CORRESPONDENCE
7/16/2026
DOCUMENT NO. 04403-2026

Tristan Davis

From:	Tristan Davis on behalf of Records Clerk
Sent:	Thursday, July 16, 2026 12:51 PM
To:	'Jeff Cook'
Cc:	Consumer Contact
Subject:	RE: Florida City Gas Rate Case Notice To Customers: Learn More & Access Customer Resources - Case #20260026

Good Afternoon,

We will be placing your comments below in consumer correspondence in Docket No. 20260026, and forwarding them to the Office of Consumer Assistance.

Thank you!

Tristan Davis
Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
Phone: (850) 413-6121

From: Jeff Cook <tazerinvegas@gmail.com>
Sent: Thursday, July 16, 2026 12:35 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>
Cc: Cathy <cathycook32@gmail.com>
Subject: Fwd: Florida City Gas Rate Case Notice To Customers: Learn More & Access Customer Resources - Case #20260026

Dear Clerk / Presiding Officer,

I am writing to respectfully oppose any rate increase requested by Florida City Gas (FCG) in the current proceeding. As a customer in their service territory, I believe further rate hikes are not justified at this time and would place an undue burden on existing residential and business ratepayers.

Utilities have repeatedly sought rate increases to fund infrastructure investments that often benefit future growth or new customers, with costs disproportionately passed on to current customers who receive little or no direct benefit from those expansions. For upgrades intended to serve existing customers, the filings do not appear to provide sufficiently clear, detailed justification or cost-benefit analysis to support full recovery through higher base rates for all.

For your awareness, I have included below (and attached/copied) a summary of FCG's recent financial performance over the last three years, drawn from their FPSC Annual Reports (GU602 series). This shows steady revenue growth alongside rising operating expenses and significant capital investments:

- **2023**: Operating Revenues ≈ $130.16 million; Total Utility Operating Expenses ≈ $97.24 million
- **2024**: Operating Revenues ≈ $135.27 million; Total Utility Operating Expenses ≈ $91.68 million
- **2025**: Operating Revenues ≈ $153.08 million; Total Utility Operating Expenses ≈ $117.23 million

These figures reflect ongoing capital spending (plant additions of roughly $70–91 million annually in recent years), much of it tied to programs like SAFE for pipe replacement. While infrastructure reliability is important, ratepayers should not bear the full weight of costs that also support system expansion without clearer allocation or demonstrated need that cannot be met through other means.

I urge the Commission to deny or substantially reduce the proposed rate relief, require greater transparency on cost causation and benefits to existing customers, and prioritize protecting affordability for current ratepayers.

Thank you for your consideration of these concerns and for your service in reviewing this matter. I appreciate the opportunity to provide input.

Sincerely,

Lyle Cook

4174 Ventana Blvd, Rockledge

Cocoa / Rockledge area (Brevard County), FL

Florida City Gas (Pivotal Utility Holdings, Inc. d/b/a Florida City Gas, or FCG/GU602) financial data comes primarily from its Florida Public Service Commission (FPSC) Annual Reports of Natural Gas Utilities (regulatory basis, consistent with FERC Uniform System of Accounts).

These are the official standalone filings for the utility. FCG became a wholly-owned subsidiary of Chesapeake Utilities Corporation (NYSE: CPK) on November 30, 2023 (acquired from FPL/NextEra for ~$923 million). Pre-acquisition figures (especially 2023) reflect the prior owner's reporting, with some transition effects in plant balances.

Last three years (calendar years ended December 31): 2023, 2024, and 2025. All figures are in USD and rounded for readability where helpful (exact reported amounts shown in tables).

Revenue vs. Total Utility Operating Expenses

Total Gas Operating Revenues (Account 400, primarily gas service revenues from firm/interruptible sales and transportation, plus other operating revenues; net of minor refunds where applicable). Therms sold were relatively stable (~183–185 million therms annually).

Total Utility Operating Expenses — This is the comprehensive line from the Statement of Income (includes purchased gas/cost of gas within Operation Expenses, O&M, depreciation/amortization, taxes other than income taxes, and income tax provisions—current and deferred). It is the standard "operating expenses" figure used to derive Net Utility Operating Income.

Key figures (FPSC Annual Reports GU602-25-AR.pdf and GU602-24-AR.pdf)

Notes on trends:

- Revenues grew steadily, supported by a ~$23.3 million base rate increase effective May 2023 (including SAFE program costs moved into base rates and LNG facility recovery) plus modest customer growth (~122k–125k average customers).
- Operating expenses include variable purchased gas costs (fluctuating with wholesale prices and volumes) plus fixed costs. The 2025 jump in total expenses and depreciation reflects a new depreciation study/rates (~3.3% composite) and the end of RSAM (Reserve Surplus Amortization Mechanism) credits that had suppressed depreciation expense in prior years ($15.5M reduction in 2024; $9.5M in 2023).
- Net operating income varies with these regulatory mechanisms and rate base growth. As a regulated utility, FCG targets recovery of costs plus an allowed return on rate base via periodic rate cases (a new general rate case was filed in 2026 with a 2027 test year).

