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Commission Conference Agenda  
January 7, 2025

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# Item 1

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:** December 20, 2024

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

**FROM:** Office of Industry Development and Market Analysis (Williams, <sup>CH</sup>  
Fogleman)  
Office of the General Counsel (Augspurger) <sup>AEH</sup>

**RE:** Application for Certificate of Authority to Provide Telecommunications Service

**AGENDA:** 1/7/2025 - Consent Agenda - Proposed Agency Action - Interested Persons May Participate

**SPECIAL INSTRUCTIONS:** None

Please place the following Application for Certificate of Authority to Provide Telecommunications Service on the consent agenda for approval.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>CERT. NO.</u>
20240158-TX	Lumos Fiber of Florida, LLC	8998

The Commission is vested with jurisdiction in this matter pursuant to Section 364.335, Florida Statutes. Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee if the certificate is active during any portion of the calendar year. A Regulatory Assessment Fee Return Notice will be mailed each December to the entity listed above for payment by January 30.

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:** December 20, 2024

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

**FROM:** Division of Accounting and Finance (Souchik, D. Buys) *ALM*  
Office of the General Counsel (Augspurger) *AEH*

**RE:** Docket No. 20240154-GU – Application for authorization to issue and sell securities, and to enter into agreements for interest rate swap products, equity products and other financial derivatives in 2025, by Chesapeake Utilities Corporation.

**AGENDA:** 01/07/2025 - Consent Agenda - Final Action - Interested Persons May Participate

**SPECIAL INSTRUCTIONS:** None

Please place the following application for authority to issue and sell securities on the consent agenda for approval.

Docket No. 20240154-GU, *Application for authorization to issue and sell securities, and to enter into agreements for interest rate swap products, equity products and other financial derivatives in 2025, by Chesapeake Utilities Corporation.*

Chesapeake Utilities Corporation (Chesapeake or Company) requests authority to issue during calendar year 2025: up to 9.9 million shares of Chesapeake common stock; up to 2 million shares of Chesapeake preferred stock; up to \$800 million in secured and/or unsecured debt; short-term borrowings in an amount not to exceed \$600 million; and to enter into agreements up to \$600 million in interest rate swap products, equity products, and other financial derivatives.

Chesapeake allocates funds to the Florida Public Utilities Company (FPUC) and Florida City Gas (FCG) on an as-needed basis. Chesapeake acknowledges that in no event will such allocations to the Florida regulated electric and gas distribution utilities exceed 75 percent of the proposed equity securities (common stock and preferred stock), long-term debt, short-term debt, interest rate swap products, equity products, and financial derivatives issued by Chesapeake.

The total amount requested by Chesapeake (\$1.4 billion) exceeds its expected 2025 capital expenditures of approximately \$192 million for FPUC and FCG. The additional amount requested in excess of the projected capital expenditures allows for financial flexibility for the purposes described in the Company's petition, as well as unexpected events such as hurricanes, financial market disruptions, and other unforeseen circumstances. Staff believes the requested

Docket No. 20240154-GU

Date: December 20, 2024

amount is reasonable and appropriate, and therefore, recommends the Company's petition to issue the securities enumerated in its petition during the calendar year 2025 be approved.

For monitoring purposes, this docket should remain open until May 1, 2026, to allow the Company time to file and staff to review the Consummation Report.

# Item 2

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:** December 20, 2024

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

**FROM:** Office of Industry Development and Market Analysis (Mallow, Day, Deas, <sup>CH</sup>  
Fogleman)  
Office of the General Counsel (Farooqi, Imig) <sup>AEH</sup>

**RE:** Docket No. 20240088-TP – Petition for designation as an eligible telecommunications carrier in the State of Florida, by Prepaid Wireless Group, LLC.

**AGENDA:** 01/07/25 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Graham

**CRITICAL DATES:** None

**SPECIAL INSTRUCTIONS:** None

### Case Background

On May 16, 2024, Prepaid Wireless Group, LLC (PWG or Company) filed a petition with the Florida Public Service Commission (FPSC or Commission) seeking designation as an eligible telecommunications carrier (ETC) for the sole purpose to provide Lifeline service to qualifying consumers throughout Florida. PWG is a provider of commercial mobile radio service (CMRS), and asserts it is providing prepaid wireless telecommunications services to consumers using its own facilities, as well as resale agreements with T-Mobile. As a CMRS provider, PWG is

regulated as a common carrier pursuant to 47 U.S.C. § 153(11).<sup>1</sup> PWG is a Limited Liability Company that was organized in the State of Maryland on June 29, 2012.

