

September 8, 2022

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BY E-PORTAL

Mr. Adam Teitzman, Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 20220144-GU - Joint Petition for Approval of Transportation Service Agreement to reflect Expansion of Wildlight by Florida Public Utilities Company and Peninsula Pipeline Company, Inc.

Dear Mr. Teitzman:

Attached for electronic filing, please find Florida Public Utilities Company and Peninsula Pipeline Company's Joint Responses to Staff's Data Requests in the above docket.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions.

Sincerely,

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301 (850) 521-1706

Cc:

Hampson (ECR)

Crawford (GCL)

FPUC/Peninsula Responses to Staff's Data Requests

1. Please provide project maps that label each segment of pipeline, as described in Exhibit A to the Firm Transportation Agreement (Agreement). In the Petitioner's response, please also indicate the approximate location of the Transporter Delivery Points and the Points of Delivery.

Company Response

Requested maps are attached.

2. Did FPUC issue a Request for Proposals or initiate discussions with other parties 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 and explain why FPUC did not solicit competitive bids from other parties.

Company Response

The facilities to be installed will be extended from facilities that are owned and operated by PPC. PPC is notably experienced with safely constructing, maintaining and operating expansion projects. The prosed project in the market area improves service, reliability, and overall operational benefits that does not require additional coordination with other parties and operators.

3. Please provide a brief description of the approvals required by PPC or FPUC from any other state or local agencies to complete the proposed projects.

Company Response

PPC and FPUC are required to seek approvals from the Florida Department of Environmental Protection, Florida Department of Transportation, Nassau County, CSX Transportation and First Coast Railroad for the proposed project.

4. Please refer to Section 2.2 of the Firm Transportation Agreement as well as the joint responses of FPUC and Peninsula Pipeline to staff's first data request in Docket 20190128-GU, response No. 6. Staff notes that Section 2.2 of the Agreement states that unauthorized use of transportation quantities shall be billed at a rate of 2.0 the rate to be charged for each Dekatherm of the Maximum Daily Transportation Quantity. Is this process less administratively burdensome for the Company compared to previous agreements? Please explain.

Company Response

Section 2.2 is consistent with the Rules and Regulations of Peninsula Pipeline Company Tariff pro-forma Firm Transportation Service Agreement, the rate was agreed to during contract negotiations. The provision encourages customers to stay within the contracted MDTQ. Additionally, transportation scheduling processes and procedures have been implemented to improve billing of unauthorized usage.

5. Please refer to Section 4.2 of the Firm Transportation Agreement. Do the Petitioners believe additional Commission approval would be required if a modification of the rates in the Agreement is negotiated?

Company Response

Petitioners do not anticipate requiring additional approvals if modifications of the rates are negotiated. The COVID pandemic has previously impacted costs and supply chain delays across the industry. Post pandemic, PPC does not anticipated major market or supply delays for the construction of the additional delivery point. Section 4.2 protects both petitioners if costs increase.

6. In previous transportation service agreements between the Petitioners, the Maximum Hourly Transportation Percentage (MHTP) in Exhibit A to the Agreement was not considered confidential information by the Petitioners. Please explain why the MHTP is now considered confidential information by the Petitioners in this docket. If the Petitioners believe this redaction was in error, please file a revised redacted Exhibit A to the Agreement.

Company Response

Consistent with the Rules and Regulations of Peninsula Pipeline Company Tariff the Company shall not be required to deliver to Shipper, at the Point(s) of Delivery, quantity of Gas, in any one-hour period, greater than the MHTP as agreed to in the FTS Agreement. The MTHP confidential because it was negotiated with the customer.

7. Please refer to Exhibit A to the Firm Transportation Agreement. Please explain the difference between Transporter Delivery Points and Points of Delivery.

Company Response

Transporter Delivery Points are interconnects with pipelines and injection points into the PPC system. Points of Delivery are points on the system where natural gas is delivered to the customer's contracted outlet side of the system and enters FPUC facilities.

