

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 050004-GU  
ORDER NO. PSC-05-1176-FOF-GU  
ISSUED: November 29, 2005

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman  
J. TERRY DEASON  
RUDOLPH "RUDY" BRADLEY  
LISA POLAK EDGAR  
ISILIO ARRIAGA

APPEARANCES:

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

BILL L. BRYANT, JR., ESQUIRE, and THOMAS A. RANGE, ESQUIRE,  
Akerman Senterfitt Attorneys at Law, 106 East College Avenue, Suite 1200,  
Tallahassee, Florida 32301  
On behalf of Florida City Gas Company.

NORMAN H. HORTON, JR., ESQUIRE, MESSER, CAPARELLO & SELF,  
P.A., Post Office Box 1876, Tallahassee, Florida 32302-1876  
On behalf of Florida Public Utilities Company.

ANSLEY WATSON, JR., ESQUIRE, Macfarlane Ferguson & McMullen, Post  
Office Box 1531, Tampa, Florida 33601-1531  
On behalf of Peoples Gas System.

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

BY THE COMMISSION:

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY  
AMOUNTS AND ESTABLISHING CONSERVATION COST RECOVERY FACTORS FOR  
THE PERIOD JANUARY 2006 THROUGH DECEMBER 2006

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

I. Case Background

As part of the Commission's ongoing natural gas conservation cost recovery proceedings a hearing was held November 7, 2005, 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 sections 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 2004 through December 2004.

We approve as reasonable the following stipulation for the final end-of-period true-up amounts for January 2004 through December 2004:

- CUC**: \$ 139,737 under-recovery.
- FCG**: \$ 38,881 over-recovery.
- FPUC**: \$ 19,699 under-recovery.
- PGS**: \$1,573,605 over-recovery - PGS (except West Florida).  
\$2,114,460 under-recovery - PGS West Florida.
- SJNG**: \$ 8,531 over-recovery.

B. Conservation Cost Recovery Factors for the period January 2006 through December 2006

We approve as reasonable the following stipulations regarding the conservation cost recovery factors for the period January 2006 through December 2006:

<b><u>CUC</u></b>	<u>Rate Class</u>	<u>ECCR Factor</u> <u>Cents Per Therm</u>
	FTS-A	.21389 cents/therm
	FTS-B	.17446 cents/therm
	FTS-1	.14449 cents/therm
	FTS-2	.09347 cents/therm
	FTS-3	.05995 cents/therm
	FTS-4	.04810 cents/therm
	FTS-5	.03862 cents/therm
	FTS-6	.03485 cents/therm

FTS-7	.02123 cents/therm
FTS-8	.01927 cents/therm
FTS-9	.01564 cents/therm
FTS-10	.01514 cents/therm
FTS-11	.01402 cents/therm
FTS-12	.01149 cents/therm

**FCG:**

<b><u>Rate Class</u></b>	<b><u>Factor</u></b>
GS-1, GS-100, GS-200	5.701 cents/therm
GS-600 (Sales & Transportation)	3.065 cents/therm
GS-1200 (Sales & Transportation)	1.897 cents/therm
GS-6000 (Sales & Transportation)	1.550 cents/therm
GS-25000 (Sales & Transportation)	1.527 cents/therm
GS-60000 (Sales & Transportation)	1.495 cents/therm
Gas Lights	3.054 cents/therm
GS-120000(Sales & Transportation)	1.102 cents/therm
GS-250000(Sales & Transportation)	1.088 cents/therm

**FPUC:**

<b><u>Rate Class</u></b>	<b><u>ECCR Factor</u></b>
Residential	8.645 cents/therm
General Service	3.987 cents/therm
Large Volume Service	2.831 cents/therm
Large Volume Transportation Service	2.831 cents/therm

**PGS:**

<b><u>Rate Class</u></b>	<b><u>ECCR Factor</u></b>
RS	3.814 cents/therm
SGS	3.260 cents/therm
GS-1	1.310 cents/therm
GS-2	1.069 cents/therm
GS-3	.897 cents/therm
GS-4	.808 cents/therm
GS-5	.460 cents/therm
NGVS	.694 cents/therm
CSLS	.572 cents/therm

**PGS - West Florida:**

<b><u>Rate Class</u></b>	<b><u>ECCR Factor</u></b>
RS	16.931 cents/therm

SGS	20.030 cents/therm
GS-1	5.824 cents/therm
GS-2	4.676 cents/therm
GS-3	3.906 cents/therm
GS-4	3.550 cents/therm
GS-5	1.979 cents/therm
CSLS	2.486 cents/therm
NGVS	2.486 cents/therm

**SJNG:**

<b><u>Rate Class</u></b>	<b><u>ECCR Factor</u></b>
Residential	.902 cents/therm
Commercial	.737 cents/therm
Comm. Lge Vol.	.348 cents/therm

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 2006 through December 2006. Billing cycles may start before January 1, 2006 and the last cycle may be read after December 31, 2006 so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

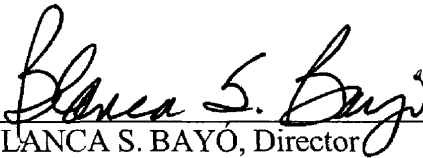
Based on the foregoing, it is

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 that is a 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, 2006, through December 31, 2006. Billing cycles may start before January 1, 2006, and the last cycle may be read after December 31, 2006, 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 29th day of November, 2005.



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

(SEAL)

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.