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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.

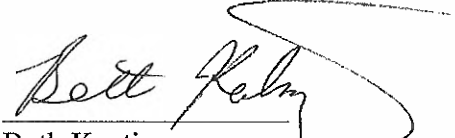
Dear Mr. Teitzman:

Attached, for electronic filing, on behalf of Florida City Gas, please find the Direct Testimony of Wraye Grimard and her Exhibit WG-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 18 of 27)

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
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 Wraye Grimard

Date of Filing: April 20, 2026

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1 **I. Introduction**

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

3 A. My name is Wraye Grimard. My business address is 3789 E. Eagle Trail, Hernando,
4 Florida 34442. I am President of Wraye Grimard LLC, and I have provided consulting,
5 regulatory, and tariff support for Florida Public Utilities Company (“FPUC”) since
6 May 2017. In November 2023, Chesapeake Utilities Corporation (“Chesapeake”)
7 acquired Florida City Gas (“FCG” or “Company”). Chesapeake is the parent company
8 of FPUC and FCG.

9 **Q. Please describe your professional experience.**

10 A. I have over 45 years of experience in the natural gas industry with a focus on federal
11 and state regulatory, rates, and tariff matters. Prior to retiring in 2017, I worked for
12 TECO Energy (“TECO”). At TECO, I was responsible for developing and managing
13 SeaCoast Pipeline’s intrastate pipeline services and regulatory matters, as well as
14 TECO’s subsidiary, Peoples Gas System’s (“PGS”) transportation service programs.
15 I oversaw and managed the evolution of PGS’s operating tariffs since 2000. I have
16 testified before the Florida Public Service Commission (“FPSC”) for several matters
17 related to fuel clause filings, tariff modification requests, and in rate case filings. Since
18 2017, I have consulted and participated in the modification and consolidation of
19 FPUC’s four operating tariffs, as well as providing subject matter expertise for the
20 implementation of Chesapeake’s Gas Transportation Service software that went into
21 service on May 1, 2022. In addition, I have testified at the Delaware and Maryland
22 Public Service Commissions concerning rate and tariff matters for the Chesapeake
23 Utilities entities operating in those states.

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

2 A. For clarity, when referring to Florida City Gas, I will refer to it as “FCG” or the
3 “Company.” When referring to Chesapeake Utilities Corporation, the parent company,
4 I will refer to it as “Chesapeake” or “CUC.”

5

6 **II. Purpose of Testimony**

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

8 A. The purpose of my testimony is to present and support the tariff modifications
9 proposed as part of the Company’s rate case filing. My testimony will describe the
10 proposed modifications to: i) rate schedules; ii) the proposed changes to the adoption
11 of the LE Rate Schedule by FCG; and iii) other non-rate related tariff changes
12 proposed by the Company in this proceeding.

13 **Q. Are you sponsoring any exhibits in this proceeding?**

14 A. Yes. I am sponsoring both the complete proposed Tariff Volume 12 (the “clean tariff”)
15 and the red-lined version of the tariff that are filed as part of the minimum filing
16 requirement (“MFR”) schedule E-9. In addition, I have included Exhibit WG-1 that is
17 a matrix of the general rules and regulations tariff language and formatting proposed
18 by the Company. These exhibits were prepared by me or under my direction.

19 **Q. Please describe the Company’s most recent tariff consolidation efforts.**

20 A. After Chesapeake’s acquisition of FCG on November 30, 2023, Chesapeake began to
21 standardize and align service offerings and tariff changes across the FPUC and FCG
22 platforms. These standardizations include fuel clause, conservation clause and
23 transportation service standardization.

