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| 2  |  | BEFORE THE   |                 |
| 3  | FLORI  | IDA PUBLIC SERVICE COMMISSION  |                 |
| 4  |  | DOCKET NO. 040004-GU   |                 |
| 5  | In the Matter o  | of   |                 |
| 6  | NATURAL GAS CONSERVA   | ATION  | allo-a          |
| 7  | COST RECOVERY.   | /  |                 |
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| 9  | ELECTRONI<br>A CON   | C VERSIONS OF THIS TRANSCRIPT ARE <b>T</b><br>VENIENCE COPY ONLY AND ARE NOT |                 |
| 10 | THE OFFICIAL TRANSCRIPT OF THE HEARING,<br>THE .PDF VERSION INCLUDES PREFILED TESTIMONY. |  |                 |
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| 13 | PROCEEDINGS:   | PREHEARING   |                 |
| 14 | BEFORE :   | RUDOLPH "RUDY" BRADLEY<br>Prehearing Officer                                 |                 |
| 15 | DATE :   | Monday, October.25, 2004   |                 |
| 16 | TIME:  | Commenced at 9:40 a.m.<br>Concluded at 11:40 a.m.                            |                 |
| 17 | PLACE :  | Betty Easley Conference Center   |                 |
| 18 |  | Room <b>148</b><br>4075 <b>Esplanade</b> Way                                 |                 |
| 19 |  | Tallahassee, Florida   |                 |
| 20 | REPORTED BY:   | LINDA BOLES, RPR<br>Official FPSC <b>Reporter</b>                            |                 |
| 21 |  | (850) <b>413-6734</b>  |                 |
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|    |  | FPSC-C   | OMMISSION CLERK |

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| 1  | APPEARANCES :   |  |  |  |
| 2  | GARY V. PERKO, ESQUIRE, Hopping, Green & Sams, Post             |  |  |  |
| 3  | Office Box 6526, Tallahassee, Florida 32314, appearing on       |  |  |  |
| 4  | behalf <b>of</b> City Gas <b>Company</b> of Florida.            |  |  |  |
| 5  | NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello &             |  |  |  |
| б  | Self, Post Office Box 1876, Tallahassee, Florida 32302-1876,    |  |  |  |
| 7  | appearing on behalf of Florida Public Utilities Company.        |  |  |  |
| 8  | WAYNE L. SCHIEFELBEIN, ESQUIRE, Rose, Sundstrom &               |  |  |  |
| 9  | Bentley, LLP, 2548 Blairstone Pines Drive, Tallahassee, Florida |  |  |  |
| 10 | 32301, <b>appearing</b> on behalf of the Florida Division of    |  |  |  |
| 11 | Chesapeake Utilities Corporation.                               |  |  |  |
| 12 | MARTHA BROWN, ESQUIRE, FPSC General Counsel's Office,           |  |  |  |
| 13 | 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850,    |  |  |  |
| 14 | appearing on behalf of the Commission Staff.                    |  |  |  |
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|    | FLORIDA PUBLIC SERVICE COMMISSION                               |  |  |  |

