

State of Florida



Public Service Commission

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

DATE: September 25, 2017

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: Wesley Taylor, Attorney, Office of the General Counsel *WDT*

RE: Docket 20160248-WS – Sebring Data Request Responses

Please file in Docket 20160248-WS the attached responses to the data request issued to Sebring Gas System by Commission staff on August 24, 2017.

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Wesley Taylor

From: Paula Sparkman <psparkman@lawfla.com>
Sent: Thursday, September 21, 2017 3:18 PM
To: Wesley Taylor
Cc: Jmelendy@floridasbestgas.com
Subject: FW: Docket 20170176 - Chesapeake/Sebring Special Contract

Importance: High

Good afternoon,

See the responses below to question #5 (which I failed to answer Tues). Please let me know if you need me to provide the information in another format or in the proceeding. Again, I appreciate your help and patience. If I can provide anything else, please let me know. Sincerely, Paula

5) Did Sebring issue a Request for Proposals (RFP) to obtain construction cost estimates for the Sebring Lateral from other entities? If the answer is affirmative, please identify all respondents to the RFP and provide an explanation regarding why their proposals were rejected. If the answer is negative, please state why Sebring did not solicit competitive bids.

No. SGS did not plan to construct the lateral transmission lines. Chesapeake (CUC) will build and own the lateral transmission line, not Sebring. CUC owned the only natural gas transmission line in the immediate area and agreed to extend their line allowing SGS to serve their customers.

Best Regards,
Paula M. Sparkman, Esq.
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From: Paula Sparkman
Sent: Tuesday, September 19, 2017 4:38 PM
To: 'Wesley Taylor' <wtaylor@psc.state.fl.us>
Subject: RE: Docket 20170176 - Chesapeake/Sebring Special Contract
Importance: High

Wesley,

I appreciate your patience getting the requested information for the Special Contract. Below are the responses from Mr. Melendy. I apologize for the brevity, he is attempting to respond via text message. Hopefully this information is helpful in your consideration. However, I am getting clarification on #5. As you can imagine, trying to answer lengthy questions via texting can be difficult and I want to be certain I am correctly responding.

1) How is Sebring currently receiving its gas supplies to serve customers in Desoto County? Does Sebring have an interconnection(s) with Florida Gas Transmission (FGT) and where is that interconnection in relation to the proposed Sebring Line? Sebring Gas (SGS) has an interconnection with FGT. The interconnect is located approximately 7 miles East of the city of Arcadia. SGS transportation customers will receive gas from the SGS system which will be connected to Peninsula Pipelines Company and the gas will be supplied by PESCO. The interconnect with PESCO is about 12 miles from the FGT interconnect.

3) Please state how many and what mix (residential, commercial) new gas customers Sebring projects to serve in the City of Arcadia?

Presently SGS is serving two customers in Desoto County, Florida. However, these customers are gas transportation customers. Sebring does not supply the commodity. SGS reads the meter and bills on behalf of Peninsula Energy Services Company (PESCO) a Division of Chesapeake , Dover, DW.

The customers are:

- a. Florida Department of Corrections. The commodity is supplied by Infinite.
- b. Correct Care, a facility that houses sexual predators. The commodity is supplied by Peninsula Energy Services Company (PESCO).

5) Did Sebring issue a Request for Proposals (RFP) to obtain construction cost estimates for the Sebring Lateral from other entities? If the answer is affirmative, please identify all respondents to the RFP and provide an explanation regarding why their proposals were rejected. If the answer is negative, please state why Sebring did not solicit competitive bids.

I will respond to this one shortly. I am awaiting the answer.

6) Did Sebring consider building the facilities itself in lieu of contracting with Chesapeake? If the answer is affirmative, please provide an estimate of what the costs to Sebring would be if it were to undertake the entire project itself. The facilities upstream from the interconnect are the property of Chesapeake Utilities. Therefore SGS did not consider construction.

Best Regards,
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