

FILED 9/21/2023
DOCUMENT NO. 05338-2023
FPSC - COMMISSION CLERK

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

September 21, 2023

BY E-PORTAL

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

Docket No. 20230096-GU- Petition for approval of swing service rider rates for January through December 2024, by Florida Public Utilities Company.

Dear Mr. Teitzman:

Attached for electronic filing, please find the Florida Public Utilities Company's Responses to Staff's First Data Requests in the referenced docket.

As always, thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Docket No. 20230096-GU: Joint Petition for approval of swing service rider rates for January through December 2024, by Florida Public Utilities Company.

Florida Public Utilities Company's Responses to Staff's First Data Requests

1. Referring to Schedule D of Exhibit RCW-1 to the petition for the following data requests.
 - a. Please explain the reasons for the Pierpont & McLelland cost change from \$38,514 in 2021/2022 to \$90,142 in 2022/2023 and provide a description of the services Pierpont & McLelland provides to FPUC.
 - b. Please explain the reasons for the Snell & Wilmer LLP cost change from \$87,604 in 2021/2022 to \$8,789 in 2022/2023 and provide a description of the services Snell & Wilmer LLP provides to FPUC.
 - c. Please explain the reasons for the Cardinal Technology LLC cost change from \$60,000 in 2021/2022 to \$10,000 in 2022/2023 and provide a description of the services Cardinal Technology LLC provides to FPUC.
 - d. Please explain the reasons for the Emera Energy Services Inc. cost change from \$1,176,258 in 2021/2022 to \$608,898 in 2022/2023 and provide a description of the services Emera Energy Services Inc. provides to FPUC.

Company Response:

a. Pierpont & McLelland costs in 2022/2023 were higher due to additional consulting on the Nassau County contract review, interstate and intrastate transportation opportunities, general consultation regarding current customers, and other business opportunities within the state.

b. The costs relate to Snell & Wilmer's representing FPUC in the FGT Rate Case and represent a full year of professional services provided in 2021-2022 versus a partial year in 2022/2023 as the FGT Rate Case was settled.

c. Cardinal Technology was the former Transportation Shipper Program (CHOICE) software developer, who also provided support and maintenance related to that software. Their contract retainer of \$5000/month represents the \$60,000 in 2021/2022. The \$10,000 in 2022/2023 represent the \$5,000/month retainer that was terminated when the new Transportation Shipper Program (Convergence GTS) went into service during the 2022/2023 period.

d. Emera Energy Services is FPUC's asset manager of capacity and commodity in Nassau County, Florida. As a result of the volatility in the commodity market during 2021/2022, the Company incurred higher costs. The lower costs experienced in 2022/2023 reflect commodity costs returning to normal levels in the 2022/2023 timeframe.

2. Please refer to Schedule D of Exhibit RCW-1 of the petition and provide a detailed description and cost justification for the following costs proposed to be included in the swing service rider rates:
 - a. Wildlight 1C
 - b. Wildlight 1B
 - c. Winter Haven
 - d. New River RNG LLC
 - e. Convergence Solutions LLC
 - f. Enverus Inc.

Company Response:

a: The Transportation Service agreement to reflect Expansion of Wildlight by Florida Public Utilities Company and Peninsula Pipeline Company, Inc was approved on November 14, 2022 in Order No. PSC-2022-0391-PAA-GU. Wildlight 1C is part of Phase 1 of the Wildlight Expansion Project in Nassau County, Florida which will provide for a secondary alternate fuel injection point. The monthly reservation charge is \$8,758/month.

b: The Transportation Service agreement to reflect Expansion of Wildlight by Florida Public Utilities Company and Peninsula Pipeline Company, Inc was approved on November 14, 2022 in Order No. PSC-2022-0391-PAA-GU. Wildlight 1B is part of Phase 1 of the Wildlight Expansion Project in Nassau County, Florida which will enable natural gas service near Felmor Road and SR200. The monthly reservation charge is \$20,425/month.

