREA KOMARIDIS, Court Reporter, do hereby
certify that the foregoing proceeding was heard at the
time and place herein stated.

IT IS FURTHER CERTIFIED that I
stenographically reported the said proceedings; that the
same has been transcribed under my direct supervision;
and that this transcript constitutes a true
transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative,
employee, attorney or counsel of any of the parties, nor
am I a relative or employee of any of the parties'
attorney or counsel connected with the action, nor am I
financially interested in the action.

DATED THIS 15th day of August, 2018.



ANDREA KOMARIDIS
NOTARY PUBLIC
COMMISSION #GG060963
EXPIRES February 9, 2021