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## BEFORE THE 1 FLORIDA PUBLIC SERVICE COMMISSION 2 3 4 5 DOCKET NO. 970003-GU In the Matter of 6 Purchased gas adjustment : 7 (PGA) trus-up 8 9 10 11 PREHEARING CONFERENCE PROCEEDINGS: 12 COMMISSIONER J. TERRY DEASON BEFORE: 13 Prehearing Officer 14 Wednesday, February 5, 1997 DATE: 15 Commenced at 10:00 a.m. TIME: 16 Betty Easley Conference Center 17 PLACE: Room 148 4075 Esplanade Way 18 Tallahassee, Florida 19 H. RUTHE POTAMI, CSR, RPR REPORTED BY: 20 Official Commission Reporter 21 22 23

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## APPEARANCES:

wayne L. Schiefelbein, Gatlin, Schiefelbein and Cowdery, The Mahan Station, 1709-D Mahan Drive, Tallahassee, Florida 32308, appearing on behalf of Chesapeake Utilities Corporation.

MICHAEL PALECKI, NUI Corporation-Southern
Division, 955 East 25th Street, Hialeah, Florida
33013, appearing on behalf of City Gas Company of
Florida.

WILLIAM WILLINGHAM, Rutledge, Ecenia,
Underwood, Purnell and Hoffman, Post Office Box 551,
215 South Monroe Street, Suite 420, Tallahassee,
Florida 32302-0551, appearing on behalf of Florida
Public Utilities Company.

McMullen, Post Office Box 1531, Tampa, Florida 33601, appearing on behalf of Peoples Gas System, Inc.

MORMAN H. HORTON, JR., Messer, Caparello,
Metz, Maida & Self, 215 South Monroe Street, Suite
701, Post Office Box 1876, Tallahassee, Florida
32302-1876, appearing on behalf of Sebring Gas System,
Inc., South Florida Natural Gas Company and West
Florida Matural Gas Company.

## APPEARANCES CONTINUED:

JOHN ROGER HOWE, Deputy Public Counsel,
Office of Public Counsel, c/o The Florida Legislature,
111 West Madison Street, Room 812, Tallahassee,
Florida 32399-1400, appearing on behalf of the
Citizens of the State of Florida.

WILLIAM COCHRAN KEATING, IV, Florida Public Service Commission, Division of Legal Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, appearing on behalf of the Commission Staff.

## PROCEEDINGS

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(Hearing convened at 10:00 a.m.)

everyone's attention, please, we'll go ahead and call the prehearing conference order. I would note for the record that due to the heavy fog, that some participants are going to be a little bit late in their arrival. I think they are just arriving.

We will go ahead and begin. Given that all the parties, I believe, are here at this time, is there any preference to which docket we take first? Staff?

MS. JOHNSON: Staff would like to proceed with the 07 docket first -- it only involves one party -- and probably dispose of that rather quickly.

COMMISSIONER DEASON: Okay. Well, let's go ahead and have the notice read, please.

MS. JOHNSON: By notice issued January 13,
1997, a prehearing conference was set in Docket
No. 970001-EI, Fuel and Purchase Power Cost Recovery
Clause and Generating Performance Incentive Factor,
Docket No. 970002-EG, Conservation Cost Recovery
Clause, Docket No. 970003-GU, Purchased Gas
Adjustment, and Docket No. 970007-EI, Environmental
Cost Recovery Clause.

COMMISSIONER DEASON: Thank you. We'll go 1 ahead and take appearances for all of the docket 2 3 today. MR. CHILDS: Commissioner, my name is 4 Matthew Childs with the firm of Steel, Hector and 5 Davis, appearing on behalf of Florida Power & Light 6 7 Company. MR. BEASLEY: Commissioner, I'm James D. 8 Beasley appearing with Lee L. Willis, both of the firm 9 of Ausley & McMullen appearing on behalf of Tampa 10 | Electric Company in the 01, 02 and 07 dockets. 11 MR. PALECKI: Michael Palecki, City Gas 12 Company of Florida, appearing on the 02 and 03 13 dockets. 14 15 MS. KAUFMAN: Vicki Gordon Kaufman, McWhirter, Reeves, McGlothlin, Davidson, Rief, Bakas, 16 on behalf of the Florida Industrial Power Users Group 17 in the 01, 02 and 07 dockets. 18 MR. HORTON: Norman H. Horton, Jr. of the 19 20 law firm of Messer, Caparello & Self, on behalf of West Florida Natural Gas in the 02 docket, Sebring Gas 21 22 System, Inc., South Florida Natural Gas, and West Florida Natural Gas in the 03 docket. 23

Power Corporation in both the 02 and the 01 dockets.

