

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of : DOCKET NO. 990003-GU
:
Purchased Gas :
Adjustment True-up :

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* AND DO NOT INCLUDE PREFILED TESTIMONY. *
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PROCEEDINGS: Prehearing Conference

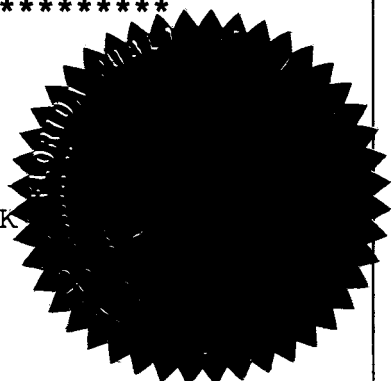
BEFORE: COMMISSIONER SUSAN F. CLARK

DATE: November 4, 1999

TIME: Commenced at 9:30 a.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: KIMBERLY K. BERENS, CSR, RPR
FPSC Commission Reporter
(850) 413-6736



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FPSC-RECORDS/REPORTING

1 **APPEARANCES:**

2 **DAVID M. NICHOLSON**, People's Gas System,
3 Post Office Box 111, Tampa, Florida 33601, **appearing**
4 **on behalf of People's Gas System.**

5 **NORMAN H. HORTON** and **FLOYD R. SELF**, Messer,
6 Caparello, Metz, Maida & Self 215 South Monroe Street,
7 Post Office Box 1876, Tallahassee, Florida 32302-1876,
8 appearing on behalf of **Florida Public Utilities**
9 **Company, Sebring Gas Systems, Inc. and South Florida**
10 **Natural Gas Company.**

11 **STEPHEN C. BURGESS**, Deputy Public Counsel,
12 Office of Public Counsel, 111 West Madison Street,
13 Room 812, Tallahassee, Florida 32399-1400, appearing
14 on behalf of the **Citizens of the State of Florida.**

15 **WILLIAM COCHRAN KEATING, IV**, Florida Public
16 Service Commission, Division of Legal Services, 2540
17 Shumard Oak Boulevard, Tallahassee, Florida
18 32399-0870, appearing on behalf of the **Commission**
19 **Staff.**

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P R O C E E D I N G S

(Hearing convened at 9:40 a.m.)

COMMISSIONER CLARK: Call the prehearing to order. Mr. Keating, will you read the Notice.

MR. KEATING: Pursuant to Notice issued September 2, 1999 this time and place have been set for a prehearing hearing conference in Docket No. 990001-EI, Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor; Docket No. 990002-EG, Energy Conservation Cost Recovery Clause; Docket No. 990003-GU, Purchased Gas Adjustment True-up and Docket No. 990007-EI, Environmental Cost Recovery Clause.

COMMISSIONER CLARK: We'll take appearances.

MR. WILLIS: Lee L. Willis together with James D. Beasley, Post Office Box 391, Tallahassee, Florida, appearing on behalf of Tampa Electric Company in the 01, 02 and 07 dockets.

MR. MCGEE: James McGee, Post Office Box 14042, St. Petersburg, 33733 appearing on behalf of Florida Power Corporation in the 01 and 02 dockets.

MR. STONE: Jeffrey A. Stone and with me Russell A. Badders of the law firm Beggs and Lane, P.O. Box 12950, Pensacola, Florida on behalf of Gulf Power Company in the 01, 02 and 07 dockets.

1 **MR. CHILDS:** Matthew Childs on behalf of
2 Florida Power & Light Company in the 01 and 07 docket
3 and I enter an appearance for Charles Guyton on behalf
4 of Florida Power & Light Company in the 02 docket.

5 **MR. NICHOLSON:** David Nicholson, Peoples Gas
6 System, P.O. Box 111, Tampa, 33601 appearing in the
7 002 on 003 dockets.

8 **MR. SELF:** Norman H. Horton and Floyd Self
9 of the Messer, Caparello & Self law firm, P.O. Box
10 1876, Tallahassee, Florida appearing on behalf of
11 Florida Public Utilities Company in the 01, 02 and 03
12 dockets. Appearing on behalf of Sebring Gas Systems
13 Inc. in the 03 docket, and South Florida Natural Gas
14 Company also in the 03 docket.

