BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas facilities relocation cost recovery clause.	DOCKET NO.: 20260011-GU FILED: August 13, 2026

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel ("OPC"), pursuant to the Florida Public Service Commission ("Commission") Order Establishing Procedure ("OEP"), Order No. PSC-2026-0035-PCO-GU, issued February 6, 2026, hereby submit this prehearing statement.

APPEARANCES:

Walt Trierweiler
Public Counsel

/s/ Charles J. Rehwinkel
Charles J. Rehwinkel
Deputy Public Counsel
Florida Bar No.: 527599

/s/ Austin A. Watrous
Austin A. Watrous
Associate Public Counsel
Florida Bar No.: 1044249

/s/ Savannah Jacobs
Savannah Jacobs
Associate Public Counsel
Florida Bar No.: 1015246

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Suite 812
Tallahassee, Florida 32399-1400
(850) 488-9330

Attorneys for the Citizens of the State of Florida

`

1. WITNESSES:

Witness	Subject	Issue Numbers
None		

2. EXHIBITS:

Witness	Proffered By	Exhibit No.	Description
None			

1. STATEMENT OF BASIC POSITION:

The Office of Public Counsel supports the Commission providing a mechanism for utilities to recover legitimate costs associated with relocating natural gas facilities when those costs are imposed by governmental authorities and are beyond the utility's control. However, the focus of the Commission in this docket must be ensuring those costs are prudently incurred actual costs and reasonable projected costs, as well as to ensure that customers pay only those costs the Legislature intended to make recoverable.

The costs must be tied to the relocation or reconstruction of existing natural gas facilities caused by a governmental mandate. This clause should not become a means of shifting ordinary growth, expansion, or new construction costs to customers simply because a governmental project is involved. The Commission must also protect customers against double recovery. Some relocation costs may already be reflected in a utility's base rates. If those same costs are subsequently recovered through the new clause, customers pay twice. The utility (not the OPC)

`

should be required to demonstrate that the costs it seeks to recover through the clause have not already been recovered through base rates.[1]

At the same time, the Commission should recognize utilities that do more than simply pass costs through to customers. When utilities plan ahead, coordinate with governmental entities, or develop creative alternatives that avoid or reduce relocation costs, those efforts should be considered. Doing so gives the Commission a better measure of utility performance, and creates an incentive to find efficiencies that benefit customers. Capturing these wins presents the Commission with a more complete picture of the entire process for their analysis, while promoting creative solutions and encouraging cost savings.

The Legislature created this mechanism to address costs that are unexpected and outside of a utility's control. However, it did not create a blank check. The Commission should implement the clause accordingly and ensure that only costs properly within the scope of Section 366.99 are recovered from customers.

2. STATEMENT OF FACTUAL ISSUES AND POSITIONS:

ISSUE 1A: What natural gas facilities relocation projects and associated costs of FCG are eligible for recovery through the Natural Gas Facilities Relocation Cost Recovery Clause?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony

[1] Florida Statutes Section 366.99(1)(d) specifically excludes any costs recovered through the utility's rate base from the definition of relocation costs.

`

from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances that the facilities relocation projects and associated costs are eligible for recovery can necessarily be deemed reasonable and prudent.

ISSUE 1B: What natural gas facilities relocation projects and associated costs of FPUC are eligible for recovery through the Natural Gas Facilities Relocation Cost Recovery Clause?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree, given these circumstances that the facilities relocation projects and associated costs are eligible for recovery can necessarily be deemed reasonable and prudent.

ISSUE 1C: What natural gas facilities relocation projects and associated costs of PGS are eligible for recovery through the Natural Gas Facilities Relocation Cost Recovery Clause?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing. The OPC is not in a position to agree,

`

given these circumstances that the facilities relocation projects and associated costs are eligible for recovery can necessarily be deemed reasonable and prudent.