PWG asserts it meets all applicable federal requirement for designation as a Lifeline-only ETC in Florida pursuant to 47 U.S.C. § 214(e) and 47 C.F.R. § 54.201. PWG acknowledges and asserts that, if approved, it will comply with Sections 364.10 and 364.105, Florida Statutes (F.S.), and Rule 25-4.0665, Florida Administrative Code (F.A.C.), which govern Lifeline service and provide for a transitional discount for customers who no longer qualify for Lifeline.

Section 214(e)(2) of the Telecommunications Act of 1996 (the Act) provides state public utility commissions with “primary responsibility” for the designation of ETCs. In addition, Section 364.10(3), F.S., specifically grants the Commission jurisdiction to designate wireless ETC petitions for Lifeline purposes only.

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<sup>1</sup> 47 U.S.C. § 153(11) (defining a common carrier as “any person engaged as a common carrier for hire, in interstate or foreign communications by wire or radio . . . .”); 47 U.S.C. § 332(c)(1)(A) (treating commercial mobile service providers as common carriers).



## Discussion of Issues

**Issue 1:** Should PWG be granted an ETC designation to provide Lifeline service throughout the State of Florida?

**Recommendation:** No. PWG should not be granted an ETC designation to provide Lifeline service throughout the State of Florida. (Mallow, Day, Deas, Fogleman)

**Staff Analysis:** ETC designation is necessary for telecommunications companies to participate in the federal Lifeline program.<sup>2</sup> Section 364.10, F.S., allows the Commission to approve wireless Lifeline ETC petitions by requesting carriers. Specifically, Section 364.10(1)(a) and (3)(a), F.S., provide that the Commission has the authority to designate a commercial mobile radio service provider as an ETC for the limited purpose of providing Lifeline service. To obtain ETC designation to provide Lifeline services, federal rules require that carriers:

- 1) Be a common carrier;
- 2) Offer the services that are supported by the federal universal support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services;
- 3) Advertise the availability of its Lifeline service through a media of general distribution;
- 4) Provide voice grade access to the public switch network or its functional equivalent;
- 5) Offer minutes of use for local service at no additional charge to end users;
- 6) Provide access to the emergency services available by local government or other public safety organizations;
- 7) Provide Broadband Internet Access Service;<sup>3</sup>
- 8) Demonstrate financial and technical capability to provide Lifeline service; and
- 9) Not charge Lifeline customers a monthly number-portability charge.

In addition, Florida law requires ETCs to:

- 1) Offer a discounted transitional basic telecommunications service; and
- 2) Participate in the Lifeline Promotion Process.

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<sup>2</sup> 47 U.S.C. § 254(e)

<sup>3</sup> Broadband Internet Access Service (BIAS) is defined as a mass-market retail service that provides the capability to transmit and receive data, but excluding dial-up service.

## Facilities Requirement

To qualify as an ETC, federal rules specify that a telecommunications carrier must offer the services that are supported by the federal universal support mechanism either using its own facilities or a combination of its own facilities and resale of another carrier's services.<sup>4</sup> Carriers may seek forbearance of the facilities requirements from the FCC.<sup>5</sup>

In its petition, PWG asserts it plans to offer all of the supported services enumerated under Section 254(c) of the Act through its own facilities as well as through its wireless resale agreement with T-Mobile. Staff sought verification regarding how PWG complies with the facilities requirement. PWG's petition included confidential documentation regarding its facilities that was vague and did not clearly demonstrate compliance with federal rules. Staff attempted to obtain additional information necessary to support the facilities requirements, however staff's numerous data requests remain unanswered by the Company. A timeline of staff's efforts to obtain the necessary information is outlined below:

June 3, 2024: An email was sent to PWG's attorney, requesting additional information about Florida facilities and/or an FCC compliance plan, number-portability charges and other state ETC designations.

June 10, 2024: The June 3<sup>rd</sup> email was resent to PWG reiterating the request for the same information.

June 13, 2024: Staff received an email from PWG's CEO, requesting an in person meeting to discuss the facilities. However, number portability and other state ETC designations were not addressed in the email. Staff responded to the meeting request and posted additional questions regarding the CEO's association with Global Connections ETC designation. No response regarding Global Connections was received.

July 23, 2024: A Zoom meeting was held between staff and PWG's CEO, attorney, and technical team member to discuss the facilities in Florida. PWG assured staff that documentation regarding its facilities would be provided.

