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September 18, 2012

**HAND DELIVERY**

Ms. Ann Cole  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

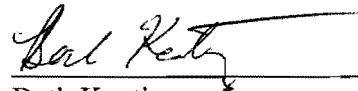
**Re: Docket No. 120004-GU – Natural Gas Conservation Cost Recovery Clause**

Dear Ms. Cole:

Attached for filing, please find the original and 15 copies of the Revised Direct Testimony and Revised Exhibits MB-1 and MB-2 of Mr. Miguel Bustos, submitted in the referenced Docket on behalf of Florida City Gas, along with the original and 15 copies of the Company's Petition for Approval of Revised Conservation Cost Recovery Factors. Also enclosed for filing is a CD containing the filed schedules in native format.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,

  
Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

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cc: Parties of Record

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation Cost )  
Recovery )  
\_\_\_\_\_ )

Docket No. 120004-GU  
Filed: September 18, 2012

PETITION OF FLORIDA CITY GAS  
FOR APPROVAL OF REVISED CONSERVATION COST RECOVERY FACTORS  
AND REVISED FINAL TRUE-UP AMOUNT

Florida City Gas, a division of Pivotal Utility Holdings, Inc. (“Florida City Gas” or “the Company”) hereby submits this petition asking that the Commission approve the Company’s conservation cost recovery factors for the period January 1, 2013 through December 31, 2013, which have been revised since the Company’s filing on September 11, 2012. In addition, the Company seeks approval of the revised Final True-Up Amount, as set forth herein. Since the September 11, 2012, filing, Florida City Gas has determined that certain amounts were included in its calculations that should have been excluded in light of certain issues identified by the Commission staff’s auditor. The appropriate corrections are reflected herein, and revised Direct Testimony by Mr. Miguel Bustos addressing both the Cost Recovery Factors and the Revised Final True-Up is offered in support of these revised amounts. Likewise, the Company is providing revised Exhibits MB-1 and MB-2 reflecting these changes. In support thereof, the Company says:

1. For the period January 1, 2011 through December 31, 2011, the Company’s Adjusted Net True-Up is an over-recovery of \$532,733, calculated based upon an end-of-period net true up under-recovery of \$1,076,076. Florida City Gas also projects an under-recovery of \$419,833 for the period January 1, 2012 through December 31, 2012. The total incremental costs for 2013 are projected to be \$4,536,561. When the prior period true-up is

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included, this results in a total of \$4,956,394 in conservation costs to be recovered over the period January 1, 2013 through December 31, 2013.

2. When the required true-up and projected expenditures are spread over the projected therm sales and expanded for taxes, the required conservation cost recovery factors for the period January 1, 2013 through December 31, 2013, are:

GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportation)	\$0.147 <u>28</u>
GS-600 (Sales & Transportation)	\$0.0781 <u>4</u>
GS-1200 (Sales & Transportation)	\$0.0465 <u>0</u>
GS-6k (Sales & Transportation)	\$0.0383 <u>0</u>
GS-25000 (Sales & Transportation)	\$0.0379 <u>6</u>
GS-60000 (Sales & Transportation)	\$0.0370 <u>4</u>
Gas Lights	\$0.0740 <u>7</u>
GS-120000 (Sales & Transportation)	\$0.0262 <u>6</u>
GS-250000 (Sales & Transportation)	\$0.0253 <u>5</u>

3. The Company's calculation of the Final 2011 Adjusted Net True-Up, as well as the Conservation Cost Recovery Factors is consistent with the Commission's methodology, and supported by the Direct Testimony of Miguel Bustos, and Schedules C-1 through C-5, which are included in Revised Exhibit Nos. MB-1 and MB-2.

WHEREFORE, Florida City Gas requests that its revised Conservation Cost Recovery Factors for the period January 1, 2013 through December 31, 2013 be approved.

A handwritten signature in black ink, appearing to read "Beth Keating", is written over a solid horizontal line.

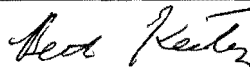
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Tallahassee, FL 32301  
(850) 521-1706

*Attorneys for Florida City Gas*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing, has been furnished by US Mail to the following parties of record this 18th day of September 2012:

Florida Public Utilities Company Cheryl Martin 1641 Worthington Road, Suite 220 West Palm Beach, FL 33409-6703	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Office of Public Counsel J.R. Kelly/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Peoples Gas System Paula Brown P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Stuart L. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870	AGL Resources Inc. Elizabeth Wade/Brian Sulmonetti Ten Peachtree Place Location 1470 Atlanta, GA 30309
Florida City Gas Carolyn Bermudez 933 East 25 <sup>th</sup> Street Hialeah, FL 33013-3498	Jennifer Crawford/Pauline Robinson Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399
Florida Division of Chesapeake Utilities Corporation Cheryl Martin 1641 Worthington Road, Suite 220 West Palm Beach, FL 33409-6703	



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