

Ruth Nettles

From: Ann Bassett [abassett@lawfla.com]
Sent: Tuesday, August 04, 2009 4:41 PM
To: Filings@psc.state.fl.us
Subject: Docket No. 090172-EI
Attachments: 2009-08-04, 090172, Late-Filed Hearing Exhibit No. 98.pdf

The person responsible for this filing is:

Floyd R. Self, Esq.
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The Docket No. is 090172-EI - Petition to determine need for Florida EnergySecure Pipeline by Florida Power & Light Company

This is being filed on behalf of Florida Gas Transmission Company, LLC.

Total Number of Pages is 11

Florida Gas Transmission Company, LLC's Late-Filed Hearing Exhibit No. 98.

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DOCUMENT NUMBER-DATE

08028 AUG -4 8

FPSC-COMMISSION CLERK



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August 4, 2009

VIA ELECTRONIC FILING

Ms. Ann Cole, Commission Clerk
Office of Commission Clerk
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 090172-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Gas Transmission Company, LLC is Late-Filed Hearing Exhibit No. 98 in the above referenced docket.

Thank you for your assistance with this filing.

Sincerely yours,


Floyd R. Self

FRS/amb

Enclosure

cc: Mr. Michael T. Langston
Parties of Record

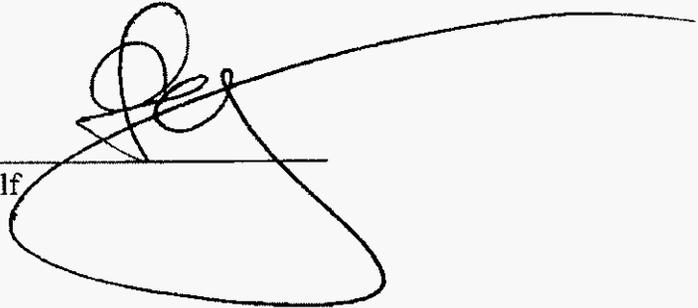
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing have been served by Electronic Mail and/or U. S. Mail this 4th day of August, 2009 upon the following:

Martha Brown, Esq.
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

John T. Butler, Esq.
Mr. R. Wade Litchfield
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420

Gary V. Perko, Esq.
Brooke E. Lewis, Esq.
Hopping Green & Sams
P.O. Box 6526
Tallahassee, FL 32314



Floyd R. Self

Docket No. 090172-EI
Florida Gas Transmission, LLC
Late Filed Hearing Exhibit No. 98
Phase 8 Construction Cost Breakout

Request: For the FGT Phase VIII Expansion Project, provide the cost percentage of steel to the total project cost.

Response: Mr. Langston testified during the hearing that he thought the cost of steel for the FGT Phase VIII Expansion represented approximately 50 percent of the total project cost, but that the Phase VIII documentation would reflect the actual percentage. Tr. 615, 622-623, 643-644.

The Phase VIII documentation indicates that the Total Estimated Project Cost is \$2,455,155,287. Steel prices impact the Total Materials cost of \$741,038,736, which are 30.18% of the Total Estimated Project Cost. The cost of pipe totals \$560,100,000, and is included in the Total Pipeline Materials category. See the attached Exhibit K, Cost of Facilities, from the FGT Phase VIII filing with the FERC, at Page 2 of 6, Lines 4 and 12, and Page 3 of 6, Line 4.

Response Provided By: Michael T. Langston, Sr. V.P., Government and Regulatory Affairs, Florida Gas Transmission Company, LLC, 5444 Westheimer Road, Houston, TX 77056.

