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October 27, 2020

*VIA ELECTRONIC FILING*

Mr. Adam Teitzman  
Division of the Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

**Re: Docket No. 20200193-PU**  
**Florida City Gas - Statement of Estimated Regulatory Costs**

Dear Mr. Teitzman:

At the October 20, 2020 e-mail request of Sevini K. Guffey, Public Utility Analyst III, Division of Economics for the Florida Public Service Commission, Florida City Gas (FCG) herein submits this Statement of Estimated Regulatory Costs (SERC) that might result from the proposed revisions to Rule 25-7.039, Florida Administrative Code (F.A.C.), Natural Gas Utility Petition for Rate Increase; and Rule 25-22.0406, F.A.C., Notice and Public Information on General Rate Increase Requests and Petitions for Limited Proceedings by Electric and Gas Utilities.

FCG notes that on October 5, 2020, it submitted Post-Workshop Comments on Staff’s proposed amendments to Rules 25-7.039 and 25-22.0406, F.A.C., which are applicable to gas utilities. Within those comments, FCG included a SERC at the request of Staff. FCG has revisited the SERC questions and is pleased to report there has been no change in its position on the SERC issues. For completeness, FCG herein reproduces the SERC that was filed with its October 5, 2020 Post-Workshop Comments, as well as addresses the two specific questions contained in Ms. Guffey’s October 20, 2020 e-mail.

Section 120.54(3), Florida Statutes (F.S.), requires the Agency’s notice of intended action to consider the estimated regulatory cost factors enumerated in Section 120.541, F.S. FCG does not anticipate that Staff’s proposed amendments to Rule 25-22.0406, F.A.C., will have any adverse impact, either directly or indirectly:

Section 120.541(2)(a)(1) – on economic growth, private sector job creation or employment, or private sector investment in excess of \$1 million in the aggregate within 5 years after the implementation of the rule;

Section 120.541(2)(a)(2) – on business competitiveness, including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets,

productivity, or innovation in excess of \$1 million in the aggregate within 5 years after the implementation of the rule; or

Section 120.541(2)(a)(3)– to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule.

Further, FCG does not believe that the number of individuals and entities likely to be required to comply with Rules 25-7.039 and 25-22.0406, F.A.C., will change. In fact, as outlined in FCG’s October 5, 2020 Post-Workshop Comments, FCG submits the proposed revisions to the referenced Rule will actually facilitate a more efficient process that will likely reduce rather than increase costs.

Finally, FCG does not believe that implementing and enforcing Rules 25-7.039 and 25-22.0406, F.A.C., as amended by Staff will result in any additional cost to the Commission or to other state and local government entities, nor will there be any effect on state or local revenues.

Ms. Guffey’s October 20, 2020 e-mail asked the utilities to address the following two questions:

1. What are the estimated incremental cost impacts to implement, and comply with, the proposed modifications to Rule 25-7.039, F.A.C. Please explain.

*FCG Response:* As stated above, FCG believes that the proposed amendments to Rule 25-7.039, F.A.C., will not result in any incremental implementation or compliance cost impacts.

2. What are the estimated incremental cost impacts to implement, and comply with, the proposed modifications to Rule 25-22.0406, F.A.C. Please explain.

*FCG Response:* As stated above, FCG believes the proposed revisions to Rule 25-22.0406, F.A.C., will actually facilitate a more efficient process that will likely reduce rather than increase costs.

As stated in FCG’s Post-Workshop Comments submitted on October 5, 2020, FCG agrees with and strongly supports Staff’s proposed amendments to Rules 25-7.039 and 25-22.0406, F.A.C., with certain modifications and clarifications addressed in FCG’s Post-Workshop Comments. FCG again thanks Staff for its efforts to modernize Rules 25-7.039 and 25-22.0406, F.A.C.

Please let me know if there is anything else you will require from FCG in order to move this forward.

Sincerely,

/s/Christopher T. Wright  
Christopher T. Wright, Senior Attorney  
Authorized House Counsel No. 1007055

cc: Sevini K. Guffey, Public Utility Analyst III (Email: [sguffey@psc.state.fl.us](mailto:sguffey@psc.state.fl.us))

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by electronic delivery to the following parties of record this 27th day of October, 2020:

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/s/Christopher T. Wright  
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