

DOCKET NO. 20230125-GU FILED 11/3/2023 DOCUMENT NO. 05945-2023 FPSC - COMMISSION CLERK

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November 3, 2023

#### **BY E-PORTAL**

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

#### [New Filing]-Joint Petition of Florida Public Utilities Company and Peoples Gas System, Inc. Requesting Approval of Amendment to Territorial Agreement

Dear Mr. Teitzman:

Attached for electronic filing, please find the Joint Petition of Florida Public Utilities Company and Peoples Gas System, Inc. Requesting Approval of Amendment to Territorial Agreement for Pasco County.

As always, thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 (850) 521-1706

#### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Joint petition for approval of amendment to territorial agreement in Pasco County by Florida Public Utilities Company and Peoples Gas System, Inc.

### JOINT PETITION REQUESTING APPROVAL OF AMENDMENT TO TERRITORIAL AGREEMENT

Florida Public Utilities Company ("FPUC") and the Peoples Gas System, Inc. ("Peoples") (collectively, "Petitioners"), by and through their respective counsel, hereby submit this Joint Petition to the Florida Public Service Commission ("Commission"), pursuant to Section 366.04(3)(a), Florida Statutes, and Rule 25-7.0471, Florida Administrative Code, seeking approval of an amendment ("Amendment No. 1") to a territorial agreement between the Petitioners covering Pasco County ("Pasco County Territorial Amendment" or "2007 Agreement"). The referenced Amendment No. 1 is attached hereto as Attachment A and incorporated herein by reference. In support of this request, Petitioners state as follows:

1. The names and mailing addresses of the joint petitioners are:

Florida Public Utilities Company	Peoples Gas System, Inc.
208 Wildlight Ave.	P. O. Box 2562
Yulee, FL 32097	Tampa, Florida 33601-2562

2. The names and mailing addresses of the persons authorized to receive notices and communications with respect to this joint petition are:

As to FPUC:

Beth Keating, Esq. Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301-1839 (850) 521-1706 bkeating@gunster.com Michelle D. Napier Director, Reg. Affairs Distribution Florida Public Utilities Company 1635 Meathe Drive West Palm Beach, FL 33411 mnapier@fpuc.com

#### As to Peoples:

Jeff Wahlen jwahlen@ausley.com Malcolm Means mmeans@ausley.com Virginia Ponder vponder@ausley.com Ausley McMullen 123 S. Calhoun St. Tallahassee, FL 32301-1517 Paula K. Brown regdept@tecoenergy.com Manager, Regulatory Coordination Peoples Gas System Post Office Box 111 Tampa, Florida 33601-0111

Karen Bramley Director, Regulatory Affairs Peoples Gas System P. O. Box 2562 Tampa, Florida 33601-2562

#### BACKGROUND

3. FPUC and Peoples each own and operate natural gas distribution facilities in Florida. Both are public utilities, as defined in Section 366.02(1), Florida Statutes, and therefore, are subject to the Commission's regulatory jurisdiction under Chapter 366, Florida Statutes. Likewise, both meet the definition of a "natural gas utility" as defined in Section 366.04(3)(c), Florida Statutes. The Commission is therefore vested with jurisdiction to resolve territorial disputes and to approve territorial agreements involving both companies in accordance with Section 366.04(3), Florida Statutes. The Petitioners are unaware of any material facts in dispute in this regard. This is a Petition representing an initial request to the Commission, which is the affected agency located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399.

4. By Order No. PSC-2007-0944-PAA-GU<sup>1</sup>, issued November 28, 2007, in Docket No. 20070399-GU, the Commission approved a Master Territorial Agreement between the Florida Division of Chesapeake Utilities Corporation<sup>2</sup> ("CFG") and Peoples ("Master Agreement"), as well as an Amended and Restated Territorial Agreement covering Pasco County ("Pasco County Territorial Agreement") and certain transportation service agreements. The Petitioners entered into the 2007 Agreement due, in part, to the fact that, at the time, CFG's extension policy enabled it to extend service to new customers in Pasco County more economically than under Peoples' extension policy. Pursuant to that approved agreement, CFG was assigned two distinct service areas, Service Area A and Service Area B in Pasco County.

