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STATE OF FLORIDA



DIVISION OF ECONOMICS
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Public Service Commission

February 12, 2018

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

Re: Docket No. 20180016-GU - Petition for Approval of Transportation Service Agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc.

Dear Ms. Keating:

By this letter, Commission staff requests that Peninsula Pipeline Company (Peninsula) and Florida Public Utilities Company (FPUC) provide responses to the following data requests.

Staff respectfully requests the following information from Peninsula:

1. What is the cost to Peninsula to construct/install the approximately 2 miles of 8" steel pipe? Please include a general description of the types of costs that will be incurred (e.g., materials, labor, permitting, secure right-of-way, etc.).
2. Will Peninsula need to obtain approval from any other state or local agencies to complete the project? If the answer is affirmative, please provide a brief description of the approvals that will be required.
3. When does Peninsula anticipate that construction of the pipeline will commence and what is the estimated completion date?
4. Please describe the manner in which Peninsula will recover its costs associated with the approximate 2 miles of 8" steel pipe?
5. Please identify and explain the types of costs that the monthly reservation charge as shown on Exhibit A to the agreement is designed to recover.
6. Please provide the basis for the derivation of the Unauthorized Use Rate shown in Exhibit A to the agreement.

Staff respectfully requests the following information from Florida Public Utilities Company.

7. Did FPUC issue a Request for Proposals (RFP) to obtain construction cost estimates for the pipeline 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 FPUC did not solicit competitive bids.
8. How does FPUC plan to recover its payments to Peninsula pursuant to the agreement?
9. Will FPUC seek to recover the payments to Peninsula through the PGA? If the answer is affirmative, what is the projected \$/therm impact to the PGA factor in 2019?
10. Referring to paragraph 11 of the petition, please state the annual amount of penalties for 2017 and state how FPUC recovered those penalties paid to FGT.

Please file all responses electronically no later than Monday, February 26, 2018, via the Commission's website at www.floridapsc.com by selecting the Clerk's Office tab and Electronic Filing Web Form. Please contact me at rdoherty@psc.state.fl.us or at 850.413.6858 if you have any questions.

Thank you,

/s/Riley Doherty

Riley Doherty

Public Utility Analyst I

CC: Office of the Commission Clerk