

FILED 10/28/2024 DOCUMENT NO. 09710-2024 FPSC - COMMISSION CLERK

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

October 28, 2024

BY E-FILING

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

Re: Docket No. 20240046-GU - Petition for rate increase by St. Joe Natural Gas Company, Inc.

Dear Mr. Teitzman:

Attached, for electronic filing in the referenced docket on behalf of St. Joe Natural Gas, please find the Company's Supplemental Response to Staff's 3rd Set of Data Requests, No. 8.

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

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

St. Joe Natural Gas Company's Supplemental Response to Staff's 3rd Set of Data Requests (No. 8)

8. Please provide the Company's actual monthly customer and therm sales totals (by customer class) for 2024 year-to-date.

<u>Company Supplemental Response</u>: SJNG offers this additional information. References to the "Chart" are to the Excel spreadsheet provided with the Company's initial responses on September 10, 2024.

As explained in the testimony of Company Witness Andy Shoaf's direct testimony, the Company has one large customer served under the FTS-4 rate schedule, which denotes transportation service only. That customer is the Gulf Correctional Institution ("GCI"). Gas commodity is provided to GCI through a separate contract with a marketer. SJNG's second largest customer is Sacred Heart Hospital ("SHH"), which is served under the GS-4 rate class-

Although GCI is a transportation service only customer, in instances where GCI's gas marketer has not scheduled enough gas to meet GCI's needs, SJNG, as the provider of last resort, ensures that GCI receives the gas that it needs from SJNG's own "system supply" gas. At those times when SJNG provides GCI both gas commodity and transportation service, SJNG serves GCI under the GS-4 tariff with system gas. Doing so, however, results in unexpected increase in both demand and cost of gas associated with GS-4 for two reasons: 1. SJNG does not project commodity (GS4) for GCI as it is an FTS-4 customer, as noted in the Company's original response to DR #9; and 2. SJNG does not maintain a significant "reserve" of natural gas on its system, but rather buys based on projections for its existing, full-service customers. Thus, when it is called upon to provide gas for GCI, it typically must procure gas on the spot market at a significant price differential, which ultimately impacts the PGA.

As noted in Witness Andy Shoaf's testimony, GCI is currently at limited capacity following Hurricane Michael, and is not expected to return to full capacity levels. Usage has dropped significantly since the prior rate case and has been on a further downward trend since 2022. Thus, GCI's additional commodity needs this year and the resulting impact on the GS-4 usage and commodity levels was unexpected and could not have been projected. That being said, SJNG's usage projections as a whole for its system are notably accurate as reflected in the chart below, which indicates a mere 0.9% difference in its projections to actuals through September:

CLASS	PROJECTED	ACTUAL	(Under/Over
RS1 & RS2	242,176	233,883	-3.4%
RS3	147,217	137,040	-6.9%
GS1	114,385	116,792	2.1%
GS2	179,479	171,627	-4.4%
GS4	79,534	124,410	56.4%
FTS4	106,390	93,655	-12.0%
	869,181	877,407	0.9%

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing filing has been served by E-Mail this 28th day of October, 2024, upon the following:

Walter Trierweiler, Charles Rehwinkel, Patricia Christensen, Mary Wessling, Octavio Ponce, Austin Watrous Office of the Public Counsel c/o The Florida Legislature 111 West Madison St., Rm 812 Tallahassee, FL 32399-1400 Trierweiler.walt@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us Christensen.patty@leg.state.fl.us Ponce.octavio@leg.state.fl.us Watrous.austin@leg.state.fl.us

Daniel Dose Saed Farooqi Jennifer Crawford Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 ddose@psc.state.fl.us sfarooqi@leg.state.fl.us jcrawfor@leg.state.fl.us

By:

Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301 (850) 521-1706