5. Recently, FPUC was asked to provide service to a new commercial development within its assigned Service Area B. FPUC determined, however, that it is unable to extend service to serve the development economically. Peoples has facilities nearby on County Road 577 (Curley Road) and, as a result, is willing and able to serve the commercial development economically. Pursuant to Paragraphs 3.D. and 3.E. of the Master Agreement, the Petitioners have therefore entered into Amendment No. 1, which transfers the pertinent area, referred to as Service Area "B," from FPUC to Peoples. This transfer will ensure that as many customers as possible in Pasco County can receive natural gas service in an efficient and expeditious manner. FPUC has no existing customers in Service Area B; therefore, the amendment does not provide for a transfer of customers. The Petitioners accordingly ask that the Commission approve this

<sup>1</sup> This Order reflected a reissuance of the initial approval order, which was necessary to correct certain scrivener's errors.

<sup>2</sup> By Order No. PSC-2023-0103-FOF-GU, issued March 15, 2023, in Docket No. 20220067-GU, the Florida Division of Chesapeake Utilities Corporation, as well as FPUC's Indiantown Division and Fort Meade Division, were consolidated with Florida Public Utilities Corporation, under the name of Florida Public Utilities Company. FPUC has assumed the rights and responsibilities under all pertinent agreements entered into by its predecessor, the Florida Division of Chesapeake Utilities Corporation, also known as CFG.

Amendment No. 1 as it is consistent with the standards for approval in Rule 25-7.0471(2), Florida Administrative Code, and is in the public interest.

6. Amendment No. 1 to the Pasco County Territorial Agreement will enable as many residential and business customers in Pasco County as possible to receive economical and reliable natural gas service and will not necessitate the transfer of any existing customers or facilities between the Petitioners. Absent the subject amendment, certain customers in Pasco County would be unable to obtain natural gas service; thus, the approval of Amendment No. 1 would be in the public interest. A map depicting the boundary defining the Petitioners' respective territories in Pasco County is attached as Exhibit A to the attached Amendment No. 1.

#### **Requested Relief**

7. In light of the foregoing, Peoples and FPUC seek Commission approval of Amendment No. 1 to the Pasco County Territorial Agreement, which stipulates that approval by the Commission is a condition precedent to the amendment's effectiveness. Prior to the second anniversary of the Commission's approval of the Agreement, and no more frequently than every five years thereafter, Peoples and FPUC will confer regarding the status of the agreement.

8. Peoples and FPUC represent that approval and implementation of Amendment No. 1 to the Pasco County Territorial Agreement will not cause a decrease in the availability or reliability of natural gas service provided by either entity, or to the existing or future ratepayers of either entity, and that the Commission's approval of the amendment will be consistent with the standards set forth in Section 366.04, Florida Statutes, and Rule 25-7.0471, Florida Administrative Code.

9. The Petitioners further attest that Amendment No. 1 to the Pasco County

Territorial Agreement is in the public interest, will not adversely impact any customers, and will, in fact, facilitate expansion to serve new customers in the County in an efficient manner.

WHEREFORE, the Florida Public Utilities Company and Peoples Gas System, Inc. respectfully request that the Commission enter its order approving Amendment No. 1 to the Pasco County Territorial Agreement.

Respectfully submitted this 3rd day of November, 2023,

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Jeff Wahlen, Esq. Malcolm Means, Esq. Virginia Ponder, Esq. Ausley McMullen 123 S. Calhoun St. Tallahassee, FL 32301-1517 *Attorneys for Peoples Gas Systems, Inc.* 

Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 South Monroe Street, Suite 601
Tallahassee, Florida 32301-1839
(850) 521-1706
Attorneys for Florida Public Utilities Company

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served upon the following by Electronic Mail this 3rd day of November, 2023:

Walt Trierweiler Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Trierweiler.walt@leg.state.fl.us	

By: Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 (850) 521-1706

# ATTACHMENT A

#### <u>AMENDMENT NO. 1</u> <u>TO</u> <u>AMENDED AND RESTATED TERRITORIAL AGREEMENT – PASCO COUNTY</u>

THIS FIRST AMENDMENT TO THE AMENDED AND RESTATED TERRITORIAL AGREEMENT-PASCO COUNTY (this "Amendment No. 1") is made and entered into this \_\_\_\_\_ day of October, 2023, by and between Florida Public Utilities Company, a corporation of the State of Florida, hereinafter referred to as ("FPUC,") and Peoples Gas System, Inc. ("PGS"), a corporation of the State of Florida, each being an investor-owned natural gas local distribution utility as defined in Section 366.02(1), Florida Statutes. FPUC and PGS are hereinafter sometimes referred to singularly as a "party" and collectively as the "parties."

