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Public Service Commission

April 22, 2016

Beth Keating
215 South Monroe St., Suite 601
Tallahassee, Florida 32301
Email: bkeating@gunster.com

STAFF'S FIRST DATA REQUEST
via e-mail

Re: Docket No. 160085-GU – Joint petition for approval of swing service rider, by Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities Company – Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

Dear Ms. Keating:

By this letter, Commission staff respectfully requests the following information from the Joint Petitioners.

1. Please refer to Paragraph 17 on page 8 of the petition. The second sentence of the paragraph begins by appearing to identify prospective customer groups to which the swing service rider might be applied in the future (*i.e.*, in addition to the transportation rate schedules listed in Exhibit A). However, the sentence concludes by appearing to identify incremental costs that potentially might be included in the swing service rider cost allocations. Staff's observation also applies to Item 3, lines 6-8, on page 14 of the petition. Please clarify the portions of the petition identified above as follows:
 - (a) Please provide a list of existing rate schedules in addition to those identified in Exhibit A (if any) to which the Joint Petitioners plan to apply the swing service rider in the future.
 - (b) Please clarify whether "Compressed Natural Gas (CNG) Temporary Service" will be a potential new customer group/rate schedule for which the Joint Petitioners plan to seek Commission approval.
 - (c) Please clarify that "storage contracts, swing gas sales agreements, upstream pipeline park and loan services, additional capacity used for growth and peaking services, and incremental administrative costs" describe types of costs that the Joint Petitioners plan to recover through the application of the swing service rider. Please provide an estimate of when the Joint Petitioners plan to begin recovering these costs through the proposed swing service rider and state whether any such costs are currently being recovered through the PGA and/or the OBA TTS Pool charges.

2. Please refer to Paragraph 19 on page 9 of the petition. Please provide numerical illustrations of how the proposed methodology described in Paragraph 19 was used to calculate each of the proposed swing service rider rates shown in the tariff sheets included in Exhibit B. The numerical illustrations should include cost support for the dollar amounts allocated to the rate classes through the swing service rider as well as the following: (a) a presentation of how the initial percentage split between transportation and sales customers relative to total system usage was calculated, and (b) a presentation of the dollars and terms used to arrive at the swing service rider rates to be billed directly to each transportation customer rate class. Please provide the cost support and allocation procedure illustrations separately for each of the four Joint Petitioners. Please provide any supporting spreadsheets in Excel format with all formulas intact and unlocked.
3. Please refer to Paragraph 22 on page 10 of the petition. For each Joint Petitioner (as applicable), please provide the number of residential and non-residential customers for which the customers' PGA charge would be impacted by the implementation of the proposed swing service rider. Also, for each Joint Petitioner (as applicable), please provide the number of residential and non-residential TTS Pool customers for which the current process (as approved in Docket 150117-GU) for allocating unreleased intrastate and LDC-to-LDC capacity costs would be replaced by the implementation of the proposed swing service rider.
4. Please refer to Paragraph 23 on page 10 of the petition. For each Joint Petitioner, please provide the number of customers not currently subject to the PGA or included in the TTS Pool that now would be impacted by the implementation of the proposed swing service rider.
5. Please refer to the portion of Paragraph 23 on page 11 of the petition. Please discuss the rationale for choosing the design of the proposed stepped implementation period for customers other than those in the identified CFG and Indiantown rate schedules. In the discussion, please include the following: (a) why 5 years was chosen as a phase-in period rather than a longer or shorter interval, and (b) why a 40/15/15/15/15 stepped percentage application was chosen rather than a straight line stepped percentage application or some other stepped percentage application.
6. Please refer to Paragraph 24 on page 11 of the petition. For each Joint Petitioner, please provide a numerical illustration of how the \$0.02/therm reduction to PGA and TTS Pool customers (as applicable) was derived for the first year of the proposed stepped implementation process. Please provide any supporting spreadsheets in Excel format with all formulas intact and unlocked.
7. Please refer to Paragraph 25 on page 12 of the petition. For each Joint Petitioner, please provide a numerical illustration of how the anticipated additional \$0.07/therm reduction to PGA and TTS Pool customers (as applicable) was derived upon completion of the proposed phased-in implementation period. Please provide any supporting spreadsheets in Excel format with all formulas intact and unlocked.
8. Please refer to Paragraph 29 on page 13 of the petition which states that the Joint Petitioners have been "working with the Shippers...to ensure a smooth transition." Please clarify the meaning of the phrase "...Shippers on both systems..." on the tenth line of Paragraph 29. Also, please elaborate in greater detail regarding completed and planned outreach efforts as follows:

