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October 31, 2011

BY HAND DELIVERY

Ms. Ann Cole, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 110271-GP: Petition by Peninsula Pipeline Company for Approval of Agreement with Florida Public Utilities Company

Dear Ms. Cole:

Enclosed for filing, please find the original and 7 copies of Peninsula Pipeline's Responses to Staff's First Data Request.

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

Sincerely,



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

MEK

Cc: Office of Public Counsel

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PENINSULA PIPELINE COMPANY, INC.
RESPONSES TO
STAFF'S FIRST DATA REQUEST
DOCKET NO. 110271-GU

Staff Data Request to Peninsula

1. Paragraph 7 of the Petition refers to corporate transactions. Please confirm that Peninsula is referring to the corporate merger between Chesapeake Utilities Corporation and Florida Public Utilities Company that occurred on October 28, 2009.

Company Response: Yes, Peninsula was referring to the merger between Chesapeake Utilities Corporation and Florida Public Utilities Company that occurred on October 28, 2009.

2. In reference to paragraph 8 of the Petition which states "... following a request for proposals extended by FPUC, Peninsula was awarded the contract over competitive bidders" please state the following:
 - a. The date FPUC issued the request for proposal.
 - b. The date Peninsula was awarded the contract.
 - c. The number of companies that submitted bids.

Company Response: a) Peninsula respectfully defers to FPUC to respond to the dates that it issued the request for proposal. However, Peninsula first discussed the potential Nassau County project with FPUC in 2008, prior to the merger of Chesapeake Utilities Corporation and Florida Public Utilities Company. Peninsula recognized a potential opportunity to expand gas service to Nassau County. FPUC has existing electric and propane operations in Nassau County. Peninsula approached FPUC regarding the construction by Peninsula of a pipeline from the Southern Natural Gas Company, LLC (SONAT) interstate pipeline located in western Nassau County to Amelia Island. These discussions resulted in FPUC's submission of a non-binding Firm Transportation Service Application, in accordance with Peninsula's approved tariff, on November 14, 2008. Subsequently, the parties began to negotiate the rates, terms and conditions for a Firm Transportation Service Agreement. However, in early 2009, the negotiations terminated, as merger discussions between Chesapeake and FPUC were re-initiated. No further discussions occurred between Peninsula and FPUC until the second quarter of 2011, when FPUC requested Peninsula to submit a bid for the Nassau County project.

b) Peninsula was notified in early August 2011 that FPUC had determined that the Peninsula bid was selected. Negotiations of the specific rates, terms and conditions commenced soon thereafter, resulting in the Firm Transportation Service Agreement that is currently before the Commission for approval.

c) Peninsula respectfully defers to FPUC to respond to this request.

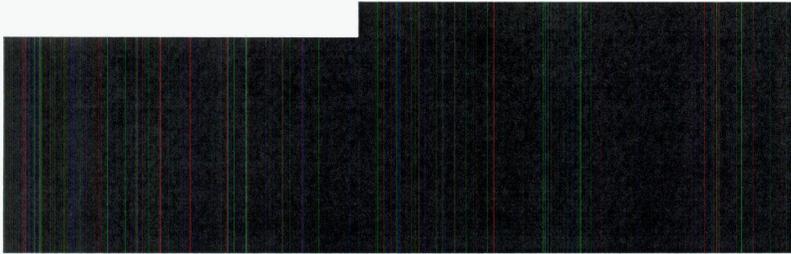
**PENINSULA PIPELINE COMPANY, INC.
RESPONSES TO
STAFF'S FIRST DATA REQUEST
DOCKET NO. 110271-GU**

3. Please provide a map showing the location(s) of the planned Peninsula facilities.

Company Response: See Exhibit 1.

4. Please provide a general description of the costs Peninsula will incur to build the pipelines (e.g., materials, labor, permitting, secure right-of-way, etc).

Company Response: Peninsula, in developing its response to the FPUC request for proposal, prepared the following construction cost estimate for its proposed intrastate pipeline.



5. Will Peninsula have to receive approval from any other state or local agencies to build the pipelines?

Company Response: Other than the normal construction permits required, there are no other state or local agencies that Peninsula needs approval from in order to construct the Nassau County project. While the Natural Gas Transmission Pipeline Siting Act (NGTPSA), sections 403.9401 – 9425, Florida Statutes, authorizes the Department of Environmental Protection (DEP) to establish a centralized and coordinated permitting process for the location of natural gas transmission pipeline corridors and the construction and maintenance of natural gas transmission pipelines, the NGTPSA also provides for certain exemptions from the requirements of this act. Peninsula's Nassau County project, since it does not cross a county line (see section 403.9405 (2) (a)), qualifies for exemption from the NGTPSA requirements. Peninsula has submitted its letter, dated September 28, 2011, to DEP (see Exhibit 2) stating that the Nassau County project is exempt from the NGTPSA requirements.

