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October 7, 2024

VIA ELECTRONIC FILING

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

Re: Docket No. 20240107; Petition for Approval of Modifications to Cast Iron/Bare Steel Pipe Replacement Rider, by Peoples Gas System, Inc.

Dear Mr. Teitzman:

Attached for filing on behalf of Peoples Gas System, Inc. are the company's answers to Staff's Third Data Request (Nos. 1-5) served via email on October 1, 2024.

Thank you for your assistance in connection with this matter.

Sincerely,

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

Virginia Ponder

VLP/ne
Attachment

cc: Oakley Ward
Ryan Sandy

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing answers, filed on behalf of People Gas System, Inc., has been furnished by electronic mail on this 7th day of October, 2024 to the following:

Ryan Sandy
Office of General Counsel
Florida Public Service Commission
Room 390L – Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
rsandy@psc.state.fl.us
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ATTORNEY

**PEOPLES GAS SYSTEM, INC.
DOCKET NO. 20240107-GU
STAFF'S THIRD DATA REQUEST
REQUEST NO. 1
BATES PAGE(S): 1
FILED: OCTOBER 7, 2024**

- 1.** Is the utility officially removing the retirement of inactive service lines from the petition? Please explain.
 - A.** Yes, the utility is officially removing the retirement of inactive service lines from the petition to align with the current Rider CI/BSR. The Rider CI/BSR includes investment in capital additions, excluding any associated retirement costs. Retirement of inactive service lines only includes capital costs for retirement.

**PEOPLES GAS SYSTEM, INC.
DOCKET NO. 20240107-GU
STAFF'S THIRD DATA REQUEST
REQUEST NO. 2
BATES PAGE(S): 2 - 9
FILED: OCTOBER 7, 2024**

- 2.** Please file all excel spreadsheets from Peoples' responses to staff's second data request in the docket file.

- A.** Please find attached PDF versions of the Excel spreadsheets from Peoples' responses to Staff's Second Data Request in the docket file.

PEOPLES GAS SYSTEM, INC.
SAFIR Activities - Corresponding Regulatory Requirements

Petition Section / Paragraph	Capital Replacement/Improvement Activity	Corresponding Regulatory Code	Issuing Regulatory Authority	Other Justification
A Pipeline Safety and Compliance Work				
18	MAOP and Material Specification Verification of Transmission Pipelines	· 49 CFR Part 192.624 <i>Maximum allowable operating pressure reconfirmation: Onshore steel transmission pipelines</i>	Pipeline and Hazardous Materials Safety Administration	N/A
19	Pipeline Pressurization Monitoring & Management	Regulations were proposed by PHMSA on September 7, 2023, in the Federal Register, pursuant to the Leonel Rondon Pipeline Safety Act – part of the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2020 (the "Pipes Act of 2020"). See https://www.govinfo.gov/content/pkg/FR-2023-09-07/pdf/2023-18585.pdf .	Pipeline and Hazardous Materials Safety Administration	N/A
22 & 23	Pipeline Damages and Leaks	· F.A.C. 25-12.041 <i>Receiving of Gas Leak and Emergency Reports</i> · F.A.C. 25-12.042 <i>Investigation of Gas Leak Reports</i>	Florida Public Service Commission	This code requires operators to promptly respond to gas leaks (damages) and that these incidents are considered emergencies.
B Replacement of Other Problematic Pipeline				
25	Pipeline Span Improvements/Replacement	· 49 CFR Part 192.721 <i>Distribution systems: Patrolling</i>	Pipeline and Hazardous Materials Safety Administration	N/A
25	Shallow Pipe Replacement	· 49 CFR Part 192.238(c) <i>Additional construction requirements for steel pipe using alternative maximum allowable operating pressure</i> · 49 CFR Part 192.361(a) <i>Service Lines: Installation</i> · 49 CFR Part 192.935(1)(xiii) What additional preventative and mitigative measures must and operator take?	Pipeline and Hazardous Materials Safety Administration	N/A
26	Casings Improvements/Replacement	· 49 CFR Part 192.323 <i>Casing</i> · 49 CFR Part 192.467 <i>External corrosion control: Electrical isolation</i>	Pipeline and Hazardous Materials Safety Administration	N/A
27	Undetectable Facilities Improvements	Fla. Stat. § 556.105 (7)(a) <i>Procedures</i> (Ch. 556 is entitled Underground Facility Damage Prevention and Safety)	State of Florida	N/A
C System Enhancement Projects				
30	Dade-Broward System Enhancement Project			These enhancements will help ensure continued service to customers and the safety of contractors, company team members, first responders in the event of an incident on the pipeline. Dual feeds will help alleviate the decision to leave the gas blowing and manage the situation or turn the gas off to thousands of customers, which lends to numerous safety risks in itself.
31	Southwest Florida System Enhancement Project			These enhancements will help ensure continued service to customers and the safety of contractors, company team members, first responders in the event of an incident on the pipeline. Dual feeds will help alleviate the decision to leave the gas blowing and manage the situation or turn the gas off to thousands of customers, which lends to numerous safety risks in itself.
D Relocation of Pipeline Facilities in Rear Easements				
32	Rear Easement Relocation			This activity is driven by safety of the public and the company's team members. Access to facilities is essential for performing compliance, responding to leaks and damage incidents, and maintenance of the pipeline.

