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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

11 APR 14 AM 9:00

In re: Petition for approval of Special Gas Transportation Service agreement with Florida City Gas by Miami-Dade County through Miami-Dade Water and Sewer Department. DOCKET NO. 090539-GU

DATED: April 14, 2011

COMMISSION CLERK

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-11-0110-PCO-GU, filed February 9, 2011, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. <u>All Known Witnesses</u>

Staff is not sponsoring any witnesses.

b. All Known Exhibits

Staff has no direct exhibits.

c. <u>Staff's Statement of Basic Position</u>

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

- d. <u>Staff's Position on the Issues</u>
- **<u>ISSUE 1</u>**: Did Florida City Gas (FCG) perform an incremental cost of service study prior to entering into the 2008 Agreement with Miami-Dade Water and Sewer Department (MDWASD)?
- **POSITION:** No position at this time.
- **ISSUE 2:** What are FCG's incremental costs to serve MDWASD's gas transportation requirements for the Alexander Orr, Hialeah-Preston, and South Dade Wastewater Treatment plants, respectively?
- **POSITION:** No position at this time.
- **ISSUE 3:** Does the contract rate in the 2008 Agreement allow FCG to recover FCG's incremental cost to serve MDWASD?
- **POSITION:** No position at this time.

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- **ISSUE 4:** Does MDWASD have a viable by-pass option?
- **POSITION:** No position at this time.
- **<u>ISSUE 5</u>**: What, if any, FCG tariff schedule applies to the 2008 Agreement for gas transportation services to MDWASD?
- **POSITION:** No position at this time.
- **ISSUE 6:** In the absence of a special agreement, what existing FCG tariff schedule applies to the natural gas transportation service provided to MDWASD?
- **POSITION:** No position at this time.
- **ISSUE 7:** Should the 2008 Agreement between MDWASD and FCG be approved as a special contract?
- **POSITION:** No position at this time.
- **ISSUE 8:** If the 2008 Agreement is approved, should FCG be allowed to recover the difference between the contract rate and the otherwise applicable tariff rates through the Competitive Rate Adjustment (CRA) factor for the period August 1, 2009, forward? How should any such recovery occur?
- **POSITION:** No position at this time.
- **ISSUE 9:** Should the Commission disallow cost recovery for the differential, if any, between FCG revenue under the 2008 Agreement and FCG's incremental cost to serve MDWASD?
- **<u>POSITION</u>**: No position at this time.
- **ISSUE 10:** Based on the Commission's decisions in this case, what monies, if any, are due MDWASD and/or FCG, and when should such monies be paid?
- e. <u>Stipulated Issues</u>

Staff is not aware of any stipulated issues at this time.

f. <u>Pending Motions</u>

There are four pending motions at this time. The motions currently pending before the Commission in this docket are:

- 1) Miami-Dade County's Motion to Strike Rebuttal Testimony of David A. Heintz;
- 2) Miami-Dade County's Motion to Compel Discovery and to Impose Sanctions;

- 3) FCG's Motion to Disqualify Miami-Dade's Counsel and Witness Brian P. Armstrong and to Exclude His Testimony and, in the Alternative, to Strike Testimony; and
- 4) FCG's Motion for Summary Final Order Approving Special Gas Transportation Service Agreement And Imposing Sanctions on Florida City Gas and Incorporated Memorandum of Law.
- g. Pending Confidentiality Claims or Requests

There are four pending requests for confidential classification at this time.

h. Objections to Witness Qualifications as an Expert

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

i. <u>Compliance with Order No. PSC-11-0110-PCO-GU</u>

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 14th day of April, 2011.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of STAFF'S PREHEARING STATEMENT has

been filed with Office of Commission Clerk and one copy has been furnished to the following by

electronic and U.S. Mail, on this 14th day of April, 2011:

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