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March 14, 2019

E-PORTAL FILING

Mr. Adam Teitzman, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20190036-GU: Petition for authority for approval of revised transportation imbalance tariffs, by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade.

Dear Mr. Teitzman:

Attached for filing in the referenced docket, please find Florida Public Utilities Company's revised corrected tariff pages addressing typographical concerns identified by Commission staff. In addition, the Company has updated all of the tariff pages to reflect the new Company president, Kevin Webber. The following pages are included:

FPUC

Fourth Revised Sheet 35.2 and Fourth Revised Tariff Sheet 35.3

Fort Meade

First Revised Sheet 61 and First Revised Sheet 61.1

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions or concerns.

Kind regards,



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

Enclosure

Cc: Johanna Nieves – Office of General Counsel
A. Mireille Fall-Fry – Office of Public Counsel

BILLING ADJUSTMENTS

In addition, Company will credit Pool Manager for the variance between Pool Manager's Daily Delivery Requirement and the sum of the Daily Delivery Quantity for each Customer being served by Pool Manager. This variance will be referred to as Pool Manager Monthly Delivery Variance. Company shall retain all gas supplies resulting from a Pool Manager Monthly Delivery Variance and credit Pool Manager in accordance with the Imbalance Billing Adjustments – Pool Manager section of this tariff.

Imbalance Billing Adjustments – Rate Schedule PM

The following language details the methodology of calculating billing adjustments for Pool Manager Imbalances. All prices will be adjusted to reflect dollars per therm and will be rounded to five decimal places (\$0.00000).

A. Pool Manager Short Imbalance and Pool Manager Long Imbalance

Invoices to Pool Manager for Pool Manager Short Imbalances and Pool Manager Long Imbalances will be computed using the following methodology.

(1) Pool Manager Short Imbalance

If the Pool Manager Imbalance Level is short, the Company shall sell to Pool Manager such monthly imbalance quantity at a price per therm (the "Unit Price") calculated by taking the sum of (i) the highest weekly average (weeks where Friday is within the calendar month) of the "Daily price survey" for Gas posted under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platts Gas Daily*, for the Month in which the negative Pool Manager Imbalance Level quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5% | 1.00 |
| Greater than 5% to 20% | 1.10 |
| Greater than 20% | 1.20 |

and (ii) the Gulfstream Natural Gas System capacity rate per Therm for 6% maximum hourly flow tariff rate (as it may change from time to time) plus the FGT FTS-1 usage rate per therm (inclusive of all applicable surcharges).

The total amount due to the Company shall be the product of the Unit Price and the short monthly imbalance.

(2) Pool Manager Long Imbalance

If the Pool Manager Imbalance Level is long, the Company shall purchase from Pool Manager such monthly imbalance quantity at a price per therm (the "Unit Price") calculated by taking the sum of (i) the lowest weekly average (weeks where Friday is within the calendar month) of the "Daily price survey" for Gas posted under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platts Gas Daily*, for the Month in which the positive Pool Manager Imbalance Level quantity was incurred, multiplied by the applicable factor set forth on the following page:

(Continued to Sheet No. 35.3)

BILLING ADJUSTMENTS

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- A. Pool Manager Short Imbalance and Pool Manager Long Imbalance
 Invoices to Pool Manager for Pool Manager Short Imbalances and Pool Manager Long Imbalances will be computed using the following methodology. ~~Invoices will be based on the Company's Purchased Gas Cost Recovery Factor ("PGCRF") in effect during the month the imbalance was created multiplied by the applicable factor as follows:~~

| Pool Manager Imbalance Level | | Short Factor | Long Factor |
|------------------------------|-------|--------------|-------------|
| Lower | Upper | | |
| 0% | 20% | 1.00 | 1.00 |
| 20% | 40% | 1.10 | 0.90 |
| 40% | 60% | 1.20 | 0.80 |
| 60% | 80% | 1.30 | 0.70 |
| Greater than 80% | | 1.40 | 0.60 |

~~The Pool Manager Imbalance Level shall be calculated by dividing the absolute value of the Pool Manager Imbalance by the aggregate Billing Period Delivery Quantity for all Customers being served by Pool Manager.~~

- B. ~~Pool Manager Monthly Delivery Variance~~
~~Invoices to Pool Manager for Pool Manager Monthly Delivery Variance will be computed using the following methodology. Invoices will be based on the Company's PGCRF in effect during the month the delivery variance was created.~~

