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STATE OF FLORIDA



DIVISION OF ECONOMICS
JUDY HARLOW
DIRECTOR
(850) 413-6842

Public Service Commission

October 6, 2021

Mr. Keith Ferguson
Pivotal Utility Holdings, Inc. D/B/A
Florida City Gas
700 University Boulevard,
Juno Beach, FL 33408

Re: Florida City Gas 2020 Annual Depreciation Status Report

Dear Mr. Ferguson,

Staff has completed its initial review regarding depreciation matters in Florida City Gas' Annual Depreciation Status Report for the year ended December 31, 20120. Attached are several questions resulting from our initial review. Please provide the Company's response to the attached data request by November 8, 2021.

Should you have any questions, or need further information, please do not hesitate to contact Jenny Wu at (850) 413-7005 or Cecilia Galloway at (850) 413-6922.

Sincerely,

A handwritten signature in black ink, appearing to be "JW".

Jenny Wu
Senior Analyst
Division of Economics

2021 OCT -6 PM 1:11
COMMISSION
CLERK
MED-PRO

Attachment
cc: Office of Public Counsel

Staff's First Data Request

1. Retirement Amounts booked to the Plant and Reserve Accounts

It appears that for various accounts, the retirement amount booked to the plant side is different from the retirement amount booked to the reserve side as showed in Table 1 below. Please provide an explanation for the differences and a reconciliation, if applicable.

Table 1: Reporting Differences for Retirement Amounts of Various Accounts

Acct. No.	Acct. Description	Plant Side	Reserve Side	Difference
		Retirements	Retirements	
		(1)	(2)	(3) = (2) - (1)
303	Misc. Intangible Plant			
381.1	Meters - ERT's	(150,553)	(153,900)	(3,347)
382	Meter Installation	(1,946,750)	(2,033,628)	(86,878)
382.1	Meters Install - ERT's	(3,024,816)	(3,144,182)	(119,366)
383	House Regulators	(1,170,305)	(1,207,240)	(36,935)
384	House Regulators Installation	(945,042)	(987,738)	(42,696)
385	Industrial M & R Station Equipment	(56,319)	(56,354)	(35)
392.1	Trans Equip - Autos and Lt Trucks	(105,620)	—	105,620

2. Account 383 – House Regulators

Please explain the nature and cause for the negative plant addition, in the amount of \$95,272, associated with this account.

3. Account 387 – Other Equipment

Please explain the nature and cause for the negative plant addition, in the amount of \$3,383, associated with this account.

4. Account 394.1 – Natural Gas Vehicle Equipment

Please explain the nature and cause for the negative plant addition, in the amount of \$2,114,378, associated with this account.

5. Account 397 – Communication Equipment

Please explain the nature and cause for the negative plant addition, in the amount of \$20,534, associated with this account.

6. Account 398 – Miscellaneous Equipment

Please explain the nature and cause for the negative plant addition, in the amount of \$1,644, associated with this account.

7. Account 303 – Miscellaneous Intangible Plant

Please explain the nature and cause for the Transfers, in the amount of negative \$55,788, recorded in this account on the plant side, and identify the destination account(s) to which the plant was transferred, if applicable. Please also explain why the corresponding Transfers on the reserve side are positive \$2,860, rather than a negative amount.

Attachment
Florida City Gas 2020 ADSR
Staff's First Data Request
October 6, 2020

8. Account 303.02 – Computer Software

Please explain the nature and cause for the Transfers, in the amount of \$6,582,477, recorded in this account on the plant side, and identify the source account(s) from which the plant was transferred, if applicable.

9. Account 391.11 – Computer Software

a. Please explain the nature and cause for the Transfers, in the amount of negative \$12,174,721, recorded in this account on the plant side, and identify the destination account(s) to which the plant was transferred, if applicable.

b. This account and Account 303.02 – Computer Software have the same account description and the same depreciation rate. Please explain the difference between the function/utilization of the assets booked to each of these two accounts.

10. Account 303 – Software as a Service - 20 years

a. Please explain the nature and cause for the Transfers, in the amount of \$5,648,032, recorded in this account on the plant side, and identify the source account(s) from which the plant was transferred, if applicable.

b. Please explain the nature and cause for the negative, rather than positive, \$36,359 depreciation accrual booked to this account.