



July 25, 2023

VIA ELECTRONIC FILING

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

Re: Docket No. 20230023-GU; Petition for Rate Increase by Peoples Gas System, Inc.

Docket No. 20220219-GU; Peoples Gas System's Petition for Rate Approval of 2022 Depreciation Study

Docket No. 20220212-GU; Peoples Gas System's Petition for Approval of Depreciation Rate and Subaccount for Renewable Natural Gas Facilities Leased to Others

Dear Mr. Teitzman:

Please find attached for filing on behalf of Peoples Gas System, Inc. in the above-mentioned docket:

1. Substituted Pages 36 and 37 of Donna L. Bluestone's Direct Testimony
2. Substitution of Document No. 7 of Donna L. Bluestone's Exhibit DLB-1

The revisions on pages 36 and 37, and to Document No. 7 conform to the company's revised response to Staff's Third Set of Interrogatories, Number 39 and its supplemental response to Staff's Third Request for Production, Number 11 filed on July 25, 2023.

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: All parties of record (w/att.)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Notice of Service, filed on behalf of Peoples Gas System, Inc., has been furnished by electronic mail on this 25th day of July 2023 to the following:

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ATTORNEY

1 Q. Do the actuarial assumptions and methods provide a
2 reasonable basis for determining the level of pension costs
3 to be included in the company's operating cost?
4

5 A. Yes, the actuarial assumptions used for the pension
6 valuation are reasonable both individually and in the
7 aggregate. The actuarial assumptions and methods are
8 reasonable and consistent with Financial Accounting
9 Standards Board standards and industry practice and provide
10 a reasonable basis for determining the level of pension
11 cost included in Peoples cost of service studies. The
12 company's pension costs are reflected in FERC Account 926
13 on MFR Schedule G-2, page 18.
14

15 Q. How does the company's pension plan and retirement savings
16 plan compare to industry standards?
17

18 A. The BENVAl study, Document No. 7 of my exhibit, shows
19 Peoples' retirement savings plans and pension plans are at
20 or above the median plan compared to the company's peer
21 group, which includes a total of 25 utilities. This
22 competitive position is driven by providing all three
23 elements of retirement savings - Defined Contribution,
24 Defined Benefit, and Stock Purchase plans.
25

1 Together the company's total employer contribution of about
2 11 percent is similar to the peer group median and the
3 general market median of about 7 percent. Peoples believes
4 these contribution levels are reasonable to maintain its
5 status as a competitive employer and support long-term
6 development of team members.

7

8 **2024 PROJECTED TEST YEAR PAYROLL COSTS**

9 **Q.** Has Peoples' added team members since 2020?

10

11 **A.** Yes. Peoples has added 85 team members since December 2020,
12 with 84 team members joining the company in 2022. The
13 majority of the additional headcount went to support the
14 company's system and customer growth, with 23 new team
15 members joining the Engineering, Construction and
16 Technology ("Engineering") team and 32 joining Gas
17 Operations, Sustainability and External Affairs
18 ("Operations") team.

19

20 **Q.** How did the company project its human resource needs in
21 2023 and 2024?




22















23 **A.** Peoples determined the need for additional human resources
24 by evaluating factors including customer growth, expansion

25

Executive Summary

Your benefits are:

-  Above market
-  Aligned with market
-  Varied from market

Benefit	Peer* Position	Market* Position
Retirement	Rank = 13 th Index = 102 	Rank = 75 th Index = 181 
Medical	Rank = 14 th Index = 100 	Rank = 185 th Index = 106 
Dental	Rank = 7 th Index = 116 	Rank = 72 nd Index = 137 
Paid Leave	Rank = 18 th Index = 96 	Rank = 309 th Index = 97 
Life Insurance	Rank = 14 th Index = 79 	Rank = 260 th Index = 100 
Short-Term Disability	Rank = 3 rd Index = 113 	Rank = 63 rd Index = 121 
Long-Term Disability	Rank = 2 nd Index = 141 	Rank = 34 th Index = 141 

59



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* 25 utility companies are in the custom peer group; 545 are in the general (for profit) peer group.

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 20230023-GU
 EXHIBIT NO. DLB-1
 WITNESS: BLUESTONE
 DOCUMENT NO. 7
 PAGE 1 OF 1
 FILED: 04/04/2023
 SUBSTITUED: 07/25/2023