

STATE OF FLORIDA



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# Public Service Commission

October 16, 2020

Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301

Christopher Wright  
Senior Attorney  
Florida Power & Light Company  
700 Universe Blvd (JB/LAW)  
Juno Beach, Florida 33408

**Re: Docket No. 20200216 - Florida City Gas Petition for Approval of Tariff Modifications to Accommodate Receipt and Transportation of Renewable Natural Gas from Customers.**

Dear Ms. Keating and Mr. Wright:

By this letter, Commission staff requests that Florida City Gas (FCG or utility) provide responses to the following questions.

1. Paragraph 12 of the petition states "... depending on the price, location, and market conditions, the gas could potentially be purchased by FCG as part of its system supply." Please explain if purchases gas from a biogas producer, whether the cost of the gas would be included in the utility's Purchased Gas Adjustment calculations and how the cost of the biogas would compare to other natural gas purchases.
2. Has FCG installed conditioning equipment to clean and upgrade biogas to renewable natural gas as of September 30, 2020? If yes, please provide the name of each location and when construction started/was completed.
3. Please explain why FCG filed this petition now and whether FCG has been contacted by potential biogas producers to provide biogas conditioning service. In your response, please also state how many customers FCG expects to take service under the proposed Renewable Natural Gas (RNG) tariff.
4. Could a biogas producer install and maintain their own conditioning equipment or contract with a third-party (instead of contracting with FCG)? Please explain the choices a biogas producer has with respect to the installation of conditioning and upgrading service.

5. Would the conditioning equipment be installed by FCG on the customer's property or on FCG property? Please explain.
6. Please explain the installation process of conditioning equipment that will be installed at the customer's facility and provide an illustrative diagram of such equipment.
7. Please state the estimated total cost of construction (or range of possible costs) for the installation of the conditioning equipment.
8. What is the cost of operation on a per year basis for the conditioning equipment and describe any required routine maintenance.
9. Would the utility use employees of FCG to do the installation process of the conditioning equipment, or is the intent of the utility to hire outside contractors to complete part or all of the construction and installation process? Please explain and state whether the labor cost (FCG labor or outside labor) will be included in the calculation of the monthly services charge.
10. Does FCG have an expected amount of customers that would be installing conditioning services to help off-set their gas already supplied by FCG? Please explain the data collection process that helped FCG arrive at this number.
11. What internal mechanisms and control is FCG taking to ensure the credit worthiness of customers to be served under the RNG tariffs?
12. How would the utility handle a customer who is going into default and can no longer pay the monthly services charge?
13. The proposed tariff states that the RNG service agreement may require a minimum period of time. Please explain how FCG would establish the term of the RNG agreement.
14. What internal controls and mechanisms are in place to ensure that the biogas that is conditioned and treated is up to gas quality and safety standards?
15. Where can customers find the company's stated gas quality and standards? Please provide a link if applicable.

Please file all responses electronically by October 30, 2020 via the Commission's website at [www.floridapsc.com](http://www.floridapsc.com) by selecting the Clerk's Office tab and electronic Filing Web Form. Please contact me at [hforrest@psc.state.fl.us](mailto:hforrest@psc.state.fl.us) or at 850.413.6808 if you have any questions.

Sincerely,

*/s/ Holly Forrest*  
Holly Forrest  
Public Utility Analyst

cc: Office of the Commission Clerk