

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 080004-GU  
ORDER NO. PSC-08-0785-FOF-GU  
ISSUED: December 1, 2008

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman  
LISA POLAK EDGAR  
KATRINA J. McMURRIAN  
NANCY ARGENZIANO  
NATHAN A. SKOP

APPEARANCES:

BETH KEATING, ESQUIRE, Akerman Senterfitt Law Firm, 106 East College Avenue, Suite 1200, Tallahassee, Florida 32301  
On behalf of the Florida Division of Chesapeake Utilities Corporation (CUC) and Florida City Gas (FCG).

NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello & Self, P.A., Post Office Box 15579, Tallahassee, Florida 32317  
On behalf of Florida Public Utilities Company (FPUC) and Sebring Gas System, Inc. (Sebring).

ROBERT SCHEFFEL WRIGHT, ESQUIRE, Young van Assenderp, P.A., 225 South Adams Street, Suite 200, Tallahassee, Florida 32301  
On Behalf of Indiantown Gas Company (Indiantown).

KATHERINE E. FLEMING, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
On behalf of the Florida Public Service Commission (Staff).

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2009 THROUGH DECEMBER 2009

BY THE COMMISSION:

As part of our continuing natural gas conservation cost recovery proceedings, an administrative hearing was held November 4, 2008, in this docket. Chesapeake Utilities Corporation, Florida City Gas, Florida Public Utilities Company, Indiantown Gas Company, Peoples Gas System, St. Joe Natural Gas Company, and Sebring Gas System, Inc. submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. Prior to hearing, the parties reached agreement concerning

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all issues identified for resolution at hearing. These issues were presented to us as a stipulation. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes, including Sections 366.04, 366.05, and 366.06, Florida Statutes.

The parties stipulated to the final and estimated true-up amounts and purchased gas cost recovery factors appropriate for each utility. We accept and approve the stipulations as reasonable and supported by competent, substantial evidence of record, as set forth below.

We find that the appropriate final conservation cost recovery true-up amounts for the period January 2007 through December 2007 are as follows:

Chesapeake Utilities Corporation	\$386,079	Overrecovery
Florida City Gas	\$126,342	Overrecovery
Florida Public Utilities Company	\$435,874	Overrecovery
Indiantown Gas Company	\$1,390	Overrecovery
Peoples Gas System	\$5,922,525	Overrecovery
St. Joe Natural Gas Company	\$63,204	Underrecovery
Sebring Gas System, Inc.	\$382	Underrecovery

We find that the appropriate actual/estimated conservation cost recovery true-up amounts for the period January 2008 through December 2008 are as follows:

Chesapeake Utilities Corporation	\$538,645	Overrecovery
Florida City Gas	\$786,742	Underrecovery
Florida Public Utilities Company	\$419,248	Overrecovery
Indiantown Gas Company	\$21,610	Overrecovery
Peoples Gas System	\$2,921,911	Overrecovery
St. Joe Natural Gas Company	\$78,728	Underrecovery
Sebring Gas System, Inc.	\$10,238	Overrecovery

We find that the appropriate total conservation cost recovery amounts to be collected during the period January 2009 through December 2009 are as follows:

Chesapeake Utilities Corporation	\$648,410
Florida City Gas	\$3,204,167
Florida Public Utilities Company	\$1,830,752
Indiantown Gas Company	\$7,378
Peoples Gas System	\$4,047,089
St. Joe Natural Gas Company	\$125,428
Sebring Gas System, Inc.	\$8,837

We find that the appropriate conservation cost recovery factors for the period January 2009 through December 2009 are as follows:

<b>CUC</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	FTS-A	11.835 cents/therm
	FTS-B	9.247 cents/therm
	FTS-1	8.372 cents/therm
	FTS-2	4.271 cents/therm
	FTS-3	2.590 cents/therm
	FTS-4	2.107 cents/therm
	FTS-5	1.802 cents/therm
	FTS-6	1.605 cents/therm
	FTS-7	0.965 cents/therm
	FTS-8	0.933 cents/therm
	FTS-9	0.740 cents/therm
	FTS-10	0.739 cents/therm
	FTS-11	0.615 cents/therm
	FTS-12	0.511 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:

<b>CUC</b>	<b>Rate Class</b>	<b>ECCR Factor (\$ per bill)</b>
	FTS-A	0.90
	FTS-B	1.24
	FTS-1	1.57
	FTS-2	3.46
	FTS-3	12.53

<b>FCG</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	GS-1, GS-100, GS-220	9.304 cents/therm
	GS-600	4.875 cents/therm
	GS-1200	3.115 cents/therm
	GS-6000	2.499 cents/therm
	GS-25000	2.452 cents/therm
	GS-60000	2.394 cents/therm
	Gas Lights	4.846 cents/therm
	GS-120000	1.785 cents/therm
	GS-250000	1.643 cents/therm

<b>FPUC</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	Residential	6.768 cents/therm
	General Service	2.918 cents/therm
	Comm. Lge. Vol.	2.051 cents/therm

<b>Indiantown</b>	Comm. Lge. Vol. Transport	2.051 cents/therm
	<b>Rate Class</b>	<b>ECCR Factor</b>
	TS-1	1.339 cents/therm
	TS-2	0.233 cents/therm
	TS-4	0.087 cents/therm
<b>PGS</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	RS	2.438 cents/therm
	RSSG	2.438 cents/therm
	SGS	2.279 cents/therm
	CSG	2.279 cents/therm
	GS-1	0.817 cents/therm
	GS-2	0.664 cents/therm
	GS-3	0.556 cents/therm
	GS-4	0.501 cents/therm
	GS-5	0.285 cents/therm
	NGVS	0.428 cents/therm
CSLS	0.355 cents/therm	
<b>SJNG</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	RS-1	23.379 cents/therm
	RS-2	11.902 cents/therm
	RS-3	8.797 cents/therm
	GS-1	8.792 cents/therm
	GS-2	4.075 cents/therm
	FTS-4	1.566 cents/therm
FTS-5	0.380 cents/therm	
<b>Sebring</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	TS-1	3.076 cents/therm
	TS-2	1.817 cents/therm
	TS-3	1.118 cents/therm
	TS-4	0.913 cents/therm

We find that these factors shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2009 through December 2009. Billing cycles may start before January 1, 2009, and the last cycle may be read after December 31, 2009, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Company Specific Conservation Cost Recovery Issues

Florida Public Utilities Company

We find that Florida Public Utility Company shall make an adjustment of \$2,887, plus interest, for expenses associated with the SGA Builders and Developers Conference for the period January 2007 through December 2007.

We find that Florida Public Utility Company shall make an adjustment of \$3,125 for expenses associated with the Demo Kitchen project for the period January 2007 through December 2007. This adjustment will allocate a portion to the non-regulated appliance sales operation.


Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations, findings, and rulings set forth in the body of this Order are hereby approved. It is further

ORDERED that each utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the natural gas conservation cost recovery amounts and utilize the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period January 2009 through December 2009. Billing cycles may start before January 1, 2009, and the last cycle may be read after December 31, 2009, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

By ORDER of the Florida Public Service Commission this 1st day of December, 2008.

  
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ANN COLE  
Commission Clerk

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.