

Docket No. 20200051-GU
Peoples Gas System
Petition for Rate Increase by Peoples Gas System

Witness: Direct Testimony of INTESAR TERKAWI
Appearing on Behalf of the Staff of the Florida Public Service Commission

Date Filed: August 31, 2020

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **COMMISSION STAFF**

3 **DIRECT TESTIMONY OF INTESAR TERKAWI**

4 **DOCKET NO. 20200051-GU**

5 **AUGUST 31, 2020**

6
7 **Q. Please state your name and business address.**

8 A. My name is Intesar Terkawi. My business address is 1313 N. Tampa Street, Suite 220,
9 Tampa, Florida 33602.

10 **Q. By whom are you presently employed and in what capacity?**

11 A. I am employed by the Florida Public Service Commission (Commission) as a Public
12 Utility Analyst in the Office of Auditing and Performance Analysis. I have been employed by
13 the Commission since October 2001.

14 **Q. Briefly review your educational and professional background.**

15 A. In 1995, I received a Master of Arts Degree with a major in Communications from the
16 University of Central Florida. In 2001, I received a Bachelor of Science Degree from the
17 University of Central Florida with a major in accounting. I am also a Certified Public
18 Accountant.

19 **Q. Please describe your current responsibilities.**

20 A. Currently, I am a Public Utility Analyst with the responsibilities of managing regulated
21 utility financial audits. I am also responsible for creating audit work programs to meet a
22 specific audit purpose.

23 **Q. Have you previously presented testimony before this Commission?**

24 A. Yes. I filed testimony in the Fuel and Purchased Power Cost Recovery Clause, Docket
25 Nos. 20140001-EI, 20150001-EI, 20160001-EI, 20170001-EI, 20180001-EI, and 20190001-

1 | EL.

2 | **Q. What is the purpose of your testimony today?**

3 | A. The purpose of my testimony is to sponsor the staff auditor's report of Peoples Gas
4 | System (PGS or Utility) which addresses the Utility's filing in Docket No. 20200051-GU,
5 | Petition for Rate Increase by Peoples Gas System. We issued an auditor's report in this docket
6 | on August 31, 2020. This report is filed with my testimony and is identified as Exhibit IT-1.

7 | **Q. Was this audit prepared by you or under your direction?**

8 | A. Yes, it was prepared by me or under my direction.

9 | **Q. Please describe the work you performed in this audit?**

10 | A. The procedures that we performed in this audit are listed in the Objectives and
11 | Procedures section of the attached Exhibit IT-1, pages 4 through 8.

12 | **Q. Please review the audit findings in this audit report.**

13 | A. There were 2 audit findings reported in this audit and are found in the attached Exhibit
14 | IT-1, pages 9 and 10. They are summarized below.

15 | **Finding 1: Association Dues and Economic Development Expenses**

16 | 2019 Operation and Maintenance expenses should be reduced by \$25,000. The projected test
17 | year expenses for 2021 should be reduced by \$26,112. The Utility stated to us that "the
18 | Associated Gas Distributors of Florida ('AGDF') also engages in lobbying activities and
19 | advises the Company that a portion of the dues are for lobbying purposes on the invoice." In
20 | the 2019 base year, the portion of AGDF dues related to lobbying was \$50,000.

21 | Through its review the Utility has found that \$25,000 was directly charged to FERC Account
22 | 426, a "below the line" account (an account not included in calculating regulatory recovery)
23 | and the other \$25,000 was charged to FERC Account 930.2. The \$25,000 in FERC account
24 | 930.2 was included in the 2019 base year data on MFR Schedule G-2, page 18 and was
25 | trended forward at 2.2% inflation to the projected 2021 test year O&M, resulting in \$26,112.

1 **Finding 2: Advertising Expenses**

2 The analyst should consider removing \$88,453 from 2019 Advertising expenses. In addition,
3 \$605 should be reclassified to Account 930.2-Miscellaneous General Expenses.

