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May 2, 2023

VIA: ELECTRONIC FILING

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

Re: Docket No. 20230003-GU; Purchased Gas Adjustment (PGA) True-up

Dear Mr. Teitzman:

Attached for filing in the above docket is Peoples Gas System's Petition for approval of the true-up amount for the period January 1, 2022 through December 31, 2022.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'V. Ponder'.

Virginia L. Ponder

VLP/ne
Attachment

cc: All Parties of Record (w/attachment)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment)
(PGA) true-up.)
_____)

Docket No. 20230003-GU
Submitted for Filing: May 2, 2023

**PEOPLES GAS SYSTEM INC.'S PETITION
FOR APPROVAL OF TRUE-UP AMOUNT**

Peoples Gas System, Inc. (“Peoples”) through undersigned counsel, and pursuant to the requirements in this docket, hereby petitions the Commission for approval of its purchased gas adjustment true-up amount for the period January 1 through December 31, 2022, and in support thereof says:

1. The name and mailing address of Peoples is:

Peoples Gas System, Inc.
P. O. Box 2562
Tampa, Florida 33601-2562

2. The names and mailing addresses of the persons authorized to receive notices, orders, pleadings and other communications and documents in this docket are:

J. Jeffry Wahlen
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3. Pursuant to the requirements in this docket, Peoples has submitted for filing with this petition the testimony of Matthew E. Elliott and Exhibit (MEE-1), consisting of Schedule A-7 of the purchased gas adjustment true-up reporting form supplied by the Commission Staff.

4. As indicated in the testimony of Mr. Elliott and in Schedule A-7, Peoples' final true-up amount for the period January 1 through December 31, 2022, including interest and adjustment, net of the estimated true-up for the same period, is an under-recovery of \$2,082,184.

WHEREFORE, Peoples Gas System, Inc. respectfully requests that the Commission enter its order approving Peoples' final true-up amount for the period January 1 through December 31, 2022.

Respectfully submitted,



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Attorneys for Peoples Gas System, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing, the Direct Testimony of Matthew E. Elliott, and Exhibit (MEE-1) have been furnished electronically, this 2nd day of May 2023, to the following:

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ATTORNEY



**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 20230003-GU
IN RE: PURCHASED GAS ADJUSTMENT (PGA)
TRUE-UP BY PEOPLES GAS SYSTEM, INC.**

**TESTIMONY AND EXHIBIT
OF
MATTHEW E. ELLIOTT**

FILED: MAY 2, 2023

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED DIRECT TESTIMONY**

3 **OF**

4 **MATTHEW E. ELLIOTT**

5
6 **Q.** Please state your name and business address.

7
8 **A.** My name is Matthew E. Elliott. My business address is 702
9 North Franklin Street, Tampa, Florida 33602.

10
11 **Q.** By whom are you employed and in what capacity?

12
13 **A.** I am employed by Peoples Gas System, Inc. ("Peoples" or
14 the "company") as Manager, Regulatory Affairs having held
15 that position since 2021.

16
17 **Q.** Please summarize your educational background and
18 professional qualifications.

19
20 **A.** I graduated from the University of South Florida in 1999
21 with a Bachelor of Arts degree in Business Administration
22 with a concentration in accounting. I completed a fifth
23 year of accounting credits at University of South Florida
24 in 2012 and was licensed as a Certified Public Account in
25 the State of Florida in June 2013. My work experience

1 includes fifteen years of gas and electric utility
2 experience. My utility work has included various positions
3 in Corporate Tax, Audit Services, Pipeline Compliance,
4 Safety, and Regulatory Affairs. In my current position, I
5 am responsible for Peoples' Purchased Gas Adjustment
6 ("PGA") Clause and Cast-Iron Bare Steel Replacement Rider,
7 as well as various other regulatory activities at Peoples.
8

9 **Q.** What is the purpose of your testimony in this docket?
10

11 **A.** The purpose of my testimony is to present for Commission
12 review and approval the true-up of the company's actual
13 PGA costs incurred during the January through December
14 2022 period.
15

16 **Q.** Did you prepare any exhibits in support of your testimony?
17

18 **A.** Yes. I have caused to be prepared as Exhibit MEE-1,
19 entitled "People Gas System, Inc., January 2022 through
20 December 2022: Schedule A-7 - Final Fuel Over/Under
21 Recovery" schedule with respect to the final true-up for
22 the period.
23

24 **Q.** What was Peoples' cost of gas to be recovered through the
25 PGA clause for the period January 2022 through December

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2022?

A. As shown on Exhibit A-7 in MEE-1, the cost of gas purchased, adjusted for company use, was \$252,089,370.

Q. What was the amount of gas revenue collected for the period January 2022 through December 2022?

A. The amount of gas revenue collected to cover the cost of gas was \$249,299,336.

Q. What was the amount of interest and adjustments for the period January 2022 through December 2022?

A. The interest provision for the period is \$85,082 and the adjustments are \$4,939,678 for refunds from Florida Gas Transmission Company.

