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Public Service Commission

April 2, 2020

Andrew M. Brown, Esquire
Thomas R. Farrior, Esquire
Macfarlane Ferguson &
McMullen
Post Office Box 1531
Tampa, Florida 33601-1531

STAFF'S FIRST DATA REQUEST
via e-mail

RE: Docket No. 20200093-GU: Petition for approval of tariff modifications for liquefied natural gas (LNG) service by Peoples Gas System

Dear Mr. Brown and Mr. Farrior:

By this letter, Commission staff respectfully requests that Peoples Gas System (Peoples) provide responses to the following data requests.

1. Please refer to paragraph 7 of the petition for the following questions:
 - a. This paragraph mentions the cruise industry in Florida. Have any cruise ship companies expressed interest in this LNG tariff? Please explain.
 - b. Are there any cruise ships in Florida that already run on LNG?
 - c. Have any other customers expressed interest in this LNG tariff? Please explain.
 - d. Please explain the process of converting a cruise ship from its current power source to LNG. Would companies have to buy new ships or could they convert their existing ones?
 - e. On average, how many therms of LNG would a cruise ship use in a year?
2. What are Peoples current plans and timeline for constructing LNG facilities? Please explain.
3. Does Peoples have an estimate on the cost, or range of cost, of constructing these LNG facilities? Please explain.
4. Please explain how the company will ensure that the costs of these LNG facilities will be fully covered by subscribers. Will the Company guarantee that non-subscribers would not absorb any unrecovered costs of these facilities if subscribership does not support the facilities? Please explain.
5. Tariff Sheet No. 7.406, requires that the parties enter into an agreement for LNG service. Please provide a copy of a sample agreement.
6. On average, how much does it cost to produce 1,000 therms of Liquefied Natural Gas?

7. Please provide a calculation of the monthly service charge for a hypothetical LNG facility, showing each step of the calculation including all assumptions (depreciation, return, property taxes, other taxes, etc.)
8. Please describe the typical maintenance activities Peoples would perform for an LNG plant.
9. Please explain whether Peoples intends to install LNG facilities pursuant to this tariff only in its current service area, or whether a customer outside Peoples' current service area can request LNG service from Peoples.
10. Paragraph 9 of the petition states that on-site LNG could be a solution to customers in remote locations that do not have existing pipeline infrastructure nearby. Paragraph 14 of the petition states that LNG customers would receive distribution service from Peoples and pay all applicable distribution charges and clauses or riders. Will all those charges apply to an LNG customer that is not connected to Peoples' distribution system? Please explain and state how the natural gas would get to the LNG facility of a customer that is not connected to a distribution pipeline.
11. Tariff Sheet No.7.406-1, includes special provisions for LNG not consumed in Florida (Special Condition 2(b)). Please describe the circumstances in which a customer's usage could result in this condition.

Please file all responses electronically no later than April 17, 2020 via the Commission's website at www.floridapsc.com by selecting the Clerk's Office tab and Electronic Filing Web Form. Please call me at 850.413.6554 if you have any questions.

Thank you,

/s/Oakley Ward
Public Utility Analyst I
oward@psc.state.fl.us

cc: Office of Commission Clerk