c: The Transportation Service Agreement between Florida Division of Chesapeake Utilities Corporation and Peninsula Pipeline Company, Inc. was approved in Order No. PSC-2021-0372-PAA-GU on September 27, 2021. Winter Haven is a project to construct an intrastate pipeline on behalf of Florida Division of Chesapeake Utilities Corporation, the origin of which will be a newly constructed gate station with Florida Gas Transmission and the terminus of which will be the end of the existing Central Florida Gas distribution system, allowing for a distribution meter to be placed into service near the intersection of Pollard Road and Logistics Pkwy. The monthly reservation charge is \$35,485.25/month.

d: New River RNG costs for \$3,030,023 were for the purchase and injection of renewable landfill gas that was injected into the distribution system for system supply until the People's Gas interconnect with FPUC project was completed in Nassau County. Commodity was priced at Platts IFERC Florida Zone 3.

e: Convergence Solutions provides monthly cloud hosting and maintenance for the new GTS Gas Transportation System shipper program installed in 2022. The amount

is \$12,500/month. GTS is a scalable gas management system that can be used across Chesapeake's platform of utilities to streamline energy logistics and gas management functions and processes. This system allows third-party shippers to access their own pool data in order to allow for effective management of the company's various customer and shipper pools. In general, the system will manage the Company's critical Gas shipper programs, processes, and communications between third party suppliers and business partners in one solution. GTS will be a repository for pipeline gas deliveries, city gate incoming gas volumes, large customer consumption, third party supplier nominations, delivery requirements, imbalances, and settlement. GTS will manage data currently stored in Chesapeake's legacy Gas Management/Shipper Program Administration System. GTS will allow Chesapeake and its third-party gas suppliers and business partners to manage all LDC-based daily and monthly processes of their gas delivery activities on Chesapeake's system.

f: Enverus is software used for gas pricing analysis which gives the Company insight into the commodity market in addition to what is provided by Platts. The annual cost is \$4,296.

As discussed on page 3 of the testimony of Robert Waruszewski, actual costs included relate to intrastate capacity and other expenses directly related to obtaining and maintain capacity. These types of costs have historically been included and approved for recovery in the Company's previous swing service rider.

3. Please provide schedules A through D of Exhibit RCW-1 of the petition, in Excel format with formulas intact.

Company Response:

