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October 9, 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. 20200051-GU – Petition for rate increase by Peoples Gas System
Docket No. 20200166-GU-Petition for approval of 2020 depreciation study
by Peoples Gas System**

Dear Mr. Teitzman:

Attached for electronic filing in the above docket on behalf of Peoples Gas System, please find its Notice of Intent to Request Confidential Treatment in the above case.

Your assistance in this matter is greatly appreciated.

Sincerely,

Andrew M. Brown

AB/plb
Attachment

cc: J.R. Kelly/Mireille Fall-Fry (kelly.jr@leg.state.fl.us;fall-fry.mireille@leg.state.fl.us)
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Peoples Gas System.

Docket No. 20200051-GU

In re: Petition for approval of 2020 depreciation study by Peoples Gas System.

Docket No. 20200166-GU

Submitted for Filing: October 9, 2020

**PEOPLES GAS SYSTEM's NOTICE OF INTENT TO
REQUEST CONFIDENTIAL TREATMENT**

Pursuant to Sections 366.093 and 119.07, *Florida Statutes* and 25-22.006, *Florida Administrative Code*, Peoples Gas System ("Peoples") submits the following Request for Confidential Treatment to documents, produced in its Answer to Interrogatory Nos. 90 and 91 of Staff's Tenth Set of Interrogatories which response is submitted for filing concurrently herewith or has heretofore been filed:

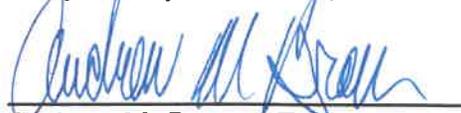
1. In its Response to Interrogatory Nos. 90 and 91, Peoples has redacted references to specific customers and volumes.
2. The material for which confidential classification is sought is intended to be and is treated as private by Peoples, and contains proprietary confidential business information as defined under Section 366.093(2), and (3)(d), and 3(e), *Florida Statutes*.
3. Peoples gives notice that the documents for which it seeks confidential classification not be declassified until 18 months after the date of the Commission's order granting this request (see Section 366.093(4), *Florida Statutes*). The time period requested is necessary to protect Peoples' competitive business interests regarding Emera and Peoples current and future capital projects. The period of time requested will ultimately

protect Peoples and its customers.

4. As a result of the foregoing, Peoples has attached hereto, as Exhibit A, a copy of the Response with portions redacted.

WHEREFORE, Peoples submits the foregoing as its request for confidential treatment of the information of the documents to be produced in its answer to Interrogatory Nos. 90 and 91 of Staff's Tenth Set of Interrogatories.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Andrew M. Brown", is written over a horizontal line.

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Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Notice of Intent to Request Confidential Treatment of Peoples Gas System has been furnished via electronic mail to the following, this 9th day of October, 2020:

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Andrew M. Brown, Esq.

REDACTED

**PEOPLES GAS SYSTEM
DOCKET NO. 20200051-GU
DOCKET NO. 20200166-GU
STAFF'S TENTH SET OF
INTERROGATORIES
INTERROGATORY NO. 90
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90. Please refer to PGS Witness Cifuentes' Direct Testimony, Exhibit No. LLC-1, Document No. 7. Please explain why the Company's projected 2021 "Industrial Therms" (sales) are significantly increasing relative to 2020 therm sales while the Company's "Industrial Base Revenues" for 2021 are projected to decrease relative to 2020 revenues.
- A. The decrease in 2021 industrial revenue is due to the loss of a Jacksonville area customer, [REDACTED], in Q4 2020. In 2020, the Bayside Lateral agreement went into effect adding to Peoples' industrial customer count and adding revenues. Although there is a significant therm sales increase in 2021 due to the projected Bayside Lateral, the revenue increase will not offset the loss of [REDACTED] revenues.



REDACTED

**PEOPLES GAS SYSTEM
DOCKET NO. 20200051-GU
DOCKET NO. 20200166-GU
STAFF'S TENTH SET OF
INTERROGATORIES
INTERROGATORY NO. 91
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FILED: OCTOBER 9, 2020**

- 91.** For the following questions, please refer to PGS's response to OPC's First Request to Produce Documents, POD No. 7, workpapers used to develop testimony and exhibits for PGS witness Cifuentes.
- a. Referring to Customer Counts_PrepFile.xlsx (BS 1654), Tab "IND THERMS", please explain the basis for PGS's projected therm increase in 2021 "Industrial Therm" sales for Division 2 (Tampa) relative to therm sales in 2020 (from 32,343 therms in 2020 to 406,828 therms in 2021).
 - b. Referring to Documents 1-7_prep file.xlsx (BS 1658), Tab "CDD", please explain whether the fact that the company's 20 year CDD averaging methodology resulted in project Cooling Degree Days (CDDs) for 2020 and 2021 lower than any of the last 5 years (2015-2019) raises a concern regarding the efficacy of the methodology.
- A.**
- a. The Bayside Lateral 2020 therm sales budget was approximately [REDACTED] which was a projection for a partial year. In 2021 the therm sales budget is approximately [REDACTED], which is the maximum annual capacity per the agreement.
 - b. The fact that the 2020 and 2021 CDDs are less than CDDs from the past five years does not raise any concern regarding the efficacy of the methodology. The Company's methodology for estimating "normal" weather is based on a review of the past 20 years of degree-days. This methodology is sound and in line with industry practices and has been consistently used by the Company in prior filings. Also, due to the negative correlation between CDD and gas consumption, increasing 2021 CDD would result in lower therm consumption.