1 **Q. What are some of the inherent challenges when operating under two varying**
2 **tariffs?**

3 A. Having two Florida subsidiaries operating under two tariffs presents various
4 administrative and operational challenges. These challenges include administrative
5 inefficiencies, the inability to streamline necessary business functions and Information
6 Technology systems, and the utilization of duplicative business forms with varying
7 levels of consistency that are absent a common format. For example, a customer
8 facility owned by a corporate entity in the FPUC service area may encounter a much
9 different transportation service sign-up process than that of a facility owned by the
10 same corporate entity in the FCG service area. Likewise, common terms under each
11 tariff reflect slightly different definitions, which could lead to confusion.

12

13 **III. Rate Service Changes**

14 **Q. Is the Company proposing to revise its tariff consistent with the proposed rate**
15 **design and other related rate modifications?**

16 A. Yes. Consistent with the rate design sponsored by Company witness John Taylor, the
17 Company proposes certain reclassifications and rate adjustments for the FCG service
18 area. In addition, the individual rate schedule sheets have been reconfigured to provide
19 a consistent format throughout Chesapeake's Florida business units.

20 The Company is submitting proposed revisions to its tariff as required in both
21 legislative (red-lined) and final format. See, MFR Schedule E-9.

22 **Q. Please describe the changes to the Company's rate schedules.**

1 A. The Company aligned the rate schedules with FPUC's and adopted common rate
2 schedule descriptions. The base rate applicable to the sales service rate schedules is
3 now referred to (commonly) as the "Non-Fuel Energy Charge" and the base rate
4 applicable to the transportation service rate schedules is now referred to (commonly)
5 as the "Transportation Charge."

6 **Q. Please describe the changes to the Company's rate schedules.**

7 A. The Company has recalculated its base rates and adopted common rate schedule
8 descriptions similar to those used in the FPUC tariff. The base rate applicable to the
9 sales service rate schedules is now referred to (commonly) as the "Non-Fuel Energy
10 Charge" and the base rate applicable to the transportation service rate schedules is now
11 referred to (commonly) as the "Transportation Charge."
12

13 **IV. Clauses and Surcharges**

14 **Q. Is the Company proposing to adopt any FPUC Riders or surcharges?**

15 A. Yes. The Company proposes to adopt the FPUC Area Expansion Program (AEP) and
16 associated Rider as a replacement for FCG's existing AEP program.

17 **Q. Please identify other language adoptions from the FPUC tariff that are proposed**
18 **by the Company.**

19 **i. Area Expansion Program and Recovery Modifications**

20 The Company's Area Expansion Program is a Commission-approved program
21 designed to provide the Company with an optional method to recover the capital
22 investment that exceeds the Maximum Allowable Construction Costs ("MACC") for

1 the extension of gas service to new customers in discrete geographic locations. The
2 Company is proposing three modifications to its AEP and associated cost recovery
3 mechanism, which are discussed in more detail within the testimony of Witness Jessica
4 Husted. The Company believes that these changes will result in more clarity for the
5 customer concerning the AEP surcharge rate and reduce inquiries from customers, as
6 well as allow for more straightforward administration of the AEP surcharge by the
7 Company. The AEP Rider is found on [Sheet No. 7.300] of the proposed tariff.

8 **ii. Minimum Volume Commitment Tariff and Agreement**

9 **Q. Is the Company proposing a new Minimum Volume Commitment or “take or**
10 **pay” provision?**

11 A. Yes. The tariff modification for which the Company now seeks approval would
12 provide the Company with the option to require a customer that will need a facility
13 extension to receive service, to commit to receive service at a defined minimum level
14 and to pay for such minimum level of service – whether utilized or not – in accordance
15 with a proposed “take-or-pay” provision. The proposed Minimum Volume
16 Commitment provision is found on [Sheet No. 6.152] and the corresponding proposed
17 Minimum Volume Commitment Agreement is found on [Sheet Nos. 8.123 through
18 8.126] of the proposed tariff.

