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Public Service Commission

March 9, 2016

D. Bruce May, Jr.
315 South Calhoun St., Suite 600
Tallahassee, Florida 32301
Email: bruce.may@hklaw.com

STAFF'S FIRST DATA REQUEST
via e-mail

Re: Docket No. 160033-GU – Petition for limited proceeding to restructure rates by St. Joe Natural Gas Company, Inc.

Dear Mr. May:

By this letter, Commission staff respectfully requests the following information from St. Joe Natural Gas Company, Inc. (SJNG):

1. Please refer to Schedule 1 attached to the petition (page A-1). Please confirm that the (\$7,849) Rate Base Average Difference represents the total rate base that was associated with serving Arizona Chemical. Also, please confirm that this amount already has been retired from rate base by SJNG.
2. Has SJNG realized any savings in operation and maintenance (O&M) costs as a result of no longer serving Arizona Chemical (*e.g.*, avoided costs of safety inspections, leak surveys)? If yes, please provide a schedule showing the components of the savings on an annual basis from the year service to Arizona Chemical was discontinued to the present, and, if any, estimated annual savings in O&M costs going forward. If not, please discuss the reasons why no savings were realized.
3. Please refer to Schedule 3 attached to the petition (page A-4). In SJNG's most recent rate case proceeding minimum filing requirements (MFRs) filed on December 21, 2007 [Document No. 11181-07 in Docket No. 070592-GU], SJNG presented equity balances as shown below:

	MFR Schedule B-1	MFR Schedule D-1	MFR Schedule G-3
Equity Amount	\$2,284,019	\$2,284,019	\$2,227,497

Please illustrate how the equity amount of \$2,179,903 shown on Schedule 3 attached to the instant petition was derived.

4. Paragraph 8 on page 3 of the petition states that Arizona permanently closed its operations in 2009. Please discuss SJNG's reasons for waiting to file for a rate restructuring now rather than at an earlier point in time after losing Arizona as a customer. Please include in the discussion the possible effects (positive, negative, or none) that the seven-year "waiting period" had on ratepayers.
5. The last rate case Order (PSC-08-0436-PAA-GU) discusses a potential new housing development that should lead to new customer growth (Windmark development). Please state whether the development was built or not.
6. Please discuss any changes (i.e., increase or decrease) in the number of residential and commercial customers since the 2008 rate case.
7. Please discuss any changes (i.e., increase or decrease) in SJNG's operation and maintenance expenses since the 2008 rate case.
8. In the 2008 rate case the Commission approved a rate case expense of \$55,003. Please provide an estimate of rate case expense if SJNG were to file a rate case in 2016.

Please file all responses electronically no later than Thursday, March 24, 2016 from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please call me at (850) 413-6495 if you have any questions.

Thanks and regards,

/s/ Don Rome

Don Rome
Public Utility Analyst
drome@psc.state.fl.us

CDR

cc: Office of Commission Clerk