

Eric Fryson

From: Keating, Beth [BKeating@gunster.com]
Sent: Friday, May 11, 2012 11:58 AM
To: Filings@psc.state.fl.us
Cc: Martha Brown; Connie Kummer; 'Brian Sulmonetti'
Subject: Docket No. 120126-GU
Attachments: 20120511115257042.pdf

Attached for electronic filing, please find the Florida City Gas Company's Responses to Staff's First Data Requests in the referenced docket. Please don't hesitate to contact me if you have any questions.

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Suite 601
Tallahassee, FL 32301
bkeating@gunster.com
Direct Line: (850) 521-1706

a. Person responsible for this electronic filing:

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Suite 601
Tallahassee, FL 32301
bkeating@gunster.com
Direct Line: (850) 521-1706

b. **Docket No. 120126-GU - Petition for approval of a residential standby generator rate schedule, by Florida City Gas.**

c. On behalf of: Florida City Gas

d. There are a total of pages: 4

e. Description: Responses to Staff's First Data Request



GUNSTER
FLORIDA'S LAW FIRM FOR BUSINESS

Beth Keating | Attorney
Governmental Affairs
215 S. Monroe Street, Suite 601
Tallahassee, FL 32301
P 850-521-1706 C 850-591-9228
gunster.com | [View my bio](#)

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FPSC-COMMISSION CLERK

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Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

May 11, 2012

VIA ELECTRONIC FILING - FILINGS@PSC.STATE.FL.US

Ms. Ann Cole, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

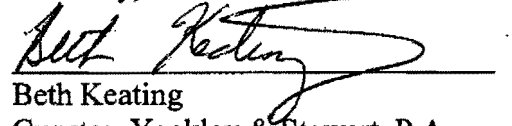
Re: Docket No. 120126-GU - Petition for approval of a residential standby generator rate schedule, by Florida City Gas.

Dear Ms. Cole:

Attached for filing, please find an electronic copy of Florida City Gas's Responses to Staff's First Data Requests in the above-referenced docket.

Should you have any questions whatsoever, please do not hesitate to contact me. Thank you for your assistance in this matter.

Sincerely,



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

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Docket No. 120126-GU - Petition for approval of a residential standby generator rate schedule, by Florida City Gas.

FLORIDA CITY GAS'S RESPONSES TO STAFF'S FIRST DATA REQUEST

Below, please find Florida City Gas Company's responses to PSC Staff's First Data Requests, issued on April 27, 2012.

1. Please explain why FCG used the GS-100, as opposed to the GS-1, rate schedule to base the proposed RSG customer charge on.

Response:

FCG calculated that the monthly average use per customer for Residential customers in Rate Classes GS-1 to GS-600 was approximately 14.4 therms. This average monthly usage would result in approximately 173 therms per year. As a result, FCG proposes the GS-100 Customer Charge and Energy Charge for the development of the Residential Generator Only Rate, because it meets the average usage we normally anticipate with a customer and we wanted to ensure that our structure of fixed therms meets the testing parameters of a generator.

2. Please explain why FCG used the GS-220 rate, as opposed to another GS rate schedule, to base the proposed CSG customer charge on.

Response:

FCG calculated that the monthly average use per customer for Commercial customers in Rate Classes GS-1 to GS-600 was approximately 51.3 therms. This average monthly usage would result in approximately 616 therms per year. As a result, FCG proposes the GS-220 Customer Charge and Energy Charge for the development of the Commercial Generator Only Rate, because it meets the average usage we normally anticipate with a customer and we wanted to ensure that our structure of fixed therms meets the testing parameters of a generator.

3. How many current residential generator-only customers does FCG serve and what is the average therm consumption of those customers?

Response:

105 with an average annual consumption of 14.4 therms (as of March 2012)

4. How many current commercial generator-only customers does FCG serve and what is the average therm consumption of those customers?

Response:

36 with an average annual consumption of 68 therms (as of March 2012)

5. Does FCG charge new generator-only customers a CIAC to connect the customer to FCG's distribution system?

Response:

Yes, FCG charges new generator-only customers a CIAC to connect the customer to FCG's distribution system since generators are considered stand by equipment, consistent with Section 11 of FCG's Florida tariff.

6. Please provide a table showing the calculation for the CSG customer charge similar to the table provided in paragraph 14.

	Commercial Customer A	Commercial Customer B
Appliances	Water Heater, Range, Generator	Generator Only
Monthly Usage	26.25 Therms (usage assumes no power outage)	0 Therms (usage assumes no power outage)
Customer Bill	Customer Charge: \$11.00 Distribution: $26.25 \times \$0.49531 = 12.88$ \$24.00	Customer Charge: \$24.00 Distribution: $0 \times \$0.49531 = 0.00$ \$24.00

Note: FCG rounded the number of therms when determining the final tariff figure and ease of use.

7. The annual base rate revenue of \$288 for GS-220 customers stated in paragraph 13 appears low. Is that a correct number? (642 annual therms for GS-220 customers equates to 53.5 monthly therms, resulting in a monthly \$37.5 monthly bill or \$450 annual revenues)

Response:

The annual base rate of \$288 for GS-220 customers is based on the cost of service study approved in FCG's last rate case (FPSC Docket #030569-GU / See Order # PSC-04-0128-PAA-GU-Pg. 104). This is based on an annual usage of 316 therms which results in an average monthly usage of the 26.3 therms FCG is using to develop the Commercial Generator Only Rate.

8. Please clarify FCG's proposed treatment with respect to current generator-only customers. Paragraph 18 says during the annual review of customer usage, certain existing customers may be transferred to the proposed rates.

a. How would FCG determine which existing customers were generator-only customers and thus subject to transfer to the proposed rates?

Response:

The rate is for new customers; however, our tariff for each of FCG's regular GS services requires FCG to do an annual review and make any appropriate change (based on usage) in service on a prospective basis. Therefore, each September, FCG would review its customer base and make the appropriate changes, which could include moving a customer to this new generator-only service, if appropriate.

b. Under what circumstances could a generator-only customer remain on an otherwise applicable rate?

Response:

There should be no instance were a customer remains after the first review period in September, however some customers may be missed due to unforeseen reasons.

c. Please explain why it would not be considered discriminatory that some existing generator-only customers could be transferred to the new rates, while others could remain on their current rate.

Response:

FCG plans on converting all current customers during our next tariff review; however we wanted some flexibility if we missed some customers. FCG is willing to work with Staff to determine the appropriate methodology to converting current customers.

d. What would be the impact on the bills for the customers that may be transferred?

Response:

The bill would mostly like increase and it would be fixed for 12 months. FCG is willing to provide proper notice to the customer and allow them a one-time right to cancel their service within 90 days.