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April 20, 2026

**BY E-FILING**

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

**Re: Docket No. 20260026-GU – Application for Rate Increase by Florida City Gas.**

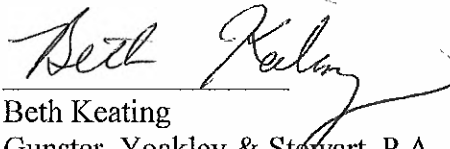
Dear Mr. Teitzman:

Attached, for electronic filing, on behalf of Florida City Gas, please find the Direct Testimony of Dan Noia, as well as his Exhibit DN-1.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

(Document 15 of 27)

Sincerely,



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Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
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Tallahassee, FL 32301  
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 20260026-GU: Petition for rate increase by Florida City Gas

Prepared Direct Testimony of Dan Noia

Date of Filing: April 20, 2026

**Table of Contents**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

<u>SECTION</u>	<u>PAGE</u>
I. Introduction .....	3
II. Statement of Qualifications.....	4
III. Purpose of Testimony .....	5
IV. Natural Gas Systems and Service Overview.....	6
A. Systems .....	6
B. Services.....	7
i. Transportation Service.....	7
ii. Capacity Planning.....	11

1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. My name is Dan Noia, and my business address is 208 Wildlight Avenue, Yulee,  
4 Florida 32097.

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

6 A. I am employed by Chesapeake Utilities Corporation as the Director of Energy  
7 Logistics.

8 **Q. Briefly describe your educational background and employment experience.**

9 A. I earned my bachelor's degree in business economics from The State University of  
10 New York at Oneonta. I have been employed in the energy industry since 2001 and  
11 have approximately 25 years of experience that includes commodity buying, selling,  
12 asset/resource optimization and price risk management. I have been responsible for  
13 various aspects of the purchase and sale of natural gas, including price risk  
14 management, procurement, scheduling, and optimization. I have been employed by  
15 Entegra Power Group, Seminole Electric Cooperative, Peoples Gas System and  
16 currently by Chesapeake Utilities Corporation, the parent company of Florida City  
17 Gas, since 2022.

18 **Q. Have you filed testimony before the Florida Public Service Commission in prior**  
19 **cases?**

20 A. No. I have not.

21 **Q. Have you previously provided testimony before other regulatory bodies?**

1 A. Yes. I previously testified before the Maryland Public Service Commission on behalf  
2 of Chesapeake Utilities Corporation's former Maryland Division in Case No. 9513(s),  
3 which is a purchased gas adjustment ("PGA") proceeding.

4 **Q. How will you refer to the Company?**

5 A. When referring to Florida City Gas, I will refer to it as "FCG" or the "Company."  
6 When referring to Chesapeake Utilities Corporation, the parent company, I will refer  
7 to it as "Chesapeake" or "CUC."

8

9 **II. Statement of Qualifications**

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

11 A. Currently, I am responsible for the Company's Fuel Supply and Energy Logistics  
12 Department. As the Director of Energy Logistics, I am responsible for procurement of  
13 gas, contracting for pipeline capacity, and managing the Company's Third-Party  
14 Shipper ("TPS") program (also referred to as the Company's state-approved retail  
15 choice program). I am, therefore, responsible for certain operational functions, which  
16 fall under the energy logistics component of my role, as well as long-term, fuel-related  
17 initiatives under the fuel supply component of my role.

18 My day-to-day responsibilities include: i) managing the daily operations surrounding  
19 physical gas receipts and deliveries to end-use customers; ii) managing the Company's  
20 TPS pools and transportation services for our end-use customers; and iii) managing  
21 the receipts and deliveries of fuel supplies to and from the Company's distribution  
22 systems.

1 I am also responsible for developing our long-term strategies for upstream pipeline  
2 capacity procurement and, as such, I coordinate with other management areas within  
3 the Company and CUC to ensure our strategy fully supports the Company's: i)  
4 localized operational requirements; ii) specific development projects; and iii) our  
5 longer-term strategy for expansion into new and underserved service areas throughout  
6 the state.

