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STATE OF FLORIDA



DIVISION OF ECONOMICS
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Public Service Commission

September 15, 2017

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STAFF'S FIRST DATA REQUEST

Re: Docket No. 20170180-GU - Petition of the Florida Division of Chesapeake Utilities Corporation for Approval of Special Contract with Mosaic Fertilizer, LLC.

Ms. Keating:

By this letter and pursuant to subsection 366.04(2), Florida Statutes, Commission staff respectfully request the following information from the Florida Division of Chesapeake Utilities Corporation (Chesapeake) and Mosaic Fertilizer, LLC (Mosaic).

1. Please discuss the relation between the negotiated annual fixed rate (confidential) and the total operating cost (\$102,316). Is the annual fixed rate designed to recover Chesapeake's annual cost of service, plus an additional amount?
2. Referring to the Incremental Cost of Service Study, Estimated O&M expenses, please explain:
 - a. What costs are included under Miscellaneous, \$5,000?
 - b. Please explain why the Overheads & Services (\$5,969) are over doubled when compared to a similar contract, Docket No. 20170176 Chesapeake special contract with Sebring (\$2,500), while all other estimated charges are the exact same.
3. Referring to the petition, section 5, please show how the monthly estimated charge (\$72,372) under the FTS-12 rate was calculated.
4. Referring to the petition, section 5 and the following statement: Due to current business needs, Mosaic is using approximately 11,000,000 therms annually. Please discuss what the specific reasons for the drop in therms used annually.
5. Please discuss why Mosaic is eligible for a Special contract and discuss Mosaic's ability to bypass.
6. Please discuss why Chesapeake did not propose to lower the therm threshold for the FTS-13 rate to 11,000,000 therms annually (so Mosaic can stay at the FTS-13 rate).
7. Does Chesapeake have customers on the FTS-12 rate that use approximately 11,000,000-12,500,000 therms annually?

8. Referring to Exhibit A, Incremental Cost of Service Study, please explain why there are no Rate Base and Income Taxes associated with serving Mosaic.

Please file all responses electronically no later than September 29, 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 RDoherty@psc.state.fl.us or at 850-413-6858 if you have any questions.

Thank you,

/s/ Riley Doherty

Riley Doherty
Public Utility Analyst I

Cc: Office of the Commission Clerk