15 **MR. BURGESS:** Steve Burgess here on behalf
16 of the Public Counsel's Office, 111 West Madison
17 Street, representing the Citizens of the State of
18 Florida in all the dockets before the Commission
19 today.

20 **MS. KAUFMAN:** Vicki Gordon Kaufman of the
21 McWhirter Reeves law firm, 117 South Gadsden Street,
22 Tallahassee, 32301. I'm here on behalf of the Florida
23 Industrial Power Users Group in the 01, 02 and 07
24 dockets.

25 **MR. SCHIEFELBEIN:** Wayne Schiefelbein, Post

1 Office Box 13688, Tallahassee 32317 appearing on
2 behalf of Chesapeake Utilities Corporation in the 02
3 and 03 dockets.

4 **MR. PALECKI:** Michael Palecki, 3111-20 Mahan
5 Drive, Tallahassee, Florida appearing on behalf of NUI
6 Corporation in the 02 and 03 dockets.

7 **MR. KEATING:** Cochran Keating on behalf of
8 Commission Staff in the 01 and 03 dockets.

9 **MS. JAYE:** Grace A. Jaye on behalf of
10 Commission Staff in the 02 and 07 dockets.

11 **MR. KEATING:** Commissioner Clark, we suggest
12 that we take up dockets in the following order. First
13 the 03 docket followed by 02, 07 and then 01.

14 **COMMISSIONER CLARK:** Is there any objection
15 to that? All right. Let's start with the 03 docket.
16 Are all the issues stipulated?

17 **MR. KEATING:** There are a few changes that
18 need to be made on some of the positions, but I
19 believe that all the issues that -- we are in
20 agreement on all of the issues. If there aren't any
21 preliminary matters we could probably just go through
22 the draft Prehearing Order.

23 **COMMISSIONER CLARK:** All right. Are there
24 any preliminary matters in the 03 docket? I don't see
25 any. It appeared to me that 01 is a stipulated

1 issue -- could be stipulated.

2 **MR. KEATING:** Issue 1? Yes. I believe that
3 Sebring needs to add its position on that issue.

4 **MR. SELF:** Commissioner Clark, Sebring Gas
5 agrees with Staff on Issue 1.

6 **COMMISSIONER CLARK:** Okay. That's 1,452
7 underrecovery?

8 **MR. SELF:** That's correct.

9 **COMMISSIONER CLARK:** So we can show shall
10 Issue 1 stipulated.

11 Issue 2. I think it's Sebring again we need
12 to hear from.

13 **MR. SELF:** Sebring again agrees with Staff
14 on Issue 1.

15 **COMMISSIONER CLARK:** Okay. Issue 2, that
16 was the one we were on.

17 **MR. SELF:** I'm sorry. That was Issue 2.

18 **COMMISSIONER CLARK:** Okay. Issue 3.

19 **MR. SELF:** On Issue 3 Sebring also agrees
20 with Staff.

21 **COMMISSIONER CLARK:** All right. Issue 4.

22 **MR. SELF:** On Issue 4 Sebring's position is
23 52.724 cents per therm.

24 **COMMISSIONER CLARK:** So we don't have a
25 stipulation on that and also City Gas is different,

1 too?

2 **MR. SELF:** I believe Staff has a revision to
3 its position.

4 **COMMISSIONER CLARK:** Okay. Mr. Keating.

5 **MR. KEATING:** We are in agreement with City
6 Gas and we are also in agreement with Sebring. Staff
7 is changing its position on Sebring on Issue 4 to
8 52.724 cents per therm.

9 **COMMISSIONER CLARK:** And for City Gas, which
10 one is it? Is it the 48? Have I got that right?

11 **MR. KEATING:** I believe we're in agreement
12 on the second number in City Gas' position, the 49.002
13 cents per therm.

14 **COMMISSIONER CLARK:** Oh, I'm sorry. Okay.

15 **MR. KEATING:** After regulatory assessment
16 fees.

17 **COMMISSIONER CLARK:** All right. So there's
18 a stipulation on Issue 4.

