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Commissioners: Gary F. Clark, Chairman Art Graham Andrew Giles Fay Mike La Rosa Gabriella Passidomo

STATE OF FLORIDA

DIVISION OF ECONOMICS JUDY HARLOW DIRECTOR (850) 413-6410

Public Service Commission

August 11, 2021

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. 20210126-GU – Petition of Florida City Gas for Approval of Variance to Modify the Sebastian Area Extension Program True-Up and Extend the Amortization Period

Dear Ms. Keating & Mr. Wright:

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

- 1. Please provide a map delineating the Sebastian Area Extension Program (AEP).
- 2. Paragraph 14 of the petition states that the Sebastian AEP "was largely designed to serve commercial and industrial customers in the Sebastian-Vero Beach area who intended to convert their energy needs from fossil fuels to natural gas". Please discuss the types of infrastructure projects installed to enable the commercial and industrial customers to convert their energy needs to natural gas.
- 3. Paragraph 15 states that the Sebastian extension was eligible for the company's AEP. Please discuss the company's AEP extension eligibility criteria.
- 4. Paragraph 17 of the petition states that the AEP surcharge was calculated based on 80 forecasted customers. However, in Attachment 2, the table indicates 74 forecasted customers. Please discuss the reasons for the difference in forecasted number of customers.

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- 5. Attachment 2 table indicates 48 actual customers and therefore the need to extend the Sebastian AEP true-up and amortization period. Please discuss the actions implemented by or proposed to be implemented by the company to attract more customers to the Sebastian AEP.
- 6. Paragraph 24 of the petition states that the waiving of the true-up and retaining the current AEP surcharge will mitigate rate shock to the customers. Has the company informed the Sebastian AEP customers regarding the proposed true-up and amortization period extension requested in the pending docket? If not, please describe when and how the customer will be notified.
- 7. Please provide the company's modified annual revenue projections through the proposed 15-year extension period.

Please file all responses electronically no later than Wednesday, August 25, 2021 via the Commission's website at <u>www.floridapsc.com</u> by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6554 if you have any questions.

Thank you,

/s/Oakley Ward Public Utility Analyst II oward@psc.state.fl.us

cc: Office of Commission Clerk