PEOPLES GAS SYSTEM, INC.
SAFIR Project Locations

Petition Section / Paragraph	Capital Replacement/Improvement Activity	Description of Project Locations for SAFIR	Locations Specific to 2025
A Pipeline Safety and Compliance Work			
18	MAOP and Material Specification Verification of Transmission Pipelines	Project locations are associated with the locations of the company's transmission lines. Primarily in the Jacksonville, Lakeland, and Tampa service areas.	· Tampa · Jacksonville · Lakeland (US 98) · Jupiter
19	Pipeline Pressurization Monitoring & Management	The projects involve the 1,700+ district regulator stations that are located throughout all 14 of the company's service areas.	· Tampa
22 & 23	Pipeline Damages and Leaks	The projects involve damages occurring throughout the company's system. There are service areas that historically have a higher percentage of damages. The service areas with a higher percentage of damages are typically the larger, more populated areas including Dade-Broward, Tampa, Orlando, and Jacksonville.	Throughout the company's system.
B Replacement of Other Problematic Pipeline			
25	Pipeline Span Improvements/Replacement	The projects will be located across the company's service area.	TBD based on compliance inspection results
25	Shallow Pipe Replacement	The currently identified project is in Margate, FL.	Margate, FL
26	Casings Improvements/Replacement	Projects are located throughout much of the company's service area; however, the majority of identified projects are located in the Dade-Broward, Jupiter, Jacksonville, Sarasota, and St. Petersburg service areas.	· Dade-Broward
27	Undetectable Facilities Improvements	The projects will be located across the company's service area.	TBD
C System Enhancement Projects			
30	Dade-Broward System Enhancement Project	The project is located primarily in the City of Miami with the impacted area starting north of the Miami River.	N/A
31	Southwest Florida System Enhancement Project	The project would be a 5-mile pipeline start from the company's North Fort Myers Gate Station at 18030 Babcock Ranch Road in Alva, Florida. The pipeline would run south into the service area for approximately five mile and ultimately connect to the existing feed.	N/A
D Relocation of Pipeline Facilities in Rear Easements			
32	Rear Easement Relocation	The projects will be located in the Dade-Broward, Tampa, St. Petersburg, Orlando, Jacksonville, Daytona, and Jupiter service areas.	TBD

Exhibit 2

PEOPLES GAS SYSTEM INC.
Safety of Facilities and Infrastructure Replacement
Capital Investment By Activity and Year

