

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

SPECIAL COMMISSION CONFERENCE

DATE: June 11, 1993

RE: DOCKET NO. 920807-GP - Application for determination of need for intrastate natural gas pipeline by SUNSHINE PIPELINE PARTNERS.

Issue 1: Is SunShine's forecast of future transmission capacity requirements reasonable for planning purposes?

Recommendation: Yes. Sunshine's gas capacity forecast for Florida is reasonable for the Years 2000 and 2010, although SunShine overstates the gas capacity requirement available to the proposed SunShine pipeline. Based on the exclusion of the Pensacola and Tallahassee market areas, the gas capacity requirement that is available to the Sunshine Pipeline in 2000 is 2.0 Bcf/day rather than 2.3 Bcf/day, and the gas capacity requirement which is available to the Suneshine Pipeline in 2010 is 3.2 Bcf/day rather than 3.5 Bcf/day.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures in the MAJORITY column]
Susan Clark
Tom Leaso
Luis Daniel

REMARKS/DISSENTING COMMENTS:

PSC/RAR33 (5/90)

DOCUMENT NUMBER-DATE
06336 JUN 11 83
PSC-RECORDS/REPORTING

Vote Sheet
Special Commission Conference
Docket No. 920807-GP
June 11, 1993

Issue 2: Has SunShine Pipeline provided adequate support to justify a need for 250,000 Mcf per day in 1995, 425,000 Mcf per day in 1998, and 550,000 Mcf per day in 1999?

Recommendation: Yes. SunShine has provided adequate support to justify its designed pipeline capacity in the years proposed.

APPROVED

Issue 3: Is the proposed pipeline needed to improve or maintain natural gas delivery reliability and integrity within Florida?

Recommendation: Yes. The SunShine Pipeline is needed to improve or maintain gas delivery reliability and integrity within Florida.

APPROVED

Issue 4: Are there any adverse consequences to SunShine and its customers if the petition is denied or if construction is delayed?

Recommendation: Yes. SunShine, its customers, and the citizens of the state could face adverse consequences if SunShine is delayed or denied.

APPROVED

Issue 5: Is the timing of SunShine's petition to determine the need for its proposed pipeline appropriate?

Recommendation: Yes. The timing of SunShine's petition to determine the need for its proposed pipeline is appropriate since the company has provided contractual evidence indicating significant gas capacity requirements for each of the three phases of the proposed pipeline. Also, the company's gas capacity requirement forecast for 2000 indicates that demand for gas transportation capacity will exceed available supply during 1999, when the pipeline is scheduled for completion. Finally, any delay of finding a determination of need may be harmful to the public from an environmental and cost perspective.

APPROVED

Issue 6: Is the fuel price forecast used by SunShine reasonable for planning purposes?

Recommendation: Yes. The fuel price forecast used by SunShine is reasonable for planning purposes.

APPROVED

Issue 7: Do there exist sufficient divertible supplies of natural gas to meet the expected needs of SunShine's customers?

Recommendation: Yes. Ample divertible supplies of natural gas exist in the U.S. and Canada.

APPROVED

Issue 8: Does sufficient capacity exist on pipelines upstream from SunShine to assure natural gas supply can be transported to SunShine sufficient to meet its design capabilities?

Recommendation: Yes. Sufficient capacity currently exists and will continue to exist to meet SunShine's design capabilities, assuming regulatory approval of the proposed SITCO facilities. (See Issue 21)

APPROVED

Issue 9: Will sufficient capacity exist on pipelines upstream from SunShine to assure natural gas supply can be transported to SunShine at the expected in-service date?

Recommendation: Yes. Sufficient capacity will exist on pipelines upstream from SunShine to assure natural gas supply can be transported to SunShine's customers at the expected in-service date, assuming regulatory approval of the proposed SITCO facilities. (See Issue 21)

APPROVED

Issue 10: Do existing pipeline companies in Florida have sufficient excess capacity to fulfill the forecasted need for transmission capacity?

Recommendation: No. Existing pipeline companies in Florida do not have sufficient excess capacity to fulfill the forecasted need for transmission capacity.

APPROVED

Issue 11: Has SunShine acquired sufficient commitments for transmission capacity to warrant construction of the pipeline?

Recommendation: No. However, the forecast of future electric generating demand, coupled with the evidence in the record, indicates a need for SunShine's proposed pipeline capacity.

APPROVED

Issue 12: Are approved capacity additions to existing pipelines sufficient to satisfy the growth in capacity requirements for natural gas forecasted by SunShine?

Recommendation: No. The summation of existing plus "approved, but not yet built" capacity on pipelines in Florida is 1.8 Bcf/day, while SunShine's forecasted gas capacity requirement is 3.8 Bcf/day, so that the additional capacity requirement not satisfied by existing or approved pipelines is 2.0 Bcf/day.

