

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 040004-GU
ORDER NO. PSC-04-1179-FOF-GU
ISSUED: November 30, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

APPEARANCES:

WAYNE L SCHIEFELBEIN, ESQUIRE, Rose, Sundstrom & Bentley, LLP,
2548 Blairstone Pines Drive, Tallahassee, Florida 32301
On behalf of Chesapeake Utilities Corporation, Florida Division.

ANSLEY WATSON, JR., ESQUIRE, Macfarlane, Ferguson & McMullen, P.O.
Box 1531, Tampa, Florida, 33601-1531, and MATTHEW R. COSTA, ESQUIRE,
Corporate Counsel, TECO Energy, Inc., P.O. Box 111, Tampa, Florida 33601-
0111
On behalf of Peoples Gas System.

STUART L. SHOAF, St. Joe Natural Gas Company, Inc., P.O. Box 549, Port St.
Joe, Florida 32457-0549
On behalf of St. Joe Natural Gas Company.

GARY V. PERKO, ESQUIRE, Hopping Green & Sams, Post Office Box 6526,
Tallahassee, Florida 32314
On behalf of NUI City Gas Company of Florida.

NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello & Self, Post Office
Box 1876, Tallahassee, FL 32302-1876
On behalf of Florida Public Utilities Company.

MARTHA CARTER BROWN, ESQUIRE, Florida Public Service Commission,
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission.

DOCUMENT NUMBER-DATE
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FPSC-COMMISSION CLERK

BY THE COMMISSION:

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005

I. Case Background

As part of the Commission's ongoing natural gas conservation cost recovery proceedings a hearing was held November 8, 2004, in this docket. The parties submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their proposed conservation cost recovery factors. Prior to the hearing all parties agreed to stipulated resolutions of the issues. We accept those stipulations as reasonable, and we approve them as set forth below. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes, including Chapter 366.04, 366.05, 366.06 and 366.82, Florida Statutes.

II. Generic Conservation Cost Recovery Issues

A. End-of-Period Final True-up amounts for January 2003 through December 2003.

We approve as reasonable the following stipulation for the final end-of-period true-up amounts for January 2003 through December 2003:

Chesapeake Utilities	\$ 26,876	Over Recovery
City Gas Company	\$552,829	Over Recovery
Florida Public Utilities	\$ 73,072	Over Recovery
Peoples Gas	\$464,811	Under Recovery
Peoples Gas WF	\$968,511	Under Recovery
St. Joes Natural Gas	\$ 5,627	Over Recovery

B. Conservation Cost Recovery Factors for the period January 2005 through December 2005

We approve as reasonable the following stipulations regarding the conservation cost recovery factors for the period January 2005 through December 2005:

Chesapeake Utilities:

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
TS-1A	\$0.18887
TS-1B	\$0.15416
TS-1C	\$0.12782
TS-2	\$0.08106
TS-3	\$0.04518
TS-4	\$0.03477
TS-5	\$0.02978
TS-6	\$0.02411

TS-7	\$0.01460
TS-8	\$0.01228
TS-9	\$0.01081

City Gas Co.

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
GS-1, GS-100, GS-200	\$.09302
GS-600 (Sales & Transportation)	\$.04997
GS-1200 (Sales & Transportation)	\$.03071
GS-6000 (Sales & Transportation)	\$.02520
GS-25000 (Sales & Transportation)	\$.02487
GS-60000 (Sales & Transportation)	\$.02432
Gas Lights	\$.04966
GS-120000(Sales & Transportation)	\$.01789
GS-250000(Sales & Transportation)	\$.01640

Florida Public Utilities

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
Residential	\$.07531
Commercial Small	\$.03496
Comm. Lge. Vol.	\$.02521
Comm. Lge. Vol. Transport	\$.02521

Peoples Gas System

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
RS	\$.05205
SGS	\$.04404
GS-1	\$.01728
GS-2	\$.01404
GS-3	\$.01180
GS-4	\$.01064
GS-5	\$.00606
NGVS	\$.00906
CSLS	\$.00753

Peoples Gas WF:

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
RS	\$0.19387
SGS	\$0.17525
GS-1	\$0.07171
GS-2	\$0.05681
GS-3	\$0.04756
GS-4	\$0.04315
GS-5	\$0.02394
CSLS	\$0.03033
NGVS	\$0.03033

St. Joe Natural Gas

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
Residential	\$.00776
Commercial	\$.00652
Comm. Lge Vol.	\$.00305

C. Effective Date of Cost Recovery for Billing Purposes

We approve as reasonable the following stipulation regarding the effective date of the cost recovery factors for billing purposes:

The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2005 through December 2005. Billing cycles may start before January 1, 2005 and the last cycle may be read after December 31, 2005 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 set forth in the body of this Order are hereby approved. It is further

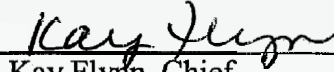
ORDERED that each utility party to this docket shall abide by the stipulations applicable to it. It is further

ORDERED that the utility parties to this docket 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 1, 2005, through December 31, 2005. Billing cycles may start before January 1, 2005, and the last cycle may be read after December 31, 2005, 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, 2004.

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

By:



Kay Flynn, Chief
Bureau of Records

(S E A L)

MCB

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.