

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 060004-GU
ORDER NO. PSC-06-0996-FOF-GU
ISSUED: November 30, 2006

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

APPEARANCES:

BETH KEATING, ESQUIRE, Akerman Senterfitt Law Firm, 106 East College Avenue, Suite 1200, Tallahassee, Florida 32301
On behalf of Chesapeake Utilities Corporation (CUC) and Florida City Gas (FCG).

NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello & Self, P.A., P. O. Box 15579, Tallahassee, Florida 32317
On behalf of Florida Public Utilities Company (FPUC).

KATHERINE E. FLEMING, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission.

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2007 THROUGH DECEMBER 2007

As part of the Commission's continuing natural gas conservation cost recovery proceedings, an administrative hearing was held November 6, 2006, in this docket. Florida City Gas, Florida Public Utilities Company, Peoples Gas System, and St. Joe Natural Gas Company submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. Prior to hearing, the parties reached agreement concerning all issues identified for resolution at hearing. These issues were presented to us as a stipulation. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes, including Sections 366.04, 366.05, and 366.06, Florida Statutes.

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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 supported by competent, substantial evidence of record as set forth below.

We find that the appropriate final end of period true-up amounts for the period January 2005 through December 2005 are as follows:

Chesapeake (CUC)	\$252,236	Underrecovery
Florida City Gas (FCG)	\$1,196,749	Overrecovery
Florida Public Utilities (FPUC)	\$36,383	Underrecovery
Peoples Gas System (PGS)	\$1,236,460	Overrecovery
St. Joe Natural Gas (SJNG)	\$5,348	Overrecovery

We find that the appropriate conservation cost recovery factors for the period January 2007 through December 2007 are as follows:

CUC	Rate Class	ECCR Factor
	FTS-A	21.512 cents/therm
	FTS-B	17.547 cents/therm
	FTS-1	14.620 cents/therm
	FTS-2	9.882 cents/therm
	FTS-3	6.019 cents/therm
	FTS-4	4.838 cents/therm
	FTS-5	3.884 cents/therm
	FTS-6	3.510 cents/therm
	FTS-7	2.209 cents/therm
	FTS-8	1.942 cents/therm
	FTS-9	1.605 cents/therm
	FTS-10	1.502 cents/therm
	FTS-11	1.321 cents/therm
	FTS-12	1.070 cents/therm

FCG	Rate Class	ECCR Factor
	GS-1, GS-100, GS-200	4.561 cents/therm
	GS-600	2.630 cents/therm
	GS-1,200	1.421 cents/therm
	GS-6,000	1.182 cents/therm
	GS-25,000	1.177 cents/therm
	GS-60,000	1.152 cents/therm
	Gas Lights	2.323 cents/therm
	GS-120,000	0.809 cents/therm
	GS-250,000	0.763 cents/therm

FPUC	Rate Class	ECCR Factor
	Residential	8.970 cents/therm
	Small Commercial	3.938 cents/therm
	Comm. Lge. Vol.	2.752 cents/therm
	Large Vol. Transport	2.752 cents/therm

PGS	Rate Class	ECCR Factor
	RS	7.364 cents/therm
	SGS	6.704 cents/therm
	GS-1	2.551 cents/therm
	GS-2	2.091 cents/therm
	GS-3	1.756 cents/therm
	GS-4	1.584 cents/therm
	GS-5	0.901 cents/therm
	NGVS	1.380 cents/therm
	CSLS	1.121 cents/therm

SJNG	Rate Class	ECCR Factor
	Residential	0.721 cents/therm
	Small Commercial	0.582 cents/therm
	Large Commercial	0.279 cents/therm

We find that these factors shall 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.

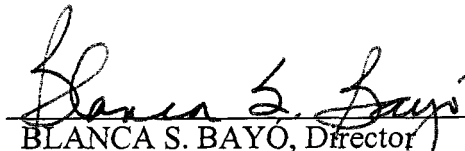
Based on the foregoing, it is

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 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.

By ORDER of the Florida Public Service Commission this 30th day of November, 2006.



BLANCA S. BAYO, Director
Division of the Commission Clerk
and Administrative Services

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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 Director, Division of the Commission Clerk and Administrative Services, 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 Director, Division of the Commission Clerk and Administrative Services 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.