

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Joint Petition for approval of	:	DOCKET NO.
amendment to territorial agreement	:	
in Pasco County, by Peoples Gas	:	Submitted for Filing:
System and the City of Clearwater,	:	1-__-16
d/b/a Clearwater Gas System.	:	
_____	:	

JOINT PETITION

Petitioners, Peoples Gas System (“Peoples”) and the City of Clearwater, d/b/a Clearwater Gas System (“Clearwater Gas”), by their respective undersigned attorneys and pursuant to Section 366.04(3)(a), *Florida Statutes*, and Rule 25-7.0471, *Florida Administrative Code*, jointly file this petition for an order approving an amendment to the territorial agreement between Peoples and Clearwater Gas, said amendment being attached hereto as Exhibit 1, and in support thereof state as follows:

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

Peoples Gas System	Clearwater Gas System
P. O. Box 111	400 North Myrtle Avenue
Tampa, Florida 33601-0111	Clearwater, Florida 33755

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

Ansley Watson, Jr.	Ms. Paula K. Brown
Andrew M. Brown	Regulatory Affairs
Macfarlane Ferguson & McMullen	Peoples Gas System
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BACKGROUND

3. In 1994, in Docket No. 940660-GU, PGS initiated a territorial dispute against Clearwater Gas because of the plans of both parties to expand their natural gas distribution facilities in Pasco County. The parties ultimately resolved that territorial dispute through a comprehensive territorial agreement defining the service areas of the parties within Pasco County (the “1995 Agreement”).

4. The Commission approved the 1995 Agreement in Order No. PSC - 95-0620-AS-GU, entered May 22, 1995, finding that “the territorial agreement is in the public interest, and its adoption will further our longstanding policy of avoiding unnecessary and uneconomic duplication of facilities.” The 1995 Agreement is appended to the referenced order as Attachment A (pages 9 through 23 of the order).

5. Since the approval of the 1995 Agreement the parties have provided natural gas service within their respective territories pursuant to the terms of the agreement and there has, in fact, been no unnecessary and uneconomic duplication of facilities.

6. During 2004, natural gas service was requested to areas allocated by the 1995 Agreement to Peoples, but located adjacent to territory allocated by the agreement to Clearwater Gas. Because of the way in which the facilities of the two parties had

developed, it was more economical for Clearwater Gas to provide service to these proposed developments, and the parties sought the Commission's approval of an amendment to the 1995 Agreement to permit such service by Clearwater Gas. The amendment was approved by the Commission's Order No. PSC-05-0163-PAA issued on February 10, 2005, in Docket No. 041385-GU, which order thereafter became final and effective. The amendment is appended to the referenced order as Attachment A (pages 4 through 9 of the order).

7. Thereafter, natural gas service was requested by another proposed development lying between the two developments that prompted the amendment to the 1995 Agreement approved in Docket No. 041385-GU. Particularly in view of that amendment, it was again more economical for Clearwater Gas to provide service to this proposed development. The parties entered into the Second Amendment to the 1995 Agreement, which was approved by the Commission's Order No. PSC-06-0052-PAA-GU, issued January 20, 2006, in Docket No. 050877-GU. The amendment is appended to the referenced order as Attachment A (pages 5 through 11 of the order).

8. In September 2014, Clearwater Gas entered into a Developer Agreement for Natural Gas Distribution Service with SR 54 Land Associates, LLC, pursuant to which Clearwater Gas agreed to install natural gas distribution facilities for the purpose of providing natural gas service to a mixed use development in Pasco County to be known as Asturia, a portion of which development lies within an area currently reserved to Peoples under the 1995 Agreement, thereby creating a potential territorial dispute between the parties.

9. Peoples and Clearwater Gas have entered into an amendment (the "Third Amendment," a copy being attached to this Joint Petition as Exhibit 1) to the 1995 Agreement (as previously amended and approved) to permit Clearwater Gas to provide service within the Asturia development, and thereby resolve the potential territorial dispute.

Peoples will extend its facilities and install a new interconnect (delivery point) at the SR 54 territorial boundary, and provide wholesale delivery of natural gas to Clearwater Gas to enable it to provide retail gas service to customers in the Asturia development.

RELIEF REQUESTED

10. Petitioners seek the Commission's approval of the Third Amendment to the 1995 Agreement in accordance with Section 366.04(3)(a), *Florida Statutes*, and Rule 25-7.0471, *Florida Administrative Code*.

11. The Commission's approval of the Third Amendment is a condition precedent to its effectiveness.

12. Each of Peoples and Clearwater Gas represents that approval and implementation of the Third Amendment to the 1995 Agreement will not cause a decrease in the availability or reliability of natural gas service to existing or future ratepayers of either Peoples or Clearwater Gas.

13. Petitioners submit that the Commission's approval of the Third Amendment will permit the parties to continue to avoid the future uneconomic duplication of facilities, will permit the party best suited to provide service to the development which has recently requested service to provide such service, and is therefore in the public interest.

WHEREFORE, Clearwater Gas and Peoples respectfully request that the

Commission enter its order approving and adopting the Third Amendment to the 1995 Agreement.

DATED this ____ day of January, 2016.

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