

Writer's Direct Dial Number: (850) 521-1706  
Writer's E-Mail Address: bkeating@gunster.com

October 8, 2019

**BY E-PORTAL**

Mr. Adam Teitzman  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

***Re: Docket No. 20190003-GU –Purchased Gas Adjustment (PGA) True-Up.***

Dear Mr. Teitzman:

Attached for electronic filing, please find Florida City Gas's Prehearing Statement in the referenced matter.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,



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

MEK  
cc: Parties of Record

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Purchased Gas Adjustment (PGA) True-Up

Docket No. 20190003-GU

Filed: October 8, 2019

**FLORIDA CITY GAS  
PREHEARING STATEMENT**

Florida City Gas (“FCG” or “the Company”) hereby submits this Prehearing Statement pursuant to Order Establishing Procedure, Order Nos. PSC-2019-0081-PCO-GU, and states as follows:

**1. FCG WITNESSES**

FCG intends to offer the following testimonies sponsored by FCG witness Miguel Bustos into the evidentiary record in this proceeding:

<b>Witness</b>	<b>Subject Matter</b>	<b>Issue No.</b>
Direct Testimony of Miguel Bustos, submitted on April 30, 2019	Supports FCG’s final Purchased Gas Adjustment (“PGA”) true-up amount related to the twelve-month period ended December 31, 2018.	1
Direct Testimony of Miguel Bustos, submitted August 9, 2019	Presents the Actual/Estimated True-Up amount (based on actual data for six months and projected data for six months) for the current period January 2019 through December 2019; supports FCG’s request for Commission approval of a PGA Factor to be applied for service to be rendered during the period of January 1, 2020 through December 31, 2020; and presents the development of the proposed maximum PGA Factor that may be charged to Sales Customers during 2020.	2-6

**2. KNOWN EXHIBITS**

FCG intends to offer the following exhibits sponsored by FCG witness Miguel Bustos into the evidentiary record in this proceeding:

<b>Witness</b>	<b>Proffered By</b>	<b>Exhibit No.</b>	<b>Description</b>
Miguel Bustos	FCG	MB-1	Calculation of FCG's final PGA true-up amount related to the twelve-month period ended December 31, 2018
Miguel Bustos	FCG	MB-2	Commission prescribed forms supporting calculation of FCG's Actual/Estimated True-Up amount for the current period January 2019 through December 2019 and FCG's proposed 2020 maximum levelized PGA Factor

In addition to the above pre-filed exhibits, FCG reserves the right to utilize any exhibit introduced by any other party. FCG additionally reserves the right to introduce any additional exhibit necessary for cross-examination or impeachment at the final hearing.

**3. STATEMENT OF BASIC POSITION**

FCG has appropriately calculated its true-up amounts and PGA Factor as shown in the Company's positions on Issue Nos. 1 through 6 below. The maximum levelized PGA Factor based on the Company's expected winter cost of gas is 71.019 cents per therm after the regulatory assessment fees. FCG submits that this is the appropriate maximum levelized PGA Factor that FCG may charge its Sales Customers during the Projection Period.

**4. STATEMENT OF ISSUES AND POSITIONS**

FCG's statement of issues and positions in this proceeding are as follows:

Issue No. 1: What are the final purchased gas adjustment true-up amounts for the period January 2018 through December 2018?

**Florida City Gas:** The final net true-up amount (including interest, adjustments, and the estimated under-recovery included in the 2019 PGA Factor) for the period January 2018

through December 2018 is an over-recovery of \$190,684. *See* FCG Exhibit MB-2, Schedule E-4. (*FCG witness Bustos*)

Issue No. 2: What are the actual/estimated purchased gas adjustment true-up amounts for the period January 2019 through December 2019?

**Florida City Gas:** The Actual/Estimated True-Up amount (based on actual data for six months and projected data for six months) for the current period January 2019 through December 2019 is an under-recovery of \$777,984. *See* FCG Exhibit MB-2, Schedule E-4. (*FCG witness Bustos*)

Issue No. 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2020 through December 2020?

**Florida City Gas:** The total net true-up (inclusive of the final true-up for 2018, the Actual/Estimated True-Up for 2019, and interest) to be collected from January 2020 through December 2020 is an under-recovery of \$587,300. *See* FCG Exhibit MB-2, Schedule E-4. (*FCG witness Bustos*)

Issue No. 4: What are the levelized purchased gas cost recovery (cap) factors for the period January 2020 through December 2020?