8. Please explain how FPUC plans to recover from customers the Monthly Reservation Charge to PPC, pursuant to the Firm Transportation Service Agreement provided in Attachment A to the Petition.

Company Response

FPUC will seek to recover its payments to PPC through both the PGA and Swing Service mechanisms. FPUC anticipates recovery in the same manner as all prudently incurred pipeline costs.

9. Please provide the length and type of pipeline, cost estimates, the percent breakdown of labor and materials, and the contemplated completion date for each segment of the proposed projects as listed in Exhibit A tot the Agreement:

Phase	Segment Number	Description	Length and Type of Pipe	Cost	Labor/Materials Cost Breakdown	Location	Contemplated Completion Date
	1	Transporter Delivery Point	N/A			At or near Radio Road and SR 17	
	2	Transporter Delivery Point	N/A			Secondary Alternate Fuel Injection Point	
	1	Point of Delivery	N/A			At or near Crosstown Avenue and SR 200 (a)	
Phase 1	2	Point of Delivery	N/A			At or near Still Quarters Road and SR 200 (b)	
	3	Point of Delivery	N/A			At or near Pages Dairy Road and Femur Road (d)	
Phase 2	1	Point of Delivery	N/A			Location TBD at or near the Chester Road and Heron Isles Parkway	
	l(a)	Pipeline Segment				Near Crosstown Avenue and SR 200	

Phase 2	1	Point of Delivery	N/A	N/A	N/A	Location TBD at or near the Chester Road and Heron Isles Parkway	N/A
	1(a)	Pipeline Segment	7,525 feet, 6- inch steel 3,675 feet, 6- inch HDPE	\$2,801,200	Labor - \$2,010,200 Materials - \$791,000	Near Crosstown Avenue and SR 200	June 30, 2023
Phase 1	1(b)	Pipeline Segment	4,000 feet, 8- inch steel 500 feet, 2-inch steel	\$1,733,200	Labor - \$1,100,700 Materials - \$632,500	Near Felmor Road and SR 200	March 31, 2023
	1(c)	Pipeline Segment	NA	\$734,000	Labor - \$230,000 Materials - \$504,000	Secondary Alternate Fuel Injection Point	January 31, 2023
	1(d)	Pipeline Segment	12,400 feet, 8- inch steel 4,400 feet, 6- inch steel	\$8,087,700	Labor - \$5,761,000 Materials - \$2,326,700	Near Pages Dairy and Felmor Road	March 31, 2024
Phase 2	2(a)	Pipeline Segment	33,000 feet, 8- inch steel	\$13,394,00 0	Labor - \$9,789,000 Materials - \$3,605,000	TBD near Chester and Heron Isles Parkway	June 30, 2024

Phase 1	1(b)	Pipeline Segment Pipeline Segment Pipeline Segment	Near Felmor Road and SR 200		
	1(c)		Secondary Alternate Fuel Injection Point		
	1(d)		Near Pages Dairy and Felmor Road		
Phase 2	2(a)	Pipeline Segment	TBD near Chester and Heron Isles Parkway		

Company Response

Phase	Segment Number	Description ¹	Length and Type of Pipe	Cost	Labor/Material s Cost Breakdown	Location	Contemplated Completion Date
	1	Transporter Delivery Point	N/A	N/A	N/A	At or near Radio Road and SR 17	N/A
	2	Transporter Delivery Point	N/A	N/A	N/A	Secondary Alternate Fuel Injection Point	N/A
	1	Point of Delivery	N/A	N/A	N/A	At or near Crosstown Avenue and SR 200 (a)	N/A
Phase 1	2	Point of Delivery	N/A	N/A	N/A	At or near Still Quarters Road and SR 200 (b)	N/A
	3	Point of Delivery	N/A	N/A	N/A	At or near Pages Dairy Road and Felmor Road (d)	N/A

¹ The construction of the transporter delivery points and point of delivery will coincide with the construction of the respective segments associated with the project. For more information, refer to the answer to data request #7.