19 **iii. Load Enhancement Tariff, and associated Service Agreement,**
20 **and Affidavit**

21 **Q. Is the Company proposing changes to its Load Enhancement (LE) Rate**
22 **Schedule?**

1 A. Yes. The Company is proposing the following:
2 Changes to the rate schedule, inclusion of a Commission pre-approved pro-forma tariff
3 agreement and an associated affidavit executed by the Company and Customer. The
4 Company's LE Rate Schedule allows the Company to discount its distribution rates to
5 retain large system Customers that have the ability to bypass or use alternative fuel.
6 Currently, the Company must file a special contract with the Commission for approval
7 of the service agreement. The Company is proposing a preapproved "pro-forma" pre-
8 approved agreement listed in its tariff that has had explicit approval from the
9 Commission. Upon entering into a LE-CTS Agreement with a Customer, the
10 Company would file a notice with the Commission Clerk notifying the Commission
11 that it is utilizing its pre-approved pro-forma agreement for a specific customer. This
12 is a process that has been approved and is currently used by Peoples Gas for their CTS
13 customers.

14
15 **V. Non-Rate Related Tariff Changes**

16 **Q. Please describe changes to non-rate related tariff language requested by the**
17 **Company in this docket.**

18 A. In general, the Company seeks to adopt the current Commission-approved (general)
19 rules and regulations applicable to FPUC as well as rate schedule formatting. In
20 addition, the Company has proposed adding a new Section 8 and Section 9 to the tariff
21 that will include the standard forms used by FCG and lists the special contracts
22 applicable to FCG.

1 In addition to those tariff revisions that relate to rate changes described previously, the
2 following testimony summarizes the Company's non-rate related tariff revision
3 proposals filed in this case.

4 Title Page

5 The Company is proposing the title page to reflect the Company name, Florida City
6 Gas. The Title Page includes a new original tariff volume one (1) and supersedes the
7 prior tariff that was applicable to the FCG service area.

8 This will include making the proposed tariff volume number twelve.

9 Miscellaneous and General Information

10 The Company proposes to include on this page a "Statement of Agents" that provides
11 "no agent or employee of the Company has authority to make any promise, agreement,
12 or representation inconsistent with the provisions of this Tariff."

13 System Maps

14 The Company proposes the service area maps formatted consistently with the FPUC
15 tariff maps. In addition, the Service Areas and Communities Served lists have also
16 been formatted consistent with the FPUC tariff.

17 Technical Terms and Abbreviations

18 The Company proposes adopting the definitions contained in the FPUC (consolidated)
19 tariff. These changes were approved in FPUC's last rate case in Docket No.
20 20220067-GU.

21 General Rules and Regulations

22 Again, the Company proposes to make the general rules and regulations in the tariff
23 consistent with the FPUC (consolidated) tariff.

1 However, the Company proposes to retain the current FCG requirement that telemetry
2 is required for customers that use greater than 120,000 Therms annually.

3 Standard Forms

4 The Company has added a new “Standard Forms” section to its tariff that lists all
5 standard forms used by the Company with interfacing with the Customers.

6 List of Special Contracts

7 The Company has included a placeholder for a new tariff section that will list the
8 Special Contracts executed by the Company.

9 **Q. In your opinion, are the Company’s proposed changes to their tariff just and**
10 **reasonable?**

11 A. Yes. The proposed revisions proposed by the Company are just and reasonable and
12 result in more streamlined internal processes, providing each customer with more
13 consistent rules across Chesapeake’s Florida business platforms.

14 **Q. Does the Company propose to make changes to the transportation provisions of**
15 **its tariff?**

16 A. Yes. Pursuant to Commission Rule No. 25-7.0335, Florida Administrative Code, the
17 Company proposes to offer transportation service under specific conditions to
18 residential customers. In addition, the Company is proposing to adopt FPUC’s
19 Operational Balancing Account and Shipper of Last Resort schedules that have been
20 approved by the Commission. These new rate schedules will serve the same purpose
21 as those in the FPUC tariff and will provide i) a recovery mechanism for TPS related
22 expenses and provide a gas sales mechanism for small commercial and residential
23 transportation customers should their TPS default.

