

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 160004-GU
ORDER NO. PSC-16-0533-FOF-GU
ISSUED: November 22, 2016

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman
LISA POLAK EDGAR
ART GRAHAM
RONALD A. BRISÉ
JIMMY PATRONIS

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY
AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY
FACTORS FOR JANUARY 2017 THROUGH DECEMBER 2017

APPEARANCES:

GREGORY M. MUNSON and BETH KEATING, ESQUIRES,
Gunster, Yoakley & Stewart, P.A.,
215 South Monroe Street, Suite 601, Tallahassee, Florida 32301
On behalf of the Florida Public Utilities Company (FPUC), the Florida Division of
Chesapeake Utilities Corporation (CUC), Florida Public Utilities Company-Indiantown
Division (Indiantown), and Florida Public Utilities – Fort Meade (Fort Meade) (jointly
referred to as the Consolidated Companies) and Florida City Gas (FCG).

ANSLEY WATSON, JR., ESQUIRE, Macfarlane Ferguson & McMullen,
Post Office Box 1531, Tampa, Florida 3360
On behalf of Peoples Gas System (PGS)

PAULA M. SPARKMAN, ESQUIRE, Messer Caparello, P.A.,
Post Office Box 15579, Tallahassee, Florida 32317
On behalf of Sebring Gas System Inc. (SGS).

CHARLES A. SHOAF, VICE PRESIDENT
Post Office Box 549, Port St. Joe, Florida 32457
On behalf of St. Joe Natural Gas Company (SJNG)

J.R. KELLY, CHARLES J. REHWINKEL, PATRICIA CHRISTENSEN,
ERIK SAYLER and STEPHANIE MORSE, ESQUIRES, Office of Public Counsel
c/o The Florida Legislature, 111 West Madison Street, Room 812,
Tallahassee, Florida 32399
On behalf of the Citizens of the State of Florida (OPC)

KELLEY F. CORBARI, ESQUIRE and STEPHANIE CUELLO,
Florida Public Service Commission, 2540 Shumard Oak Boulevard,
Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission (Staff).

MARY ANNE HELTON, DEPUTY GENERAL COUNSEL, and
KEITH HETRICK, GENERAL COUNSEL
Florida Public Service Commission, 2540 Shumard Oak Boulevard,
Tallahassee, Florida 32399-0850
Advisor to the Florida Public Service Commission.

BACKGROUND

As part of the Florida Public Service Commission's continuing natural gas conservation cost recovery clause proceedings, an administrative hearing was held on November 2, 2016. Florida Division of Chesapeake Utilities Corporation (CUC), Florida Public Utilities Company (FPUC), Florida Public Utilities Company – Indiantown (Indiantown), Florida Public Utilities Company – Fort Meade (Fort Meade)¹, Florida City Gas (FCG), Sebring Gas System, Inc. (Sebring), Peoples Gas System (PGS), and St. Joe Natural Gas Company (SJNG) submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. Prior to the hearing, the parties reached an agreement concerning all issues identified for resolution at the hearing. The Office of Public Counsel took no position. These issues were presented to us as stipulations. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, and 366.06, F.S.

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

¹ Florida Division of Chesapeake Utilities Corporation (CUC), Florida Public Utilities Company (FPUC), Florida Public Utilities Company – Indiantown (Indiantown), and Florida Public Utilities Company – Fort Meade (Fort Meade), are collectively referred to as the "Consolidated Companies".

DECISION

Conservation Cost Recovery Factors

We find that the appropriate final conservation cost recovery true-up amounts for the January 2015 through December 2015 are as follows:

FPUC Consolidated Companies	\$ 1,403,735	Under-recovery
FCG	\$ 129,132	Over-recovery
PGS	\$ 2,136,462	Over-recovery
SGS	\$ 3,047	Under-recovery
SJNG	\$ 5,525	Under-recovery

We find that the appropriate total conservation cost recover amounts to be collected during the period January 2017 through December 2017 are as follows:

FPUC Consolidated Companies (FPUC, CUC, Indiantown, Ft. Meade)	\$ 6,562,854
FCG	\$ 5,082,136
PGS	\$ 13,102,649
SGS	\$ 48,315
SJNG	\$ 180,522

