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May 1, 2024

BY E-PORTAL

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

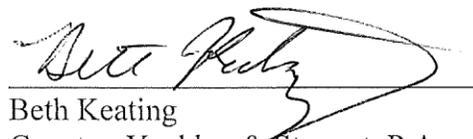
Re: Docket No. 20420003-GU –Purchased Gas Adjustment (PGA) True-Up.

Dear Mr. Teitzman:

Attached for electronic filing, please find Florida City Gas's Petition for Approval of Final 2023 True-Up, along with the Testimony and Exhibit MB-1 of Miguel Bustos.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Adjustment (PGA) True-Up

Docket No. 20240003-GU

Filed: May 1, 2024

**PETITION BY FLORIDA CITY GAS FOR APPROVAL OF
THE PURCHASED GAS ADJUSTMENT 2023 FINAL TRUE-UP**

Florida City Gas (“FCG” or “the Company”) hereby submits this petition to the Commission requesting approval of the final Purchased Gas Adjustment (“PGA”) true-up amount for the period of January 1, 2023 through December 31, 2023. In support thereof, FCG states as follows:

1. The Company is a natural gas utility with its principal office located at:

Florida City Gas
208 Wildlight Ave.
Yulee, FL 32097

2. Any pleading, motion, notice, order, or other document required to be served upon FCG or filed by any party to this proceeding should be served upon the following individuals:

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706
BKeating@gunster.com

Miguel Bustos, Manager/Regulatory
4045 NW 97 Ave.
Doral, Florida 33178
MBustos@chpk.com

3. The Commission has jurisdiction pursuant to Sections 366.04, 366.05, and 366.06, Florida Statutes (“F.S.”).

4. Natural gas utilities are permitted to seek recovery of the total costs incurred to procure and provide natural gas supply and capacity for their Sales Customers through a

reconcilable PGA Factor. Natural gas utilities are required to annually true-up any PGA over/under recoveries due to the differences between the amount of therms purchased by the utilities and the amount of therms sold to their Sales Customers. Interest on the true-up amounts accrues until such time as the true-up is either refunded to, or collected from the customers.¹

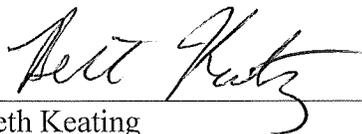
5. FCG herein seeks Commission approval of its final PGA true-up amount for the period of January 1, 2023 through December 31, 2023. In support, FCG submits the Direct Testimony of Miguel Bustos and Exhibit MB-1, which consists of Schedule A-7 prescribed by the Commission Staff for reporting the PGA true-up.

6. As explained in the Direct Testimony of Mr. Bustos, FCG's final, net PGA true-up amount (including margin sharing, interest, adjustments, and the estimated over/under recovery) for the period January 1, 2023 through December 31, 2023 is an over-recovery of \$2,096,549. *See* Exhibit MB-1, Line 7. This over-recovery will be included in FCG's projected PGA Factor for the period January 1, 2025 through December 31, 2025.

WHEREFORE, Florida City Gas respectfully requests that the Commission enter its order approving the Company's final, net PGA true-up amount for the period January 2023 through December 2023.

¹ *See In re: Investigation of Purchased Gas Adjustment Clauses Utilized by Regulated Natural Gas Distributors*, Order No. 10237, Docket No. 800645-GU, 1981 Fla. PUC LEXIS 249 (FPSC Aug. 26, 1981); *In re: Surveillance of purchased gas adjustments*, Order No. 11212, Docket No. 820003-GU, 1982 Fla. PUC LEXIS 261 (FPSC Sept. 29, 1982); *In re: Consideration of change in frequency and timing of hearings for fuel and purchased power cost recovery clause, capacity cost recovery clause, generating performance incentive factor, energy conservation cost recovery clause, purchased gas adjustment (PGA) true-up, and environmental cost recovery clause*, Order No. PSC-98-0691-FOF-PU, Docket No. 980269-PU, 1998 Fla. PUC LEXIS 841 (FPSC May 19, 1998).

Respectfully submitted this 1st day of May 2024:.



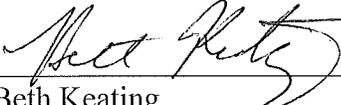
Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

Attorneys for Florida City Gas

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 1st day of May 2024:

Florida Public Utilities Company Mike Cassel 208 Wildlight Ave Yulee, Florida 32097 mcassel@fpuc.com	J. Jeffry Wahlen Malcolm Means Virginia Ponder Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302 jwahlen@ausley.com mmeans@ausley.com vponder@ausley.com
Daniel Dose, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 ddose@psc.state.fl.us discovery-gcl@psc.state.fl.us	Office of Public Counsel Walter Trierweiler/Charles Rehwinkel/Patricia Christensen//M. Wessling c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 christensen.patty@leg.state.fl.us Rehwinkel.Charles@leg.state.fl.us Wessling.Mary@leg.state.fl.us
Peoples Gas System Paula Brown/Karen Bramley/Nora Bordine P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com klbramley@tecoenergy.com nmbordine@tecoenergy.com	St. Joe Natural Gas Company, Inc. Andy Shoaf/Debbie Stitt P.O. Box 549 Port St. Joe, FL 32457-0549 Andy@stjoegas.com dstitt@stjoegas.com
Miguel Bustos, Manager/Regulatory Florida City Gas 4045 NW 97th Ave. Doral, FL 33178 mbustos@chpk.com	Michelle D. Napier Director, Regulatory Affairs Distribution Florida Public Utilities Company 1635 Meathe Drive West Palm Beach, Florida 33411 mnapier@fpuc.com


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Attorney for Florida City Gas

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **DOCKET NO. 20240003-GU**

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5 **FLORIDA CITY GAS**

6 **PURCHASED GAS ADJUSTMENT FINAL TRUE-UP AMOUNT**

7 **FOR THE PERIOD OF JANUARY 1, 2023 THROUGH DECEMBER 31, 2023**

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9 **DIRECT TESTIMONY OF MIGUEL BUSTOS**

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MAY 1, 2024

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Q. Please state your name and business address.

