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October 4, 2016

**VIA E-PORTAL FILING**

Ms. Carlotta S. Stauffer  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

**Re: Docket No. 160004-GU – Natural gas conservation cost recovery**

Dear Ms. Stauffer:

Attached for electronic filing in the above docket on behalf of Peoples Gas System, please find Peoples' Prehearing Statement.

We appreciate your usual assistance.

Sincerely,



Ansley Watson, Jr.

AWjr/a  
Attachment

cc: Parties of Record  
Ms. Kandi M. Floyd

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Natural gas conservation cost )  
recovery. )  
\_\_\_\_\_ )

DOCKET NO. 160004-GU  
Submitted for filing:  
10-4-16

**PEOPLES GAS SYSTEM'S  
PREHEARING STATEMENT**

Peoples Gas System ("PGS"), by its undersigned attorneys, submits the following Prehearing Statement for the hearing scheduled to be held in the above docket commencing November 1, 2016.

A. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
(Direct)		
Kandi M. Floyd (PGS)	True-up for period January 2015 - December 2015; Projected expenses and ECCR factors for period January through December 2017	1-5

B. EXHIBITS

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
_____ (Revised KMF-1)	Floyd	Conservation cost recovery true-up data (January 2015 - December 2015) consisting of Schedules CT-1 through CT-6
_____ (KMF-2)	Floyd	Data for development of conservation cost recovery factors (January 1 - December 31, 2017), consisting of Schedules C-1 through C-5

C. STATEMENT OF BASIC POSITION

PGS's Statement of Basic Position:

The Commission should approve PGS's final true-up amount of \$2,136,452 (overrecovery) for the period January 2015 through December 2015, and its projected conservation program expenses for the period January 1, 2016 through December 31, 2016, net of the estimated true-up.

The Commission should approve the following ECCR factors for the following rate classes for the period January 2017 through December 2017:

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
Residential	\$0.07853
Residential Standby Generator	\$0.07853
Small General Service	\$0.04763
Commercial Standby Generator	\$0.02353
General Service 1	\$0.02353
General Service 2	\$0.01715
General Service 3	\$0.01414
General Service 4	\$0.01056
General Service 5	\$0.00776
Natural Gas Vehicle Service	\$0.01455
Commercial Street Lighting	\$0.01244

(Floyd)

D. STATEMENT OF ISSUES AND POSITIONS:

Generic Conservation Cost Recovery Issues

**ISSUE 1: What are the final conservation cost recovery true-up amounts for the period January 2015 through December 2015?**

PGS: \$2,136,452 overrecovery (Floyd)

**ISSUE 2: What are the total conservation cost recovery amounts to be collected during the period January 2017 through December 2017?**

PGS: \$13,102,649 (Floyd)

**ISSUE 3: What are the conservation cost recovery factors for the period January**

**2016 through December 2016?**

PGS:

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
Residential	\$0.07853
Residential Standby Generator	\$0.07853
Small General Service	\$0.04763
Commercial Standby Generator	\$0.02353
General Service 1	\$0.02353
General Service 2	\$0.01715
General Service 3	\$0.01414
General Service 4	\$0.01056
General Service 5	\$0.00776
Natural Gas Vehicle Service	\$0.01455
Commercial Street Lighting	\$0.01244

(Floyd)

**ISSUE 4: What should be the effective date of the new conservation cost recovery factors for billing purposes?**

PGS: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2017 through December 2017. Billing cycles may start before January 1, 2017, and the last cycle may be read after December 31, 2017, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Floyd)

**ISSUE 5: Should the Commission approve revised tariffs reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate in this proceeding?**

PGS: Yes. The Commission should approve revised tariffs reflecting the natural gas cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. (Floyd)

**E. STIPULATED ISSUES**

None as to PGS.

F. PENDING MOTIONS

None as to PGS.

G. PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

PGS has no pending confidentiality claims or requests at this time.

H. COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

PGS has complied with all requirements of the Order Establishing Procedure in this docket.

Dated this 4<sup>th</sup> day of October, 2016.

Respectfully submitted,



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Attorney for Peoples Gas System

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Prehearing Statement has been furnished by electronic mail this 4th day of October, 2016, to the following:

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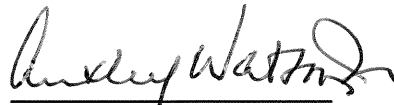
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