#### WITNESSETH:

WHEREAS, FPUC and PGS are natural gas utilities subject to the regulatory jurisdiction of the Florida Public Service Commission ("Commission") under Chapter 366, *Florida Statutes*; and

WHEREAS, as pertinent to this Amendment No. 1, PGS and the Florida Division of Chesapeake Utilities Corporation ("CFG"), FPUC's predecessor in interest, entered into the Amended and Restated Territorial Agreement-Pasco County in July 2007 ("Original Agreement"); and

WHEREAS, CFG and PGS submitted the Original Agreement to the Florida Public Service Commission for approval on July 6, 2007, consistent with Section 4(a) of the Master Territorial Agreement between the parties; and

WHEREAS, the Florida Public Service Commission approved the Original Agreement by Order No. PSC-07-0944-PAA-GU, issued November 28, 2007, in Docket No. 20070399-GU, and associated Consummating Order No. PSC-2007-1028-CO-GU; and

WHEREAS, the parties have conducted themselves in accordance with the Original Agreement since its approval by the Commission; and

WHEREAS, by Order No. PSC-2023-0103-FOF-GU, issued March 15, 2023, in Docket No. 20220067-GU, CFG, along with the other natural gas utility holdings of Chesapeake Utilities Corporation in Florida, were consolidated into one regulated natural gas utility business unit under the name of Florida Public Utilities Company; and

WHEREAS, FPUC, as the legal successor and assign of CFG, has assumed and is bound by the terms of the Original Agreement, consistent with the terms of the Master Agreement between the parties; and

WHEREAS, FPUC is unable to economically meet a request for service from a new customer located in an area assigned to it under the Original Agreement; and

AMENDMENT NO. 1 TO TERRITORIAL AGREEMENT - PASCO COUNTY

WHEREAS, PGS is willing and able to economically serve the customer in question; and

WHEREAS, FPUC and PGS desire that this Amendment No. 1 supersede and replace the portions of the Original Agreement as specified herein; and

WHEREAS, in order to enable as many persons and businesses as possible within Pasco County to receive economical and reliable natural gas service, PGS and FPUC have entered into this Amendment No. 1 to more rapidly and economically expand the availability of natural gas service to potential customers in Pasco County; and

WHEREAS, the Commission is empowered by the legislature of the State of Florida, pursuant to Section 366.04(3)(a), *Florida Statutes*, to approve and supervise territorial agreements between and among natural gas utilities;

NOW, THEREFORE, in fulfillment of the purposes aforesaid, and in consideration of the mutual covenants and agreements herein contained, which shall be construed as being interdependent, the parties, subject to and upon the terms and conditions herein set forth, agree as follows:

- 1. For purposes of clarity, all references to Chesapeake in the Original Agreement shall be deemed to include and incorporate like reference to FPUC.
- 2. Paragraph 3 of the Original Agreement shall be deleted and replaced with the following paragraph:

As between the Parties, Chesapeake's service area in Pasco County, Florida (the "Chesapeake Service Area") shall be as set forth on Exhibit A, which is incorporated herein by reference and made a part hereof. The Chesapeake Service Area is also depicted on the territory map attached hereto and made a part hereof as Exhibit C as those areas shaded and designated respectively as "Chesapeake Service Area A", which area is more fully described in the legal description set forth in Exhibit A.

- 3. Exhibit A to the Original Agreement shall be revised to delete the section entitled "Legal description of Chesapeake Service Area 'B"".
- 4. Exhibit C to the Original Agreement shall be deleted and replaced with the map attached hereto as Amendment Exhibit A.
- 5. Except as modified by this Amendment No. 1, the Original Agreement shall remain unchanged and continue in full force and effect. This Amendment No. 1 shall have no effect on the boundaries of the respective service areas of the parties hereto as the same may now or hereafter exist except as specifically provided herein.
- IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to the

Amended and Restated Territorial Agreement to be executed by their duly authorized officers as of the date and year first above stated.

