

ST. JOE NATURAL GAS COMPANY, INC.

P O BOX 549 PHONE (850) 229-8216
PORT ST. JOE, FLORIDA 32457

ORIGINAL



December 4, 1998

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

Re: Docket No. 980002-EG

Dear Ms. Bayo,

Enclosed for filing in the above referenced docket is the original and ten (10) 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 nine month period ending December 31, 1999.

1. Schedules C-1 through C-4
2. Direct Testimony of Debbie Stitt

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

APP Thank you for your assistance.

CAF

CMU

CTR

Ballinger
EAG 1

LEG 3

LIN

OPC

RCH Enclosures

SEC 1

WAS

OTH

Very truly yours,

Debbie Stitt

Debbie Stitt
Energy Conservation Analyst

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RECEIVED & FILED
DEC 10 1998
FDSC-BUREAU OF RECORDS

DOCUMENT NUMBER - DATE

13858 DEC-98

REC-REC-REC-REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost)
Recovery Clause)
_____)

Docket No. 980002-EG
Submitted for filing
December 4, 1998

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.

DOCUMENT NUMBER-DATE

13858 DEC-98

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 nine month period ending December 31, 1999 adjusted for the net true-up (which includes the estimated conservation true-up for the six month period ending March 31, 1998), 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 \$22,150.00 for the nine month period ending December 31, 1999. The estimated net true-up for the twelve months ending March 31, 1999 is an over-recovery of \$20,693.00. After decreasing the projected conservation expenses by the amount of this overrecovery, a total of \$1,457.00 remains to be collected during the twelve months ending December 31, 1999. Dividing this total by the projected sales for the period of 1,073,704 therms, and expanding for taxes, results in the conservation adjustment factor of

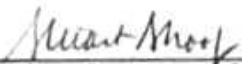
St. Joe Natural Gas Company, Inc.
Docket No. 980002-EG
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Page 3

\$0.00150 per therm for residential, \$0.00189 per therm for commercial and \$0.00081 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 nine month period ending December 31, 1999 and to customer bills thereafter until other conservation cost recovery factors are approved by the Commission.

Dated this 4th day of December 1998.



Stuart Shoaf, President
St. Joe Natural Gas Company, Inc.
P.O. Box 549
Port St. Joe, Florida 32457-0549
(850) 229-8216

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: APRIL 99 THROUGH DECEMBER 99

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	22,150
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	(20,693)
3. TOTAL (LINE 1 AND LINE 2)	1,457

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL	18,536	808,023	74,142	75,631	149,773	1,173	0.78340%	0.00145	1.02960	0.00150
COMMERCIAL	1,154	70,738	8,459	8,156	16,615	130	0.78340%	0.00184	1.02960	0.00189
COMM. LGE VOL	288	194,943	7,200	12,379	19,579	153	0.78340%	0.00079	1.02960	0.00081
COMM. LGE VOL II	0	0	0	0	0	0	0.78340%	ERR	1.02960	ERR
STREET LIGHTING	0	0	0	0	0	0	0.78340%	ERR	1.02960	ERR
OTHER										
TOTAL	19,978	1,073,704	89,801	96,166	185,967	1,456.86				

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
APRIL 99 THROUGH DECEMBER 99

PROGRAM	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 1999	TOTAL
1 HOME BUILDER PROGRAM	2,100	1,100	2,700	425	425	1,275	1,025	175	1,000	10,225
2 WATER HEATER REPLACE	1,350	1,125	675	225	1,350	675	2,475	450	2,250	10,575
3 HOME HEATING REPLACE	0	450	0	450	0	0	450	0	0	1,350
4 CONSERVATION EDUC	0	0	0	0	0	0	0	0	0	0
5 COMMON COSTS	0	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	3,450	2,675	3,375	1,100	1,775	1,950	3,950	625	3,250	22,150

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
APRIL 99 THROUGH DECEMBER 99

