

STATE OF FLORIDA



COMMISSIONERS:  
ART GRAHAM, CHAIRMAN  
JULIE I. BROWN  
DONALD J. POLMANN  
GARY F. CLARK  
ANDREW GILES FAY

DIVISION OF ECONOMICS  
JUDY HARLOW  
DIRECTOR  
(850) 413-6410

# Public Service Commission

September 20, 2019

Beth Keating, Esq.  
Gunster, Yoakley, & Stewart, P.A.  
215 South Monroe Street, Suite 601  
Tallahassee, Florida 32301-1839  
(850)521-1706

**STAFF'S FIRST DATA REQUEST**  
*via e-mail*

Mike Cassel  
AVP, Regulatory and Governmental Affairs  
Florida Public Utilities Company/Chesapeake  
1750 S 14th Street, Suite 200  
Fernandina Beach, FL 32034  
mcassel@fpuc.com

RE: Docket No. 20190173-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 and Mr. Cassel:

By this letter, Commission staff respectfully requests that Florida Public Utilities Company (FPUC), Florida Public Utilities Company-Fort Meade (FPUC-Fort Meade), and Florida Division of Chesapeake Utilities Corporation (Chesapeake) provide responses to the following data requests.

1. Please update the pipe replacement program progress tables for FPUC, FPUC-Fort Meade, and Chesapeake contained in Attachment A, copied here on Page 3, in the response to Staff's First Data Request in Docket No. 20180163-GU.
2. Please provide all the schedules filed in Witness Craig's testimony in Excel format with formulas unlocked.
3. Please describe the planned and completed pipe replacement projects for FPUC in 2019.
4. Please describe the planned and completed pipe replacement projects for FPUC-Fort Meade in 2019.

5. Please describe the planned and completed pipe replacement projects for Chesapeake in 2019.
6. Please describe the planned pipe replacement projects for FPUC in 2020.
7. Please describe the planned pipe replacement projects for FPUC-Fort Meade in 2020.
8. Please describe the planned pipe replacement projects for Chesapeake in 2020.
9. Please explain why FPUC-Fort Meade projects no investments for 2020 on page 5, line 13 of Witness Craig's testimony.
10. Please refer to the 2019 Schedules A-1 attached to the direct testimony of Witness Craig.
  - a. Please explain the calculations used to determine the Revenue Expansion Factor of 1.3488 on page 6 of 15.
  - b. Please explain the calculations used to determine the Revenue Expansion Factor of 1.3559 on page 11 of 15.
11. Please refer to the 2019 Schedules C-1 attached to the direct testimony of Witness Craig.
  - a. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 5.85 percent on page 3 of 15.
  - b. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 5.935 percent on page 8 of 15.
  - c. Please provide the calculations used to determine the Equity Cost of Capital, inclusive of Income Tax Gross-up of 4.66 percent on page 13 of 15.

Please file all responses electronically no later than October 4, 2019 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. If you have any questions, I can be reached at 850-413-6554.

Sincerely,

/s/Oakley Ward  
Public Utility Analyst 1  
oward@psc.state.fl.us

cc: Office of Commission Clerk

Table 1

FPUC Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced Cast Iron	Replaced Bare Steel	Remaining	Remaining	Total	Replaced Cast Iron	Replaced Bare Steel	Remaining	Remaining	Total
			Cast Iron at Year-End	Bare Steel at Year-End				Cast Iron at Year-End	Bare Steel at Year-End	
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		9.00	0.3	54.90	55.20		200	0	2848	2848
2019	0.3	14.00	0	40.90	40.90		730	0	2118	2118
2020		14.00	0	26.90	26.90		730	0	1388	1388
2021		14.00	0	12.90	12.90		730	0	658	658
2022		12.90	0	0.00	0.00		658	0	0	0

Table 2

Chesapeake Pipe Replacement Program Progress

Year	Mains (Miles)					Number of Services				
	Replaced Cast Iron	Replaced Bare Steel	Remaining	Remaining	Total	Replaced Cast Iron	Replaced Bare Steel	Remaining	Remaining	Total
			Cast Iron at Year-End	Bare Steel at Year-End				Cast Iron at Year-End	Bare Steel at Year-End	
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		26.00	0	17.10	17.10		100	0	221	221
2019		6.00	0	11.10	11.10		75	0	146	146
2020		6.00	0	5.10	5.10		75	0	71	71
2021		5.10	0	0.00	0.00		71	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 Cast Iron	Replaced Steel	Remaining	Remaining	Total	Replaced Cast Iron	Replaced Steel	Remaining	Remaining	Total
			Cast Iron at Year-End	Steel at Year-End				Cast Iron at Year-End	Steel at Year-End	
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		40	0	70	70
2019		0	0	0	0		70	0	0	0