Q. What was the final true-up amount for the period January 2022 through December 2022?

A. The final true-up amount for the period, including interest and adjustments, is an over-recovery of \$2,234,726.

1 Q. Is this amount net of the estimated true-up for the period
2 January 2022 through December 2022, which was included in
3 the January 2023 through December 2023 PGA factor
4 calculation?

5
6 A. No. The final true-up net of the estimated true-up for
7 the period January 2022 through December 2022 is an under-
8 recovery of \$2,082,184.

9
10 Q. Is this the final under-recovery amount to be included in
11 the January 2024 through December 2024 projection?

12
13 A. Yes.

14
15 Q. Does this conclude your testimony?

16
17 A. Yes, it does.
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EXHIBIT

OF

MATTHEW E. ELLIOTT

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DOCUMENT NO.	TITLE	PAGE
1	Composite Exhibit No. MEE-1, Final Fuel Over/Under Recovery	7

PEOPLES GAS SYSTEM
DOCKET NO. 20220003-GU
EXHIBIT NO. MEE-1
WITNESS: ELLIOTT
DOCUMENT NO. 1
PAGE 1 OF 1

FOR THE PERIOD: JANUARY 22 THROUGH DECEMBER 22

1	TOTAL ACTUAL FUEL COST FOR THE PERIOD	A-2 Line 3, Period To Date Dec.'22	\$252,089,370
2	TOTAL ACTUAL FUEL REVENUES FOR THE PERIOD	A-2 Line 6, Period To Date Dec.'22	\$249,299,336
3	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (2-1)	A-2 Line 7, Period to Date Dec.'22	(\$2,790,034)
4	INTEREST PROVISION	A-2 Line 8, Period To Date Dec.'22	\$85,082
5	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (3+4)		(\$2,704,952)
6	ADJUSTMENTS	A-2 Lines10a + 11a, Period To Date Dec.'22	\$4,939,678
7	ACTUAL NET OVER/(UNDER) RECOVERY FOR THE 12 MONTH PERIOD ENDING DECEMBER 31, 2022 (5+6)	(To Be on E4 Line 4, Col. 2, PGACAP'24)	\$2,234,726
8	LESS: ESTIMATED OVER/(UNDER) RECOVERY FOR THE PERIOD JANUARY '22 THROUGH DECEMBER '22 WHICH WAS INCLUDED IN THE CURRENT JANUARY '23 THROUGH DECEMBER '23 PERIOD	E-4 Line 4, Col. 4, PGACAP'23 (To Be on E4 Line 4, Col. 1, PGACAP'24)	\$4,316,910
9	FINAL FUEL OVER/(UNDER) RECOVERY FOR THE PERIOD JANUARY'22 THROUGH DECEMBER'22 TO BE INCLUDED IN THE PROJECTED JANUARY '24 THROUGH DECEMBER '24 PERIOD (7-8)	(To Be on E4 Line 4, Col. 3, PGACAP'24)	(\$2,082,184)

COMPANY: PEOPLES GAS SYSTEM SCHEDULE E-4		CALCULATION OF TRUE-UP AMOUNT PROJECTED PERIOD			Docket No. 20220003-GU PGA CAP 2023 Exhibit KLB-2, Page 1 of 1	
PERIOD: JANUARY '23 through DECEMBER '23						
				PRIOR PERIOD: JAN '21 - DEC '21		CURRENT PERIOD: JAN '22 - DEC '22
		(1) 6 MOS. ACT. 6 MOS. REVISED EST.	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) 6 MOS. ACT. 6 MOS. REVISED EST.	(5) (3)+(4) TOTAL TRUE-UP
1	TOTAL THERM SALES \$	\$143,630,399	\$156,143,799	\$12,513,400	\$220,872,716	\$233,386,116
2	TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	(\$8,386,634)	(\$12,732,290)	(\$4,345,656)	(\$543,615)	(\$4,889,271)
2a	MISCELLANEOUS ADJUSTMENTS	\$53,284	\$82,840	\$29,556	\$4,877,586	\$4,907,142
3	INTEREST PROVISION FOR THIS PERIOD	\$1,276	\$758	(\$518)	(\$17,061)	(\$17,579)
3a	TRUE-UP (COLLECTED) OR REFUNDED	\$0	\$0	\$0	\$0	\$0
4	END OF PERIOD TOTAL NET TRUE-UP	(\$8,332,074)	(\$12,648,692)	(\$4,316,618)	E \$4,316,910	\$292
NOTE: SIX MONTHS ACTUAL SIX MONTHS REVISED ESTIMATE DATA OBTAINED FROM CURRENT PERIOD SCHEDULE (E-2).						
COL.(1)SAME AS COL. (4 Less Line 3a) PRIOR PER. SCH.(E-4)		TOTAL TRUE-UP \$		equals	CENTS PER THERM TRUE-UP	
COL.(2)DATA OBTAINED FROM DEC'21 SCHEDULE (A-2)		PROJ. TH. SALES				
LINE 4 COLUMN (2) SAME AS LINE 7 SCHEDULE (A-7), Dec'21						
LINE 4 COLUMN (3) SAME AS LINE 9 SCHEDULE (A-7), Dec'21		\$292		equals	0.00000	
LINE 2 COLUMN (4) SAME AS LINE 7 SCHEDULE (E-2)		135,104,286				
LINE 2a COLUMN (4) SAME AS LINEs 10a + 11a SCHEDULE (E-2)						
LINE 3 COLUMN (4) SAME AS LINE 8 SCHEDULE (E-2)						

