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April 9, 2025

VIA E-PORTAL

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

Re: [New Docket] – In re: Petition of Florida City Gas for Approval of Updated AFUDC Rate

Dear Mr. Teitzman:

Attached for filing, please find Florida City Gas's Petition for Approval of an Updated AFUDC rate for the Company, along with the required supporting schedules.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

MEK

Cc:// Office of the General Counsel
Office of Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of an updated)
AFUDC rate effective January 1, 2025 by) Docket No.:
Florida City Gas.) Filed: April 9, 2025

PETITION OF FLORIDA CITY GAS
REQUESTING APPROVAL OF AN UPDATED AFUDC RATE

Florida City Gas ("FCG" or "Company"), by and through its undersigned counsel, hereby files this Petition seeking approval by the Florida Public Service Commission ("Commission") of an allowance for funds used during construction ("AFUDC") rate of 7.72%, in accordance with Rule 25-7.0141(5), Florida Administrative Code. The Company's AFUDC rate was last set in Docket No. 20230108-GU. In support of this request, FCG states as follows:

In support of this request, the Company hereby states:

1. FCG is a natural gas distribution company subject to the Commission's jurisdiction under

Chapter 366, Florida Statutes. Its principal business address is:

Florida City Gas
208 Wildlight Ave.
Yulee, FL 32097

2. The name and mailing address of the persons authorized to receive notices are:

Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Miguel Bustos
Manager Regulatory Affairs
208 Wildlight Ave,
Yulee, FL 32097
MBustos@chpk.com

3. The Commission is vested with jurisdiction in this matter in accordance with Sections 366.04, 366.041, 366.05, and 366.06, Florida Statutes, which authorize the Commission to establish rates and charges for public utilities, including the relief requested. The Company is unaware of any material facts in dispute at this time, but the proceeding may involve disputed issues of

Florida City Gas's Petition for Updated AFUDC Rate

material fact. The Company's request set forth herein does not involve reversal or modification of a Commission decision or proposed agency action. This is a Petition representing an initial request to the Commission, which is the affected agency located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399.

4. In accordance with Rule 25-7.0141(5), F.A.C, the Company has provided Schedules A through C, calculated in accordance with Rule 25-7.0141(3). These schedules identify the capital structure, capital structure adjustments, and methodology used for the calculation of the monthly AFUDC rate.
5. AFUDC is an accounting entry designed to permit a utility recovery of the cost associated with financing eligible construction activities, rather than a tariffed rate or charge.
6. The AFUDC rate proposed herein is based on the actuals for the 12-month period ending December 2024. Therefore, in accordance with Subsection (6) of Rule 25-7.0141, FCG requests that the AFUDC rate of 7.72% (0.621742% monthly) be approved with an effective date of January 1, 2025.
7. The Company will continue to monitor the cost of capital for material change and request a change in rates when appropriate.

WHEREFORE, Florida City Gas respectfully requests that the Commission approve its request to update its AFUDC rate.

RESPECTFULLY SUBMITTED this 9th day of April 2025.



Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Attorneys for Florida City Gas

CERTIFICATE OF SERVICE

I HEREBY ATTEST that a true and correct copy of the foregoing Petition has been served upon the following by Electronic Mail this 9th day of April, 2025:

Walt Trierweiler, Public Counsel, Office of Public Counsel
c/o the Florida Legislature
111 West Madison Street, Rm 812
Tallahassee, FL 32399-1400
trierweiler.walt@leg.state.fl.us

Mary Ann Helton
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399
mhelton@psc.state.fl.us

By:



Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

Attorneys for Florida City Gas

SCHEDULE A
Capital Structure

FLORIDA CITY GAS
BASIS FOR THE REQUESTED AFUDC RATE
FPSC ADJUSTED BASIS
DECEMBER, 2024

SCHEDULE A: PAGE 1 OF 1

CAPITAL COMPONENTS	JURISDICTIONAL AVERAGE	CAPITAL RATIO	COST OF CAPITAL	AFUDC WEIGHTED COMPONENTS
LONG TERM DEBT	\$ 215,852,423	42.89%	6.67%	2.86%
SHORT TERM DEBT	34,694,377	6.89%	5.87% *	0.40%
PREFERRED STOCK	-	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	3,168,105	0.63%	2.31% *	0.01%
COMMON EQUITY	235,328,845	46.76%	9.50%	4.44%
DEFERRED INCOME TAX	5,051,503	1.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	9,225,469	1.83%	0.00%	0.00%
INVESTMENT TAX CREDITS	-	0.00%	0.00%	0.00%
TOTAL	\$ 503,320,722	100.00%		7.72%

* 13-MONTH AVERAGE

NOTE:
TOTALS MAY NOT SUM DUE TO ROUNDING.

SCHEDULE B

Capital Structure Adjustments

FLORIDA CITY GAS
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
DECEMBER, 2024

SCHEDULE B: PAGE 1 OF 1

AVERAGE	SYSTEM PER BOOKS 1	ADJUSTMENTS		ADJUSTED RETAIL 5
		PRO RATA 3	SPECIFIC 4	
LONG TERM DEBT	\$ 429,123,963	\$ (213,247,710)	\$ (23,830)	\$ 215,852,423
SHORT TERM DEBT	68,970,094	(34,275,717)		34,694,377
PREFERRED STOCK	-	-		-
COMMON EQUITY	467,817,955	(232,489,110)		235,328,845
CUSTOMER DEPOSITS	6,297,981	(3,129,876)		3,168,105
DEFERRED INCOME TAX	10,042,049	(4,990,546)		5,051,503
FAS 109 DEFERRED INCOME TAX	18,339,613	(9,114,144)		9,225,469
INVESTMENT TAX CREDITS	-	-		-
TOTAL	\$ 1,000,591,655	\$ (497,247,103)	\$ (23,830)	\$ 503,320,722

SCHEDULE C

Calculation of Proposed AFUDC Rate

FLORIDA CITY GAS
 METHODOLOGY FOR MONTHLY COMPOUNDING
 OF THE AFUDC RATE
 DECEMBER, 2024

SCHEDULE C: PAGE 1 OF 1

AFUDC COMPOUNDING

$((1+R/12)^{**12})-1 =$	APPROVED RATE
$((1+R/12)^{**12})-1 =$	7.72%
$((1+R/12)^{**12}) =$	1.07721395
$(1+R/12) =$	1.00621742
$(R/12) =$	0.00621742

<u>MONTHS</u>	<u>AFUDC BASE</u>	<u>MONTHLY AFUDC</u>	<u>CUMULATIVE AFUDC</u>
JAN	1.00000000	0.00621742	0.00621742
FEB	1.00621742	0.00625607	0.01247349
MAR	1.01247349	0.00629497	0.01876846
APR	1.01876846	0.00633411	0.02510257
MAY	1.02510257	0.00637349	0.03147606
JUN	1.03147606	0.00641312	0.03788918
JUL	1.03788918	0.00645299	0.04434217
AUG	1.04434217	0.00649311	0.05083528
SEP	1.05083528	0.00653348	0.05736876
OCT	1.05736876	0.00657410	0.06394286
NOV	1.06394286	0.00661498	0.07055784
DEC	1.07055784	0.00665610	0.07721395