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Public Service Commission

October 11, 2019

Beth Keating
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215 South Monroe St., Ste. 601
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bkeating@gunster.com

STAFF'S ELEVENTH DATA REQUEST
via e-mail

RE: Docket No. 20190083-GU – Application for rate increase in Highlands, Hardee, and Desoto Counties, by Sebring Gas System, Inc.

Dear Ms. Keating:

By this letter, the Commission staff requests that Sebring Gas System, Inc. (Sebring or Utility) provide responses to the following data requests:

Cost of Capital – Short-Term Debt

1. On Schedule G-3, page 2 of 11, Line No. 3, the Utility recorded a cost rate for short-term debt of 6.00 percent for the projected test year ended December 31, 2020. In its August 5, 2019 response to Staff's Third Set of Data Requests, Number 5, the Company stated that it requested documentation from Heartland to support the interest rate information on its short-term note, and will provide it upon receipt. However, the Utility has not provided the requested information. Please provide current loan documentation supporting the projected cost rate of 6.00 percent for short-term debt.
2. On Schedule D-3, page 1 of 1, the Utility recorded an effective cost rate of 3.33 percent for short-term debt. Please explain the reason for the increase in the cost rate for short-term debt from 3.33 percent in the historic test year ended in December 31, 2018, to 6.00 percent in the projected test year ended December 31, 2020.

Forecasting

Please refer to Sebring witness Russell Melendy's Direct Testimony (Testimony) and MFR Schedule G-2 for the questions below.

3. With respect to the forecast for customer growth in the Cities of Wauchula and Arcadia discussed in the Testimony, page 2, lines 5–6, please provide responses for the following questions:
 - a. Has Sebring included the discussed forecast in the projections of the net number of customer additions presented on page 7 of the Testimony?
 - b. If your response to Question 3.a above is affirmative, please identify the Cities of Wauchula and Arcadia-related customer additions included in the HBY+1 projection (page 7, lines 7 – 11, of the Testimony) and PTY projection (page 7, lines 17 – 25, of the Testimony), respectively, for each of the Rate Classifications. If your response to Question 3.a is negative, please explain why such forecast is not included.
 - c. Has Sebring included the forecast for customer growth attributed to the Cities of Wauchula and Arcadia in MFR Schedule G-2, pages 6 – 9?
 - d. If your response to Question 3.c above is affirmative, please identify the Cities of Wauchula and Arcadia-related Bills addition(s) with specification of the corresponding Rate Classification(s) and year.
 - e. If your response to Question 3.c above is negative, please explain why such forecast for customer growth is not included in the referenced MFR Schedule.
 - f. Please provide corresponding revisions to MFR Schedule G-2, pages 6 – 9, to identify and reflect the Cities of Wauchula and Arcadia-related customer additions, if applicable.
4. With respect to the potential for the addition of approximately 50 low-income housing units in and around the City of Sebring discussed in the Testimony, page 3, lines 10 – 13, please provide responses for the following questions:
 - a. Has Sebring included the discussed low-income housing units addition-related customer growth in the projections of the net number of customer additions presented on page 7 of the Testimony?
 - b. If your response to Question 4.a above is affirmative, please identify the low-income housing units-related customer additions included in the HBY+1 projection (page 7, lines 7 – 11, of the Testimony) and PTY projection (page 7, lines 17 – 25, of the Testimony), respectively, for each of the Rate Classifications. If your response to Question 4.a is negative, please explain why such forecast of growth is not included.
 - c. Has Sebring included the discussed low-income housing units-related number of customer's billed in MFR Schedule G-2, pages 6 – 9?

- d. If your response to Question 4.c above is affirmative, please identify the low-income housing units-related Bills addition(s) with specification of the corresponding Rate Classification(s) and year.
 - e. If your response to Question 4.c is negative, please explain why such potential of customer additions is not included in the referenced MFR Schedule.
 - f. Please provide corresponding revisions to MFR Schedule G-2, pages 6 – 9, to identify and reflect the discussed low-income housing units-related number of customer’s billed, if applicable.
5. With respect to the customer additions projected by Sebring in its Energy Conservation Cost Recovery (ECCR) filing for 2019 and 2020 discussed in the Testimony, page 3, lines 13 – 15, please provide responses for the following questions:
- a. Has Sebring included the ECCR filing-projected customer additions in the projections of the net number of customer additions presented on page 7 of the Testimony?
 - b. If your response to Question 5.a above is affirmative, please identify the ECCR filing-customer additions included in the HBY+1 projection (page 7, lines 7 – 11, of the Testimony) and PTY projection (page 7, lines 17 – 25, of the Testimony), respectively, for each of the Rate Classifications. If your response to Question 5.a is negative, please explain why such additions is not included.
 - c. Has Sebring included such customer additions in MFR Schedule G-2, pages 6 – 9?
 - d. If your response to Question 3.c above is affirmative, please identify the customer additions related to the ECCR filing that are included in the number of Bills with specification of the corresponding Rate Classification(s) and year.
 - e. If your response to Question 3.c is negative, please explain why such forecast of customer additions is not included in the referenced MFR Schedule.
 - f. Please provide corresponding revisions to MFR Schedule G-2, pages 6 – 9, to identify and reflect the discussed ECCR filing-projected customer additions.
6. Please refer to the Testimony, page 6, lines 2 – 7, and MFR Schedule G-2, pages 6 – 9. For the purpose of clarification, please specify the relationship between “the quantity of customer-owned gas transported by Company” discussed on page 6 of the Testimony (lines 5-6) and the “therms” utilized in MFR Schedule G-2, pages 6 – 9, Line No. 2.

Ms. Beth Keating

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Please file all responses electronically no later than Thursday, October 31, 2019, through the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6212 if you have any questions.

Sincerely,

/s/ Rachael Dziechciarz

Rachael Dziechciarz

Senior Attorney

RAD/cf

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