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**FPUC's Responses to Staff's Eighth Set of
Interrogatories Nos. 83-84**

INTERROGATORIES

Interrogatory No. 83

83. Please refer to FPUC witness Lee's Direct Testimony, Exhibit PSL-2 for the questions below regarding Account 3762 Mains - Steel:

a. Schedule A, page 28 of 93 of Exhibit PSL-2, shows:

2023 CONSOLIDATED NATURAL GAS DEPRECIATION STUDY														
(Actual through 12/31/21 and Projected through 12/31/22)														
COMPARISON OF CURRENT AND PROPOSED DEPRECIATION COMPONENTS														
			CURRENT CONSOLIDATED						COMPANY PROPOSED - CONSOLIDATED					
CONSOLIDATED PLANT			AVERAGE	AVERAGE	NET				AVERAGE	AVERAGE	NET	(SCH. L and M)		
PROJECTED			SERVICE	REMAINING	SAL	AGE	CURVE	SERVICE	REMAINING	SAL	AGE	CURVE		
1/1/23			LIFE	LIFE				LIFE	LIFE					
INVESTMENT			(YRS.)	(YRS.)	(%)	(YRS.)		(YRS.)	(YRS.)	(%)	(YRS.)			
RESERVE														
UNIT - # / NAME														
DISTRIBUTION PLANT														
3741	Land Rights	33,410	10,455	35	7.4	0	27.6	SQ	75	56	0	19.2	SQ	
375	Structures & Improvements	1,572,719	352,170	40	23	0	16.7	S4	40	28	0	11.7	S4	
3761	Mains - Plastic	125,006,731	31,998,891	55	48	-16	7.3	S3	75	67	-25	8.1	S3	
3762	Mains - Steel	61,810,864	30,156,556	55	37	-28	18.5	S3	65	43	-40	10.3	S3	

Please explain how the Company proposed 43-years of Average Remaining Life (ARL) of Account 3762 was derived based upon the proposed 65-years of Average Service Life (ASL), S3 curve and 10.3 years of age for this account.

b. Referring to page 7 of Exhibit PSL-2, please explain the proposed age of 22.3 years for Account 3762.

Company Response:

a. The average age shown on Exhibit PSL-2 Narrative, pages 6 and 7 of 93, of the original filing was an error. It should have said 10.3 years as shown in the originally filed Exhibit PSL-2 Workbook, Schedule A and M on pages 27 and 73 of 93, respectively. However, FPUC subsequently discovered that the 10.3-year average age for Account 376.2 was incorrect due to the ages for vintages 1978-2001 on Schedule M not being weighted with the surviving investments. The corrected average age is 22.2 years, as shown on Revised Exhibit PSL-2 Workbook,

Schedules A and M. Using an S3-65 year life with the corrected age results in an average remaining life of 43 years.

- b. The Company objects that the phrase “explain the proposed age” is vague because “explain” could mean many different things. FPUC has made a good-faith and reasonable attempt to ascertain the meaning of such request and provide a response based on such attempt, but FPUC responds without waiving its objection to the vagueness of the request. This was an error in the original filing that was corrected in Revised Exhibit PSL-2 Workbook, Schedule A. The age on page 7 should have said 10.3 years, the same as shown on Schedules A and M of the originally filed Exhibit PSL-2 Workbook. However, as discussed in a. above, the 10.3-year age was incorrect and should have been 22.2 years as shown on Schedules A and M of Revised Exhibit PSL-2 Workbook.

Respondent: Pat Lee

Interrogatory No. 84

84. Please refer to FPUC witness Lee's Direct Testimony and Exhibit PSL-2, page 28 of 93, Schedule A. For each of the Accounts 3762, 3802, 3811, 384 and 385, please provide the detailed ARL calculation, using the corresponding ASL, age, and curve combination that are listed in Schedule A and the Life Tables of GTE-INC which the witness described on page 20 of her Direct Testimony.

Company Response:

Account 376.2 – S3, 65 age = 22.2 years

Projection Life 65 years	
S3 Curve	
Age	Remaining Life
21.5	43.56
22.2	X
22.5	42.58

$$(22.2-21.5)/(22.5-21.5) = (X-43.56)/(42.58-43.56)$$

$$0.7/1 = (X-43.56)/-0.98$$

$$X-43.56 = -0.686$$

$$X = 42.8 \text{ rounded to 43 years}$$

Account 380.2 – S2, 60 age = 26.3 years

Projection Life 60 years	
S2 Curve	
Age	Remaining Life
25.5	35.69
26.3	X
26.5	34.86

$$(26.3-25.5)/(26.5-25.5) = (X-35.69)/(34.86-35.69)$$

$$0.8/1 = (X-35.69)/-0.83$$

$$X-35.69 = -0.664$$

$$X = 35.03 \text{ rounded to 35 years}$$

Account 381.1 – R3, 28 age = 12.1 years

Projection Life 28 years	
R3 Curve	
Age	Remaining Life
11.5	17.19
12.1	X
12.5	16.33

$$(12.1-11.5)/(12.5-11.5) = (X-17.19)/(16.33-17.19)$$

$$0.6/1 = (X-17.19)/-0.86$$

$$X-17.19 = -0.516$$

$$X = 16.67 \text{ rounded to 16.7 years}$$

Account 384 – S3, 45 age = 23.0 years

Projection Life 45 years	
S3 Curve	
Age	Remaining Life
22.5	22.97
23.0	X
23.5	22.09

$$(23.0-22.5)/(23.5-22.5) = (X-22.97)/(22.09-22.97)$$

$$0.5/1 = (X-22.97)/-0.88$$

$$X-22.97 = -0.044$$

$$X = 22.5 \text{ rounded to 23 years}$$

Account 385 – R3, 38 age = 22.3 years

Projection Life 38 years	
R3 Curve	
Age	Remaining Life
21.5	18.41
22.3	X
22.5	17.62

$$(22.3-21.5)/(22.5-21.5) = (X-18.41)/(17.62-18.41)$$

$$0.8/1 = (X-18.41)/-0.79$$

$$X-18.41 = -0.632$$

$$X = 17.78 \text{ rounded to 17.8 years}$$

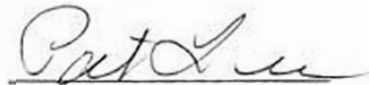
Respondent: Pat Lee

In re: Petition for rate increase by Florida) Docket No. 20220067-GU
Public Utilities Company, Florida Division of)
Chesapeake Utilities Corporation, Florida)
Public Utilities – Fort Meade and Florida)
Public Utilities – Indiantown Division) Filed: October 3, 2022
_____)

DECLARATION

I hereby certify and affirm that I sponsored the Company's responses to STAFF'S EIGHTH SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY, Nos. 83-84 in Docket No. 20220067-GU. The responses are true and correct to the best of my knowledge.

Under penalty of perjury, I declare that I have read the foregoing declaration and the interrogatory responses identified above, and that the facts stated therein are true.



Pat Lee, Declarant

Dated: 9-19-2022