PROGRAM	CAPITAL INVEST	PTROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	10,225	0	0	0	10,225
2 WATER HEATER REPLACE	0	0	0	0	10,575	0	0	0	10,575
3 HOME HEATING REPLACE	0	0	0	0	1,350	0	0	0	1,350
4 CONSERVATION EDUC	0	0	0	0	0	0	0	0	0
5 COMMON COSTS	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
PROGRAM COSTS	0	0	0	0	22,150	0	0	0	22,150

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
APRIL 98 THROUGH MARCH 99

PROGRAM	CAPITAL INVEST	ROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROG									
A. ACTUAL	0	0	0	0	4,175	0	0	0	4,175
B. ESTIMATED	0	0	0	0	1,700	0	0	0	1,700
MULT-FAMILY HM BUILDER	0	0	0	0	5,875	0	0	0	5,875
2 WATER HEATER REPLACE									
A. ACTUAL	0	0	0	0	7,650	0	0	0	7,650
B. ESTIMATED	0	0	0	0	4,000	0	0	0	4,000
ELECTRIC REPLACEMENT	0	0	0	0	11,650	0	0	0	11,650
3 HOME HEATING REPLACE									
A. ACTUAL	0	0	0	0	450	0	0	0	450
B. ESTIMATED	0	0	0	0	1,000	0	0	0	1,000
DEALER PROGRAM	0	0	0	0	1,450	0	0	0	1,450
4 CONSERVATION EDUC									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
SCHOOLS PROGRAM	0	0	0	0	0	0	0	0	0
5 COMMON COSTS									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
COMMON COSTS	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
SUB-TOTAL	0	0	0	0	18,975	0	0	0	18,975

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
APRIL 98 THROUGH MARCH 99

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	18,975	0	0	0	18,975
7. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
8. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
9. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
10. 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
(INSERT NAME)									
11. 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
TOTAL	0	0	0	0	18,975	0	0	0	18,975

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
APRIL 98 THROUGH MARCH 99

PROGRAM NAME	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
HOME BUILDER PROG.	850	1,700	0	0	600	350	250	425	625	625	425	425	6,275
WATER HEAT REPLACE.	2,700	675	225	900	450	1,350	675	675	1,555	1,015	1,015	1,015	12,250
HOME HEAT REPLACE	0	0	0	0	0	450	0	0	0	0	0	0	450
CONS. EDUC	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMON COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	3,550	2,375	225	900	1,050	2,150	925	1,100	2,180	1,640	1,440	1,440	18,975

ENERGY CONSERVATION ADJUSTMENT
APRIL 98 THROUGH MARCH 99

	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(3,890)	(1,988)	(1,954)	(1,558)	(1,456)	(1,905)	(1,579)	(2,317)	(6,052)	(7,102)	(6,172)	(5,411)	(12,751)
TOTAL REVENUES	(3,890)	(1,988)	(1,954)	(1,558)	(1,456)	(1,905)	(1,579)	(2,317)	(6,052)	(7,102)	(6,172)	(5,411)	(12,751)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	318	318	318	106	106	106	106	106	106	106	106	106	1,909
CONSERVATION REVS. APPLIC. TO PERIOD	(3,572)	(1,670)	(1,636)	(1,452)	(1,350)	(1,799)	(1,472)	(2,211)	(5,946)	(6,996)	(6,066)	(5,305)	(39,475)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	3,550	2,375	225	900	1,050	2,150	925	1,100	2,180	1,640	1,440	1,440	18,975
TRUE-UP THIS PERIOD	(22)	705	(1,411)	(552)	(300)	351	(547)	(1,111)	(3,766)	(5,356)	(4,626)	(3,865)	(20,500)
INTEREST THIS PERIOD (C-3,PAGE 5)	8	8	5	(0)	(3)	(3)	(4)	(8)	(19)	(39)	(60)	(79)	(194)
TRUE-UP & INT. BEG. OF MONTH	1,909	1,577	1,573	249	(410)	(819)	(577)	(1,234)	(2,459)	(6,350)	(11,850)	(16,643)	
PRIOR TRUE-UP COLLECT. (REFUND.)	(318)	(318)	(318)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	
END OF PERIOD TOTAL NET TRUE-UP	1,577	1,973	249	(410)	(819)	(577)	(1,234)	(2,459)	(6,350)	(11,850)	(16,643)	(20,693)	(20,693)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
APRIL 98 THROUGH MARCH 99

