

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Energy Conservation cost ) DOCKET NO. 970002-EG  
recovery clause. ) ORDER NO. PSC-97-0291-FOF-EG  
\_\_\_\_\_ ) ISSUED: March 14, 1997

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman  
J. TERRY DEASON  
DIANE K. KIESLING

FINAL ORDER APPROVING ENERGY CONSERVATION COST RECOVERY

APPEARANCES:

JAMES A. MCGEE, Esquire, Post Office Box 14042, St. Petersburg, Florida 33733-4042  
On behalf of Florida Power Corporation.

JAMES D. BEASLEY, Esquire, Ausley & McMullen, Post Office Box 391, Tallahassee, Florida 32302  
On behalf of Tampa Electric Company.

VICKI GORDON KAUFMAN, Esquire, McWhirter Reeves, McGlothlin, Davidson, Rief & Bakas, P.A., 117 South Gadsden Street, Tallahassee, Florida 32301  
On behalf of Florida Industrial Power Users Group.

JOHN ROGER HOWE, Esquire, Deputy Public Counsel, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400  
On behalf of the Citizens of the State of Florida.

LORNA R. WAGNER, Esquire, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
On behalf of the Commission Staff.

BY THE COMMISSION:

CASE BACKGROUND

As part of the continuing fuel and energy conservation cost, purchased gas cost, and environmental cost recovery proceedings, a hearing was held on February 19, 1997, in this docket. The hearing addressed the issues set out in the body of this order.

DOCUMENT NUMBER-DATE

02698 MAR 14 5

FPSC-RECORDS/REPORTING

Florida Power Corporation (FPC), Florida Power & Light Company (FPL), Florida Public Utilities Company (FPUC), Gulf Power Company (GULF), Tampa Electric Company (TECO), Peoples Gas System, Inc. (Peoples), St. Joe Natural Gas Company (SJNG), and West Florida Natural Gas Company (WFNG) submitted testimony and exhibits in support of their actual end-of-the-period true-up amounts, projections, and their conservation cost recovery factors. The parties stipulated to the conservation cost recovery true-up amounts, the appropriate cost recovery factors, and company specific issues. Therefore, the case was presented to the panel as a stipulation.

**Actual True-up Amounts and Cost Recovery Factors**

We approve the stipulations as reasonable and supported by competent substantial evidence in the record. We find the true-up amounts and factors shown below for all utilities to be appropriate. Therefore, we approve the following actual-end-of-the-period true-up amount for the period October 1, 1995 through September 30, 1996, as follows:

**Electric Utilities:**

FPC:	\$20,173,657 over-recovery
FPL:	\$17,063,264 under-recovery
GPC:	\$290,415 over-recovery
TECO:	\$834,801 over-recovery
FPUC:	
(Marianna Division):	\$11,757 over-recovery
(Fernandina Division):	\$4,554 under-recovery

**Gas Utilities:**

CGC:	(452,184) Over-recovery
CUC:	(4,393) Over-recovery
PGS:	(1,807,164) Over-recovery
SJNG:	(20,992) Over-recovery
WFNG:	(222,988) Over-recovery

We also approve the following energy conservation cost recovery (ECCR) factors to be utilized for the period April 1997 through March 1998:

Florida Power Corporation:

<u>Rate Class</u>	<u>ECCR Factor</u>
Residential:	0.280 cents/Kwh
GS Non-Demand:	0.249 cents/kWh
@ primary voltage:	0.247 cents/kWh
@ transmission voltage:	0.244 cents/kWh
GS 100% Load Factor:	0.182 cents/kWh
GS Demand:	0.213 cents/Kwh
@ primary voltage:	0.211 cents/kWh
@ transmission voltage:	0.209 cents/kWh

<u>Rate Class</u>	<u>ECCR Factor</u>
Curtaillable:	0.185 cents/kWh
@ primary voltage:	0.183 cents/kWh
@ transmission voltage:	0.181 cents/kWh
Interruptible:	0.176 cents/kWh
@ primary voltage:	0.174 cents/kWh
@ transmission voltage:	0.172 cents/kWh
Lighting:	0.089 cents/kWh

Florida Power & Light Company:

<u>Rate Class</u>	<u>ECCR Factor</u>
RS-1:	0.262 cents/kWh
GS-1:	0.240 cents/kWh
GSD-1:	0.220 cents/kWh
OS-2:	0.179 cents/kWh
GSLD-1 / CS-1:	0.216 cents/kWh
GSLD-2 / CS-2:	0.207 cents/kWh
GSLD-3 / CS-3:	0.201 cents/kWh
ISST-1D:	0.163 cents/kWh
SST-1T:	0.303 cents/kWh
SST-1D:	0.176 cents/kWh
CILCD/CILCG:	0.205 cents/kWh
CILCT:	0.187 cents/kWh
MET:	0.228 cents/kWh
OL-1 / SL-1:	0.121 cents/kWh
SL-2:	0.197 cents/kWh

Tampa Electric Company:

