



April 30, 2026

VIA ELECTRONIC FILING

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

Re: Docket No. 20260011-GU, Natural Gas Facilities Relocation Cost Recovery Clause.

Dear Mr. Teitzman:

Attached for filing in the above docket is Peoples Gas System Inc's Petition for its actual and projected Natural Gas Facilities Cost Recovery.

The testimony of Peoples Gas System's supporting witnesses, Matthew E. Elliott and Kristopher J. Kelley, are being filed contemporaneously under separate, individual cover letters.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'V. Ponder'.

Virginia L. Ponder

VLP/dk
Attachment

cc: All parties of record (w/attachment)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Facilities Relocation) DOCKET NO. 20260011-GU
Cost Recovery Clause)
_____) FILED: April 30, 2026

PETITION OF PEOPLES GAS SYSTEM, INC.

Pursuant to Section 366.99, Florida Statutes and Rules 25-7.150 and 28-106.201, Florida Administrative Code, Peoples Gas System, Inc. ("Peoples" or the "company"), hereby petitions for the Florida Public Service Commission ("Commission") for (i) a determination that its actual and projected natural gas facilities relocation costs for the period, January 1, 2026 through December 31, 2027, were prudently incurred and reasonably projected, and are eligible for recovery through the Natural Gas Facilities Relocation Cost Recovery Clause ("NGFRCRC"), and (ii) approval of the calculation of the projected true-up amount for 2026, the revenue requirements to be recovered by the company during the period January through December 2027, and the Natural Gas Facilities Relocation Cost Recovery Factors ("NGFRCR Factors") to be charged its' customers for such recovery. In support of this Petition, the company states:

Introduction

1. Peoples is a natural gas local distribution company providing sales and transportation delivery of natural gas throughout most of the State of Florida and is a natural gas public utility subject to the Commission's statutory jurisdiction to establish rates and charges under Section 366.06, Florida Statutes.

Applicable Law

2. In 2024, the Florida Legislature created Section 366.99, Florida Statutes, entitled “Natural gas facilities relocation costs.” Section 366.99(3) directs the Commission to “conduct an annual proceeding to determine each utility’s prudently incurred natural gas facilities relocation costs and to allow each utility to recover such costs through a charge separate and apart from base rates, to be referred to as the natural gas facilities relocation cost recovery clause.”

3. The Commissions review is limited “to determining the prudence of the utility’s actual incurred natural gas facilities relocation costs and the reasonableness of the utility’s projected natural gas facilities relocation costs for the following calendar year, and providing for a true-up of the costs with the projections on which past factors were set.”¹

4. The term “natural gas facilities relocation costs” is defined as:

the costs to relocate or reconstruct facilities as required by a mandate, a statute, a law, an ordinance, or an agreement between the utility and an authority, including, but not limited to, costs associated with reviewing plans provided by an authority. The term does not include any costs recovered through the public utility’s base rates.²

Additionally, only costs incurred on or after July 1, 2024, may be included.³

5. Section 366.99(1)(a) defines the term “authority” to have the same meaning as the Florida Department of Transportation and local governmental entities “that have

¹ Section 366.99(3), Florida Statutes

² Section 366.99(1)(d), Florida Statutes.

³ See Order No. PSC-2026-0052-TRF-GU, issued on February 23, 2026, Docket NO. 20250121-GU (Joint Petition for Approval to Establish Recovery Surcharge).

jurisdiction and control of public roads or publicly owned rail corridors...” (citing §337.401(1)(a), Florida Statutes).

6. Any costs approved for recovery through the natural gas facilities relocation cost recovery clause “must be allocated to customer classes pursuant to the rate design most recently approved by the commission.”⁴

7. Rule 25-7.150 (the "Rule") implements Section 366.99 and specifies the process and requirements for a utility to file its petition for recovery of natural gas facilities relocation costs through the NGFRCRC.

Statement of Ultimate Facts Alleged and Providing the Basis for Relief

8. During the period January 1, 2026, through December 31, 2027, Peoples has actual and projected facilities relocation costs of \$5,037,045 associated with the company’s 19 projects proposed in this filing.

9. Peoples seeks a Commission determination that its natural gas facilities relocation costs associated with the 19 proposed projects for the period January 1, 2026, through December 31, 2027, were prudently incurred, reasonably projected, and eligible for recovery through the NGFRCRC.

