

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 20200004-GU  
ORDER NO. PSC-2020-0436-FOF-GU  
ISSUED: November 16, 2020

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman  
ART GRAHAM  
JULIE I. BROWN  
DONALD J. POLMANN  
ANDREW GILES FAY

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY  
AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY  
FACTORS FOR JANUARY 2021 THROUGH DECEMBER 2021

APPEARANCES:

BETH KEATING, ESQUIRE, GREGORY M. MUNSON, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida 32301; and CHRISTOPHER T. WRIGHT, ESQUIRE, 700 Universe Boulevard, Juno Beach, Florida 33408  
On behalf of FLORIDA CITY GAS (FCG).

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida 32301  
On behalf of FLORIDA PUBLIC UTILITIES COMPANY (FPUC), FLORIDA PUBLIC UTILITIES COMPANY-FORT MEADE, FLORIDA PUBLIC UTILITIES COMPANY-INDIANTOWN DIVISION, FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (CUC) (jointly, CONSOLIDATED COMPANIES), and on behalf of SEBRING GAS SYSTEM (SEBRING).

ANDREW M. BROWN, ESQUIRE, and THOMAS R. FARRIOR Macfarlane Ferguson & McMullen, P. O. Box 1531, Tampa, Florida 33601-1531  
On behalf of PEOPLES GAS SYSTEM (PGS).

ANDY SHOAF, ESQUIRE, P.O. Box 549, Port St. Joe, Florida 32457-0549  
On behalf of ST. JOE NATURAL GAS COMPANY, INC. (SJNG).

CHARLES J. REHWINKEL, ESQUIRE, 111 West Madison Street, Room 812,  
Tallahassee, Florida 32399-1400  
On behalf of OFFICE OF PUBLIC COUNSEL (OPC).

GABRIELLA PASSIDOMO, 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 C. HETRICK, ESQUIRE, General Counsel, Florida Public Service  
Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
Florida Public Service Commission General Counsel

BY THE COMMISSION:

#### BACKGROUND

As part of the Commission's continuing natural gas conservation cost recovery clause proceedings, an administrative hearing was held on November 3, 2020. The clause proceedings allow gas companies to seek recovery of its costs for approved gas conservation programs on an annual basis, pursuant to Sections 366.80-366.83, Florida Statutes (F.S.), and Chapter 25-17, Florida Administrative Code (F.A.C.). FCG, the Consolidated Companies, PGS, Sebring, and 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. OPC took no position. We have jurisdiction over this subject matter by the provisions of Chapter 366, F.S., including Sections 366.04, 366.05, and 366.06, F.S.

The parties reached Type 2 stipulations<sup>1</sup> 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.

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<sup>1</sup> A Type 2 stipulation occurs on an issue when the utility and the staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if they do not join in the agreement) do not object to the Commission relying on the agreed language to resolve that issue in a final order.

DECISION

Conservation Cost Recovery Factors

We find the appropriate final conservation cost recovery true-up amounts for the period January 2019 through December 2019 are as follows:

FCG	\$454,477	Under-recovery
Consolidated Companies	\$97,527	Under-recovery
PGS	\$343,120	Under-recovery
Sebring	\$2,945	Under-recovery
SJNG	\$12,036	Over-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for the period January 2020 through December 2020 are as follows:

FCG	\$295,192	Under-recovery
Consolidated Companies	\$710,598	Under-recovery
PGS	\$807,578	Under-recovery
Sebring	\$4,829	Over-recovery
SJNG	\$118,560	Under-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2020 through December 2020 are as follows:

FCG	\$749,669	Under-recovery
Consolidated Companies	\$808,125	Under-recovery
PGS	\$1,150,698	Under-recovery
Sebring	\$1,884	Over-recovery
SJNG	\$106,524	Under-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2021 through December 2021 are as follows:

FCG	\$6,540,349
Consolidated Companies	\$3,991,575
PGS	\$18,782,204
Sebring	\$26,050
SJNG	\$254,349

We find the appropriate conservation cost recovery factors for the period January 2021 through December 2021 are as follows:

