



Florida Public Service Commission RATE CASE OVERVIEW

June 2023

Petition for rate increase by
Peoples Gas System, Inc.

DOCKET NO. 20230023-GU

On April 4, 2023, Peoples Gas System, Inc. (PGS or Company) filed a petition seeking the Florida Public Service Commission's (Commission or PSC) approval of a rate increase and associated depreciation rates. PGS is a natural gas local distribution company providing sales and transportation delivery 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 wholly owned subsidiary of TECO Gas Operations, Inc., PGS currently serves approximately 470,000 residential, commercial, industrial, and electric power generation customers in 39 counties.

Questions & Answers

1. Why is PGS requesting a rate increase?

PGS is requesting a rate increase to recover the cost of operating the Utility and allow the company an opportunity to earn a fair rate of return on its investment.

2. When was PGS's last approved rate increase?

PGS's last rate case was in 2020.

3. Is there an opportunity for public input on this rate case?

Yes. As part of the evaluation process of PGS's rate request, Commission staff will conduct virtual and in-person service hearings to allow feedback about PGS's quality of service and the proposed rate changes. Comments will be reviewed before the Commission reaches a decision. Commissioners will attend and participate during the service hearings.

Customers may register to speak at the service hearings in one of the following ways: (1) register using the PSC's online registration form, which will be available at www.FloridaPSC.com, under the "Hot Topics" heading, (2) call the PSC at (850) 413- 7080 or email speakersignup@psc.state.fl.us, or (3) register when you arrive at the venue.

Electronic and telephonic registration will be available beginning June 14, 2023 at 9 a.m. EDT, and the deadline to register, electronically or telephonically, is noon EDT two business days prior to each service hearing. Please note that the order in which customers will speak is based on the order in which they register. If you have questions about the sign-up process, please call (850) 413-7080.

One day prior to the meeting customers who signed up to speak at one of the virtual service hearings will be provided further instructions from PSC staff on how to participate.

IN-PERSON SERVICE HEARINGS

Wednesday, June 28, 2023

Charles F. Dodge Center

601 City Center Way

Pembroke Pines, FL 33025

2:00 p.m. EDT*

***Spanish Interpreter Available
Traductor al español disponible**

Thursday, June 29, 2023

Hillsborough Community College

Brandon Campus

10451 Nancy Watkins Drive

Tampa, FL 33619

2:00 p.m. EDT

VIRTUAL SERVICE HEARINGS

Monday, July 10, 2023

10:00 a.m. EDT

2:00 p.m. EDT

Tuesday, July 11, 2023

10:00 a.m. EDT

6:00 p.m. EDT*

***Spanish Interpreter Available
Traductor al español disponible**

* Any email or other correspondence sent to a Florida Public Service Commissioner, or any other public official and/or employee of the PSC, in the transaction of public business is considered a public record and is subject to Florida's Public Records Law. This means that Florida law generally requires the PSC to provide a copy of any such email or correspondence, upon request, for inspection and copying to any Florida citizen or to any member of the media.

4. What if I cannot attend the virtual or in-person service hearings or prefer not to speak? Are there other ways to comment on this case?

Any interested person who wants to comment or provide information to the Commission regarding this matter may do so orally at the service hearings or in writing.* Written comments should be mailed to:

Florida Public Service Commission
Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

The PSC will also accept emailed comments at: clerk@psc.state.fl.us

Please be sure to include the docket number, 20230023-GU

Comments are placed on the correspondence side of the docket file. In accordance with Florida Statutes, the PSC will also consider PGS's quality of service and other matters. If you have questions, contact the PSC's Office of Consumer Assistance & Outreach at (800) 342-3552.

5. How much is the current monthly bill (including fuel charge) for a residential customer of PGS using 20 therms?

The Utility's current monthly bill (including fuel charge) for a residential customer of PGS using 20 therms is \$47.36.

6. Using the Utility's proposed rates, how much would the monthly bill (including fuel charge) be for a residential customer of PGS using 20 therms?

Using the Utility's proposed rates, the monthly bill (including fuel charge) for a residential customer of PGS using 20 therms would be \$56.05.