4 The individual amounts, along with the justification for removing them, are as follows:

- 5 • \$13,650 from Northeast Florida builders Association, invoice #18953, which
6 represents a non-utility sponsored event featuring food and a golf tournament.
- 7 • \$7,500 from Tampa Bay Builders Association Inc., which represents a non-utility
8 sponsored event.
- 9 • \$1,500 from Kiwanis Club of Inverness, which represents a non-utility sponsored
10 event.
- 11 • \$426 from Kiwanis Club of Inverness, which represents a non-utility sponsored event.
- 12 • \$680 from Business Wire, which represents an image-enhancing advertisement
13 celebrating new customers with prize-gifts, and is non-utility in nature.
- 14 • \$470 from Business Wire, which represents an image-enhancing advertisement, and is
15 non-utility in nature.
- 16 • \$580 from Business Wire, which represents an advertisement related to Hurricane
17 Dorian.
- 18 • \$450 from Brandmark, which represents an advertisement related to Hurricane
19 Preparedness.
- 20 • \$63,000 from Sparks Research that is a “Customer Retention Study,” not an
21 advertising expense.
- 22 • \$197 is a late payment to Data Publishing.

23 **Q. Does this conclude your testimony?**

24 A. Yes.

25

State of Florida



Public Service Commission

Office of Auditing and Performance Analysis
Bureau of Auditing
Tampa District Office

Auditor's Report

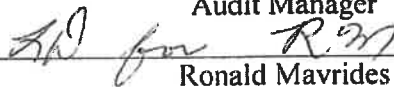
Peoples Gas System
Rate Case Audit

Twelve Months Ended December 31, 2019

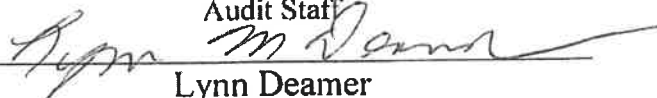
Docket No. 20200051-GU
Audit Control No. 2020-181-2-1
August 24, 2020



Intesar Terkawi
Audit Manager



Ronald Mavrides
Audit Staff



Lynn Deamer
Reviewer

Table of Contents

Purpose.....	2
Objectives and Procedures.....	3
Audit Findings	
1: Association Dues and Economic Development Expenses.....	8
2: Advertising.....	9
Exhibits	
1: Rate Base	10
2: Net Operating Income.....	11
3: Capital Structure	12

Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting and Performance Analysis in its audit service request dated June 26, 2020. We have applied these procedures to the attached schedules prepared by Peoples Gas System in support of its filing for rate relief in Docket No. 20200051-GU.

The report is intended only for internal Commission use.

Objectives and Procedures

General

Definitions

PGS refers to Peoples Gas System.

FERC refers to the Federal Energy Regulatory Commission.

USOA refers to the FERC Uniform System of Accounts as adopted by Commission Rule 25-7.014-Records and Reports in General, Florida Administrative Code (F.A.C.).

Background

Peoples Gas System filed a petition for a permanent rate increase on June 8, 2020 with a historical test year ending December 31, 2019, and a projected year ending December 31, 2021. In the MFRs the Utility submitted schedules, and we applied our procedures to these schedules.

Peoples Gas System is a division of Tampa Electric Company, providing natural gas distribution to approximately 361,000 customers throughout Florida. Tampa Electric is a wholly owned subsidiary of TECO Energy, Inc., which is a wholly owned indirect subsidiary of Emera Incorporated (Emera).

The Utility's last petition for the rate relief was granted by Order No. PSC-2009-0411-FOF-GU, in Docket No. 20080318-GU using a projected test year of December 31, 2009. The historical test year was twelve months ended December 31, 2007.

Objectives: The objectives in this proceeding were to determine whether the Utility's 2019 historic year-end filing in Docket No. 20200051-GU is consistent and in compliance with Section 366.06 – Rates, Procedures for Fixing and Changing, Florida Statutes (F.S.), and Commission Rule 25-7.014(3)-Records and Reports in General.

Procedures: We performed the following specific objectives and procedures to satisfy the overall objective identified above.

