

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 3, 2021

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Forrest) *JGH*
Office of the General Counsel (Osborn, Crawford) *JSC*

RE: Docket No. 20210088-GU – Joint petition to modify tariffs to accommodate receipt and transport of renewable natural gas, by Florida Public Utilities Company, Florida Public Utilities - Indiantown Division, Florida Public Utilities - Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

AGENDA: 06/15/21 – Regular Agenda – Tariff Suspension – Participation is at the Commission’s discretion

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 06/21/21 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

On April 21, 2021, Florida Public Utilities Company, Florida Public Utilities-Indiantown Division, Florida Public Utilities-Fort Meade, and Florida Division of Chesapeake Utilities Corporation (the Companies) filed a joint petition with the Commission to create a new Renewable Natural Gas (RNG) rate schedule for biogas producers.¹ This tariff would provide the terms and conditions under which the Companies may provide biogas producers the service of conditioning or upgrading biogas into pipeline quality RNG. In addition, the Companies request approval of modifications to certain existing tariffs to allow for the receipt and transportation of RNG.

¹ Biogas is described as raw, freshly emitted, and untreated gas, especially methane, produced by the breakdown of organic matter.

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The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.06, 366.071, 366.072, 366.076, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Companies' proposed Renewable Natural Gas Service tariff and associated tariff revisions be suspended?

Recommendation: Yes, staff recommends that the proposed tariffs be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the proposed tariffs. (Forrest)

Staff Analysis: Staff recommends that the proposed tariffs be suspended to allow staff the necessary time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the proposed tariff.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of the new rate schedules, delivering to the utility requesting such an increase, a reason or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Issue 2: Should this docket be closed?

Recommendation: No, this docket should remain open pending the Commission's decision on the proposed tariffs. (Osborn, Crawford)

Staff Analysis: This docket should remain open pending the Commission's decision on the proposed tariffs.