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	10-Yr Total	
CIGS & PPP Replacement (Existing Rider)	\$ 34,913,611	\$ 35,384,654	\$ 33,761,804	\$ 21,200,750	\$ 1,019,732	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,300,551
Pipeline Safety and Compliance Pipeline Work	\$ 7,054,000	\$ 1,180,000	\$ 4,110,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,344,000
MAOP and Material Verifications of Transmission Pipelines	\$ 2,549,102	\$ 2,012,031	\$ 3,070,833	\$ 2,114,594	\$ 2,730,755	\$ 1,872,882	\$ 1,915,638	\$ 1,960,005	\$ 2,005,085	\$ 2,051,202	\$ -	\$ 22,282,406
Pipeline Pressurization Monitoring & Management	\$ 18,274,048	\$ 18,353,094	\$ 18,698,478	\$ 19,272,500	\$ 19,575,069	\$ 19,575,069	\$ 19,575,069	\$ 19,575,069	\$ 19,575,069	\$ 19,575,069	\$ -	\$ 192,046,533
Retirement of Inactive Service Lines	\$ 27,677,150	\$ 21,545,125	\$ 25,879,310	\$ 21,387,095	\$ 22,305,824	\$ 21,447,931	\$ 21,491,007	\$ 21,555,074	\$ 21,560,154	\$ 21,626,271	\$ -	\$ 226,574,940
Pipeline Damages and Leaks	\$ 400,322	\$ 414,764	\$ 428,062	\$ 441,234	\$ 455,963	\$ 471,184	\$ 486,913	\$ 503,166	\$ 519,963	\$ 537,320	\$ -	\$ 4,658,890
Replacement of Problematic Pipeline	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Spans	\$ 2,301,610	\$ 2,373,819	\$ 2,440,312	\$ 2,506,170	\$ 2,579,815	\$ 2,649,271	\$ 2,719,815	\$ 2,790,815	\$ 2,862,815	\$ 2,935,815	\$ -	\$ 23,300,802
Shallow and Exposed Pipe	\$ 4,461,061	\$ 4,664,270	\$ 4,864,270	\$ 5,064,270	\$ 5,264,270	\$ 5,464,270	\$ 5,664,270	\$ 5,864,270	\$ 6,064,270	\$ 6,264,270	\$ -	\$ 59,193,672
Pipelines Within Casings	\$ 6,162,993	\$ 7,452,853	\$ 7,532,853	\$ 8,549,441	\$ 5,437,812	\$ 2,750,989	\$ 2,766,728	\$ 2,782,962	\$ 2,799,778	\$ 2,817,135	\$ -	\$ 48,153,365
Undetectable Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
System Enhancement Project Reducing Risk of Loss of Service to Critical Customers	\$ -	\$ -	\$ 8,000,000	\$ 9,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,000,000
Miami Area Project	\$ -	\$ 11,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,000,000
Southwest Florida Area Project	\$ -	\$ -	\$ 8,000,000	\$ 9,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,000,000
Risk-Based Relocation of Facilities Located in Rear Easements	\$ 3,369,362	\$ 3,637,830	\$ 3,714,721	\$ 3,900,457	\$ 4,095,480	\$ 4,300,264	\$ 4,515,267	\$ 4,741,030	\$ 4,978,032	\$ 5,226,986	\$ -	\$ 42,379,471
TOTAL All Activities	\$ 74,323,115	\$ 78,920,461	\$ 78,908,480	\$ 61,137,743	\$ 32,856,849	\$ 28,499,185	\$ 28,773,002	\$ 29,059,066	\$ 29,356,014	\$ 29,670,392	\$ -	\$ 471,506,326
Total Expanded Activities (i.e., excludes CIGS & PPP)	\$ 39,409,504	\$ 43,535,807	\$ 45,126,677	\$ 39,936,993	\$ 31,839,117	\$ 28,499,185	\$ 28,773,002	\$ 29,059,066	\$ 29,356,014	\$ 29,670,392	\$ -	\$ 345,207,775

Exhibit 3

PEOPLES GAS SYSTEM, INC.
Safety of Facilities & Infrastructure Replacement
Return on Capital Investments, Depreciation and Taxes for Eligible Replacements
January 2025 to December 2025
(In Dollars)

