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August 1, 2025

VIA: ELECTRONIC FILING

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 20250003-GU; Purchased Gas Adjustment true-up

Dear Mr. Teitzman:

Attached for filing in the above docket is Peoples Gas System, Inc.'s Testimony of Evette Moreno.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'V. Ponder', written over a light blue circular stamp.

Virginia L. Ponder

VLP/dh
Attachment

cc: All Parties of Record (w/attachment)



BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 20250003-GU
PURCHASED GAS ADJUSTMENT (PGA)
BY PEOPLES GAS SYSTEM, INC.

TESTIMONY AND EXHIBIT
OF
EVETTE MORENO

FILED: AUGUST 1, 2025

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

PREPARED DIRECT TESTIMONY

OF

EVETTE MORENO

Q. Please state your name, business address, by whom you are employed, and in what capacity?

A. My name is Evette Moreno. My business address is 3600 Midtown Drive, Tampa, FL 33607. I am employed by Peoples Gas System, Inc. ("Peoples" or the "company") as a Director Gas Supply & Trading.

Q. Please describe your educational and employment background.

A. I graduated from the American Intercontinental University in 2005 with a Bachelor of Arts degree in Business Administration with a concentration in Accounting and Finance. I also graduated from the Florida Institute of Technology in 2022 with a Master of Business Administration degree. My work experience includes thirty years of gas utility experience. My utility work has included various positions in Gas Supply & Trading and Transportation Services.

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Q. What is the purpose of your testimony in this docket?

A. The purpose of my testimony is to address (1) how the company will obtain its gas supplies during the projected period, and (2) the estimates and adjustments used to determine the amount of gas to be purchased from Peoples' available sources during the projected period.

Q. Please describe how Peoples will obtain its gas supplies during the projected period of January 2026 through December 2026.

A. Natural gas delivered through Peoples' distribution system is received through three interstate pipelines and one intrastate pipeline. Gas is delivered through Florida Gas Transmission Company ("FGT"), Southern Natural Gas Company ("SONAT"), Gulfstream Natural Gas System ("Gulfstream"), and SeaCoast Gas Transmission ("SeaCoast"). Receiving gas supply through multiple upstream pipelines provides the company with valuable flexibility and reliability to serve customers.

Q. In general, how does Peoples determine its sources of supply?

1
2 **A.** Peoples evaluates, selects, and utilizes sources of
3 natural gas supply based on its "best value" gas
4 acquisition strategy. For a source of supply to be
5 identified as "best value," it must offer the best
6 combination of price, reliability of supply, and
7 flexibility. This is consistent with Peoples' obligation
8 as a public utility to provide safe, adequate, and
9 efficient service to our customers. Through a
10 competitive bidding process, Peoples has a portfolio of
11 supply sources from numerous third parties that reflect
12 balance between cost, reliability, and operational
13 flexibility

14
15 **Q.** Could Peoples purchase all third-party supplies in
16 advance for a long term at the lowest available fixed
17 price to provide increased stability to its cost of gas?

18
19 **A.** No. Peoples' quantity requirements for system supply gas
20 vary significantly according to year, season, month, and
21 day. The variability in the demand for gas on Peoples'
22 system is driven by the requirements of its customers.
23 As a result, the actual quantity of gas taken out of
24 Peoples' system by transport customers varies. Since
25 significant portions of the total transportation volumes

1 are received by Peoples at a uniform daily rate, Peoples
2 increases or decreases the volumes purchased for its own
3 system supply to maintain a daily balance between
4 receipts and deliveries of gas. Therefore, Peoples must
5 buy a portion of its total system requirements under
6 swing contract arrangements and meet variations in
7 delivered volumes by relying on swing gas, peaking gas,
8 pipeline balancing volumes, and pipeline no notice
9 service at the prevailing rates for such services.
10

11 **Q.** What has contributed to the stable price of natural gas
12 in 2025 and the higher price projected for 2026 compared
13 to 2025?

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15 **A.** Strong domestic storage injections and lower domestic
16 natural gas production is the primary factor contributing
17 to the stable natural gas prices in 2025. Higher natural
18 gas prices are expected in 2026 because of the draw down
19 of domestic storage inventories throughout 2025 and new
20 demand from liquefied natural gas export projects.

21 **Q.** Please summarize your testimony.
22

23 **A.** My testimony addresses how the company will obtain its
24 gas supplies during the projected period, the estimates

1 and adjustments used to determine the amount of gas to
2 be purchased from Peoples' available sources during
3 the projected period, and what is driving higher
4 natural gas prices in 2026.

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

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8 **A.** Yes, it does.
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