We find that the appropriate conservation cost recovery factors for the period January 2017 through December 2017 are as follows:

FPUC AND FORT MEADE	Rate Class	ECCR Factor
	Residential	\$ 0.13261 / therm
	Commercial Small CVPD	\$ 0.08015 / therm
FPUC only	Commercial Small (Gen Srv GS2 & GS Transportation >600)	\$ 0.06255 / therm
	Commercial Large (Large Vol & LV Transportation <,> 50,000 units)	\$ 0.05098 / therm
FPUC only	Natural Gas Vehicles	\$ 0.02456 / therm

CUC	Rate Class	ECCR Factor
	FTS-A	\$ 0.31789 / therm
	FTS-B	\$ 0.24033 / therm
	FTS-1	\$ 0.20824 / therm
	FTS-2	\$ 0.11396 / therm
	FTS-2.1	\$ 0.08428 / therm
	FTS-3	\$ 0.07097 / therm
	FTS-3.1	\$ 0.05494 / therm
	FTS-4	\$ 0.04647 / therm
	FTS-5	\$ 0.04069 / therm
	FTS-6	\$ 0.03327 / therm
	FTS-7	\$ 0.02370 / therm
	FTS-8	\$ 0.02174 / therm
	FTS-9	\$ 0.01747 / therm
	FTS-10	\$ 0.01707 / therm
	FTS-11	\$ 0.01450 / therm
	FTS-12	\$ 0.01095 / therm

In accordance with Order No. PSC-07-0427-TRF-GU, issued May 15, 2007, in Docket No. 060675-GU, CUC also seeks approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors:

CUC <i>Experimental</i>	Rate Class	ECCR Factor (\$/bill)
	FTS-A	\$2.05
	FTS-B	\$2.70
	FTS-1	\$3.41
	FTS-2	\$6.81
	FTS-2.1	\$9.67
	FTS-3	\$24.56
	FTS-3.1	\$32.81

FPUC	Rate Class	ECCR Factor
INDIANTOWN		
	TS-1	\$ 0.12751 / therm
	TS-2	\$ 0.01977 / therm
	TS-3	\$ 0.05049 / therm
	TS-4	\$ 0.06300 / therm

FCG	Rate Class	ECCR Factor
	GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportation)	\$ 0.15168 /therm
	GS-600 (Sales & Transportation)	\$ 0.07245 / therm
	GS-1200 (Sales & Transportation)	\$ 0.04464 / therm
	GS-6000 (Sales & Transportation)	\$ 0.03712 / therm
	GS-25000 (Sales & Transportation)	\$ 0.03673 / therm
	GS-60000 (Sales & Transportation)	\$ 0.03515 / therm
	Gas Lights	\$ 0.07147 / therm
	GS-120000 (Sales & Transportation)	\$ 0.02549 / therm
	GS-250000 (Sales & Transportation)	\$ 0.02374 / therm

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

SEBRING	Rate Class	ECCR Factor
	TS-1	\$ 0.19897 / therm
	TS-2	\$ 0.08761 / therm
	TS-3	\$ 0.05151 / therm
	TS-4	\$ 0.04456 / therm

SJNG	Rate Class	ECCR Factor
	RS-1	\$ 0.40001 / therm
	RS-2	\$ 0.24504 / therm
	RS-3	\$ 0.18566 / therm
	GS-1	\$ 0.16949 / therm
	GS-2	\$ 0.07674 / therm
	FTS-4	\$ 0.03555 / therm

Tariff Revisions Reflecting Natural Gas Conservation Cost Recovery Amounts and Establishing Natural Gas Conservation Cost Recovery Factors

We find the 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, are approved. We direct our staff to verify that the revised tariffs are consistent with this Order.

Conservation Cost Recovery Effective Date for 2017 Billing Cycle

The factors shall 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.

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 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. It is further

ORDERED that the utilities' revised tariffs, reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate herein, are approved. Our staff shall verify that the revised tariffs are consistent with this Order. It is further

ORDERED that the Natural Gas Conservation Cost Recovery Clause docket is ongoing and the docket shall remain open.

By ORDER of the Florida Public Service Commission this 22nd day of November, 2016.



CARLOTTA S. STAUFFER
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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 Office of Commission Clerk, 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 Office of Commission Clerk, 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.