- (a) Please discuss communications to date and planned outreach efforts by the Joint Petitioners to Shippers.
 - (b) Please discuss communications to date and planned outreach efforts by the Joint Petitioners directly to non-TTS transportation customers.
9. Please discuss the impacts (if any) that implementation of the proposed swing service rider would have on Shippers that purchase gas for transportation service customers of FPUC and FPUC – Fort Meade.
10. Please refer to Item 3 on page 14 of the petition and to Exhibits A and B. Please explain why the Joint Petitioners are not seeking in this filing to apply the proposed swing service rider to the following existing gas transportation service rate schedules:

FPUC: Interruptible Transportation Service (ITS)
Natural Gas Vehicle Transportation Service (NGVTS)
Gas Lighting Service Transportation Service (GLSTS)

Fort Meade: Natural Gas Vehicle Transportation Service (NGVT)

Indiantown: Transportation Service – NGV

Chesapeake: Firm Transportation Service-13 (FTS-13)
Firm Transportation Service-Natural Gas Vehicle (FTS-NGV)
11. Please refer to Item 4 on page 14 of the petition and to Exhibit B. Assuming hypothetically that the proposed swing service rider were to be approved, please discuss the process by which the Joint Petitioners plan to submit revised swing service rider tariff sheets for Commission approval on an annual basis during the proposed stepped phase-in period. Please include in the discussion an estimate of the expected timing of the filings and an explanation of the effects (if any) that the filings may have on FPUC’s PGA filings.
12. Exhibit A to the petition indicates that the swing service rider would be applied to Large Volume Transportation Service (LVTS) customers of FPUC – Fort Meade. However, Exhibit B to the petition does not include revised tariff sheets for FPUC – Fort Meade LVTS customers. Please clarify either by providing the appropriate revised tariff sheets for FPUC – Fort Meade LVTS customers, or, by revising Exhibit A to indicate that the swing service rider would not be applicable to FPUC – Fort Meade LVTS customers. If the proposed swing service rider is not intended to be applied to Fort Meade LVTS customers, please explain why not.
13. Please refer to Exhibit B to the petition. As a general recommendation applicable to all proposed tariff sheets contained in Exhibit B, please remove the word “fair” from the sentence in the “Definitions” section.
14. Please refer to Exhibit B, proposed Tariff Sheet No. 33 for FPUC – Fort Meade (clean and legislative versions). For the index entry associated with Tariff Sheet No. 64, please reinstate the phrase “Reserved for Future Use” and remove the inserted title “Gas Reliability Infrastructure Program (GRIP)” such that this index entry will appear like it does on current First Revised Sheet No. 33. Staff notes that GRIP-related revisions to Fort Meade Tariff Sheet

Nos. 33 and 64 will be appropriate when FPUC – Fort Meade files its petition to implement 2017 GRIP surcharges later this year pursuant to Order No. PSC-15-0578-TRF-GU (Docket No. 150191-GU). The “Swing Service Rider” index entry on proposed Second Revised Sheet No. 33 for a proposed new Tariff Sheet 64.1 is appropriate.

15. Please provide amended clean and legislative copies of all proposed tariff sheets, reflecting revisions recommended hereinabove, in MSWord and PDF format.

Please file all responses electronically no later than Wednesday, May 11, 2016 from the Commission’s website at www.floridapsc.com, by selecting the Clerk’s Office tab and Electronic Filing Web Form. Please call me at (850) 413-6495 if you have any questions.

Thanks and regards,

/s/ Don Rome

Don Rome
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CDR

cc: Office of Commission Clerk