

STATE OF FLORIDA

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## Public Service Commission

March 3, 2014

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P.O. Box 1531  
Tampa, Florida 33601-1531

### STAFF'S FIRST DATA REQUEST

RE: Docket No. 140034-GU – Petition for approval of a special contract with RockTenn CP, LLC, by Peoples Gas System.

Dear Mr. Watson:

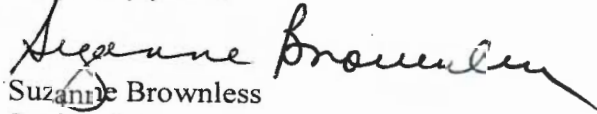
By this letter, the Commission staff requests that Peoples Gas System (PGS) provide responses to the following data requests with regard to the proposed special contract (Agreement):

1. Absent the proposed Agreement, which PGS tariff would apply to each of the three RockTenn facilities (Fernandina Beach, Jacksonville, and Panama City)?
2. Please state the annual amount received for the most recent 12-month period for each of the three facilities under PGS's applicable tariff?
3. Section 5.1 of the Agreement states that the monthly transportation service charge will be in accordance with PGS Rate Schedule CIS. PGS's Rate Schedule CIS, Fourth Revised Sheet No. 7.607, states that the distribution charge to the customer requires evaluation by PGS of competitive conditions. Please provide a detailed description of the competitive conditions pertaining to service to each of the three RockTenn facilities and the PGS evaluation of those conditions that warrants assignment to Rate Schedule CIS.
4. Exhibit B to the petition states that the Jacksonville and Panama City mills have the ability to bypass. Has a study been done to determine the cost of bypass for each of the two facilities? If yes, please provide the study; if not, please explain why.
5. Does the mill in Fernandina Beach have the ability to bypass? If not, please explain the basis for providing the Fernandina Beach mill with a special contract?
6. Referring to Exhibit C to the petition, please explain and show the derivation of the amount shown in Line 1, Operation and Maintenance.

7. Please provide a cost of service study similar to Exhibit C for the Jacksonville and Panama City mills.
8. What would be the impact to other PGS' ratepayers if RockTenn opted for service from another supplier?
9. Under provisions of the Agreement, will PGS be required to secure capacity on any interstate or intrastate pipeline for purposes of serving the RockTenn facilities, and is such capacity available?
10. Please explain why the Fixed Monthly Charges as shown in Section 4.6 of the proposed Agreement differ for the facilities?
11. Does PGS anticipate seeking recovery of the difference between the standard tariff rate and the rate specified in the special contract from the general body of ratepayers through the Competitive Rate Adjustment mechanism?
12. Please explain how PGS proposes to address the revenue shortfall resulting from the Agreement in the next rate case.
13. What impact will the special contract have on PGS's general body of ratepayers due to the difference between the standard tariff and the rate specified in the Agreement?
14. How often, if ever, has PGS sought a Competitive Rate Adjustment for service provided to RockTenn or previous owners of the three facilities?

Please file the original and five copies of the requested information by Monday, March 17, 2014 with Ms. Carlotta Stauffer, Commission Clerk Office of Commission Clerk, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0850. Please feel free to contact me at (850) 413-6218 should you have any questions or need any additional information regarding this matter.

Very truly yours,

  
Suzanne Brownless  
Senior Attorney

SBr  
cc: Office of Commission Clerk

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