

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
LISA POLAK EDGAR
RONALD A. BRISÉ
JULIE I. BROWN
JIMMY PATRONIS

STATE OF FLORIDA



DIVISION OF ECONOMICS
GREG SHAFER
DIRECTOR
(850) 413-6410

Public Service Commission

August 24, 2015

Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 South Monroe Street, Suite 601
Tallahassee, Florida 32301-1839
BKeating@gunster.com

STAFF'S FIRST DATA REQUEST
via email

Mike Cassel
Director, Regulatory and Governmental Affairs
Florida Public Utilities Company
1750 S 14th Street, Suite 200
Fernandina Beach, FL 32304
mcassel@fpuc.com

Re: Docket No. 150172-GU - Petition for approval of amendments to special contract with Polk Power Partners, L.P., by Florida Division of Chesapeake Utilities Corporation

Dear Ms. Keating and Mr. Cassel:

By this letter, Commission staff requests the following information from the Florida Division of Chesapeake Utilities Corporation (Chesapeake).

1. Referring to the Petition at paragraph 7, please elaborate on the last sentence and the phrase ("... which better reflects the current use of capacity for Polk").
2. Please explain the basis for the Bypass Avoidance Rate of \$420,000 per year displayed on the CFTS Affidavit.
3. Are any monies recovered through the Competitive Rate Adjustment (CRA) from this contract? If yes:
 - a. Is this the first time for this contract or has this occurred in the past?
 - b. What is the 2016 CRA factor (the cents per therm impact of this contract)?
 - c. Pursuant to which tariff provision would any CRA amounts associated with this contract be recoverable from the general body of ratepayers?

The following questions refer to the Incremental Cost of Service Study and its components:

4. Are the incremental costs shown annual or monthly amounts?

5. Referring to estimated O&M expenses:
 - a. Please explain the basis for the Overheads & Services (corp/bu) amount of \$36,416 and, as part the explanation, define "corp/bu."
 - b. Please compare the Overhead & Service expense of \$36,416 to the \$13,297 in Docket No. 150175-GU and explain the difference.

6. Referring to Calculation of Other Taxes:
 - a. What is the significance of the 2004 Property Tax amount shown?
 - b. What is the significance of the 2003 Plant amount shown?
 - c. Should the average tax rate be 1.81% instead of 0?

7. Please explain the difference between the cost of plant of \$1,243,036 in Estimated Rate Base and Return and 2003 plant of \$29,900,183 in Calculation of Other Taxes.

The following questions refer to the Capacity Relinquishment Agreement:

8. Under which circumstances will Polk buy any capacity relinquished by Chesapeake?

9. Are any revenues received by Chesapeake when Polk buys capacity in addition to the transportation rate revenues received pursuant to the Gas Transportation Agreement?

Please file all responses electronically no later than Tuesday, September 8, 2015 from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6540 if you have any questions.

Thank you,

/s/ Sue Ollila

Sue Ollila
Economic Analyst
sollila@psc.state.fl.us

SMO
cc: Office of Commission Clerk