

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: November 16, 2010
TO: All Parties of Record & Interested Persons
FROM: Anna R. Williams, Attorney, Office of the General Counsel *ARW*
RE: Docket No. 090539-GU - Petition for approval of Special Gas Transportation Service agreement with Florida City Gas by Miami-Dade County through Miami-Dade Water and Sewer Department.

Please note that an informal meeting between Commission staff and interested persons to the above-captioned docket has been scheduled for the following time and place:

Thursday, November 18, 2010 at 2:00 p.m.
Gerald L. Gunter Building, Conference Room 154
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The purpose of the meeting is to discuss procedural matters in the above-referenced docket, including case deadlines and the preliminary lists of issues. Attached to this memorandum are the issues agreed to by staff and Florida City Gas and the proposed case schedule. Miami-Dade Water and Sewer Company's preliminary issue list is also attached. Attendance is not required; however, all interested persons are encouraged to attend. Interested persons may participate telephonically in this meeting by dialing 1-888-808-6959, Conference Code 4136206. If you have any questions about the meeting, please call Anna R. Williams at (850) 413-6076.

ARW

DOCUMENT NUMBER - DATE

09422 NOV 16 09

FPSC-COMMISSION CLERK

Agreed Issues

1. What are FCG's incremental costs to serve MDWASD's gas transportation requirements for the Alexander Orr, Hialeah-Preston, and South Dade Wastewater Treatment plants, respectively?
2. Does MDWASD have a viable by-pass option?
3. Should the 2008 Agreement between MDWASD and FCG be approved as a special contract?
4. In the absence of a special agreement, what existing FCG tariff schedule applies to the natural gas transportation service provided to MDWASD?
5. Based on the Commission's decisions in this case, what monies, if any, are due MSWASD and/or FCG?
6. If the special contract or any rate that is below the tariff rate is approved, should FCG be allowed to recover the difference between the contract rate and the otherwise applicable tariffed rates through the Competitive Rate Adjustment (CRA) factor for the period August 1, 2009, forward? How should any such recovery occur?

DOCUMENT NUMBER-DATE

09422 NOV 16 09

FPSC-COMMISSION CLERK

Proposed Case Schedule

(1)	Petitioner's testimony and exhibits	November 30, 2010
(2)	Intervenors' testimony and exhibits	December 20, 2010
(3)	Rebuttal testimony and exhibits	January 18, 2011
(4)	Prehearing Statements	February 14, 2011
(5)	Prehearing Conference	March 7, 2011
(6)	Discovery deadline	March 7, 2011
(7)	Hearing	March 23-24, 2011
(8)	Briefs	April 25, 2011
(9)	Staff Recommendation	June 2, 2011
(10)	Agenda	June 14, 2011
(11)	Final Order	June 22, 2011

DOCUMENT NUMBER-DATE

9422 NOV 16 2010

FPSC-COMMISSION CLERK

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition of Miami-Dade County through
Miami-Dade Water and Sewer Department
for Approval of Special Gas Transportation
Service Agreement with Florida City Gas

Docket No. 090539-GU

Miami-Dade County's Preliminary List of Issues

A. JURISDICTION

1. Whether Miami-Dade County ("Miami-Dade") is a municipality for purposes of Rule 25-9.034, Florida Administrative Code?
2. Whether the Florida City Gas ("FCG")/Miami-Dade gas transportation agreement is exempt from Commission jurisdiction?
3. Whether FCG should be equitably estopped from asserting that the FCG/Miami-Dade gas transportation agreement is not exempt from Commission jurisdiction?

B. SPECIAL CONTRACT

4. What terms and conditions are required to be included in a special contract with FCG for gas transportation services?
5. What are the standards for approving a special contract for gas transportation?

6. Whether any existing FCG tariff schedule applies to the 2008 Agreement for gas transportation services to Miami-Dade Water and Sewer Department (“MDWASD”)?

C. INCREMENTAL COST

7. How should “incremental costs” be defined for purposes of this proceeding?

8. What costs should be considered in FCG’s “incremental costs”?

9. What was the original cost and installation date for the FCG pipe that transports gas to MDWASD plants?

10. Who paid for the FCG pipe and is the pipe, or any portion of the pipe that serves MDWASD, contributed property?

11. Whether FCG employees have provided any maintenance or other services regarding the FCG pipes serving MDWASD?

12. Whether FCG pipe serving Miami-Dade is fully depreciated?

13. Whether FCG should have performed an incremental cost of service study prior to entering into a special contract for gas transportation services?

14. What are FCG’s incremental costs to serve MDWASD’s gas transportation requirements for the Alexander Orr, Hialeah-Preston and South Dade Wastewater Treatment Plant, respectively?

15. Whether the contract rate in the 2008 Agreement covers FCG's incremental cost to serve MDWASD?

16. To the extent the rate agreed to in the 2008 Agreement does not cover the costs FCG incurs to serve MDWASD, what is the lowest rate that will cover such costs?

D. COMPETITIVE RATE ADJUSTMENT

17. Whether a competitive rate adjustment is or should be available to FCG relating to the 2008 Agreement?

18. Whether FCG should have unilaterally stopped billing the CRA to its customers?

19. Whether FCG entered into any below-tariff special contracts following approval by the PSC?

20. Whether FCG has improperly billed the CRA to MDWASD?

E. TARIFF RATE SCHEDULE

21. Whether the tariff rate that FCG unilaterally imposed on MDWASD is unjust, unreasonable, excessive, or unjustly discriminatory?

22. Whether the GS-1250K rate schedule is a proper or reasonable classification for MDWASD?

23. Whether FCG's increase of the County's rates by 670% is reasonable?

F. FCG/AGL ACTIONS

24. Whether FCG's breach of its obligations to act in good faith can be excused by the PSC?
25. What is AGL's financial interest in this matter?
26. Whether FCG shareholders should be required to absorb a deficiency, if any, between FCG revenue under the 2008 Agreement and FCG's incremental cost to serve MDWASD?
27. Whether FCG would over-earn if the Commission allowed FCG to charge MDWASD rates 670% higher than the rates FCG agreed to charge MDWASD in the 2008 Agreement?
28. Whether FCG made misrepresentations to the PSC staff regarding its cost of serving the County?
29. Whether FCG made misrepresentations to the PSC staff regarding the County's cost of bypassing FCG's system?
30. Whether FCG should benefit from its misrepresentations and other actions with regard to the 2008 Agreement?
31. Whether FCG and AGL's treatment of the County should be condoned by the PSC?

Issues were placed in categories for convenience. Issues may fall under more than one category. Miami-Dade reserves the right to enlarge, reduce, edit or otherwise amend this preliminary list of issues.

Respectfully submitted,

R. A. CUEVAS, JR.
Miami-Dade County Attorney

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was delivered by email and U.S. Mail this 15th day of November, 2010 to:


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