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STATE OF FLORIDA



DIVISION OF ECONOMICS  
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# Public Service Commission

November 6, 2023

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

**STAFF'S FIRST DATA REQUEST**  
**Via E-Mail**

Christopher T. Wright  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, FL 33408

**Re: Docket No. 20230110-GU - Petition for approval of tariff modifications to implement transportation balancing charge rider, by Florida City Gas.**

Dear Ms. Keating and Mr. Wright:

By this letter, the Commission staff respectfully requests Florida City Gas (FCG or utility) to provide responses to the following questions, regarding the petition for approval of tariff modifications to implement a transportation balancing charge rider.

1. Please provide copies of the spreadsheets included in Appendices 2-6 in Excel with all formulas intact and unlocked.
2. Please refer to the petition, page 3, to address this question. Footnote 2 states, in part, "FCG will provide gas delivery service to Transportation Customers that become Sales Customers if there is sufficient capacity to do so." Please address or explain what occurs if there is insufficient capacity?
3. Referring to the petition, paragraph 10, discuss whether FCG holds any capacity with the delivering pipeline for transportation customers or whether it is solely the TPSs' responsibility to arrange for interstate or intrastate capacity to serve their Transportation Customers.
4. The petition, paragraph 12, states, in part, "As shown on Appendix 2, there was an average monthly system-wide total TPS imbalance of 9.63 percent for calendar year 2021 and 10.07 percent for calendar year 2022."

- a. Please explain why a two-year average data set (2021 and 2022) was used to set the initial Transportation Balancing Charge, while the proposed tariff (in Section D) refers to a three-year average for purposes of calculating the threshold for filing updates.
  - b. Through the latest date that actual data is available, please provide the same detail provided in Appendix 2 to show the year-to-date average monthly system-wide imbalances for 2023.
5. Please refer to page 5. Paragraph 14 states, in part, “All costs for the FCG’s interstate and intrastate capacity and storage are currently charged to the PGA (Purchased Gas Adjustment) and paid solely by the Sales Customers.”
- a. Please state the amount of actual costs for interstate and intrastate capacity that were charged to the PGA in 2021.
  - b. Please state the amount of actual costs for interstate and intrastate capacity that were charged to the PGA in 2022.
  - c. Please state the amount of actual and estimated costs for interstate and intrastate capacity that were recorded for 2023 in the August 4, 2023 filing in Docket No. 20230003-GU (the Actual/Estimated and Projection filing for the PGA docket), and identify the schedule, page and line references where such costs are shown.
  - d. Please state the amount of projected costs for interstate and intrastate capacity in 2024 that were in the August 4, 2023 filing in Docket No. 20230003-GU (the Actual/Estimated and Projection filing for the PGA docket), and identify the schedule, page and line references where such costs are shown.
6. Please refer to the petition, paragraph 14, which states that “FCG’s Sales Customers are currently subsidizing the Transportation Customers.” Please state the expected reduction in PGA factor an average Sales Customer would save in PGA charges following implementation of the proposed new tariff.
7. Please refer to the petition, page 5, footnote 6. It is stated that “FCG has not obtained sufficient interstate pipeline capacity to trigger the capacity release provisions of its tariff.” Please explain why FCG is unable to increase capacity.
8. Please refer to the petition, page 6. Paragraph 17 states, in part, “However, FCG’s system currently cannot track daily imbalances at the individual customer level, which would be necessary to directly assign the balancing costs incurred for each Transportation Customer to their applicable TPS.”
- a. Please discuss what system enhancement(s) would be necessary to enable the utility to track daily imbalances at the individual customer level.
  - b. Is FCG aware of any investor-owned gas utilities in Florida that have the capability to track daily imbalances at the individual customer level?

