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April 9, 2015

E-PORTAL/ELECTRONIC FILING

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

Re: Docket No. 150117-GU- Joint Petition of Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and the Florida Division of Chesapeake Utilities Corporation for Approval of Modified Cost Allocation Methodology and Revised Purchased Gas Adjustment Calculation.

Dear Ms. Stauffer:

By this letter, the Florida Division of Chesapeake Utilities Corporation and Florida Public Utilities Company withdraw the Request for Confidential Classification submitted on April 7, 2015, for certain information contained at page 9 of the Joint Petition for Approval of Modified Cost Allocation Methodology and Revised Purchased Gas Adjustment Calculation. The Companies have determined that the information therein is no longer proprietary confidential business information. Consistent with the withdrawal of the Request, the Companies herewith submit an unredacted copy of page 9 of the Joint Petition.

As always, please do not hesitate to contact me if you have any questions whatsoever regarding this filing.

Sincerely,

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allocation would simply be an accounting change reflected in the allocations across the Companies' respective books.

20) The benefits of this revised approach are many for both Companies and will be further enhanced if Phase II is ultimately approved. For instance, the intrastate capacity costs associated with the recent proposed Haines City project on CFG's system (Docket No. 150031-GU) will be allocated across a larger body of customers, thereby reducing the impact on CFG's TTS Pool Shippers and customers. Likewise, capacity costs associated with recent large projects on FPUC's system, such as the Nassau County expansion (Docket No. 140189-GU) and the project in Palm Beach County (Docket No. 140190-GU) will also be allocated across a broader base of customers.

21) The end result will be a more equitable allocation of costs and the ability to better balance the costs of individual projects across the entire CHPK Florida system, instead of on a system-by-system basis. For example, the impact to aggregate the unreleased capacity and LDC interconnection related costs across the entire CHPK Florida system would be \$.108 per therm, or an approximate increase of \$.025 per therm to the PGA.

22) In Phase II, the Companies contemplate that the allocation of these costs would be expanded to include transportation service customers on FPUC's system, as well as Shippers on CFG's system that are not part of the TTS Pool. While the Companies believe that equity demands that these customers ultimately bear their fair portion of these intrastate capacity costs, the Companies also recognize that Shippers for these larger classes of customers provide service under contracts which will likely need to be amended to adjust for revised cost allocations. Subsequent implementation of Phase II will, therefore, allow the Companies time to conduct