

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased gas adjustment
(PGA) true-up

DOCKET NO. 20200003-GU
FILED: October 7, 2020

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order PSC- 2020-0040-PCO-GU issued January 31, 2020 submit this Prehearing Statement.

APPEARANCES:

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c/o The Florida Legislature
111 West Madison Street, Room 812
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On behalf of the Citizens of the State of Florida.

A. **WITNESSES:**

None.

B. **EXHIBITS:**

None.

C. **STATEMENT OF BASIC POSITION**

The utilities bear the burden of proof to justify the recovery of costs they request in this docket. The utilities must carry this burden regardless of whether or not the Interveners provide evidence to the contrary. Further, the utilities bear the burden of proof to support their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought. Even if the Commission has previously approved a program, recovery

of a cost, factor, or adjustment as meeting the Commission's *own* requirements, the utilities still bear the burden of demonstrating that the costs submitted for final recovery meet any statutory test(s) and are reasonable in amount and prudently incurred. Further, recovery of even prudently incurred costs is constrained by the Commission's obligation to set fair, just, and reasonable rates. Further, pursuant to Section 366.01, Florida Statutes, the provisions of Chapter 366 must be liberally construed to protect the public welfare.

D. STATEMENT OF FACTUAL ISSUES AND POSITIONS

GENERIC PURCHASED GAS ADJUSTMENT ISSUES

ISSUE 1: What are the final purchased gas adjustment true-up amounts for the period January 2019 through December 2019?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent.

ISSUE 2: What are the actual/estimated purchased gas adjustment true-up amounts for the period January 2020 through December 2020?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the estimated/actual costs proposed for recovery can necessarily be deemed reasonable.

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2021 through December 2021?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent and thus collected.

ISSUE 4: What are the levelized purchased gas cost recovery (cap) factors for the period January 2021 through December 2021?

OPC: No position at this time; however, the factors should be based on costs deemed reasonable and or prudent after a hearing.

ISSUE 5: What should be the effective date of the new purchased gas adjustment charge for billing purposes?

OPC: No position.

ISSUE 6: Should the Commission approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding?

OPC: No position at this time; however, the factors contained in the tariff(s) should be based on costs deemed reasonable and or prudent after a hearing.

ISSUE 1: Should this docket be closed?

OPC: No position at this time.

E. **STIPULATED ISSUES:**

None.

F. PENDING MOTIONS:

None.

G. REQUESTS FOR CONFIDENTIALITY

Citizens have no pending requests for claims for confidentiality.

H. OBJECTIONS TO QUALIFICATIONS

None.

I. REQUIREMENTS OF ORDER

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 7th day of October, 2020.

Respectfully submitted,

J.R. Kelly
Public Counsel

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CERTIFICATE OF SERVICE
20200003-GU

I **HEREBY CERTIFY** that a true and correct copy of the Office of Public Counsel's Prehearing Statement has been furnished by electronic mail on this 7th day of October, 2020, to the following:

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