

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 020004-GU  
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Amended Direct Testimony of  
ROBERT L. SMITH  
On Behalf of  
FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED NATURAL GAS DIVISION

- 1 Q. Please state your name and business address.
- 2 A. Robert L. Smith: my business address is P.O.
- 3 Box 3395, West Palm Beach, Florida 33402-3395.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities
- 6 Company as Director, Marketing and Sales.
- 7 Q. What is the purpose of your testimony at this
- 8 time?
- 9 A. To advise the Commission as to the Conservation
- 10 Cost Recover Clause Calculation for the period
- 11 January 2003 through December 2003 and to
- 12 clarify the use of "Good Cents" branding to
- 13 support Florida Public Utilities conservation
- 14 programs.
- 15 Q. What are the total projected costs for the
- 16 period January 2003 through December 2003 in the
- 17 Consolidated Natural Gas Division?
- 18 A. The total projected Conservation Program Costs

1 are \$2,360,000. Please see Schedule C-2, page  
2 2, for the programmatic and functional breakdown  
3 of these total costs.

4 Q. What is the true-up for the period January, 2002  
5 through December, 2002?

6 A. As reflected in the respective "C" schedules,  
7 the True-up amount for the Consolidated Natural  
8 Gas Division is \$10,944.

9 Q. What are the resulting net total projected  
10 conservation costs to be recovered during this  
11 period?

12 A. The total costs to be recovered are \$2,370,944.

13 Q. What is the Conservation Adjustment Factor  
14 necessary to recover these projected net total  
15 costs?

16 A. The Conservation Adjustment Factors per therm  
17 for the Consolidated Natural Gas Division are:

18 Residential	\$ .09003
19 General Service & GS Transportation	\$ .03442
20 Large Volume Service & LV Transportation <50,000	\$ .02275
21 Large Volume Transportation Service >50,000	\$ .02275

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23  
24 Q. Are there any exhibits that you wish to sponsor  
25 in this proceeding?

26 A. Yes. I wish to sponsor as Exhibits Schedules  
27 C1, C-2, C-3, and C-5 (Composite Prehearing

1 Identification Number RLS-2), which have been  
2 filed with this testimony.

3  
4 Q. How does Florida Public Utilities plan to  
5 promote the Commission approved conservation  
6 programs to customers?

7 A. These programs will be promoted through the  
8 implementation of the company's "Good Cents"  
9 branding.

10 Q. What is the "Good Cents" branding?

11 A. "Good Cents" is a nationally recognized licensed  
12 energy conservation and fuel neutral program  
13 utilized by numerous electric and natural gas  
14 utilities. Florida Public Utilities has  
15 expanded its branding license arrangement to  
16 include the Commission approved natural gas  
17 conservation programs.

18 Q. How does Florida Public Utilities utilize this  
19 branding?

20 A. The Company uses the "Good Cents" branding to  
21 create an awareness of its energy conservation  
22 and fuel neutral programs among consumers,  
23 businesses, builders and developers via  
24 broadcast and print media, promotional items and  
25 other collateral materials. Through this  
26 branding, end users and specifiers can readily

1 identify where to obtain energy expertise to  
2 assist them with their energy decisions.

3 Q. Does Florida Public Utilities Company expect to  
4 make any modifications to the manner in which it  
5 promotes the approved energy conservation  
6 programs during the period January 1, 2003  
7 through December 31, 2003?

8 A. Yes. Florida Public Utilities Company plans to  
9 continue participation in the statewide  
10 GetGasFl.com advertising campaign. The campaign  
11 promotes the energy conservation benefits of gas  
12 through the use of multiple media outlets. The  
13 campaign directs consumers to common web site.  
14 The web site contains additional benefits on the  
15 utilization of gas, the availability of gas by  
16 region, and contact information, as well as  
17 specifics about the energy conservation programs  
18 offered.

19 Q. Does the campaign meet the guidelines for  
20 recovery under Rule 25-17.015, Energy  
21 Conservation Cost Recovery?

22 A. Yes, the campaign meets the guidelines  
23 established by Rule 25-17.015, Energy  
24 Conservation Cost Recovery.

25 Q. Has Florida Public Utilities Company included  
26 the estimated cost of the campaign in the

1           projected costs associated with the conservation  
2           programs?

3           A. Yes, the estimated cost of the campaign is  
4           included in the projections. The projected  
5           amount to be spent on the campaign during  
6           calendar year 2003 is \$84,540.

7           Q. Does this conclude your testimony?

8           A. Yes.

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