

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 20210004-GU  
ORDER NO. PSC-2021-0422-FOF-GU  
ISSUED: November 9, 2021

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman  
ART GRAHAM  
ANDREW GILES FAY  
MIKE LA ROSA  
GABRIELLA PASSIDOMO

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY  
AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY  
FACTORS FOR JANUARY 2022 THROUGH DECEMBER 2022

APPEARANCES:

BETH KEATING, ESQUIRE, GREGORY M. MUNSON, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., 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 St., Suite 601, Tallahassee, Florida 32301  
On behalf of FLORIDA PUBLIC UTILITIES COMPANY (FPUC), FLORIDA PUBLIC UTILITIES COMPANY-FORT MEADE, FLORIDA PUBLIC UTILITIES COMPANY-INDIANTOWN DIVISION, FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (CUC) (jointly, CONSOLIDATED COMPANIES), and on behalf of SEBRING GAS SYSTEM (SEBRING).

ANDREW M. BROWN, ESQUIRE, and THOMAS R. FARRIOR, ESQUIRE, Macfarlane Ferguson & McMullen, P.O. Box 1531, Tampa, Florida 33601-1531  
On behalf of PEOPLES GAS SYSTEM (PGS).

ANDY SHOAF, P.O. Box 549, Port St. Joe, Florida 32457-0549  
On behalf of ST. JOE NATURAL GAS COMPANY, INC. (SJNG).

RICHARD GENTRY, ESQUIRE, and CHARLES J. REHWINKEL, ESQUIRE  
111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400  
On behalf of OFFICE OF PUBLIC COUNSEL (OPC).

LEE ENG TAN, ESQUIRE, and MATTHEW JONES, 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 2, 2021. The clause proceedings allow natural gas companies to seek recovery of its costs for approved natural gas conservation programs on an annual basis, pursuant to Sections 366.80-366.83, Florida Statutes (F.S.), and Chapter 25-17, Florida Administrative Code (F.A.C.). FCG, the Consolidated Companies, PGS, Sebring, 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. We have jurisdiction over this subject matter by the provisions of Chapter 366, F.S., including Sections 366.04, 366.05, and 366.06, F.S.

The parties reached Type 2 stipulations<sup>1</sup> 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.

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<sup>1</sup> A Type 2 stipulation occurs on an issue when the utility and the staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if they do not join in the agreement) do not object to the Commission relying on the agreed language to resolve that issue in a final order.

DECISIONConservation Cost Recovery Factors

We find the appropriate final conservation cost recovery true-up amounts for the period January 2020 through December 2020 are as follows:

FCG	\$533,692	Under-recovery
Consolidated Companies	\$443,434	Under-recovery
PGS	\$732,504	Under-recovery
Sebring	\$12,927	Under-recovery
SJNG	\$17,251	Over-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for the period January 2021 through December 2021 are as follows:

FCG	\$288,868	Under-recovery
Consolidated Companies	\$769,847	Over-recovery
PGS	\$2,078,274	Under-recovery
Sebring	\$19,460	Under-recovery
SJNG	\$63,826	Over-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2021 through December 2021 are as follows:

FCG	\$822,560	Under-recovery
Consolidated Companies	\$326,413	Over-recovery
PGS	\$2,810,778	Under-recovery
Sebring	\$32,387	Under-recovery
SJNG	\$81,077	Over-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2022 through December 2022 are as follows:

FCG	\$7,482,015
Consolidated Companies	\$4,692,087
PGS	\$26,011,848
Sebring	\$59,820
SJNG	\$122,398

We find the appropriate conservation cost recovery factors for the period January 2022 through December 2022 are as follows:

**FCG:**

<u>Rate Class</u>	<u>Cost Recovery Factor (\$ per therm)</u>
RS-1	\$0.27057
RS-100	\$0.17325
RS-600	\$0.09718
GS-1	\$0.06055
GS-6K	\$0.04700
GS-25K	\$0.04551
Gas Lights	\$0.07295
GS-120K	\$0.03040
GS-1250K	\$0.01797
GS-11M	\$0.00000
GS-25M	\$0.00000

