

Q.

- 1) FPL indicates that the Upstream Pipeline of Company E will give FPL access to various supply alternatives through a large existing pipeline infrastructure.
- (a) Discuss whether and why FPL expects the expansion of Company E to serve the EnergySecure pipeline is expected to be priced on a rolled-in rate basis or on an incremental rate basis when Company E files its applicable FERC filing for such facility.
- (b) Discuss whether FPL anticipates contracting on a negotiated rate basis and whether and why FPL expects to agree to a rate that is above or below the estimated incremental rate for such facility.
- (c) Discuss whether and why FPL intends to have its customers cover the full cost of service for the total investment by the Upstream pipeline or only the portion of capacity it intends to utilize.

A.

- 1 a. Company E plans to file with FERC on an [REDACTED]
- 2 b. FPL will contract based on a [REDACTED] rate that will be filed with FERC by Company E.
- c. FPL will only be responsible for the costs associated with the facilities required to deliver 600,000 MMBtu/d to FPL's EnergySecure Line.

The redacted information is confidential and will be made available for inspection at FPL's Tallahassee Office at 215 South Monroe Street, Suite 810, Tallahassee, Florida, during regular business hours, 8 a.m. to 5 p.m., Monday through Friday, upon reasonable notice to FPL's counsel.

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Q.

Identify and discuss the estimated or expected total investment to be made by Company E in providing the upstream capacity from Transco Station 85 and to the EnergySecure pipeline.

A.

Company E's proposal was based on an estimated total investment of \$ [REDACTED]

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Q.

On page 11, lines 20-22 of Mr. Forrest's direct testimony, he indicates that FPL will have access to additional capacity on the Upstream Pipeline. However, in the LOI attached to Ms. Stubblefield's testimony, there is no provision for options to take additional capacity.

- (a) Discuss whether FPL intends to contract to obtain an option on additional capacity on the Upstream pipeline at this time and what FPL expects such option to cost and the basis for such cost.
- (b) If no option is planned, identify and discuss how FPL can be assured of access to additional upstream capacity since such upstream system will be incented to sell any excess capacity prior to FPL's additional needs, which are 8-10 years in the future.

A.

- a. FPL does not intend to obtain an option.
- b. Company E's base design is for FPL's requirement of 600,000 MMBtu/d to serve the EnergySecure Line, but the project can be expanded up to [REDACTED] with the addition of minimal facilities. In addition, FPL may desire an alternative upstream solution to serve future expansions of the EnergySecure Line to the extent these alternatives can provide benefits to FPL's customers.

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Docket No. 090172-EI
Potential Third-Party Operators
Late Filed Exhibit MCC-1, Page 1 of 1

During the solicitation process, the two companies that I am aware of that indicated that they would be interested in providing third-party operations of the Florida EnergySecure line were [REDACTED] and [REDACTED]

**Morley Deposition
Late-Filed Exhibit #1**

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IN ITS ENTIRETY**