

Writer's E-Mail Address: bkeating@gunster.com

October 8, 2019

VIA E-PORTAL

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

Re: Docket No. 20190004-GU – Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Enclosed for electronic filing, please find Florida City Gas's Prehearing Statement in the above-referenced docket.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions or concerns.

Sincerely,



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

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation Cost
Recovery

Docket No. 20190004-GU

Filed: October 8, 2019

**FLORIDA CITY GAS
PREHEARING STATEMENT**

Florida City Gas (“FCG” or “the Company”) hereby submits this Prehearing Statement pursuant to Order Establishing Procedure, Order No. PSC-2019-0083-PCO-GU, as amended by Order No. PSC-2019-0083A-PCO-GU, and states as follows:

1. KNOWN WITNESSES

FCG intends to offer the following testimonies sponsored by FCG witness Miguel Bustos into the evidentiary record in this proceeding:

Witness	Subject Matter	Issue No.
Direct Testimony of Miguel Bustos, submitted on April 30, 2019	Supports FCG’s final Natural Gas Conservation Cost Recovery (“NGCCR”) true-up amount related to the twelve-month period ended December 31, 2018	1
Direct Testimony of Miguel Bustos, submitted August 9, 2019	Presents the Actual/Estimated True-Up amount (based on actual data for six months and projected data for six months) for the current period January 2019 through December 2019; presents FCG’s projection of total NGCCR costs for the period January 2020 through December 2020; and presents the development of NGCCR Factors to be applied for service to be rendered during the period of January 1, 2020 through December 31, 2020	2-8

2. KNOWN EXHIBITS

FCG intends to offer the following exhibits sponsored by FCG witness Miguel Bustos into the evidentiary record in this proceeding:

Witness	Proffered By	Exhibit No.	Description
Miguel Bustos	FCG	MB-1	Calculation of FCG's final NGCCR true-up amount related to the twelve-month period ended December 31, 2018
Miguel Bustos	FCG	MB-2	Commission prescribed forms supporting calculation of FCG's Actual/Estimated True-Up amount for the current period January 2019 through December 2019 and FCG's proposed 2020 NGCCR Factors

In addition to the above pre-filed exhibits, FCG reserves the right to utilize any exhibit introduced by any other party. FCG additionally reserves the right to introduce any additional exhibit necessary for cross-examination or impeachment at the final hearing.

3. BASIC POSITION

FCG has appropriately calculated its true-up amounts and NGCCR Factors as shown in the Company's positions on Issue Nos. 1 through 7 below. The Company's proposed NGCCR Factors, final true-up amount for 2018, and Actual/Estimated True-Up amount for 2019 are consistent with the Commission's methodology for calculating the net true-up and recovery factors for the gas conservation programs and, therefore, should be approved.

4. STATEMENT OF ISSUES AND POSITIONS

FCG's statement of issues and positions in this proceeding are as follows:

Issue No. 1: What are the final conservation cost recovery adjustment true-up amounts for the period January 2018 through December 2018?

Florida City Gas: The final net true-up amount (including interest, adjustments, and the estimated under-recovery included in the 2019 NGCCR Factor) for the period

January 2018 through December 2018 is an under-recovery of \$371,437. *See* FCG Exhibit MB-1. (*FCG witness Bustos*)

Issue No. 2: What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2019 through December 2019?

Florida City Gas: The Actual/Estimated True-Up (based on actual data for six months and projected data for six months) for the current period January 2019 through December 2019 is an over-recovery of \$217,026. *See* FCG Exhibit MB-2, Schedule C-3, page 4, line 8. The interest on this over-recovery is \$2,841. *See* FCG Exhibit MB-2, Schedule C-3, page 5, line 10. (*FCG witness Bustos*)

Issue No. 3: What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2020 through December 2020?

Florida City Gas: The total net true-up (inclusive of the final true-up for 2018, the Actual/Estimated True-Up for 2019, and interest) to be collected from January 2020 through December 2020 is an under-recovery of \$151,570. *See* FCG Exhibit MB-2, Schedule C-3, page 4, line 12. (*FCG witness Bustos*)

Issue No. 4: What are the total conservation cost recovery amounts, net of the true-up amount, to be collected during the period January 2020 through December 2020?

