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DIVISION OF ECONOMICS
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Public Service Commission

February 9, 2016

Beth Keating
215 South Monroe St., Suite 601
Tallahassee, Florida 32301
Email: bkeating@gunster.com

STAFF'S FIRST DATA REQUEST
via e-mail

Re: Docket No. 160028-GU – Petition for approval of Amendment No. 1 to transportation service agreement with the City of Lake Worth, by Florida Public Utilities Company.

Dear Ms. Keating:

By this letter, Commission staff respectfully requests the following information from Florida Public Utilities Company (FPUC).

1. Paragraph 10 on page 4 of the petition states that the proposed amendment would increase the natural gas amounts transported by FPUC on the City's behalf. Will the additional quantities transported by FPUC to the CNG station cause the capacity thresholds stated in Section 3.2 on page 9 of the current (i.e., 2003) agreement to be exceeded? If yes, please state the revised quantities and explain why the current agreement is not being amended to reflect the increased quantities.
2. The proposed amendment to Section 4.8 of the current agreement indicates that FPUC would provide additional facilities to serve the City's CNG station (e.g., tap, main, meter, etc.). Please provide an estimate of the costs (e.g., materials, labor, permitting, etc.) associated with providing the additional facilities.
3. The introduction on page 1 of the petition states that the proposed amendment would not alter the pricing under the current agreement. However, it appears that the proposed amendment would cause FPUC to incur additional capital costs as described in Question 2 above, and incremental variable costs (e.g., odorant, other O&M, etc.) as implied in Question 1 above. Please provide a cost of service study to support the assertion in paragraph 10 on page 4 of the petition that with the proposed amendment, "FPUC will continue to recover its cost to serve under the Agreement."

Please file all responses electronically no later than Tuesday, February 23, 2016 from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please call me at (850) 413-6495 if you have any questions.

Thanks and regards,

/s/ Don Rome

Don Rome
Public Utility Analyst
drome@psc.state.fl.us

CDR

cc: Office of Commission Clerk