<u>Rate Class</u>	<u>ECCR Factor</u>
Interruptible:	0.008 cents/kWh
Residential:	0.163 cents/kWh
GS, TS Non-Demand:	0.159 cents/kWh
GSD, EV-X @ secondary:	0.133 cents/kWh
GSD, EV-X @ primary:	0.132 cents/kWh
GSLD, SBF @ secondary:	0.124 cents/kWh
GSLD, SBF @ primary:	0.123 cents/kWh
GSLD, SBF @ sub-transmission:	0.121 cents/kWh
Lighting:	0.063 cents/kWh

Florida Public Utilities Company:

<u>Rate Class</u>	<u>ECCR Factor</u>
Marianna Division:	0.081 cents/kWh
Fernandina Division:	0.079 cents/kWh

Gulf:

<u>Rate Class</u>	<u>ECCR Factor</u>
RS, RST	0.035 cents per kWh
GS, GST	0.034 cents per kWh
GSD, GSdT	0.034 cents per kWh
LP, LPT	0.033 cents per kWh
PX, PXT, RTP	0.032 cents per kWh
OSI, OSII	0.033 cents per kWh
OSIII	0.034 cents per kWh
OSIV	0.035 cents per kWh
SBS	0.032 cents per kWh

Gas Utilities:

<u>CGC:</u>	<u>Rate Class</u>	<u>ECCR Factor</u>
	Residential	.03574 dollars/therm
	Commercial - CS, CSLV, CTS	.00950 dollars/therm
	Gas Lighting - GL	.64332 dollars/lamp/month



<b>CUC:</b>	<b><u>Rate Class</u></b>	<b><u>ECCR Factor</u></b>
	GS Residential	.03624 dollars/therm
	GS Commercial	.00977 dollars/therm
	GS Commercial LV	.00687 dollars/therm
	GS Industrial	.00379 dollars/therm
	Firm Transportation	.00366 dollars/therm

<b>PGS:</b>	<b><u>Rate Class</u></b>	<b><u>ECCR Factor</u></b>
	Residential	.02928 dollars/therm
	Commercial St. Lighting	.00361 dollars/therm
	Commercial Small Volume	.02663 dollars/therm
	Commercial	.01055 dollars/therm
	Commercial Large Volume 1	.00853 dollars/therm
	Commercial Large Volume 2	.00622 dollars/therm
	NGVS	.00282 dollars/therm

<b>SJNG:</b>	<b><u>Rate Class</u></b>	<b><u>ECCR Factor</u></b>
	Residential	.01363 dollars/therm
	Commercial	.01815 dollars/therm
	Commercial LG Volume	.01292 dollars/therm

<b>WFNG:</b>	<b><u>Rate Class</u></b>	<b><u>ECCR Factor</u></b>
	Residential	.04740 dollars/therm
	Commercial	.01607 dollars/therm
	Commercial LG Volume	.01204 dollars/therm
	Commercial LG Volume Trans	.01204 dollars/therm
	Industrial	.00285 dollars/therm
	Firm Transportation	.00285 dollars/therm
	Special Contract	.00285 dollars/therm

We find that the factors shall be effective beginning with the specified billing cycle and thereafter for the period April 1, 1997, through March 31, 1998.

#### Generic Issues

The issue of whether or not utilities should be allowed to recover costs, on a prospective basis, through the ECCR for studies or analyses comparing natural gas applications and electric applications to each other will be deferred until the next Conservation Cost Recovery Clause (Docket No. 980002-EG) hearing. This will allow parties an opportunity to file testimony regarding this issue.

The issue of whether cost recovery should be subject to true-up among the various rate classes pending the outcome of Docket No. 970046-EI will be considered in Docket No. 970046-EI.

#### Company-Specific Issues

The following company-specific issue was stipulated to by the parties. We find the stipulation to be fair and reasonable and we approve it.

#### Florida Power Corporation (FPC)

The appropriate Revenue Decoupling over-recovery amount for the years 1995 and 1996 in establishing the ECCR factor is \$3,808,441. This amount includes the 1995 decoupling over recovery balance of \$17,213,782 which we allowed FPC to retain during 1996

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for the purpose of conducting a bidding process among its contract QFs. The QF contract buy out proposals brought before us have not required the use of the 1995 decoupling over recovery balance and is being refunded to residential ratepayers plus accrued interest.

This amount also includes an adjustment of (\$6,643,117) to the original 1995 over recovery balance to reflect changes in economic conditions in accordance with our Order No. PSC-95-0097-FOF-EI, a 1996 decoupling over recovery amount of \$10,344,843, a (\$18,481,665) mid-year 1996 credit to ECCR to help offset the effect of FPC's mid-course correction in fuel and purchase power cost recovery factors, and total 1995 and 1996 accrued interest of \$1,374,598.

It is therefore,

ORDERED by the Florida Public Service Commission that the stipulations set forth in the body of this Order are hereby approved. It is further

ORDERED that the utilities named herein are authorized to collect the conservation cost recovery amount and utilize the factors approved herein, for meter readings taken from April 1, 1997, through March 31, 1998. It is further

ORDERED that the appropriate Revenue Decoupling over-recovery amount for the years 1995 and 1996 in establishing the ECCR factor for Florida Power Corporation is \$3,808,441.

By ORDER of the Florida Public Service Commission, this 14th day of March, 1997.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

by: Kay Flynn  
Chief, Bureau of Records

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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 Director, Division of Records and Reporting, 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 Director, Division of Records and Reporting 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.