

September 23, 2016

VIA E-PORTAL

Ms. Carlotta Stauffer
Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

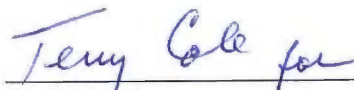
Re: Docket No. 160198-GU - Petition for approval of true-up of safety, access, and facility enhancement program and associated cost recovery factors, by Florida City Gas

Dear Ms. Stauffer:

Attached for electronic filing, please find Florida City Gas's Responses to Staff's First Data Requests in the referenced docket.

Thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,



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

Cc: Sue Ollila, Economic Analyst (PSC/Division of Economics)

1. Please provide a general overview of the replacement projects undertaken in/forecast for 2016, including location (e.g., neighborhood and city) and examples of what was replaced (e.g., 100 feet of backyard mains, 15 services, etc.)

Response:

The 2016 plan for Florida City Gas' SAFE Program included the following ten (10) projects:

- I. The Brevard SAFE Area 1 project took place in Rockledge, FL at the Golfview neighborhood. The project began in the fourth quarter of 2015, but had carryover activities into 2016. The project included the installation of 7,422 feet of mains (4,522 feet of which were installed in 2016) and 117 services (68 of which were installed in 2016).
- II. The Miami SAFE Area 1 project took place in the Town of Cutler Bay, FL. This project also began in the fourth quarter of 2015, and had carryover activities into 2016. The project included the installation of 20,492 feet of mains (1,528 feet of which were installed in 2016) and 168 services.
- III. The Miami SAFE Area 2 - Phase 1 project took place in the Town of Cutler Bay, FL. The project included the installation of 22,025 feet of mains and 229 services.
- IV. The Miami SAFE Area 2 - Phase 2 project is currently ongoing in the Town of Cutler Bay, FL. It is forecasted that by year-end 2016, the project will provide the installation of 63,043 feet of mains and 406 services.
- V. The Miami SAFE Area 3 project took place in the City of Opalocka, FL. The project included the installation of 16,790 feet of mains and 85 services.
- VI. The Miami SAFE Area 4 project took place in the City of Hialeah, FL. The project included the installation of 13,984 feet of mains and 107 services.
- VII. The Miami SAFE Area 5 project is currently ongoing in the City of Hialeah, FL. It is forecasted that by year-end 2016, the project will provide the installation of 46,542 feet of mains and 284 services.
- VIII. The Brevard SAFE Area 2 project is currently ongoing in unincorporated Brevard County, at the Angel City neighborhood in Merritt Island, FL. It is forecasted that by year-end 2016, the project will provide the installation of 10,463 feet of mains and 156 services

IX. The Brevard SAFE Area 3 project will take place in unincorporated Brevard County, Merritt Island, FL. It is forecasted that by year-end 2016, the project will provide the installation of 13,050 feet of gas mains.

X. The Brevard SAFE Area 4 project will take place in unincorporated Brevard County, Merritt Island, FL. It is forecasted that by year-end 2016, the project will provide the installation of 1,800 feet of gas mains.

2. Does Florida City Gas continue to prioritize its replacements by the DIMP? Please explain.

Response:

Yes. The SAFE project areas are generally prioritized based on the risk assessment model included in the Florida City Gas DIM program. The factors for prioritization include, but are not limited to, location of pipeline, material of pipeline, leak incident rates, rear lot pipelines with maintenance access complications and customer encroachments.

3. In Docket No. 150116-GU, Florida City Gas estimated its total capital budget of no more than \$9.5 million in the first full calendar year of the program. Please explain why the 2016 expenditures of \$9.96 million (end of period totals of eligible replacements of mains and services, lines 1a and 1b on 2016 schedule; totals not shown on schedule) were approximately \$460k higher than expected.

Response:

The projected 2015 program activities and expenditures were behind schedule by approximately \$760k at year-end. This drove an accelerated schedule for 2016 that included the original estimate of \$9.2 million plus the 2015 underspend of \$760k.

4. Please confirm that total projected expenditures for 2017 are \$9,583,423 (totals of lines 1a and 1b on 2017 schedule).

Response:

The Company confirms that the projected expenditures for 2017 are \$9,583,423.

5. Please state how many miles of mains were or will be relocated from rear property easements to the street front in a. 2015, b. projected year-end for 2016, and c. projected for 2017.

Response:

- a. 4.14 miles of mains were installed in 2015
 - b. 36.69 miles of mains are projected for year-end 2016
 - c. 26.23 miles of mains are projected for 2017
-
6. Is Florida City Gas still on schedule to replace 254.3 miles of facilities by the end of 2025 (end of 10-year period of approved SAFE program)?

Response:

The Company is still on schedule to replace 254.3 miles of facilities by the end of 2025.