

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of 2022 true-up, projected 2023 true-up, and 2024 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider, by Peoples Gas System.

DOCKET NO. 20230098-GU  
ORDER NO. PSC-2023-0301-PCO-GU  
ISSUED: October 10, 2023

ORDER SUSPENDING TARIFF

BY THE COMMISSION:

On September 1, 2023, Peoples Gas System, Inc. (Peoples or utility) filed a petition for approval of the 2022 true-up, projected 2023 true-up, and 2024 revenue requirements and surcharges associated with its cast iron/bare steel (CI/BS) pipe replacement rider. The rider was originally approved in Order No. PSC-12-0476-TRF-GU (2012 Order) to recover the cost of accelerating the replacement of cast iron and bare steel pipes through a surcharge on customers' bills.<sup>1</sup> As established by the 2012 Order, Peoples would roll replaced infrastructure into rate base during a rate case, and the CI/BS surcharge would be "reset to zero."<sup>2</sup> The surcharge is set to terminate when all applicable CI/BS pipes have been replaced and included in rate base. During the 2020 Peoples rate case, CI/BS investments as of December 31, 2020, were moved into rate base pursuant to Order No. PSC-2020-0485-FOF-GU.<sup>3</sup>

Currently, Peoples has an ongoing rate case in Docket No. 20230023-GU and has proposed to move CI/BS investments made between January 1, 2021, and December 31, 2023, into rate base. The parties reached a Type 2 stipulation on the issue, which we approved at the beginning of the hearing on September 12, 2023.<sup>4</sup>

As part of its petition in the subject docket, Peoples is requesting our approval of the final true-up amount for the calendar year of 2022 of \$787,888 under-recovery (including interest). Additionally, Peoples is requesting an estimated end of period total true-up for 2023 of an under-recovery of \$10,683, and projected capital expenditures for replacement during 2024 of \$18,802,302. Peoples is also requesting approval of revised CI/BS replacement rider surcharges that would go into effect January 1, 2024. Peoples' current surcharges were approved in Order No. PSC-2022-0405-TRF-GU.<sup>5</sup>

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<sup>1</sup> Order No. PSC-12-0476-TRF-GU, issued September 18, 2012, in Docket No. 20110320-GU, *In re: Petition for approval of Cast Iron/Bare Steel Pipe Replacement Rider (Rider CI/BSR), by Peoples Gas System.*

<sup>2</sup> See page 3 of Order No. PSC-12-0476-TRF-GU.

<sup>3</sup> Order No. PSC-2020-0485-FOF-GU, issued December 10, 2020, in Docket No. 20200051-GU, *In re: Petition for rate increase by Peoples Gas System.*

<sup>4</sup> See page 46, Issue 14 in Order No. PSC-2023-0273-PHO-GU, in Docket No. 20230023-GU.

<sup>5</sup> Order No. PSC-2022-0405-TRF-GU, issued November 21, 2022, in Docket No. 20220152-GU, *In re: Petition for approval of 2021 true-up, projected 2022 true-up, and 2023 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider, by Peoples Gas System.*

Our staff issued a data request to the utility on September 19, 2023, to which responses are pending. We have jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

Decision

Peoples' proposed revised CI/BS rates and associated tariff for the period January through December 2024 shall be suspended to allow our staff sufficient time to review the petition and gather all pertinent information in order to present us with an informed recommendation on the tariff proposal.

Pursuant to Section 366.06(3), F.S., we may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change a reason or written statement of good cause for doing so within 60 days. We find that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Peoples Gas System, Inc.'s proposed revised CI/BS rates and associated tariff for the period January through December 2024 be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present us with an informed recommendation on the tariff proposals. It is further

ORDERED that this docket shall remain open pending our decision on the proposed tariff.

By ORDER of the Florida Public Service Commission this 10th day of October, 2023.



ADAM J. TEITZMAN

Commission Clerk

Florida Public Service Commission

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.