7  
8 **III. Purpose of Testimony**

9 **Q. What is the purpose of your testimony in this proceeding?**

10 A. My testimony primarily relates to four specific matters.

11 (1) I will provide an overview of the Company's natural gas distribution system.

12 (2) I will provide an overview of the Company's transportation service program.

13 (3) I will discuss the standardization of the FCG Tariff and changes to the Company's  
14 Gas Management System.

15 (4) I will discuss the additional interstate capacity requirements for FCG.

16 **Q. Do you have any exhibits to which you will refer to in your testimony?**

17 A. Yes. I am cosponsoring DN-1, which is a map of Florida Gas Transmission Company's  
18 ("FGT") transmission facilities in Florida, which is the only interstate pipeline that is  
19 interconnected with FCG.  
20

1 **IV. Natural Gas Systems and Service Overview**

2 **A. Systems**

3 **Q. Would you please provide an overview of FCG's natural gas distribution systems**  
4 **in Florida?**

5 A. FCG serves 125,000 residential, commercial and industrial customers in Florida's  
6 Miami-Dade, Broward, Brevard, Palm Beach, Hendry, Martin, St. Lucie, and Indian  
7 River counties. The Company's service to residential customers is divided between  
8 customers referred to as retail sales customers, i.e. purchased gas adjustment ("PGA")  
9 customers, for whom FCG provides bundled gas service, and those customers in one  
10 of the transportation service pools for whom FCG provides unbundled transportation  
11 only. These latter customers in the transportation service pools receive their gas supply  
12 from Third Party Shippers ("TPS") companies. I refer to third-party entities that use  
13 our system to supply gas to end-users as both TPS and as gas marketers ("Marketers").  
14 I will also provide an additional explanation of our sales and transportation services in  
15 the next section of my testimony.

16 **Q. Please describe the Company's system utilized to deliver gas to customers and the**  
17 **Company's geographical footprint.**

18 A. FCG manages almost 4,000 miles of distribution and 80 miles of transmission pipeline.  
19 As mentioned above, FCG provides service in Florida's Miami-Dade, Broward,  
20 Brevard, Palm Beach, Hendry, Martin, St. Lucie, and Indian River counties. FCG's  
21 distribution system is primarily served by one interstate pipeline system, which is  
22 Florida Gas Transmission (FGT). Please refer to additional details in Company witness  
23 William Haffecke's testimony.

1 **Q. Geographically, where are FCG's largest concentrations of customers?**

2 A. FCG's largest concentration of customers are in Miami-Dade County (City of Hialeah)  
3 and Melbourne in Brevard County.

4 **B. Services**

5 **i. Transportation Service**

6 **Q. What is firm transportation or FT capacity?**

7 A. Firm transportation, or "FT" capacity is the amount of space that is reserved on the  
8 interstate pipeline for use by FCG. This space on the interstate pipeline allows FCG to  
9 buy natural gas and transport it to our service territory to meet the needs of the system's  
10 customers in a safe, cost-effective, and reliable manner. The cost of the capacity, or  
11 the reservation fee, is paid to the interstate pipeline. FCG charges its sales customers  
12 for these costs through its PGA.

13 **Q. What is a "Sales" customer?**

14 A. Customers who receive gas supply from the Company.

15 **Q. What is a "Transportation" customer?**

16 A. The FCG Tariff defines a transportation customer as a customer receiving gas supply  
17 from a TPS. So, a transportation customer is one who only contracts for the transport  
18 of natural gas on FCG's system, but who does not purchase their supply of natural gas  
19 from FCG.

20 **Q. What is meant by the term "Shipper"?**

21 A. As I have noted, certain customers receive only transportation service from the  
22 Company. These customers buy their natural gas supply from a TPS who then uses the  
23 Company's pipes to deliver the gas to the customer. Third-Party Suppliers can also be

1 referred to as “shippers” or “marketers,” or “TPS” on our systems, and they buy gas  
2 for industrial customers and some commercial customers.

