

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

In Re: Energy Conservation :  
Cost Recovery Clause :  
\_\_\_\_\_ :

DOCKET NO. 990002-EG

Submitted for Filing:  
9-27-99

**DIRECT TESTIMONY**

of

**BRUCE N. NARZISSENFELD**

on behalf of

**PEOPLES GAS SYSTEM**

DOCUMENT NUMBER-DATE

11613 SEP 27 1999

FPSC-RECORDS/REPORTING

1 Q. Please state your name, business address, by whom you are  
2 employed, and in what capacity?

3  
4 A. My name is Bruce Narzissenfeld. My business address is  
5 Peoples Gas System, 702 North Franklin Street, P.O. Box  
6 2562, Tampa, Florida 33601-2562. I am employed by Peoples  
7 Gas System ("Peoples") as Assistant Controller.

8  
9 Q. Please describe your educational and employment background.

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11 A. I have a Bachelor of Science degree in Accounting from the  
12 University of Florida, a Masters of Business Administration  
13 from the University of Tampa, and am a Certified Public  
14 Accountant. Upon graduation, I joined Arthur Andersen as  
15 a staff auditor and examined and attested to the fair  
16 presentation of client's books and records. I then joined  
17 Florida Power & Light Company where my duties as a  
18 financial accountant included the review of regulatory  
19 filings. I joined Tampa Electric Company in 1985 as a  
20 Regulatory Accountant in the Regulatory Control and Budget  
21 Department. As a regulatory accountant I was responsible  
22 for participating in the review of all filings required by  
23 both the Florida Public Service Commission and the Federal  
24 Energy Regulatory Commission. I moved to TECO Transport in

1 1986 as assistant controller. My duties included primary  
2 responsibility for the general accounting functions and the  
3 review of all regulatory filings, including reports filed  
4 with the Securities and Exchange Commission, and the  
5 Federal Maritime Administration. I also served as liaison  
6 to Tampa Electric's regulatory department, assisting with  
7 responses to interrogatories and support of witness  
8 testimony related to transportation agreements with Tampa  
9 Electric. I then joined Peoples Gas in 1998 as assistant  
10 controller and am responsible for all accounting activity,  
11 including that associated with the Energy Conservation Cost  
12 Recovery ("ECCR") Clause.

13  
14 **Q.** What is the purpose of your testimony in this docket?

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16 **A.** My testimony addresses the costs that Peoples has incurred  
17 and the revenues recovered by Peoples through the ECCR  
18 clause. My testimony supports the revenues and expenses  
19 incurred in connection with the ECCR programs of both the  
20 former Peoples Gas System, Inc. (the costs of which are  
21 recovered under Peoples' Volume 1 Tariff) and the former  
22 West Florida Natural Gas Company (the costs of which are  
23 recovered under Peoples' Volume 2 Tariff). I will

1           hereinafter refer to the territory within which the Volume  
2           2 Tariff applies as Peoples' "West Florida Region."

3  
4           Finally, my testimony addresses the adjusted net  
5           true-up amounts associated with those programs for the  
6           period April 1998 through March 1999.

7  
8           **Q.** Are you sponsoring any exhibits with your testimony?

9  
10          **A.** Yes. I am sponsoring two exhibits produced under my  
11          direction and supervision. Exhibit \_\_\_\_ (BNN-1), contains  
12          the conservation cost recovery true-up data for the period  
13          April 1998 through March 1999 for Peoples' divisions other  
14          than the West Florida Region, and Exhibit \_\_\_\_ (BNN-2),  
15          contains similar information for the same period for the  
16          West Florida Region.

17  
18          **Q.** Have you prepared schedules showing the expenditures  
19          associated with Peoples' energy conservation programs for  
20          the period April 1998 through March 1999?

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22          **A.** Yes. Actual expenses for the period April 1998 through  
23          March 1999 for Peoples' divisions other than the West

1 Florida Region are shown on Schedule CT-2, page 2, of  
2 Exhibit \_\_\_\_ (BNN-1). Actual expenses for that period for  
3 the West Florida Region are shown on Schedule CT-2, page 2,  
4 of Exhibit \_\_\_\_ (BNN-2). In each of these exhibits,  
5 Schedule CT-2, page 1 presents a comparison of the actual  
6 program costs and true-up amount to the projected costs and  
7 true-up amount for the same period.  
8

9 **Q.** What are the Company's true-up amounts for the period April  
10 1998 through March 1999?  
11

12 **A.** With respect to Peoples' divisions other than the West  
13 Florida Region, as shown on Schedule CT-1 of Exhibit \_\_\_\_  
14 (BNN-1), the end-of-period net true-up for the period is an  
15 overrecovery of \$405,192 including both principal and  
16 interest. The projected true-up for the period, as approved  
17 by Commission Order No. PSC-99-0421-FOF-EG, was an  
18 overrecovery of \$1,431,005 (including interest).  
19 Subtracting the projected true-up overrecovery from the  
20 actual overrecovery yields the adjusted net true-up of  
21 \$1,025,813 underrecovery (including interest).  
22

23 With respect to Peoples' West Florida Region, as shown on

1 Schedule CT-1 of Exhibit \_\_\_\_\_ (BNN-2), the end-of-period  
2 net true-up for the period is an overrecovery of \$62,169,  
3 including both principal and interest. The projected  
4 true-up for the period, as approved by Commission Order No.  
5 PSC-99-0421-FOF-EG, was an overrecovery of \$506,992  
6 (including interest). Subtracting the projected true-up  
7 overrecovery from the actual overrecovery yields the  
8 adjusted net true-up of \$444,823 underrecovery (including  
9 interest).

10

11 **Q.** What do the rest of the schedules in Exhibits \_\_\_\_\_ (BNN-1)  
12 and \_\_\_\_\_ (BNN-2) show?

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14 **A.** Schedule CT-2, in each of the exhibits, presents an  
15 analysis of the variance between actual and estimated  
16 energy conservation program costs for the period April 1998  
17 through March 1999. Each exhibit's Schedule CT-3 presents  
18 an analysis of program costs, by month and by program, and  
19 calculation of the true-up and interest amounts. Schedule  
20 CT-4 is not applicable to Peoples. Schedule CT-5 provides  
21 for a reconciliation and explanation of differences between  
22 the Company's filing and the Commission's audit for the  
23 relevant period, and there are no such differences to

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report as of the date of the filing of the schedules. Each exhibit's Schedule CT-6 contains Program Progress Reports for each of Peoples' approved energy conservation programs.

**Q.** Does this conclude your prefiled direct testimony?

**A.** Yes, it does.