Line	Description	Beginning of Period/Amount (E)	January	February	March	April	May	June	July	August	September	October	November	December	Total
1.	Investments														
	a. Eligible Replacements - Mains	\$ 455,614	\$ 402,917	\$ 388,446	\$ 262,626	\$ 277,396	\$ 318,871	\$ 250,114	\$ 255,132	\$ 301,637	\$ 332,293	\$ 312,389	\$ 349,184	\$ 3,906,619	
	b. Eligible Replacements - Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	c. Eligible Replacements - Regulators	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	d. Eligible Replacements - Mains	\$ 1,971,427	\$ 2,415,406	\$ 2,309,233	\$ 2,071,789	\$ 2,180,158	\$ 2,359,534	\$ 1,979,440	\$ 2,294,711	\$ 2,712,986	\$ 2,988,719	\$ 2,809,693	\$ 3,140,633	\$ 29,213,729	
	e. Eligible Replacements - Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	f. Eligible Replacements - Regulators	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	g. Exp. & MAOP/Material Verification - Mains (Steel)	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 587,833	\$ 7,054,000	
	h. Pressurization Monitoring/Maint. - Mains & Reg Station Exp Chy	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 212,425	\$ 2,549,102	
	EXP j. Inactive Service Line Retirement - Services (Steel)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXP k. Inactive Service Line Retirement - Services (Plastic)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXP l. Damages/Leaks - Mains (Steel)	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 834,004	\$ 10,008,048	
	EXP m. Damages/Leaks - Mains (Plastic)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXP n. Damages/Leaks - Services (Steel)	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 688,833	\$ 8,266,000	
	EXP o. Spans - Mains (Plastic)	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 33,360	\$ 400,322	
	EXP p. Spans - Mains (Steel)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXP q. Shallow & Exposed Pipe - Mains (Steel)	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 88,333	\$ 1,000,000	
	EXP r. Shallow & Exposed Pipe - Mains (Plastic)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXP s. Casings - Mains (Steel)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXP t. Casings - Mains (Plastic)	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 191,801	\$ 2,301,610	
	EXP u. Undetectable Facilities - Mains (Plastic)	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 371,755	\$ 4,461,061	
	EXP v. Rear Easements - Mains (Plastic)	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 184,572	\$ 2,214,862	
	EXP w. Rear Easements - Mains (Steel)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXP x. Rear Easements - Services (Plastic)	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 96,208	\$ 1,154,500	
	EXP y. Rear Easements - Services (Steel)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	CBS First \$1,000,000 Adjustment to Rate Base	\$ (455,614)	\$ (402,917)	\$ (388,446)	\$ (262,626)	\$ (277,396)	\$ (318,871)	\$ (250,114)	\$ (255,132)	\$ (301,637)	\$ (332,293)	\$ (312,389)	\$ (349,184)	\$ (3,906,619)	
	CBS Cleanings to Plant	\$ 316,033	\$ 237,025	\$ 363,001	\$ 345,732	\$ 336,033	\$ 352,480	\$ 292,510	\$ 285,674	\$ 312,918	\$ 333,089	\$ 317,962	\$ 344,165	\$ 383,623	
	PPP Cleanings to Plant	\$ 2,201,366	\$ 2,476,866	\$ 2,381,871	\$ 2,185,629	\$ 2,238,445	\$ 2,343,406	\$ 2,072,367	\$ 2,285,589	\$ 2,601,575	\$ 2,836,228	\$ 2,740,081	\$ 3,005,689	\$ 29,369,112	
	EXP Cleanings to Plant	\$ 2,843,803	\$ 2,953,884	\$ 3,036,444	\$ 3,098,364	\$ 3,144,805	\$ 3,179,635	\$ 3,205,757	\$ 3,225,349	\$ 3,240,043	\$ 3,251,064	\$ 3,259,329	\$ 3,265,528	\$ 37,704,007	
2.	Gross Plant-in-Service/Depreciation Base	\$ 14,399,067.39	\$ 19,760,270	\$ 25,428,044	\$ 31,203,361	\$ 36,839,086	\$ 42,558,369	\$ 48,433,889	\$ 54,004,524	\$ 59,801,137	\$ 65,955,673	\$ 72,376,054	\$ 78,693,427	\$ 85,308,810	
3.	Less: Accumulated Depreciation	\$ 112,020	\$ 82,676	\$ 42,392	\$ (9,036)	\$ (71,406)	\$ (144,863)	\$ (229,677)	\$ (325,380)	\$ (432,326)	\$ (551,058)	\$ (681,978)	\$ (824,937)	\$ (972,651)	
4.	CWIP - Noninterest Bearing	\$ 4,009,666	\$ 4,081,423	\$ 4,140,442	\$ 4,129,557	\$ 4,151,653	\$ 4,218,663	\$ 4,161,708	\$ 4,199,064	\$ 4,343,275	\$ 4,528,032	\$ 4,616,866	\$ 4,775,426	\$ 4,925,299	
5.	Net Book Value (Lines 2 + 3 + 4)	\$ 18,685,310.23	\$ 23,921,955	\$ 29,592,143	\$ 35,392,195	\$ 40,959,307	\$ 46,638,616	\$ 52,507,683	\$ 57,936,555	\$ 63,674,820	\$ 69,866,622	\$ 76,353,028	\$ 82,628,315	\$ 89,259,299	
6.	Average Net Book Value	\$ 21,303,634	\$ 26,757,050	\$ 32,492,169	\$ 38,175,751	\$ 43,798,861	\$ 49,573,149	\$ 55,222,119	\$ 60,805,687	\$ 66,770,721	\$ 73,109,826	\$ 79,490,672	\$ 85,943,807	\$ 92,331	
7.	Return on Average Net Book Value	\$ 113,745	\$ 142,862	\$ 173,483	\$ 203,830	\$ 233,854	\$ 264,683	\$ 294,844	\$ 324,657	\$ 356,506	\$ 390,351	\$ 424,421	\$ 458,876	\$ 493,311	
	a. Equity component/Grossed up for taxes (A)	\$ 32,712	\$ 41,085	\$ 49,891	\$ 58,618	\$ 67,533	\$ 76,119	\$ 84,794	\$ 93,367	\$ 102,527	\$ 112,260	\$ 122,058	\$ 131,967	\$ 141,972	
	b. Debt Component (B)	\$ 146,457	\$ 183,947	\$ 223,374	\$ 253,374	\$ 266,488	\$ 288,564	\$ 310,050	\$ 330,190	\$ 353,139	\$ 378,091	\$ 402,361	\$ 426,909	\$ 451,339	
8.	Investment Expenses	\$ 21,946	\$ 32,382	\$ 43,323	\$ 54,467	\$ 65,409	\$ 76,503	\$ 87,846	\$ 99,742	\$ 109,985	\$ 121,771	\$ 133,960	\$ 145,997	\$ 157,997	
	a. Depreciation (C)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	b. Amortization	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 18,780	\$ 225,360	
	c. Property Taxes (D)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (3,039)	\$ (36,467)	
	d. Depreciation Savings	\$ 184,144	\$ 232,071	\$ 282,438	\$ 332,656	\$ 382,257	\$ 433,046	\$ 483,225	\$ 532,507	\$ 584,759	\$ 640,123	\$ 696,180	\$ 752,581	\$ 809,637	
9.	Revenue Requirements (Lines 7 + 8)	\$ 172,856	\$ 191,567	\$ 212,557	\$ 233,287	\$ 253,331	\$ 274,527	\$ 295,094	\$ 314,765	\$ 337,420	\$ 363,209	\$ 389,722	\$ 416,614	\$ 444,951	
	a. CBS/PPP excluding True-up (Existing CBS Rider)	\$ 11,288	\$ 40,503	\$ 69,881	\$ 99,369	\$ 128,925	\$ 158,519	\$ 188,131	\$ 217,742	\$ 247,339	\$ 276,914	\$ 306,458	\$ 335,967	\$ 365,476	
	b. Expansion Items for SA/R	\$ (295,193)	\$ (180,841)	\$ (76,328)	\$ (34,082)	\$ (16,614)	\$ (8,292)	\$ (4,286)	\$ (2,217)	\$ (1,162)	\$ (600)	\$ (300)	\$ (150)	\$ (75)	
10.	Est. 2024 True-up (CBS/PPP Only)	\$ 180,841	\$ (476,034)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	a. Est. 2024 True-up (CBS/PPP Only)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	b. Long-term Debt True-up (Jan - Jun 2024)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11.	Revenue Requirements Net of Est Projected Recovery	\$ 479,337	\$ 711,408	\$ 993,846	\$ 1,326,502	\$ 1,708,758	\$ 2,141,805	\$ 2,625,030	\$ 3,157,537	\$ 3,742,296	\$ 4,382,419	\$ 5,078,598	\$ 5,831,180	\$ 6,643,763	