Rate Base

Utility Plant in Service

Objectives: The objectives were to determine whether utility plant in service (UPIS) exists and is owned by the utility, additions are authentic and recorded at original cost, proper retirements were made when a replacement asset was put into service, UPIS is properly classified in compliance with the USOA, UPIS balances are properly stated based on Commission adjustments in the prior rate case and to recalculate the 13-month average balance for UPIS as of December 31, 2019.

Procedures: We reconciled the UPIS beginning balances in the MFRs to the prior order and then traced the UPIS balances in the MFRs to the utility's general ledger. We verified, based on a judgmental sample, that UPIS additions, retirements and adjustments for selected plant accounts are properly recorded for the period January 1, 2008 to December 31, 2019. We recalculated the 13-month average balances for UPIS included in the filing. No exceptions were noted.

Construction Work in Progress:

Objectives: The objectives were to determine the nature and purpose of utility projects recorded as construction work in progress (CWIP), and whether projects that are eligible to accrue allowances for funds used during construction (AFUDC) are excluded from rate base pursuant to Commission Rule 25-7.0141, F.A.C. – Allowances for Funds Used During Construction, CWIP balances are properly stated based on Commission adjustments in the prior rate case in Order No. PSC-2009-0411-FOF-GU, and to recalculate the 13-month average balance for CWIP as of December 31, 2019.

Procedures: We traced the CWIP amounts in the MFRs to the utility's books and records for the period December 31, 2008 to December 31, 2019. We reviewed utility documents describing each project sampled to determine whether it was eligible to accrue AFDUC: 1. Jacksonville Expansion, 2. Southwest Florida Expansion, 3. Panama City Expansion, 4. Blue Marlin Miami Liquefied Natural Gas (LNG) System, 5. Dade City Connector, 6. Arcadia to Sarasota Gate Linking, and 7. Gas Management System upgrade to Quorum. We recalculated the 13-month average for CWIP. No exceptions were noted.

Accumulated Depreciation

Objectives: The objectives were to determine whether accruals, retirements and adjustments to accumulated depreciation (AD) are properly recorded in compliance with the USOA, to determine whether the utility used the depreciation rates established in prior orders, and to determine whether the balances are properly stated based on Commission adjustments in the prior rate case, and to recalculate the 13-month average balance for AD as of December 31, 2019.

Procedures: We traced the accumulated depreciation amounts in the MFRs to the utility's books and records for the period December 31, 2008 to December 31, 2019. We reconciled the prior ordered balances to the general ledger and MFRs. We recalculated the 13-month average balance for UPIS. We determined that the utility used the depreciation rates recommended in Order PSC-2012-027-PAA-GU. No exceptions were noted.

Working Capital

Objectives: The objectives were to determine whether the working capital (WC) account balances are properly stated based on Commission adjustments in the prior rate case in Order No. PSC-2009-0411-FOF-GU and Commission Rules, and to recalculate the 13-month average balance.

Procedures: We traced the 13-month average balances from the filing to the general ledger. We verified, based on judgmental sample of selected accounts, that the WC balance is properly stated, utility in nature, does not include non-utility items, and is consistent with the order cited above. We verified the interest bearing accounts to be; 1. Cash, 2. Competitive Rate Adjustment, 3. Conservation over/under recoveries, 4. Purchased Gas over/under recoveries, and 5. Cast Iron/Bare Steel Rider over/under recoveries. We verified, based on a judgmental sample of selected accounts, that the accumulated provision accounts year end balances comply with the Commission rules. No exceptions were noted.

Capital Structure

Objectives: The objectives were to determine whether the non-utility assets supported by the Utility's capital structure were removed in the rate base/capital structure reconciliation, the cost rates used in the computation of the cost of capital are appropriate, the rate base adjustments were adjusted in the capital structure, and to reconcile the Utility book amounts to the MFRs and the general ledger.