**FCG:**

<u>Rate Class</u>	<u>CCR Factor (\$/per therm)</u>
RS-1	\$0.26401
RS-100	\$0.14211
RS-600	\$0.08400
GS-1	\$0.05728
GS-6K	\$0.04197
GS-25K	\$0.04136
Gas Lights	\$0.06523
GS-120K	\$0.02629
GS1250K	\$0.01863
GS-11M – GS-25M	\$0.01094

**Consolidated Companies:**CUC:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
FTS-A	\$0.18991
FTS-B	\$0.14315
FTS-1	\$0.12747
FTS-2	\$0.06564
FTS-2.1	\$0.04827
FTS-3	\$0.04341
FTS-3.1	\$0.03171
FTS-4	\$0.02651
FTS-5	\$0.02285
FTS-6	\$0.01928
FTS-7	\$0.01295
FTS-8	\$0.01175
FTS-9	\$0.00981
FTS-10	\$0.00936
FTS-11	\$0.00737
FTS-12	\$0.00651

The Consolidated Companies also seek approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors for Chesapeake:

<u>Rate Class</u>	<u>ECCR Factor (\$ per bill)</u>
FTS-A	\$1.16
FTS-B	\$1.52
FTS-1	\$1.90
FTS-2	\$3.88
FTS-2.1	\$5.51
FTS-3	\$13.35
FTS-3.1	\$18.57

FPUC and FPU-Fort Meade:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
RESIDENTIAL (FPU,Fort Meade)	\$0.07642
COMMERCIAL SMALL (FPU.Fort Meade) ( Gen Srv GS1 & GS Transportation <600)	\$0.04805
COMMERCIAL SMALL (FPU, Fort Meade) (Gen Srv GS2 & GS Transportation >600)	\$0.03549
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <,> 50,000 units)	\$0.02965
Natural Gas Vehicles	\$0.01278

Indiantown:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$0.07366
TS2 (INDIANTOWN DIVISION)	\$0.01021
TS3 (INDIANTOWN DIVISION)	\$0.01727
TS4 (INDIANTOWN DIVISION)	\$0.0000

**PGS:**

<u>Rate Schedule</u>	<u>Cost Recovery Factors (Dollars per Therm)</u>
RS & RS-SG & RS-GHP	0.09591
SGS	0.06210
GS-1 & CS-SG & CS-GHP	0.03043
GS-2	0.02224

GS-3	0.01840
GS-4	0.01353
GS-5	0.00996
NGVS	0.01957
CSLS	0.01603

**SEBRING:**

<u>Rate Class</u>	<u>Rate/SPer Therm</u>
TS-1	\$.10222
TS-2	\$.03987
TS-3	\$.02533
TS-4	\$.02339

**SJNG:**

<u>Rate Class</u>	<u>Rate/SPer Therm</u>
RS-1	\$0.90626
RS-2	\$0.57353
RS-3	\$0.47108
GS-1	\$0.40182
GS-2	\$0.15167
GS-4/TS-4	\$0.12696

Tariff Revisions Reflecting Natural Gas Conservation Cost Recovery Amounts and Establishing Natural Gas Conservation Cost Recovery Factors

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

Conservation Cost Recovery Effective Date for 2021 Billing Cycle

The factors we approved as reflected above shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2021 through December 2021. Billing cycles may start before January 1, 2021 and the last cycle may be read after December 31, 2021, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Company-Specific Conservation Cost Recovery

Florida City Gas

We hereby approve FCG's Petition to establish a conservation cost recovery factor for the GS-1250K rate class, and we find the appropriate conservation cost recovery factor for the period January 2021 through December 2021 to be 0.01863 dollars per therm.

We also hereby approve FCG's Petition to establish a conservation cost recovery factor for the GS-11M-GS25M rate class, and we find the appropriate conservation cost recovery factor for the period January 2021 through December 2021 to be 0.01094 dollars per therm.

Docket to Remain Open

While a separate docket number is assigned each year, this is a continuing docket and shall 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 2021 through December 2021. Billing cycles may start before January 1, 2021, and the last cycle may be read after December 31, 2021, 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 on-going and the docket shall remain open.

By ORDER of the Florida Public Service Commission this 16th day of November, 2020.



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ADAM J. TEITZMAN  
Commission Clerk  
Florida Public Service Commission  
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Tallahassee, Florida 32399  
(850) 413-6770  
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

GAP

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.