PEOPLES GAS SYSTEM, INC.
Safety of Facilities & Infrastructure Replacement
SAFIR Surcharge Calculation
January 2025 Through December 2025

Exhibit 4

RATE SCHEDULE	MAINS NET PLANT*	SERVICES NET PLANT*	TOTAL NET PLANT*	% OF TOTAL PLANT	SAFIR REVENUES	PROJECTED THERM SALES	Revised		AVG. SAFIR THERMS PER BILL	AVG. SAFIR CHARGE PER BILL
							SAFIR SURCHARGE PER THERM	SAFIR SURCHARGE PER THERM		
RS, RS-SG & RS-HP	\$ 243,510,379	\$ 378,346,643	\$ 621,857,022	34.72%	\$ 2,024,333	91,766,151	\$0.02206	\$0.02206	63	\$ 0.82
SGS	\$ 25,400,386	\$ 15,745,257	\$ 41,145,643	2.30%	\$ 133,942	10,332,885	\$0.01296	\$0.01296	408 (GS1)	\$ 3.34
GS-1, CS-SG, & CS-HP	\$ 220,747,691	\$ 34,610,695	\$ 255,358,386	14.26%	\$ 831,269	101,545,895	\$0.00819	\$0.00819	1,517	\$ 11.48
GS-2	\$ 320,669,194	\$ 12,978,605	\$ 333,647,799	18.63%	\$ 1,086,124	143,576,246	\$0.00756	\$0.00756	7,865	\$ 58.37
GS-3	\$ 181,708,434	\$ 1,883,068	\$ 183,591,501	10.25%	\$ 597,646	80,534,023	\$0.00742	\$0.00742	33,699	\$ 177.81
GS-4	\$ 109,694,165	\$ 423,136	\$ 110,117,301	6.15%	\$ 358,465	67,937,002	\$0.00528	\$0.00528	83,499	\$ 301.40
GS-5	\$ 187,853,902	\$ 747,199	\$ 188,601,101	10.53%	\$ 613,954	170,087,415	\$0.00361	\$0.00361	1,498	\$ 8.65
CSLS	\$ 956,317	\$ -	\$ 956,317	0.05%	\$ 3,113	539,245	\$0.00577	\$0.00577	24,001	\$ 102.40
WHS	\$ 6,372,784	\$ 44,698	\$ 6,417,482	0.36%	\$ 20,891	4,896,295	\$0.00427	\$0.00427	138,669	\$ 279.25
SIS	\$ 27,183,515	\$ 610,012	\$ 27,793,527	1.55%	\$ 90,476	44,928,911	\$0.00201	\$0.00201	947,007	\$ 454.92
IS	\$ 21,502,743	\$ 297,849	\$ 21,800,592	1.22%	\$ 70,968	147,733,131	\$0.00048	\$0.00048	\$0.00000	\$ -
ISLV	\$ -	\$ -	\$ -	0.00%	\$ -	0	\$0.00000	\$0.00000		
TOTAL	\$1,345,599,510	\$445,687,161	\$1,791,286,672	100%	\$ 5,831,180	863,877,199				