ISSUE 2A: What amounts should the Commission approve as FCG's final prudently incurred costs and final true-up revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause for the period July 2024 through December 2025?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

ISSUE 2B: What amounts should the Commission approve as FPUC's final prudently incurred costs and final true-up revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause for the period July 2024 through December 2025?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

`

ISSUE 2C: What amounts should the Commission approve as PGS's final prudently incurred costs and final true-up revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause for the period July 2024 through December 2025?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

ISSUE 3A: What amounts should the Commission approve as FCG's reasonably estimated 2026 costs and estimated true-up revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

ISSUE 3B: What amounts should the Commission approve as FPUC's reasonably estimated 2026 costs and estimated true-up revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause?

`

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

ISSUE 3C: What amounts should the Commission approve as PGS's reasonably estimated 2026 costs and estimated true-up revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

ISSUE 4A: What amounts should the Commission approve as FCG's reasonably projected 2027 costs and projected revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses

`

was heard and discussed in open hearing.

ISSUE 4B: What amounts should the Commission approve as FPUC's reasonably projected 2027 costs and projected revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

ISSUE 4C: What amounts should the Commission approve as PGS's reasonably projected 2027 costs and projected revenue requirement amounts for the Natural Gas Facilities Relocation Cost Recovery Clause?

OPC POSITION: The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

ISSUE 5A: What are the Natural Gas Facilities Relocation Cost Recovery Clause total cost recovery amounts, including true-ups, to be included in establishing 2027 Natural Gas Facilities

`

Relocation Cost Recovery factors for FCG?

<u>OPC POSITION:</u> The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

<u>ISSUE 5B</u>: What are the Natural Gas Facilities Relocation Cost Recovery Clause total cost recovery amounts, including true-ups, to be included in establishing 2027 Natural Gas Facilities Relocation Cost Recovery factors for FPUC?

<u>OPC POSITION:</u> The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

<u>ISSUE 5C</u>: What are the Natural Gas Facilities Relocation Cost Recovery Clause total cost recovery amounts, including true-ups, to be included in establishing 2027 Natural Gas Facilities Relocation Cost Recovery factors for PGS?

<u>OPC POSITION:</u> The OPC is not in agreement at this time that the Company has demonstrated that they have met their burden to demonstrate that costs are reasonable and/or

`

prudent. A significant percentage of the costs on a customer's bill is based on clause recovery in this docket and others. The Commission has not held a contested proceeding where testimony from witnesses was heard and discussed in open hearing.

ISSUE 6A: What depreciation rates should be used to develop the depreciation expense included in the total 2027 Natural Gas Facilities Relocation Cost Recovery Clause amounts for FCG?

OPC POSITION: The last approved depreciation rates for FCG should be used to calculate any depreciation expense.

ISSUE 6B: What depreciation rates should be used to develop the depreciation expense included in the total 2027 Natural Gas Facilities Relocation Cost Recovery Clause amounts for FPUC?

OPC POSITION: The last approved depreciation rates for FPUC should be used to calculate any depreciation expense.

ISSUE 6C: What depreciation rates should be used to develop the depreciation expense included in the total 2027 Natural Gas Facilities Relocation Cost Recovery Clause amounts for PGS?

OPC POSITION: The last approved depreciation rates for PGS should be used to calculate any depreciation expense.

`

ISSUE 7A: What are the appropriate 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors for each rate class for FCG?

OPC POSITION: No Position.

ISSUE 7B: What are the appropriate 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors for each rate class for FPUC?

OPC POSITION: No Position.

ISSUE 7C: What are the appropriate 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors for each rate class for PGS?

OPC POSITION: No Position.

ISSUE 8A: What should be the effective date of the 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors for billing purposes for FCG?

OPC POSITION: The effective date of any Commission approved NGFRCRC billing factors should be effective no sooner than the first day of the first billing cycle for January 2027.

ISSUE 8B: What should be the effective date of the 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors for billing purposes for FPUC?