**Florida City Gas:** The maximum levelized purchased gas cost recovery (cap) based on the Company's expected winter cost of gas is 70.663 cents per therm before the regulatory assessment fees, and 71.019 cents per therm after the regulatory assessment fees. (*FCG witness Bustos*)

Issue No. 5: What should be the effective date of the new purchased gas adjustment charge for billing purposes?

**Florida City Gas:** The new purchased gas adjustment charge should be effective for all meter readings on or after January 1, 2020 and should apply to bills rendered for meter readings taken between January 1, 2020 and December 31, 2020. (*FCG witness Bustos*)

Issue No. 6: Should the Commission approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding?

**Florida City Gas:** Yes. The Commission should approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. (*FCG Witness Bustos*)

**5. STIPULATED ISSUES**

FCG is not a party to any other stipulations at this time. However, FCG remains willing to work with all parties to resolve any outstanding issues, and believes it should be possible to reach a stipulation on each of the above-listed issues as they relate to FCG.

**6. PENDING MOTIONS**

FCG is not aware of any motions currently pending before the Commission for disposition.

7. **REQUESTS/CLAIMS FOR CONFIDENTIALITY**

FCG has no pending requests or claims for confidentiality.

8. **OBJECTIONS TO WITNESS QUALIFICATIONS**

FCG has no objections to the qualifications of any witness, and further states that it is not aware of any objections or challenges to the qualifications of any FCG witness.

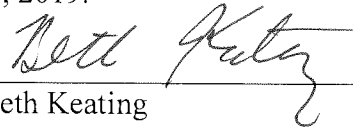
9. **REQUEST FOR SEQUESTRATION OF WITNESSES**

FCG has no pending requests for sequestration of any witness, and further states that it is not aware of any such request related to any FCG witness.

10. **COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE**

FCG states that it believes it is in full compliance with the Commission's Order Establishing Procedure.

Respectfully submitted this 8th day of October, 2019.



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Beth Keating  
Gregory M. Munson  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301

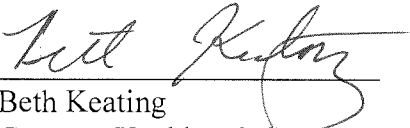
Christopher T. Wright, Senior Attorney  
Fla. Auth. House Counsel No. 1007055  
[Christopher.Wright@fpl.com](mailto:Christopher.Wright@fpl.com)  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, Florida 33408  
(561) 304-5662

*Attorneys for Florida City Gas*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of Florida City Gas's Prehearing Statement has been furnished by Electronic Mail to the following parties of record this 8th day of October 2019:

Florida Public Utilities Company Mike Cassel 1750 S 14th Street, Suite 200 Fernandina Beach, FL 32034 <a href="mailto:mcassel@fpuc.com">mcassel@fpuc.com</a>	MacFarlane Ferguson Law Firm Ansley Watson, Jr./Andrew Brown P.O. Box 1531 Tampa, FL 33601-1531 <a href="mailto:aw@macfar.com">aw@macfar.com</a> <a href="mailto:AB@macfar.com">AB@macfar.com</a>
Kurt Schrader, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 <a href="mailto:kschrade@psc.state.fl.us">kschrade@psc.state.fl.us</a>	Office of Public Counsel J.R. Kelly/ Patricia Christensen c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 <a href="mailto:Kelly.JR@leg.state.fl.us">Kelly.JR@leg.state.fl.us</a> <a href="mailto:Christensen.Patty@leg.state.fl.us">Christensen.Patty@leg.state.fl.us</a>
Peoples Gas System Paula Brown/Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 <a href="mailto:regdept@tecoenergy.com">regdept@tecoenergy.com</a> <a href="mailto:kfloyd@tecoenergy.com">kfloyd@tecoenergy.com</a>	St. Joe Natural Gas Company, Inc. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 <a href="mailto:Andy@stjoegas.com">Andy@stjoegas.com</a>
Florida City Gas Carolyn Bermudez 4045 NW 97th Avenue Doral, Florida 33178 <a href="mailto:Carolyn.Bermudez@nexteraenergy.com">Carolyn.Bermudez@nexteraenergy.com</a>	

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