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DIVISION OF ECONOMICS  
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# Public Service Commission

March 29, 2024

Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301

**STAFF'S SECOND DATA REQUEST  
VIA E-MAIL**

Matt Everngam  
Director Regulatory Affairs  
208 Wildlight Ave.  
Yulee, FL 32097

**Re: 20240031-GU - Petition for approval of transportation service agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc.**

Dear Ms. Keating and Mr. Everngam:

By this letter, Commission staff requests that Peninsula Pipeline Company, Inc. (Peninsula) and Florida Public Utilities Company (FPUC) provide responses regarding the petition for approval of transportation service agreements for the Plant City Expansion and Lake Mattie System Expansion.

1. Paragraph 12 of the petition states that Peninsula would acquire certain pipeline assets from FPUC for the construction of the Plant City expansion project.
  - a. Please explain why FPUC has elected to sell the pipeline assets to Peninsula, rather than continue to own and operate them.
  - b. Please explain if the approximate 1,700 feet of 4-inch pipeline are in rate base and are currently being paid for by FPUC's general body of ratepayers. If yes, please explain, how FPUC's general body ratepayers would be protected from paying for assets FPUC has sold to Peninsula.
  - c. Please provide the book value for the approximate 1,700 feet of pipeline.
  - d. Please explain if there are any additional assets to be transferred from FPUC to Peninsula not described in the petition. If so, please provide the associated book value.

- e. Please explain whether the transfer of pipeline assets described in the firm transportation agreement is included as Attachment A to the petition. Please provide any additional agreement which details the transfer of pipeline assets.
  - f. Please explain if Peninsula would pay FPUC for the transfer of the pipeline assets. If yes, please explain what accounting treatment FPUC would use to reflect the monies received from Peninsula.
  - g. Please explain whether Peninsula will charge FPUC for the assets at issue. If yes, please explain how (i.e., through the monthly reservation charge contained in the proposed agreements or some other method) and provide documentation to show that Peninsula is charging FPUC the same as the net book value purchase price (and not at a higher value).
2. Paragraph 17 of the petition states that Peninsula would acquire certain pipeline assets from FPUC for the construction of the Lake Mattie expansion project.
- a. Please explain why FPUC has elected to sell the pipeline assets to Peninsula, rather than continue to own and operate them.
  - b. Please explain if the city gate and approximately 1.2 miles of pipeline are in rate base and are currently being paid for by FPUC's general body of ratepayers. If yes, please explain, how FPUC's general body ratepayers would be protected from paying for assets FPUC has sold to Peninsula.
  - c. Please provide the book value for the city gate and approximately 1.2 miles of pipeline.
  - d. Please explain if there are any additional assets to be transferred from FPUC to Peninsula not described in the petition. If so, please provide the associated book value.
  - e. Please explain whether the transfer of pipeline assets described in the firm transportation agreement is included as Attachment B to the petition. Please provide any additional agreement which details the transfer of pipeline assets.
  - f. Please explain if Peninsula would pay FPUC for the transfer of the pipeline assets. If yes, please explain what accounting treatment FPUC would use to reflect the monies received from Peninsula.
  - g. Please explain whether Peninsula will charge FPUC for the assets at issue. If yes, please explain how (i.e., through the monthly reservation charge contained in the proposed agreements or some other method) and provide documentation to show that Peninsula is charging FPUC the same as the net book value purchase price (and not at a higher value).

Beth Keating  
Page 3  
March 29, 2024

Please file all responses electronically no later than April 8, 2024, via the Commission's website at [www.floridapsc.com](http://www.floridapsc.com) by selecting the Clerk's Office tab and Electronic Filing Web Form. Please contact me at [kmcclell@psc.state.fl.us](mailto:kmcclell@psc.state.fl.us) or at 850.413.6814 if you have any questions.

Thank you,

/s/Kate McClelland

Kate McClelland

Public Utility Analyst

cc: Office of the Commission Clerk (Docket No. 20240031-GU)