| 1  | PROCEEDINGS  |  |  |  |  |
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| 2  | COMMISSIONER BRADLEY: Let's proceed to the                         |  |  |  |  |
| 3  | 04 docket. We're now in the 04 docket, natural gas                 |  |  |  |  |
| 4  | conservation. Are there any preliminary matters by any of the      |  |  |  |  |
| 5  | parties?   |  |  |  |  |
| 6  | MS. BROWN: Commissioner, there are none that I am                  |  |  |  |  |
| 7  | aware of. I would like to point out that the staff and the         |  |  |  |  |
| 8  | parties have reached agreement on <b>all</b> the issues, and staff |  |  |  |  |
| 9  | will reflect that agreement in the prehearing order at the         |  |  |  |  |
| 10 | conclusion of the prehearing conference. With, with that,          |  |  |  |  |
| 11 | there is nothing <b>really</b> else of a preliminary nature.       |  |  |  |  |
| 12 | COMMISSIONER BRADLEY: Thank you. Let's proceed                     |  |  |  |  |
| 13 | through the draft prehearing order. If there are any               |  |  |  |  |
| 14 | questions, clarifications or changes, please let me know at the    |  |  |  |  |
| 15 | appropriate time.  |  |  |  |  |
| 16 | Section I, conduct of proceedings.                                 |  |  |  |  |
| 17 | MS. BROWN: There are no changes.                                   |  |  |  |  |
| 18 | COMMISSIONER BRADLEY: Section 11, case background.                 |  |  |  |  |
| 19 | MS. BROWN: No changes.   |  |  |  |  |
| 20 | COMMISSIONER BRADLEY: Section III, jurisdiction.                   |  |  |  |  |
| 21 | MS. BROWN: No changes.   |  |  |  |  |
| 22 | COMMISSIONER BRADLEY: Section IV, procedure for                    |  |  |  |  |
| 23 | handling confidential information.                                 |  |  |  |  |
| 24 | MS. BROWN: <b>No</b> changes.                                      |  |  |  |  |
| 25 | COMMISSIONER BRADLEY: Section V, posthearing                       |  |  |  |  |
|    | FLORIDA PUBLIC SERVICE COMMISSION                                  |  |  |  |  |

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| 1  | procedures.  |  |  |
| 2  | MS. BROWN: No changes.   |  |  |
| 3  | COMMISSIONER BRADLEY: Section VI, prefiled testimony                 |  |  |
| 4  | and exhibits; witnesses.   |  |  |
| 5  | MS. BROWN: No changes.   |  |  |
| 6  | COMMISSIONER BRADLEY: Section VII, order <b>of</b>                   |  |  |
| 7  | witnesses.   |  |  |
| 8  | MS. BROWN: With respect to Section VII,                              |  |  |
| 9  | Commissioner, the witnesses can be <b>excused if</b> no Commissioner |  |  |
| 10 | on the panel seeks cross-examination. At this time it appears        |  |  |
| 11 | that the witnesses will be excused with the possibility but          |  |  |
| 12 | staff will confirm this with each Commissioner and contact the       |  |  |
| 13 | parties by November 3rd.   |  |  |
| 14 | COMMISSIONER BRADLEY: Thank you, Section VIII,                       |  |  |
| 15 | basic positions.   |  |  |
| 16 | MS. BROWN: No changes.   |  |  |
| 17 | COMMISSIONER BRADLEY: Section IX, issues and                         |  |  |
| 18 | positions.   |  |  |
| 19 | MS. BROWN: Commissioner, the parties have reached                    |  |  |
| 20 | stipulations on all issues, but they've done so within the last      |  |  |
| 21 | day, and the draft prehearing order <b>at</b> this time has not been |  |  |
| 22 | corrected to reflect all of the stipulations. A corrected            |  |  |
| 23 | prehearing order will be presented for your signature.               |  |  |
| 24 | COMMISSIONER BRADLEY: Okay. Section X, exhibit                       |  |  |
| 25 | list.  |  |  |
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FLORIDA PUBLIC SERVICE COMMISSION