Procedures: We obtained the rate base/capital structure reconciliation and determined that the non-utility adjustments removed in rate base were removed in the capital structure. Audit staff traced the cost of capital cost rates for the historical base year to the debt documentation. We obtained a reconciliation of the rate base adjustments in the capital structure and traced it to the MFRs and to the general ledger. No exceptions were noted.

Net Operating Income

Operating Revenue

Objectives: The objectives were to verify that the revenues for the historical base year per the Utility's Minimum Filing Requirements (MFRs) are representative of the Utility's books and records, to verify that all classes of customer bills are calculated correctly and are in compliance with the tariffed rates, to verify that unbilled revenues are calculated properly, and to verify compliance with ordered adjustments.

Procedures: We requested the Company to reconcile the differences between the revenue accounts per the ledgers and the filings, and reconciled the differences. We requested samples of all classes of customer bills and the tariffs, including the applicable competitive adjustment and swing charges. We recalculated all sample bills for accuracy and compliance with tariffed rates. We recalculated unbilled revenues to verify for accuracy. We reviewed the adjustments from Order PSC-2009-0411-FOF-GU for compliance to the Order. No exceptions were noted.

Operation and Maintenance Expense

Objectives: The objectives were to determine whether 2019 Operation and Maintenance (O&M) expenses are properly recorded in compliance with the USOA, adequately supported by documentation, and in the correct amount and in the correct period.

Procedures: We verified, based on judgmental samples of utility transactions, that the sample transactions are adequately supported by source documentation, utility in nature, and do not include non-utility items, and are recorded consistent with the USOA. We reviewed contracts and allocations between the Utility and affiliates for compliance with Rule 25-6.1351, Cost Allocation and Affiliate Transactions. See Findings 1 and 2.

Depreciation and Amortization

Objective: The objectives were to determine whether 2019 depreciation expense is properly recorded in compliance with the USOA, Commission adjustments in the prior rate case, and to determine that depreciation expense accruals used the depreciation rates established in prior Commission orders.

Procedures: We sampled several accounts and recalculated the depreciation expense accruals to verify that the Utility is using the correct depreciation rates established in Order PSC-2012-0217-PAA-GU. We traced the depreciation expense adjustments to source documents and noted that they were consistent with the order cited above. No exceptions were noted.

Taxes Other Than Income (TOTI)

Objectives: The objectives were to determine whether Taxes Other Than Income is properly recorded and supported by adequate documentation.

Procedures: We verified, based on a sample of utility's transactions for selected TOTI accounts, that utility TOTI are adequately supported by source documentation. No exceptions were noted.

Other:

Analytical Review

Objectives: The objective was to perform an analytical review of the Utility's rate case filing using prior annual reports filed with the Commission.

Procedures: Audit staff developed a three year, analytical review that compared the annual percentage changes from 2017 to 2019, for all O&M accounts. An analytical review for the plant in service, construction work in progress, and accumulated depreciation from 2008 through 2019 was also generated to assess the annual changes for the purpose of sample selection of plant additions and retirements. No exceptions were noted.

Affiliate Transactions

Objectives: The objectives were to review intercompany charges to and from divisions, affiliated companies, and non-regulated operations, to determine if costs were allocated pursuant to Commission Rules, and to determine the original amounts allocated, whether the methodology was reasonable, and to check for accuracy and consistent application.

Procedures: Audit staff reviewed the Utility's policies and procedures relating to the recording of affiliate transactions and the cost/allocation manual for employees. During the review of rate base and net operating income, we examined items that were allocated as per the Utility's policies and procedures. No exceptions were noted.

Audit Findings

Finding 1: Association Dues and Economic Development Expenses

Audit Analysis: The Company stated “ The Associated Gas Distributors of Florida (“AGDF”) also engages in lobbying activities and advises the Company that a portion of the dues are for lobbying purposes on the invoice. In the 2019 base year, the portion of AGDF dues related to lobbying was \$50,000.

