



September 21, 2017

E-PORTAL

Ms. Carlotta Stauffer, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket 20170189-GU -- Petition for approval of safety, access, and facility enhancement program (SAFE) true-up and associated cost recovery factors, by Florida City Gas.

Dear Ms. Stauffer:

Attached for electronic filing, please find Florida City Gas's Responses to Staff's First Data Requests in the referenced docket.

Thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Docket 20170189-GU -- Petition for approval of safety, access, and facility enhancement program (SAFE) true-up and associated cost recovery factors, by Florida City Gas.

FLORIDA CITY GAS'S RESPONSES TO STAFF'S FIRST DATA REQUESTS

1. Please provide a general overview of the replacement projects undertaken in/forecast for 2017 and 2018 including location such as neighborhood and city, and provide examples of what was replaced (e.g., 100 feet of backyard mains, 15 services, etc.).
 - a. The Florida City Gas SAFE program for 2017 includes activities at the following projects:
 - i. The Miami SAFE Area 2 - Phase 2 project is currently ongoing in the Town of Cutler Bay, FL. The project began in 2016, but had carryover activities into 2017. The project included the installation of 62,014 feet of mains (61,004 feet of which were installed in 2016). It is forecasted that by year-end 2017 the project will provide the installation of 691 services.
 - ii. The Miami SAFE Area 5 project took place in the City of Hialeah, FL. The project began in 2016 and was carried-over to and completed in 2017. It included the installation of 46,879 feet of mains (all in 2016), and the installation of 488 services (299 of which were installed in 2016).
 - iii. The Brevard SAFE Area 3 project is currently ongoing in unincorporated Brevard County, Merritt Island, FL. It is forecasted that by year-end 2017, the project will provide the installation of 19,079 feet of mains and 284 services.
 - iv. The Miami SAFE Area 6 project is currently ongoing in unincorporated Miami-Dade County, FL, near the South Miami Heights neighborhood. It is forecasted that by year-end 2017, the project will provide the installation of 31,918 feet of mains and 245 services.
 - v. The Miami SAFE Area 8 project took place in the City of Hialeah, FL. It included the installation of 9,313 feet of mains and 80 services.
 - vi. The Miami SAFE Area 9 project took place in the Town of Cutler Bay, FL. It included the installation of 16,361 feet of mains and 93 services.
 - vii. The Miami SAFE Area 10 project is currently ongoing in unincorporated Miami-Dade County, FL, near the South Miami Heights neighborhood. The project started in 2017 and it is forecasted to carry over into 2018. It is forecasted that project will provide the installation of 29,616 feet of mains (All in 2017), and will provide the installation of 278 services (57 services in 2017, and 221 services in 2018).
 - viii. The Miami SAFE Area 12 project is currently ongoing in the City of Hialeah, FL. It is forecasted that by year-end 2017, the project will provide the installation of 28,729 feet of mains and 198 services.

- b. The Florida City Gas SAFE program for 2018 proposes activities at the following projects:
 - i. The Brevard SAFE Area 4 project will take place in unincorporated Brevard County, Merritt Island, FL. It is forecasted that by year-end 2018, the project will provide the installation of 22,820 feet of mains and 366 services.
 - ii. The Miami SAFE Area 11 project will take place in unincorporated Miami-Dade County, FL, near the South Miami Heights neighborhood. It is forecasted that by year-end 2018, the project will provide the installation of 16,754 feet of mains and 187 services.
 - iii. The Miami SAFE Area 13 project will take place in the City of Hialeah, FL. It is forecasted that by year-end 2018, the project will provide the installation of 1,832 feet of mains and 17 services.
 - iv. The Miami SAFE Area 14 project will take place in unincorporated Miami-Dade County, FL, in the Westchester neighborhood. It is forecasted that by year-end 2018, the project will provide the installation of 4,811 feet of mains and 60 services.
 - v. The Miami SAFE Area 15 project will take place in the City of Hialeah, FL. It is forecasted that by year-end 2018, the project will provide the installation of 20,256 feet of mains and 214 services.
 - vi. The Miami SAFE Area 16 project will take place in the City of Hialeah, FL. It is forecasted that by year-end 2018, the project will provide the installation of 8,141 feet of mains and 109 services.
 - vii. The Miami SAFE Area 17 project will take place in unincorporated Miami-Dade County, FL, near the South Miami Heights neighborhood. This project will begin in 2018 but it is forecasted to have carry-over activities into 2019. The project will provide the total installation of 36,255 feet of mains and 355 services.
 - viii. The Miami SAFE Area 18 project will take place in the City of Miami Gardens, FL. It is forecasted that by year-end 2018, the project will provide the installation of 22,105 feet of mains and 151 services.
 - ix. The Miami SAFE Area 19 project will take place in the City of Miami Gardens, FL. It is forecasted that by year-end 2018, the project will provide the installation of 9,962 feet of mains and 57 services.
2. Please state how many miles of mains were or will be relocated from rear property easements to the street front in a) 2016, b) 2017, and c) projected for 2018.
 - a. 33.56 miles of mains were installed in 2016
 - b. 25.90 miles of mains are projected to be installed in 2017
 - c. 27.07 miles of mains are projected to be installed in 2018

