



May 05, 2023

VIA ELECTRONIC FILING

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

Re: Docket No. 20230023-GU; Petition for Rate Increase by Peoples Gas System, Inc.

Docket No. 20220219-GU; Peoples Gas System's Petition for Rate Approval of 2022 Depreciation Study

Docket No. 20220212-GU; Peoples Gas System's Petition for Approval of Depreciation Rate and Subaccount for Renewable Natural Gas Facilities Leased to Others

Dear Mr. Teitzman:

Attached for filing in the above docket is Peoples Gas System, Inc.'s Preliminary Motion for Temporary Protective Order regarding the following discovery requests:

1. OPC's First Set of Interrogatories (Nos. 1-106) and First Request for Production of Documents (Nos. 1 - 48) served on April 11, 2023,
2. OPC's Second Set of Interrogatories (Nos. 107-130) and Second Request for Production of Documents (49-55) served on April 19, 2023
3. OPC's Third Set of Interrogatories (Nos. 131-179) and Third Request for Production of Documents (Nos. 56-69) served on April 20, 2023

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'V. Ponder'.

Virginia Ponder

VLP/ne

Attachment

cc: All parties of record (w/att.)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition for Rate Increase by Peoples Gas System, Inc.	DOCKET NO. 20230023-GU
Peoples Gas System’s Petition for Rate Approval of 2022 Depreciation Study	DOCKET NO. 20220219-GU
Peoples Gas System’s Petition for Approval of Depreciation Rate and Subaccount for Renewable Natural Gas Facilities Leased to Others	DOCKET NO. 20220212-GU FILED: May 5, 2023

**PEOPLES GAS SYSTEM INC.’S
PRELIMINARY MOTION FOR TEMPORARY PROTECTIVE ORDER**

Peoples Gas System, Inc. (“Peoples” or “the company”), pursuant to Rule 25-22.006(6)(c), Florida Administrative Code, hereby requests that the Commission issue a preliminary temporary protective order exempting from Section 119.07(1), Florida Statutes, certain information specified herein as requested by the Office of Public Counsel (“OPC”) through discovery, and for the protection of that information against public disclosure pending OPC’s review of it. In support of its Motion, the company states:

1. On April 11, 2023, OPC served on Peoples its First Set of Interrogatories (Nos. 1-106) and First Request for Production of Documents (Nos.1 - 48). On April 19, 2023, OPC served on Peoples its Second Set of Interrogatories (Nos. 107-130) and Second Request for Production of Documents (49-55). On April 20, 2023, OPC served on Peoples its Third Set of Interrogatories (Nos. 131-179) and Third Request for Production of Documents (Nos. 56-69). This Motion will collectively refer to these discovery requests as “OPC’s Discovery Requests.”

2. Peoples will serve its response to OPC’s Discovery Requests on May 10 and May 11, 2023, by posting its answers, responses, and responsive documents (Response) on a virtual

SharePoint site that is accessible by both OPC and FIPUG. The company believes that all or portions of its Responses to the discovery requests specified on Exhibit “A” constitute “proprietary confidential business information” and will designate it as such by (1) highlighting it in yellow and (2) placing it in a segregated area of the SharePoint site for confidential information. Peoples considers the information in its Response to be “proprietary confidential business information” that is entitled to protection against public disclosure pursuant to Section 366.093, Florida Statutes.

3. Proprietary confidential business information includes but is not limited to: (a) trade secrets; (b) internal auditing controls and reports of internal auditors; (c) security measures, systems, or procedures; (d) information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms; (e) information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information; and (f) employee personnel information unrelated to compensation, duties, qualifications, or responsibilities. §366.093(3)(a)-(f), Florida Statutes. The confidential information that is the subject of this Motion falls within one or more of these statutory categories and, thus, constitutes proprietary confidential business information.

4. Exhibit “A” identifies OPC’s Discovery Requests to which the company’s Responses are considered confidential.

5. Public disclosure of the company’s full Responses to the discovery requests identified in Exhibit “A” would adversely affect the economic interests of Peoples and its customers.

6. Rule 25-22.006, Florida Administrative Code, provides for protection of this type of information when a utility allows OPC to inspect or take possession of such information in the course of discovery. Subsection (6)(c) of this rule states:

(c) When a utility or other person agrees to allow Public Counsel to inspect or take possession of utility information for the purpose of determining what information is to be used in a proceeding before the Commission, the utility may request a temporary protective order exempting the information from Section 119.07(1), F.S. If the information is to be used in a proceeding before the Commission, then the utility must file a specific request for a protective order under paragraph (a) above. If the information is not to be used in a proceeding before the Commission, then Public Counsel shall return the information to the utility in accordance with the record retention requirements of the Department of State.

