

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased gas adjustment (PGA) true-up.

DOCKET NO. 20230003-GU

FILED: October 6, 2023

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-2023-00089-PCO-GU issued February 15, 2023, submit this Prehearing Statement.

APPEARANCES:

Walt Trierweiler
Public Counsel

Charles J. Rehwinkel
Deputy Public Counsel

Patricia A. Christensen
Associate Public Counsel

Mary Wessling
Associate Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

On behalf of the Citizens of the State of Florida.

A. **WITNESSES:**

None.

B. **EXHIBITS:**

None.

C. **STATEMENT OF BASIC POSITION**

The utilities bear the burden of proof to justify the recovery of costs they request in this docket. The utilities must carry this burden regardless of whether or not the Interveners provide evidence to the contrary. Further, the utilities bear the burden of proof to support their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought. Even if the Commission has previously approved a program, recovery of a cost, factor, or adjustment as meeting the Commission's own requirements, the utilities still bear the burden of demonstrating that the costs submitted for final recovery meet any statutory test(s) and are reasonable in amount and prudently incurred. Moreover, the utilities bear the burden of proof to support that all costs sought to be recovered through this clause are correctly clause recovery costs and not base rate costs. Further, recovery of even prudently incurred costs is constrained by the Commission's obligation to set fair, just, and reasonable rates, based on projects and/or costs that are prudent undertaken, prudent in amount and prudently incurred pursuant to Section 366.01, Florida Statutes. Additionally, the provisions of Chapter 366 must be liberally construed to protect the public welfare.

D. STATEMENT OF FACTUAL ISSUES AND POSITIONS

GENERIC PURCHASED GAS ADJUSTMENT ISSUES

ISSUE 1: What are the final purchased gas adjustment true-up amounts for the period January 2022 through December 2022?

OPC: The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent. Further, the utilities bear the burden of proof to support that all costs sought to be recovered through this clause are correctly clause recovery costs and not base rate costs.

ISSUE 2: What are the appropriate purchased gas adjustment actual/estimated true-up amounts for the period January 2023 through December 2023?

OPC: The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on

clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the estimated/actual costs proposed for recovery can necessarily be deemed reasonable. Further, the utilities bear the burden of proof to support that all costs sought to be recovered through this clause are correctly clause recovery costs and not base rate costs.

ISSUE 3: What is the total purchased gas adjustment true-up amounts to be collected during the period January 2024 through December 2024?

OPC: The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent and thus collected. Further, the utilities bear the burden of proof to support that all costs sought to be recovered through this clause are correctly clause recovery costs and not base rate costs.

ISSUE 4: What are the levelized purchased gas adjustment cost recovery (cap) factors (0.000 per therm) for the period January 2024 through December 2024?

OPC: No position at this time; however, the factors should be based on costs deemed reasonable and or prudent in a hearing and are correctly clause recovery costs.

ISSUE 5: What should the effective date of the new purchased gas adjustment cost recovery (cap) factors for billing purposes be?

OPC: No position.

ISSUE 6: Should the Commission approve revised tariffs reflecting the new purchased gas adjustment cost recovery (cap) factors determined to be appropriate in this proceeding?

OPC: No position at this time; however, the factors contained in the tariff(s) should be based on costs deemed reasonable and or prudent in a hearing and are correctly clause recovery costs.

ISSUE 7: Should this docket be closed?

OPC: No position at this time.

E. STIPULATED ISSUES:

None at this time.

F. PENDING MOTIONS:

None.

G. REQUESTS FOR CONFIDENTIALITY

Citizens have no pending requests for claims for confidentiality.

H. OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT

OPC has no objections to any witness' qualifications as an expert in this proceeding.

I. REQUIREMENTS OF ORDER

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 6th day of October, 2023.

Respectfully submitted,

Walt Trierweiler
Public Counsel

/s/Patricia A. Christensen
Patricia A. Christensen
Associate Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330

CERTIFICATE OF SERVICE
Docket No. 20230003-GU

I **HEREBY CERTIFY** that a true and correct copy of the Office of Public Counsel's Prehearing Statement has been furnished by electronic mail on this 6th day of October, 2023 to the following:

Ausley Law Firm
J. Wahlen/M. Means/V. Ponder
P.O. Box 391
Tallahassee FL 32302
jwahlen@ausley.com
mmeans@ausley.com
vponder@ausley.com

Mike Cassel
Florida Public Utilities Company
FPUC - Fort Meade
208 Wildlight Ave.
Yulee FL 32097
mcassel@fpuc.com

Florida Public Utilities Company
Michelle D. Napier
1635 Meathe Drive
West Palm Beach FL 33411
mnapier@fpuc.com

Karen Bramley
Peoples Gas System
Regulatory Affairs
P.O. Box 2562
Tampa FL 33601-2562
KLBramley@tecoenergy.com
regdept@tecoenergy.com

Christopher T. Wright
Florida Power & Light Company
700 Universe Boulevard (JB/LAW)
Juno Beach FL 33408
Christopher.Wright@fpl.com

Beth Keating
Gunster Law Firm
215 South Monroe St., Suite 601
Tallahassee FL 32301
bkeating@gunster.com

Paula Brown
Peoples Gas System
Regulatory Affairs
P.O. Box 111
Tampa FL 33601-0111
regdept@tecoenergy.com

Ryan Sandy
Florida Public Service Commission
Office of the General Counsel
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
rsandy@psc.state.fl.us

/s/ Patricia A. Christensen
Patricia A. Christensen
Associate Public Counsel