DOCUMENT NUMBER-DATE

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FLORIDA GAS TRANSMISSION COMPANY, LLC

COST OF FACILITIES

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**Florida Gas Transmission Company, LLC
Phase VIII Expansion Project**

Summary of Project Cost Estimates

The Phase VIII Expansion Project will consist of approximately 483.2 miles of multi-diameter pipeline, the acquisition of 22.7 miles of Florida Power & Light Company's Martin Lateral, the addition of 213,600 horsepower of compression at eight existing compressor stations and one new compressor station. In addition, FGT will also install meter & regulator stations, taps, valves, and other ancillary facilities. Facility costs necessary to accommodate the requested increase in the Maximum Allowable Operating Pressure (MAOP) related to portions of FGT's existing pipeline system in addition to a portion of the pipeline facilities requested in this application are identified on Page 6 of 6 in this exhibit. The estimated cost of the facilities to be constructed for the Phase VIII Expansion Project is \$2,455 million.

FGT has attached its detailed cost schedules for the Phase VIII Expansion Project. FGT has estimated that a contingency cost of approximately \$101.0 million for the Project are possible due to incomplete design, unforeseen and unpredictable conditions, or uncertainties in the project scope, such as route revisions.

Florida Gas Transmission Company, LLC
Phase VIII Expansion Project

Summary of Total Estimated Project Costs

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	ROW-Land	\$131,987,372
2	ROW-Damages	9,360,934
3	Survey	26,453,411
4	Materials	741,038,736
5	Labor	874,840,242
6	Engineering & Inspection	219,671,069
7	Line Pack/Gas Lost	13,270,311
8	Overheads	w/Engineering
9	AFUDC	337,532,857
10	Contingencies	101,000,355
11	Legal Fees	w/ROW
12	Total Estimated Project Cost	<u><u>\$2,455,155,287</u></u>

Florida Gas Transmission Company, LLC
Phase VIII Expansion Project

Summary of Total Estimated Pipeline Facilities

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	ROW-Land	\$128,334,889
2	ROW-Damages	9,265,111
3	Survey	21,811,781
4	Materials	560,100,000
5	Labor	734,300,000
6	Engineering & Inspection	181,568,082
7	Line Pack/Gas Lost	13,000,000
8	Overheads	w/Engineering
9	AFUDC	275,898,126
10	Contingencies	82,557,338
11	Legal Fees	w/ROW
12	Total Estimated Costs	<u>\$2,006,835,327</u>

Florida Gas Transmission Company, LLC
Phase VIII Expansion Project

Summary of Total Estimated Compression Facilities

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	ROW-Land	\$1,613,000
2	ROW-Damages	0
3	Survey	3,036,000
4	Materials	156,906,000
5	Labor	110,600,000
6	Engineering & Inspection	28,337,580
7	Line Pack/Gas Lost	50,000
8	Overheads	w/Engineering
9	AFUDC	50,303,470
10	Contingencies	15,052,354
11	Legal Fees	w/ROW
12	Total Estimated Costs	<u>\$365,898,404</u>

Florida Gas Transmission Company, LLC
Phase VIII Expansion Project

Summary of Total Estimated Measurement Station Facilities

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	ROW-Land	\$101,720
2	ROW-Damages	0
3	Survey	801,391
4	Materials	11,578,390
5	Labor	13,008,685
6	Engineering & Inspection	4,009,815
7	Line Pack/Gas Lost	0
8	Overheads	w/Engineering
9	AFUDC	4,937,578
10	Contingencies	1,477,477
11	Legal Fees	w/ROW
12	Total Estimated Costs	<u>\$35,915,056</u>

Florida Gas Transmission Company, LLC
Phase VIII Expansion Project

Summary of Total Estimated MAOP Upgrade Cost

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	ROW-Land	\$1,937,763
2	ROW-Damages	95,823
3	Survey	804,239
4	Materials	12,454,346
5	Labor	16,931,557
6	Engineering & Inspection	5,755,592
7	Line Pack/Gas Lost	220,311
8	Overheads	w/Engineering
9	AFUDC	6,393,683
10	Contingencies	1,913,186
11	Legal Fees	w/ROW
12	Total Estimated Costs	<u>\$46,506,500</u>