

ORIGINAL



Fort Lauderdale  
Jacksonville  
Los Angeles  
Madison  
Miami  
New York  
Orlando  
Tallahassee  
Tampa  
Tysons Corner  
Washington, DC  
West Palm Beach

Suite 1200  
106 East College Avenue  
Tallahassee, FL 32301  
www.akerman.com  
850 224 9634 tel 850 222 0103 fax

October 9, 2006

RECEIVED - FPSC  
06 OCT -9 PM 3:47  
COMMISSION  
CLERK

**VIA HAND DELIVERY**

Blanca S. Bayó, Director  
Division of Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**Re: Docket No. 060004-GU – Natural Gas Conservation Cost Recovery Clause**

Dear Ms. Bayó:

Enclosed for filing in the above referenced Docket, please find an original and 15 copies of Florida City Gas's Prehearing Statement, as well as a copy on diskette.

Your assistance in this matter is greatly appreciated.

Sincerely,

**Beth Keating**  
**AKERMAN SENTERFITT**  
106 East College Avenue, Suite 1200  
Tallahassee, FL 32302-1877  
Phone: (850) 224-9634  
Fax: (850) 222-0103

RECEIVED & FILED

*mas*  
FPSC BUREAU OF REC

- CMP \_\_\_\_\_
- COM 5
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
- RCA \_\_\_\_\_
- SCR \_\_\_\_\_
- SGA \_\_\_\_\_
- SEC 1
- OTH \_\_\_\_\_

Enclosures

DOCUMENT NUMBER-DATE  
09345 OCT-9 8  
FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Conservation Cost Recovery )  
Clause )  
\_\_\_\_\_)

Docket No. 060004-GU  
Filed: October 9, 2006

**FLORIDA CITY GAS COMPANY'S  
PREHEARING STATEMENT**

Pursuant to the requirements of the Order on Procedure, Florida City Gas hereby submits its Prehearing Statement.

A. Known Witnesses

Florida City Gas intends to offer the direct testimony of Ramiro Sicre filed on May 1, 2006 and filed on September 15, 2006.

Ramiro Sicre

Issues 1, 2 & 3

B. Known Exhibits

Florida City Gas intends to sponsor the following exhibits:

Sicre RS-1 Schedules CT-1, CT-2 and CT-3

Sicre RS-2<sup>1</sup> Schedules C-1, C-2, C-3 and C-5

C. Basic Position

The Company's true-up amounts and conservation cost recovery factors as shown in Issues 1 through 3 are appropriate and should be approved.

D. – F. Issues

1. What is the final end-of-period true-up amount for the period January 2005 through December 2005?

<sup>1</sup> Counsel notes with regret that the Schedules C-1, C-2, C-3, and C-5 filed on September 15, 2006, were incorrectly identified as Exhibit RS-1, when in fact they should be identified as RS-2. I apologize for any confusion this may have caused.

Florida City Gas: An over-recovery of \$1,196,749.

2. What are the appropriate conservation cost recovery factors for the period January 2007 through December 2007?

Florida City Gas: The appropriate factors are:

<u>Rate Class</u>	<u>Factor</u>
GS-1, GS-100, GS-220 (Sales & Transportation)	\$0.04561
GS-600 (Sales & Transportation)	\$0.02630
GS-1,200 (Sales & Transportation)	\$0.01421
GS-6,000 (Sales & Transportation)	\$0.01182
GS-25,000 (Sales & Transportation)	\$0.01177
GS-60,000 (Sales & Transportation)	\$0.01152
Gas Lights	\$0.02323
GS-120,000 (Sales & Transportation)	\$0.00809
GS-250,000 (Sales & Transportation)	\$0.00763

3. What should be the effective date of the conservation cost recovery factors for billing purposes?

Florida City Gas: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2007 through December 2007. Billing cycles may start before January 1, 2007, and the last cycle may be read after December 31, 2007, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

G. Stipulated Issues

Florida City Gas is not a party to any stipulations at this time, although it believes that it should be possible to reach a stipulation on each of the above issues as they relate to Florida City Gas.

H. Pending Motions

Florida City Gas has no pending motions or other matters requiring attention at this time.

I. Pending Confidentiality Requests

Florida City Gas has no pending confidentiality requests.

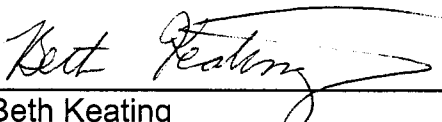
J. Compliance With Order on Procedure

Florida City Gas believes that this Prehearing Statement fully complies with the requirements of the Order on Procedure.

K. Objections to Witness Qualifications

Florida City Gas has no objection to the qualifications of any expert witness.

RESPECTFULLY SUBMITTED this 9<sup>th</sup> day of October, 2006.

  
\_\_\_\_\_  
Beth Keating  
Akerman Senterfitt Attorneys at Law  
106 East College Avenue, Suite 1200  
Tallahassee, FL 32301  
(850) 224-9634

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail to the following parties of record this 9<sup>th</sup> day of October, 2006:

Marc S. Seagrave  
Florida Public Utilities Company  
Post Office Box 3395  
West Palm Beach, FL 33402-3395

Norman Horton, Jr.  
Messer Law Firm  
Post Office Box 15579  
Tallahassee, FL 32317

Charles A. Rawson, III  
Florida City Gas  
955 East Street  
Hialeah, FL 33013-3498

Macfarlane Ferguson Law Firm  
Ansley Watson, Jr.  
Post Office Box 1531  
Tampa, FL 33601-1531

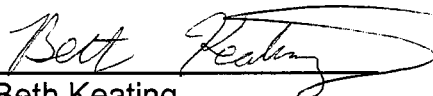
AGL Resources Inc.  
Elizabeth Wade/Melvin Williams  
Ten Peachtree Place  
Location 1470  
Atlanta, GA 30309

Thomas A. Geoffroy/Brian Bilinski  
Florida Division of Chesapeake Utilities  
Corp.  
Post Office Box 960  
Winter Haven, FL 33882-0960

Matthew R. Costa/Brenda Irizarry  
Regulatory Affairs  
People Gas System  
Post Office Box 111  
Tampa, FL 33601-0111

Stuart L. Shoaf  
St. Joe Natural Gas Company, Inc.  
Post Office Box 549  
Port St. Joe, FL 32457-0549

Katherine Fleming  
Office of General Counsel  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

  
Beth Keating  
Akerman Senterfitt Attorneys at Law  
106 East College Avenue, Suite 1200  
Tallahassee, FL 32301  
(850) 224-9634