

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Engineering (Wooten) *TB*
Division of Economics (Hampson) *CP*
Office of the General Counsel (Thompson, Hixon) *JSC*

RE: Docket No. 20260026-GU – Application for rate increase by Florida City Gas.

AGENDA: 06/02/26 – Regular Agenda – Tariff Suspension – Participation is at the Commission’s discretion

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: La Rosa

CRITICAL DATES: 6/19/2026 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

On April 20, 2026, Florida City Gas (FCG or Company) filed a petition seeking the Florida Public Service Commission’s (Commission) approval of a rate increase and associated request for interim rate relief. FCG is a natural gas local distribution company providing sales and transportation of natural gas, and is a public utility subject to this Commission’s regulatory jurisdiction under Section 366.02, Florida Statutes (F.S.). As a subsidiary of Chesapeake Utilities Corporation, FCG currently serves approximately 125,000 residential, commercial, and industrial natural gas customers in Miami-Dade, Broward, St. Lucie, Indian River, Brevard, Palm Beach, Hendry, and Martin counties. The Company’s last rate case was filed on May 31, 2022, and rates were last established by the Commission by order on June 9, 2023, and as subsequently

clarified on October 2, 2023.¹ These orders were subsequently appealed to the Florida Supreme Court by the Office of Public Counsel (OPC), where they currently remain under appeal.²

FCG requested a total base revenue increase of \$63.3 million based on a projected 2027 Test Year, which includes an incremental base rate revenue requirement of \$46.9 million, and the reclassification of the Safety, Access, and Facility Enhancement program revenues in the amount of \$16.4 million from surcharge recovery to base rates, which is ultimately revenue neutral. Pursuant to Sections 366.06(2) and (4), F.S., FCG requested that this rate case proceed under the Commission's hearing process. This recommendation addresses the suspension of FCG's proposed final rates and charges. A recommendation addressing the company's requested interim rate relief will be filed at a later date.

On February 20, 2026, the Commission acknowledged OPC's Notice of Intervention in this proceeding.³ In compliance with Section 366.06(2), F.S., an administrative hearing has been scheduled for September 28 – October 2, 2026.

The Commission has jurisdiction over this request under Section 366.06, F.S.

¹ See Order Nos. PSC-2023-0177-FOF-GU, issued June 9, 2023, and PSC-2023-0299-FOF-GU, issued October 2, 2023, in Docket No. 20220069-GU, *In re: Petition for rate increase by Florida City Gas*.

² Florida Supreme Court Case No. SC2023-0988.

³ Order No. PSC-2026-0051-PCO-GU, issued February 20, 2026, in Docket No. 20260026-GU, *In re: Petition for rate increase by Florida City Gas*.

Discussion of Issues

Issue 1: Should Florida City Gas's (FCG) proposed tariffs to implement the request for a permanent increase in rates and charges be suspended?

Recommendation: Yes. Staff recommends that the proposed tariffs be suspended to allow staff and the parties time to analyze the request and for the Commission to conduct an administrative hearing. (Wooten, Hampson)

Staff Analysis: 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 recommends that allowing staff and the parties time to analyze the request and for the Commission to conduct an administrative hearing 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's final resolution of the Company's requested rate increase. (Thompson)

Staff Analysis: This docket should remain open pending the Commission's final resolution of the Company's requested rate increase.