Through its review the Company has found that \$25,000 was directly charged to FERC account 426, a “below-the-line” account not included in the revenue requirement claim and the other \$25,000 was charged to FERC account 930.2. The \$25,000 in FERC account 930.2 was included in the 2019 base year data on MFR Schedule G-2, page 18 and was trended forward at 2.2% inflation to the projected 2021 test year O&M, resulting in \$26,112. The \$26,112 should have been included as an adjustment on MFR Schedule G-2, page 2. Therefor, the \$26,112 was inadvertently included in the Company’s project 2021 test year revenue requirement claim.”

Effect on the General Ledger: None

Effect on the Filing: Reduce 2019 Operation and Maintenance expenses by \$25,000 and reduce 2021 Operation and Maintenance expenses by \$26,112.

Finding 2: Advertising

Audit Analysis: We reviewed all print and audio/visual advertisements in 2019 and traced them to supporting documentation.

We are removing the following ads for the following reasons:

- \$13,650 from Northeast Florida builders Association, invoice #18953, which represents a non-utility sponsored event featuring food and a golf tournament.
- \$7,500 from Tampa Bay Builders Association Inc., which represents a non-utility sponsored event.
- \$1,500 from Kiwanis Club of Inverness, which represents a non-utility sponsored event.
- \$426 from Kiwanis Club of Inverness, which represents a non-utility sponsored event.
- \$680 from Business Wire, which represents an image-enhancing advertisement celebrating new customers with prize-gifts, and is non-utility in nature.
- \$470 from Business Wire, which represents an image-enhancing advertisement, and is non-utility in nature.
- \$580 from Business Wire, which represents an advertisement related to Hurricane Dorian, and belongs with Hurricane recovery.
- \$450 from Brandmark, which represents a Hurricane Preparedness, and belongs with Hurricane Recovery.
- \$63,000 from Sparks Research that is "Customer Retention Study," not an advertising expense.
- \$197 is a late payment to Data Publishing.

We reclassified the following transaction.

- \$605 from Volusia Building Industry Association, which represents association dues and should be reclassified to Account 930.2-Miscellaneous General Expenses.

Effect on the General Ledger: \$605 should be removed from Account 913.0 –Advertising and reclassified to Account 930.2-Miscellaneous General Expenses.

Effect on the Filing: The analyst should consider removing \$88,453 from 2019 advertising expense. The reclassification of association dues of \$605 has no effect on Operation and Maintenance expenses.

Exhibits

Exhibit 1: Rate Base

SCHEDULE B-2		RATE BASE - 13 MONTH AVERAGE		PAGE 1 OF 1
FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: PROVIDE A SCHEDULE CALCULATING A 13-MONTH AVERAGE RATE BASE AS ADJUSTED FOR THE HISTORIC BASE YEAR.		TYPE OF DATA SHOWN: HISTORIC BASE YEAR DATA: 12/31/19
COMPANY: PEOPLES GAS SYSTEM				WITNESS: S. HILLARY
DOCKET NO.: 20200051-GU				
LINE NO.	UTILITY PLANT	AVERAGE PER BOOKS	ADJUSTMENT	ADJUSTED AVERAGE
1	PLANT IN SERVICE	\$1,848,671,090	(\$127,272,488)	\$1,721,398,602
2	COMMON PLANT ALLOCATED	\$0	(\$1,201,761)	(\$1,201,761)
3	ACQUISITION ADJUSTMENT	\$5,031,897	(\$2,946,879)	\$2,085,018
4	PROPERTY HELD FOR FUTURE USE	\$1,939,552	(\$1,939,552)	\$0
5	CONSTRUCTION WORK IN PROGRESS	\$45,274,016	(\$18,890,013)	\$26,384,004
6	TOTAL PLANT	\$1,900,916,555	(\$152,250,692)	\$1,748,665,863
DEDUCTIONS				
7	CUSTOMER ADVANCES FOR CONS	(\$11,835,439)	\$0	(\$11,835,439)
8	ACCUM. DEPR. - UTILITY PLANT	(\$751,096,791)	\$5,884,345	(\$745,432,446)
9	ACCUM. DEPR. - COMMON PLANT	\$0	\$368,026	\$368,026
10	ACCUM. AMORT - ACQ. ADJ.	(\$4,782,911)	\$2,780,843	(\$2,001,968)
11	ACCUM. AMORT. - LEASEHOLD/OTHER	(\$15,607,977)	\$0	(\$15,607,977)
12				\$0
13				\$0
14	TOTAL DEDUCTIONS	(\$783,323,119)	\$8,813,313	(\$774,509,806)
15	PLANT NET	\$1,117,593,437	(\$143,437,379)	\$974,156,057
ALLOWANCE FOR WORKING CAPITAL				
16	BALANCE SHEET METHOD	(\$15,832,753)	(\$11,627,528)	(\$27,460,279)
17	TOTAL RATE BASE	\$1,101,760,684	(\$155,064,906)	\$946,695,778
18	NET OPERATING INCOME	\$67,510,517	(\$8,241,671)	\$59,268,846
19	RATE OF RETURN	6.13%		6.28%