7. Can I obtain more information online?

Detailed docket information is available on the PSC website at www.FloridaPSC.com. Click on Clerk's Office then Dockets. Type in the docket number 20230023.

8. Who provides legal representation for customers in utility related matters before the Public Service Commission?

The Office of Public Counsel was established by the Florida Legislature to advocate on behalf of you and the other utility customers before the Commission and other state and federal regulatory authorities. The Office of Public Counsel is independent from the Commission, and accountable only to the people of the State of Florida through the Florida Legislature. You can reach the Office of Public Counsel at (800) 342-0222 or www.floridaopc.gov.

9. Who can answer technical or legal questions?

For technical questions, contact:

Clayton Lewis
Quality of Service and Engineering
(850) 413 - 6578

Dylan Andrews
Accounting
(850) 413 - 6510

Corey Hampson
Rates and Charges
(850) 413 - 6676

For legal questions, contact:

Major Thompson
(850) 413 - 6076

10. When will the PSC make a decision?

After the technical hearing is completed, the PSC staff will file a recommendation with the Commission that addresses PGS's proposed revenue increase. The Commissioners will then vote on this matter at a future Commission Conference.

Based on the Commission's decision on PGS's proposed revenue increase, staff will prepare another recommendation that addresses the specific rates to be charged to each class of customers. The Commission will then vote on PGS's rates at a future Commission Conference.

11. How can I follow the service hearings and Commission Conferences?

You can watch the service hearings and Commission Conferences live from the PSC website at www.FloridaPSC.com. Look for the "Watch Live and Archived PSC Events" icon on the left side of the webpage. An audio only option is available by dialing (850) 413-7999. If you are hearing or speech impaired, you may contact the PSC by using the Florida Relay Service at (800) 955-8771 (TDD).

If cancelled, notice of customer meeting cancellation will be provided on the Commission's website, (www.FloridaPSC.com), under Hot Topics found on the home page.

Cancellation can also be confirmed by contacting the Office of General Counsel at (850) 413-6199.

PSC Commissioners



COMMISSIONER
Mike La Rosa



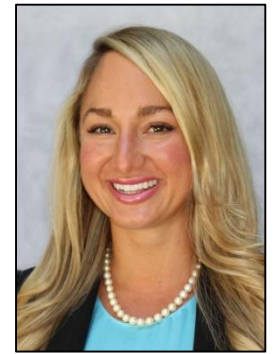
COMMISSIONER
Art Graham



CHAIRMAN
Andrew Giles Fay



COMMISSIONER
Gary F. Clark



COMMISSIONER
Gabriella Passidomo

Peoples Gas System, Inc., Monthly Gas Bills

Bill Comparisons - Present VS. Proposed Rates RS-1

Present Rates	Proposed Rates
Customer Charge \$15.10	Customer Charge \$19.95
Distribution Charge \$0.27011 per Therm	Distribution Charge \$0.36738 per Therm
Cast Iron/Bare Steel Rider \$0.03729 per Therm *	Cast Iron/Bare Steel Rider \$0.00422 per Therm *

Average 2023 Gas Cost: \$1.15570 per Therm

Therm Usage Increment: 2 Therms

Average Use per Customer: 6.6 Therms/Month

Therm Usage	Present Monthly Bill <u>w/o Fuel</u>	Present Monthly Bill <u>with Fuel</u>	Proposed Monthly Bill <u>w/o Fuel</u>	Proposed Monthly Bill <u>with Fuel</u>	Percent Increase <u>w/o Fuel</u>	Percent Increase <u>with Fuel</u>	Dollar Increase <u>with Fuel</u>
0	\$15.10	\$15.10	\$19.95	\$19.95	32.12%	32.12%	\$4.85
2	\$15.71	\$18.03	\$20.69	\$23.00	31.68%	27.62%	\$4.98
4	\$16.33	\$20.95	\$21.44	\$26.06	31.27%	24.37%	\$5.11
6	\$16.94	\$23.88	\$22.18	\$29.11	30.90%	21.92%	\$5.24
8	\$17.56	\$26.80	\$22.92	\$32.17	30.55%	20.01%	\$5.36
10	\$18.17	\$29.73	\$23.67	\$35.22	30.22%	18.47%	\$5.49