MR. McGEE: James McGee on behalf of Florida

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| 1  | MR. STONE: Jeffrey A. Stone, and with me is            |
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| 2  | Russell A. Badders of the law firm Beggs & Lane        |
| 3  | representing Gulf Power Company in the 01 and 02.      |
| 4  | MR. WILLINGHAM: Bill Willingham of the law             |
| 5  | firm Rutledge, Ecenia, Underwood, Purnell & Hoffman on |
| 6  | behalf of Florida Public Utilities Company in the 01,  |
| 7  | 02 and 03 dockets.                                     |
| 8  | MR. LAVIA: Jay LaVia with the law firm of              |
| 9  | Landers & Parsons for People's Gas in the 02 docket.   |
| 10 | MR. NICHOLSON: David Nicholson, law firm of            |
| 11 | Macfarlane, Ferguson & McMullen, on behalf of People's |
| 12 | Gas in the 03 docket.                                  |
| 13 | MR. SHIEFELBEIN: Wayne Shiefelbein, Gatlin,            |
| 14 | Schiefelbein & Cowdery appearing on behalf of          |
| 15 | Chesapeake Utilities Corporation in the 02 and 03      |
| 16 | dockets.   |
| 17 | MR. HOWE: I'm Roger Howe with the Office of            |
| 18 | Public Counsel appearing on behalf of the Citizens of  |
| 19 | the State of Florida in the 01, 02, 03 and 07 dockets. |
| 20 | MS. JOHNSON: Vicki Johnson on behalf of the            |
| 21 | Commission Staff in the 01 and 07 dockets.             |
| 22 | MR. KERTING: Cochran Keating on behalf of              |
| 23 | the Commission Staff in the 03 docket.                 |
| 24 | MS. WAGNER: Lorna Wagner on behalf of                  |

25 Commission Staff for the 02 docket.

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COMMISSIONER DEASON: Does Staff have a preference as to the next docket we proceed into?

MS. JOHNSON: We're ready with the 03 docket.

COMMISSIONER DEASON: 03?

MS. JOHNSON: Yes.

COMMISSIONER DEASON: Very well. We will then proceed into the 03 docket. Are there any changes or corrections to either the case background or any questions concerning the procedure for handling confidential information?

MR. KEATING: Not that Staff is aware of.

commissioner DEASON: Section 3 addresses

prefiled testimony and exhibits, Section 4, Order of

Witnesses. Section 5, Basic Positions; any changes or

corrections? Section 6 addresses the issues and

positions. Any changes or corrections to Issue 1?

Issue 2 --

MR. HOWE: Public Counsel will take "no position" on all the issues.

COMMISSIONER DEASON: Ms. Kaufman, you're not a participant in the 03 docket; is that correct?

MS. KAUFMAN: That's right. FIPUG is not participating.

| 1   | COMMISSIONER DEASON: Issue 2. Staff let me             |
|-----|--|
| 2   | ask, for those companies for which there is no         |
| 3   | discrepancy between Staff and the company's position,  |
| 4   | are those going to be shown as stipulations, or how do |
| 5   | we expect to proceed?                                  |
| 6   | MR. KEATING: Yes, they will be shown as                |
| 7   | stipulations.  |
| 8   | COMMISSIONER DEASON: And I assume the                  |
| 9   | parties have that understanding as well.               |
| 10  | Issue 3? Issue 4? I'm going to proceed                 |
| 11  | rapidly unless I hear someone interrupt and need to    |
| 12  | make a comment. Issue 5?                               |
| 13  | MR. SHIEFELBEIN: Excuse me. On Issue 5                 |
| 14  | Chesapeake's position would be "Agree with Staff."     |
| 15  | COMMISSIONER DEASON: Any other issues to be            |
| 16  | brought up in the 03 docket? No other issues; very     |
| 17  | well.  |
| 18  | Section 7 addresses the exhibit list. Any              |
| 19  | changes or corrections to that list?                   |
| 20  | Section 8 is Proposed Stipulations. There              |
| 21  | are no proposed stipulations other than those that we  |
| 22  | just discussed?  |
| 23  | MR. KEATING: That is correct.                          |
| 24  | COMMISSIONER DEASON: And there are no                  |
| 25  | pending motions. Any other matters to be brought       |
| - 1 |  |

| 1   | before the prehearing officer in the 03 docket?       |
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| 2   | MR. KERTING: Staff is aware of no other               |
| 3   | matters.  |
| 4   | CCHMISSIONER DEASON: Mr. Shiefelbein?                 |
| 5   | MR. SHIEFELBEIN: May counsel be excused               |
| 6   | from attending the hearing and filing posthearing     |
| 7   | COMMISSIONER DEASON: Mr. Shiefelbein, you             |
| 8   | need to, I think, press your button.                  |
| 9   | MR. SHIEFELBEIN: I apologize. May counsel             |
| 10  | representing stipulated companies be excused from the |
| 11  | hearing and from filing posthearing statements?       |
| 12  | COMMISSIONER DEASON: I have no objection,             |
| 13  | if Staff has no objection.                            |
| 14  | MR. KEATING: No objection.                            |
| 15  | COMMISSIONER DEASON: Very well. Yes. That             |
| 16  | concludes, then, the 03 docket. Does Staff have a     |
| 17  | preference to the next docket?                        |
| 18  | MS. JOHNSON: We're prepared for either 01             |
| 19  | or 02.  |
| 20  | COMMISSIONER DEASON: We'll proceed then               |
| 21  | into the since we're going in reverse order, it       |
| 22  | appears, we'll just go to 02.                         |
| 23  | (Thereupon, the hearing concluded.)                   |
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STATE OF FLORIDA) CERTIFICATE OF REPORTER COUNTY OF LEON 2 I, RUTHE POTAMI, CSR, RPR Official 3 Commission Reporter, 4 DO HEREBY CERTIFY that the Prehearing Conference in Docket No. 970003-GU was heard by the 5 Prehearing Officer at the time and place herein stated; it is further 6 7 CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this 8 transcript, consisting of 10 pages, constitutes a true transcription of my notes of said proceedings 9 DATED this 7th day of February, 1997. 10 11 12 H. RUTHE POTAMI, CSR, RPR Official Commission Reporter 13 (904) 413-6732 14 15 16 17 18 19 20 21 22 23 24