August 15, 2024: An email was sent to PWG's attorney to follow up on the documentation discussed in the July 23<sup>rd</sup> meeting. The attorney

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<sup>4</sup> 47 C.F.R. § 54.201(d)(1)

<sup>5</sup> FCC, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 11-42, FCC 12-11, released on February 6, 2011, ¶ 368. Forbearance means to refrain from the enforcement of a rule. As it is applied to here, the FCC allows carriers to participate in the federal Lifeline program even if it does not have its own facilities or a combination of its own facilities with another carrier facilities. Only the FCC can grant a "forbearance" from the facilities requirement. In this case, the company did not produce evidence that it had received a forbearance from the facilities requirement by the FCC.

requested that the docket be moved to the October agenda to allow more time to prepare the required documentation.

- August 19, 2024: An email was sent to PWG’s attorney requesting the facilities documentation by mid-September.
- September 5, 2024: An email was sent to PWG’s attorney and CEO requesting facilities documentation.
- September 9, 2024: The September 5<sup>th</sup> email was re-sent. In response, PWG requested another meeting.
- September 16, 2024: Another Zoom meeting was held between staff and PWG representatives. During the meeting PWG indicated it was waiting on signed agreements that would satisfy the facilities requirement and assured staff that documentation would be submitted soon.

Despite seven months of repeated email requests and two meetings with the Company representatives, PWG failed to submit the requested documentation regarding its Florida facilities. Additionally, responses to other data requests about its number portability and ETC designations in other states remain outstanding.

What constitutes “facilities” for the FCC is broadly defined in the federal regulations.<sup>6</sup> For a wireless service provider, facilities includes antenna, cell-site, tower, trunking, mobile switching, and interconnection facilities used by the company to serve its customers.<sup>7</sup> PWG did not provide any documentation supporting that it has such equipment in Florida. What PWG filed was simply a description of its facilities that was vague and uninformative. It only referred to its proprietary network, without identifying qualifying facilities or network elements it owns. As such, PWG has not provided sufficient evidence that it provides services using its own facilities.

## Conclusion

After reviewing PWG’s petition for ETC designation in Florida, staff recommends that PWG has not produced evidence to show compliance with the FCC requirements of 47 U.S.C § 214(e) and 47 C.F.R. § 54.201, and more specifically, the facilities-based requirements. Despite multiple requests and meetings, the company has persistently failed to provide the necessary documentation regarding its Florida facilities. Therefore, staff recommends that PWG’s petition for ETC designation be denied.

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<sup>6</sup> 47 CFR § 54.201(e) and (f) defines “facilities,” as any physical components of the telecommunications network that are used in the transmission or routing of the services that are designated for universal service support. A carrier’s “own facilities,” is further defined as includes, but is not limited to, facilities obtained as unbundled network elements, provided that such facilities meet the definition of the term “facilities.”

<sup>7</sup> FCC, DA 04-3351, released October 22, 2004, ¶ 14.

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

**Recommendation:** Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the Proposed Agency Action Order, this docket should be closed upon the issuance of a consummating order. (Farooqi, Imig)

**Staff Analysis:** At the conclusion of the protest period, if no protest is filed, this docket should be closed upon the issuance of a consummating order.

# Item 3

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:** December 20, 2024

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

**FROM:** Division of Economics (Ward, McClelland, Barrett) *JP*  
 Division of Accounting and Finance (Vogel, Norris) *ALM*  
 Office of the General Counsel (Dose, Crawford, Farooqi) *JSC*

**RE:** Docket No. 20240046-GU – Petition for rate increase by St. Joe Natural Gas Company, Inc.  
  
 Docket No. 20240004-GU – Natural gas conservation cost recovery.

**AGENDA:** 01/07/25 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Fay

**CRITICAL DATES:** 12/03/24 (5-Month Effective Date – PAA Rate Case waived through 12/03/24)

**SPECIAL INSTRUCTIONS:** None

### Case Background

On May 29, 2024, St. Joe Natural Gas Company, Inc. (SJNG or Company) filed a petition seeking the Commission’s approval to increase rates and charges. SJNG provides sales and transportation of natural gas and is a public utility subject to the Commission’s regulatory jurisdiction under Chapter 366, Florida Statutes (F.S.). SJNG currently serves approximately 3,186 residential and commercial customers in Gulf and Bay Counties.

