

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Adjustment
(PGA) true-up.

DOCKET NO. 980003-GU
ORDER NO. PSC-98-0401-FOF-GU
ISSUED: March 17, 1998

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

APPEARANCES:

WAYNE SCHIEFELBEIN, Esquire, Gatlin, Schiefelbein & Cowdery, 3301 Thomasville Road, Suite 300, Tallahassee, Florida 32312

On behalf of Chesapeake Utilities Corporation (CUC).

KENNETH A. HOFFMAN, Esquire, Rutledge, Ecenia, Underwood, Purnell & Hoffman, P.A., Post Office Box 551, Tallahassee, Florida 32302-0551

On behalf of Florida Public Utilities Company (FPU).

JOHN ROGER HOWE, Esquire, 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 (OPC).

WM. COCHRAN KEATING, IV, Esquire, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Commission Staff (Staff).

FINAL ORDER APPROVING PURCHASED GAS ADJUSTMENT TRUE-UP AMOUNTS AND ESTABLISHING PURCHASED GAS COST RECOVERY FACTORS TO BE APPLIED DURING THE PERIOD APRIL, 1998, THROUGH MARCH, 1999

BY THE COMMISSION:

As part of the continuing fuel cost recovery, energy conservation cost recovery, purchased gas cost recovery, and environmental cost recovery proceedings, a hearing was held February 25, 1998, in this docket and in Docket Nos. 980001-EI, 980002-EG, and 980007-EI.

DOCUMENT NUMBER-DATE

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FPSO-REG/REGS/REPORTING

Chesapeake Utilities Corporation, Florida Division (CUC), City Gas Company of Florida (CGC), Florida Public Utilities Company (FPUC), Indiantown Gas Company (IGC), Peoples Gas System, Inc. (PGS), Sebring Gas System, Inc. (SGS), St. Joe Natural Gas Company (SJNG), and South Florida Natural Gas Company (SFNG) submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their proposed purchased gas cost recovery factors. The former West Florida Natural Gas Company (WFNG) merged with Tampa Electric Company on June 30, 1997, and will provide service under the name of Peoples Gas System. PGS submitted separate testimony and exhibits in support of WFNG's proposed final true-up amount and included that amount in its own proposed final true-up amount. PGS included an estimated true-up amount associated with WFNG in its own estimated true-up amount. PGS proposed a purchased gas cost recovery factor to apply to all of its customers, including customers of the former WFNG.

Prior to hearing, the parties reached agreement concerning all issues identified for resolution at hearing. Therefore, the case was presented to us as a stipulation.

Final True-Ups, Estimated True-Ups, and Cost Recovery Factors

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 supported by competent, substantial evidence of record.

We find that the appropriate final purchased gas adjustment true-up amounts for the period April, 1996, through March, 1997, are as follows:

Chesapeake Utilities Corp.	\$ 487,552	Overrecovery
City Gas Company of Florida	\$1,589,426	Overrecovery
Florida Public Utilities Co.	\$ 562,942	Overrecovery
Indiantown Gas Company	\$ 3,202	Underrecovery
Peoples Gas System, Inc.	\$3,911,759	Underrecovery
Sebring Gas System Inc.	\$ 9,331	Underrecovery
St. Joe Natural Gas Co.	\$ 20,240	Overrecovery

South Florida Natural Gas Co.	\$ 114,218	Overrecovery
West Florida Natural Gas Co.	\$ 103,669	Underrecovery

We find that the estimated purchased gas adjustment true-up amounts for the period April, 1997, through March, 1998, are as follows:

Chesapeake Utilities Corp.	\$ 442,997	Underrecovery
City Gas Company of Florida	\$1,623,366	Underrecovery
Florida Public Utilities Co.	\$ 420,352	Underrecovery
Indiantown Gas Company	\$ 46,102	Underrecovery
Peoples Gas System, Inc.	\$3,918,939	Overrecovery
Sebring Gas System Inc.	\$ 4,621	Underrecovery
St. Joe Natural Gas Co.	\$ 6,762	Underrecovery
South Florida Natural Gas Co.	\$ 23,344	Overrecovery

We find that the total purchased gas adjustment true-up amounts to be collected during the period April, 1998, through March, 1999, are as follows:

Chesapeake Utilities Corp.	\$ 44,555	Overrecovery
City Gas Company of Florida	\$ 33,940	Underrecovery
Florida Public Utilities Co.	\$ 142,590	Overrecovery
Indiantown Gas Company	\$ 49,304	Underrecovery
Peoples Gas System, Inc.	\$ 7,180	Overrecovery
Sebring Gas System Inc.	\$ 13,952	Underrecovery
St. Joe Natural Gas Co.	\$ 13,478	Overrecovery
South Florida Natural Gas Co.	\$ 137,562	Overrecovery

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We find that the appropriate levelized purchased gas cost recovery (cap) factors for the period April, 1998, through March, 1999, are as follows:

Chesapeake Utilities Corp.	41.823 cents per therm
City Gas Company of Florida	47.194 cents per therm
Florida Public Utilities Co.	49.293 cents per therm
Indiantown Gas Company	38.026 cents per therm
Peoples Gas System, Inc.	49.609 cents per therm
Sebring Gas System Inc.	44.614 cents per therm
St. Joe Natural Gas Co.	68.000 cents per therm
South Florida Natural Gas Co.	27.780 cents per therm

We find that these factors shall be effective for all meter readings taken on or after April 1, 1998, beginning with the first or applicable billing cycle for the period April, 1998, through March, 1999.

It is therefore,

ORDERED by the Florida Public Service Commission that the findings 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 purchased gas cost recovery amounts and utilize the factors approved herein for bills rendered for meter readings taken between April 1, 1998, and March 31, 1999.

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By ORDER of the Florida Public Service Commission this 17th
day of March, 1998.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records

(S E A L)

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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.