Please see Attachment A

Customer Class	2022-2023 Monthly PGA Volumes - Therms												Annual Total- peak	Annual Total
	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE		
Residential - 1	57,794	59,588	62,261	70,438	83,274	112,659	163,825	124,577	148,041	158,047	129,079	134,426	1,140,185	1,304,010
Residential - 2	241,038	248,644	259,659	293,251	347,293	470,224	683,696	519,813	421,222	396,944	349,105	342,582	3,889,775	4,573,471
Residential - 3	563,287	581,736	606,763	682,534	811,551	1,100,837	1,600,127	1,216,095	1,070,139	984,976	669,110	598,217	8,885,246	10,485,373
Residential Standby Generator	3,852	3,681	3,838	9,445	10,322	10,873	14,974	13,315	11,972	7,791	4,424	5,831	85,344	100,318
General Service - 1	29,001	27,793	32,979	33,587	35,476	39,834	50,331	44,464	34,013	70,551	102,087	103,647	553,433	603,764
General Service - 2	251,912	229,077	270,935	271,562	288,977	328,220	407,477	356,669	360,460	352,659	295,588	298,531	3,304,590	3,712,068
General Service - 3	283,881	254,260	300,835	294,340	316,137	360,078	440,694	389,073	352,134	354,913	291,312	298,654	3,495,616	3,936,310
General Service - 4	433,120	386,981	460,413	440,963	479,790	553,637	664,880	602,896	473,976	498,072	431,841	391,952	5,153,641	5,818,521
General Service - 5	81,949	73,702	87,488	84,029	91,028	104,033	125,923	113,236	118,066	86,948	114,096	125,497	1,080,072	1,205,994
General Service - 6	22,592	19,832	23,592	22,051	24,225	28,042	33,173	30,303	83,636	97,253	75,428	72,239	499,190	532,363
General Service - 7	-	-	-	-	-	-	-	-	-	-	-	-	0	-
General Service - 8 - A	-	-	-	-	-	-	-	-	-	-	-	-	0	-
General Service - 8 - B	-	-	-	-	-	-	-	-	-	-	-	-	0	-
General Service - 8 - C	-	-	-	-	-	-	-	-	-	-	-	-	0	-
General Service - 8 - D	-	-	-	-	-	-	-	-	-	-	-	-	0	-
Commercial - Outdoor Lighting	7,582	7,582	7,582	6,622	6,622	6,622	6,622	6,622	6,622	6,622	6,622	6,622	75,724	82,347
Commercial Standby Generator	3,042	3,058	2,417	7,931	1,198	1,429	4,873	4,868	5,814	6,017	180	3,000	38,954	43,827
Total PGA Volumes	1,979,051	1,895,933	2,118,764	2,216,753	2,495,893	3,116,488	4,196,595	3,421,933	3,086,095	3,020,793	2,468,871	2,381,197	28,201,771	32,398,366
Total Transport Volumes	8,046,672	7,989,843	7,523,554	8,590,838	8,379,474	9,135,793	10,195,685	9,108,772	9,953,215	9,574,712	7,848,181	7,565,697	93,716,750	103,912,435
Total Billed Volumes To Be Allocated FRS	10,025,724	9,885,776	9,642,318	10,807,590	10,875,366	12,252,281	14,392,280	12,530,704	13,039,311	12,595,505	10,317,053	9,946,894	121,918,521	136,310,801
	31	31	30	31	30	31	31	28	31	30	31	30	334	

Customer Class	2022 - 2023 Daily PGA Volumes - Therms												
	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	
Residential - 1	1,864	1,922	2,075	2,272	2,776	3,634	5,285	4,449	4,776	5,268	4,164	4,481	3,414
Residential - 2	7,775	8,021	8,655	9,460	11,576	15,169	22,055	18,565	13,588	13,231	11,261	11,419	11,646
Residential - 3	18,171	18,766	20,225	22,017	27,052	35,511	51,617	43,432	34,521	32,833	21,584	19,941	26,603
Residential Standby Generator	124	119	128	305	344	351	483	476	386	260	143	194	256
General Service - 1	936	897	1,099	1,083	1,183	1,285	1,624	1,588	1,097	2,352	3,293	3,455	1,657
General Service - 2	8,126	7,390	9,031	8,760	9,633	10,588	13,144	12,738	11,628	11,755	9,535	9,951	9,894
General Service - 3	9,157	8,202	10,028	9,495	10,538	11,615	14,216	13,895	11,359	11,830	9,397	9,955	10,466
General Service - 4	13,972	12,483	15,347	14,225	15,993	17,859	21,448	21,532	15,290	16,602	13,930	13,065	15,430
General Service - 5	2,644	2,377	2,916	2,711	3,034	3,356	4,062	4,044	3,809	2,898	3,681	4,183	3,234
General Service - 6	729	640	786	711	807	905	1,070	1,082	2,698	3,242	2,433	2,408	1,495
General Service - 7	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service - 8 - A	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service - 8 - B	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service - 8 - C	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service - 8 - D	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial - Outdoor Lighting	245	245	253	214	221	214	214	237	214	221	214	221	227
Commercial Standby Generator	98	99	81	256	40	46	157	174	188	201	6	100	117
Total PGA Volumes	63,840	61,159	70,625	71,508	83,196	100,532	135,374	122,212	99,551	100,693	79,641	79,373	84,436
Total Transport Volumes	259,570	257,737	250,785	277,124	279,316	294,703	328,893	325,313	321,071	319,157	253,167	252,190	280,589
Total Billed Volumes To Be Allocated FRS	323,410	318,896	321,411	348,632	362,512	395,235	464,267	447,525	420,623	419,850	332,808	331,563	365,026