At the December 3, 2024 Agenda Conference, the Commission approved an increase in annual operating revenues of \$936,224. The total Company target revenues, including other operating

revenues, is \$2,506,009. The staff-calculated final revenue requirement calculation that reflect the Commission-approved increase to operating revenues is contained in Attachment A to the recommendation.

At the December 3, 2024 Agenda Conference, the Commission approved Issue 34, which combined the RS-1 and RS-2 rate classes. As part of this Issue, SJNG was required to file revised Energy Conservation Cost Recovery (ECCR) factors and associated ECCR tariffs reflecting the combination of the two rate classes for approval at the January 7, 2025 Agenda. On December 13, 2024, SJNG filed revised ECCR factors and associated ECCR tariffs. The ECCR factors and associated tariffs are contained in Attachment C.

This recommendation addresses the issues that were not addressed at the December 3, 2024 Agenda Conference: Issue 30 (customer charges), Issue 31 (distribution charges), Issue 35 (approval of tariffs), Issue 36 (effective date), and Issue 40 (close docket).

The Commission approved an interim revenue increase of \$543,665 and interim rates effective September 8, 2024.<sup>1</sup> The base rate portion for a residential bill for a RS-2 customer who uses 20 therms per month was \$33.41 prior to interim rates. Currently, under interim rates the base rate portion is \$51.85. Under the proposed rates, the base rate portion would increase to \$57.32. The total bill, which includes the Purchased Gas Adjustment Factor and ECCR factors, would increase from \$77.68 to \$82.51 for an RS-2 customer who uses 20 therms per month. Prior to interim rates the total bill for an RS-2 customer using 20 therms per month was \$59.24.

On December 17, 2024, the Company filed a revised cost of service study and associated tariffs reflecting the final Commission-approved revenue requirement. The proposed customer and per therm distribution charges are calculated in the revised cost of service study shown in the attached tariffs. Even though the Commission-approved revenue increase is lower than the Company's request in its petition, the proposed therm distribution charges are higher than the charges that were contained in the Company's petition. The Company's cost of service included in its petition contained errors and, therefore, reflected charges that produced revenues that were less than the Company's request. The tariffs included in Attachment B to the recommendation reflect charges that are consistent with the Commission-approved revenue increase. The Commission has jurisdiction over this matter pursuant to Chapter 366 F.S., including Sections 366.06 and 366.071, F.S.

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<sup>1</sup> Order No. PSC-2024-0379-PCO-GU, issued August 28, 2024, in Docket No. 20240046-GU, *In re: Petition for rate increase by St. Joe Natural Gas Company, Inc.*

## Discussion of Issues

**Issue 30:** What are the appropriate customer charges?

**Recommendation:** The proposed customer charges should be approved as provided in the tariffs in Attachment B to the recommendation. (McClelland)

**Staff Analysis:** The customer charges, in combination with the per therm Gas Delivery Service Rates shown in Issue 31, are designed to allow the Company to recover the total Commission-approved revenue requirement. Furthermore, the Commission approved the Company's proposed cost of service methodology in Issue 41 at the December 3, 2024 Agenda Conference. The proposed customer charges reflect the approved revenue requirements and cost of service methodology; therefore, the proposed charges provided in the tariffs in Attachment B to the recommendation should be approved.



**Issue 31:** What are the appropriate per therm Gas Delivery Service Rates?

**Recommendation:** The proposed per therm Gas Delivery Service Rates should be approved as provided in the tariffs in Attachment B to the recommendation. (McClelland)

**Staff Analysis:** Staff has reviewed the revised cost of service study and associated tariffs, which were revised to reflect the final Commission-approved revenue requirement. Reviewing the documentation provided by SJNG, staff believes that the revised cost of service study and associated tariffs are in accordance with the Commission vote from the December 3, 2024 Agenda Conference. The Commission should approve the proposed tariffs as provided in Attachment B to the recommendation.

**Issue 35:** Should the Commission give staff administrative authority to approve tariffs reflecting Commission-approved rates and charges?

**Recommendation:** Yes. The Commission should approve the tariffs as shown in Attachments B and C to the recommendation. (McClelland, Barrett)

**Staff Analysis:** Staff has reviewed the revised cost of service study and associated tariffs for revised base rates, which were revised to reflect the final Commission-approved revenue requirement. The documentation provided by SJNG is in accordance with the Commission vote from the December 3, 2024 Agenda Conference. Staff also reviewed the revised ECCR factors and they have been calculated correctly to reflect the combination of the RS-1 and RS-2 rate classes. The Commission should approve the proposed tariffs as provided in Attachments B and C to the recommendation.