- Does City Gas continue to prioritize its replacements by using the Distribution Integrity Management (DIM) Program? Please explain.

Yes, The SAFE project areas are generally prioritized based on the risk assessment model included in the Florida City Gas DIM program. The factors for prioritization include, but are not limited to, location of pipeline, material of pipeline, leak incident rates, rear lot pipelines with maintenance access complications and customer encroachments.

- Please provide a table which displays actual and forecast mains (in miles) and service replacements from 2015 through the end of the SAFE program, by year. Please provide the table in the same format as shown below which was provided in response to Staff's Second Data Request in Docket No. 20160198-GU:

Table 1

Florida City Gas' SAFE Program Progress

Year	Main Replacements			Service Replacements		
	Replaced main (miles)	Remaining main at Year End (miles)	Total Miles Remaining	Replaced Services (No.)	Remaining Services at year end	Total Remaining Services
2014	0.0	254.3	254.3	0	12719	12719
2015	0.0	254.3	254.3	49	12670	12670
2016	17.1	237.2	237.2	1433	11237	11237
2017	37.5	199.7	199.7	1557	9680	9680
2018	27.6	172.1	172.1	1698	7982	7982
2019	25.0	147.2	147.2	1250	6732	6732
2020	25.0	122.2	122.2	1250	5481	5481
2021	25.0	97.2	97.2	1250	4231	4231
2022	25.0	72.2	72.2	1250	2981	2981
2023	25.0	47.2	47.2	1250	1730	1730
2024	25.0	22.2	22.2	1250	480	480
2025	22.2	0.0	0.0	480	0	0

5. The above table provided in in Docket No. 20160198-GU shows that no mains and services were replaced in 2015. Please explain the revenue requirement shown in Exhibit B of the instant petition that indicates a revenue requirement of \$9,138 for the period October to December 2015.

In 2015, the Company paid for main installations but does not consider backyard mains as 'replaced' until they have been retired. The \$9,138 revenue requirement for 2015 exists because during the period October to December 2015 the Company installed mains, but there were no main retirements so the table properly reflects that no mains were 'replaced' in 2015.

6. Please explain how and when City Gas plans to notify customers of the revised 2018 surcharge.

The Company will notify customers of the revised 2018 surcharge by putting a note on customer bills for January 2018 informing them that the surcharge rate has been updated and approved by the FPSC recover program costs through December 2018.

7. Referring to paragraph 8 of the petition, please confirm that the total amount \$3,502,515 to be collected is for 2018 and not for 2017 as stated.

The total amount for collection of \$3,502,515 discussed in paragraph 8 of the petition is for 2018.

8. Please confirm if the last page of the revenue requirement pages, Exhibit B – SAFE Program Revenue Requirement, January 2017 through December 2017, should be January 2018 through December 2018.

The last page of the revenue requirement pages, Exhibit B – SAFE Program Revenue Requirement, January 2017 through December 2017 should indeed be January 2018 through December 2018. The correction will be made in the model which will be filed in response to DR #9.

9. Please provide the revenue requirement tables in Excel format with formulas intact.

The Company will provide the revenue requirement tables in Excel format with the formulas intact.

10. Order No. PSC-16-0517-TRF-GU, issued on November 21, 2016, states that “if City Gas files a rate case before 2025, the then-current SAFE surcharge program would be folded into any newly approved rate base, and the surcharge would begin anew”. The Commission has been notified that City Gas will be filing a rate case in October 2017. Please explain whether City Gas will include the SAFE program costs in the rate case MFRs and discuss the impact on the 2018 factors approved in this docket.

The Company will include the SAFE program costs in the rate case MFRs. The 2018 factors approved in this docket will reset once the Company’s new approved rates are effective and the SAFE Program’s rate base and revenue requirement are collected through the Company’s base rates.