7. Peoples requests a preliminary temporary protective order to allow OPC access to the Peoples' confidential information that is part of its response while protecting the economic interests of Peoples and its customers from the harm that would result from public disclosure of the above-referenced confidential information. Peoples will work cooperatively with the parties to this proceeding to identify confidential information to be used at the final hearing in this docket and to request confidential classification as specified in the rule. To the extent that pre-filing of confidential documents is required, Peoples and the parties to this proceeding have further committed to work out a process to maintain both confidentiality of the information and preservation of the litigation rights of the respective parties consistent with Commission precedent. Furthermore, the parties have both agreed that the efficiency underlying this arrangement is not expected to require the closure of public access to hearings and that they will vigorously preserve confidentiality in accordance with applicable law while taking all reasonable steps to accomplish necessary litigation in a manner that does not require closure of hearings.

8. Peoples maintains the Responsive information to OPC's Discovery Requests identified in Exhibit "A" in a confidential form and has not disclosed it publicly.

WHEREFORE, Peoples requests that the Commission issue a Temporary Protective Order allowing it to provide OPC with the confidential information described above while maintaining the confidential nature of that information.

DATED this 5th day of May, 2023

Respectfully submitted,



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ATTORNEYS FOR PEOPLES GAS SYSTEM, INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Preliminary Motion for Temporary Protective Order, filed on behalf of Peoples Gas System, Inc., has been furnished by electronic mail on this 5th day of May 2023 to the following:

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ATTORNEY

Exhibit A

OPC'S FIRST SET OF INTERROGATORIES	
6.	Growth. Please provide all data which is available for each year of PGS's forecasted growth rates for the following factors and identify the source for such forecasts, as well as the time period for such forecasts, and the source of the information: a. Total load, b. Total customers, c. Total revenue, d. Net income, and e. Rate base.
16.	TECO Labor. For TECO, please provide the number of employee positions, by department, authorized and the actual number of employees for each month from January 2021 through the latest date available.
17.	Payroll. Please provide the Company's salary structure including the salary range for each pay grade, as well as the number of employees in each grade.
25.	Incentive Compensation Programs. Please identify and quantify all officer compensation by component, including incentive awards and bonuses, paid in each of the past three years and indicate the portion of each component that is included in the Company's proposed revenue requirement. Please also identify, by title, the officers whose compensation is included in this response.
27.	Incentive/Bonus/At Risk Pay Mechanism. Please provide a schedule showing the following information for employees with compensation tied to an incentive/bonus/at-risk pay mechanism: a. The individual employees; b. The portion of their compensation related to an incentive/goal/at-risk pay mechanism; c. The portion of the incentive/goal/at-risk pay mechanism compensation related to job performance goals; and d. The portion of the incentive/goal/at-risk pay mechanism compensation related to earnings achievement goals.
41.	OPEB. Provide the two most recent pension and OPEB actuarial reports for the Company, Tampa Electric Company, and any other affiliate for which such charges are made to the Company. In addition, provide a roadmap between the actuarial reports and the amounts recorded on the Company's books for pension costs and expense and for OPEB costs and expense in 2022.
44.	Outside Services Expense. Provide a detailed accounting of outside services expense for the last three years, as well as for the Test Year, showing the amounts paid by vendor and a description of the nature of the services provided.