3 **Q. Has FCG’s transportation service evolved over time?**

4 A. Yes. Since 2000, when the Commission adopted Rule 25-7.0335, Florida  
5 Administrative Code, requiring each natural gas utility, often referred to as a local  
6 distribution company (“LDC”), to offer gas transportation service to all non-residential  
7 customers, transportation services across each of the current CUC-owned LDCs in  
8 Florida has evolved. While FCG implemented transportation service tariffs consistent  
9 with Rule 25-7.054, Florida Administrative Code, it did not exit the gas sales market  
10 entirely. Consequently, FCG still participates in the PGA cost recovery proceedings,  
11 pursuant to which it recovers the costs associated with obtaining and delivering natural  
12 gas to customers.

13 Since the acquisition of FCG in December 2023, CUC has taken steps to identify  
14 and address inconsistencies between CUC’s two Florida LDCs, FCG and Florida  
15 Public Utilities Company (“FPUC”). Inherent to operating under two tariffs, CUC  
16 is administering two different transportation service programs in Florida. In 2024,  
17 the Company petitioned the Commission to approve certain modifications to both  
18 companies’ transportation tariffs to align and standardize their transportation  
19 service rules and regulations (Docket No. 20240159-GU). In that proceeding,  
20 FPUC and FCG proposed tariff changes to promote consistency in the language  
21 across the two existing tariffs. The language was otherwise consistent with industry  
22 norms, Commission rules, and Company processes. The alignment and  
23 standardization of the FCG and FPUC transportation service programs was

1 approved by Order No. 2025-0170-TRF-GU, issued May 28, 2025. That decision  
2 represented a significant step in an ongoing effort to reduce and eliminate business  
3 inconsistencies across CUC's Florida platforms. FPUC and FCG also filed a  
4 consolidated PGA rate. In the future, we expect to continue down the path of  
5 aligning templates, tools, systems and variable charges between FPUC and FCG.

6 **Q. How are the FCG Tariff standardization and modifications beneficial to the**  
7 **Company and its customers?**

8 A. By standardizing the transportation service rules and processes for FCG and FPUC,  
9 CUC is able to provide a more uniform service level across the sister companies'  
10 platform in Florida, while customers and pool managers now operate under the same  
11 tariff provisions across the two distribution systems. Operating under two different  
12 transportation service tariffs presented a variety of administrative and operational  
13 challenges to the companies. These challenges included administrative inefficiencies,  
14 the inability to streamline necessary business functions and IT systems, and the  
15 utilization of duplicative business forms with varying levels of consistency and that  
16 are absent a common format. CUC also plans to implement the FPUC Convergence  
17 Gas Transportation System ("Convergence GTS" or "GTS") within the FCG service  
18 area, which will further standardize the business practices of both LDCs.

19 At the appropriate time, the full consolidation of FPUC and FCG will further enhance  
20 operational flexibility and administrative efficiency while maintaining compliance  
21 with all applicable tariffs, regulatory requirements, and reliability standards. By  
22 managing transportation capacity collectively with FPUC, the Company can more  
23 efficiently allocate contracted assets, optimize daily nominations and balancing

1 activities, and respond more effectively to changes in load, weather, and market  
2 conditions. This integrated approach will further reduce duplicative processes,  
3 minimize administrative complexity, and improve coordination between gas supply,  
4 transportation, and delivery functions. A combined transportation program will also  
5 enable streamlined scheduling, nomination, and imbalance management across all  
6 delivery points. Standardized processes are expected to reduce manual interventions,  
7 improve data visibility, and support more timely decision-making. These efficiencies,  
8 once realized, will lower operational risk and contribute to more consistent system  
9 performance during both normal and peak demand conditions. Additionally, full  
10 consolidation will provide enhanced flexibility by allowing transportation capacity  
11 and supply to be utilized across the entire system as load requirements shift.

12 **Q. Has the Company taken additional steps toward a consolidation in this**  
13 **proceeding?**

14 A. Yes. The Company plans to file a consolidated, phased-in approach to modify the  
15 FCG's existing transportation balancing rider to make it more consistent to FPUC's  
16 Swing Service Rider. Additionally, the Company is modifying language to standardize  
17 the FCG and FPUC transportation service programs and align the program criteria to  
18 better position consolidation of both companies' transportation tariffs across the  
19 Florida platform. Please refer to additional details in Company witness Wraye  
20 Grimard's testimony.