**Issue 36:** What is the effective date for SJNG's revised rates and charges?

**Recommendation:** Pursuant to Section 366.06(4), F.S., SJNG is entitled to place no more than its requested rates into effect subject to refund, upon notice to the Commission and upon filing the appropriate tariffs. Should no protest be timely filed, SJNG should be authorized to release the security holding rates subject to refund upon the expiration of the protest period and issuance of the consummating order. In the alternative, SJNG may implement the PAA rates approved herein upon the expiration of the protest period and issuance of the consummating order. (Dose, Farooqi)

**Staff Analysis:** SJNG will provide a direct notice to customers during January 2025, which will identify the final Commission-approved rates and charges. This notice will also be posted to SJNG's website.

Pursuant to Section 366.06(4), F.S., SJNG is entitled to place no more than its requested rates into effect subject to refund, upon notice to the Commission and upon filing the appropriate tariffs. Should no protest be timely filed, SJNG should be authorized to release the security holding rates subject to refund upon the expiration of the protest period and issuance of the consummating order. In the alternative, SJNG may implement the PAA rates approved herein upon the expiration of the protest period and issuance of the consummating order.

**Issue 40:** Should these dockets be closed?

**Recommendation:** After the final order is issued, Docket No. 20240046-GU should be closed. Docket No. 20240004-GU is a continuing docket and should remain open. (Dose, Farooqi)

**Staff Analysis:** After the final order is issued, Docket No. 20240046-GU should be closed. Docket No. 20240004-GU is a continuing docket and should remain open.

COMPARATIVE REVENUE DEFICIENCY CALCULATIONS		
ST. JOE NATURAL GAS COMPANY, INC.	ATTACHMENT A	
DOCKET NO. 20240046-GU		
PTY 12/31/24		
	COMPANY ADJUSTED	COMMISSION APPROVED
RATE BASE (AVERAGE)	\$3,381,787	\$3,251,285
RATE OF RETURN	X <u>6.05%</u> X	<u>6.58%</u>
REQUIRED NOI	<u>\$204,598</u>	<u>\$214,072</u>
Operating Revenues	\$1,549,003	\$1,569,785
Total Operating Expenses	<u>2,125,974</u>	<u>2,049,059</u>
ACHIEVED NOI	<u>(\$576,971)</u>	<u>(\$479,274)</u>
NET REVENUE DEFICIENCY	\$781,569	\$693,346
REVENUE EXPANSION FACTOR	1.3356	1.3503
REVENUE DEFICIENCY	<u><u>\$1,043,841</u></u>	<u><u>\$936,224</u></u>

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

First Revised Sheet No. 27  
Cancels Original Sheet No. 27

**RULES AND REGULATIONS**

**SECTION 7 – MISCELLANEOUS CHARGES AND FEES**

- 7.1 Residential Connection \$80.00**  
**Residential Reconnection Charge \$90.00**

Each Applicant for Residential Gas Delivery Service shall pay to the Company a Connection Charge of eighty dollars (\$80) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of ninety dollars (\$90) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

- 7.2 Non-Residential Connection and Reconnection Charge \$120.00**

Each Applicant for Non-Residential Gas Delivery Service shall pay to the Company a Connection Charge of one hundred twenty dollars (\$120) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Non-Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of one hundred twenty dollars (\$120) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

- 7.3 Change of Account Charge \$66.00**

If a change of occupants in a premise with existing Gas Delivery Service occurs without a physical service disconnection, a Change of Account may occur. The Company shall bill to the Applicant a Change of Account Charge in the amount of sixty-six dollars (\$66).

- 7.4 Late Payment Charge**

Charges for services due and rendered which are unpaid as of the past due date are subject to a Late Payment Charge of thirteen (13) dollars or 1.5% of any unpaid balance, whichever is greater, except the accounts of federal, state, and local governmental entities, agencies, and instrumentalities. Unless otherwise agreed by contract, a Late Payment Charge shall be applied to the accounts of federal, state, and local governmental entities, agencies, and instrumentalities at a rate no greater than allowed and in a manner permitted by applicable law.

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

First Revised Sheet No. 28  
Cancels Original Sheet No. 28

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**RULES AND REGULATIONS**  
(Continued)

**7.5 Returned Check Charge**

Pursuant to Section 68.065 of Florida Statutes

**7.6 After Normal Business Hours Service**

Where Gas Delivery service is Connected or Reconnected outside of Normal Business Hours or by a special appointment, the Connection or Reconnection Charges set forth above shall be multiplied by 2.0.