PEOPLES GAS SYSTEMANC. By:

Attes

Matthew Elliott Print Name 10/31/2023 AMENDMENT NO. 1 TO TERRITORIAL AGREEMENT - PASCO COUNTY

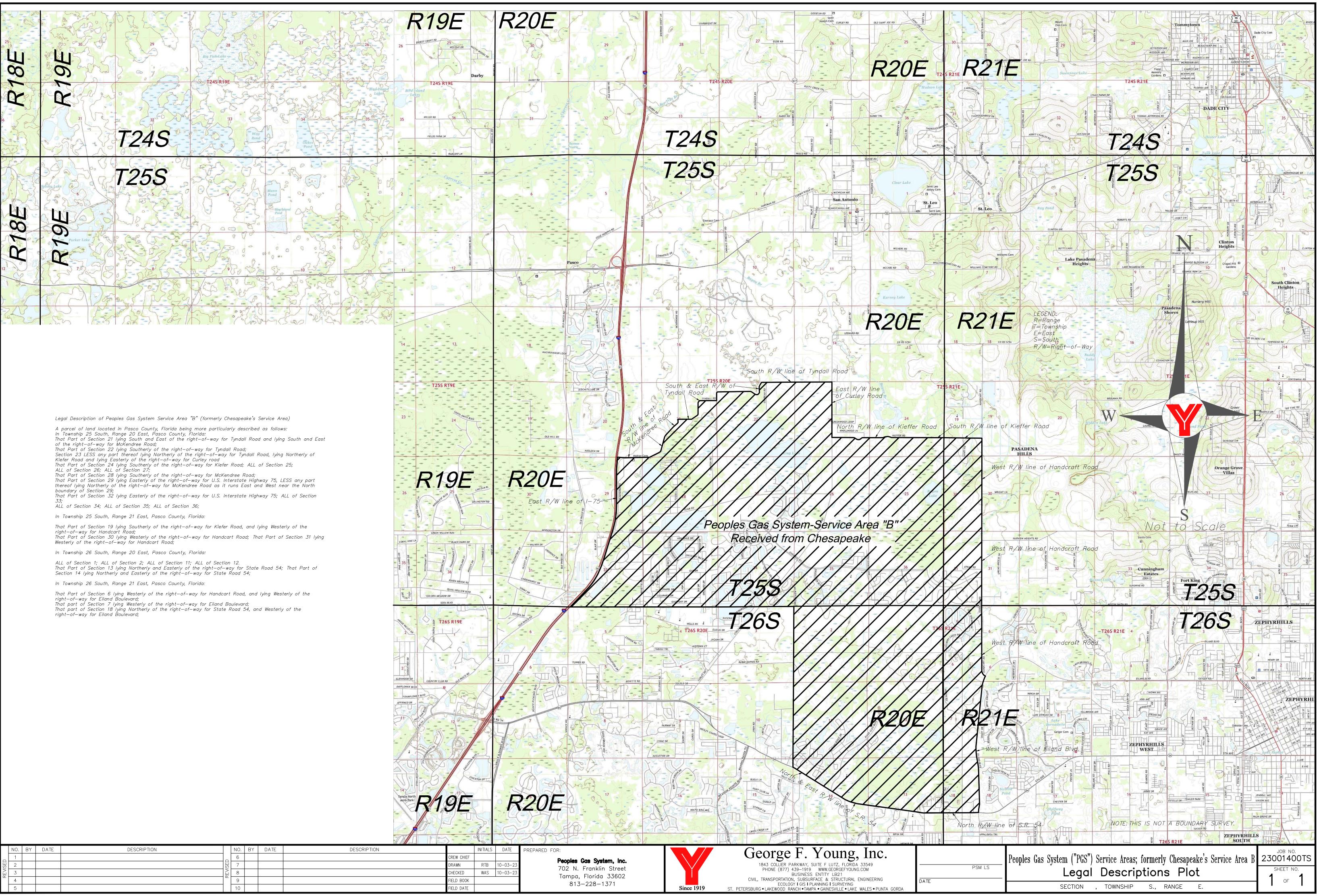
FLORIDA PUBLIC UTILITIES COMPANY By:

Attest:

Chit At Christine Minton Print Name

# AMENDMENT EXHIBIT A

Chesapeake (FPUC) and Peoples Gas System, Inc. Pasco County, Florida Service Area Map



		(a. 1110) -									
		NO.	ΒY	DATE	DESCRIPTION	REVISED	NO.	ΒY	DATE	DESCRIPTION	
		1					6				
		2					7				
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