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STATE OF FLORIDA

DIVISION OF ECONOMICS ELISABETH J. DRAPER DIRECTOR (850) 413-6410

Public Service Commission

March 19, 2024

Beth Keating, Esq. Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301

Re: Docket No. 20240031-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, Inc. (Peninsula) and Florida Public Utilities Company (FPUC) provide responses regarding the petition for approval of transportation service agreements for the Plant City Expansion and Lake Mattie System Expansion.

- 1. Please confirm that the Plant City Expansion Project and the Lake Mattie Expansion Project are fully separate projects, and can be constructed independently of one another. If not, please explain.
- 2. Regarding the proposed Plant City pipeline project:
 - a. What is the cost to Peninsula to construct/install 2 miles of new, 4-inch coated steel pipeline (including any necessary appurtenances) from the existing FPUC pipeline to the three proposed delivery points. Please provide a general description of the types of costs that will be incurred (e.g., labor, materials, permitting, securing right-of-way, etc.). Also, please confirm that the pipeline material will not consist of bare steel construction.
 - b. The petition states that the approximate 1,700 feet of 4-inch coated pipeline acquired from FPUC is "near" the new gate station interconnect with Florida Gas Transmission (FGT). Please define the actual distance, in feet, between the new interconnect with FGT and the existing assets acquired from FPUC, and explain whether any new pipeline will need to be constructed in this distance. Please explain associated costs, including a breakdown of materials and labor.
- 3. Regarding the proposed Lake Mattie pipeline project:

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- a. What is the cost to Peninsula to construct/install 13.8 miles of new, 4-inch coated steel pipeline (including any necessary appurtenances) from the new gate station interconnect with Florida Southeast Connection, to the acquired assets from FPUC? Please provide a general description of the types of costs that will be incurred (e.g., labor, materials, permitting, securing right-of-way, etc.). Also, please confirm that the pipeline material will not consist of bare steel construction.
- b. Please detail the cost to Peninsula incurred from the interconnection with the Lake Mattie, the approximate 5.1 miles of 4-inch coated steel pipeline, and the new district regulator system. Please provide a general breakdown of the types of costs that will be incurred.
- c. Please detail the cost to Peninsula incurred from building an interconnection with Florida Southeast Connection, and the approximate 4.5 miles of 4-inch coated steel to the existing district regulator that interconnects with the FPUC Lake Mattie system. Please provide a general breakdown of the types of costs that will be incurred.
- 4. Please provide color copies of the maps in Attachment C.
- 5. Please state whether Peninsula or FPUC have made a request for formal proposals to obtain construction cost estimates for the proposed pipeline. If so, please identify all respondents and provide an explanation regarding why their proposals were rejected. If not, please justify why FPUC did not solicit competitive bids from other parties.
- 6. In the petition, section III, "Transportation Service Agreements," Peninsula notes that "additional regulatory and other external approvals must be obtained prior to actual construction." Please briefly describe the approval required from other state or local agencies in order to proceed with construction.
- 7. Please explain how the transfer of assets from FPUC to Peninsula will affect the rate base.

Please file all responses electronically no later than April 2, 2024, 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 kmcclell@psc.state.fl.us or at 850.413.6814 if you have any questions.

Thank you, /s/Kate McClelland Kate McClelland Public Utility Analyst

cc: Office of the Commission Clerk (Docket No. 20240031-GU)