**7.7 Realtor Inspection Charge**

**\$105.00**

Where Gas Delivery service is Activated for less than seven (7) days then Terminated for the sole purpose of an inspection to facilitate a real estate transaction.

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

First Revised Sheet No. 72  
Cancels Original Sheet No. 72

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**INDEX OF RATE SCHEDULES**

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:



ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

Second Revised Sheet No. 73  
Cancels First Revised Sheet No. 73

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**RESERVED FOR FUTURE USE**

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

First Revised Sheet No. 74  
Cancels Original Sheet No. 74

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

Second Revised Sheet No. 75  
Cancels First Revised Sheet No. 75

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**RATE SCHEDULE  
RESIDENTIAL SALES SERVICE – 2 (RS-2)**

**Availability:**

Throughout the Company's service areas.

**Applicability and Character of Service:**

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is less than 300 therms.

**Gas Delivery Service Rates and Charges:**

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:	\$20.00 per month
Gas Delivery Service Rate:	\$1.86625 per therm

**Purchase Gas Adjustment Rate:**

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

**Minimum Bill:**

The minimum monthly bill under this Rate Schedule is the Customer Charge.

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

Second Revised Sheet No. 77  
Cancels First Revised Sheet No. 77

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**RATE SCHEDULE  
RESIDENTIAL SALES SERVICE – 3 (RS-3)**

**Availability:**

Throughout the Company's service areas.

**Applicability and Character of Service:**

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is equal to or greater than 300 therms.

**Gas Delivery Service Rates and Charges:**

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge: \$25.00 per month

Gas Delivery Service Rate: \$1.60814 per therm

**Purchase Gas Adjustment Rate:**

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

**Minimum Bill:**

The minimum monthly bill under this Rate Schedule is the Customer Charge.

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

Second Revised Sheet No. 79  
Cancels First Revised Sheet No. 79

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**RATE SCHEDULE  
GENERAL SALES SERVICE – 1 (GS-1)**

**Availability:**

Throughout the Company's Service Area

**Applicability and Character of Service:**

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is less than 2000 therms.

**Gas Delivery Service Rates and Charges:**

Customer Charge:	\$25.00 per month
Gas Delivery Service Rate	\$1.44798 per therm

**Purchase Gas Adjustment Rate:**

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

**Minimum Bill:**

The minimum monthly bill under this Rate Schedule is the Customer Charge.

**Special Terms and Conditions of Service:**

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

Third Revised Sheet No. 81  
Cancels Second Revised Sheet No.81

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**RATE SCHEDULE  
GENERAL SALES SERVICE – 2 (GS-2)**

**Availability:**

Throughout the Company's Service Area

**Applicability and Character of Service:**

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 2,000 therms but less than 87,500 therms.

**Gas Delivery Service Rates and Charges:**

Customer Charge:	\$80.00 per month
Gas Delivery Service Rate	\$1.01281 per therm

**Purchase Gas Adjustment Rate:**

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

**Minimum Bill:**

The minimum monthly bill under this Rate Schedule is the Customer Charge.

**Special Terms and Conditions of Service:**

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

Second Revised Sheet No. 84  
Cancels First Revised Sheet No. 84

**RESERVED FOR FUTURE USE**

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:

ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

Third Revised Sheet No. 85  
Cancels Second Revised Sheet No. 85

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**RATE SCHEDULE  
GENERAL SALES SERVICE – 4 (GS-4)**

**Availability:**

Throughout the Company's Service Area

**Applicability and Character of Service:**

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 87,500 therms but less than 1,000,000 therms.

**Gas Delivery Service Rates and Charges:**

Customer Charge:	\$2,000.00 per month
Gas Delivery Service Rate	\$0.34580 per therm

**Purchase Gas Adjustment Rate:**

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

**Minimum Bill:**

The minimum monthly bill under this Rate Schedule is the Customer Charge.

**Service Agreement:**

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

**Rate Schedule GS-4**

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:



ST. JOE NATURAL GAS COMPANY, INC.  
Original Volume No. 4

Third Revised Sheet No. 95  
Cancels Second Revised Sheet No. 95

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**RATE SCHEDULE  
FIRM TRANSPORTATION SERVICE -4 (FTS-4)**

**Availability:**

Throughout the Company's Service Area.