**Consolidated  
Companies:**CUC:

<u>Rate Class</u>	<u>Cost Recovery Factor (\$ per therm)</u>
FTS-A	\$0.21173
FTS-B	\$0.16429
FTS-1	\$0.14627
FTS-2	\$0.08113
FTS-2.1	\$0.05816
FTS-3	\$0.05020
FTS-3.1	\$0.03672
FTS-4	\$0.03070
FTS-5	\$0.02681
FTS-6	\$0.02165
FTS-7	\$0.01486
FTS-8	\$0.01337
FTS-9	\$0.01122
FTS-10	\$0.01032
FTS-11	\$0.00744
FTS-12	\$0.00766
FTS-NGV	\$0.01443

The Consolidated Companies also seek approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors for Chesapeake:

<b><u>Rate Class</u></b>	<b><u>Cost Recovery Factor (\$ per bill)</u></b>
FTS-A	\$1.34
FTS-B	\$1.74
FTS-1	\$2.17
FTS-2	\$4.27
FTS-2.1	\$6.05
FTS-3	\$15.20
FTS-3.1	\$21.08

**FPUC and FPU-Fort Meade:**

<b><u>Rate Class</u></b>	<b><u>Cost Recover Factor (\$ per therm)</u></b>
Residential	\$0.08627
Commercial Small (Gen Srv GS1 & GS1 Transportation <600)	\$0.05498
Commercial Small (Gen Srv GS2 & GS2 Transportation >600)	\$0.04090
Commercial Large (Large Vol & LV Transportation <, > 50,000 units)	\$0.03407
Natural Gas Vehicles	\$0.01461

**Indiantown:**

<b><u>Rate Class</u></b>	<b><u>Cost Recovery Factor (\$ per therm)</u></b>
TS1 (Indiantown Division)	\$0.08395
TS2 (Indiantown Division)	\$0.01167
TS3 (Indiantown Division)	\$0.01658
TS4 (Indiantown Division)	\$0.00000

**PGS:**

<u>Rate Schedule</u>	<u>Cost Recover Factor (\$ per therm)</u>
RS & RS-SG & RS-GHP	\$0.13116
SGS	\$0.08094
GS-1 & CS-SG & CS-GHP	\$0.04107
GS-2	\$0.03100
GS-3	\$0.02617
GS-4	\$0.01901
GS-5	\$0.01329
CSLS	\$0.02660

**SEBRING:**

<u>Rate Class</u>	<u>Cost Recovery Factor (\$ per therm)</u>
TS-1	\$0.20867
TS-2	\$0.09056
TS-3	\$0.05580
TS-4	\$0.04914

**SJNG:**

<u>Rate Class</u>	<u>Cost Recovery Factor (\$ per therm)</u>
RS-1	\$0.34498
RS-2	\$0.23544
RS-3	\$0.18631
GS-1	\$0.13503
GS-2	\$0.06541
FTS-4/GS-4	\$0.04748

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

The revised tariffs reflecting the new energy conservation cost charges determined to be appropriate in this proceeding are hereby approved. We direct our staff to verify that the revised tariffs are consistent with this Order.

Conservation Cost Recovery Effective Date for 2022 Billing Cycle

The factors we approved as reflected above shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2022 through December 2022. Billing cycles may start before January 1, 2022 and the last cycle may be read

after December 31, 2022, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Company-Specific Conservation Cost Recovery

Florida Public Utilities Company – Chesapeake

We hereby approve FPUC-Chesapeake's petition to establish a conservation cost recovery factor for the FTS-NGV rate class, and we find the appropriate conservation cost recovery factor for the period January 2022 through December 2022 to be 0.01443 dollars per therm.

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 2022 through December 2022. Billing cycles may start before January 1, 2022, and the last cycle may be read after December 31, 2022, 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 on-going and the docket shall remain open.

By ORDER of the Florida Public Service Commission this 9th day of November, 2021.



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ADAM J. TEITZMAN  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850) 413-6770  
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

TLT/MJJ

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.