10. For the calendar year 2026, Peoples projected that its “End of Period Total True-up” will be \$7,875,652 under-recovery, derived as the addition of the July through December 2024 under-recovery of \$41,420 including interest, the calendar year 2025 under-recovery including interest of \$2,792,943, and the estimated under-recovery including interest of \$5,041,289 for calendar year 2026. This estimate for calendar year 2026 includes recovery of costs associated with the 19 proposed projects in this filing and

⁴ Section 366.99(4), Florida Statutes.

costs associated with 26 projects proposed in the company's March 31, 2026, true-up filing in this docket that continue to incur costs in the current period.

11. The ending under-recovery, or net revenue requirements, of \$13,289,218 projected for the calendar year 2027 is derived as the addition of the "End of Period Total True-up" of \$7,875,652 under-recovery estimated for the calendar year 2026 and the revenue requirements for the projected costs associated with the Projects proposed in this filing to begin in 2026 and continue into 2027 – the 2027 Projected Period – in the amount of \$5,413,566. The NGFRCR Factors to recover this projected net revenue requirement are to be collected from customers commencing with bills rendered for the first billing cycle of 2027. Applying the appropriate revenue apportionment percentages and rate design approved in Docket No. 20250029-GU, the required NGFRCR Factors are as follows:

<u>Rate Schedule</u>	<u>Cost Recovery Factor</u>
Residential / Residential Standby Generator / Residential Gas Heat Pump	\$0.06999
Small General Service	\$0.06043
General Service - 1 / Commercial Standby Generator / Commercial Gas Heat Pump	\$0.00642
General Service - 2	\$0.01124
General Service - 3	\$0.01085
General Service - 4	\$0.00865
General Service - 5	\$0.00689
Commercial Street Lighting	\$0.00375
Wholesale	\$0.00538
Small Interruptible Service	\$0.00468
Interruptible Service	\$0.00310
Interruptible Service – Large Volume	\$0.00000

12. Seventh Revised Sheet No. 7.101-4, to Peoples' Natural Gas Tariff, Original Volume No. 3, sets forth the NGFRCR Factors and is included within Document No. 12 of Exhibit No. MEE-2 together with the company's updated tariff sheets.

13. In accordance with Subsection (1) the Rule, this Petition is supported by the testimony of company witnesses Kristopher J. Kelley and Matthew E. Elliott.

14. The direct testimony of Kristopher J. Kelley identifies each of the company's 18 projects proposed in this projection filing and provides the information required by Subsection (2) of the Rule for each of those proposed projects, including the notification by the authority requiring the relocation, a description of the scope of work for each project, and the actual or estimated costs associated with each project.

15. The direct testimony of Matthew E. Elliott presents the company's calculation of Peoples' projected true-up for the calendar year 2026, the revenue requirements for the calendar year 2027, and the NGFRCR Factors.

Other

16. The Petitioner's name and address are:

Peoples Gas System, Inc.
P.O. Box 2562
Tampa, Florida 33601-256

17. Any pleading, motion, notice, order, or other document required to be served upon any party to this proceeding shall be served upon the following individuals:

J Jeffrey Wahlen
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Virginia Ponder
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Matthew J. Jones
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18. The Commission has jurisdiction to entertain this Petition pursuant to Sections 366.04(1), 366.05(1) and 366.06, Florida Statutes.

19. Peoples states that it is not aware of any disputed issues of material fact at this time but acknowledges the possibility that other parties could assert disputed issues of material fact during this proceeding.

WHEREFORE, Peoples Gas System, Inc. respectfully requests the Commission:

A. Find that the company's actual natural gas facilities relocation costs were prudently incurred and that these costs are eligible for recovery through the NGFRCRC;

B. Approve the company's cost recovery true-up calculations and projected cost recovery charges to be collected during the period January 1, 2027 through December 31, 2027;

C. Grant to the company such other and further relief as the Commission may find to be reasonable and proper pursuant to the authority granted to the Commission under Chapter 366, Florida Statutes.

DATED this 30th day of April, 2026.

Respectfully submitted,



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Attorneys for Peoples Gas System, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Petition filed on behalf of Peoples Gas System, Inc., has been furnished via electronic mail on this 30th day of April 2026, to the following:

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