19 Issue 5, is there a stipulation?

20 **MR. SELF:** For Issue 5, Commissioner Clark,
21 Sebring also agrees with Staff.

22 **COMMISSIONER CLARK:** Okay. So all the
23 issues are stipulated in the 03 docket.

24 **MR. KEATING:** That's correct.

25 **COMMISSIONER CLARK:** Then I guess I would

1 propose we -- unless you hear from other Commissioners
2 that they want to have the witnesses present, if no
3 one requests that, they will be excused and we'll
4 simply take up the stipulation and move its approval
5 at the beginning of the hearing.

6 **MR. KEATING:** That will be reflected in the
7 Prehearing Order. And could I suggest a date by which
8 we'll notify the parties as of Monday November 15th,
9 which is one week prior to hearing.

10 **COMMISSIONER CLARK:** That's fine. Okay.
11 And you'll let the other Commissioners know that we
12 need to hear from them if they want witnesses to be
13 present?

14 **MR. KEATING:** Yes.

15 **COMMISSIONER CLARK:** Thank you very much.
16 That concludes the 03 docket.

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<p style="text-align: center;">&</p>	<p style="text-align: center;">990003-GU</p> <p>approval 8/4 assessment 7/15</p>	<p>followed 5/13 FPSC 1/19 Fuel 3/8</p>
<p>& 2/6, 4/2, 4/4, 4/9</p>	<p style="text-align: center;">B</p>	<p style="text-align: center;">G</p>
<p style="text-align: center;">*</p> <p>• 1/7, 1/8, 1/9, 1/10, 8/17 ***** 1/7, 1/10</p>	<p>Badders 3/23 Beasley 3/16 Beggs 3/23 BERENS 1/19, 9/3 Betty 1/16 Boulevard 2/17 Box 2/3, 2/7, 3/16, 3/19, 3/24, 4/6, 4/9, 5/1 BURGESS 2/11, 4/15</p>	<p>Gadsden 4/21 Gas 1/5, 2/2, 2/4, 2/9, 2/10, 3/11, 4/5, 4/12, 4/13, 6/4, 6/25, 7/6, 7/9 Gas? 7/12 Generating 3/9 Gordon 4/20 Grace 5/9 Group 4/23 guess 7/25 Gulf 3/24 Guyton 4/3</p>
<p style="text-align: center;">0</p>	<p style="text-align: center;">C</p>	<p style="text-align: center;">H</p>
<p>002 4/7 003 01 3/18, 3/21, 3/25, 4/2, 4/11, 4/23, 5/8, 5/13, 5/25 02 3/18, 3/21, 3/25, 4/4, 4/11, 4/23, 5/2, 5/6, 5/10, 5/13 03 4/11, 4/13, 4/14, 5/3, 5/6, 5/8, 5/13, 5/15, 5/24, 7/23, 8/16 07 3/18, 3/25, 4/2, 4/23, 5/10, 5/13</p>	<p>Call 3/3 Caparello 2/6, 4/9 Center 1/16 cents 6/23, 7/8, 7/13 CERTIFICATE 9/1 CERTIFIED 9/7 CERTIFY 9/4 changes 5/17 changing 7/7 Charles 4/3 Chesapeake 5/2 Childs 4/1 Citizens 2/14, 4/17 City 6/25, 7/5, 7/9, 7/12 CLARK 1/13, 3/3, 3/14, 5/11, 5/14, 5/23, 6/4, 6/6, 6/9, 6/15, 6/18, 6/21, 6/24, 7/4, 7/9, 7/14, 7/17, 7/20, 7/22, 7/25, 8/10, 8/15 Clause 3/9, 3/11, 3/13 COCHRAN 2/15, 5/7 Commenced 1/15 COMMISSION 1/1, 1/19, 2/16, 2/18, 4/18, 5/8, 5/10, 9/3 COMMISSIONER 1/13, 3/3, 3/14, 5/11, 5/14, 5/23, 6/4, 6/6, 6/9, 6/15, 6/18, 6/21, 6/24, 7/4, 7/9, 7/14, 7/17, 7/20, 7/22, 7/25, 8/10, 8/15 Commissioners 8/1, 8/11 Company 2/9, 2/10, 3/17, 3/25, 4/2, 4/4, 4/11, 4/14 concludes 8/16 Conference 1/12, 1/16, 3/7, 9/5 Conservation 3/10 convened 3/2 CONVENIENCE 1/8 COPY Corporation 3/21, 5/2, 5/6 correct 6/8, 7/24 Cost 3/8, 3/10, 3/13 Counsel 2/11, 2/12 Counsel's 4/16 COUNTY 9/2 CSR 1/19, 9/3</p>	<p>HORTON 2/5, 4/8</p>
