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September 18, 2023

BY E-PORTAL

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

Re: Docket No. 20230101-GU- Petition for Approval of Gas Utility Access and Replacement Directive Cost Recovery Factors for January 2024 through December 2024, by Florida Public Utilities Company.

Dear Mr. Teitzman:

Attached for electronic filing, please find the Florida Public Utilities Company's Responses to Staff's First Data Requests.

As always, thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,

Beth Keating
Gunster, Yoakley & Stewart, P.A.
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Cc://PSC (Dose, Guffey)

RESPONSES TO STAFF'S DATA REQUESTS

1. Please provide all the schedules (A, B, C, D, and E) of Exhibit RCW-1 filed in witness Waruszewski's direct testimony in Excel format with formulas unlocked.

Response:

Please see Attachment 1 – Exhibit RCW-1.

2. With reference to Schedule A-1, page 1 of 9, attached to the direct testimony of witness Waruszewski, please provide the calculations used to determine the Revenue Expansion Factor of 1.3529.

Response:

Please see Attachment 2.

3. According to witness Waruszewski's direct testimony on page 4 of 6, lines 6 through 8, and as shown on Schedule C-1, page 6 of 9, the company began incurring costs for GUARD in April 2023. However, Exhibit RCW-2, page 1 of 1 indicates that construction began in June 2023. Please explain the timing discrepancy and the type of costs incurred in April and May 2023.

Response:

The types of costs incurred in April and May of 2023 were related to project materials procurement, engineering design services, permitting agent services, and permit fees necessary to commence construction activities in June of 2023. These types of pre-construction costs are customary and necessary for all pipe replacement type projects, and as such, the timing for these costs are appropriate as they were incurred within an 8 to 10-week time period immediately prior to construction

4. With reference to witness Waruszewski's direct testimony on page 5 of 6, lines 19 through 21 regarding other expenses included in the projection period, please identify: (1) in which line of

the projection schedule the other expenses are included and (2) identify the estimated cost of extending customer-owned fuel lines to connect to meters.

Response:

These expenses are included in the line 49 titled 'O&M Expense' on both Schedule C-1, page 6 of 9 and Schedule C-2 page 7 of 9. The estimated cost for 2023 is \$20,590 and the estimated cost for 2024 is \$49,416.

5. With reference to witness Waruszewski's direct testimony on page 5 of 6, lines 19 through 21, what are the safety concerns that require FPUC to relocate customer-owned fuel lines?

Response:

During construction of the GUARD project, at times the Company identifies certain safety concerns related to the location of the customer's current natural gas meter. An example of such safety concerns that may be encountered may include, but is not limited to, existing gas meters located within the near vicinity of a source of ignition such as electrical equipment, electrical panels and relays, existing gas meters located within the near vicinity of mechanical system air intake openings such as window or wall mounted air conditioners or wall fans, bathroom fan vent openings, clothes dryer intake openings, windows, doors, and similar concerns. The Company plans on mitigating these safety concerns, when encountered during construction of the GUARD project, by relocating the existing customer natural gas meters to a safer location. As such, relocating the gas meter location would then require extending the existing customer-owned downstream fuel lines to the new, safe, meter location. Refer to Attachment 3 for an example.

6. Referring to Exhibit RCW-2, which includes the projects and areas to be addressed by the GUARD program in 2023 and 2024, please discuss if the projects were prioritized by using FPUC's Distribution Integrity Management Program.

Response:

Yes, these projects were prioritized by using FPUC's Distribution Integrity Management Program, and the risk assessment study that was completed by FPUC's independent contractor. The project areas selected encompass existing distribution mains and services that are considered high risk due

to threats such as, but are not limited to, presence of Adyl-A and vintage plastic pipe, historical excessive excavation damage on rear lot facilities, historical atmospheric corrosion leaks, historical challenges around inaccessible rear lot facilities, and other Distribution Integrity Management Program identified threats.

7. Referring to Exhibit RCW-2, please provide the number of miles, separated by county, for each of the 15 projects categorized as Rear-to-Front, Obsolete/Adyl-A, and Span.

Response:

Please see Attachment 4.

8. Please explain how and when FPUC plans to notify its customers of the new 2024 GUARD surcharge. Please also provide a copy of the customer notice to staff.

Response: The Company will provide notice of the new GUARD surcharge with a message on the customer's bill, which will direct the customer to the Company's website where the approved notice will be located. Please see Attachment 5 for the proposed customer notice that will appear on the Company's website.