INTEREST PROVISION	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
BEGINNING TRUE-UP	1,909	1,577	1,973	249	(410)	(819)	(577)	(1,234)	(2,459)	(6,350)	(11,850)	(16,643)	(16,643)
END. T-UP BEFORE INT.	1,569	1,965	244	(409)	(816)	(574)	(1,231)	(2,451)	(6,331)	(11,812)	(16,583)	(20,614)	(20,500)
TOT. BEG. & END. T-UP	3,478	3,542	2,217	(160)	(1,225)	(1,393)	(1,808)	(3,686)	(8,790)	(18,161)	(28,433)	(37,257)	(37,143)
AVERAGE TRUE-UP	1,739	1,771	1,108	(80)	(613)	(696)	(904)	(1,843)	(4,395)	(9,081)	(14,217)	(18,629)	(18,571)
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	5.55	5.53	5.50	5.60	5.56	5.52	5.22	5.10	5.10	5.10	5.10	5.10	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	5.53	5.50	5.60	5.56	5.52	5.22	5.10	5.10	5.10	5.10	5.10	5.10	
TOTAL	11.08	11.03	11.10	11.16	11.08	10.74	10.32	10.20	10.20	10.20	10.20	10.20	
AVG INTEREST RATE	5.54	5.52	5.55	5.58	5.54	5.37	5.16	5.10	5.10	5.10	5.10	5.10	
MONTHLY AVG. RATE	0.462	0.460	0.463	0.465	0.462	0.448	0.430	0.425	0.425	0.425	0.425	0.425	
INTEREST PROVISION	\$8	\$8	\$5	(\$0)	(\$3)	(\$3)	(\$4)	(\$8)	(\$19)	(\$39)	(\$60)	(\$79)	(\$194)

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
	<u>\$1,825.00</u>

PROGRAM PROJECTIONS FOR:

APRIL 1999 THROUGH DECEMBER 1999

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS AIR CONDITIONING</u>
OCT 98 - MAR 99 (6 MTHS)	13	6	
APRIL 99 - DECEMBER 99 (9 MTHS)	23	8	

PROGRAM FISCAL EXPENSES FOR:

APRIL 98 - DECEMBER 99

APRIL 98 - SEPTEMBER 98	ACTUAL EXPENSES	4,175.00
OCTOBER 98 - MARCH 99	ESTIMATED EXPENSES	1,700.00
APRIL 99 - DECEMBER 99	ESTIMATED EXPENSES	10,225.00

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 specified to the builder the type of energy desired. There is almost no speculative new construction.

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 of purchasing and installing natural gas appliances.

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS HEATING	\$450.00
GAS WATER HEATING	\$225.00
GAS AIR CONDITIONING	\$1,500.00
	<u>\$2,175.00</u>

PROGRAM PROJECTIONS FOR: APRIL 1999 THROUGH DECEMBER 1999

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS AIR CONDITIONING</u>
OCT 98 - MAR 99 (6 MTHS)	15	4	
APRIL 99 - DECEMBER 99 (9 MTHS)	20	5	

PROGRAM FISCAL EXPENSES FOR: APRIL 98 - DECEMBER 99

APRIL 98 - SEPTEMBER 98	ACTUAL EXPENSES	8,100.00
OCTOBER 98 - MARCH 99	ESTIMATED EXPENSES	5,000.00
APRIL 99 - DECEMBER 99	ESTIMATED EXPENSES	11,925.00

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.