

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 150221-GU

PETITION FOR APPROVAL OF FIRM
SERVICE AGREEMENT WITH PEOPLES
GAS SYSTEM FOR AN EXTENSION IN
CLAY COUNTY, BY SEACOAST GAS
TRANSMISSION, L.L.C.

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 17

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER JULIE I. BROWN
COMMISSIONER JIMMY PATRONIS

DATE: Thursday, December 3, 2015

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

REPORTED BY: LINDA BOLES, CRR, RPR
Official FPSC Reporter
(850) 413-6734

P R O C E E D I N G S

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2 **CHAIRMAN GRAHAM:** Item No. 15.

3 **MR. VARIAN:** Mr. Chairman? Over here. 15 and
4 16 need to be taken off of move staff or -- this may be
5 time-consuming while you're on move staff. However you
6 want to handle it.

7 **CHAIRMAN GRAHAM:** Okay. I thought that was
8 just a simple comment that was going to be made.

9 **MR. VARIAN:** One of them could be a little
10 more extensive.

11 **CHAIRMAN GRAHAM:** We'll come back to 15 and
12 16.

13 Item No. 17.

14 **MR. ROME:** Good morning, Commissioners. Don
15 Rome with Commission staff.

16 Item 17 is a petition filed by SeaCoast Gas
17 Transmission for approval of a transportation service
18 agreement with Peoples Gas System. SeaCoast plans to
19 construct and operate 9.5 miles of transmission pipeline
20 that would interconnect with Peoples' distribution
21 system to serve new load in Green Cove Springs and
22 surrounding areas of Clay County where natural gas
23 service is not currently available. The initial term of
24 the proposed agreement is 15 years with an option to
25 extend for an additional ten years. Staff believes the

1 proposed agreement is reasonable, meets the requirements
2 of Section 368.105, *Florida Statutes*, and benefits
3 Peoples' customers. Staff recommends approval.

4 The Office of Public Counsel is here and would
5 like to offer remarks on this item.

6 **CHAIRMAN GRAHAM:** Okay. OPC.

7 **MR. REHWINKEL:** Mr. Chairman, Charles
8 Rehwinkel with the Office of Public Counsel. And I'm
9 only up here to introduce Danielle Roth, our newest
10 attorney. She is responsible for the intervention in
11 this docket and the next one, and she's here to give you
12 some remarks in support of the tariff.

13 **CHAIRMAN GRAHAM:** Thank you. Danielle.

14 **MS. ROTH:** Good morning. And I have a cold.
15 I don't usually sound like this, so I apologize. I just
16 had a quick comment to make.

17 The OPC intervened to understand and monitor
18 this tariff that was being handled on an expedited
19 basis. TECO/Peoples Gas has made certain
20 representations about its dealings with its affiliate.
21 We accept those in the information provided. The OPC
22 has no specific concerns or objections about the
23 pipeline project or the agreement; however, due to the
24 affiliate nature of the transaction, we reserve our
25 judgment and our rights to challenge the transaction if

1 facts turn out to be different than it appears at this
2 time. As is the case in affiliated relationships and
3 transactions, the utility retains the heightened burden
4 to justify costs based on affiliate relationships when
5 and to the extent they seek to recover the costs of such
6 transactions from customers. Thank you.

7 **CHAIRMAN GRAHAM:** Thank you. Any other
8 comments?

9 **MR. WATSON:** No, Mr. Chairman.

10 **CHAIRMAN GRAHAM:** Sounds good to me.

11 Okay. Commissioners? Commissioner Brown.

12 **COMMISSIONER BROWN:** Thank you. And I have a
13 quick question. I was wondering why OPC had filed a
14 notice of intervention in this particular docket, but
15 that's not the question I have. I was wondering how
16 many customers will this ultimately serve potentially,
17 Mr. Watson, if you have that?

18 **MR. WATSON:** At the present time there are
19 roughly 60 customers, four or five of them being larger
20 than others. But Green Cove Springs is undergoing a
21 tremendous amount of economic development at the present
22 time, and we expect during the 15-year initial term of
23 this transport agreement that that 60 number will
24 increase considerably.

25 **COMMISSIONER BROWN:** Uh-huh. Thank you. With

1 that I would move the staff recommendation on all items.

2 **CHAIRMAN GRAHAM:** It's been moved and
3 seconded, staff recommendation on all items on Item
4 No. 17. Is there any further discussion? Seeing none,
5 all in favor, say aye.

6 (Vote taken.)

7 Any opposed? By your action, you've approved
8 the staff rec on Item No. 17.

9 (Agenda item concluded.)

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1 STATE OF FLORIDA)
2 COUNTY OF LEON) : CERTIFICATE OF REPORTER

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4 I, LINDA BOLES, CRR, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 stated.

8 IT IS FURTHER CERTIFIED that I
9 stenographically reported the said proceedings; that the
10 same has been transcribed under my direct supervision;
11 and that this transcript constitutes a true
12 transcription of my notes of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney or counsel of any of the parties, nor
15 am I a relative or employee of any of the parties'
16 attorney or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED THIS 10th day of December, 2015.

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