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<p>1 6/2, 6/5, 6/10, 6/14 1,452 6/6 111 2/3, 2/12, 4/6, 4/16 117 4/21 12950 3/24 13688 5/1 14042 3/20 148 1/17 15th 8/8 1876 2/7, 4/10 1999 1/14, 3/6</p>	<p>DATE 1/14, 8/7 DAVID 2/2, 4/5 Deputy 2/11 Division 2/16 DOCKET 1/4, 3/7, 3/10, 3/11, 3/12, 4/2, 4/4, 4/13, 4/14, 5/13, 5/15, 5/24, 7/23, 8/16, 9/5 dockets 3/18, 3/21, 3/25, 4/7, 4/12, 4/18, 4/24, 5/3, 5/6, 5/8, 5/10, 5/12 draft 5/22 Drive 5/5</p>	<p>Incentive 3/9 Industrial 4/23 issue 6/1, 6/2, 6/3, 6/5, 6/10, 6/11, 6/14, 6/15, 6/17, 6/18, 6/19, 6/21, 6/22, 7/7, 7/18, 7/19, 7/20 issued 3/5 issues 5/16, 5/19, 5/20, 7/23 IV 2/15</p>
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<p>2 6/11, 6/15, 6/17 215 2/6 2540 2/16</p>	<p>Easley 1/16 Electric 3/17 ELECTRONIC 1/8 Energy 3/10 enter 4/3 Environmental 3/13 Esplanade 1/17 excused 8/3</p>	<p>James 3/16, 3/19 Jaye 5/9 Jeffrey 3/22</p>
<p style="text-align: center;">3</p>	<p style="text-align: center;">F</p>	<p style="text-align: center;">K</p>
<p>3 6/18, 6/19 3111-20 5/4 32301 4/22 32302-1876 2/7 32317 5/1 32399-0870 2/18 32399-1400 2/13 33601 2/3, 4/6 33733 3/20 391 3/16</p>	<p>Factor 3/9 fees 7/16 fine 8/10 firm 3/23, 4/9, 4/21 FLORIDA 1/1, 1/18, 2/3, 2/7, 2/8, 2/9, 2/13, 2/14, 2/15, 2/17, 3/17, 3/21, 3/24, 4/2, 4/4, 4/10, 4/11, 4/13, 4/18, 4/22, 5/5, 9/1 FLOYD 2/5, 4/8</p>	<p>Kaufman 4/20 KEATING 2/15, 5/7 KIMBERLY 1/19, 9/3</p>
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<p>4 1/14, 6/21, 6/22, 7/7, 7/18 4075 1/17 413-6736 1/20 48 7/10 49.002 7/12</p>	<p>Madison 2/12, 4/16 Mahan 5/4 Maida 2/6 Matter 1/4 matters 5/21, 5/24 Matthew 4/1 McGee 3/19 McWhirter 4/21 Messer 2/5, 4/9 Metz 2/6 Michael 5/4 Monday 8/8 Monroe 2/6 move 8/4 MR. BURGESS 4/15 MR. CHILDS 4/1 Mr. Keating 3/4, 3/5, 5/7, 5/11, 5/17, 6/2, 7/4, 7/5, 7/11, 7/15, 7/24, 8/6, 8/14 MR. MCGEE 3/19 MR. NICHOLSON 4/5 MR. PALECKI 5/4 MR. SCHIEFELBEIN 4/25 MR. SELF 4/8, 6/4, 6/8, 6/13, 6/17, 6/19, 6/22, 7/2, 7/20 MR. STONE 3/22 MR. WILLIS 3/15 MS. JAYE 5/9 MS. KAUFMAN 4/20</p>	<p>Lane 3/23 law 4/9, 4/21 Lee 3/15 Legal 2/16 LEON 9/2 Light 4/2, 4/4</p>
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<p>990001-EI 3/8 990002-EG 3/10 990003-GU 1/4, 3/11, 9/5 990007-EI 3/12 9:30 1/15 9:40 3/2</p>	<p>Factor 3/9 fees 7/16 fine 8/10 firm 3/23, 4/9, 4/21 FLORIDA 1/1, 1/18, 2/3, 2/7, 2/8, 2/9, 2/13, 2/14, 2/15, 2/17, 3/17, 3/21, 3/24, 4/2, 4/4, 4/10, 4/11, 4/13, 4/18, 4/22, 5/5, 9/1 FLOYD 2/5, 4/8</p>	<p>James 3/16, 3/19 Jaye 5/9 Jeffrey 3/22</p>
<p style="text-align: center;">A</p>	<p style="text-align: center;">K</p>	<p style="text-align: center;">P</p>
<p>a.m 1/15, 3/2 add 6/3 Adjustment 1/5, 3/12 agreement 5/20, 7/5, 7/6, 7/11 agrees 6/5, 6/13, 6/19, 7/21 appearance 4/3 APPEARANCES 2/1, 3/14</p>	<p>Factor 3/9 fees 7/16 fine 8/10 firm 3/23, 4/9, 4/21 FLORIDA 1/1, 1/18, 2/3, 2/7, 2/8, 2/9, 2/13, 2/14, 2/15, 2/17, 3/17, 3/21, 3/24, 4/2, 4/4, 4/10, 4/11, 4/13, 4/18, 4/22, 5/5, 9/1 FLOYD 2/5, 4/8</p>	<p>Natural 2/10, 4/13 need 5/18, 6/11, 8/12 needs 6/3 NICHOLSON 2/2, 4/5 NORMAN 2/5, 4/8</p>