COMPANY: PEOPLES GAS SYSTEM		CALCULATION OF TRUE-UP AND INTEREST PROVISION				SCHEDULE A-2			
FOR THE PERIOD OF:		JANUARY 22 through DECEMBER 22				PERIOD TO DATE			
-5484233		CURRENT MONTH:		DECEMBER 2022				Page 1 of 1	
		ACTUAL	ESTIMATE	DIFFERENCE		ACTUAL	ESTIMATE	DIFFERENCE	
				AMOUNT	%			AMOUNT	%
TRUE-UP CALCULATION									
1	PURCHASED GAS COST (A-1, LINES 4-13)	\$18,750,015	\$5,145,924	(\$13,604,092)	(\$2.64366)	\$183,516,254	\$71,539,040	(\$111,977,214)	(1.56526)
2	TRANSPORTATION COST (A-1, LINES 1+2+3+5+6-7-8-9)	\$6,259,625	\$7,610,873	\$1,351,248	\$0.17754	\$68,573,117	\$82,992,227	\$14,419,111	0.17374
3	TOTAL	\$25,009,640	\$12,756,797	(\$12,252,844)	(\$0.96050)	A \$252,089,370	\$154,531,267	(\$97,558,103)	(0.63132)
4	FUEL REVENUES (NET OF REVENUE TAX)	\$19,525,407	\$12,756,797	(\$6,768,610)	(\$0.53059)	\$257,031,672	\$154,531,267	(\$102,500,404)	(0.66330)
5	TRUE-UP REFUND/(COLLECTION)	✓ 2B							
6	FUEL REVENUE APPLICABLE TO PERIOD * (LINE 4 (+ or -) LINE 5)	✓ 2C	-\$644,365	-\$644,365	\$0	(\$7,732,336)	(\$7,732,336)	\$0	0.00000
7	TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)		-\$6,128,598	-\$644,365	\$5,484,233	(\$2,790,035)	(\$7,732,336)	(\$4,942,301)	0.63917
8	INTEREST PROVISION-THIS PERIOD (21)	✓ 4A	\$2,297	\$20,039	\$17,742	\$85,082	\$74,991	(\$10,091)	(0.13457)
9	BEGINNING OF PERIOD TRUE-UP AND INTEREST	✓ 5A	\$3,400,043	\$5,739,185	\$2,339,142	\$12,070,554	(\$3,821,070)	(\$15,891,624)	4.15895
10	TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)		\$644,365	\$644,365	\$0	\$7,732,336	\$7,732,336	\$0	0.00000
10a	OVER EARNINGS REFUND		\$0	\$0	\$0	\$0	\$0	\$0	0.00000
11	TOTAL EST/ACT TRUE-UP (7+8+9+10+10a)	✓ 2D	-\$2,081,893	\$5,759,224	\$7,841,117	\$17,097,937	(\$3,746,079)	(\$20,844,017)	5.56422
11a	REFUNDS FROM PIPELINE	✓ 2D	\$0	\$0	\$0	\$4,939,678	\$0	(\$4,939,678)	0.00000
12	ADJ TOTAL EST/ACT TRUE-UP (11+11a)	✓ -3A	-\$2,081,893	\$5,759,224	\$7,841,117	\$22,037,616	(\$3,746,079)	(\$25,783,695)	6.88285
INTEREST PROVISION									
13	BEGINNING TRUE-UP AND INTEREST PROVISION (9)		3,400,043	5,739,185	2,339,142	0.40757			
14	ENDING TRUE-UP BEFORE INTEREST (13+7-5+10a+11a)		(2,084,190)	5,739,185	7,823,375	1.36315			
15	TOTAL (13+14)		1,315,854	11,478,370	10,162,516	0.88536			
16	AVERAGE (50% OF 15)		657,927	5,739,185	5,081,258	0.88536			
17	INTEREST RATE - FIRST DAY OF MONTH		4.01	4.01	0	0.00000			
18	INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	✓ 2E	4.37	4.37	0	0.00000			
19	TOTAL (17+18)		8.380	8.380	0	0.00000			
20	AVERAGE (50% OF 19)		4.190	4.190	0	0.00000			
21	MONTHLY AVERAGE (20/12 Months)	✓ 2F	0.34917	0.34917	(0)	(0.00001)			
22	INTEREST PROVISION (16x21)		\$2,297	\$20,039	\$17,742	0.88538			

* If line 5 is a refund add to line 4
 If line 5 is a collection () subtract from line 4

PREPARED

By Erica Collier at 1:23 pm, Jan 18, 2023

APPROVED

By Dhanisha Patel at 6:17 pm, Jan 18, 2023