

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 030004-GU
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

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 2004 through December 2004 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 2004 through December 2004 in the
17 Consolidated Natural Gas Division?
- 18 A. The total projected Conservation Program Costs

1 are \$2,178,300. 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, 2003
5 through December, 2003?

6 A. As reflected in the respective "C" schedules,
7 the True-up amount for the Consolidated Natural
8 Gas Division is (\$139,864).

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 \$2,038,436.

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	\$.08923
19 General Service & GS Transportation	\$.03274
20 Large Volume Service & LV Transportation <50,000	\$.02184
21 Large Volume Transportation Service >50,000	\$.02184
22	

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, 2004
7 through December 31, 2004?

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 2004 is \$102,820.

7 Q. Does this conclude your testimony?

8 A. Yes.

9

10

11

12

13

14

15

16

17

18

19