	TOTAL	PGA	Transport
Average of non peak months	365,026	84,436	280,589
Peak	464,267	135,374	328,893
Total	829,293	219,810	609,482
Allocation		0.2651	0.7349

2022-2023 Monthly Transportation Volumes - Therms														Annual Total Minus Peak	Annual Total
CUSTOMER CLASS	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE			
REST-1	23,286	21,328	24,068	32,782	31,223	42,224	57,649	38,936	45,304	44,786	37,506	37,935	379,378	437,026.38	
REST-2	85,249	78,799	87,658	120,331	116,746	159,623	219,985	148,084	127,802	125,902	103,886	108,623	1,262,704	1,482,689.36	
REST-3	109,525	96,842	109,670	173,735	186,488	270,376	385,674	261,147	265,184	222,122	135,935	124,242	1,955,266	2,340,940.18	
GTS-1	12,697	11,646	13,563	18,213	13,072	16,597	21,549	15,448	61,616	65,552	71,438	70,645	370,486	392,034.99	
GTS-2	268,981	250,252	285,617	278,910	289,372	334,264	386,293	325,987	328,885	353,733	294,669	293,307	3,303,975	3,690,268.32	
GTS-3	613,483	554,887	621,408	607,392	636,084	737,133	831,090	712,735	710,350	731,854	606,479	642,431	7,174,234	8,005,324.10	
GTS-4	1,534,756	1,394,290	1,504,958	1,517,136	1,576,438	1,810,617	2,042,653	1,790,707	1,645,355	1,782,104	1,429,670	1,547,871	17,533,899	19,576,551.86	
GTS-5	861,759	926,782	849,549	971,919	961,508	1,051,855	1,166,438	1,065,675	1,090,038	1,059,880	969,062	885,365	10,693,394	11,859,831.48	
GTS-6	810,591	905,714	784,434	930,704	887,294	954,201	1,034,672	990,315	979,711	897,743	936,257	855,263	9,932,228	10,966,899.59	
GTS-7	811,307	897,059	713,728	889,405	828,202	849,652	964,822	889,031	965,302	855,957	930,049	872,982	9,502,674	10,467,495.82	
GTS-8A	314,650	362,491	296,773	299,608	244,197	232,688	308,711	299,827	184,247	321,877	222,954	268,312	3,047,625	3,356,336.10	
GTS-8B	287,194	293,095	251,338	301,506	297,227	318,400	349,017	316,617	370,654	318,499	297,211	299,734	3,351,474	3,700,490.84	
GTS-8C	189,004	173,203	154,684	192,408	181,983	190,311	190,121	176,914	181,850	174,293	196,504	190,029	2,001,185	2,191,306.13	
GTS-8D	1,228,719	1,125,995	1,005,608	1,250,853	1,183,076	1,237,220	1,235,985	1,150,125	1,960,811	1,653,884	659,812	406,122	12,862,225	14,098,210.03	
COM-INNT	780,318	772,425	707,395	878,564	815,803	814,457	885,605	834,552	933,505	876,474	852,383	861,386	9,127,262	10,012,867.08	
COM-NGVT	115,154	125,036	113,104	127,371	130,761	116,175	115,422	92,671	102,602	90,052	104,366	101,449	1,218,741	1,334,162.39	
TOTAL ALLOCATED THERMS	8,046,672	7,989,843	7,523,554	8,590,838	8,379,474	9,135,793	10,195,685	9,108,772	9,953,215	9,574,712	7,848,181	7,565,697	93,716,750	103,912,435	