OPC'S FIRST SET OF INTERROGATORIES

- 69. Cost Allocation.** Please provide the names, titles, and duties of all common or shared officers and directors of Emera Incorporated and its affiliates, divisions, and subsidiaries. For each common officer and director, please provide the following related information:
- a. The amount of total compensation (salary, benefits, bonuses, stock related compensation, etc., identified separately) paid in 2019, 2020, 2021, 2022, actual/projected for 2023 and projected for the test year ended December 31, 2024;
 - b. Provide the amount charged to Peoples in each of these years; and
 - c. Explain how each person's salary and benefits are charged to the affiliates of Emera Incorporated. Indicate the separate amount charge to O&M expense and capitalized, and breakdown the total compensation by type including, but not limited to, salary, deferred compensation, stock options, vehicle allowances, etc.
- 70. Cost Allocation.** Please provide the name and job description of each shared executive whose costs are allocated or directly charged to Peoples for the years 2019, 2020, 2021, and 2022, and the projected years 2023 and 2024. Please provide the following related information:
- a. Please provide the loaded salary and benefits (identifying separately the amount of all salary, bonuses, benefits, stock options, and other compensation (please itemize all other compensation)) for each executive identified. Provide the requested information for the years 2019, 2020, 2021, 2022, actual/projected for 2023 and projected for the test year ended December 31, 2024. Explain all variations of more than 10% for each year-to-year period;
 - b. For each officer identified, state the amount of the officer's total compensation and benefits that is allocated to each affiliate of Peoples for the years 2019, 2020, 2021, 2022, actual/projected for 2023 and projected for the test year ended December 31, 2024;
 - c. For each executive identified, state the amount of the executive's loaded compensation and benefits (identifying separately the amount of all salary, bonuses, benefits, stock options, and other compensation (please itemize all other compensation)) that is directly charged to each affiliate of PGS. (Provide the requested information for the years 2019, 2020, 2021, 2022, actual/projected for 2023 and projected for the test year ended December 31, 2024.);
 - d. For each officer identified, state the amount of the officer's total compensation and benefits that is directly charged to each affiliate of PGS; and
 - e. For each individual identified, please provide the amount of time spent on Peoples activities.
- 96. Long Term Debt.** Refer to the new long-term debt issuances forecast for 2023 and 2024 depicted on Schedule G-3 at page 3 of 11 from the petition. Please provide the basis for the cost projected for each projected issuance of long-term debt, including all calculations, e.g., 30-year Treasury yield plus 100 basis point risk premium.

OPC’S FIRST SET OF INTERROGATORIES

- 97. Peoples Legal Separation and Debt Financing.** Refer to the Direct Testimony of Kenneth McOnie at page 10 wherein he states that the separation of the Company from Tampa Electric, repayment of the debt allocated to the Company through an Intercompany Debt Agreement, and replacement of that debt with new external debt will increase the average cost of debt from 3.97% in 2022 to 5.54% in 2024. Please provide the following related information:
- a. Provide a copy of all analyses performed by or on behalf of the Company, and before the actual separation, of each and every cost and benefit, both qualitative and quantitative, of a legal separation of the Company from Tampa Electric Company on the Company itself and on its customers. Also provide a copy of all quantitative calculations underlying or comprising such analyses, including assumptions, calculations, and electronic workpapers in live format and with all formulas intact;
 - b. Confirm that both the timing of the legal separation and the repayment of the debt allocated to the Company under the Intercompany Debt Agreement was timed to coincide with the effective date of rates resulting from this rate case proceeding;
 - c. Confirm that the effect of the legal separation and the repayment of the debt allocated to the Company pursuant to the Intercompany Debt Agreement by the end of 2023 is to allocate the entirety of the lower cost debt used to finance both Tampa Electric Company and the Company’s rate base investment prior to that date solely to Tampa Electric Company after that date. Explain your response; and
 - d. Provide a calculation of the cost of debt for Tampa Electric Company at December 31, 2022 prior to the legal separation of the Company from Tampa Electric Company and each month thereafter (actual for the months for which actual information is available and forecast through the end of December 2023 for the months for which actual information is not available).
- 100. Revenue Requirement.** Refer to the Direct Testimony of Rachel Parsons at 10 wherein she lists five “primary causes” of the requested increase. Please provide the following related information:
- a. The third cause is listed as “the change in weighted average cost of capital.” Does this third cause include the increase in the cost of debt due to the legal separation of the Company from Tampa Electric Company? If so, provide a quantification of the effect of the legal separation on the cost of debt and the effect on the requested base rate increase; and
 - b. Identify each and every other increase in costs reflected in the claimed revenue requirement that were caused by the legal separation of the Company from Tampa Electric Company and quantify each of the increases in costs. Provide all assumptions, data, and calculations, including electronic spreadsheets in Excel live format with all formulas intact used to calculate each of the increases in costs.

