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February 28, 2020

VIA E-PORTAL FILING

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

Re: Docket No. 20190109-GU - In re: Petition of Peoples Gas System for Recovery of Costs Associated with Hurricane Michael and Replenishment of Storm Reserve

Dear Mr. Teitzman:

Attached for electronic filing in the above docket on behalf of Peoples Gas System, please find its Response to Staff's Third Data Request (Nos. 1-8).

Your assistance in this matter is greatly appreciated.

Sincerely,

Andrew M. Brown

AB/plb
Attachment

cc: Office of Public Counsel (via email: fall-fry.mireille@leg.state.fl.us)
Ms. Paula K. Brown
Ms. Kandi M. Floyd
Ms. Karen Bramley
Mr. Luke Buzard

**PEOPLES GAS SYSTEM
DOCKET NO. 20190109-GU
STAFF'S THIRD DATA REQUEST
REQUEST NO. 1
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- 1.** With respect to Section III, subsections B and D of the proposed Settlement Agreement, please verify that it is the Parties' intent and understanding that the Commission will retain the jurisdiction to determine what, if any, storm recovery cost are recoverable.
 - A.** Peoples Gas System understands and has verified with the Office of Public Council that the Commission will retain jurisdiction and will make future decisions on allowable storm recovery costs on a case-by-case basis based on evidence in the record.

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- 2.** Please refer to Section III, subsection B, paragraph 10, of the proposed Settlement Agreement. Would the United States General Services Administration's applicable Per Diem Rates for Florida be representative of meals of a "reasonable and customary amount?" If not, please explain and provide clarification of what constitutes a "reasonable and customary amount" for a meal.
 - A.** Peoples believes that a reasonable and customary amount would be similar to the amount as described in the United States General Services Administration applicable Per Diem Rates for Florida, however, if there is a situation where restaurant availability is limited and meal prices are not aligned with reasonable and customary amounts, then the Company would consider this an exception and would expect this situation to be documented.

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- 3.** Section III, subsection B, paragraph 10, of the proposed Settlement Agreement states “The Company will establish a policy that vendor crews receiving meal stipends are expected to eat or receive all meals at or by the base camp once on-boarded.” If a vendor crew is scheduled to work in a location other than “at or by” the base camp, is the vendor crew expected to travel to the base camp to eat or receive all meals, then travel back to their assigned work location? If so, please state whether or not the associated travel time would be recoverable under the terms of this provision. If not, please explain.
 - A.** If a vendor crew is not within a reasonable proximity of a base camp, Peoples does not believe it is efficient for a vendor crew to travel back to a base camp in order to receive a meal and then travel back to their assigned work location. Meals consumed outside of a base camp are expected to be reasonable and customary as described in response to Data Request No. 2. If there is a situation where restaurant availability is limited and meal prices are not aligned with reasonable and customary amounts, then the Company would consider this an exception and would expect this situation to be documented.

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- 4.** Please refer to Section III, subsection D, paragraph 7. Is the policy outlined in this paragraph intended to describe how the “normal” or “incremental” amounts used to determine the appropriate amount to capitalize under the ICCA methodology?
- A.** Yes. Tampa Electric also has this term in their storm settlement agreement approved by the Commission in Order No. PSC-2019-0234-AS-EI and Peoples will work with Tampa Electric to implement this policy consistently.

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- 5.** What is the balance in the storm reserve as of December 31, 2019?
- A.** The balance in the storm reserve as of December 31, 2019 is \$84,356.

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- 6.** If the Settlement Agreement is approved as proposed, what will the balance be in the storm reserve as of March 31, 2020?
- A.** The balance in the storm reserve as of March 31, 2020 will be \$98,731.

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- 7.** Please refer to Section III, subsection A, paragraph 2. When the parties meet to evaluate the storm procedures, will the FPSC be involved in the meetings? If not, how will the FPSC be made aware of any changes to the procedures?
 - A.** Yes. Peoples understands that the Commission will retain jurisdiction over this matter and welcomes the involvement of the Commission to review and evaluate storm procedures.

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- 8.** In prior settlement agreements, the Parties endorsed the recovery of the cost of initial implementation of future process improvements. Is it the Parties' intention that the cost of initial implementation of future process improvements would be recoverable?
 - A.** Peoples and the Office of Public Council have discussed the inclusion of the cost of initial implementation of future process for this storm settlement and are in agreement that these costs are recoverable through the storm reserve.