2022 - 2023 Daily Transportation Volumes - Therms														Annual Total Minus Peak	Annual Total
CUSTOMER CLASS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER			
REST-1	751	688	802	1057	1041	1362	1860	1391	1461	1493	1210	1265	1,136		
REST-2	2,750	2,542	2,922	3,882	3,892	5,149	7,096	5,289	4,123	4,197	3,351	3,621	3,781		
REST-3	3,533	3,124	3,656	5,604	6,216	8,722	12,441	9,327	8,554	7,404	4,385	4,141	5,854		
GTS-1	410	376	452	588	436	535	695	552	1,988	2,185	2,304	2,355	1,109		
GTS-2	8,677	8,073	9,521	8,997	9,646	10,783	12,461	11,642	10,609	11,791	9,505	9,777	9,892		
GTS-3	19,790	17,900	20,714	19,593	21,203	23,778	26,809	25,455	22,915	24,395	19,564	21,414	21,480		
GTS-4	49,508	44,977	50,165	48,940	52,548	58,407	65,892	63,954	53,076	59,403	46,118	51,596	52,497		
GTS-5	27,799	29,896	28,318	31,352	32,050	33,931	37,627	38,060	35,163	35,329	31,260	29,512	32,016		
GTS-6	26,148	29,217	26,148	30,023	29,576	30,781	33,377	35,368	31,604	29,925	30,202	28,509	29,737		
GTS-7	26,171	28,937	23,791	28,690	27,607	27,408	31,123	31,751	31,139	28,532	30,002	29,099	28,451		
GTS-8A	10,150	11,693	9,892	9,665	8,140	7,506	9,958	10,708	5,943	10,729	7,192	8,944	9,125		
GTS-8B	9,264	9,455	8,378	9,726	9,908	10,271	11,259	11,308	11,957	10,617	9,587	9,991	10,034		
GTS-8C	6,097	5,587	5,156	6,207	6,066	6,139	6,133	6,318	5,866	5,810	6,339	6,334	5,992		
GTS-8D	39,636	36,322	33,520	40,350	39,436	39,910	39,870	41,076	63,252	55,129	21,284	13,537	38,510		
COM-INNT	25,172	24,917	23,580	28,341	27,193	26,273	28,568	29,805	30,113	29,216	27,496	28,713	27,327		
COM-NGVT	3,715	4,033	3,770	4,109	4,359	3,748	3,723	3,310	3,310	3,002	3,367	3,367	3,649		
ALL TOTAL ALLOCATED THERMS	259,570	257,737	250,785	277,124	279,316	294,703	328,893	325,313	321,071	319,157	253,167	252,190	280,589		

FLORIDA PUBLIC UTILITIES COMPANY
 COMPUTATION OF SWING SERVICE RATES
 ALLOCATION OF DOLLARS

Schedule C
 Page 1 of 1

		DOLLARS	AVERAGE COST/THERM
Total Costs to Allocate	\$	24,573,927	
% PGA	26.51%	\$ 6,513,511	\$ 0.2010
% TRANSPORT	73.49%	\$ 18,060,416	\$ 0.1738

