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ATTORNEYS AT LAW

July 23, 2021

**E-PORTAL**

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

**Re: Docket No. 20210106-GU: Petition for approval of transportation service agreement between Peninsula Pipeline Company, Inc. and Florida Division of Chesapeake Utilities Corporation.**

Dear Mr. Teitzman:

Attached for electronic filing, please find the Joint Responses of Peninsula Pipeline Company and the Florida Division of Chesapeake Utilities Corporation ("CFG") to Staff's First Data Requests in the referenced docket. Portions of the response to Question 1 are redacted. A request for confidentiality for the redacted information, along with the required highlighted and redacted page, are being submitted under separate cover.

As always, thank you for your assistance with this filing. Please do not hesitate to let me know if you have any questions whatsoever.

Sincerely,

Beth Keating  
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MEK  
Enclosures  
cc:// (Osborn, Hampson – PSC Staff)

**Docket No. 20210106-GU: Petition for approval of transportation service agreement between Peninsula Pipeline Company, Inc. and Florida Division of Chesapeake Utilities Corporation.**

**JOINT RESPONSES OF PENINSULA AND CFG TO STAFF'S FIRST DATA REQUESTS (Redacted)**

1. Please provide cost estimates and the percent breakdown of labor and materials for the proposed projects as shown in the table below:

Description	Cost	Labor/Materials Cost Breakdown	Location
7,400 ft. of 4 in. steel pipeline			Commencing at the new FGT interconnection location and continuing northward to the new delivery receipt station
Gate station with Florida Gas Transmission Company (FGT)			Logistics Parkway, slightly north of Peace River Canal
Delivery receipt station			Pollard Road and Logistics Parkway

**Company Response**

Description	Cost	Labor/Materials Cost Breakdown	Location
7,400 ft. of 4 in. steel pipeline	██████████	Labor: ██████████ Materials: ██████████	Commencing at the new FGT interconnection location and continuing northward to the new delivery receipt station
Gate station with Florida Gas Transmission Company (FGT)	██████████	Labor: ██████████ Materials: ██████████	Logistics Parkway, slightly north of Peace River Canal
Delivery receipt station	██████████	Labor: ██████████ Materials: ██████████	Pollard Road and Logistics Parkway

2. Please provide a brief description of the approvals required by Peninsula or CFG from any other state or local agencies to complete the proposed projects.

**Company Response:**

**Peninsula is required to obtain permits from the Florida Department of Transportation, Florida Department of Environmental Protection, United States Army Corps of Engineers, and from Polk County.**

3. Please provide the expected completion dates for the proposed projects, including expected completion dates for the retirement of the farm taps along Spirit Lake Road and the elimination of several larger stations, as discussed in Paragraphs 13 and 14 of the Petition.

**Company Response:**

**Peninsula anticipates the construction of the pipeline, gate station with FGT, and the delivery receipt station to be completed in the first quarter of 2022.**

**CFG anticipates completion of the retirement of the farm taps and larger stations by the end of the second quarter of 2022. This is dependent on the anticipated completion of Peninsula's project in the first quarter of 2022, which will subsequently allow CFG to down grade pressure along Spirit Lake Road.**

4. Please refer to Paragraph 13 of the Petition. Would the removal of farm taps and new service at downgraded pressures necessitate design changes to a customer's meter, service line, or other facilities? If so, what would be the impacts, if any, to the customer's service reliability? Please explain.

**Company Response:**

**Customers currently served by farm taps will need no changes to their meter, service line, or other facilities. A farm tap acts as a regulator to allow the service line to handle the higher pressure of the main. Once the main is downgraded in pressure, the farm taps will no longer be necessary, and the existing service line and meter will no longer require the farm tap to regulate pressure to the customer.**

**The customer should not anticipate any changes to service reliability. CFG's system in the area will be reinforced by Peninsula portion of the project.**

5. Please explain why CFG has opted to construct the 4" MDPE Main along Bomber Road, as opposed to requesting Peninsula complete the pipeline. Does CFG intend to construct this pipeline in-house or contract the construction with another party? Please explain.

**Company Response:**

**The 4" MDPE pipeline along Bomber Road is an extension of CFG's existing distribution main, making CFG the logical choice to construct and own that pipeline. Coupled with Peninsula's new pipeline, CFG's extension of its**

**distribution main along Bomber Road will allow CFG to capture new load growth in the area, as discussed in Paragraph 15 of the petition.**

**CFG is contracting with another party to construct the 4” main along Bomber Road. CFG does not maintain the internal staff necessary to construct the pipeline expansion.**

6. Did CFG 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 why CFG did not solicit competitive bids from other parties.

**Company Response:**

**No, CFG did not obtain formal RFP responses from other entities. In previous discussions and requests with FGT for other projects, FGT has declined to bid on those projects citing constructing, owning and operating laterals such as the one proposed in this Petition are not a focus of their expansion activities.**

7. Please explain how CFG plans to recover from customers the Monthly Reservation Charge to Peninsula, pursuant to the Firm Transportation Service Agreement.

**Company Response:**

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