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| 1  | MS. BROWN: No changes.  |  |  |  |
| 2  | COMMISSIONER BRADLEY: Section XI, proposed                        |  |  |  |
| 3  | stipulations.   |  |  |  |
| 4  | MS. BROWN: Commissioner, as I just mentioned, it                  |  |  |  |
| 5  | appears that all issues are stipulated and the prehearing order   |  |  |  |
| 6  | will reflect that.  |  |  |  |
| 7  | COMMISSIONER BRADLEY: And also it is my                           |  |  |  |
| 8  | understanding that OPC has taken no position <b>on</b> , on these |  |  |  |
| 9  | issues.   |  |  |  |
| 10 | MS. BROWN: Yes. That's correct, Commissioner.                     |  |  |  |
| I  | COMMISSIONER BRADLEY: Thank you. Section XII,                     |  |  |  |
| 12 | pending motions.  |  |  |  |
| 13 | MS. BROWN: No changes.  |  |  |  |
| 14 | COMMISSIONER BRADLEY: Section beg your pardon?                    |  |  |  |
| 15 | I'm <b>sorry.</b>   |  |  |  |
| 16 | MS. BROWN: No changes.  |  |  |  |
| 17 | COMMISSIONER BRADLEY: Thank you. Section XIII,                    |  |  |  |
| 18 | <b>pending</b> confidentiality matters.                           |  |  |  |
| 19 | MS. BROWN: No pending confidentiality matters at                  |  |  |  |
| 20 | this time.  |  |  |  |
| 21 | COMMISSIONER BRADLEY: Section XIV, rulings.                       |  |  |  |
| 22 | MS. BROWN: Cornmissioner, although I don't think                  |  |  |  |
| 23 | we're going to have a hearing on this docket, we would suggest    |  |  |  |
| 24 | that the prehearing order reflect that opening statements, if     |  |  |  |
| 25 | any, should not exceed ten minutes per party.                     |  |  |  |
|    | FLORIDA PUBLIC SERVICE COMMISSION                                 |  |  |  |

1 Also, St. Joe and Peoples Gas have been excused from 2 the prehearing and hearing -- have been excused from the 3 prehearing conference, and St. Joe has been excused from the 4 hearing. 5 COMMISSIONER BRADLEY: Thank you. Let the record 6 reflect that the prehearing officer accepts staff's recommendations. 7 MR, PERKO: Commissioner. 8 COMMISSIONER BRADLEY: Yes. 9 10 MR. PERKO: This is Mr. Perko on behalf of City Gas. I just noticed that there was one omission from the exhibit 11 12 list. I believe under Gloria **Lopez** there should be an Exhibit GL-2. 13 **COMMISSIONER** BRADLEY: Which section is that? 14 MR. PERKO: That would be Section X. 15 MS. BROWN: Commissioner, we'll reflect that change 16 in the prehearing order, and we'll get with City Gas to make 17 18 sure we have it right. 19 MR. PERKO: Thank you. 20 COMMISSIONER BRADLEY: Thank you. Is there anything else to come before the prehearing 21 officer at this time? 22 MS. BROWN: Not to my knowledge, Commissioner. 23 24 COMMISSIONER BRADLEY: Thank you for your 25 participation. This prehearing conference is adjourned.

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FLORIDA PUBLIC SERVICE COMMISSION

| 1      | (Prehearing | conference | adjourned ) |
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| ⊥<br>2 | (Frenearing | conterence | aujourneu./ |
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| 1  | TATE OF FLORIDA )  |  |  |  |
| 2  | · CERTIFICATE OF REPORTER .<br>IOUNTY OF LEON )  |  |  |  |
| 3  |  |  |  |  |
| 4  | I, LINDA BOLES, RPR, Official Commission   |  |  |  |
| 5  | Reporter, do hereby certify that the foregoing proceeding was<br>leard at the time and place herein stated.                            |  |  |  |
| 6  | IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been                                  |  |  |  |
| 7  | ranscribed under my direct supervision; and that this<br>ranscript constitutes a true transcription of my notes of said                |  |  |  |
| 8  | proceedings.   |  |  |  |
| 9  | I FURTHER CERTIFY that I am not a relative, employee,<br>attorney or counsel of <b>any</b> of the parties, nor am I a relative         |  |  |  |
| 10 | or <b>employee of</b> any <b>of</b> the parties' attorneys or counsel<br>connected with the action, nor am I financially interested in |  |  |  |
| 11 | the action.  |  |  |  |
| 12 | DATED THIS 28th DAY OF OCTOBER, 2004.  |  |  |  |
| 13 |  |  |  |  |
| 14 | LINDA BOLES, RPR   |  |  |  |
| 15 | FPSC Official Commission Reporter<br>(850) 413-6734  |  |  |  |
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