APPROVED

Issue 13: Do the proposed design, operation and maintenance procedures of SunShine's natural gas pipeline provide a prudent and reasonable level of safety for the public?

Recommendation: Yes. The SunShine Pipeline will be required to comply with all federal and state pipeline safety requirements. The proposed Operation and Maintenance procedures meet or exceed all pipeline safety requirements, which insures a reasonable and prudent level of public safety. Staff recommends that the Commission, as a condition of its finding of need, require SunShine to odorize all gas transported so that the odorant in the gas is readily detectable at concentrations of gas and air mixture of one-fifth of the lower explosive limit or lower of the transported gas.

APPROVED

Issue 14: Has SunShine provided sufficient information on the route, planned alternative routes, planned location of compressor stations, and other affiliated facilities to evaluate whether the need exists for its proposed pipeline?

Recommendation: Yes. SunShine has provided sufficient information to evaluate the need for its proposed pipeline. The planned location of compressor stations and other affiliated facilities and sufficiency of the information concerning the route or planned alternative routes will be addressed by the Department of Environmental Protection as part of the natural gas transmission siting process required by Chapter 403, Florida Statutes.

APPROVED

Issue 15: Are the commencement and terminus of SunShine's proposed facilities and laterals appropriate to serve the need identified in Issue 2?

Recommendation: The record supports SunShine's main lines commencing in Okaloosa County and terminating at "Polk," and laterals required for Peoples Gas System and Florida Power as shown on Exhibit A of SunShine's application for need. However, the record does not support the necessity of mainline extending from "Polk" or any laterals except those previously mentioned.

APPROVED

Stipulated Issue 816: The parties agree that SunShine has selected the appropriate pipeline diameter and configuration for the project.

APPROVED

Vote Sheet
Special Commission Conference
Docket No. 920807-GP
June 11, 1993

Stipulated Issue 817: The parties agree that SunShine's construction cost estimates are reasonable for planning purposes.

APPROVED

Issue 18: Can the necessary financing for the SunShine intrastate pipeline project be acquired by the partnership?
Recommendation: Yes, SunShine can secure financing for the pipeline project.

APPROVED

Issue 19: Can the necessary financing for the SunShine intrastate pipeline project be acquired without the participation of Florida Power Corporation as an investor?
Recommendation: Yes, financing for the project can be secured without FPC as an investor.

APPROVED

Issue 20: Would the citizens of the state of Florida benefit from the existence of competing pipelines?
Recommendation: Yes. The citizens of the state of Florida can be expected to realize benefits from competing pipelines through lower utility rates, access to more diverse supply areas, the existence of needed summer capacity, employment opportunities, and greater tax revenues for the state.

APPROVED

Stipulated Issue S21: The parties agree that a new, federally certificated interstate natural gas transmission system called SunShine Interstate Transmission System (SITCO) will be required to be constructed and placed in service in conjunction with the SunShine Pipeline Project.

APPROVED

Issue 22: Based on the resolution of the previous factual and legal issues, should SunShine's petition for determination of need for a natural gas mainline and laterals, as shown in Exhibit JPL-1, be approved?

Recommendation: Yes. SunShine's petition for determination of need should be approved with the following conditions: SunShine should odorize all mains and laterals; SunShine should file with the Commission's Division of Electric and Gas all signed precedent agreements obtained prior to, during, and subsequent to construction; SunShine should only construct laterals and mainline past "Polk" (as shown on Exhibit JPL-1) when precedent agreements have been obtained to justify such construction; SunShine should only construct the pipeline if FERC approves the SITCO pipeline or another upstream pipeline of similar design capacity, or SunShine otherwise assures the Commission that its customers will have adequate access to interstate gas supplies; and SunShine's current and future customers should not bear the risk of under subscription of the pipeline.

APPROVED with the modification that the order reference and recite the company's commitment to secure goods and services within Florida where prudent and possible, and request a commitment from the Company and periodic reports on its efforts to utilize minority and women owned businesses.

Issue 23: Should the Commission approve staff's recommended rulings on the proposed findings of fact submitted by FGT?

Recommendation: Yes. Staff's proposed responses to each of FGT's proposed findings of fact are presented in Attachment A to this recommendation.

APPROVED

Vote Sheet
Special Commission Conference
Docket No. 920807-GP
June 11, 1993

Issue 24: Should the Commission approve staff's recommended rulings on the proposed findings of fact submitted by West Coast?

Recommendation: Yes. Staff's proposed responses to each of West Coast's proposed findings of fact are presented in Attachment B to this recommendation.

APPROVED

Issue 25: Should this docket be closed?

Recommendation: Yes.

APPROVED