## STATE OF FLORIDA

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DIVISION OF ECONOMICS
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## **Public Service Commission**

October 10, 2016

Floyd R. Self, Esquire Berger Singerman LLP 313 North Monroe Street, Suite 301 Tallahassee, FL 32301 fself@bergersingerman.com STAFF'S FIRST DATA REQUEST

via email

Carolyn Bermudez, Vice President of Operations & General Manager Florida City Gas
4045 NW 97th Avenue
Doral, FL 33178-2300
cbermude@southernco.com

Re: Docket No. 160175-GU: Petition for review and determination on the project construction and gas transportation agreement between NUI Utilities, Inc. d/b/a City Gas Company of Florida and Florida Crystals Corporation, and approval of an interim service arrangement.

Dear Mr. Self and Ms. Bermudez:

By this letter and pursuant to subsection 366.04(3), Florida Statutes, Commission staff respectfully requests the following information from Florida City Gas (FCG). Where reference is made to confidential exhibits, the indicated cell numbers correspond to the cell numbers on the hard copies of the exhibits and not the cell numbers in the Excel spreadsheets.

- 1. Please refer to the July 22 petition, page 6, paragraph 14, and to Confidential Exhibit No. 2 filed concurrently with the petition, cells C3 through C32.
  - (a) Given consideration of the values in Cells 3 through C17 and, in particular, Cells C14 through C17, please explain and provide support for why FCG believes that the values shown in Cells C18 through C32 are likely to occur.
  - (b) Given the value in Cell C16, please explain the first sentence in paragraph 14 of the petition.
- 2. Please refer to Confidential Exhibit No. 2 to the July 22 petition. Also, please refer to Exhibit A to Florida Crystals Corporation (Crystals') September 19 Response in Opposition to FCG's Motion for Approval of Temporary Interim Service Arrangement.

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Internet E-mail: contact@psc.state.fl.us

Please explain each of the differences between the values shown in Exhibit A to Crystals' September 19 pleading as compared to the values shown in Cells G3 through G16 in FCG's Confidential Exhibit No. 2.

- 3. Please refer to Confidential Exhibit No. 2 to the July 22 petition. Please provide an explanation of the values shown in Cells G5 through G9 and G12 in the context of their relationship with the values shown in Cells C5 through C9 and C12. Also, please provide an explanation of the values shown in Cells G14 and G16 in the context of their relationship with the values shown in Cells C14 and C16. Please include in each of the respective discussions the effects, if applicable, of sections 9B and 9C of the confidential GTA exhibit, pages 15 and 16 of 46.
- 4. Please refer to Confidential Exhibit No. 2 to the July 22 petition.
  - (a) For the entry shown in Cell A17, please provide an exhibit similar to Confidential Exhibit No. 3 and explain the difference between the values in Cells D17 and D18.
  - (b) Please provide comparable information to support the values in Cells D19 through D32.
- 5. Is Crystals the largest gas customer of FCG? Please provide the percentage of FCG's system sales and throughput that Crystals currently represents.
- 6. Please identify and discuss any potentially viable bypass opportunities of which FCG is aware that might be available to Crystals. If potentially viable bypass opportunities exist, please provide, to the extent that such information is readily available, estimated costs and associated cost support for each bypass option.
- 7. Please refer to the GTA (Confidential Exhibit No. 1 to the July 22 petition), page 6 of 46. Please confirm that the facility referred to under the fourth topic heading was not built.
- 8. Does FCG serve any other customers via the infrastructure used to serve Crystals' Okeelanta site? If so, please provide the percentage of the total throughput transported via this infrastructure on behalf of other customers and the percentage of total capacity reserved on this infrastructure for other customers.
- 9. Please refer to the confidential redacted portion of paragraph 41 on pages 17 and 18 of the July 22 petition. Also, please refer to the GTA (Confidential Exhibit No. 1), section 9A, page 13 of 46. The referenced GTA section and the redacted portion of the referenced petition paragraph identify a specific rate schedule as being the source of the rates negotiated for the GTA. The actual rate is stated on the first and third redacted lines on page 18 of the July 22 petition and in section 9A of the GTA.

According to Commission records, the stated rate referred to above was associated with an earlier canceled version of the relevant rate schedule and is not the rate associated with the version of that rate schedule which was actually in effect as of the date of the execution of the GTA. Please explain why the rate from the rate schedule in effect as of

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the date of the execution of the GTA was not used given the statement in the un-redacted portion of petition paragraph 43 that: "on their face the rates for the Primary Term and the Make-Up Period have some colorable relationship to the tariff . . ."

- 10. Please refer to section 10 of the confidential GTA exhibit, page 23 of 46. To date, has FCG paid any costs pursuant to section 10 of the GTA? If so, please provide a breakdown by year of the costs paid and discuss the project circumstances associated with why the costs were paid.
- 11. Please refer to Confidential Exhibit No. 3 to the July 22 petition, page 1 of 7, Cells A26 and B26. Please provide documentation to support the value shown in Cell B26.
- 12. Please refer to Confidential Exhibit No. 3 to the July 22 petition, page 2 of 7. Please provide an explanation and support to show how the formula used to calculate the value in Cell C21 was derived.
- 13. Please refer to Confidential Exhibit No. 3 to the July 22 petition, page 5 of 7. Please provide support to show how the values shown in Cells C9 and C11 were derived.

Please file all responses electronically no later than Friday, October 21, 2016 via the Commission's website at <a href="www.floridapsc.com">www.floridapsc.com</a> by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call Don Rome at (850) 413-6495 or Sevini Guffey at (850) 413-6204 if you have any questions.

Thank you,

/s/Don Rome, Public Utility Analyst drome@psc.state.fl.us

/s/Sevini Guffey, Public Utility Analyst sguffey@psc.state.fl.us

cc: Office of the Commission Clerk
Blake O'Farrow, Southern Company Gas (bofarrow@southernco.com)