1       A.     Typically, the rights to ship that are conveyed in a firm transportation agreement are  
2             not limited to exclusively the contracted receipt and delivery points, or the path that is  
3             created by these points. Gas may be sourced from alternate receipt points, and may  
4             be delivered to alternate delivery points, to the extent that the pipeline can allow such  
5             flows. The preferential status of “primary” can be lost when the capacity is used in  
6             this manner (contingent upon the manner of the change and the pipeline’s rules).  
7             Capacity that is no longer primary is considered secondary. There are risks associated  
8             with using secondary capacity. First, there is the issue of scheduling priority. In the  
9             case that scheduled quantities of gas are in excess of the operating capacity of a  
10            segment of pipeline, primary capacity is prioritized, and then secondary capacity  
11            supplements to fill in the remaining space. This means, in periods of high demand or  
12            in regions where the pipeline runs close to capacity, secondary capacity shippers take  
13            a risk on having their deliveries be prorated or cut completely. Second, the secondary  
14            market only functions if there are primary shippers who are not using their contractual  
15            entitlements, and who are predisposed to sell any of these unused entitlements.  
16            Secondary capacity is often unavailable during extreme peak conditions.  
17            As one example, secondary capacity risk can be extremely impactful to demand that  
18            is south of FGT’s Compressor Station 21, which is where the majority of FCG’s  
19            demand is located. Due to constraints at Compressor Station 21, there is a finite  
20            amount of gas that can be delivered into the market. The market is frequently  
21            constrained, meaning secondary capacity into the geography is often getting  
22            constrained or prorated. These types of constraints are a risk every day of the summer  
23            and during peak winter conditions. There are only a few shippers on FGT with primary

1 rights into this region, thus reducing the liquidity of secondary capacity. Should the  
2 supply-demand balance in the region continue to tighten, as it is currently trending,  
3 the risk increases that these primary shippers will no longer have surplus holdings that  
4 can be released into the secondary market. Should this occur, the Company, as well as  
5 Third Party Suppliers that utilize secondary capacity to serve FCG customers, will be  
6 unable to reliably procure the capacity to provide service on the FCG system.

7 **Q. Has there been a change in the upstream capacity management practices of the**  
8 **Company since the acquisition of FCG and if so, what are those changes?**

9 A. Yes, the Company has conducted an evaluation of FCG's current upstream pipeline  
10 capacity portfolio compared to potential peak design day demands given Florida's  
11 current capacity environment. FCG has also executed a Precedent Agreement with  
12 FGT to acquire 40,000 dekatherms per day of additional firm capacity (with primary  
13 rights to constrained areas on FGT) as part of FGT's Phase IX Expansion project,  
14 which is needed to meet the peak design day requirements of the system. The effective  
15 date of FGT's Phase IX is expected in Q4 of 2028. This is critical to ensure that FCG  
16 has more meaningful access to capacity and gas supplies to provide reliable service to  
17 its customers and to ensure FCG can provide service to new customers as well. The  
18 Company continues to identify and evaluate pipeline solutions and projects for the  
19 significant capacity shortfall, that will increase capacity, resiliency and reliability  
20 across the system and provide the best service to customers in the most efficient  
21 manner.

22 **Q. Has the acquisition of FCG by CUC resulted in benefits for FCG in terms of**  
23 **capacity holdings and costs?**

1 A. Yes. For one, the larger natural gas company platform has enabled FCG to utilize or  
2 optimize its FGT delivery point rights in FGT's Florida Market Area to benefit the  
3 Company and its customers in the capacity-constrained portions of the state. This also  
4 enables the Company to utilize the capacity it holds more efficiently, which is  
5 important given the rising cost of new capacity, which I will address later in my  
6 testimony. The Company is also now better able to manage its capacity holdings and  
7 acquire capacity when necessary to ensure continued reliable service.

8 **Q. How has the Company addressed its incremental interstate pipeline capacity**  
9 **requirements and subsequent costs?**

10 A. As stated previously in my testimony, FCG has executed a Precedent Agreement with  
11 FGT to acquire 40,000 dekatherms per day of additional firm capacity (with primary  
12 rights to constrained areas on FGT) as part of FGT's Phase IX Expansion project. This  
13 capacity is required to meet peak design day demand. The capacity rate is  
14 contemplated to be \$1.35/MMbtu, at an annual cost of approximately \$19.7 million.

