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STATE OF FLORIDA



DIVISION OF ECONOMICS
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Public Service Commission

March 5, 2018

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Ste. 601
Tallahassee, FL 32301
(850) 521-1706
bkeating@gunster.com

Re: Docket No. 20180043-GU – Petition for approval of Area Extension Plan Rate Extension Agreement with United States Sugar Corporation, by Florida City Gas.

Dear Ms. Keating:

By this letter, Commission staff requests the following information from Florida City Gas.

1. Have there been any changes to the infrastructure serving the Glades AEP Project since the 2015 request in Docket No. 20150232-GU?
2. Have any customers joined or disconnected from the Glades AEP Project infrastructure since the 2015 request?
3. Has the citrus canker blight referenced in the 2015 AEP true-up delay request ended and production resumed as fully as anticipated? Has U.S. Sugar's gas use matched the growth as forecasted in 2015?
4. In reference to item 10 on page 4 of the petition, have any additional unanticipated challenges arisen since the 2015 request? Please provide a brief update on the status of these issues.
5. Please refer to item 14 on page 6 of the petition. Please explain and show how the recalculated per therm charges (\$0.629/therm and \$0.301/therm) were derived.
6. Please refer to item 14 on page 6 of the petition. If the \$5 million reduction of the recovery on the Glades AEP Project affects the general body of rate payers in any way, please explain how. If not, please state how the loss of \$5 million will affect FCG.

7. Again referencing item 14 on page 6, does the \$5 million in under-recovery take into the account the three year extension of the AEP surcharge (or just the recalculated surcharges)?
8. Please refer to item 17 on page 6 of the petition. To receive the additional surcharge calculation after the November 2022 true-up, from what baseline date must U.S. Sugar demonstrate a 6% increase in natural gas consumption? Is that new surcharge applied only to U.S. Sugar or to all customers on the Glades AEP Project?
9. In reference to item 18 on page 6 of the petition, how was the 87.13% of contribution in aide of construction decided upon for U.S. Sugar to be responsible? Please explain any calculations that may be necessary.
10. In reference to item 23 on page 7 of the petition, can it be shown that the 36 of the 38 customers on the Glades AEP Project
 - a. accepted the extension and
 - b. fully understood the impacts it may have?
11. Please explain and show the derivation of the carrying cost of \$3,332,088 on page 1 of the Agreement.
12. Please include the Excel spreadsheets from Exhibit A with the formulas intact.
13. If the proposed petition is approved, when will the revised AEP surcharges go into effect? Page 2 of the Agreement states the Effective Date of the revised AEP surcharges is January 31, 2018. Please state whether FCG has started charging the revised AEP surcharges.

Please file all responses electronically no later than Thursday, March 22, 2018 on the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6495 if you have any questions.

Thank you,

/s/ Henry Merryday

Henry Merryday
Public Utility Analyst I
hmerryda@psc.state.fl.us

cc: Office of Commission Clerk