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November 13, 2000

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D. BRUCE MAY, JR. 850-425-5607

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VIA HAND DELIVERY

Blanca S. Bayo Director, Division of Records & Reporting Florida Public Service Commission Capital Circle Office Center 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Request for a rate increase by St. Joe Natural Gas Company, Inc., Docket No. 001447-GU

Dear Ms. Bayo:

Enclosed for filing are the original and fifteen (15) copies of St. Joe Natural Gas Company, Inc.'s Expedited Request for Partial Waiver of MFRs. A diskette containing the pleading in Wordperfect format accompanies this filing.

For our records, please acknowledge your receipt of the filing on the enclosed copy of this letter. Thank you for your consideration.

Sincerely,

HOLLAND & KNIGHT LLP

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Blanca Bayo November 13, 2000 Page 2

cc: The Honorable Leon Jacobs, Commissioner The Honorable Lila Jaber, Commissioner The Honorable Braulio Baez, Commissioner William Talbot, Executive Director Blanca S. Bayo, Director, Division of Records and Reporting Deborah Hart, Commission Staff Lee Romig, Commission Staff John Slemkewicz, Commission Staff Harold McLean, Office of Public Counsel Stuart Shoaf, SJNG President Jeff Householder, SJNG Consultant

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November 13, 2000

Florida Public Service Comp30-425-5607 Chairman Deason

> Internet Address: dbmay@hklaw.com

VIA HAND DELIVERY

The Honorable J. Terry Deason, Chairman Florida Public Service Commission 2540 Shumard Oak Boulevard Gerald L. Gunter Building, Suite 3335 Tallahassee, Florida 32399-0850

> Re: Request for a rate increase by St. Joe Natural Gas Company, Inc., Docket No. 001447-GU

Dear Chairman Deason:

By letter dated September 15, 2000, St. Joe Natural Gas Company, Inc. ("SJNG") notified the Florida Public Service Commission (the "Commission") that it intended to file a petition for a general rate increase on November 15, 2000. In accordance with Rule 25-7.140(3), Florida Administrative Code, this letter is to notify the Commission that SJNG cannot meet the November 15, 2000 filing date.

In the course of preparing its Minimum Filing Requirements ("MFRs") and pre-filed direct testimony, SJNG has encountered difficulty in completing its MFRs because certain schedules in the MFRs require SJNG to refer back to its last rate case. SJNG has only had one rate case, which was when the company's rates were first established in 1967. Today, SJNG is filing an Expedited Request for Partial Waiver of MFRs requesting that SJNG be allowed to use Order No. PSC-97-1014-FOF-GU, the Commission's 1997 order addressing SJNG's rate restructuring request, instead of the 1967 rate case, in completing the MFR schedules that require reference to a company's last rate case. Assuming that SJNG's Expedited Request for Partial Waiver of MFRs is

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Chairman J. Terry Deason November 13, 2000 Page 2

addressed on an expedited basis, and taking into consideration the intervening Thanksgiving holiday, SJNG anticipates that it may need up to an additional month to complete its rate petition, MFRs and pre-filed direct testimony. Accordingly, SJNG now intends to file its petition for general rate increase on or before December 15, 2000.

Thank you for your cooperation in this matter.

Very truly yours,

HOLLAND & KNIGHT LLP

Bruce May

DBM/kdw

cc: The Honorable Leon Jacobs, Commissioner The Honorable Lila Jaber, Commissioner The Honorable Braulio Baez, Commissioner William Talbot, Executive Director Blanca S. Bayo, Director, Division of Records and Reporting Deborah Hart, Commission Staff Lee Romig, Commission Staff John Slemkewicz, Commission Staff Harold McLean, Office of Public Counsel Stuart Shoaf, SJNG President Jeff Householder, SJNG Consultant

TAL1 #226493 v1

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Request for a rate increase by St. Joe Natural Gas Company, Inc. CRIGIN ERVICE COMMISSION Docket No. 001447-GU Filed: November 13, 2000

EXPEDITED REQUEST FOR PARTIAL WAIVER OF MFRs

St. Joe Natural Gas Company, Inc. ("SJNG" or the "Company"), by and through undersigned counsel, pursuant to Section 120.542, Florida Statutes, and Rule 25-7.039, Florida Administrative Code, hereby requests that the Florida Public Service Commission (the "Commission"), on an expedited basis, waive the portions of the Commission's Minimum Filing Requirements ("MFRs") that require reference to the Company's last rate case. In support of this request, SJNG states:

 On September 15, 2000, SJNG notified the Commission, pursuant to Rule 25-7.140, Florida Administrative Code, that it had selected the 12-month period ending December 31, 2001 as the projected test year for this rate proceeding. By letter dated September 26, 2000, Commission Chairman J. Terry Deason acknowledged the test year notification and the opening of this docket – Docket No. 00-1447-GU, for SJNG's general rate increase proceeding.