9. Please refer to the petition, paragraph 23. Please explain how the utility calculates the 3-year average monthly system-wide total TPS imbalances.
10. Please refer to the petition, paragraph 24. It is stated that the Balancing Charge will remain “fixed and relatively stable unless there are significant material changes.” Please list all examples of a material change that would cause the Balancing Charge to fluctuate, and the threshold used to determine whether a change is material or not.
11. Please describe any actions FCG will take to coordinate with the third party suppliers to implement the balancing charge for transportation customers.
12. Please discuss any impacts the implementation of the proposed balancing charge would have on third party suppliers that purchase gas for transportation service customers of FCG.
13. Please refer to Appendix 2. Please provide system-wide total third party supplier imbalances for calendar year 2020.
14. Please refer to Appendix 3 for the following questions.
  - a. Appendix 3 is titled “Total Annual Interstate and Intrastate Capacity and Storage, and Estimated Balancing Costs.” Please define what period is referenced as “estimated.”
  - b. Appendix 3 contains a table titled “Total FCG Capacity Costs Booked to PGA.”
    - i. Please state what year the costs shown were booked to the PGA.
    - ii. Please clarify whether the amounts shown are rounded, and if so, explain.
    - iii. Please state by filing, schedule, page, and line references where the costs shown were booked to the PGA.
  - c. Appendix 3 contains a table titled “Costs to be Allocated to Transportation Balancing Charge.” The table indicates that the imbalance as a percentage of capacity (7.85 percent) is equally applied to all storage providers.
    - i. Please explain why this percentage is assessed equally, rather than on a weighted or volumetric basis?
    - ii. This table reflects that about \$1.0 million of estimated balancing costs would be allocated to the Transportation Balancing Charge. Would a similar amount be reflected as a reduction of costs in the utility’s 2024 PGA filings? Please explain your response.
    - iii. Please identify what data in Appendix 3 is updated in the calculation of allocated TBC costs that FCG intends to track and the frequency (i.e. monthly, quarterly, etc.) the utility intends to track such changes.
15. Please refer to Appendix 4. Please provide monthly average system-wide total third-party supplier imbalance for calendar year 2020.

16. Please refer to Appendix 5 for the following questions.

- a. Please explain why FCG is not seeking in this filing to apply the proposed swing service rider to the following existing gas transportation service rate schedules:
  - i. General Service 11M (GS-11M)
  - ii. General Service 25M (GS-25M)
  - iii. Commercial Standby Generator Service (CSG)
  - iv. Natural Gas Vehicle Service-I (NGV-I)
- b. The first column shown for Rate Classes is titled as “2024 Annual Therm Forecast.” Please state by schedule, page and line references where the forecasted values from Appendix 5 are shown in Schedule E-5 of the 2024 Projection filing for Docket No. 20230003-GU (the PGA cost recovery clause docket).
- c. Information is given regarding the number of bills by rate class. Please state by schedule, page and line references where the information from Appendix 5 is shown in Schedule E-5 of the 2024 Projection filing for Docket No. 20230003-GU (the PGA clause docket).
- d. Please refer specifically to “Bill Impacts” as shown in the lower half of data table. The table shows that, for KDS (Combined), the “Annual Therm Forecast” is the same as the “Annual Use Per Customer” (44,442,920 therms), yet the number of bills are 2. Please explain how the value of 44,442,920 therms for KDS (Combined) is calculated. If the utility finds that this calculation of “Annual Use Per Customer” is in error, and the reliance on that number resulted in further errors in this table, please provide a revised version of Appendix 5 and all other schedules or appendices that use input values that were derived from the as-filed Appendix 5.

17. Assuming approval of the petition in this docket, how will these proposed changes to the transportation and sales costs, therms, and other related data be reflected in the PGA cost recovery clause docket schedules in 2024 and beyond? Please provide specific locations (i.e. filings, schedules, page, lines, columns) where additional line or schedule entries would appear.

18. NextEra recently announced the sale of Florida City Gas to Chesapeake Utilities. Please discuss the timing and impacts the sale will have on the proposed tariff.

Please file all responses electronically no later than November 27, 2023, via the Commission’s website at [www.floridapsc.com](http://www.floridapsc.com) by selecting the Clerk’s Office tab and Electronic Filing Web Form. Please contact me at [kmcclell@psc.state.fl.us](mailto:kmcclell@psc.state.fl.us) or at 850.413.6814 if you have any questions.

Thank you,

Beth Keating  
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November 6, 2023

/s/Kate McClelland

Kate McClelland  
Public Utility Analyst

cc: Bailey Lang

Office of the Commission Clerk (Docket No. 20230110-GU)