

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment (PGA) true-up. | DOCKET NO. 20240003-GU
ORDER NO. PSC-2024-0480-FOF-GU
ISSUED: November 21, 2024

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman
ART GRAHAM
GARY F. CLARK
ANDREW GILES FAY
GABRIELLA PASSIDOMO

FINAL ORDER APPROVING PURCHASED GAS ADJUSTMENT TRUE-UP AMOUNTS
AND ESTABLISHING PURCHASED GAS COST RECOVERY FACTORS TO BE APPLIED
DURING THE PERIOD OF JANUARY 2025 THROUGH DECEMBER 2025

APPEARANCES:

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South
Monroe St., Suite 601, Tallahassee, Florida 32301-1804 215 South Monroe St.,
Suite 601, Tallahassee, Florida 32301-1804
On behalf of Florida City Gas (FCG) and Florida Public Utilities Company (FPUC).

J. JEFFRY WAHLEN, MALCOLM M. MEANS, and VIRGINIA PONDER,
ESQUIRES, Ausley Law Firm, Post Office Box 391, Tallahassee, Florida 32302-
1517
On behalf of Peoples Gas System, Inc. (PGS).

WALT TRIERWEILER, CHARLES J. REHWINKEL, PATRICIA A.
CHRISTENSEN, MARY WESSLING, OCTAVIO PONCE, and AUSTIN
WATROUS, ESQUIRES, Office of Public Counsel, c/o The Florida Legislature,
111 W. Madison Street, Room 812, Tallahassee, Florida 32399-1400
On behalf of Office of Public Counsel (OPC).

DANIEL DOSE, ESQUIRE, Florida Public Service Commission, 2540 Shumard
Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission (Staff).

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Advisor to the Florida Public Service Commission.

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
Florida Public Service Commission General Counsel.

BY THE COMMISSION:

I. Background

As part of our continuing purchased gas adjustment (PGA) true-up proceedings, an administrative hearing was held in this docket on November 5, 2024. St. Joe Natural Gas Company, Inc. was excused from attending the hearing. Florida City Gas (FCG), Florida Public Utilities Company (FPUC), Peoples Gas System, and St. Joe Natural Gas Company, Inc. (collectively, Gas Utilities) submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their proposed purchased gas recovery factors. The testimony and exhibits of the Gas Utilities, as well as responses to discovery, were placed into the record at hearing. The Office of Public Counsel (OPC) also participated in this proceeding. We are vested with jurisdiction over the subject matter by the provisions of Chapters 120 and 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, and 366.06, F.S.

Prior to the hearing, the parties reached Type 2 stipulations¹ on all issues identified for resolution at hearing, with the Gas Utilities agreeing to proposed stipulations on all issues and OPC taking no position on these proposed stipulations. The proposed stipulations were presented to us for approval. The proposed stipulations specified final and estimated true-up amounts and purchased gas cost recovery factors appropriate for each Gas Utility. We accept and approve the proposed stipulations as reasonable and supported by competent, substantial evidence of record, as set forth below.

II. Decision

FPUC and FCG are now owned by the same corporate parent, Chesapeake Utilities Corporation. Beginning in 2025, the corporate parent stated its desire to consolidate the

¹ A Type 2 stipulation occurs on an issue when the utility and the staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if they do not join in the agreement) do not object to us relying on the agreed language to resolve that issue in a final order. OPC's position on each Type 2 stipulation stated herein is as follows: The OPC takes no position on these issues nor does it have the burden of proof related to them. As such, OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or staff as a final resolution of these issues. No person is authorized to state that OPC is a participant in, or party to, a stipulation on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

purchased gas services and operations of FPUC and FCG. Although the factors derived from consolidated costs are likely to result in some subsidization of costs between FPUC and FCG customers, cost efficiencies are expected to materialize as well. Therefore, FPUC and FCG shall be authorized to consolidate their purchased gas costs and recovery amounts.

We find the appropriate final purchased gas adjustment true-up amounts for the period January 2023 through December 2023 are as follows:

FPUC/FCG	\$7,467,718	Over-recovery
Peoples Gas System	\$2,061,348	Over-recovery
St. Joe Natural Gas Company	\$48,495	Over-recovery

We find the appropriate actual/estimated purchased gas adjustment true-up amounts for the period January 2024 through December 2024 are as follows:

FPUC/FCG	\$4,156,132	Under-recovery
Peoples Gas System	\$345,340	Over-recovery
St. Joe Natural Gas Company	\$37,726	Over-recovery

We find the appropriate total purchased gas adjustment true-up amounts to be collected or refunded during the period January 2025 through December 2025 are as follows:

FPUC/FCG	\$3,311,586	Over-recovery
Peoples Gas System	\$2,406,687	Over-recovery
St. Joe Natural Gas Company	\$86,221	Over-recovery

We find the appropriate levelized purchased gas cost recovery (cap) factors for the period January 2025 through December 2025 are as follows:

FPUC/FCG	1.0015 dollars/therm
Peoples Gas System	1.00135 dollars/therm
St. Joe Natural Gas Company	0.98440 dollars/therm

The above purchased gas adjustment charges shall be effective for all meter readings on or after January 1, 2025, beginning with the first or applicable billing cycle for the period January 2025 through December 2025 and continuing until modified by subsequent order of this Commission.

III. Conclusion

We find that revised tariffs reflecting the new purchased gas adjustments charges found to be appropriate in this proceeding are approved. We direct Commission staff to verify that the revised tariffs filed by the utilities to reflect the new purchase gas adjustment charges are consistent with our decision.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations, findings, and rulings set forth in the body of this Order are hereby approved. It is further

ORDERED that Florida Public Utilities Company and Florida City Gas shall be authorized to consolidate their purchased gas costs and recovery amounts. It is further

ORDERED that each utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it. It is further

ORDERED that Commission staff shall verify that the revised tariffs reflecting the new purchased gas adjustment charges are consistent with our decision herein. It is further

ORDERED that the utilities named herein are authorized to collect the purchased gas adjustment amounts and use the factors approved herein effective with all meter readings on or after January 1, 2025, beginning with the first or applicable billing cycle for the period January 2025 through December 2025 and continuing until modified by subsequent order of this Commission. It is further

ORDERED that the purchased gas adjustment (PGA) true-up docket, while a separate docket number is assigned each year, is an on-going docket and shall remain open.

By ORDER of the Florida Public Service Commission this 21st day of November, 2024.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

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

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.

Any party adversely affected by the Commission's final action in this matter may request:

- 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, 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 and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.