SUPPORTING SCHEDULES: B-1, B-3, B-4, B-5, B-6, B-7, B-8, B-9, B-10, B-11, B-12, B-13, C-1

RECAP SCHEDULES:

Exhibit 2: Net Operating Income

SCHEDULE C-1

NET OPERATING INCOME

PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE CALCULATION OF NET OPERATING
 INCOME PER BOOKS FOR THE HISTORIC BASE YEAR
 AND THE PRIOR YEAR.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/19
 HISTORIC BASE YR - 1: 12/31/18
 WITNESS: S. HILLARY

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 20200051-GU

NET OPERATING INCOME - HISTORIC BASE YEAR ENDED 12/31/2019

LINE NO.		(1)	(2)	(3)	(4)	(5)	(6)
		PRIOR YEAR ENDED TOTAL COMPANY PER BOOKS (BASE YEAR - 1)	CURRENT HISTORIC BASE YEAR ENDED TOTAL COMPANY PER BOOKS	ADJUSTMENTS	COMPANY ADJUSTED (2) - (3)	REVENUE ADJUSTMENT	JURISDICTIONAL AMOUNT PROPOSED RATES
		12/31/2018	12/31/2019				
1	OPERATING REVENUES	\$ 475,275,000	\$ 449,737,780	\$ (217,175,588)	\$ 232,562,182	\$ -	\$ 232,562,182
	OPERATING EXPENSES:						
2	GAS EXPENSE	183,182,000	156,150,885	(156,150,885)	-	-	-
3	OPERATION & MAINTENANCE	120,420,000	128,715,895	(21,675,410)	107,040,486	-	107,040,486
4	DEPRECIATION & AMORTIZATION	60,875,000	41,269,583	(1,904,562)	39,365,021	-	39,365,021
5	TAXES OTHER THAN INCOME TAXES	39,330,000	41,229,532	(27,094,543)	14,134,989	-	14,134,989
	INCOME TAXES:						
6	- FEDERAL	3,725,719	5,100,264	(1,725,202)	3,375,062	-	3,375,062
7	- STATE	48,784	(336,687)	(383,324)	(720,011)	-	(720,011)
	DEFERRED INCOME TAXES						
8	- FEDERAL	7,501,279	8,906,862	-	8,906,862	-	8,906,862
9	- STATE	3,221,180	3,331,714	-	3,331,714	-	3,331,714
10	INVESTMENT TAX CREDIT - NET	-	-	-	-	-	-
11	GAIN ON SALE OF PROPERTY	(2,140,586)	(2,140,586)	-	(2,140,586)	-	(2,140,586)
12	TOTAL OPERATING EXPENSES	\$ 415,963,376	\$ 382,227,263	\$ (208,933,926)	\$ 173,293,336	\$ -	\$ 173,293,336
13	OPERATING INCOME	\$ 59,311,624	\$ 67,510,517	\$ (8,241,671)	\$ 59,268,846	\$ -	\$ 59,268,846