`

OPC POSITION: The effective date of any Commission approved NGFRCRC billing factors should be effective no sooner than the first day of the first billing cycle for January 2027.

ISSUE 8C: What should be the effective date of the 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors for billing purposes for PGS?

OPC POSITION: The effective date of any Commission approved NGFRCRC billing factors should be effective no sooner than the first day of the first billing cycle for January 2027.

ISSUE 9A: Should the Commission approve revised tariffs reflecting the 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors determined to be appropriate in this proceeding for FCG?

OPC POSITION: The tariffs ultimately approved should be based on costs deemed reasonable or prudent in a hearing.

ISSUE 9B: Should the Commission approve revised tariffs reflecting the 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors determined to be appropriate in this proceeding for FPUC?

OPC POSITION: The tariffs ultimately approved should be based on costs deemed reasonable or prudent in a hearing.

`

<u>ISSUE 9C</u>: Should the Commission approve revised tariffs reflecting the 2027 Natural Gas Facilities Relocation Cost Recovery Clause factors determined to be appropriate in this proceeding for PGS?

<u>OPC POSITION:</u> The tariffs ultimately approved should be based on costs deemed reasonable or prudent in a hearing.

<u>ISSUE 10</u>: Should this docket be closed?

<u>OPC POSITION:</u> No. the Natural Gas Facilities Relocation Cost Recovery Clause is a continuing docket and should remain open.

3. <u>STIPULATED ISSUES</u>

OPC is not aware of any issues that can be stipulated at this time.

4. <u>PENDING MOTIONS OR OTHER MATTERS</u>

The OPC is not aware of any formal motions to be disposed of at this time.

5. <u>STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY</u>

There are no pending requests or claims for confidentiality filed by OPC.

`

6. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT

OPC has no objections to the qualification of any witnesses as an expert in the field in which they pre-filed testimony as of the present date.

7. SEQUESTRATION OF WITNESSES

OPC does not request the sequestration of any witnesses at this time.

8. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE.

OPC is unaware of any aspect of the Order Establishing Procedure in this docket with which it cannot comply. The OPC respectfully requests in Rate Proceedings such as this in future dockets there be a collaborative effort to set schedules with all parties involved.

Respectfully submitted,

Walt Trierweiler
Public Counsel

/s/ Charles J. Rehwinkel
Charles J. Rehwinkel
Deputy Public Counsel
Florida Bar No.: 527599

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Suite 812
Tallahassee, FL 32399-1400
(850) 488-9330

Attorneys for the Citizens of the State of Florida

`

CERTIFICATE OF SERVICE
DOCKET NO. 20260011-GU

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 13th day of August, 2026, to the following:

Carlos Marquez
Shaw Stiller
Florida Public Service Commission
Office of General Counsel
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
cmarquez@psc.state.fl.us
sstiller@psc.state.fl.us
discovery-gcl@psc.state.fl.us

Andy Shoaf
St. Joe Natural Gas Company, Inc.
P. O. Box 549
Port St. Joe, FL 32457-0549
andy@stjoegas.com

Jeffry Wahlen
Virginia Ponder
Matt Jones
Ausley McMullen
P.O. Box 391
Tallahassee, FL 32302
jwahlen@ausley.com
vponder@ausley.com
mjones@ausley.com

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe Street, Suite 601
Tallahassee, FL 32301
bkeating@gunster.com

Charles T. Morgan, II
Tampa Electric Company
P. O. Box 111
Tampa, FL 33601-0111
ctmorganii@tecoenergy.com

Jerry H. Melendy
Sebring Gas System, Inc
3515 Highway 27 South
Sebring, Fl 33870-54452
jmelendy@floridabestgas.com

Karen Bramley
Peoples Gas System, Inc.
Regulatory Affairs
P. O. Box 2562
Tampa, FL 33601-2562
klbramley@tecoenergy.com

/s/ Charles J. Rehwinkel
Charles J. Rehwinkel
Deputy Public Counsel
Rehwinkel.Charles@leg.state.fl.us