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(850) 413-6199

Public Service Commission

July 15, 2014

Beth Keating, Esquire
215 South Monroe Street Suite 601
Tallahassee, Florida 32301

STAFF'S FIRST DATA REQUEST

Re: Docket No. 140016-GU - 2014 depreciation study by Florida Public Utilities Company.

Dear Mrs. Keating:

By this letter, Commission staff requests that Florida Public Utilities Company (FPUC), Florida Public Utilities Company-Indiantown Division (Indiantown), and Florida Division of Chesapeake Utilities Corporation (CHPK)(collectively referred to herein as Companies) provide responses to the following data requests. Please provide the responses to this data request in Excel or Word format with formulas intact and unlocked, as applicable.

1. Please refer to Attachment 4 of the Petition. Please provide a copy of the following invoices: Invoice Nos. 533, 535, 537, and 539.
2. Please refer to Attachment 4 of the Petition. Please provide an amortization schedule for the requested \$45,650 regulatory asset that shows the monthly amount of amortization expense for the five years, 2014 through 2018.
3. Please refer to page 4, enumerated paragraph 7 of the Petition. In particular, paragraph 7 provides in part that "this request would have no impact on rates to customers." Please explain whether this statement is applicable to current as well as future rates. If this statement is applicable to current and future rates, please explain why the request would have no impact on rates to customers.
4. Please refer to page 4, enumerated paragraph 8 of the Petition which addresses in part the consulting costs necessary to develop the depreciation studies and provides that "costs to develop all three studies exceeded the typical annual consulting costs necessary to support the regulated business." Please provide the typical amount of consulting costs for developing a depreciation study for FPUC.
5. Please refer to page 4, enumerated paragraph 8 of the Petition. Please provide the typical amount of consulting costs for a depreciation study for the CHPK.
6. Please provide the total amount and the annual amortization expense amount of consulting/outside services to prepare FPUC's last depreciation study filed in Docket No. 110207-EI.

7. Please provide the total amount and the annual amortization expense amount of consulting/outside services to prepare CHPK's last depreciation study in Docket No. 070322-GU.
8. Regarding FPUC's and CHPK's last depreciation study, filed in docket Nos. 110207-EI and 070322-GU respectively, please provide the amortization period for the total amount of consulting/outside services for the respective depreciation studies.
9. Has FPUC ever requested consulting/outside services fees for a depreciation study in a stand-alone docket?
 - a. If yes, please identify the docket where FPUC's request for consulting/outside services fees were approved or denied.
 - b. If applicable, please identify the amount of consulting/outside services fees that were approved or denied.
 - c. If applicable, please identify the amortization period that was approved for the consulting/outside services fees.
10. Please explain how the ratepayers will benefit from the Companies deferring the costs of the depreciation studies and amortizing those costs over a five-year period.
11. Please explain the Companies' rationale for establishing a regulatory asset solely for the consulting fees.
12. Please refer to page 5, enumerated paragraph 10 of the Petition as well as Attachment 4. Paragraph 10 provides that the Companies incurred approximately \$45,650 in expenses in order to comply with the requirements of Rule 25-7.045, F.A.C. Did the Companies incur any additional expenses not included within the \$45,650 resulting from the development of the depreciation studies?
 - a. If the answer to question 12 is affirmative, please provide a breakdown of the additional costs by type and amount.
 - b. If the answer to question 12 is affirmative, please explain whether the Companies plan to seek recovery of any additional expenses resulting from the development of the depreciation studies in a stand-alone proceeding or the Companies' next rate case.

Staff's First Data Request

Docket No. 140016-GU

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Please file the original and five copies of the requested information by Friday, July 25, 2014, with Carlotta Stauffer, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. In addition, please provide an electronic copy of this response (with formulas intact and unlocked) to the following email addresses: sollila@psc.state.fl.us and cklancke@psc.state.fl.us. Please feel free to call me at (850) 413-6220 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'CKlancke', written in a cursive style.

Caroline Klancke
Senior Attorney

CMK/ace

cc: Office of Commission Clerk