6. When does Peninsula expect to have the pipeline project completed?

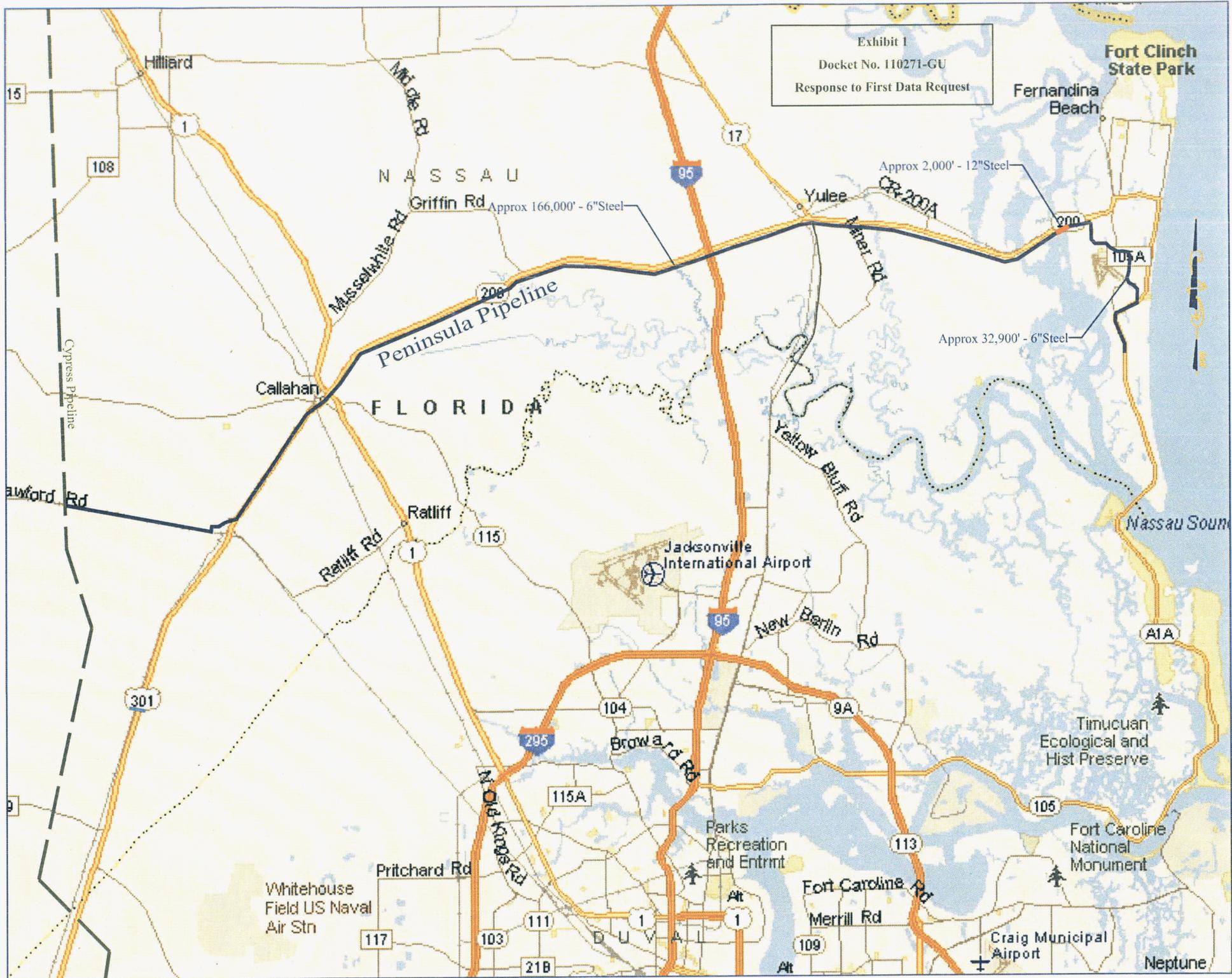
Company Response: Peninsula expects to have the pipeline project completed and in service on or about July 1, 2012.

DOCKET NO. 110271-GP

PENINSULA PIPELINE'S
RESPONSES TO STAFF'S FIRST DATA REQUESTS

EXHIBIT 1
(RESPONSE TO #3)

Exhibit 1
Docket No. 110271-GU
Response to First Data Request



DOCKET NO. 110271-GP

PENINSULA PIPELINE'S
RESPONSES TO STAFF'S FIRST DATA REQUESTS

EXHIBIT 2
(RESPONSE TO #5)



September 28, 2011

Mr. Mike Halpin, P.E.
Administrator, Siting Coordination Office
Florida Department of Environmental Protection
3900 Commonwealth Boulevard
Tallahassee, FL 32399
Mailstop - 48

**Re: Peninsula Pipeline Company, Inc. - Natural Gas Transmission Company –
Nassau County Project**

Dear Mr. Halpin:

This letter is to inform you that Peninsula Pipeline Company, Inc., a natural gas transmission company regulated pursuant to Chapter 368, Florida Statutes, has undertaken a service agreement with Florida Public Utilities Company for a pipeline project in Nassau County. In accordance with our prior discussions, this will confirm that this project is exempt, as specified in Section 403.9405 (2)(a), Florida Statutes, from the need determination and siting requirements set forth therein for the Nassau County Project, as this project does not cross a county line.

Should you have any questions whatsoever regarding this matter, please do not hesitate to contact me at your convenience. As always, thank you for your attention and guidance regarding this matter.

Sincerely,

A handwritten signature in cursive script that reads "Thomas A. Geoffroy".

Thomas A. Geoffroy
Vice President
Peninsula Pipeline Company, Inc.

cc: Beth Keating, Esq.