

ST. JOE NATURAL GAS COMPANY, INC.

P.O. BOX 549 PHONE 229-8216
PORT ST. JOE, FLORIDA 32456



January 14, 1997

ORIGINAL
FILE COPY

Blanca S Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 970002-EG

Dear Ms. Bayo,

Enclosed for filing in the above referenced docket is the original and fifteen (15) copies of St Joe Natural Gas Company's Petition for approval of its Conservation Cost Recovery Factor to be applied to customer bills during the twelve month period ending March 31, 1998.

- 1. Schedules C-1 through C-4 - 00497-47
- 2. Direct Testimony of Debbie Stitt - 00498 47
- 3. Prehearing Statement and; - 00499-47
- 4. List of Issues and Positions - 00500-47

Please acknowledge receipt of this document by stamping the extra copy of this letter which is also enclosed.

Thank you for your assistance.

Very truly yours,

Debbie Stitt

Debbie Stitt
Energy Conservation Analyst

- ACK _____
- AFA 2
- APP _____
- CAF _____
- CMU _____
- CTR _____ Enclosures
- EAG _____
- LEG 1
- LIN 3 + org test
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

ORIGINAL
FILE COPY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost)
Recovery Clause)
_____)

Docket No. 970002-EG
Submitted for filing
January 14, 1997

PETITION OF ST JOE NATURAL GAS COMPANY, INC.
FOR APPROVAL OF PROPOSED CONSERVATION COST
RECOVERY CHARGES

St. Joe Natural Gas Company, Inc. ("SJNG") by and through its undersigned officer, hereby petitions the Commission for approval of its proposed conservation cost recovery factors and amounts as further identified below. In support hereof the company states:

- 1. The Name of the petitioner and the mailing address of its principal office is:

St. Joe Natural Gas Company, Inc.
P.O. Box 549
Port St. Joe, Florida 32457-0549

- 2. The name and mailing address of the person authorized to receive notices and communications to this petition is:

Debbie Stitt, Energy Conservation Analyst
St. Joe Natural Gas Company, Inc.
P.O. Box 549
Port St. Joe, Florida 32457-0549

- 3. Pursuant to the requirements of this docket, SJNG has prepared testimony and the conservation true-up forms supplied by the Commission Staff in a manner consistent with the Staff's instructions.

ACK _____
AFA _____
AFP _____
CAF _____
CMU _____
CTR _____
EAG _____
LEG _____
LIN _____
OPC _____
RCH _____
SEC _____
VAS _____
JTH _____

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FPSO BUREAU OF RECORDS

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00497 JAN 15 97

FPSC-RECORDS/REPORTING

4. The Conservation Cost Recovery Factor was calculated in accordance with the methodology which has been previously approved by the Commission in this docket. The factor is designed to recover the projected conservation program expenses of **SJNG** for the twelve month period ending March 31, 1998 adjusted for the net true-up (which includes the estimated conservation true-up for the Twelve month period ending September 30, 1996), as well as interest calculated in accordance with the methodology established by the Commission.

5. **SJNG** projects total conservation program expenses, net of all programs revenue of \$18,000.00 for the six month period ending March 31, 1998. The estimated net true-up for the twelve months ending September 30, 1997 is an overrecovery of \$662.00. After decreasing the projected conservation expenses by the amount of this overrecovery, a total of \$17,338.00 remains to be collected during the twelve months ending March 31, 1998. Dividing this total by the projected sales for the period of 1,291,672 therms, and expanding for taxes, results in the conservation adjustment factor of

\$0.01368 per therm for residential, \$0.01821 per therm for commercial and \$0.01297 for large commercial respectively which **SJNG** seeks approval in this petition. The calculation of these factors per therm are contained in the Commission prescribed worksheets filed with this petition.

WHEREFORE, **St. Joe Natural Gas Company, Inc.** requests that this Commission enter its order approving the above conservation cost recovery factors to be applied to the appropriate customer bills during the twelve month period ending March 31, 1998 and to customer bills thereafter until other conservation cost recovery factors are approved by the Commission.

Dated this 14th day of January 1997.

Stuart Shoaf

Stuart Shoaf, President
St. Joe Natural Gas Company, Inc.
P.O. Box 549
Port St. Joe, Florida 32457-0549
(904) 229-8216

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION
OCTOBER 1997 THROUGH MARCH 1998

PROJECTED PERIOD: OCTOBER 1997 THROUGH MARCH 1998
 ACTUAL/ESTIMATED PERIOD: OCTOBER 1996 THROUGH SEPTEMBER 1997
 FINAL TRUE - UP PERIOD: OCTOBER 1995 THROUGH SEPTEMBER 1996
 COLLECTION PERIOD FOR PRIOR TRUE - UP: APRIL 1997 THROUGH MARCH 1998