Florida City Gas: Applying the total net true-up results in a total of \$5,530,433 of energy conservation program costs to be collected during the period January 2020 through December 2020. *See* FCG Exhibit MB-2, Schedule C-1. (*FCG witness Bustos*)

Issue No. 5: What are the conservation cost recovery factors for the period January 2020 through December 2020?

Florida City Gas: The appropriate factors are:

<u>Rate Class</u>	<u>CCR Factor (\$/per therm)</u>
RS-1	\$0.25062
RS-100	\$0.13092
RS-600	\$0.08309
GS-1	\$0.05075
GS-6K	\$0.03725
GS-25K	\$0.03646
Gas Lights	\$0.05891
GS-120K	\$0.02379

See FCG Exhibit MB-2, Schedule C-1. (*FCG witness Bustos*)

Issue No. 6: Should the Commission approve revised tariffs reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate in this proceeding?

Florida City Gas: Yes. The Commission should approve revised tariffs reflecting the new energy conservation cost recovery charges determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. (*FCG witness Bustos*)

Issue No. 7: What should be the effective date of the new conservation cost recovery factors for billing purposes?

Florida City Gas: The new conservation cost recovery factors should be effective for all meter readings on or after January 1, 2020 and should apply to bills rendered for meter readings taken between January 1, 2020 and December 31, 2020. (*FCG witness Bustos*)

Issue No. 8: Should this docket be closed?

Florida City Gas: No. While a separate docket number is assigned each year for administrative convenience, this is a continuing docket and should remain open. (*FCG witness Bustos*)

5. STIPULATED ISSUES

FCG is not a party to any stipulations at this time. However, FCG remains willing to work with all parties to resolve any outstanding issues, and believes it should be possible to reach a stipulation on each of the above-listed issues as they relate to FCG.

6. PENDING MOTIONS

FCG is not aware of any motions currently pending before the Commission for disposition.

7. **REQUESTS/CLAIMS FOR CONFIDENTIALITY**

FCG has no pending requests or claims for confidentiality.

8. **OBJECTIONS TO WITNESS QUALIFICATIONS**

FCG has no objections to the qualifications of any witness, and further states that it is not aware of any objections or challenges to the qualifications of any FCG witness.

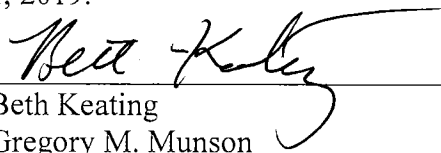
9. **REQUEST FOR SEQUESTRATION OF WITNESSES**

FCG has no pending requests for sequestration of any witness, and further states that it is not aware of any such request related to any FCG witness.

10. **COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE**

FCG states that it believes it is in full compliance with the Commission's Order Establishing Procedure.

Respectfully submitted this 8th day of October, 2019.


Beth Keating
Gregory M. Munson
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

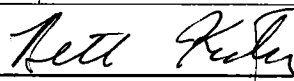
Christopher T. Wright, Senior Attorney
Fla. Auth. House Counsel No. 1007055
Christopher.Wright@fpl.com
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
(561) 304-5662

Attorneys for Florida City Gas

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic or US Mail to the following parties of record this 8th day of October, 2019:

Florida Public Utilities Company Mike Cassel Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach FL 32034 mcassel@fpuc.com	MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown P.O. Box 1531 Tampa, FL 33601-1531 aw@macfar.com AB@macfar.com
Florida Public Service Commission Rachael Dziechciarz 2540 Shumard Oak Boulevard Tallahassee, FL 32399 rdziehc@psc.state.fl.us	Office of Public Counsel J.R. Kelly/Charles Rehwinkel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Kelly.JR@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us
Peoples Gas System Paula Brown/Mark R. Roche Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com MRRoche@tecoenergy.com	St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 andy@stjoegas.com
Florida City Gas Carolyn Bermudez 933 East 25 th Street Hialeah, FL 33013-3498 carolyn.bermudez@nexterenergy.com miguel.bustos@nexterenergy.com	Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com



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Gunster, Yoakley & Stewart, P.A.
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Tallahassee, FL 32301