

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of Okaloosa Gas District
and the City of Milton for approval of
a territorial agreement in Santa Rosa
County.

Docket No. 20220164-GU
Submitted for filing:

**OKALOOSA GAS DISTRICT'S RESPONSE TO THE PUBLIC SERVICE
COMMISSION STAFF'S FIRST DATA REQUEST**

Okaloosa Gas District ("OGD") responds to the Public Service Commission Staff's First
Data Request as follows:

- 1) Please state the total number of customers served by the City and the number of customers served by the City in the area subject to this proposed territorial agreement.

City of Milton to Provide Numbers

- 2) Please state the total number of customers served by the District and the number of customers served by the District in the area subject to this proposed territorial agreement.

Okaloosa Gas District – Santa Rosa County – Approximately 4,800 Customer, Complete Service Territory -- As of October 31, 2022 – 50,996 customers within the District's entire Service Territory

- 3) Please confirm that there are no transfer of customer and/or infrastructure contemplated in this proposed territorial agreement.

Through the proposed territorial agreement with the City of Milton, there are no transfer of customers or infrastructure identified. There is a possibility that in the future customers of one party residing in the other party's service territory could be transferred through mutual agreement to the other party. Future considerations may be made by both parties. Per Section 2.4 of the joint petition:

Section 2.4 To help facilitate the provisions of natural gas service to Customers and to minimize costs and delays in providing such service, a Party which has a gas main installed on its side of the Territorial Boundary Line may temporarily serve Customers located on the other side of such Territory Boundary Line in territory herein reserved to the other Party only (a) if requested by such other Party or (b) if such other Party is unable to provide such service within a reasonable time; provided, however, that when such temporary service is contemplated by a Party, it shall give written notice, setting forth the details of such contemplated service, to the Party in whose territory the Customer is located under Section 2.1 of the Agreement, and to the Public Service Commission, before installing any additional facilities needed for the provision of such temporary service. At such time as the Party in who's such Customers are located under Section 2.1 has a gas main available for providing or is otherwise able to provide natural gas service to such Customers, the Party providing temporary service pursuant to this section shall surrender any such Customers any such upon request of the Party in whose territory such Customers are located, and shall convey to such other Party, at replacement cost less depreciation, such gas mains, service lines, and appurtenances thereto previously used by the Party in providing temporary service whether or not such facilities are necessary for the provision of service by the acquiring Party and located in the territory of the Party which will provide service thereafter. Any Customer who receives the temporary natural gas service under the provisions of this section shall be notified in advance that when service becomes available from the Party whose territory such Customer is located, the Customer will be required to receive service from such Party at such Party's then-current rates, and that such temporary service is provided only as a temporary convenience to the Customer.

- 4) If any customers were transferred due to the boundary modifications, please provide the number of transferred customers by customer class. Also state if the customers were notified of the transfer and if any infrastructure was transferred.

Coinciding with today's date, November 21, 2022, there have been no customer transferred due to the boundary modifications. *(Please see Question 3 above for further explanation)*

- 5) Please state and discuss if the City and the District currently has an effective joint territorial agreement. If the response is in the negative, please discuss how the two parties currently operate and coordinate the specific service areas.

Prior to this petition filing the City and the District did not have a joint territorial agreement. Currently the District and the City both have State Statue Law that outlines the two party's service territory. Under the provisions of the State Statutes as outlined in Exhibit A – Chapter 71-773, House Bill No. 2580 (City of Milton) and Exhibit B – Chapter 202-262, House Bill No. 1633 (Okaloosa Gas District), both parties were granted the right to serve the same geographic area. Due to growth within the county with the District and City expressing the right to serve, both parties worked to mutually coexist within an unspecified boundary area.

- 6) Please discuss the reason for the legislature to modify the service boundary between the City and the District to the best of your knowledge.

As described in the answer for Question 5 above, the reason to modify the service boundary is not necessarily a quest to modify but an effort to identify the defined boundary to both parties service territories and to eliminate the potential for duplication of facilities which unnecessarily adds costs to both party's customers.

Respectfully submitted,

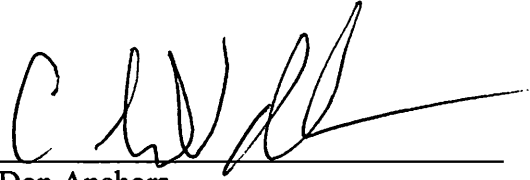


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been filed via the Commission's website and electronically furnished to the following on this 21st day of November, 2022:

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