Peoples Gas System, Inc., Monthly Gas Bills

Bill Comparisons - Present VS. Proposed Rates RS-2

Present Rates	Proposed Rates
Customer Charge \$18.10	Customer Charge \$25.50
Distribution Charge \$0.27011 per Therm	Distribution Charge \$0.36738 per Therm
Cast Iron/Bare Steel Rider \$0.03729 per Therm	Cast Iron/Bare Steel Rider \$0.00422 per Therm

Average 2023 Gas Cost: \$1.15570 per Therm**Therm Usage Increment: 3 Therms****Average Use per Customer: 14.5 Therms/Month**

<u>Therm Usage</u>	<u>Present Monthly Bill w/o Fuel</u>	<u>Present Monthly Bill with Fuel</u>	<u>Proposed Monthly Bill w/o Fuel</u>	<u>Proposed Monthly Bill with Fuel</u>	<u>Percent Increase w/o Fuel</u>	<u>Percent Increase with Fuel</u>	<u>Dollar Increase with Fuel</u>
8	\$20.56	\$29.80	\$28.47	\$37.72	38.49%	26.55%	\$7.91
11	\$21.48	\$34.19	\$29.59	\$42.30	37.74%	23.71%	\$8.11
14	\$22.40	\$38.58	\$30.70	\$46.88	37.04%	21.51%	\$8.30
17	\$23.33	\$42.97	\$31.82	\$51.46	36.40%	19.76%	\$8.49
20	\$24.25	\$47.36	\$32.93	\$56.05	35.81%	18.34%	\$8.68
23	\$25.17	\$51.75	\$34.05	\$60.63	35.27%	17.15%	\$8.88

Peoples Gas System, Inc., Monthly Gas Bills

Bill Comparisons - Present VS. Proposed Rates RS-3

Present Rates	Proposed Rates
Customer Charge \$24.60	Customer Charge \$32.95
Distribution Charge \$0.27011 per Therm	Distribution Charge \$0.36738 per Therm
Cast Iron/Bare Steel Rider \$0.03729 per Therm	Cast Iron/Bare Steel Rider \$0.00422 per Therm

Average 2023 Gas Cost: \$1.15570 per Therm

Therm Usage Increment: 5 Therms

Average Use per Customer: 32.9 Therms/Month

<u>Therm Usage</u>	<u>Present Monthly Bill w/o Fuel</u>	<u>Present Monthly Bill with Fuel</u>	<u>Proposed Monthly Bill w/o Fuel</u>	<u>Proposed Monthly Bill with Fuel</u>	<u>Percent Increase w/o Fuel</u>	<u>Percent Increase with Fuel</u>	<u>Dollar Increase with Fuel</u>
25	\$32.29	\$61.18	\$42.24	\$71.13	30.83%	16.27%	\$9.95
30	\$33.82	\$68.49	\$44.10	\$78.77	30.38%	15.00%	\$10.28
35	\$35.36	\$75.81	\$45.96	\$86.41	29.97%	13.98%	\$10.60
40	\$36.90	\$83.12	\$47.81	\$94.04	29.59%	13.13%	\$10.92
45	\$38.43	\$90.44	\$49.67	\$101.68	29.24%	12.43%	\$11.24
50	\$39.97	\$97.76	\$51.53	\$109.32	28.92%	11.83%	\$11.56
60	\$43.04	\$112.39	\$55.25	\$124.59	28.35%	10.86%	\$12.20
70	\$46.12	\$127.02	\$58.96	\$139.86	27.85%	10.11%	\$12.84
80	\$49.19	\$141.65	\$62.68	\$155.13	27.42%	9.52%	\$13.49
90	\$52.27	\$156.28	\$66.39	\$170.41	27.03%	9.04%	\$14.13
100	\$55.34	\$170.91	\$70.11	\$185.68	26.69%	8.64%	\$14.77
110	\$58.41	\$185.54	\$73.83	\$200.95	26.38%	8.31%	\$15.41
125	\$63.03	\$207.49	\$79.40	\$223.86	25.98%	7.89%	\$16.38
150	\$70.71	\$244.07	\$88.69	\$262.05	25.43%	7.37%	\$17.98

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STAMP

Florida Public Service Commission
Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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