

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment)
(PGA) True-up)
_____)

Docket No. 20170003-GU

Filed: September 8, 2017

**ANSWERS TO STAFF'S FIRST INTERROGATORIES
TO FLORIDA CITY GAS**

1. Referring to Schedule E-3 of the direct testimony of Thomas Kaufmann, please explain whether the 2018 Commodity Cost Pipeline (\$61,810) and the ACA Fuel charges (\$18,570) are the components of the 2018 Commodity Cost Pipeline shown on E-1, line 1 (\$82,353). If not, please discuss the difference between the \$61,810 and \$82,353 Commodity Cost Pipeline numbers shown on Schedule E-3 and E-1, respectively.

In reviewing E-3 a formula error in the amount of \$1,973 was discovered in the derivation of the Pipeline Commodity Costs resulting in a revised total of \$63,783 which when added to the ACA Fuel charges of \$18,570 equals the amount of shown on E-1 line 1 of \$82,353. Please see Attachment 1 for a corrected Schedule E-3. This correction has no impact on the CAP rates as it is an informational breakout of the Schedule E-1 line 1 Commodity Cost Pipeline which did not change.

2. Referring to Schedule E-1 of the direct testimony of Thomas Kaufmann, please explain the derivation of the cost included in Commodity (Other), \$14,593,236 and how the number ties to Schedule E-3.

The amount is derived from multiplying the projected therms on line 18 times line 31 cost rate per therm, which is based on a review of recent Henry Hub NYMEX futures prices. The therms used in the calculation are the same volumes as those shown on Schedule E-3.

3. Referring to Schedule E-1 of the direct testimony of Thomas Kaufmann, please show the derivation of the total 2018 therms shown on line 18 (40,368,948) and how they differ from the total therms shown on line 15 (40,768,648).

The difference of 399,700 therms is related to line 20 Other of 423,700 therms, which are city gate purchases, less line 26 Company Use of 24,000 therms.

4. Referring to Schedule E-1 of the direct testimony of Thomas Kaufmann, please explain the credit shown on line 9, Margin Sharing (\$1,000,000 for April 2018).

The \$1,000,000 credit represents the Company's estimate of what it will receive from Sequent Energy Management, L.P. ("Sequent"), the Company's upstream capacity manager and principal supplier of natural gas under an asset management agreement.

5. Referring to the direct testimony of Thomas Kaufmann, pages 3 and 4, please state whether City Gas has only gas delivered via FGT or uses other interstate pipelines for transportation of gas.

The Company only has interstate gas deliveries on the FGT pipeline.

RESPECTFULLY SUBMITTED this 18th day of September, 2017.



Gregory M. Munson
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1731
Attorneys for Florida City Gas

OATH

The Undersigned being duly sworn upon oath, deposes and says:

Under penalty of perjury, I declare that I have read the foregoing Responses to the First Set of Interrogatories and that the facts stated in the responses are true and correct to the best of my knowledge, information and belief.

Thomas Kaufmann
Signature

Manager, Rates and Tariffs
Position

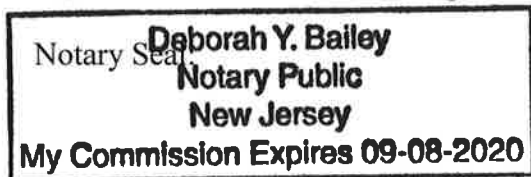
9-15-17
Date

STATE OF NEW JERSEY
COUNTY OF UNION

Sworn to (of Affirmed) and subscribed before me this 15th day of SEPT, 2017, by THOMAS KAUFMANN, who is personally known to me, or who has produced _____, as identification.

Notary Public:

Deborah Y. Bailey
Signature



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 18th day of September, 2017:

Florida Public Utilities Company Mike Cassel 1750 S 14th Street, Suite 200 Fernandina Beach, FL 32034 mcassel@fpuc.com	MacFarlane Ferguson Law Firm Ansley Watson, Jr./Andrew Brown P.O. Box 1531 Tampa, FL 33601-1531 aw@macfar.com AB@macfar.com
Florida Public Service Commission Wesley Taylor 2540 Shumard Oak Boulevard Tallahassee, FL 32399 wtaylor@psc.state.fl.us	Office of Public Counsel Charles Rehwinkel/Patricia Christensen c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Rehwinkel.Charles@leg.state.fl.us Christensen.Patty@leg.state.fl.us
Peoples Gas System Paula Brown/Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com kfloyd@tecoenergy.com	St. Joe Natural Gas Company, Inc. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 Andy@stjoegas.com
Florida City Gas Carolyn Bermudez 933 East 25th Street Hialeah, FL 33013-3498 cbermude@southernco.com	Southern Company Gas Blake O'Farrow, Director Elizabeth Wade Ten Peachtree Place Location 1470 Atlanta, GA 30309 bofarrow@southernco.com ewade@southernco.com



Gregory Munson
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

COMPANY:		TRANSPORTATION PURCHASES						SCHEDULE E-3			
FLORIDA CITY GAS		SYSTEM SUPPLY AND END USE						(REVISED FORM 9/24/99)			
ESTIMATED FOR THE PROJECTED PERIOD OF:					JANUARY 2018 Through DECEMBER 2018						
Month	PURCHASED FROM	PURCHASED FOR	SCH TYPE	SYSTEM SUPPLY	END USE	COMMODITY COST			DEMAND COST	OTHER CHARGES ACA/FUEL	TOTAL CENTS PER THERM
						TOTAL PURCHASED	THIRD PARTY	PIPELINE			
Jan	Various	Sys/End-Use	FTS	4,390,195		4,390,195		\$6,931	\$1,376,404	\$2,019	31.55565
Feb	Various	Sys/End-Use	FTS	3,902,401		3,902,401		\$6,163	\$1,253,243	\$1,795	32.31860
Mar	Various	Sys/End-Use	FTS	3,677,774		3,677,774		\$5,818	\$1,376,404	\$1,692	37.62912
Apr	Various	Sys/End-Use	FTS	3,211,399		3,211,399		\$5,089	\$798,502	\$1,477	25.06910
May	Various	Sys/End-Use	FTS	3,050,238		3,050,238		\$4,825	\$691,006	\$1,403	22.85835
June	Various	Sys/End-Use	FTS	2,822,547		2,822,547		\$4,468	\$672,100	\$1,298	24.01612
July	Various	Sys/End-Use	FTS	2,834,230		2,834,230		\$4,483	\$691,006	\$1,304	24.58487
Aug	Various	Sys/End-Use	FTS	2,871,161		2,871,161		\$4,533	\$691,006	\$1,321	24.27101
Sep	Various	Sys/End-Use	FTS	3,028,638		3,028,638		\$4,786	\$672,100	\$1,393	22.39553
Oct	Various	Sys/End-Use	FTS	3,082,716		3,082,716		\$4,870	\$979,934	\$1,418	31.99199
Nov	Various	Sys/End-Use	FTS	3,465,408		3,465,408		\$5,468	\$1,335,314	\$1,594	38.73643
Dec	Various	Sys/End-Use	FTS	4,032,241		4,032,241		\$6,347	\$1,376,404	\$1,855	34.33837
TOTAL				40,368,948		40,368,948		\$63,783	\$11,913,421	\$18,570	29.71535