1 **Q. Is the Company proposing to include a modified surcharge applicable to**
2 **transportation service customers?**

3 A. Yes. Per Witness Noia's testimony, the Company is proposing to adopt the FPUC
4 Swing Service calculation methodology along with a phased-in approach to
5 implementation. In addition, the Company is proposing to eliminate its Balancing
6 Service Rider.

7 As with FPUC, FCG's Swing Service Charge will include expenses associated with
8 intrastate and LDC interconnects as well as the allocation methodology that is
9 consistent with the expense allocation methodology used in the Company's Energy
10 Conservation Cost Recovery calculation. The Company proposed to have the
11 methodology included in its revised tariff and will provide the first calculation of rates
12 in September 2026 that will produce rates, if approved by the Commission, applicable
13 to Customers beginning January 1, 2027.

14

15 **Q. Does this conclude your direct testimony?**

16 A. Yes.

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General Rules and Regulations
Cross Reference Matrix

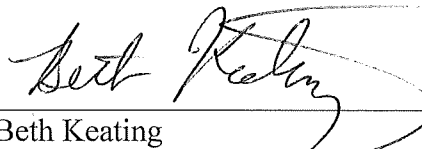
| General Rules and Regulations - Section 6 | | | | | | | |
|--|---------------------|---|---------------------|------------------|----------------------|--|-----------------------|
| FPU Section Title | FPU Tariff Location | FCG Section Title | FCG Tariff Location | Language Adopted | Formatting - Adopted | Comments | Status |
| Classification of Customers, Pool Managers, and Services | 6.025 | NA | NA | FPU | FPU | Some language adopted in transport standardization docket. | Implemented with GTS. |
| Service Request | 6.050 | NA | NA | FPU | FPU | | |
| Deposits and Security | 6.075 | Deposits to Guarantee Payment of Bills | 8 | FPU | FPU | | |
| Customer's Installation | 6.100 | Piping and Appliances | 12 | FPU | FPU | | |
| Service Connections | 6.125 | | | FPU | FPU | | |
| Facility Extensions | 6.150 | Extension of Facilities | 17 | FPU | FPU | | |
| Metering | 6.175 | Metering | 9 | FPU | FPU | | |
| Measurement | 6.200 | NA | NA | FPU | FPU | | |
| Assignment of Rate Schedules | 6.225 | NA | NA | FPU | FPU | | |
| Billing and Collecting | 6.250 | Budget Billing Plan | 26 | FPU | FPU | | |
| Obligations of Company and Customer | 6.275 | Piping and Appliances, Gas Leaks, Access to Premises, and Excess Flow Valves | 12, 13, 28, 28 | FPU | FPU | | |
| Force Majeure | 6.300 | Force Majeure | 24 | FPU | FPU | | |
| Discontinuance of Service | 6.325 | Temporary Disconnection of Service and Right to Suspend or | 14 | FPU | FPU | | |
| Limitations of Supply | 6.350 | Limitations of Damages | 28 | FPU | FPU | | |
| Miscellaneous Service Charges | 6.375 | Connect, Reconnection, Failed Trip, Late Payment, Returned Check, and Other Charges | 6 - 11 | FPU | FPU | | |
| Measuring Customer Service | 6.400 | Measuring Customer Service | 11 | FPU | FPU | | |
| Discontinuance of Service | M1(f) | Unauthorized Use | 25 | FPU | FPU | | |
| NA | NA | Gas Leaks | 13 | FPU | FPU | | |
| NA | NA | Excess Flow Valves | 28 | FPU | FPU | | |
| NA | NA | Equipment Financing | 26 | FPU | FPU | standardized - earlier docket | |
| Taxes and Other Adjustments | Billing Adjustments | Taxes and Other Adjustments | 26 | FPU | FPU | Move to rate schedule section | |

5

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Testimony and Exhibit of Wraye Grimard has been furnished by Electronic Mail to the following parties of record this 20th day of April, 2026:

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



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