Exhibit 3: Capital Structure

SCHEDULE D-1

COST OF CAPITAL - 13-MONTH AVERAGE

PAGE 1 OF 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE COMPANY'S 13-MONTH AVERAGE RECONCILED JURISDICTIONAL CAPITAL STRUCTURE AND COST RATES FOR EACH CLASS OF CAPITAL FOR THE HISTORIC BASE YEAR OF THE CURRENT CASE AND THE HISTORIC BASE YEAR OR TEST YEAR OF THE LAST RATE CASE.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/19
PRIOR HISTORIC BASE YEAR: 12/31/07
WITNESS: S. HILLARY

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 20200051-GU

LINE NO.	CLASS OF CAPITAL (1)	LAST RATE CASE - HISTORIC BASE YEAR ENDED 12/31/2007				PRESENT RATE CASE - HISTORIC BASE YEAR ENDED 12/31/2019						
		DOLLARS (2)	RATIO (3)	COST RATE (4)	WEIGHTED COST (5)	AMOUNT PER BOOKS (6)	ADJUSTMENTS		NET (9)	RATIO (10)	COST RATE (11)	WEIGHTED COST (12)
						SPECIFIC (7)	PRORATA (8)					
1	COMMON EQUITY	\$255,137,944	49.66%	11.25%	5.59%	\$496,723,714	(\$3,422,009)	(\$54,854,491)	\$438,447,214	46.31%	10.75%	4.98%
2	LONG TERM DEBT	178,249,290	34.69%	7.29%	2.53%	322,294,515	(2,591,496)	(35,550,549)	284,152,470	30.02%	4.73%	1.42%
3	SHORT TERM DEBT	19,770,275	3.85%	5.02%	0.19%	52,429,119	0	(5,830,048)	46,599,071	4.92%	3.04%	0.15%
4	CUSTOMER DEPOSITS	34,860,006	6.79%	6.66%	0.45%	26,343,504	0	(2,691,279)	23,652,225	2.50%	2.46%	0.06%
5	DEFERRED INCOME TAX	25,654,528	4.99%	0.00%	0.00%	203,969,831	(32,619,897)	(17,505,280)	163,844,655	16.25%	0.00%	0.00%
6	TAX CREDITS	106,440	0.02%	0.00%	0.00%	0	0	0	0	0.00%	0.00%	0.00%
7	TOTAL	\$513,778,482	100.00%		8.76%	\$1,101,760,684	(\$38,633,402)	(\$116,431,647)	\$946,695,635	100.00%		6.61%

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Peoples Gas System.

DOCKET NO. 20200051-GU

DATED: August 31, 2020

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the testimony of Intesar Terkawi on behalf of the staff of the Florida Public Service Commission was electronically filed with the Office of Commission Clerk, Florida Public Service Commission, and copies were furnished by electronic mail to the following on this 31st day of August, 2020.

J.R. Kelly/ Mireille Fall-Fry
Office of Public Counsel
111 W. Madison St., Room 812
Tallahassee, Florida 32399
Kelly.jr@leg.state.fl.us
Fall-fry.mireille@leg.state.fl.us

Paula K. Brown/Kandi M. Floyd
Peoples Gas System – Regulatory Affairs
P.O. Box 111
Tampa, Florida 33601
regdept@tecoenergy.com

Thomas Szelistowski
Peoples Gas System
P.O. Box 2562
Tampa, FL 33601-2562

Andrew M. Brown/ Thomas R. Farrior
Macfarlane Law Firm
P.O. Box 1531
Tampa, Florida 33601
ab@macfar.com
trf@macfar.com

Jon C. Moyle, Jr.
Karen A. Putnal
Moyle Law Firm, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
jmoyle@moylelaw.com
kputnal@moylelaw.com
mqualls@moylelaw.com

/s/ Kurt Schrader

KURT SCHRADER
SENIOR ATTORNEY
FLORIDA PUBLIC SERVICE COMMISSION
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Telephone: (850) 413-6199
kschrade@psc.state.fl.us