OPC'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS	
2.	Pension and OPEB. Please provide copies of the most recent actuarial reports for pension and other post- employment benefit plans.
3.	Third Party Contracts. Please provide a copy of all contracts with consultants or other third parties for rate case services claimed in this filing.
4.	RFPs. Please provide copies of all Requests for Proposal issued by or on behalf of the Company with regard to the provision of rate case services in this case.
12.	Incentive/Bonus/At Risk Pay. Please provide a copy of each of the Company's incentive compensation/bonus/at-risk plans for 2020, 2021, 2022, and 2023.
14.	Investor Services Reports. Please provide any reports for 2020 to the present by investor's services (e.g. Moody's, Standard & Poor's, etc.) relating to the operations of Peoples Gas System, Tampa Electric Company, and Emera, Incorporated.
15.	Presentation Documents. Please provide copies of all presentations made to financial institutions, rating agencies, institutional investors, and investment firms by Peoples Gas System, Tampa Electric Company, and Emera, Incorporated from January 1, 2020, to the present.
17.	Credit Reports. Please provide copies of credit reports for Peoples Gas System, Tampa Electric Company, and Emera, Incorporated from January 1, 2020, to the present.
18.	Credit Report. For any change in the corporate credit and bond ratings assigned to Peoples Gas System, Tampa Electric Company, and Emera, Incorporated from January 1, 2020, to the present by S&P, Moody's, and Fitch, please provide a copy of the associated report.
19.	Pension Plan Assets. Please provide all associated source documents and workpapers used to calculate the breakdown in the expected return on pension plan assets, specifically, by the different assets classes (bonds, US stocks, international stocks, etc.).
20.	Pension Costs and OPEB. Please provide a copy of all supporting documentation used to project pension costs and expense and OPEB costs and expense for the Company in 2023 and 2024.
22.	Incentive/Bonus/At Risk Pay. Please provide all supporting studies, analyses, workpapers and empirical data to demonstrate how the Company determines that the achievement of any incentive compensation/bonus goals/at-risk pay are reached as a result of the current incentive compensation plan(s), as opposed to other reasons.
23.	Federal Tax Returns. Please provide the two most recent State of Florida and federal consolidated income tax returns of Peoples Gas System, Tampa Electric Company, and Emera, Incorporated from January 1, 2020, to the present including all supporting forms and attachments.
24.	Quarterly Federal Tax Returns. Please provide the PGS quarterly employment tax returns (form 941) for 2021, 2022 and 2023 to date.
25.	Private Letter Ruling. Please identify and provide a copy of all requests for private letter rulings submitted by or for Peoples Gas System, Tampa Electric Company, and Emera, Incorporated in each year, 2018 through the present. Also provide copies of the IRS' responses to the requests for the PLRs.

OPC'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS	
27.	Credit Rating Agency Correspondence. Please provide all correspondence between any credit rating agency and Peoples Gas System, Tampa Electric Company, and Emera, Incorporated for the years 2019, 2020, 2021, 2022 and 2023 to date.
30.	Budget Variance Reports. Please provide a copy of all operating and capital budget variance reports for 2018, 2019, 2020, 2021, 2022, and 2023 year to date in the most detailed format available inclusive of written variance explanations.
31.	Business Analysis Plans. Please provide all copies of business analysis plans (or the functional equivalent), phase project authorization plans and associated presentations for any plant additions, made to the Board of Directors or Executive Management for approval during the time period 2018 through 2022 and 2023 to date. Please include any project authorization forms with signatures.
32.	Internal Audit Reports. Please provide a copy of all internal audit reports for the years 2019, 2020, 2021, 2022 and 2023 to date for Peoples Gas System, Tampa Electric Company and Emera, Incorporated.
36.	Injuries and Damages. Please provide a list of all charges to Account 925 Injuries and Damages expense for the calendar years 2020, 2021, 2022 and 2023 to date. Provide the supporting workpapers and calculations used to derive the amount of Injuries and Damages expense for the projected 2024 test year
37.	Minutes of Board Meetings. Please provide a copy of all Peoples Gas System, Tampa Electric Company and Emera, Incorporated Board of Directors Meeting minutes and board committee minutes and presentation to the Peoples Gas System, Tampa Electric Company and Emera, Incorporated boards in 2020, 2021, 2022 and 2023 to date.
41.	Tax Sharing Agreements. Please provide copies of the tax sharing agreements between PGS and its affiliates applicable for 2019 through 2023 to date.
44.	Long Term Debt Issuances. Refer to the new long-term debt issuances forecast for 2023 and 2024 depicted on Schedule G-3 at page 3 of 11 from the petition. Please provide all supporting documentation for the cost projected for each projected issuance of long-term debt, including all calculations, e.g., 30-year Treasury yield plus 100 basis point risk premium.

