BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Natural gas conservation cost recovery. | DOCKET NO. 20170004-GU  ORDER NO. PSC-2017-0435-FOF-GU  ISSUED: November 14, 2017 |

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman

ART GRAHAM

RONALD A. BRISÉ

DONALD J. POLMANN

GARY F. CLARK

APPEARANCES:

GREGORY M. MUNSON, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301

On behalf of the Florida City Gas (FCG)

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301

On behalf of the Florida Public Utilities Company (FPUC), Florida Public Utilities Company - Indiantown Division (Indiantown), and Florida Public Utilities Company – Fort Meade (Fort Meade), and the Florida Division of Chesapeake Utilities Corporation

CHARLES J. REHWINKEL, PATRICIA CHRISTENSEN, ERIK SAYLER, STEPHANIE MORSE, and J.R. KELLY, ESQUIRES Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399

On behalf of the Citizens of the State of Florida (OPC)

STEPHANIE CUELLO, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission (Staff)

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Advisor to the Florida Public Service Commission

KEITH HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY FACTORS FOR JANUARY 2018 THROUGH DECEMBER 2018

BY THE COMMISSION:

**BACKGROUND**

As part of the Florida Public Service Commission’s continuing natural gas conservation cost recovery clause proceedings, an administrative hearing was held on October 25, 2017. Florida Division of Chesapeake Utilities Corporation (CUC), Florida Public Utilities Company (FPUC), Florida Public Utilities Company – Indiantown (Indiantown), Florida Public Utilities Company – Fort Meade (Fort Meade)[[1]](#footnote-1), Florida City Gas (FCG), Sebring Gas System, Inc. (Sebring), Peoples Gas System (PGS), and St. Joe Natural Gas Company (SJNG) submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. Prior to the hearing, the parties reached an agreement concerning all issues identified for resolution at the hearing. The Office of Public Counsel took no position. Sebring, PGS, and SJNG were excused from the hearing. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, and 366.06, F.S.

The parties stipulated to the final and estimated true-up amounts and purchased gas cost recovery factors appropriate for each utility. We accept and approve the stipulations as reasonable and find they are supported by competent, substantial evidence of record, as set forth below.

**DECISION**

Conservation Cost Recovery Factors

We find the appropriate final conservation cost recovery true-up amounts for the January 2016 through December 2016 are as follows:

FCG $325,523 over-recovery

FPUCConsolidated Companies $169,605 over-recovery

PGS $606,371 under-recovery

SGS $8,491 under-recovery

SJNG $17,951 under-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for the period January 2017 through December 2017 are as follows:

FCG $599,751 over-recovery

FPUC Consolidated Companies $778,201 over-recovery

PGS $1,567,598 under-recovery

SGS $2,582 under-recovery

SJNG $32,966 ubder-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2018 through December 2018 are as follows:

FCG $925,274 over-recovery

FPUC Consolidated Companies $947,806 over-recovery

PGS $2,173,969 under-recovery

SGS $11,073 under-recovery

SJNG$50,917 under-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2018 through December 2018 are as follows:

FCG $4,383,452

FPUCConsolidated Companies $3,881,244

PGS $16,997,630

SGS$55,749

SJNG $189,567

We find the appropriate conservation cost recovery factors for the period January 2018 through December 2018 are as follows:

**FCG:**

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| --- | --- |
| RATE CLASS | ECCR Factor |

GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportation) $0.12996

GS-600 (Sales & Transportation) $0.06042

GS-1200 (Sales & Transportation) $0.03710

GS-6k (Sales & Transportation) $0.03098

GS-25000 (Sales & Transportation) $0.03071

GS-60000 (Sales & Transportation) $0.02928

Gas Lights $0.05981

GS-120000 (Sales & Transportation) $0.02168

GS-250000 (Sales & Transportation) $0.02024

**FPUC:**

**CUC**

Rate Class ECCR Factor

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| FTS-A |  | $ | | 0.19641 | |
|  |  |  | |  | |
| FTS-B |  | $ | | 0.14849 | |
|  |  |  | |  | |
| FTS-1 |  | $ | | 0.12980 | |
|  |  |  | |  | |
| FTS-2 |  | $ | | 0.06840 | |
|  |  |  | |  | |
| FTS-2.1 |  | $ | | 0.05000 | |
|  |  |  |  | |
| FTS-3 |  | $ | | 0.04353 | |
|  |  |  | |  | |
| FTS-3.1 |  | $ | | 0.03237 | |
|  |  |  | |  | |
| FTS-4 |  | $ | | 0.02735 | |
|  |  |  | |  | |
| FTS-5 |  | $ | | 0.02384 | |
|  |  |  | |  | |
| FTS-6 |  | $ | | 0.01960 | |
|  |  |  | |  | |
| FTS-7 |  | $ | | 0.01384 | |
|  |  |  | |  | |
| FTS-8 |  | $ | | 0.01225 | |
|  |  |  | |  | |
| FTS-9 |  | $ | | 0.01031 | |
|  |  |  | |  | |
| FTS-10 |  | $ | | 0.00947 | |
|  |  |  | |  | |
| FTS-11 |  | $ | | 0.00780 | |
|  |  |  | |  | |
| FTS-12 |  | $ | | 0.00667 | |
|  |  |  | |  | |