15 **Q. Can the Company avoid the need to acquire additional, expensive interstate**  
16 **capacity?**

17 A. Ultimately, no. The Company will need to acquire additional interstate capacity to  
18 ensure that it can continue to provide safe, reliable natural gas service for its customers  
19 across the state. As mentioned, this is due to the significant growth of the Company's  
20 system in several parts of the state and anticipated additional growth. Demand in  
21 FCG's service territory exceeds primary firm capacity available to serve that demand,  
22 forcing FCG to rely on an increasingly unstable secondary firm capacity market to  
23 meet its obligation to serve. The state is growing as people migrate to Florida from

1 other parts of the country. Florida's economy is growing along with these new  
2 residences, and customer demand is growing. From a residential perspective, it is an  
3 important source of energy for efficient homes. From an industrial perspective, natural  
4 gas creates economic opportunity and is highly desired by businesses large and small.  
5 In reality, the necessity to acquire new tranches of capacity should be viewed as a  
6 positive development for the state, as it is representative of and commensurate with  
7 the growth that the state continues to enjoy.

8 **Q. Has the Company completed its LNG project in Homestead, Florida?**

9 A. FCG completed construction and commissioning of its LNG Facility in Homestead,  
10 Florida, and it was placed into service in April 2023. This facility has been used for  
11 peak shaving when needed during peak demand conditions.

12 **Q. Is the LNG Facility needed to provide service to FCG's customers?**

13 A. Yes, the need for the LNG Facility remains today just as it did when initially approved  
14 as part of the rate case settlement approved by the Commission in 2018, by Order No.  
15 2018-0190-FOF-GU. As stated, prior in my testimony, FCG does not hold sufficient  
16 primary capacity to serve its entire customer base during peak design day conditions.  
17 particularly in the Miami-Dade County area, which is currently served by a single  
18 interstate pipeline with capacity that is fully subscribed. The LNG Facility continues  
19 to be necessary to provide incremental in-state supply and peak shaving in the southern  
20 portion of the Company's system during peak demand conditions. Additionally, the  
21 plant enhances the reliability of FCG's distribution system. The LNG facility will  
22 continue to be a critical supply asset for peaking and reliability support even after the

1 acquisition of additional interstate pipeline capacity in FGT's 2028 Phase IX  
2 expansion.

