

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Natural Gas Conservation Cost Recovery

DOCKET NO. 20220004-GU

FILED: October 7, 2022

PRE-HEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Order Establishing Procedure in this docket, Order No. PSC-2022-0054-PCO-GU, issued February 7, 2022, hereby submit this Prehearing Statement.

APPEARANCES:

Richard Gentry
Public Counsel

Charles Rehwinkel
Deputy Public Counsel

Office of Public Counsel
c/o The Florida Legislature
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On behalf of the Citizens of the State of Florida

A. **WITNESSES:**

None.

B. **EXHIBITS:**

None.

C. STATEMENT OF BASIC POSITION

The utilities bear the burden of proof to justify the recovery of costs they request in this docket. The utilities must carry this burden regardless of whether or not the Interveners provide evidence to the contrary. Further, the utilities bear the burden of proof to support their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought. Even if the Commission has previously approved a program, recovery of a cost, factor, or adjustment as meeting the Commission's own requirements, the 2 utilities still bear the burden of demonstrating that the costs submitted for final recovery meet any statutory test(s) and are reasonable in amount and prudently incurred. Further, recovery of even prudently incurred costs is constrained by the Commission's obligation to set fair, just, and reasonable rates. Further, pursuant to Section 366.01, Florida Statutes, the provisions of Chapter 366 must be liberally construed to protect the public welfare. company's last test year upon which rates are based, and such costs may not be costs that are recovered through base rates or any other cost recovery mechanism.

D. STATEMENT OF FACTUAL ISSUES AND POSITIONS

GENERIC CONSERVATION COST RECOVERY ISSUES

ISSUE 1: What are the final conservation cost recovery adjustment true-up amounts for the period January 2021 through December 2021?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent.

ISSUE 2: What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2022 through December 2022?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent.

ISSUE 3: What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2023 through December 2023?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent.

ISSUE 4: What are the total conservation cost recovery amounts, net of the true-up amount, to be collected during the period January 2023 through December 2023?

OPC: The OPC is not in agreement that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC does not accept that, given these circumstances, that the costs proposed for final true-up can necessarily be deemed prudent.

ISSUE 5: What are the conservation cost recovery factors for the period January 2023 through December 2023?

OPC: No position at this time; however, the factors should be based on costs deemed reasonable and or prudent after a hearing.

ISSUE 6: **Should the Commission approve revised tariffs reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate in this proceeding?**

OPC: No position at this time; however, the factors contained in the tariff(s) should be based on costs deemed reasonable and or prudent after a hearing.

ISSUE 7: **What should be the effective date of the new conservation cost recovery factors for billing purposes?**

OPC: No position at this time.

ISSUE 8: **Should this docket be closed?**

OPC: No.

E. **STIPULATED ISSUES:**

None at this time.

F. **PENDING MOTIONS:**

None.

G. **REQUESTS FOR CONFIDENTIALITY:**

OPC has no pending requests for claims for confidentiality.

H. **OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:**

OPC has no objections to any witness' qualifications as an expert in this proceeding.

I. **STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:**

There are no requirements of the Order Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 7th day of October, 2022.

Respectfully submitted,

/s/Charles Rehwinkel

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CERTIFICATE OF SERVICE
Docket No. 20220004-EI

I **HEREBY CERTIFY** that a true and correct copy of the Office of Public Counsel's Prehearing Statement has been furnished by electronic mail on this 7th day of October 2022, to the following:

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