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STATE OF FLORIDA



DIVISION OF ECONOMICS
JUDY HARLOW
DIRECTOR
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Public Service Commission

September 23, 2022

Staff's First Data Request
Via E-mail

Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
BKeating@gunster.com

Re: Docket No. 20220155-GU: Joint petition for approval of GRIP cost recovery factors, by Florida Public Utilities Company, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

Dear Ms. Keating:

By this letter, Commission staff respectfully requests that Florida Public Utilities Company (FPUC), Florida Public Utilities Company-Fort Meade (Ft. Meade), and Florida Division of Chesapeake Utilities Corporation (CFG) (collectively, Company) provide responses to the following data requests. These data requests are regarding the proposed 2023 Gas Reliability Infrastructure Program (GRIP) factors and potential impacts of the Company's request in Docket No. 20220067-GU¹ (2022 Rate Case):

1. Please update pipe replacement program progress tables for FPUC, Ft. Meade, and CFG contained in Attachment 1, copied here on Page 4, in the response to Staff's First Data Request in Docket No. 20210150-GU.
2. Please provide all the schedules filed in Witness Waruszewski's direct testimony in Excel format with formulas unlocked.

¹ Docket No. 20220067-GU, *Petition for rate increase by Florida Public Utilities Company, Florida Division of Chesapeake Utilities Corporation, Florida Public Utilities Company - Fort Meade, and Florida Public Utilities Company - Indiantown Division.*

3. Please refer to Witness Waruszewski's direct testimony, Page 5, lines 4-7 for the following data requests.
 - a. Please describe the planned and completed pipe replacement projects for FPUC in 2022.
 - b. Please describe the planned and completed pipe replacement projects for CFG in 2022.
4. Please refer to the 2022 Schedules A-1 attached to the direct testimony of Witness Waruszewski.
 - a. Please provide the calculations used to determine the Revenue Expansion Factor of 1.351 on page 1 of 18.
 - b. Please provide the calculations used to determine the Revenue Expansion Factor of 1.343 on page 7 of 18.
 - c. Please provide the calculations used to determine the Revenue Expansion Factor of 1.357 on page 13 of 18.
5. Please refer to the 2022 Schedules A-1 attached to the direct testimony of Witness Waruszewski.
 - a. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 6.13% on page 3 of 18.
 - b. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 6.08% on page 9 of 18.
 - c. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 5.48% on page 15 of 15.
6. Please refer to Witness Waruszewski's direct testimony, Page 3, lines 12-13 for the following data requests. For the following data requests, please assume that a Commission decision has not yet been made in the 2022 Rate Case before January 2023, the requested effective date for GRIP factors.
 - a. What adjustments does the Company believe would be necessary to recalculate 2023 GRIP factors, until a Commission decision has been made in the 2022 Rate Case? Please describe the included adjustments and explain.
 - b. If any adjustments were described in the above data request, please provide revised tariffs in Attachment A to the Petition as well as revised schedules in Exhibit RCW-1, assuming there has been no Commission decision made in the 2022 Rate Case prior to January 2023.

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7. Please refer to Witness Waruszewski's response to the question in his direct testimony on Page 6, lines 24-25. Approximately when does the Company intend to file its request for GRIP Phase II with the Commission? Please explain.
8. Please refer to Witness Waruszewski's direct testimony, Page 7, lines 15-20 for the following. Please provide revised schedules RCW-1, assuming the Commission approves the Company's proposed rate structure as requested in the 2022 Rate Case.

Please file all responses electronically no later than October 4, 2022, via the Commission's website at www.floridapsc.com by selecting the Clerk's Office tab and Electronic Filing Web Form. If you have any questions please contact me at champson@psc.state.fl.us or at (850) 413-6676.

Thank you,

/s/Corey Hampson
Corey Hampson
Public Utility Analyst II

cc: Office of the Commission Clerk

ATTACHMENT 1

Table 1
FPUC Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced		Remaining	Remaining	Total	Replaced		Remaining	Remaining	Total
	Cast Iron	Bare Steel	Cast Iron at Year-End	Bare Steel at Year-End		Cast Iron	Bare Steel	Cast Iron at Year-End	Bare Steel at Year-End	
	Cast Iron	Bare Steel	Year-End	Year-End	Remaining	Cast Iron	Bare Steel	Year-End	Year-End	Remaining
Jul-12			0.9	197.10	198.00			0	7980	7980
2012		6.00	0.9	191.10	192.00		91	0	7889	7889
2013	0.6	26.40	0.3	164.70	165.00		2071	0	5818	5818
2014		38.00	0.3	126.70	127.00		1275	0	4543	4543
2015		30.00	0.3	96.70	97.00		605	0	3938	3938
2016		22.50	0.3	74.20	74.50		555	0	3383	3383
2017		10.30	0.3	63.90	64.20		335	0	3048	3048
2018		6.80	0.3	57.10	57.40		98	0	2950	2950
2019	0.3	4.10	0	53.00	53.00		224	0	2726	2726
2020		19.00	0	34.00	34.00		330	0	2396	2396
2021		18.00	0	16.00	16.00		900	0	1496	1496
2022		16.00	0	0.00	0.00		1496	0	0	0

Table 2
Chesapeake Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced		Remaining	Remaining	Total	Replaced		Remaining	Remaining	Total
	Cast Iron	Bare Steel	Cast Iron at Year-End	Bare Steel at Year-End		Cast Iron	Bare Steel	Cast Iron at Year-End	Bare Steel at Year-End	
	Cast Iron	Bare Steel	Year-End	Year-End	Remaining	Cast Iron	Bare Steel	Year-End	Year-End	Remaining
Jul-12			0	152.00	152.00			0	762	762
2012		5.00	0	147.00	147.00		34	0	728	728
2013		3.00	0	144.00	144.00		139	0	589	589
2014		19.00	0	125.00	125.00		47	0	542	542
2015		34.00	0	91.00	91.00		284	0	258	258
2016		25.10	0	65.90	65.90		-81	0	339	339 **
2017		22.80	0	43.10	43.10		18	0	321	321
2018		19.80	0	23.30	23.30		91	0	230	230
2019		28.00	0	17.30	17.30		99	0	131	131
2020		11.10	0	6.20	6.20		34	0	97	97
2021		6.20	0	0.00	0.00		97	0	0	0
2022		0.00	0	0.00	0.00		0	0	0	0

** A total of 111 YTD bare steel services were replaced in 2016. Plus a correction to increase total services remaining by 192 (4th Qtr of 2016). The net equals -81.

Table 3
Fort Meade Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced		Remaining	Remaining	Total	Replaced		Remaining	Remaining	Total
	Cast Iron	Steel	Cast Iron at Year-End	Steel at Year-End		Cast Iron	Steel	Cast Iron at Year-End	Steel at Year-End	
	Cast Iron	Steel	Year-End	Year-End	Remaining	Cast Iron	Steel	Year-End	Year-End	Remaining
Jan-16			0	0	0			0	250	250
2016		0	0	0	0		29	0	221	221
2017		0	0	0	0		111	0	110	110
2018		0	0	0	0		20	0	90	90
2019		0	0	0	0		90	0	0	0