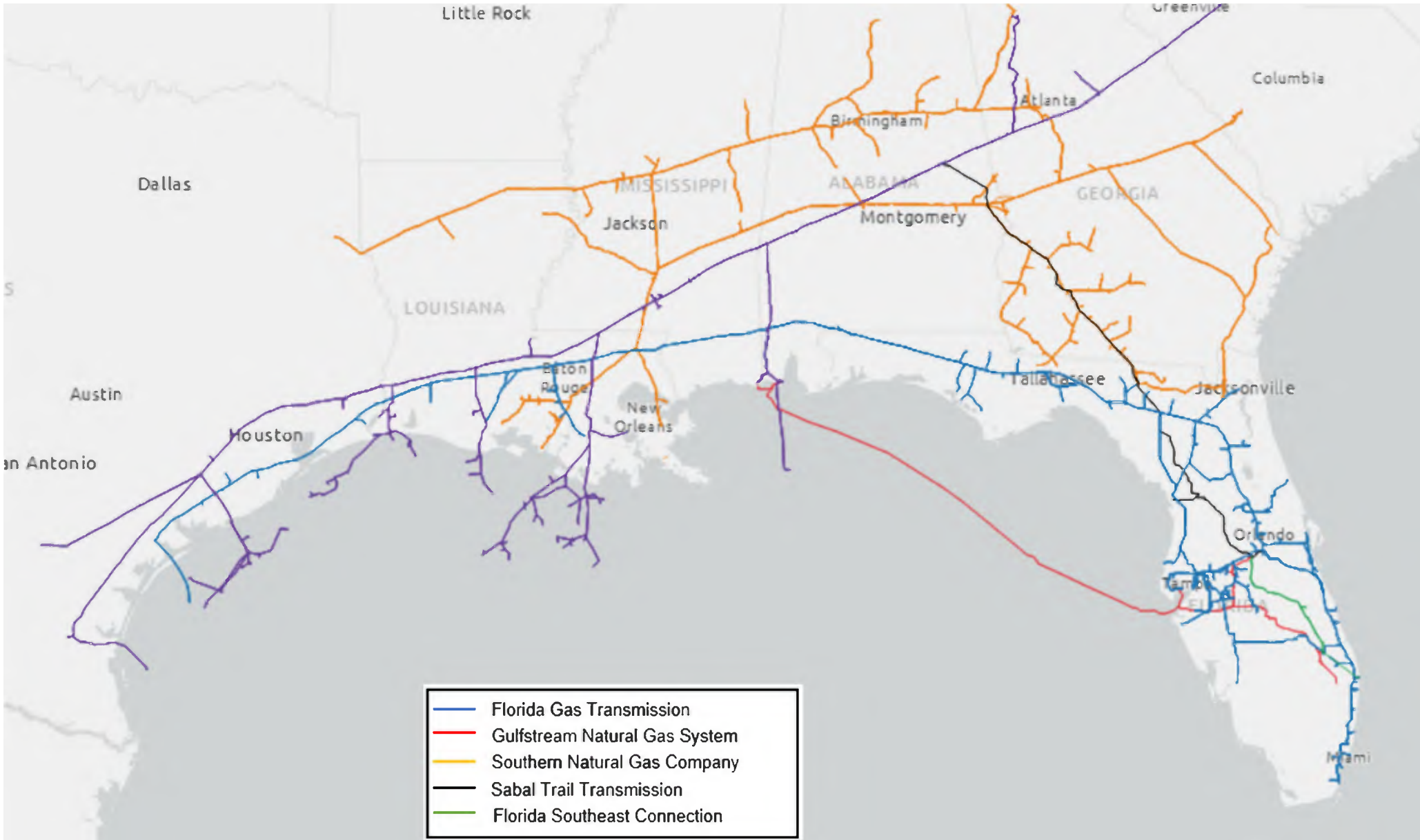
3 **Q. Please summarize your testimony.**

4 A. FCG Tariff standardization and further consolidation of FPUC and FCG will be  
5 beneficial to the Company and its customers; therefore, in compliance with established  
6 regulatory parameters, the Company will further implement the planned approach. Gas  
7 supply capabilities in the state are constrained and will continue to become more  
8 constrained as Florida continues to grow, particularly in the southern part of the state.  
9 As such, FCG will continue to proactively seek out cost-effective ways to meet the  
10 forecasted needs of our customers. In concert with the now-completed LNG project,  
11 the additional FGT firm transportation capacity is the most prudent and effective  
12 means by which FCG can address these issues for the foreseeable future. FCG will  
13 nonetheless continue to explore the viability of other options as they become available.  
14 FCG strives to secure and provide safe, reliable and cost-effective gas supply service  
15 for all our customers. Initiating this pro-growth approach to capacity is appropriate.

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

17 A. Yes.

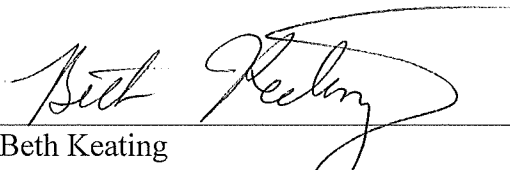
## Southeast Interstate Pipeline Infrastructure



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Testimony and Exhibit of Dan Noia have been furnished by Electronic Mail to the following parties of record this 20<sup>th</sup> day of April, 2026:

Jennifer Crawford Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 <a href="mailto:jcrawfor@psc.state.fl.us">jcrawfor@psc.state.fl.us</a>	Office of Public Counsel Walter Trierweiler/Charles Rehwinkel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 <a href="mailto:Trierweiler.walt@leg.state.fl.us">Trierweiler.walt@leg.state.fl.us</a> <a href="mailto:Rehwinkel.Charles@leg.state.fl.us">Rehwinkel.Charles@leg.state.fl.us</a>
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