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# Public Service Commission

October 5, 2017

## STAFF'S FIRST DATA REQUEST via email

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**Re: Docket No. 20170206-GU – Petition for approval of tariff modifications to accommodate receipt and transportation of renewable natural gas from customers, by Peoples Gas System**

Mr. Watson, Mr. Kronenfeld, Mr. Brown, Ms. Floyd, Ms. Brown:

By this letter, Commission staff requests the following information from Peoples Gas System.

1. Please provide a color copy of the June 6, 2017 Renewable Natural Gas (RNG) presentation given to staff on June 6, 2017.
2. Please refer to paragraph 7 of the petition for the following questions.
  - a. This paragraph provides names of Florida government entities which have issued RFPs for waste-to-energy projects, including landfills. On average, how many therms of RNG would a waste-to-energy project, such as a landfill, generate in a year?

- b. Will Peoples be able to respond to the RFPs issued by local governments if the tariff is approved? Please explain.
  - c. What other entities (other than Peoples) typically respond to an RFP issued by a local government?
  - d. Please explain how the price of the gas would be determined if Peoples were to purchase RNG for its system supply.
3. Referring to paragraph 9 of the petition, can Renewable Identification Number (RIN) credits be created by companies such as Peoples, who transport RNG? Please explain.
4. Referring to paragraph 10 of the petition, please describe the steps needed to cleanup the biogas to pipeline quality.
5. Please explain the last sentence in paragraph 14 of the petition (“These new receipt points may or may not be located in areas in which the upcoming gas is needed to serve Peoples’ customers in the same area”). Does this mean that Peoples could build an interconnection with a biogas producer in the service territory of another natural gas utility (investor-owned, municipality, etc.)?
6. Referring to paragraph 15 of the petition, please confirm that the minimum annual delivery of gas into the system by a customer is the 50,000 therm minimum of the GS-3 tariff.
7. Referring to revised tariff sheet No. 4.101-1, RNG definition (BSP 12), please explain under what conditions “gas produced from agricultural, animal, or municipal or other waste” may not need “further processing” to have the characteristics consistent with Peoples’ standards for gas.
8. Exhibit A to the petition (BSP 46) states that a typical cow produces 120 pounds of manure per day. How many pounds of cow manure produce one therm of RNG?
9. Please refer to revised tariff sheet No. 5.501-3, section 4 (BSP 15) for the following questions.
  - a. Please provide examples of a pipeline companies that might have an FPSC tariff.
  - b. Please define “merchantable.”
10. For the following questions, please refer to original tariff sheets No. 7.404 and 7.404.1, Monthly Services Charge (BSP 23-24).
  - a. Please explain why the monthly services charge is equal to a “mutually agreed percentage multiplied by the Company’s Gross Investment,” rather than the 1.6 percent used for rate schedule NGVS-2.

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- b. Please discuss the factors or considerations that would go into a mutually agreed upon percentage.
  - c. Would a special contract be subject to Commission approval? Please explain.
  - d. How would Peoples decide whether to recover a difference between the otherwise applicable tariff rate and the approved special contract rate through the Competitive Rate Adjustment clause set forth on tariff sheet No. 7.101-5? Please explain.
11. Referring to paragraph 20 of the petition, please discuss the benefits to Peoples' general body of ratepayers of the proposed RNG tariff.

Please file all responses electronically no later than Friday, October 20, 2017 via the Commission's website at [www.floridapsc.com](http://www.floridapsc.com) by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at 850-413-6540 if you have any questions.

Sincerely,

*/s/ Sue Ollila*

Economic Analyst  
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cc: Office of Commission Clerk