

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

**DATE:** September 22, 2014

**TO:** Office of Commission Clerk (Stauffer)

**FROM:** Division of Economics (Ollila) *AMO*  
Office of the General Counsel (Young) *Kept. w. d. JC*

**RE:** Docket No. 140166-GU – Joint petition for approval of Gas Reliability Infrastructure Program (GRIP) by Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation.

**AGENDA:** 10/02/14 – Regular Agenda – Tariff Filing – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 10/27/14 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

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14 SEP 22 AM 8:39  
COMMISSION  
CLERK

## Case Background

On August 28, 2014, Florida Public Utilities Company (FPUC) and the Florida Division of Chesapeake Utilities Corporation (Chesapeake) filed a petition for approval of FPUC's and Chesapeake's Gas Reliability Infrastructure Program's (GRIP) surcharges for their cast iron and bare steel pipe replacement programs for 2015. The GRIP program was approved to recover the cost of accelerated replacement of cast iron and bare steel distribution mains and services through a surcharge on customers' bills.<sup>1</sup>

The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

<sup>1</sup> Order No. PSC-12-0490-TRF-GU, issued September 24, 2012, in Docket No. 120036-GU, In re: Joint petition for approval of Gas Reliability Infrastructure Program (GRIP) by Florida Public Utilities Company and the Florida Division of Chesapeake Utilities Corporation.

**Discussion of Issues**

**Issue 1:** Should the proposed tariffs associated with the GRIP program be suspended?

**Recommendation:** Yes. (Ollila)

**Staff Analysis:** Staff recommends that the tariffs be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposals.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such change a reason or written statement of good cause for doing so within 60 days. Staff believes that the reason stated above is good cause consistent with the requirement of Section 366.06(3), F.S.

**Issue 2:** Should this docket be closed?

**Recommendation:** No. This docket should remain open pending the Commission's decision on the proposed tariff revisions. (Young)

**Staff Analysis:** This docket should remain open pending the Commission's decision on the proposed tariff revisions.