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MARCH 5, 2018

**E-PORTAL**

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

**Re: Docket No. 20180015-GU-Petition for Approval of Transportation Service Agreement with Florida Division of Chesapeake Utilities Corporation by Peninsula Pipeline Company, Inc.**

Dear Ms. Stauffer:

Attached for filing, please find the responses to Staff's Second Data Requests of Chesapeake Utilities Corporation and Peninsula Pipeline Company, Inc..

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

Kind regards,



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cc:/ (OPC)

**Docket No. 20180015-GU-Petition for Approval of Transportation Service Agreement with Florida Division of Chesapeake Utilities Corporation by Peninsula Pipeline Company, Inc.**

1. Referring to the response to staff's first data request question No. 7, please state when CFG intends to file a petition for a special contract with Ascend Performance Materials?

**Company Response:**

**Ascend Performance Materials ("Ascend") is a special contract customer taking service under CFG's Flexible Gas Service tariff. In accordance with Order Nos. PSC-15-0172-TRF-GU and consistent with the provision in the Company's Tariff Sheet Nos. 97.1 through 97.3 CFG filed notice, with the Commission, of the contract on September 6, 2017.**

2. Please state whether Ascend Performance Materials is a new load in Escambia County, or an existing customer. If an existing customer, please state where Ascend Performance Materials already receives natural gas and from whom.

**Company Response:**

**Ascend is not a new load in Escambia County. To the best of the Company's knowledge Ascend currently and historically has taken service from the Gulf South interstate pipeline.**

3. Referring to the response to staff's first data request question No. 10, please state when CFG intends to amend the current tariff sheets to reflect service to Escambia County

**Company Response:**

**CFG intends to amend its current Tariff Sheets to reflect service to Escambia County in early March 2018.**

4. Referring to the response to staff's first data request questions Nos. 3, 7 and 8, please clarify the timing between the construction of the Peninsula Pipeline (third quarter 2018) and service to Ascend Performance Materials/Pensacola Energy (second quarter to 2018). Does the Peninsula Pipeline need to be in operation before service to the customers listed above can begin?

**Company Response:**

**The timing differences between the construction of Peninsula's Pipeline (question No. 3) and the availability of CFG's distribution service behind the new custody transfer stations to Ascend and Pensacola (question Nos. 7 & 8) result from the staged in approach of the construction process. The pipeline construction process occurs at several points simultaneously. So while Peninsula is constructing the 33 miles of 12" steel pipe, 5 miles of 10" steel pipe and two custody transfer stations, CFG is also working at the gate stations which will provide service to Ascend and Pensacola. Because the Peninsula portion of the project is more involved and takes longer to complete, the service that CFG will provide to Ascend and Pensacola will be available, not necessarily in use, earlier than the completion of the Peninsula portion of the project. Additionally, the final punch list items can be completed after the pipeline has**

**been approved and put into service, therefore the completion timeline is estimated to be longer than the timeline for making service available to CFG's distribution customers.**

5. Referring to the response to staff's first data request question No. 8, please confirm that Pensacola Energy is a municipal natural gas utility that provides natural gas service to residential and commercial customers in the city of Pensacola.

**Company Response:**

**Yes, Pensacola Energy is a municipal natural gas utility providing service to customers in the City of Pensacola.**

6. Please explain why Pensacola Energy is not directly interconnecting with the proposed Peninsula Pipeline (i.e., why is Chesapeake's distribution system between Pensacola Energy's System and the Peninsula Pipeline).

**Company Response:**

**The facilities being constructed and the service being contemplated for Pensacola Energy are more closely related to distribution, not transmission, type activities and, as such, the Company felt that the most appropriate interconnection would be with the CFG distribution Company.**

7. Referring to paragraph 11 of the petition, please state when CFG's two distribution systems will be constructed and in operation and how CFG will recover the cost of the construction of the distribution system.

**Company Response:**

**CFG's two distribution systems will be constructed and service will be available in the second quarter of 2018. The timing of when gas actually flows, depends on the timing of Peninsula's construction, which is currently anticipated by the third quarter of 2018. CFG will recover the cost of the construction of the distribution system through the contracts with Pensacola and Ascend.**