BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Natural Gas Conservation Cost Recovery.

DOCKET NO. 20250004-GU

FILED: October 10, 2025

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to the Orders Establishing Procedure in this docket, Order No. PSC-2025-0051-PCO-GU, issued February 10, 2025, hereby submit this Prehearing Statement.

APPEARANCES:

Walt Trierweiler Public Counsel

Charles Rehwinkel Deputy Public Counsel

Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, Florida 32399-1400 850-488-9330

On behalf of the Citizens of the State of Florida

1. WITNESSES:

a. None.

2. EXHIBITS:

a. None.

3. STATEMENT OF BASIC POSITION

The utilities bear the burden of proof to justify the recovery of the costs that they request in this docket. The utilities must carry this burden regardless of whether or not the interveners provide evidence to the contrary. Further, the utilities bear the burden of proof to support their proposal(s) seeking the Commission's adoption of policy statements (whether new or changed) or other affirmative relief sought. Even if the Commission has previously approved a program, recovery of a cost, factor, or adjustment as meeting the Commission's own requirements, the utilities still bear the burden of demonstrating that the costs submitted for final recovery meet any statutory test(s) and are reasonable in amount and prudently incurred. Further, recovery of all costs is constrained by the Commission's obligation to set fair, just, and reasonable rates, based on projects that are prudent in purpose and scope and costs that are prudently incurred pursuant to Section 366.01, Florida Statutes. Additionally, the provisions of Chapter 366, Florida Statutes, must be liberally construed to protect the public welfare. Natural gas conservation costs may not be costs that are recovered through base rates or any other cost recovery mechanism.

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

ISSUE 1: What are the final conservation cost recovery adjustment true-up amounts for the period January 2024 through December 2024?

OPC:

The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree that, given these circumstances, that the final conservation cost recovery adjustment true-up amounts for the period January 2024 through December 2024 can necessarily be deemed reasonable and prudent.

ISSUE 2: What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2025 through December 2025?

OPC:

The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on

clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree that, given these circumstances, that the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2025 through December 2025 be deemed reasonable or prudent.

<u>ISSUE 3:</u> What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2026 through December 2026?

OPC:

The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree that, given these circumstances, that the costs proposed for true-up can necessarily be deemed reasonable or prudent.

ISSUE 4: What are the total conservation cost recovery amounts to be collected during the period January 2026 through December 2026?

OPC:

The OPC is not in agreement at this time that the Companies have demonstrated that they have met their burden to demonstrate that costs are reasonable and prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree that, given these circumstances, the total conservation cost recovery amounts to be collected during the period January 2026 through December 2026 can necessarily be deemed reasonable or prudent.

<u>ISSUE 5:</u> What are the conservation cost recovery factors for the period January 2026 through December 2026?

OPC: The factors should be based on costs deemed reasonable and prudent after a hearing.

<u>ISSUE 6:</u> What should be the effective date of the new conservation cost recovery factors for billing purposes?

OPC: The effective date for any rate change should be the first day of the first billing cycle in January 2026.

ISSUE 7: Should the Commission approve revised tariffs reflecting the natural gas

conservation cost recovery factors determined to be appropriate in this

proceeding?

OPC: The tariffs ultimately approved should be based on costs deemed reasonable or

prudent in a hearing.

ISSUE 8: Should this docket be closed?

OPC: No.

5. STIPULATED ISSUES

None at this time.

6. <u>PENDING MOTIONS</u>

None.

7. <u>STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY</u>

OPC has no objections to the qualification of any witnesses as an expert in the field which they pre-filed testimony as of the present date

8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

OPC has no objections to any witness' qualifications as an expert in this proceeding.

9. <u>SEQUESTRATION OF WITNESSES</u>

OPC does not request the sequestration of any witness at this time.

10. <u>STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:</u>

There are no requirements of the Orders Establishing Procedure with which the Office of Public Counsel cannot comply.

Dated this 10th day of October 2025.

Respectfully submitted,

Walt Trierweiler Public Counsel

/s/ Charles J. Rehwinkel Charles J. Rehwinkel Deputy Public Counsel Florida Bar No.: 527599

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CERTIFICATE OF SERVICE Docket No. 20250004-GU

I HEREBY CERTIFY that a true and correct copy of the Office of Public Counsel's Prehearing Statement has been furnished by electronic mail on this 10th day of October 2025, to the following:

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