* Source: Data in these columns are from Schedule H-2 of the Cost of Service Study approved in Peoples' most recent rate case.

PEOPLES GAS SYSTEM, INC.
Safety of Facilities & Infrastructure Replacement
SAFIR Modifications Only (Excludes CIBS & PPP) Surcharge Calculation
2025 - 2034 Summary

RATE SCHEDULE	2025			2026			2027			2028			2029		
	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL
RS, RS-SG & RS-HP	\$ 727,179	\$ 0.00792	RS-1 = \$ 0.04 RS-2 = \$ 0.10 RS-3 = \$ 0.28	\$ 2,461,648	\$ 0.02595	RS-1 = \$ 0.13 RS-2 = \$ 0.34 RS-3 = \$ 0.91	\$ 4,270,306	\$ 0.04335	RS-1 = \$ 0.22 RS-2 = \$ 0.56 RS-3 = \$ 1.52	\$ 5,982,439	\$ 0.05870	RS-1 = \$ 0.29 RS-2 = \$ 0.76 RS-3 = \$ 2.05	\$ 7,437,014	\$ 0.07066	RS-1 = \$ 0.35 RS-2 = \$ 0.92 RS-3 = \$ 2.47
SGS	\$ 48,114	\$ 0.00466	\$ 0.29	\$ 162,877	\$ 0.01606	\$ 0.98	\$ 282,548	\$ 0.02733	\$ 1.69	\$ 395,833	\$ 0.03769	\$ 2.30	\$ 492,076	\$ 0.04616	\$ 2.82
GS-1, CS-SG, & CS-HP	\$ 298,607	\$ 0.00294	\$ 1.20	\$ 1,010,847	\$ 0.00983	\$ 4.01	\$ 1,753,552	\$ 0.01664	\$ 6.79	\$ 2,456,619	\$ 0.02283	\$ 9.31	\$ 3,053,924	\$ 0.02783	\$ 11.35
GS-2	\$ 390,156	\$ 0.00272	\$ 4.12	\$ 1,320,759	\$ 0.00927	\$ 13.41	\$ 2,291,167	\$ 0.01583	\$ 22.87	\$ 3,209,785	\$ 0.02190	\$ 31.51	\$ 3,990,215	\$ 0.02690	\$ 38.53
GS-3	\$ 214,686	\$ 0.00267	\$ 20.97	\$ 726,755	\$ 0.00890	\$ 70.90	\$ 1,260,727	\$ 0.01515	\$ 120.89	\$ 1,766,202	\$ 0.02089	\$ 166.55	\$ 2,195,637	\$ 0.02560	\$ 204.19
GS-4	\$ 128,767	\$ 0.00190	\$ 63.87	\$ 435,904	\$ 0.00844	\$ 250.81	\$ 756,178	\$ 0.01464	\$ 435.09	\$ 1,059,359	\$ 0.02051	\$ 609.53	\$ 1,316,933	\$ 0.02549	\$ 757.73
GS-5	\$ 220,544	\$ 0.00130	\$ 108.27	\$ 746,586	\$ 0.00370	\$ 319.06	\$ 1,295,128	\$ 0.00634	\$ 550.65	\$ 1,814,396	\$ 0.00877	\$ 767.51	\$ 2,255,549	\$ 0.01076	\$ 949.31
CCLS	\$ 1,118	\$ 0.00207	\$ 3.11	\$ 3,786	\$ 0.00721	\$ 10.51	\$ 6,567	\$ 0.01251	\$ 18.24	\$ 9,200	\$ 0.01752	\$ 25.55	\$ 11,437	\$ 0.02178	\$ 31.76
WHS	\$ 7,504	\$ 0.00153	\$ 36.79	\$ 25,404	\$ 0.00550	\$ 151.21	\$ 44,069	\$ 0.00955	\$ 262.31	\$ 61,738	\$ 0.01338	\$ 367.48	\$ 76,749	\$ 0.01663	\$ 456.83
SIS	\$ 32,501	\$ 0.00072	\$ 100.31	\$ 110,022	\$ 0.00232	\$ 327.45	\$ 190,859	\$ 0.00403	\$ 566.03	\$ 267,382	\$ 0.00564	\$ 795.78	\$ 332,393	\$ 0.00701	\$ 989.26
IS	\$ 25,483	\$ 0.00017	\$ 163.42	\$ 86,299	\$ 0.00055	\$ 553.20	\$ 149,705	\$ 0.00095	\$ 959.65	\$ 209,728	\$ 0.00134	\$ 1,344.41	\$ 280,721	\$ 0.00166	\$ 1,671.29
ISLV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,094,670			\$ 7,090,885			\$ 12,300,804			\$ 17,232,680			\$ 21,422,647		

