

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 20190004-GU  
ORDER NO. PSC-2019-0499-FOF-GU  
ISSUED: November 22, 2019

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

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY  
AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY  
FACTORS FOR JANUARY 2020 THROUGH DECEMBER 2020

APPEARANCES:

BETH KEATING and GREGORY M. MUNSON, ESQUIRES, Gunster, Yoakley & Stewart, P.A., 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301, and CHRISTOPHER T. WRIGHT, ESQUIRE, 700 Universe Boulevard, Juno Beach, Florida, 33408  
On behalf of Florida City Gas (FCG).

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301  
On behalf of 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)  
Collectively referred to as FPUC Consolidated Companies (FPUC CC)  
AND  
On behalf of Sebring Gas System, Inc. (SGS).

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

ANDY SHOAF, VICE PRESIDENT, St. Joe Natural Gas Company, Inc., P.O. Box 549, Port St. Joe, Florida 32457-0549  
On behalf of St. Joe Natural Gas Company, Inc. (SJNG).

J.R. KELLY and CHARLES J. REHWINKEL, ESQUIRES, Associate Public Counsels, Office of Public Counsel, c/o The Florida Legislature, 111 W. Madison Street, Room 812, Tallahassee, Florida 32399

On behalf of the Citizens of the State of Florida (OPC).

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 32399-0850

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.

BY THE COMMISSION:

#### BACKGROUND

As part of the Commission's continuing natural gas conservation cost recovery clause proceedings, an administrative hearing was held on November 5, 2019. FCG, FPUC, CUC, Indiantown, Fort Meade, SGS, PGS, 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. SJNG was excused from the hearing. We have jurisdiction over this 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 2018 through December 2018 are as follows:

FCG	\$371,437	Under-recovery
FPUC CC	\$248,921	Under-recovery
PGS	\$2,892,836	Under-recovery
SGS	\$346	Under-recovery
SJNG	\$33,880	Under-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for the period January 2019 through December 2019 are as follows:

FCG	\$217,026	Over-recovery <sup>1</sup>
FPUC CC	\$152,510	Over-recovery
PGS	\$134,089	Over-recovery
SGS	\$1,332	Under-recovery
SJNG	\$129,574	Under-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2020 through December 2020 are as follows:

FCG	\$151,570	Under-recovery
FPUC CC	\$96,411	Under-recovery
PGS	\$2,758,747	Under-recovery
SGS	\$1,678	Under-recovery
SJNG	\$163,454	Under-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2020 through December 2020 are as follows:

FCG	\$5,530,433
FPUC CC	\$5,318,211
PGS	\$19,577,952
SGS	\$58,971
SJNG	\$325,579

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<sup>1</sup> \$2,841 from Interest

We find the appropriate conservation cost recovery factors for the period January 2020 through December 2020 are as follows:

**FCG:**

<u>Rate Class</u>	<u>CCR Factor (\$/per therm)</u>
RS-1	\$0.25062
RS-100	\$0.13092
RS-600	\$0.08309
GS-1	\$0.05075
GS-6K	\$0.03725
GS-25K	\$0.03646
Gas Lights	\$0.05891
GS-120K	\$0.02379

**FPUC CC:**  
**CUC**

<u>Rate Class</u>	<u>Adjustment Factor (\$ per therm)</u>
FTS-A	\$ 0.25768
FTS-B	\$ 0.19566
FTS-1	\$ 0.17125
FTS-2	\$ 0.08675
FTS-2.1	\$ 0.06376
FTS-3	\$ 0.05567
FTS-3.1	\$ 0.04165
FTS-4	\$ 0.03543
FTS-5	\$ 0.03028

FTS-6	\$ 0.02557
FTS-7	\$ 0.01728
FTS-8	\$ 0.01558
FTS-9	\$ 0.01356
FTS-10	\$ 0.01259
FTS-11	\$ 0.01015
FTS-12	\$ 0.00845

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	\$1.57
FTS-B	\$2.05
FTS-1	\$2.58
FTS-2	\$5.32
FTS-2.1	\$7.63
FTS-3	\$18.80
FTS-3.1	\$25.86

**Fort Meade**

<u>Rate Class</u>	<u>Adjustment Factor (\$ per therm)</u>
RESIDENTIAL	\$0.10281
COMMERCIAL SMALL (Gen Srv GS1 & GS1 Transportation <600)	\$0.06276

COMMERCIAL SMALL (Gen Srv GS2 & GS2 Transportation >600)	\$0.04750
COMM. LRG VOLUME (Large Vol & LV Transportation <,> 50,000 units)	\$0.03987
NATURAL GAS VEHICLES	\$0.01743

**Indiantown**

<u>Rate Class</u>	<u>Adjustment Factor (\$ per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$0.10118
TS2 (INDIANTOWN DIVISION)	\$0.01424
TS3 (INDIANTOWN DIVISION)	\$0.02720
TS4 (INDIANTOWN DIVISION)	\$0.0000

**PGS:**

<u>Rate Schedule</u>	<u>Cost Recovery Factors (\$ per Therm)</u>
RS & RS-SG & RS-GHP	0.10948
SGS	0.06692
GS-1 & CS-SG & CS-GHP	0.03278
GS-2	0.02387
GS-3	0.01977
GS-4	0.01459
GS-5	0.01073
NGVS	0.02149
CSLS	0.01727

**SGS:**

<u>RATE CLASS:</u>	<u>RATE/ \$ per Therm</u>
TS-1	\$0.19137/therm
TS-2	\$0.08583/therm
TS-3	\$0.05070/therm
TS-4	\$0.04358/therm

**SJNG:**

<u>RATE CLASS:</u>	<u>RATE/ \$ per Therm</u>
RS-1	\$0.77770
RS-2	\$0.46887
RS-3	\$0.35818
GS-1	\$0.30848
GS-2	\$0.14838
GS-4/TS-4	\$0.07855

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 2020 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 2020 through December 2020. Billing cycles may start before January 1, 2020 and the last cycle may be read after December 31, 2020, 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 2020 through December 2020. Billing cycles may start before January 1, 2020, and the last cycle may be read after December 31, 2020, 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, 2019.



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ADAM J. TEITZMAN  
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 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.