

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

August 24, 2021

VIA E-PORTAL

Mr. Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20210088-GU – Joint petition to modify tariffs to accommodate receipt and transport of renewable natural gas, by Florida Public Utilities Company, Florida Public Utilities - Indiantown Division, Florida Public Utilities - Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

Dear Mr. Teitzman:

Attached for electronic filing, please find revised proposed Consolidated Tariff Sheet Nos. 7.506 and 7.507 (clean and legislative) submitted on behalf 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 and consistent with the Companies' response to Question 2 of staff's second data requests issued in the referenced docket.

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

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

cc: Tripp Coston (PSC)
Holly Forrest (PSC)
Stefanie-Jo Osborn (PSC)
Anastasia Pirrello (OPC)

All Companies
RENEWABLE NATURAL GAS SERVICES – (RNGS) - CONTINUED

Availability:

Throughout all service areas of the Companies, and within the area served by an interstate or intrastate natural Gas pipeline that provides service to the Companies.

Applicability:

For services provided to eligible Customers for biogas upgrading and conditioning services to generate Renewable Natural Gas (“RNG”) and for requisite gas services as agreed upon in the service agreement between the Customer and the Company. Service under this schedule is contingent upon mutually satisfactory arrangements between the Company and the Customer for the design, location, construction, and operation of RNG facilities.

Renewable Natural Gas Service Agreement:

The Customer and the Company will enter into a service agreement with terms designed to recover the Company’s costs to provide services, including but not limited to return on investment, amortization and depreciation, and taxes, as well as any terms necessary to comply with other provisions as determined appropriate by the Company. Absent an executed RNG service agreement, this rate schedule is not available to Customers.

Service Charges:

The Customer will be charged a monthly service charge, or other agreed upon rate and rate mechanism, designed to collect the required return on investment for the Company’s plant investment, depreciation and amortization expenses, operation and maintenance expenses, taxes, and all other expenses incurred by the Company to perform the services necessary to upgrade the biogas and to inject and transport the RNG on the Company’s distribution system for the RNG project. The Company’s plant investment in the RNG project may include, but is not limited to biogas upgrade facility equipment, compressors, blowers, anaerobic digestion equipment, site work, piping, heat exchangers, driers, metering, system interconnects, injection equipment, storage vessels, and any other equipment deemed necessary for the safe and reliable operation of the biogas conditioning site and system interconnect/injection points. The Company’s provision of RNG services to the customer will require an agreement by the Customer to purchase RNG services for a minimum period of time, to take or pay for a minimum amount of RNG service, to pay a contribution in aid of construction, if necessary, to provide adequate security as determined by the Company, and to comply with other provisions as determined necessary by the Company.

Additional Terms:

The Company’s provision of RNG service does not include the provision of electricity, natural gas, or any other fuels required to operate the RNG facilities. The customer shall reimburse the Company for all such electricity and fuel expenses incurred by the Company to provide RNG services to the customer.

All Companies
RENEWABLE NATURAL GAS SERVICES – (RNGS) - CONTINUED

Additional Terms Continued:

Service provided under this Rate Schedule shall be subject to the Rules and Regulations as set forth in the Company's tariff, except as modified under this Rate Schedule and in the executed service agreement.

All RNG delivered into the Company's distribution system must meet the gas quality standards as set forth in the "Quality of Gas" section of the Company's tariff. The Company, at its sole discretion, may accept or reject RNG that does not meet those standards.

Unless otherwise agreed to between the Customer and the Company, ownership of the RNG commodity will remain with the Customer, and the Customer shall remain solely responsible for determining the end-user of such RNG unless the Company and the Customer enter into a RNG commodity purchase agreement.

Service under this Rate Schedule is contingent upon the Company and the Customer entering a mutually satisfactory RNG Service Agreement; provided, however, that the service provided to the Customer under this Rate Schedule shall not cause any additional cost to the Company's other rate classes, unless otherwise approved by the Commission in a future proceeding.

All Companies

RENEWABLE NATURAL GAS SERVICES – (RNGS) - CONTINUED

Availability:

Throughout all service areas of the Companies, and within the area served by an interstate or intrastate natural Gas pipeline that provides service to the Companies.

Applicability:

For services provided to eligible Customers for biogas upgrading and conditioning services to generate Renewable Natural Gas (“RNG”) and for requisite gas services as agreed upon in the service agreement between the Customer and the Company. Service under this schedule is contingent upon mutually satisfactory arrangements between the Company and the Customer for the design, location, construction, and operation of RNG facilities.

Renewable Natural Gas Service Agreement:

The Customer and the Company will enter into a service agreement with terms designed to recover the Company’s costs to provide services, including but not limited to return on investment, amortization and depreciation, and taxes, as well as any terms necessary to comply with other provisions as determined appropriate by the Company. Absent an executed RNG service agreement, this rate schedule is not available to Customers.

Service Charges:

The Customer will be charged a monthly service charge, or other agreed upon rate and rate mechanism, designed to collect the required return on investment for the Company’s plant investment, depreciation and amortization expenses, operation and maintenance expenses, taxes, and all other expenses incurred by the Company to perform the services necessary to upgrade the biogas and to inject and transport the RNG on the Company’s distribution system for the RNG project. The Company’s plant investment in the RNG project may include, but is not limited to biogas upgrade facility equipment, compressors, blowers, anaerobic digestion equipment, site work, piping, heat exchangers, driers, metering, system interconnects, injection equipment, storage vessels, and any other equipment deemed necessary for the safe and reliable operation of the biogas conditioning site and system interconnect/injection points. The Company’s provision of RNG services to the customer will require an agreement by the Customer to purchase RNG services for a minimum period of time, to take or pay for a minimum amount of RNG service, to pay a contribution in aid of construction, if necessary, to provide adequate security as determined by the Company, and to comply with other provisions as determined necessary by the Company.

Additional Terms:

The Company’s provision of RNG service does not include the provision of electricity, natural gas, or any other fuels required to operate the RNG facilities. The customer shall reimburse the Company for all such electricity and fuel expenses incurred by the Company to provide RNG services to the customer.

All Companies

RENEWABLE NATURAL GAS SERVICES – (RNGS) - CONTINUED

Additional Terms Continued:

Service provided under this Rate Schedule shall be subject to the Rules and Regulations as set forth in the Company’s tariff, except as modified under this Rate Schedule and in the executed service agreement.

All RNG delivered into the Company’s distribution system must meet the gas quality standards as set forth in the “Quality of Gas” section of the Company’s tariff. The Company, at its sole discretion, may accept or reject RNG that does not meet those standards.

Unless otherwise agreed to between the Customer and the Company, ownership of the RNG commodity will remain with the Customer, and the Customer shall remain solely responsible for determining the end-user of such RNG unless the Company and the Customer enter into a RNG commodity purchase agreement.

Service under this Rate Schedule is contingent upon the Company and the Customer entering a mutually satisfactory RNG Service Agreement; provided, however, that the service provided to the Customer under this Rate Schedule shall not cause any additional cost to the Company’s other rate classes, unless otherwise approved by the Commission in a future proceeding.