A. My name is Miguel Bustos. My business address is 4045 NW 97 Avenue, Doral, Florida 33178.

Q. By whom are you employed and in what capacity?

A. I am employed by Florida City Gas (“FCG” or “Company”) as Manager of Regulatory.

Q. What are your responsibilities as Manager of Governmental & Community Affairs?

A. I am responsible for managing FCG’s Purchased Gas Adjustment clause, the overall strategic design and management of the Company’s energy efficiency programs, as well as development of strategies of new business channels and emerging technologies. I am also responsible for providing direction and oversight for the Company’s implementation of governmental and community affairs. I have held these responsibilities since 2013.

Q. Please describe your prior work experience and responsibilities.

A. I began my career at FCG in 2003. I progressed through roles in operations, budgeting, accounting, and business operations. Prior to joining FCG, I was a corporate lead auditor in PricewaterhouseCoopers.

Q. What is your educational background?

A. I have a Bachelor of Science Degree in Accounting from the National Polytechnic Institute (Mexico City) and completed MBA coursework from the University of Americas.

1 **Q. Please explain the purpose of your testimony.**

2 A. The purpose of my testimony is to present FCG's Purchased Gas Adjustment ("PGA")
3 final true-up amount for the period of January 1, 2023 through December 31, 2023.

4 **Q. Has the Company prepared the form prescribed by this Commission for this**
5 **purpose?**

6 A. Yes. Attached to my testimony as Exhibit MB-1 is Schedule A-7, which is the PGA
7 true-up reporting form supplied by the Commission Staff. This schedule provides the
8 total actual fuel cost for the period in question, the total actual fuel revenues for that
9 the period, and the resulting over or under-recovery amount.

10 **Q. What was the total gas cost incurred by the Company during the period of**
11 **January 1, 2023 through December 31, 2023?**

12 A. The total cost of gas for this period is \$25,311,674, as shown on Line 1 of Exhibit MB-
13 1.

14 **Q. What was the total amount of gas revenues recovered through the PGA during**
15 **the period of January 1, 2023 through December 31, 2023?**

16 A. The Company recovered a total of \$15,898,066 through the PGA as shown on Line 2
17 of Exhibit MB-1.

18 **Q. What is the Company's actual over/under recovery amount for the period of**
19 **January 1, 2023 through December 31, 2023?**

20 A. The actual over/under recovery amount for this period, including margin sharing (Line
21 1a), adjustments (Line 3a), and interest (Line 4), is an under-recovery of \$8,380,948 as
22 shown on Line 5 of Exhibit MB-1.

1 **Q. What is the amount of estimated true-up for the period January 1, 2023 through**
2 **December 31, 2023 that was included in the PGA Factor being charged for the**
3 **period of January 2024 through December 2024 (“2024 PGA Factor”)?**

4 A. As shown on Line 6 of Exhibit MB-1, there was an estimated under-recovery of
5 \$10,477,497 for the period January 1, 2023 through December 31, 2023 that was
6 included in the 2024 PGA Factor.

7 **Q. What is the final, net PGA true-up amount for the period January 1, 2023 through**
8 **December 31, 2023?**

9 A. The final true-up amount, net of the estimated under-recovery included in the 2024
10 PGA Factor, is an over-recovery of \$2,096,549, as shown on Line 7 of FCG Exhibit
11 MB-1. This net over-recovery should be included in FCG’s projected PGA Factor for
12 the period January 1, 2025 through December 31, 2025.

13 **Q. Does this conclude your testimony?**

14 A. Yes.

COMPANY: FLORIDA CITY GAS		FINAL FUEL OVER/UNDER RECOVERY		SCHEDULE A-7
FOR THE PERIOD:		JANUARY 23	Through	DECEMBER 23
1	ACTUAL FUEL COST FOR THE PERIOD		<i>A-2 Line 3</i>	\$25,311,674
1a	OSS MARGIN SHARING		<i>A-2 Line 10b</i>	(\$1,095,697)
1b	TOTAL ACTUAL FUEL COST FOR THE PERIOD		<i>Line 1 +Line 1a</i>	\$24,215,977
2	TOTAL ACTUAL FUEL REVENUES FOR THE PERIOD		<i>A-2 Line 6</i>	\$15,898,066
3	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (Line 2- Line 1)		<i>Line 1b- Line 2</i>	(\$8,317,911)
3a	PRIOR PERIOD ADJUSTMENT			\$0
4	INTEREST PROVISION		<i>A-2 Line 8</i>	(\$63,037)
5	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (Lines 3 + 3a + 4)			(\$8,380,948)
6	LESS: ESTIMATED OVER/(UNDER) RECOVERY FOR THE PERIOD JAN 23 through DEC 23 WHICH WAS INCLUDED IN THE CURRENT PERIOD RECOVERY FACTOR (JAN 24 through DEC 24)			<u>(\$10,477,497)</u>
7	FINAL FUEL OVER/(UNDER) RECOVERY TO BE INCLUDED IN THE PROJECTED PERIOD (JAN 25 through DEC 25)		<i>Line 5- Line 6</i>	<u>\$2,096,549</u>