(Continued to Sheet No. 35.3)

- (1) Pool Manager Short Imbalance
 If the Pool Manager Imbalance Level is short, the Company shall sell to Pool Manager such monthly imbalance quantity at a price per therm (the "Unit Price") calculated by taking the sum of (i) the highest weekly average (weeks where Friday is within the calendar month) of the "Daily price survey" for Gas posted under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platts Gas Daily*, for the Month in which the negative Pool Manager Imbalance Level quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5% | 1.00 |
| Greater than 5% to 20% | 1.10 |
| Greater than 20% | 1.20 |

and (ii) the Gulfstream Natural Gas System capacity rate per Therm for 6% maximum hourly flow tariff rate (as it may change from time to time) plus the FGT FTS-1 usage rate per therm (inclusive of all applicable surcharges).

The total amount due to the Company shall be the product of the Unit Price and the short monthly imbalance.

(2) Pool Manager Long Imbalance

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(Continued to Sheet No. 35.3)

BILLING ADJUSTMENTS

(Continued from Sheet No. 35.2)

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5% | 1.00 |
| Greater than 5% to 20% | 0.90 |
| Greater than 20% | 0.80 |

The total amount due Pool Manager shall be the product of the Unit Price and the long monthly imbalance.

Energy Conservation Cost Recovery Adjustment Clause

The bill for gas or transportation service supplied to a Customer in any Billing Period shall be adjusted as follows:

Except as otherwise provided herein, each rate schedule shall be increased or decreased to the nearest \$0.00001 multiplied by the tax factor of 1.00503 for each Therm of consumption or transportation to recover the conservation related expenditures by the Company. The Company shall record both projected and actual expenses and revenues associated with the implementation of the Company's Energy Conservation Plan as authorized by the Commission. The procedure for the review, approval, recovery and recording of such costs and revenues is set forth in the Commission Rule 25-17.015, FAC.

The cost recovery factors for the period from the first billing cycle for January 2019 through the last billing cycle for December 2019 are as follows:

| Rate Class | Recovery Factor | |
|----------------------|------------------------|-----------------|
| Rate Schedule RS | 7.369 | cents per therm |
| Rate Schedule RS-GS | 7.369 | cents per therm |
| Rate Schedule GS-1 | 4.462 | cents per therm |
| Rate Schedule GS-2 | 3.451 | cents per therm |
| Rate Schedule CS-GS | 4.462 | cents per therm |
| Rate Schedule GSTS-1 | 4.462 | cents per therm |
| Rate Schedule GSTS-2 | 3.451 | cents per therm |
| Rate Schedule LVS | 2.874 | cents per therm |
| Rate Schedule LVTS | 2.874 | cents per therm |
| Rate Schedule NGV | 1.252 | cents per therm |
| Rate Schedule NGVTS | 1.252 | cents per therm |

(Continued to Sheet No. 35.4)

BILLING ADJUSTMENTS

(Continued from Sheet No. 35.2)

| Imbalance Level | Factor |
|------------------------|--------|
| 0% to 5% | 1.00 |
| Greater than 5% to 20% | 0.90 |
| Greater than 20% | 0.80 |

The total amount due Pool Manager shall be the product of the Unit Price and the long monthly imbalance.

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| Rate Schedule LVTS | 2.874 cents per therm |
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(Continued to Sheet No. 35.4)

BILLING ADJUSTMENTS

(Continued from Sheet No. 60)

In addition, Company will credit Pool Manager for the variance between Pool Manager's Daily Delivery Requirement and the sum of the Daily Delivery Quantity for each Customer being served by Pool Manager. This variance will be referred to as Pool Manager Monthly Delivery Variance. Company shall retain all gas supplies resulting from a Pool Manager Monthly Delivery Variance and credit Pool Manager in accordance with the Imbalance Billing Adjustments – Pool Manager section of this tariff.

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| Imbalance Level | Factor |
|------------------------|--------|
| 0% to 5% | 1.00 |
| Greater than 5% to 20% | 1.10 |
| Greater than 20% | 1.20 |

and (ii) the Gulfstream Natural Gas System capacity rate per Therm for 6% maximum hourly flow tariff rate (as it may change from time to time) plus the FGT FTS-1 usage rate per therm (inclusive of all applicable surcharges).

