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May 9, 2017

E-PORTAL FILING

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

Docket No. 170010-GU - Joint petition requesting approval of territorial agreement for Re: Escambia County, by City of Pensacola d/b/a Pensacola Energy and Florida Division of Chesapeake Utilities Corporation.

Dear Ms. Stauffer:

Please accept this letter as a modification to certain factual statements set forth in the Joint Petition in this Docket.

Since the filing of the Joint Petition, the business plans for construction of the pipeline that will provide a direct interconnection between the City of Pensacola and FGT have been modified. Under the current proposal, Peninsula Pipeline Company, a separate subsidiary of Chesapeake Utilities Corporation and a certified natural gas transmission company in Florida, will construct, and own, the larger, 12-inch pipeline from the interconnection with FGT up to the points at which laterals are to be constructed to serve the City of Pensacola and another industrial customer. The Florida Division of Chesapeake Utilities Corporation will remain responsible for constructing and owning the laterals that serve these new customers; thus, this change in business plans does not alter the territorial agreement submitted in this proceeding, nor the need for such agreement. Likewise, this change does not alter the Transportation Service Agreement submitted as an illustrative exhibit to the Parties' Joint Petition.

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,

Beth Keating

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