Major operating expense components (illustrative from 2025 AR; similar structure in prior years): Operation Expenses (~$76.7M in 2025, includes purchased gas), Maintenance (~$3.4M), Depreciation/Amortization (net ~$18.6M after adjustments in 2025), Taxes Other Than Income (~$16.9M), and income tax provisions (net impact after deferred taxes).

Capital Expenditures (Capex) / Plant Additions

Utilities capitalize most infrastructure spending (added to rate base and recovered over time via depreciation + return in rates) rather than expensing it immediately. FCG has an active capital program focused on:

- **SAFE (Safe and Environmentally Friendly) / pipe replacement program** — Replacing aging/obsolete mains and services (e.g., 1970s–1980s pipe prone to cracking; ~160 miles targeted over 10 years, later expanded). Actual replacements: e.g., 28.5 miles of mains + services in

2024; ongoing in 2023 and 2025. Total projected ~$255 million over 10 years (approved expansions).

- System growth, reliability, meters, regulators, vehicles, and technology.

Actual plant additions / capex indicators (from FPSC AR plant-in-service rollforwards and analysis schedules):

- **2025**: ~$91.5 million additions to gas plant in service (gross additions before retirements/reclassifications; CWIP also rose from ~$55M to ~$68M).
- **2024**: ~$70.8 million additions (gross plant additions before ~$1.9M retirements and adjustments; significant SAFE and main/service work).
- **2023**: Specific standalone "capex" total less explicitly aggregated in the post-acquisition 2024 AR (transitional year with acquisition accounting adjustments to plant). Pre-acquisition activity under FPL included ongoing SAFE replacements and base investments supporting rate base growth. Plant-in-service grew materially; historical context from rate cases showed annual capex often in the $30–50M+ range pre-2023, with ramp-up tied to programs. One reconciliation tab showed elevated 2023 additions (~$96M range in certain views), but this includes acquisition/transition effects.

Context: Annual capex has been running in the $70–90M+ range recently (material relative to ~$780M+ gross plant in service by end of 2025 and rate base in the hundreds of millions). Much is recovered through base rates or riders (e.g., SAFE). Future projections in notes show continued elevated spending (~$50–75M annually in near-term commitments).

Summary comparison (rough scale): Revenues ~$130–153M annually; total op ex ~$92–117M (leaving positive net operating income); capex/infrastructure investment ~$70–92M annually in recent years. This reflects a capital-intensive regulated utility model where investments build rate base for future earnings while revenues are set to cover costs + allowed ROE.

Sources and caveats: Primary data from FPSC Annual Reports (GU602-24-AR.pdf for 2024/2023; GU602-25-AR.pdf for 2025), earnings surveillance reports, and related rate case filings. Figures are regulatory-basis (may differ slightly from GAAP/SEC consolidated views in Chesapeake's 10-K). Gas cost recovery mechanisms (PGA/clauses) can cause swings in both revenue and expense. For the most current or audited GAAP views, refer to Chesapeake Utilities' SEC filings (FCG is now a segment). Exact line items and allocations can vary slightly by filing; the numbers above are directly extracted from the income statements and plant schedules.

Begin forwarded message:

From: Florida City Gas <integratedcommunications@floridacitygas.com>
Date: July 16, 2026 at 10:32:07 AM EDT
To: tazerinvegas@gmail.com
Subject: Florida City Gas Rate Case Notice To Customers: Learn More & Access Customer Resources
Reply-To: Florida City Gas <integratedcommunications@floridacitygas.com>

View this email in your browser

Notice to Customers

Florida City Gas has filed a request with the Florida Public Service Commission (PSC) for a rate adjustment to help support continued investments in the safety, reliability and modernization of our natural gas system.

Florida City Gas Natural Gas customers can view the Notice to Customers and the complete rate case filing information at the links provided below.

On our Rate Filing webpage, you can:

- Read a summary of the rate filing
- Review proposed rates and supporting information
- Access the complete filing and related documents
- Learn about upcoming PSC customer service hearings
- Find information on how to submit comments to the Florida Public Service Commission
- Download the customer comment card and other forms

View Complete Notice to Customers »

If you have questions about the filing, you can also contact Florida City Gas Customer Service at 800.993.7546 between 7:00 a.m. and 7:00 p.m. ET.

Thank you for allowing us to serve you.

Associated Links

- Rate Filing Landing Page
- Rate Filing Synopsis
- Florida PSC Docket 20260026
- Florida PSC Home (Hearings and Comment Card)