PEOPLES GAS SYSTEM, INC.
Safety of Facilities & Infrastructure Replacement
SAFIR Modifications Only (Excludes CIBS & PPP) Surcharge Calculation
2025 - 2034 Summary

RATE SCHEDULE	2030			2031			2032			2033			2034		
	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL	REVENUE REQUIREMENT	SURCHARGE PER THERM	AVG CHG PER BILL
RS, RS-SG & RS-HP	\$ 8,611,731	\$ 0.07938	RS-1 = \$ 0.40 RS-2 = \$ 1.03 RS-3 = \$ 2.78	\$ 9,682,659	\$ 0.08671	RS-1 = \$ 0.47 RS-2 = \$ 1.22 RS-3 = \$ 3.27	\$ 10,733,628	\$ 0.09347	RS-1 = \$ 0.59 RS-2 = \$ 1.29 RS-3 = \$ 3.49	\$ 11,767,089	\$ 0.09958	RS-1 = \$ 0.69 RS-2 = \$ 1.29 RS-3 = \$ 3.49	\$ 12,763,429	\$ 0.10525	RS-1 = \$ 0.63 RS-2 = \$ 1.37 RS-3 = \$ 3.68
SGS	\$ 569,802	\$ 0.05270	\$ 3.21	\$ 640,660	\$ 0.05843	\$ 3.56	\$ 710,199	\$ 0.06392	\$ 3.90	\$ 778,578	\$ 0.06926	\$ 4.22	\$ 845,825	\$ 0.07431	\$ 4.53
GS-1, CS-SG, & CS-HP	\$ 3,536,307	\$ 0.03162	\$ 12.90	\$ 3,976,072	\$ 0.03482	\$ 14.25	\$ 4,407,640	\$ 0.03805	\$ 15.52	\$ 4,832,019	\$ 0.04106	\$ 16.75	\$ 5,249,367	\$ 0.04388	\$ 17.91
GS-2	\$ 4,620,491	\$ 0.03080	\$ 43.90	\$ 5,195,081	\$ 0.03426	\$ 48.58	\$ 5,758,963	\$ 0.03759	\$ 53.00	\$ 6,313,450	\$ 0.04085	\$ 57.22	\$ 6,858,752	\$ 0.04395	\$ 61.22
GS-3	\$ 2,542,450	\$ 0.02922	\$ 232.79	\$ 2,858,622	\$ 0.03240	\$ 257.58	\$ 3,168,900	\$ 0.03545	\$ 280.27	\$ 3,474,010	\$ 0.03842	\$ 302.73	\$ 3,774,065	\$ 0.04122	\$ 323.92
GS-4	\$ 1,524,949	\$ 0.02952	\$ 877.42	\$ 1,714,587	\$ 0.03319	\$ 986.53	\$ 1,900,691	\$ 0.03679	\$ 1,093.61	\$ 2,083,695	\$ 0.04034	\$ 1,198.90	\$ 2,263,666	\$ 0.04382	\$ 1,302.46
GS-5	\$ 2,611,825	\$ 0.01246	\$ 1,099.26	\$ 2,936,624	\$ 0.01401	\$ 1,235.96	\$ 3,255,369	\$ 0.01553	\$ 1,370.11	\$ 3,566,804	\$ 0.01703	\$ 1,502.03	\$ 3,877,047	\$ 0.01850	\$ 1,631.76
CSLS	\$ 13,243	\$ 0.02522	\$ 36.78	\$ 14,890	\$ 0.02836	\$ 41.35	\$ 16,507	\$ 0.03144	\$ 45.84	\$ 18,096	\$ 0.03447	\$ 50.25	\$ 19,659	\$ 0.03744	\$ 54.59
WHS	\$ 88,872	\$ 0.01926	\$ 528.99	\$ 99,924	\$ 0.02165	\$ 594.77	\$ 110,770	\$ 0.02400	\$ 659.33	\$ 121,435	\$ 0.02631	\$ 722.81	\$ 131,923	\$ 0.02858	\$ 785.25
SIS	\$ 384,886	\$ 0.00812	\$ 1,145.52	\$ 432,761	\$ 0.00913	\$ 1,287.97	\$ 479,733	\$ 0.01012	\$ 1,427.77	\$ 525,923	\$ 0.01110	\$ 1,585.24	\$ 571,348	\$ 0.01205	\$ 1,700.43
IS	\$ 301,904	\$ 0.00193	\$ 1,935.28	\$ 339,447	\$ 0.00216	\$ 2,175.94	\$ 376,291	\$ 0.00240	\$ 2,412.12	\$ 412,522	\$ 0.00263	\$ 2,644.37	\$ 448,152	\$ 0.00286	\$ 2,872.77
ISLV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 24,806,471			\$ 27,891,327			\$ 30,918,692			\$ 33,895,620			\$ 36,823,234		