OPC’S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

- 46. Debt Repayment – PGS Legal Separation.** Refer to the Direct Testimony of Kenneth McOnie at page 10 wherein he states that the separation of the Company from Tampa Electric, repayment of the debt allocated to the Company through an Intercompany Debt Agreement, and replacement of that debt with new external debt will increase the average cost of debt from 3.97% in 2022 to 5.54% in 2024. Please provide the following related information:
- a. For all analyses performed by or on behalf of the Company, and before the actual separation, of each and every cost and benefit, both qualitative and quantitative, of a legal separation of the Company from Tampa Electric Company on the Company itself and on its customers, provide a copy of all quantitative calculations underlying or comprising such analyses, including assumptions, calculations, and electronic workpapers in live format and with all formulas intact;
 - b. For the calculation of the cost of debt for Tampa Electric Company at December 31, 2022 prior to the legal separation of the Company from Tampa Electric Company and each month thereafter (actual for the months for which actual information is available and forecast through the end of December 2023 for the months for which actual information is not available). Please provide the calculation in Excel live format with all formulas intact and should show each debt issue and each component of the calculation of the cost for Tampa Electric Company before the allocation of the debt between Tampa Electric Company and the Company pursuant to the Intercompany Debt Agreement, and then show the amounts allocated to Tampa Electric Company and the Company pursuant to the Intercompany Debt Agreement; and
 - e.[sic] Provide a copy of the Intercompany Debt Agreement and all other agreements entered into between Tampa Electric Company, the Company, TECO Energy, Inc., and/or TECO Gas Operations, Inc., as well as a copy of all other agreements that were modified in order to effectuate the legal separation of the Company from Tampa Electric Company.

- 48. Revenue Requirement.** Refer to the Direct Testimony of Rachel Parsons at page 10 wherein she lists five “primary causes” of the requested increase. For the identified increase in costs reflected in the claimed revenue requirement that were caused by the legal separation of the Company from Tampa Electric Company, please provide a copy of all assumptions, data, and calculations in electronic spreadsheets in Excel live format with all formulas intact used to calculate each of the increases in costs.

OPC’S SECOND SET OF INTERROGATORIES

- 110.** Please provide People’s annual figures for the following items over the past 10 years and the source of such information:
- a. Total load
 - b. Total customers
 - c. Total revenue
 - d. Operating income

e.	Net income
f.	Rate base

OPC'S SECOND REQUEST FOR PRODUCTION OF DOCUMENTS	
52.	Please provide a copy of the most current reports prepared by security analysts that describe Peoples, TECO, and Emera.

OPC'S THIRD SET OF INTERROGATORIES	
155.	MFR C-5, Page 2, Line 19 (Bates p. 54). Please provide a summary by vendor of all charges to account 923 for 2022. Please identify each invoice recorded to account 923 greater than \$1000.
156.	MFR C-5, Page 2, Line 21 (Bates p. 54). Please provide a summary by vendor of all charges to account 925 for 2022. Please identify each invoice recorded to account 925 greater than \$1000.
157.	MFR C-5, Page 2, Line 24 (Bates p. 54). Please provide a summary by vendor of all charges to account 930 for 2022. Please identify each invoice recorded to account 930 greater than \$1000.
161.	MFR C-16, Line 1 (Bates p. 67). Please explain the reasons for disposing of this property at a loss. Please identify all documents reviewed by management supporting approval of this transaction.
162.	MFR C-31, Page 2, Line 14 (Bates p. 87). Please identify all documents including vendor invoices related to \$5,697,128 charges from Deloitte Consulting, LLP, as well as all documents discussing, describing or analyzing the work performed by this vendor.
164.	MFR C-31, Page 2, Line 34 (Bates p. 87). Please identify all documents including vendor invoices related to \$950,765 charges from Straad Consulting, Inc., as well as all documents discussing, describing or analyzing the work performed by this vendor.
165.	MFR C-31, Page 3, Line 4 (Bates p. 88). Please identify all documents including vendor invoices related to \$81,431 charges from the Hunter Group as well as all documents discussing, describing or analyzing the work performed by this vendor.

OPC'S THIRD REQUEST FOR PRODUCTION OF DOCUMENTS	
57.	Please provide all documents identified in OPC's Third Set of Interrogatories, No, 155.
58.	Please provide all documents identified in OPC's Third Set of Interrogatories, No, 156.
59.	Please provide all documents identified in OPC's Third Set of Interrogatories, No, 157.
63.	Please provide all documents identified in OPC's Third Set of Interrogatories, No, 164.