

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 20180004-GU
ORDER NO. PSC-2018-0563-FOF-GU
ISSUED: November 29, 2018

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman
JULIE I. BROWN
DONALD J. POLMANN
GARY F. CLARK
ANDREW GILES FAY

APPEARANCES:

CHRISTOPHER T. WRIGHT, ESQUIRE, Florida Power & Light Company, 700
Universe Boulevard, Juno Beach, Florida, 33408
On behalf of Florida City Gas (FCG)

BETH KEATING and GREGORY M. MUNSON, ESQUIRES, Gunster, Yoakley
& Stewart, P.A., 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301
On behalf of Florida City Gas (FCG)

AND

On behalf of the Florida Public Utilities Company (FPUC), Florida Public
Utilities Company – Indiantown Division (Indiantown), Florida Public
Utilities Company – Fort Meade (Fort Meade), and the Florida Division of
Chesapeake Utilities Corporation (CUC)
Collectively referred to as FPUC Consolidated Companies (CC)

ANDREW M. BROWN and ANSLEY WATSON, JR., ESQUIRES, Macfarlane
Ferguson & McMullen, Post Office Box 1531, Tampa, Florida 33601-1531
On behalf of Peoples Gas System (PGS)

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

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)

RACHAEL DZIECHCIARZ, ESQUIRE, Florida Public Service Commission,
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission (Staff)

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public
Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-
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Advisor to the Florida Public Service Commission

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service
Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY
AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY
FACTORS FOR JANUARY 2019 THROUGH DECEMBER 2019

BY THE COMMISSION:

BACKGROUND

As part of the Commission's continuing Natural Gas Conservation Cost Recovery Clause proceedings, an administrative hearing was held November 5, 2018. FCG, FPUC, Indiantown, Fort Meade, CUC, PGS, SGS, and 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. OPC took no position. PGS and SJNG were excused from the hearing. 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.

DECISION

Conservation Cost Recovery Factors

We find the appropriate final conservation cost recovery true-up amounts for the period January 2017 through December 2017 are as follows:

FCG	\$166,106 over-recovery
FPUC Consolidated Companies	\$59,161 over-recovery
PGS	\$324,464 under-recovery
SGS	\$3,246 under-recovery
SJNG	\$2,059 under-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for the period January 2018 through December 2018 are as follows:

FCG	\$430,115 over-recovery
FPUC Consolidated Companies	\$561,329 over-recovery
PGS	\$1,110,202 under-recovery
SGS	\$13,882 under-recovery
SJNG	\$10,204 under-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2019 through December 2019 are as follows:

FCG	\$596,281 over-recovery
FPUC Consolidated Companies	\$620,490 over-recovery
PGS	\$1,434,666
SGS	\$46,648
SJNG	\$12,263 under-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2019 through December 2019 are as follows:

FCG	\$4,819,099
FPUC Consolidated Companies	\$3,749,031
PGS	\$18,488,090
SGS	\$60,530
SJNG	\$171,413

We find the appropriate conservation cost recovery factors for the period January 2019 through December 2019 are as follows:

FCG:

<u>Rate Class</u>	<u>CCR Factor (\$/per therm)</u>
RS-1	\$0.19898
RS-100	\$0.11940
RS-600	\$0.07450
GS-1	\$0.04288
GS-6K	\$0.03263
GS-25K	\$0.03163
Gas Lights	\$0.05150
GS-120K	\$0.02108

FPUC CC:

CUC

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
FTS-A	\$ 0.18507
FTS-B	\$ 0.14103
FTS-1	\$ 0.12194
FTS-2	\$ 0.06328
FTS-2.1	\$ 0.04624
FTS-3	\$ 0.04125
FTS-3.1	\$ 0.03036
FTS-4	\$ 0.02572
FTS-5	\$ 0.02186
FTS-6	\$ 0.01849
FTS-7	\$ 0.01290
FTS-8	\$ 0.01138
FTS-9	\$ 0.00965
FTS-10	\$ 0.00924
FTS-11	\$ 0.00758
FTS-12	\$ 0.00614

CUC also seeks approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors:

<u>Rate Class</u>	<u>ECCR Factor (\$ per bill)</u>
FTS-A	\$1.13
FTS-B	\$1.47
FTS-1	\$1.86
FTS-2	\$3.79
FTS-2.1	\$5.44
FTS-3	\$13.21
FTS-3.1	\$18.34

FPUC and Fort Meade

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
RESIDENTIAL	\$0.07369
COMMERCIAL SMALL (Gen Srv GS1 & GS1 Transportation <600)	\$0.04462
COMMERCIAL SMALL (Gen Srv GS2 & GS2 Transportation >600)	\$0.03451
COMM. LRG VOLUME (Large Vol & LV Transportation <,> 50,000 units)	\$0.02874
NATURAL GAS VEHICLES	\$0.01252

Indiantown

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$0.07277
TS2 (INDIANTOWN DIVISION)	\$0.01038
TS3 (INDIANTOWN DIVISION)	\$0.02430
TS4 (INDIANTOWN DIVISION)	\$0.0000

PGS:

<u>Rate Schedule</u>	<u>Cost Recovery Factors (Dollars per Therm)</u>
RS & RS-SG & RS-GHP	0.10655
SGS	0.06397
GS-1 & CS-SG & CS-GHP	0.03147
GS-2	0.02302
GS-3	0.01897
GS-4	0.01406
GS-5	0.01034
NGVS	0.01982
CSLS	0.01665

SGS:

<u>RATE CLASS:</u>	<u>RATE/\$PER THERM</u>
TS-1	\$0.22380/therm
TS-2	\$0.08822/therm
TS-3	\$0.05791/therm
TS-4	\$0.04966/therm

SJNG:

<u>RATE CLASS:</u>	<u>RATE/\$PER THERM</u>
RS-1	\$0.43076
RS-2	\$0.26408
RS-3	\$0.19925
GS-1	\$0.17245
GS-2	\$0.07667
GS-4/TS-4	\$0.03544

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

We find the revised tariffs reflecting the new energy conservation cost charges 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 2019 Billing Cycle

The factors approved by us as reflected above shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2019 through December 2019. Billing cycles may start before January 1, 2019, and the last cycle may be read after December 31, 2019, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Docket to Remain Open

While a separate docket number is assigned each year, this is a continuing docket and shall remain open for administrative convenience.

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 2019 through December 2019. Billing cycles may start before January 1, 2019, and the

last cycle may be read after December 31, 2019, 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 29th day
of November, 2018.



CARLOTTA S. STAUFFER
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
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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.

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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

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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.