**Applicability and Character of Service:**

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 87,500 therms but less than 1,000,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

**Gas Delivery Service Rates and Charges:**

Customer Charge:	\$2,000.00 per month
Gas Delivery Service Rate:	\$0.34580 per therm

**Minimum Bill:**

The minimum monthly bill shall be the Customer Charge and any applicable terms and conditions contained in the Service Agreement.

**Service Agreement:**

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

**Special Terms and Conditions of Service:**

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

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Issued By: Stuart L. Shoaf, President  
Issued On:

Effective:



# Item 4

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:** December 20, 2024

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

**FROM:** Division of Economics (P. Kelley) *EJD*  
Office of the General Counsel (Dose) *JSC*

**RE:** Docket No. 20240134-GU – Petition for approval of safety, access, and facility enhancement program true-up and 2025 cost recovery factors, by Florida City Gas.

**AGENDA:** 01/07/25 – Regular Agenda – Tariff Filing – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 04/30/25 (8-Month Effective Date)

**SPECIAL INSTRUCTIONS:** None

### Case Background

On August 30, 2024, Florida City Gas (FCG or utility) filed a petition for approval of its safety, access, and facility enhancement (SAFE) program true-up and 2025 cost recovery factors. The SAFE program was originally approved by the Commission in Order No. PSC-15-0390-TRF-GU (2015 Order) to recover the cost of relocating on an expedited basis certain existing gas mains and associated facilities from rear lot easements to the street front.<sup>1</sup>

On December 3, 2024, the Commission approved FCG's proposed SAFE tariffs for the period January through December 2025. On December 5, 2024, FCG notified staff that the Seventh Revised Sheet No. 79 reflected an incorrect SAFE factor for the GS-6K customer class. After reviewing the modification to the Seventh Revised Sheet No. 79, staff believes that Commission

<sup>1</sup> Order No. PSC-15-0390-TRF-GU, issued September 15, 2015, in Docket No. 20150116-GU, *In re: Petition for approval of safety, access, and facility enhancement program and associated cost recovery methodology, by Florida City Gas.*

Docket No. 20240134-GU

Date: December 20, 2024

approval of the revised tariff is required. The Commission has jurisdiction over the matter pursuant to Sections 366.04, 366.041, 366.05, and 366.06, Florida Statutes (F.S.).

## Discussion of Issues

**Issue 1:** Should the Commission approve FCG's proposed modification to Seventh Revised Sheet No. 79?

**Recommendation:** Yes. The Commission should approve FCG's proposed corrected Seventh Revised Sheet No. 79. The modification provides the correct SAFE program charge for the GS-6K customer class as calculated in FCG's initial petition. The tariffs should be effective for the period January through December 2025. (P. Kelley)

**Staff Analysis:** The proposed modification to the Seventh Revised Sheet No. 79 would revise the SAFE program charge for the GS-6K customer class to \$7.77, as opposed to \$4.66, which was approved at the December 3, 2024 Agenda Conference. Staff notes that FCG calculated the charge for the GS-6K customer class correctly in its work papers included in its August 30, 2024, petition; however, the tariff contained an incorrect charge.<sup>2</sup>

As discussed in staff's previous recommendation, the methodology approved for the SAFE program allocates the current cost of a 2-inch pipe to all customers on a per customer-basis and allocated the incremental cost of replacing a 4-inch pipe to customers who use over 6,000 therms per year. The GS-6K customer class is applicable to no-residential customers who use between 6,000 and 24,999 therms per year. Therefore, staff believes the correction to the Seventh Revised Sheet No. 79 is appropriate, because the correction would comply with the SAFE program cost allocation methodology approved by the Commission in the 2015 Order. The Commission's vote from the December 3, 2024 Agenda Conference should otherwise remain unchanged.

### Conclusion

The Commission should approve FCG's proposed correction to the Seventh Revised Sheet No. 79. The modification to the Seventh Revised Sheet No. 79 provides the correct SAFE program charge for the GS-6K customer class, as calculated in FCG's initial petition. The tariffs should be effective for the period January through December 2025.

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<sup>2</sup> See Attachment C-2, Schedule 6 to the petition (Document No. 08785-2024).