CUC also seeks approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors:

|  |  |
| --- | --- |
| Rate Class | ECCR Factor ($ per bill) |
| FTS-A | $1.20 |
| FTS-B | $1.57 |
| FTS-1 | $1.98 |
| FTS-2 | $4.00 |
| FTS-2.1 | $5.71 |
| FTS-3 | $14.15 |
| FTS-3.1 | $19.50 |

**FPUC and FPU-Fort Meade**

Rate Class ECCR Factor

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| RESIDENTIAL |  |  |  | $0.07936 |
|  |  |  |  |  |
| COMMERCIAL SMALL |  |  |  | $0.04732 |
| (Gen Srv GS1 & GS1 Transportation <600) |  |  |  |  |
|  |  |  |  |  |
| COMMERCIAL SMALL |  |  |  | $0.03684 |
| (Gen Srv GS2 & GS2 Transportation >600) |  |  |  |  |
|  |  |  |  |  |
| COMM. LRG VOLUME  (Large Vol & LV Transportation <,> 50,000 units) |  |  |  | $0.03047 |
| NATURAL GAS VEHICLES |  |  |  | $0.01496 |

**Indiantown**

|  |  |  |  |
| --- | --- | --- | --- |
| Rate Class |  |  | ECCR Factor |
| TS1 (INDIANTOWN DIVISION) |  |  | $0.07721 |
|  |  |  |  |
| TS2 (INDIANTOWN DIVISION) |  |  | $0.01142 |
|  |  |  |  |
| TS3 (INDIANTOWN DIVISION) |  |  | $0.03049 |
|  |  |  |  |
| TS4 (INDIANTOWN DIVISION) |  |  | $0.00000 |

**PGS:**

Rate ClassECCR Factor (per therm)

Residential $0.09921

Residential Standby Generator $0.09921

Small General Service $0.05982

Commercial Standby Generator $0.02985

General Service 1 $0.02985

General Service 2 $0.02174

General Service 3 $0.01806

General Service 4 $0.01336

General Service 5 $0.00980

Commercial Street Lighting $0.01577

Natural Gas Vehicle Service $0.01844

**SGS:**

RATE CLASS ECCR Factor

TS-1 $0.18218/therm

TS-2 $0.08440/therm

TS-3 $0.04943/therm

TS-4 $0.04157/therm

**SJNG:**

RATE CLASS ECCR Factor

RS-1 $0.44277

RS-2 $0.26916

RS-3 $0.20359

GS-1 $0.17729

GS-2 $0.08111

GS-4/TS-4 $0.03728

Tariff Revisions Reflecting Natural Gas Conservation Cost Recovery Amounts and

Establishing Natural Gas Conservation Cost Recovery Factors

We find the revised tariffs reflecting the new energy conservation cost charges determined to be appropriate in this proceeding, are approved. We direct our staff to verify that the revised tariffs are consistent with this Order.

Conservation Cost Recovery Effective Date for 2018 Billing Cycle

The factors approved by us as refelcted above shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2018 through December 2018. Billing cycles may start before January 1, 2018 and the last cycle may be read after December 31, 2018, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Docket to Remain Open

While a separate docket number is assigned each year, this is a continuing docket and should remain open for administrative convenience.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations, findings, and rulings set forth in the body of this Order are hereby approved. It is further

ORDERED that each utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the natural gas conservation cost recovery amounts and utilize the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period January 2018 through December 2018. Billing cycles may start before January 1, 2018, and the last cycle may be read after December 31, 2018, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. It is further

ORDERED that the utilities’ revised tariffs, reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate herein, are approved. Our staff shall verify that the revised tariffs are consistent with this Order. It is further

ORDERED that the Natural Gas Conservation Cost Recovery Clause docket is ongoing and the docket shall remain open.

By ORDER of the Florida Public Service Commission this 14th day of November, 2017.

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| --- | --- |
|  | /s/ Hong Wang |
|  | HONG WANG  Chief Deputy Commission Clerk |

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413‑6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

1. Florida Division of Chesapeake Utilities Corporation (CUC), Florida Public Utilities Company (FPUC), Florida Public Utilities Company – Indiantown (Indiantown), and Florida Public Utilities Company – Fort Meade (Fort Meade), are collectively referred to as the “Consolidated Companies.” [↑](#footnote-ref-1)