

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

October 7, 2020

BY E-PORTAL

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

Re: Docket No. 20200003-GU –Purchased Gas Adjustment (PGA) True-Up.

Dear Mr. Teitzman:

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

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. 20200003-GU

Filed: October 7, 2020

**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-2020-0040-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:

Witness	Subject Matter	Issue No.
Direct Testimony of Miguel Bustos, submitted on May 1, 2020	Supports FCG’s final Purchased Gas Adjustment (“PGA”) True-Up amount related to the twelve-month period ended December 31, 2019.	1
Direct Testimony of Miguel Bustos, submitted August 7, 2020	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 2020 through December 2020; 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, 2021 through December 31, 2021; and presents the development of the proposed maximum PGA Factor that may be charged to Sales Customers during 2021.	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:

Witness	Proffered By	Exhibit No.	Description	Issue
Miguel Bustos	FCG	MB-1	Calculation of FCG's final PGA True-Up amount related to the twelve-month period ended December 31, 2019	1
Miguel Bustos	FCG	MB-2	Commission prescribed forms supporting calculation of FCG's Actual/Estimated True-Up amount for the current period January 2020 through December 2020 and FCG's proposed 2021 maximum levelized PGA Factor	2-6

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 71.354 cents per therm after the regulatory assessment fees. FCG submits that this is the appropriate maximum levelized PGA Factor for application to Sales Customers' bills beginning the first billing cycle in January 2021 through the last billing cycle in December 2021, and continuing until modified by subsequent order of the Commission.

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 2019 through December 2019?

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 2019 through December 2019 is an over-recovery of \$773,030. *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 2020 through December 2020?

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 2020 through December 2020 is an under-recovery of \$1,568,073. *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 2021 through December 2021?

Florida City Gas: The total net true-up (inclusive of the final True-Up for 2019, the Actual/Estimated True-Up for 2020, and interest) to be collected from January 2021 through December 2021 is an under-recovery of \$795,043. *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 2021 through December 2021?

Florida City Gas: The maximum levelized purchased gas cost recovery (cap) factors based on the Company's expected winter cost of gas is 70.997 cents per therm before the regulatory assessment fees, and 71.354 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 application to Sales Customers' bills beginning the first billing cycle in January 2021 through the last billing cycle in December 2021, and continuing until modified by subsequent order of the Commission. (*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*)

Issue No. 7: Should this docket be closed?

Florida City Gas: Yes. This docket should be closed upon the issuance of an appropriate order approving Company's proposed maximum levelized PGA Factor for application to Sales Customers' bills beginning the first billing cycle in January 2021

through the last billing cycle in December 2021, and continuing until modified by subsequent order of the Commission. (*FCG Witness Bustos*)

5. **STIPULATED ISSUES**

FCG is not a party to or aware of any 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.

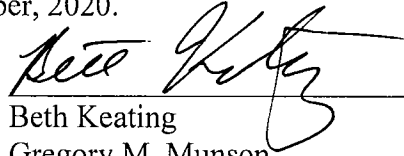
9. **REQUEST FOR SEQUESTRATION OF WITNESSES**

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 7th day of October, 2020.



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

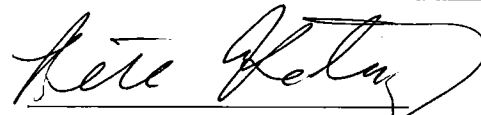
Christopher T. Wright, Senior Attorney
Fla. Auth. House Counsel No. 1007055
Christopher.Wright@fpl.com
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
(561) 304-5662

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 7th day of October 2020:

Florida Public Utilities Company Mike Cassel 208 Wildlight Ave. Yulee FL 32097 mcassel@fpuc.com	MacFarlane Ferguson Law Firm Andrew Brown/Thomas Farrior P.O. Box 1531 Tampa, FL 33601-1531 tf@macfar.com AB@macfar.com
Kurt Schrader, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 kschrade@psc.state.fl.us	Office of Public Counsel J.R. Kelly/ Patricia Christensen c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Kelly.JR@leg.state.fl.us Christensen.Patty@leg.state.fl.us
Peoples Gas System Paula Brown/Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com kfloyd@tecoenergy.com	St. Joe Natural Gas Company, Inc. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 Andy@stjoegas.com
Florida City Gas Kurt Howard 700 Universe Blvd Juno Beach, FL 33408 Kurt.Howard@FPL.com	



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