




Memorandum

Memorandum No: 23-056

Date: April 4, 2023

To: Honorable Mayor, Vice Mayor and Commissioners

From: Greg Chavarria, City Manager 
Greg Chavarria (Apr 6, 2023 11:35 EDT)

Re: Proposed Rate Increase for Gas Utility

We have received the following correspondence from Peoples Gas System notifying us of a proposed rate increase for Gas utility. Should the Florida Public Service Commission (PSC) (Docket No. 20230023-GU) approve the proposed rate increase, we should expect new rates to start in January 2024. Additional information about the rate increase is in the received letter.

If you have any questions, please let me know.

Attachment

C: Anthony G. Fajardo, Assistant City Manager
Susan Grant, Assistant City Manager
D'Wayne M. Spence, Interim City Attorney
David R. Soloman, City Clerk
Patrick Reilly, City Auditor
Department Directors
CMO Managers



April 04, 2023

Dear City Manager,

Today, Peoples Gas System, Inc. formally filed a petition with the Florida Public Service Commission (PSC) (Docket No. 20230023-GU) to begin the several months-long process of requesting and receiving approval for an increase to our customer base rates and service charges. If approved, we anticipate new rates will be effective in early January 2024.

The decision to raise rates is not an easy one for us. We know rising prices due to inflation are affecting businesses and families across the nation. And, like other businesses, we have been impacted by higher-than-expected inflation, labor market challenges, supply chain disruptions and rising interest rates. While we have managed our business prudently, Florida's population growth has been remarkable, and Peoples Gas must invest in new – and upgrade existing – infrastructure to serve this demand, as well as hire additional team members to operate and maintain the expanding system.

Natural gas is essential to Florida. Residents choose it for cooking, to heat their homes and water, and to enhance everyday living. It serves our state's hospitality, tourism and healthcare industries as well as manufacturing and power generation. Transportation and waste management fleets use natural gas to lower costs and cut carbon emissions. Since most of the state's natural gas infrastructure is underground and less susceptible to wind damage, natural gas service provides significant energy resiliency benefits to Floridians during severe weather – including much needed back-up power supplies for homes, nursing homes and medical facilities.

In the past 15 years, we have raised rates only once. The rates we are proposing for 2024 will help Peoples Gas continue to serve communities across Florida with safe, resilient natural gas and provide them with an award-winning customer experience.

This letter is provided to you as required by Rule 25-22.0406, Florida Administrative Code. A copy of the petition and our filing can be accessed through the PSC website at [PSC.state.fl.us](https://psc.state.fl.us) and at PeoplesGas.com/Rates. A second communication, providing a synopsis of our request, will follow this letter in approximately 45 days.

Peoples Gas is proud of our more than 125 years of safely delivering gas throughout Florida, while building impactful relationships with our customers and communities. Should you have any questions regarding our rate request or the contents of the petition, please don't hesitate to contact me.

Sincerely,

DocuSigned by:

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