The total amount due to the Company shall be the product of the Unit Price and the short monthly imbalance.

(Continued on Sheet No. 61.1)

BILLING ADJUSTMENTS

(Continued from Sheet No. 60)

In addition, Company will credit Pool Manager for the variance between Pool Manager's Daily Delivery Requirement and the sum of the Daily Delivery Quantity for each Customer being served by Pool Manager. This variance will be referred to as Pool Manager Monthly Delivery Variance. Company shall retain all gas supplies resulting from a Pool Manager Monthly Delivery Variance and credit Pool Manager in accordance with the Imbalance Billing Adjustments – Pool Manager section of this tariff.

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| <u>Pool Manager Imbalance Level</u> | | <u>Short Factor</u> | <u>Long Factor</u> |
|-------------------------------------|--------------|---------------------|--------------------|
| <u>Lower</u> | <u>Upper</u> | | |
| 0% | 20% | 1.00 | 1.00 |
| 20% | 40% | 1.10 | 0.90 |
| 40% | 60% | 1.20 | 0.80 |
| 60% | 80% | 1.30 | 0.70 |
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~~The Pool Manager Imbalance Level shall be calculated by dividing the absolute value of the Pool Manager Imbalance by the aggregate Billing Period Delivery Quantity for all Customers being served by Pool Manager.~~

B. Pool Manager Monthly Delivery Variance

~~Invoices to Pool Manager for Pool Manager Monthly Delivery Variance will be computed using the following methodology. Invoices will be based on the Company's PGCRF in effect during the month the delivery variance was created.~~

(1) Pool Manager Short Imbalance

If the Pool Manager Imbalance Level is short, the Company shall sell to Pool Manager such monthly imbalance quantity at a price per therm (the "Unit Price") calculated by taking the sum of (i) the highest weekly average (weeks where Friday is within the calendar month) of the "Daily price survey" for Gas posted under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida

Gas, zone 3", as reported in Platts Gas Daily, for the Month in which the negative Pool Manager Imbalance Level quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u> | <u>Factor</u> |
|-------------------------------|---------------|
| <u>0% to 5%</u> | <u>1.00</u> |
| <u>Greater than 5% to 20%</u> | <u>1.10</u> |
| <u>Greater than 20%</u> | <u>1.20</u> |

and (ii) the Gulfstream Natural Gas System capacity rate per Therm for 6% maximum hourly flow tariff rate (as it may change from time to time) plus the FGT FTS-1 usage rate per therm (inclusive of all applicable surcharges).

The total amount due to the Company shall be the product of the Unit Price and the short monthly imbalance.

(Continued to Sheet No.
621.1)

BILLING ADJUSTMENTS

(Continued from Sheet No. 61)

(2) Pool Manager Long Imbalance

If the Pool Manager Imbalance Level is long, the Company shall purchase from Pool Manager such monthly imbalance quantity at a price per therm (the "Unit Price") calculated by taking the sum of (i) the lowest weekly average (weeks where Friday is within the calendar month) of the "Daily price survey" for Gas posted under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platts Gas Daily*, for the Month in which the positive Pool Manager Imbalance Level quantity was incurred, multiplied by the applicable factor set forth below:

| Imbalance Level | Factor |
|------------------------|--------|
| 0% to 5% | 1.00 |
| Greater than 5% to 20% | 0.90 |
| Greater than 20% | 0.80 |

The total amount due to the Pool Manager shall be the product of the Unit Price and the long monthly imbalance.

(Continued to Sheet No. 62)

BILLING ADJUSTMENTS

(Continued from Sheet No. 61)

(2) Pool Manager Long Imbalance

If the Pool Manager Imbalance Level is long, the Company shall purchase from Pool Manager such monthly imbalance quantity at a price per therm (the "Unit Price") calculated by taking the sum of (i) the lowest weekly average (weeks where Friday is within the calendar month) of the "Daily price survey" for Gas posted under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platts Gas Daily*, for the Month in which the positive Pool Manager Imbalance Level quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u> | <u>Factor</u> |
|-------------------------------|---------------|
| <u>0% to 5%</u> | <u>1.00</u> |
| <u>Greater than 5% to 20%</u> | <u>0.90</u> |
| <u>Greater than 20%</u> | <u>0.80</u> |

The total amount due to the Pool Manager shall be the product of the Unit Price and the long monthly imbalance.

(Continued to Sheet No. 62)