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STATE OF FLORIDA



DIVISION OF ECONOMICS
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Public Service Commission

September 14, 2018

Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 South Monroe Street, Suite 601
Tallahassee, Florida 32301-1839

STAFF'S FIRST DATA REQUEST

RE: Docket No. 20180163 - Joint Petition for Approval of GRIP Cost Recovery Factors by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation

Dear Ms. Keating and Mr. Wight:

By this letter, Commission staff requests that Florida Public Utilities Company (FPUC), Florida Public Utilities Company-Fort Meade (FPUC-Fort Meade), and Florida Division of Chesapeake Utilities Corporation (Chesapeake) provide responses to the following data requests.

1. Please update the pipe replacement program progress tables for FPUC, Chesapeake, and FPUC-Fort Meade contained in Attachment A, copied here on Page 3, in the response to Staff's First Data Request in Docket No. 20170190-GU. Additionally, please clarify if this includes the newly discovered bare steel, cast iron, and steel mains as mentioned on page 4 of Witness Wight's testimony.
2. Please provide all the GRIP schedules in Excel format with the formulas unlocked.
3. Referring to page 4 of the petition, please explain why the GRIP Factor for Rate Class FTS-10 decreased from last year while all other classes increased.
4. Please briefly describe the planned and completed pipe replacement projects for Chesapeake in 2018.
5. Please briefly describe the planned and completed pipe replacement projects for FPUC in 2018.
6. Please briefly describe the planned and completed pipe replacement projects for FPUC-Fort Meade in 2018.
7. Please refer to the 2018 Schedules A-1 attached to the direct testimony of Witness Wight.
 - a. Please provide the calculations used to determine the Revenue Expansion Factor of 1.350 on page 1 of 15.
 - b. Please provide the calculations used to determine the Revenue Expansion Factor of 1.3415 on page 6 of 15.

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- c. Please provide the calculations used to determine the Revenue Expansion Factor of 1.3645 on page 11 of 15.
8. Please refer to the 2018 Schedules C-1 attached to the direct testimony of Witness Wight.
 - a. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 7.7600% on page 3 of 15.
 - b. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 7.6740% on page 8 of 15.
 - c. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 7.2000% on page 13 of 15.

Please file all responses electronically no later than Friday, September 28, 2018, via the Commission's website at www.floridapsc.com by selecting the Clerk's office tab and Electronic Filing Web Form. Feel free to call me at 850-413-6495 if you have any questions.

Sincerely,

/s/ Henry Merryday
Public Utility Analyst I
hmerryda@psc.state.fl.us

LED

cc: Office of Commission Clerk

ATTACHMENT A

Table 1

FPUC Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced Cast Iron	Replaced Bare Steel	Remaining	Remaining	Total	Replaced Cast Iron	Replaced Bare Steel	Remaining	Remaining	Total
			Cast Iron at Year-End	Bare Steel at Year-End				Cast Iron at Year-End	Bare Steel at Year-End	
Jul-12			0.9	197.10	198.00			0	7980	7980
2012		6.00	0.9	191.10	192.00		91	0	7889	7889
2013	0.6	26.40	0.3	164.70	165.00		2071	0	5818	5818
2014		38.00	0.3	126.70	127.00		1275	0	4543	4543
2015		30.00	0.3	96.70	97.00		605	0	3938	3938
2016		22.50	0.3	74.20	74.50		555	0	3383	3383
2017		12.00	0.3	62.20	62.50		375	0	3008	3008
2018	0.3	13.00	0	49.20	49.20		650	0	2358	2358
2019		13.00	0	36.20	36.20		650	0	1708	1708
2020		13.00	0	23.20	23.20		650	0	1058	1058
2021		13.00	0	10.20	10.20		650	0	408	408
2022		10.20	0	0.00	0.00		408	0	0	0

Table 2

Chesapeake Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced Cast Iron	Replaced Bare Steel	Remaining	Remaining	Total	Replaced Cast Iron	Replaced Bare Steel	Remaining	Remaining	Total
			Cast Iron at Year-End	Bare Steel at Year-End				Cast Iron at Year-End	Bare Steel at Year-End	
Jul-12			0	152.00	152.00			0	762	762
2012		5.00	0	147.00	147.00		34	0	728	728
2013		3.00	0	144.00	144.00		139	0	589	589
2014		19.00	0	125.00	125.00		47	0	542	542
2015		34.00	0	91.00	91.00		284	0	258	258
2016		25.10	0	65.90	65.90		-81	0	339	339 **
2017		24.00	0	41.90	41.90		95	0	244	244
2018		9.00	0	32.90	32.90		52	0	192	192
2019		9.00	0	23.90	23.90		52	0	140	140
2020		9.00	0	14.90	14.90		52	0	88	88
2021		9.00	0	5.90	5.90		52	0	36	36
2022		5.90	0	0.00	0.00		36	0	0	0

** A total of 111 YTD bare steel services were replaced in 2016. Plus a correction to increase total services remaining by 192 (4th Qtr of 2016). The net equals -81.

Table 3

Fort Meade Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced Cast Iron	Replaced Steel	Remaining	Remaining	Total	Replaced Cast Iron	Replaced Steel	Remaining	Remaining	Total
			Cast Iron at Year-End	Steel at Year-End				Cast Iron at Year-End	Steel at Year-End	
Jan-16			0	0	0			0	250	250
2016		0	0	0	0		29	0	221	221
2017		0	0	0	0		56	0	165	165
2018		0	0	0	0		165	0	0	0