1	INCREMENTAL COSTS (SCHEDULE C-2)	18,000
2	TRUE - UP (SCHEDULE C-3)	<u>(662)</u>
3	TOTAL	<u>17,338</u>

RATE CLASS	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
RESIDENTIAL	17,910	976,604	53,729	19,239	72,968	12,973	17.7786%	0.0133	1.0296	0.01368
COMMERCIAL	1,184	77,956	5,918	1,840	7,757	1,379	17.7786%	0.0177	1.0296	0.01821
LARGE COMMERCIAL	308	237,112	6,150	10,646	16,796	2,986	17.7786%	0.0126	1.0296	0.01297
OTHER	0	0	0	0	0	0	17.7786%	ERR	1.02960	ERR
OTHER	0	0	0	0	0	0	17.7786%	ERR	1.02960	ERR
OTHER	0	0	0	0	0	0	17.7786%	ERR	1.02960	ERR
OTHER	0	0	0	0	0	0	0	ERR	0.00000	ERR
TOTAL	19,401	1,291,672	65,796	31,725	97,521	17,338				

FPSC-RECORDS/REPORTING

DOCUMENT NUMBER DATE
00497 JAN 15 98

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PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1997 THROUGH MARCH 1998

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. BUILDER PROGRAM	0	0	0	0	6000	0	0	0	6000
2. ELECTRIC REPLACEMENT	0	0	0	0	12000	0	0	0	12000
3. (INSERT NAME)	0	0	0	0	0	0	0	0	0
4. (INSERT NAME)	0	0	0	0	0	0	0	0	0
5. (INSERT NAME)	0	0	0	0	0	0	0	0	0
6. (INSERT NAME)	0	0	0	0	0	0	0	0	0
7. (INSERT NAME)	0	0	0	0	0	0	0	0	0
8. (INSERT NAME)	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)	0	0	0	0	0	0	0	0	0
14. (INSERT NAME)	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	0	0	0	0	18000	0	0	0	18000
LESS: AMOUNT IN RATE BASE	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSER.	0	0	0	0	18000	0	0	0	18000

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	4250	0	0	0	4250
B. ESTIMATED	0	0	0	0	10000	0	0	0	10000
C. TOTAL	0	0	0	0	14250	0	0	0	14250
2. ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	7200	0	0	0	7200
B. ESTIMATED	0	0	0	0	10000	0	0	0	10000
C. TOTAL	0	0	0	0	17200	0	0	0	17200
3. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
4. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
5. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
6. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
7. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	0	0	0	31450	0	0	0	31450

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
BALANCE FROM PREVIOUS PAGE	0	0	0	0	31450	0	0	0	31450
8. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	0	0	0	31450	0	0	0	31450

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
BALANCE FROM PREVIOUS PAGE	0	0	0	0	31450	0	0	0	31450
14. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)									
(INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
TOTAL PROG. COSTS	0	0	0	0	31450	0	0	0	31450
LESS: BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0
NET PROG. COSTS	0	0	0	0	31450	0	0	0	31450

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR PERIOD: OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND 10 MONTHS ESTIMATED

	OCT MONTH NO. 1	NOV MONTH NO. 2	DEC 96 MONTH NO. 3	JAN 97 MONTH NO. 4	FEB MONTH NO. 5	MAR MONTH NO. 6	APR MONTH NO. 7	MAY MONTH NO. 8	JUN MONTH NO. 9	JUL MONTH NO. 10	AUG MONTH NO. 11	SEP MONTH NO. 12	TOTAL
1. RCS AUDIT FEE	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROG. REVS.	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS.	(384)	(537)	(1,074)	(1,074)	(1,074)	(1,074)	0	0	0	0	0	0	(5,217)
4. TOTAL REVENUES	(384)	(537)	(1,074)	(1,074)	(1,074)	(1,074)	0	0	0	0	0	0	(5,217)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	(3,489)	(3,489)	(3,489)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)	(20,936)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(3,873)	(4,026)	(4,563)	(2,237)	(2,237)	(2,237)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)	(1,163)	(26,153)
7. CONSERV. EXPS.	1,925	2,741	3,475	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	26,141
8. TRUE-UP THIS PERIOD	(1,948)	(1,285)	(1,088)	(237)	(237)	(237)	837	837	837	837	837	837	(12)
9. INTER. PROVISION THIS PERIOD	(91)	(83)	(77)	(72)	(68)	(64)	(57)	(47)	(38)	(28)	(18)	(8)	(650)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(20,936)	(19,486)	(17,364)	(15,040)	(14,186)	(13,329)	(12,466)	(10,523)	(8,571)	(6,608)	(4,636)	(2,654)	(20,936)
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	3,489	3,489	3,489	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163	20,936
12. TOTAL NET TRUE-UP	(19,486)	(17,364)	(15,040)	(14,186)	(13,329)	(12,466)	(10,523)	(8,571)	(6,608)	(4,636)	(2,654)	(662)	(662)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR PERIOD: OCTOBER 1996 THROUGH SEPTEMBER 1997
TWO MONTHS ACTUAL AND 10 MONTHS ESTIMATED

