

MEMORANDUM

October 12, 2007

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TO: OFFICE OF COMMISSION CLERK
FROM: OFFICE OF THE GENERAL COUNSEL (FLEMING) *KEF*
RE: DOCKET NO. 070004-GU - NATURAL GAS CONSERVATION COST RECOVERY.

Attached is STAFF'S PREHEARING STATEMENT, to be filed in the above-referenced docket.

KEF/pz
Attachment
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DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 070004-GU

FILED: OCTOBER 12, 2007

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-07-0168-PCO-GU, filed February 23, 2007, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff does not intend to call any witnesses.

b. All Known Exhibits

Staff does not intend to sponsor any exhibits, but reserves the right to use exhibits for the purpose of cross-examination.

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

Generic Conservation Cost Recovery Issues (Gas)

ISSUE 1: What are the final end-of-the period true-up amounts for the period January 2006 through December 2006?

POSITION:

Chesapeake (CUC)	\$9,754	Overrecovery
Florida City Gas (FCG)	\$1,003,789	Overrecovery
Florida Public Utilities Company (FPUC)	\$141,916	Overrecovery
Indiantown Gas Company (Indiantown)		None
Peoples Gas System (PGS)	\$1,060,158	Overrecovery
St. Joe Natural Gas (SJNG)	\$438	Overrecovery
Sebring Gas System, Inc. (Sebring)		None

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ISSUE 2: What are the appropriate conservation cost recovery factors for the period January 2008 through December 2008?

POSITION:

Gas:

CUC	Rate Class	ECCR Factor
	FTS-A	18.519 cents/therm
	FTS-B	15.081 cents/therm
	FTS-1	13.368 cents/therm
	FTS-2	7.604 cents/therm
	FTS-3	4.270 cents/therm
	FTS-4	3.524 cents/therm
	FTS-5	3.112 cents/therm
	FTS-6	2.724 cents/therm
	FTS-7	1.752 cents/therm
	FTS-8	1.571 cents/therm
	FTS-9	1.295 cents/therm
	FTS-10	1.257 cents/therm
	FTS-11	1.097 cents/therm
	FTS-12	0.905 cents/therm

In accordance with Order No. PSC-07-0427-TRF-GU, issued May 15, 2007, in Docket No. 060675-GU, optional fixed rates are available to CUC customers in the following rate schedules:

CUC	Rate Class	ECCR Factor (\$ per bill)
	FTS-A	1.63
	FTS-B	2.23
	FTS-1	2.87
	FTS-2	5.90
	FTS-3	23.16

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FCG	Rate Class	ECCR Factor
	GS-1, GS-100, GS-200	4.378 cents/therm
	GS-600	2.347 cents/therm
	GS-1200	1.521 cents/therm
	GS-6000	1.213 cents/therm
	GS-25000	1.187 cents/therm
	GS-6000	1.158 cents/therm
	Gas Lights	2.336 cents/therm
	GS-120,000	0.846 cents/therm
GS-250,000	0.793 cents/therm	
FPUC	Rate Class	ECCR Factor
	Residential	7.231 cents/therm
	General Service	3.160 cents/therm
	Comm. Lge. Vol.	2.190 cents/therm
	Comm. Lge. Vol. Transport	2.190 cents/therm
Indiantown	Rate Class	ECCR Factor
	TS-1	14.300 cents/therm
	TS-2	2.180 cents/therm
	TS-3	1.510 cents/therm
	TS-4	0.260 cents/therm
PGS	Rate Class	ECCR Factor
	RS	1.513 cents/therm
	RSSG	1.513 cents/therm
	SGS	1.315 cents/therm
	CSG	1.315 cents/therm
	GS-1	0.501 cents/therm
	GS-2	0.411 cents/therm
	GS-3	0.345 cents/therm
	GS-4	0.311 cents/therm
	GS-5	0.177 cents/therm
	NGVS	0.264 cents/therm
CSLS	0.220 cents/therm	

SJNG	Rate Class	ECCR Factor
	GS-1	10.066 cents/therm
	GS-2	7.825 cents/therm
	GS-3	3.660 cents/therm

Sebring	Rate Class	ECCR Factor
	TS-1	10.580 cents/therm
	TS-2	4.380 cents/therm
	TS-3	5.130 cents/therm
	TS-4	3.850 cents/therm

ISSUE 3: What should be the effective date of the new conservation cost recovery factors for billing purposes?

POSITION: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2008 through December 2008. Billing cycles may start before January 1, 2008, and the last cycle may be read after December 31, 2008, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

e. Stipulated Issues

There are no issues that have been stipulated at this time.

f. Pending Motions

Staff has no pending motions.

g. Pending Confidentiality Claims or Requests

There are no pending confidentiality requests.

h. Objections to Witness Qualifications as an Expert

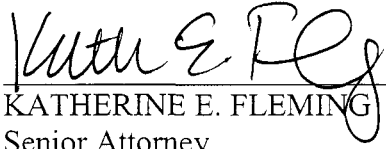
Staff has no objections to any witness' qualifications as an expert in this proceeding.

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i. Compliance with Order No. PSC-07-0168-PCO-GU

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 12th day of October, 2007.



KATHERINE E. FLEMING
Senior Attorney
FLORIDA PUBLIC SERVICE COMMISSION
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0863
Telephone: (850) 413-6218

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 070004-GU

FILED: OCTOBER 12, 2007

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement was furnished to the following, by electronic and U.S. mail, on this 12th day of October, 2007.

Messer, Caparello & Self, P.A.
Norman H. Horton, Jr.
P. O. Box 15579
Tallahassee, FL 32317

Florida Public Utilities Company
Ms. Cheryl Martin/Mr. John T. English
P.O. Box 3395
West Palm Beach, FL 33402-3395

Ansley Watson, Jr.
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, FL 33601-1531

Ms. Paula K. Brown
Regulatory Affairs
Peoples Gas System
P. O. Box 111
Tampa, FL 33601-0111

Matthew Costa
TECO Energy, Inc.
P.O. Box 111
Tampa, FL 33601-0111

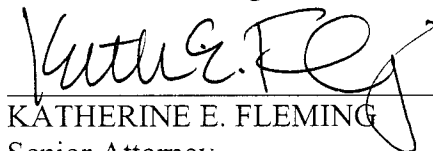
Office of Public Counsel
Patricia A. Christensen
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400

Akerman Senterfitt
Beth Keating
106 East College Ave., Suite 1200
Tallahassee, FL 32301

Elizabeth Wade /Melvin Williams
AGL Resources, Inc.
Ten Peachtree Place
Location 1470
Atlanta, GA 30309

Stuart L. Shoaf
St. Joe Natural Gas Company, Inc.
P. O. Box 549
Port St. Joe, FL 32457-0549

Charles Rawson, III
Florida City Gas
4180 South U.S. Highway 1
Rockledge, FL 32955-5309



KATHERINE E. FLEMING
Senior Attorney
FLORIDA PUBLIC SERVICE COMMISSION
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Telephone No. (850) 413-6218