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

**Recommendation:** Yes. If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order. (Dose)

**Staff Analysis:** Yes. If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

Florida City Gas  
 FPSC Natural Gas Tariff  
 Volume No. 11

~~Sixth~~ Seventh Revised Sheet No. 79  
 Cancels ~~Fifth~~ Sixth Revised Sheet No. 79

RIDER "D"

SAFETY, ACCESS AND FACILITY ENHANCEMENT (SAFE) PROGRAM  
 (Continued)

- i. all Customers regarding the implementation of the SAFE Program and the approved surcharge factors;
  - ii. the immediately affected Customers where the eligible infrastructure is being replaced; and
  - iii. the general public through publications (newspapers) covering the geographic areas of the eligible infrastructure replacement activities;
4. Ad valorem taxes; and
5. Federal and state income taxes.

The Company is utilizing a surcharge mechanism in order to recover the costs associated with the SAFE Program. The Company has developed the revenue requirement for the SAFE Program using the same methodology approved in its most recent rate case. The SAFE revenue requirement will be allocated to each Customer class (Rate Schedule) using allocation factors established by the Florida Public Service Commission for the SAFE Program. The per Customer SAFE surcharge is calculated by dividing the revenue requirement allocated to each Customer class by the number of Customers in the class.

The cost recovery factors including tax multiplier for the twelve-month period from January 1, 2024<sup>5</sup> through December 31, 2024<sup>5</sup> are:

<u>Rate Class</u>	<u>Rates Per Customer</u>
Rate Schedule RS-1	<del>\$3.17</del> \$4.66
Rate Schedule RS-100	<del>\$3.17</del> \$4.66
Rate Schedule RS-600	<del>\$3.17</del> \$4.66
Rate Schedule GS-1	<del>\$3.17</del> \$4.66
Rate Schedule GS-6K	<del>\$5.44</del> \$7.77
Rate Schedule GS-25K	<del>\$5.44</del> \$7.77
Rate Schedule GS-120K	<del>\$5.44</del> \$7.77
Rate Schedule GS-1,250K	<del>\$5.44</del> \$7.77
Rate Schedule GS-11M	<del>\$5.44</del> \$7.77
Rate Schedule GS-25M	<del>\$5.44</del> \$7.77
Rate Schedule GL	<del>\$3.17</del> \$4.66

Issued by: Jeffrey Sylvester, Chief Operating Officer  
 Florida City Gas

Effective: January 01, 2024<sup>25</sup>



# Item 5

FILED 12/20/2024  
DOCUMENT NO. 10308-2024  
FPSC - COMMISSION CLERK

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:** December 20, 2024

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

**FROM:** Division of Economics (P. Kelley) *EJD*  
Office of the General Counsel (Sandy) *JSC*

**RE:** Docket No. 20240159-GU – Joint petition by Florida Public Utilities Company and Florida City Gas for approval of tariff changes to standardize and align Florida Public Utilities Company and Florida City Gas's transportation service tariffs and to implement a flexible gas service tariff for Florida City Gas.

**AGENDA:** 01/07/25 – Regular Agenda – Tariff Suspension – Participation is at the Commission's Discretion

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 1/19/2024 (60-Day Suspension Date)  
*5*

**SPECIAL INSTRUCTIONS:** None *12/20/24*

### Case Background

On November 20, 2024, Florida Public Utilities Company (FPUC) and Florida City Gas (FCG) (jointly, the Parties) filed a joint petition for approval of standardization and alignment of the Parties' tariffs. The Parties are not proposing any rate changes in their schedules at this time. The Parties filed this petition as an ongoing effort to eliminate inconsistencies across the Parties' platform, and to standardize their individual transportation service programs for purposes to achieve consistency with providing natural gas services.

In September 2023, Chesapeake Utilities Corporation (Chesapeake) purchased FCG from NextEra Energy; therefore, Chesapeake is the parent company of both FCG and FPUC. Since the acquisition, Chesapeake has taken steps to standardize and align FPUC and FCG as shown in the

Docket No. 20240159-GU

Date: December 20, 2024

purchased gas adjustment and energy conservation cost recovery clause dockets shown in the petition. The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

## Discussion of Issues

**Issue 1:** Should the Parties' proposed revisions to their tariffs be suspended?

**Recommendation:** Yes. Staff recommends that the proposed revisions to the tariffs 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 proposed tariff revisions. (P. Kelley)

**Staff Analysis:** Staff recommends that the proposed revisions to the Parties' tariffs 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 proposed tariff revisions.

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 a 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's decision on the proposed tariff revisions. (Sandy)

**Staff Analysis:** This docket should remain open pending the Commission's decision on the proposed tariff revisions.