INTEREST PROVISION	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
1. BEGINNING TRUE-UP	(20,936)	(19,486)	(17,364)	(15,040)	(14,186)	(13,329)	(12,466)	(10,523)	(8,571)	(6,608)	(4,636)	(2,654)	
2. ENDING TRUE-UP BEFORE INTEREST	(19,395)	(17,281)	(14,963)	(14,114)	(13,261)	(12,403)	(10,466)	(8,523)	(6,571)	(4,608)	(2,636)	(654)	
3. TOTAL BEGINNING & ENDING TRUE-UP	(40,331)	(36,767)	(32,328)	(29,154)	(27,447)	(25,731)	(22,933)	(19,047)	(15,141)	(11,216)	(7,272)	(3,308)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	(20,166)	(18,384)	(16,164)	(14,577)	(13,723)	(12,866)	(11,466)	(9,523)	(7,571)	(5,608)	(3,636)	(1,654)	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	5.440%	5.380%	5.450%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	
6. INTER RATE - FIRST DAY SUBSEQUENT MONTH	5.380%	5.450%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	
7. TOTAL (SUM LINES 5 & 6)	10.820%	10.830%	11.400%	11.900%	11.900%	11.900%	11.900%	11.900%	11.900%	11.900%	11.900%	11.900%	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	5.410%	5.415%	5.700%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	5.950%	
9. MONTHLY AVG INTEREST RATE	0.451%	0.451%	0.475%	0.496%	0.496%	0.496%	0.496%	0.496%	0.496%	0.496%	0.496%	0.496%	
10. INTEREST PROVISION	(91)	(83)	(77)	(72)	(68)	(64)	(57)	(47)	(38)	(28)	(18)	(8)	(650)

ST JOE NATURAL GAS COMPANY, INC
PROGRAM DESCRIPTION AND PROGRESS

Docket No 970002-EG
St Joe Natural Gas Company
(DKS)

PROGRAM TITLE:

Single & Multi-Family Home Builder Program

PROGRAM DESCRIPTION:

This program is designed to increase the number of high priority firm natural gas customers in the new construction market. Incentives are offered in the form of cash allowances to assist builders in defraying the additional costs associated with natural gas appliance installations.

Appliance Load -----	Allowance -----
Gas Heating	\$250.00
Gas Water Heating	\$175.00
Gas Air Conditioning	\$1,400.00

	\$1,825.00

PROGRAM PROJECTIONS FOR:

OCTOBER 1997 THROUGH MARCH 1998

	Gas Water Heating -----	Gas Heating -----	Gas Air Conditioning -----
Dec 96 - Sept 97 (10 mths)	20	8	0
Oct 97 - Mar 98 (6 mths)	8	5	0

PROGRAM FISCAL EXPENSES FOR:

Oct 1, 1996 - March 31, 1997

Oct 96 - Nov 96	Actual Expenses	\$4,250
Dec 96 - Sep 97	Estimated Expenses	\$10,000
Oct 97 - Mar 98	Estimated Expenses	\$4,000

PROGRAM PROGRESS SUMMARY:

New construction is very limited in St Joe Natural Gas's service territory. By far the majority of new construction is by custom design where the owner specifies to the builder the type of energy desired. There is almost no speculative new construction.

ST JOE NATURAL GAS COMPANY, INC.
 PROGRAM DESCRIPTION AND PROGRESS

Docket No. 970002-EG
 St Joe Natural Gas Company
 (DKS)

PROGRAM TITLE:

Electric Resistance Appliance Replacement Program

PROGRAM DESCRIPTION:

This program is designed to promote the replacement of electric resistance appliances with energy efficient natural gas heaters, water heaters and air conditioners. Incentives are offered in the form of cash allowances to assist in defraying the additional costs in purchasing and installing natural gas appliances.

Appliance Load	Allowance
Gas Heating	\$450 00
Gas Water Heating	\$225 00
Gas Air Conditioning	\$1,500 00
	\$2,175 00

PROGRAM PROJECTIONS FOR:

OCTOBER 1997 THROUGH MARCH 1998

	Gas Water Heating	Gas Heating	Gas Air Conditioning
Dec 96 - Sept 97 (10 mths)	28	10	0
Oct 97 - Mar 98 (5 mths)	15	5	0

PROGRAM FISCAL EXPENSES FOR:

Oct 1, 1995 - March 31, 1997

Oct 96 - Nov 96	Actual Expenses	\$7,200
Dec 96 - Sep 97	Estimated Expenses	\$10,000
Oct 97 - Mar 98	Estimated Expenses	\$12,000

PROGRAM PROGRESS SUMMARY:

Replacement of electric appliances with natural gas appliances continues to be well received by ratepayers in St Joe Natural Gas Company's service territory.