2. SJNG is currently in the process of preparing its MFRs for filing with the Commission in accordance with Rule 25-7.039. SJNG initially notified the Commission that its filing date would be November 15, 2000. However, contemporaneously with filing this Expedited Request for Partial Waiver of MFRs, SJNG has filed a letter notifying the Commission, pursuant to Rule 25-7.140(3),

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that it cannot meet the November 15, 2000 filing date, and that its revised filing date will be December 15, 2000.

3. Subsection (3) of Rule 25-7.039 states that: "The Commission may grant a waiver with respect to specific data required by this rule upon a showing that production of the data would be impractical or impose an excessive burden upon the company." Fla. Admin. Code R. 25-7.039(3).

4. Absent a waiver, the following MFR schedules require SJNG to refer back to its last rate case:

> Schedule C-2 Schedule C-13 Schedule C-16 Schedule C-34 Schedule C-36 Schedule C-37 Schedule C-38 Schedule D-1 Schedule D-8

SJNG, however, has only had one rate case --- in 1967 when the Commission first set SJNG's rates prior to the Company beginning its regulated natural gas utility operations.

5. To require SJNG to refer back to its 1967 rate case for purposes of completing its MFRs would be impractical and unduly burdensome.

6. Rule 25-7.039, which incorporates the MFRs by reference, implements Sections 366.06(3) and 366.071, Florida Statutes. The purpose of the MFRs, as reflected in these statutory provisions, is to require a utility to provide the Commission with sufficient information needed to process a rate request. The

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specific purpose of requiring a utility to refer back to its last rate case in its MFRs is to provide a fixed point in time from which the Commission can evaluate trends, make comparisons and determine what adjustments have been made.

7. SJNG requests that the Commission, on an expedited basis, waive Schedules C-2, C-13, C-16, C-34, C-36, C-37, C-38, D-1 and D-8 of the MFRs for purposes of this rate case proceeding to the extent that such schedules would require SJNG to refer back to its sole rate case in 1967. Instead, SJNG proposes that it use the Commission's last rate order as its last rate case for the purpose of completing those MFR schedules. The Commission's last order addressing SJNG's rates – Order No. PSC-97-0526-FOF-GU -- was issued on May 7, 1997 in connection with SJNG's petition for rate restructuring, and was clarified by the Commission on August 25, 1997. <u>See In re: Petition for limited proceeding to restructure rates by St. Joe Natural Gas Company, Inc.</u>, 97 F.P.S.C. 8:543, Docket No. 970115-GU, Order No. PSC-97-1014-FOF-GU (Aug. 25, 1997); <u>In Re: Petition for limited</u> <u>proceeding to restructure rates by St. Joe Natural Gas Company, Inc.</u>, 97 F.P.S.C. 5:115, Docket No. 970115-GU, Order No. PSC-97-0526-FOF-GU (May 7, 1997).

8. SJNG's alternative proposal for completing its MFRs will satisfy the underlying purpose of Rule 25-7.039 and the statutes it implements. Using data developed 33 years ago in SJNG's 1967 rate case will produce meaningless information in the MFRs. Using data from the 1997 rate restructuring, however, will allow the Commission to adequately examine trends, make comparisons and evaluate adjustments.

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9. For the reasons described above, a strict application of the MFRs would lead to an unreasonable, impractical and unduly burdensome result. Moreover, a strict application of the MFRs would create a substantial hardship on SJNG because it will be extremely difficult, if not impossible, for the Company to obtain information relating back to 1967.

10. SJNG respectfully requests that the Commission grant the requested waiver on an expedited basis. As noted above, SJNG's initial filing date was November 15, 2000, but the Company has now notified the Commission that its revised filing date will be December 15, 2000. The Company, however, cannot complete its MFRs and related direct pre-filed testimony until the Commission addresses the requested waiver. Accordingly, expedited treatment of this request for partial waiver of the MFRs is warranted.

WHEREFORE, SJNG respectfully requests that the Commission:

- (a) address this Request for Partial Waiver of MFRs on an expedited basis;
- (b) waive the portions of Schedules C-2, C-13, C-16, C-34, C-36, C-37, C-38, D-1 and D-8 in the MFRs to the extent that such schedules would require SJNG to refer back to its 1967 rate case;
- (c) allow SJNG to use the Commission's last rate order, Order No.
 PSC-97-0526-FOF-GU, instead of the 1967 rate case, in preparing its MFRs; and

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(d) grant such other relief as the Commission deems appropriate.

Respectfully submitted this 13th day of November, 2000.

D. Bruce May Florida Bar No. 354473 Karen D. Walker Florida Bar No. 982921 HOLLAND & KNIGHT LLP P.O. Drawer 810 Tallahassee, Florida 32302 (850) 224-7000

Attorneys for St. Joe Natural Gas Company, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Request for Partial Waiver of MFRs was furnished by hand delivery to Deborah Hart, Lee Romig, and John Slemkewicz, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850; and Harold McLean, Office of Public Counsel, 111 W. Madison Street, #812, Tallahassee, Florida 32399-1400 all on this 13th day of November, 2000.

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