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STATE OF FLORIDA



DIVISION OF ECONOMICS
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Public Service Commission

August 30, 2017

Beth Keating, Esq.
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STAFF'S SECOND DATA REQUEST

Via E-mail

Re: Docket No. 20170176-GU: Petition of the Florida Division of Chesapeake Utilities Corporation for Approval of Special Contract with Sebring Gas System, Inc.

Dear Ms. Keating:

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

- 1) Please refer to the Company Response to Question 8 of Staff's First Data Request and confirm or deny that the proposed steel pipeline will not be "bare steel" construction.
- 2) Please refer to the Company Response to Question 10 a) of Staff's First Data Request. The response states that the cost of service of \$111,374 (revised to \$128,173) represents the annual amount required for operating costs (while the annual fixed rate of \$136,812 represents the revenue required to recover cost of capital, expenses, and a return). However, the cost of service indicates that the \$111,374 (revised to \$128,173) already includes a return on investment and all other cost components. Please clarify the response.
- 3) Please refer to the Company Response to Staff's First Data Request 10 e). In Section 3.1 of the special contract, MDTQ refers to Minimum Daily Transportation Quantity while the definition of MDTQ in the contract is Maximum Daily Transportation Quantity. Please clarify whether it is minimum or maximum when referring to the value stated (720) on the top right hand column of the Exhibit A to Special Contract (page 1).

Beth Keating, Esq.

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- 4) Please refer to the Petition, page 2, paragraph 4; Suwannee County is referenced as the county receiving the transportation service. Please clarify whether that should be DeSoto County as receiving the transportation service.
- 5) Referring to the Estimated Income Taxes sheet provided in response to Staff's First Data Request, Attachment A, revised Cost of Service, page 3, please show the derivation of the revised Interest on Debt (\$7,675, previously shown in the petition as \$40,518).

Please file all responses electronically no later than September 6, 2017 via the Commission's website at www.floridapsc.com by selecting the Clerk's Office tab and Electronic Filing Web Form. Please contact me at sguffey@psc.state.fl.us or at 850.413.6204 if you have any questions.

Thank you,

/s/Sevini Guffey

Sevini Guffey
Public Utility Analyst 1

Cc: Office of the Commission Clerk