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<p>Oak 2/17 objection 5/14 Office 2/3, 2/7, 2/12, 3/16, 3/19, 4/16, 5/1 Officer 9/5 OFFICIAL 1/9, 9/3 order 3/4, 5/12, 5/22, 8/7</p>	<p>underrecovery 6/7 Users 4/23 Utilities 2/8, 4/11, 5/2</p>	
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<p>read 3/4 Recovery 3/8, 3/11, 3/13 Reeves 4/21 reflected 8/6 regulatory 7/15 REPORTED 1/19, 9/7 Reporter 1/19, 9/1, 9/3 representing 4/17 requests 8/3 revision 7/2 Room 1/17, 2/13 RPR 1/19, 9/3 Russell 3/23</p>	<p>Wayne 4/25 week 8/9 West 2/12, 4/16 WILLIAM 2/15 Willis 3/15 witnesses 8/2, 8/12</p>	
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<p>Schiefelbein 4/25 Sebring 2/9, 4/12, 6/3, 6/4, 6/11, 6/13, 6/19, 7/6, 7/7, 7/21 Sebring's 6/22 second 7/12 SELF 2/5, 2/6, 4/8, 4/9 September 3/6 SERVICE 1/1, 2/16 Services set 3/6 show 6/9 Shumard 2/17 South 2/6, 2/9, 4/13, 4/21 Staff 2/19, 5/8, 5/10, 6/5, 6/13, 6/20, 7/2, 7/6, 7/21 start 5/15 State 2/14, 4/17, 9/1 stenographically 9/7 STEPHEN 2/11 Steve 4/15 stipulated 5/16, 5/25, 6/1, 6/10, 7/23 stipulation 6/25, 7/18, 7/19, 8/4 Stone 3/22 Street 2/6, 2/12, 4/17, 4/21 SUSAN 1/13 System 2/2, 2/4, 4/6 Systems 2/9, 4/12</p>		
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<p>Tallahassee 1/18, 2/7, 2/13, 2/17, 3/16, 4/10, 4/22, 5/1, 5/5 Tampa 2/3, 3/17, 4/6 TESTIMONY 1/9 Thank 8/15 therm 6/23, 7/8, 7/13 TIME 1/15, 3/6, 9/5</p>		