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DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

September 6, 2006

ORIGINAL

Mr. Norman H. Horton, Jr.
Messer, Caparello & Self
Post Office Box 1876
Tallahassee, Florida 32302-1876

Re: Docket No. 060489-GU – Joint petition for approval of territorial agreement whereby Florida Public Utilities Company would provide gas service to customers within a development bounded by Indiantown Gas Company, Inc.'s current service area
Docket No. 060492-GU – Petition for approval of firm transportation service agreement between Indiantown Gas Company and Florida Public Utilities Company

Dear Mr. Horton:

Staff has reviewed the above referenced petitions. Additional information is needed to clarify the proposals contained in the petitions. Please provide a response to the information requested.

1. Has gas service been requested for the area proposed to be transferred? If so, when is the service needed?
2. Please provide the total number of residential and commercial customers and total annual demand anticipated in the proposed area when the area is built out.
3. How long do you anticipate it will take to reach build out of the area?
4. Please provide an analysis showing the expected annual revenue and impact on return on equity of the proposed transfer for Indiantown Gas Company (Indiantown) at the end of five years. At the end of ten years.
5. Please provide an analysis showing the expected annual revenue and impact on return on equity of the proposed transfer for Florida Public Utilities Company (FPUC) at the end of five years. At the end of ten years.
6. How close in miles is the proposed transfer area to FPUC's other service areas?
7. Please describe the similarities and differences in the way FPUC will provide maintenance service in the proposed area compared with its existing service areas.

CMP _____ 4.
 COM _____
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 RCA _____ 6.
 SCR _____ 7.
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 SEC 1
 OTH _____

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DOCUMENT NUMBER - DATE

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FPSC-COMMISSION CLERK

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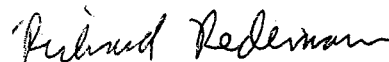
September 6, 2006

8. Please estimate the time in hours that it will take an FPUC service truck to respond to a typical service call.
9. Does the legal description in the petition describe Indiantown's remaining territory after the transfer is approved?
10. Please provide an electronic copy in MSWord format of the proposed territory to be transferred.
11. Please provide a map showing the proposed territory to be transferred with sufficient detail for staff to compare with the legal description of the area described in the petition.
12. What is the total acreage of land proposed to be transferred?
13. What is FPUC's smallest service area today in terms of the number of residential and commercial gas customers?

Please file an original and five copies of the requested information no later than September 22, 2006 with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399.

If you have any questions, please call me at (850) 413-6999 or rredeman@psc.state.fl.us, or Stan Rieger at (850) 413-6970. Should you have any legal questions, please contact Ralph Jaeger, Esq., at (850)413-6234 or rjaeger@psc.state.fl.us.

Sincerely,



Richard Redemann, P.E.

RR:kb

cc: Brian J. Powers, President, Indiantown Gas Company
Marc Seagrave, Florida Public Utilities Company
Division of Economic Regulation (Daniel, Rieger)
Office of General Counsel (Jaeger, Brubaker)
Division of the Commission Clerk and Administrative Services

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