**PEOPLES GAS SYSTEM, INC.
DOCKET NO. 20240107-GU
STAFF'S THIRD DATA REQUEST
REQUEST NO. 3
BATES PAGE(S): 10
FILED: OCTOBER 7, 2024**

- 3.** Referring to paragraph 23 of the petition, which states that capital investment for pipeline replacement costs due to third-party damages and other leaks have increased over 100 percent since 2019. Please state what costs for pipeline replacement, due to third-party damages, were included in Peoples' MFRs for its 2023 rate case. If none, please explain why Peoples did not request recovery of these costs at that time.

- A.** The capital investment for main and service line replacements due to third-party damages and other leaks for the projected test year (2024) and previous years was included in Peoples' 2023 rate case in MFR Schedule A-3: Executive Summary Jurisdictional Rate Base and various other MFRs related to capital, within FERC Accounts 376 Main-Steel, 376.02 Mains-Plastic, 380 Service Lines-Steel, and 380.02 Service Lines-Plastic. The company is currently recovering its investment in these replacement costs for 2024 and prior years through base rates; therefore, the company is not requesting recovery of those costs through the SAFIR rider. The company's request in the SAFIR petition is regarding incremental capital investment projected for these activities in the future 10-year period only.

**PEOPLES GAS SYSTEM, INC.
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STAFF'S THIRD DATA REQUEST
REQUEST NO. 4
BATES PAGE(S): 11
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- 4.** Referring to Peoples' response to staff's second data request No. 7, please clarify whether any dollar amount is currently in base rates for each new activity requested (meaning the dollar amounts projected in the SAFIR petition represent incremental amounts to what is already in base rates).

- A.** Capital investment by the company in prior years through 2024 for some activities requested to be eligible for recovery through the SAFIR petition are included in the rate base approved by the Commission in Peoples' 2023 rate case. This includes pipeline damages and leaks, spans, and casings. The investment dollars for the projected 10-year period in the SAFIR petition are incremental to rate base for all activities and are not currently being recovered by the company through base rates.

**PEOPLES GAS SYSTEM, INC.
DOCKET NO. 20240107-GU
STAFF'S THIRD DATA REQUEST
REQUEST NO. 5
BATES PAGE(S): 12
FILED: OCTOBER 7, 2024**

- 5.** Please explain why the transmission pipeline validation work must be completed by 2028, as stated in paragraph 18 of the petition.
 - A.** According to 49 CFR 192.624, operators must complete all actions required by this subsection of the rule for 50 percent of the pipeline mileage by July 3, 2028, and the remaining mileage by July 2, 2035. Peoples has included the completion of the projects in its request with the SAFIR petition to ensure compliance with this requirement for the first 50 percent of transmission pipeline mileage. The costs that may be incurred beyond 2028 are currently unknown as the company is still determining if it has traceable, verifiable, and complete records as required by the rule for the remaining pipeline mileage.