

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Natural Gas Conservation Cost Recovery  
Clause

DOCKET NO. 20200004-GU

FILED: October 07, 2020

**PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL**

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-2020-0043-PCO-GU, issued January 31, 2020, and modifying Order No. PSC-2020-0123-PCO-PU issued April 23, 2020, submit this Prehearing Statement.

**APPEARANCE:**

CHARLES J. REHWINKEL, Esquire  
Deputy Public Counsel  
Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
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On behalf of the Citizens of the State of Florida.

**A. WITNESSES:**

None.

**B. EXHIBITS:**

None.

**C. STATEMENT OF BASIC POSITION**

The utilities bear the burden of proof to justify the recovery of costs they request in this docket. The utilities must carry this burden regardless of whether or not the Interveners provide evidence to the contrary. Further, the utilities bear the burden of proof to support their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought. Even if the Commission has previously approved a program, recovery of a cost, factor, or adjustment as meeting the Commission's *own* requirements, the

utilities still bear the burden of demonstrating that the costs submitted for final recovery meet any statutory test(s) and are reasonable in amount and prudently incurred. Further, recovery of even prudently incurred costs is constrained by the Commission's obligation to set fair, just, and reasonable rates. Further, pursuant to Section 366.01, Florida Statutes, the provisions of Chapter 366 must be liberally construed to protect the public welfare.

#### D. STATEMENT OF FACTUAL ISSUES AND POSITIONS

##### **GENERIC CONSERVATION COST RECOVERY ISSUES**

**ISSUE 1:** What are the final conservation cost recovery adjustment true-up amounts for the January 2019 through December 2019?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent.

**ISSUE 2:** What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2020 through December 2020?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the estimated/actual costs proposed for recovery can necessarily be deemed reasonable.

**ISSUE 3:** What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2021 through December 2021?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent and thus collected.

**ISSUE 4:** What is the total conservation cost recovery amounts to be collected during the period January 2021 through December 2021?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for recovery can necessarily be deemed reasonable or prudent and thus collected.

**ISSUE 5:** What are the conservation cost recovery factors for the period January 2021 through December 2021?

OPC: No position at this time; however, the factors should be based on costs deemed reasonable and or prudent after a hearing.

**ISSUE 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?

OPC: No position at this time; however, the factors contained in the tariff(s) should be based on costs deemed reasonable and or prudent after a hearing.

**ISSUE 7:** What should be the effective date of the new conservation cost recovery factors for billing purposes?

OPC: No position.

## **COMPANY SPECIFIC CONSERVATION COST RECOVERY ISSUES**

Florida City Gas

**ISSUE 8A:** Should the Commission approve FCG's Petition to establish a conservation cost recovery factor for the GS-1250K rate class, and if so, what is the appropriate conservation cost recovery factor for the period January 2021 through December 2021?

OPC: No position at this time; however, the factors should be based on costs deemed reasonable and or prudent after a hearing.

**ISSUE 8B:** How should the clause recoverable amounts allocated to this rate class be recorded in the true up filings for 2021?

OPC: No position.

**ISSUE 9A:** Should the Commission approve FCG's Petition to establish a conservation cost recovery factor for the GS11M-GS25M rate class, and if so, what is the appropriate conservation cost recovery factor for the period January 2021 through December 2021?

OPC: No position at this time; however, the factors should be based on costs deemed reasonable and or prudent after a hearing.

**ISSUE 9B:** How should the clause recoverable amounts allocated to this rate class be recorded in the true up filings for 2021?

OPC: No position.

**ISSUE 10:** Should this docket be closed?

OPC: No position.

E. **STIPULATED ISSUES:**

None.

F. **PENDING MOTIONS:**

None.

G. **REQUESTS FOR CONFIDENTIALITY**

Citizens have no pending requests for claims for confidentiality.

H. **OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT**

OPC has no objections to any witness' qualifications as an expert in this proceeding.

I. REQUIREMENTS OF ORDER

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 7<sup>th</sup> day of October, 2020.

Respectfully submitted,

*/s/Charles J. Rehwinkel*  
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**CERTIFICATE OF SERVICE**  
**20200004-GU**

I **HEREBY CERTIFY** that a true and correct copy of the Office of Public Counsel's Prehearing Statement has been furnished by electronic mail on this 7<sup>th</sup> day of October, 2020, to the following:

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