	Average of All Months Excluding Peak Month	Peak Month	Peak and Average	Peak and Average Percent	Peak and Average Total Transport Cost	Therms	Dollars per Therm	Tax Factor	Swing Service Rates
REST-1	1,136	1,860	2,996	0.49148%	\$ 88,764	437,026	\$ 0.2031	1.00503	\$ 0.2041
REST-2	3,781	7,096	10,877	1.78460%	\$ 322,307	1,482,689	\$ 0.2174	1.00503	\$ 0.2185
REST-3	5,854	12,441	18,295	3.00176%	\$ 542,131	2,340,940	\$ 0.2316	1.00503	\$ 0.2328
GTS-1	1,109	695	1,804	0.29605%	\$ 53,467	392,035	\$ 0.1364	1.00503	\$ 0.1371
GTS-2	9,892	12,461	22,353	3.66757%	\$ 662,379	3,690,268	\$ 0.1795	1.00503	\$ 0.1804
GTS-3	21,480	26,809	48,289	7.92297%	\$ 1,430,921	8,005,324	\$ 0.1787	1.00503	\$ 0.1796
GTS-4	52,497	65,892	118,389	19.42448%	\$ 3,508,142	19,576,552	\$ 0.1792	1.00503	\$ 0.1801
GTS-5	32,016	37,627	69,643	11.42661%	\$ 2,063,694	11,859,831	\$ 0.1740	1.00503	\$ 0.1749
GTS-6	29,737	33,377	63,114	10.35530%	\$ 1,870,211	10,966,900	\$ 0.1705	1.00503	\$ 0.1714
GTS-7	28,451	31,123	59,574	9.77459%	\$ 1,765,332	10,467,496	\$ 0.1686	1.00503	\$ 0.1695
GTS-8A	9,125	9,958	19,083	3.13103%	\$ 565,477	3,356,336	\$ 0.1685	1.00503	\$ 0.1693
GTS-8B	10,034	11,259	21,293	3.49361%	\$ 630,961	3,700,491	\$ 0.1705	1.00503	\$ 0.1714
GTS-8C	5,992	6,133	12,125	1.98932%	\$ 359,279	2,191,306	\$ 0.1640	1.00503	\$ 0.1648
GTS-8D	38,510	39,870	78,380	12.86012%	\$ 2,322,591	14,098,210	\$ 0.1647	1.00503	\$ 0.1656
COM-INNT	27,327	28,568	55,895	9.17091%	\$ 1,656,304	10,012,867	\$ 0.1654	1.00503	\$ 0.1662
COM-NGVT	3,649	3,723	7,372	1.20959%	\$ 218,456	1,334,162	\$ 0.1637	1.00503	\$ 0.1646
	<u>280,589</u>	<u>328,893</u>	<u>609,482</u>	<u>100.00%</u>	<u>18,060,416</u>	<u>103,912,435</u>			
Special Contracts					\$ 7,367,169				
Swing Service Revenue to Collect					\$ 25,427,584				

Docket No.
 Exhibit RCW-1
 Page 3 of 4

FLORIDA PUBLIC UTILITIES COMPANY
COMPUTATION OF SWING SERVICE RATES
ACTUAL COSTS
7/1/2022 to 6/30/2023

Schedule D
Page 1 of 1

NASSAU COUNTY WILLIAM BURGESS	443,026
NASSAU COUNTY	8,547,348
PORT OF PALM BEACH	163,859
RIVERIA LATERAL	187,000
NEW SMYRNA	1,408,596
BELVEDERE	645,192
HAINES CITY CFG	1,626,756
PENSACOLA NW	5,227,320
ARDEN FPU AGL	8,297
HERANDO COUNTY CFG TECO	7,632
AUBURNDALE	679,056
WESTERN PB COUNTY	4,581,492
WILDLIGHT 1C	61,306
WILDLIGHT 1B	20,425
WINTER HAVEN	319,367
NEW RIVER RNG LLC	3,030,203
MARTIN RIVIERA FPU FSEC	342,154
EMERA ENERGY SERVICES INC	608,898
MARLIN GAS SERVICES LLC	3,726,982
CARDINAL TECHNOLOGY LLC	10,000
CONVERGENCE SOLUTIONS LLC	150,000
ENVERUS INC	4,296
PIERPONT & MCLELLAND	90,142
GUNSTER YOAKLEY & STEWART	7,876
S&P GLOBAL PLATTS	23,688
SNELL & WILMER LLP	8,789
CAVANAUGH AND ASSOCIATES	3,250
BAKER & HOSTETLER LLP	8,146
	<hr/>
	\$ 31,941,095

Less Special Contract Swing Service Charge to be Recovered 1/24 to 12/24:

Mosaic	\$ 36,000
City of Pensacola	\$ 1,362,728
Ascend	\$ 2,483,824
People's Gas System	\$ 2,073,754
Raynoier Duct Burner	\$ 141,567
Raynoier Recovery Boiler	\$ 533,088
Lignotech	\$ 45,397
8 Flags	\$ 690,813
	<hr/>
	\$ 7,367,169
Net to Reduce PGA through Swing Service Rate	<hr/> <hr/>
	\$ 24,573,927

Docket No.
Exhibit RCW-1
Page 4 of 4