

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** September 19, 2024

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Economics (McClelland, Hampson) *EJD*  
Office of the General Counsel (Sandy) *JSC*

**RE:** Docket No. 20240135-GU – Petition for approval of swing service rider, by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

**AGENDA:** 10/01/24 – Regular Agenda – Tariff Suspension – Participation is at the Commission’s Discretion

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 11/02/24 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

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## Case Background

On September 3, 2024, Florida Public Utilities Company (FPUC or utility) filed a petition for approval of revised Swing Service Rider rates and associated tariffs for the period January 2025 through December 2025.

The Commission first approved FPUC’s swing service rider tariff by Order No. PSC-16-0422-TRF-GU (swing service order) and the initial swing service rider rates were in effect for the period March through December 2017.<sup>1</sup> The swing service rider requires FPUC to file an annual

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<sup>1</sup> Order No. PSC-16-0422-TRF-GU, issued October 3, 2016, in Docket No. 160085-GU, *In re: Joint petition for approval of swing service rider, by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.*

petition to recalculate the swing service rider rates based on the utility's actual interstate capacity costs and the most recent 12-months' usage data. Furthermore, the swing service order requires FPUC to incorporate the calculated revenues from the swing service rider as a credit to the Purchased Gas Adjustment (PGA) proceeding for the concurrent year. The January through December 2024 swing service rider rates were approved in Order No. PSC-2023-0358-TRF-GU.<sup>2</sup> The swing service rider is a cents per therm charge that is included in the monthly gas bill of transportation customers, who purchase gas from third party marketers, and therefore do not pay the PGA charge.<sup>3</sup>

This is staff's recommendation to suspend the proposed tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.041, 366.05, and 366.06, Florida Statutes (F.S.).

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<sup>2</sup> Order No. PSC-2023-0358-TRF-GU, issued November 28, 2023, Docket No. 20230096-GU, *In re: Petition for approval of swing service rider rates for January through December 2024, by Florida Public Utilities Company.*

<sup>3</sup> Add reference to DR1 here if it is submitted before Rec Day.

### **Discussion of Issues**

**Issue 1:** Should the Commission suspend FPUC's proposed revised Swing Service Rider rates and associated tariffs for the period January through December 2025?

**Recommendation:** Yes. Staff recommends that FPUC's proposed revised Swing Service Rider rates and associated tariffs for the period January through December 2025 be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposals. (McClelland)

**Staff Analysis:** Staff recommends that the FPUC's proposed revised Swing Service Rider rates and associated tariffs for the period January through December 2025 be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the tariff proposal.

Pursuant to Section 366.06(3), F.S., the Commission 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. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

**Issue 2:** Should this docket be closed?

**Recommendation:** No. This docket should remain open pending the Commission decision on the proposed revised tariffs. (Sandy)

**Staff Analysis:** This docket should remain open pending the Commission decision on the proposed revised tariffs.