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October 9, 2015

E-PORTAL/ELECTRONIC FILING

Ms. Carlotta Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 150004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Ms. Stauffer:

Attached for electronic filing, please find the Prehearing Statement of Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, and the Florida Division of Chesapeake Utilities Corporation.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,



Beth Keating
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215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas)
Conservation Cost Recovery)
Clause)
_____)

Docket No. 150004-GU
Filed: October 9, 2015

CONSOLIDATED PREHEARING STATEMENT FOR FLORIDA PUBLIC UTILITIES COMPANY, FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION AND FLORIDA PUBLIC UTILITIES-INDIANTOWN DIVISION

In accordance with Order No. PSC-15-0099-PCO-GU, as modified by Order No. PSC-15-0204-PCO-GU, the following is the Consolidated Prehearing Statement of Florida Public Utilities Company (“FPUC”), the Florida Division of Chesapeake Utilities Corporation (“CUC”), Florida Public Utilities Company-Indiantown Division (“Indiantown”), and Florida Public Utilities – Fort Meade (“Fort Meade”), referred to jointly herein as “Consolidated Companies”:

a. All Known Witnesses

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Curtis Young ¹ (FPUC)	True Up for 2014	Issue 1
Curtis Young (Indiantown)	True Up for 2014	Issue 1
Curtis Young (CUC)	True Up for 2014	Issue 1
Curtis Young (Consolidated Companies) ²	Actual/Estimated True-up Amount for 2015; cost recovery factors; effective date	Issues 2 – 5

¹ Revised May 14, 2015.

² Revised August 28, 2015.

b. All Known Exhibits

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
CDY-1 ³	Curtis Young (FPUC)	True-Up Variance Analysis [Schedules CT1-CT6]
CDY-2	Curtis Young (Indiantown)	True-Up Variance Analysis [Schedules CT1-CT6]
CDY-3	Curtis Young (CUC)	True-Up Variance Analysis [Schedules CT1-CT6]
CDY-4	Curtis Young (Consolidated Companies)	Projections: Estimated ECCR charges by rate class [Schedules C-1 through C-4]

c. Statement of Basic Position

The Commission should approve the Consolidated Companies' respective final net true-ups for the period January through December 2014, the estimated true-up for the period January through December, 2015, and the projected conservation program expenses and recovery factors for the period January through December, 2016.

d. Position on the Issues

ISSUE 1. What are the final conservation cost recovery true-up amounts for the period January 2014 through December 2014?

FPUC: An under-recovery of \$648,399, resulting in an adjusted end of period total true up amount of \$700,151.

³ Revised August 28, 2015.

CUC: An under-recovery \$399,372, resulting in an adjusted end of period total true-up amount of \$430,306.

INDIANTOWN: An under-recovery \$8,765, resulting in an adjusted end of period total true up amount of \$8936.

FORT MEADE: Not applicable.

ISSUE 2. What are the total conservation cost recovery amounts to be collected during the period January 2016 through December 2016?

Consolidated Companies: A total of \$7,323,049 remains to be recovered during the period January 1, 2016 through December 31, 2016.

ISSUE 3. What are the conservation cost recovery factors for the period January 2016 through December 2016?

CUC: The appropriate factors are:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
FTS-A	\$ 0.34633
FTS-B	\$ 0.26565
FTS-1	\$ 0.22795
FTS-2	\$ 0.12678
FTS-2.1	\$ 0.09281
FTS-3	\$ 0.07680
FTS-3.1	\$ 0.06147
FTS-4	\$ 0.05173
FTS-5	\$ 0.04561
FTS-6	\$ 0.03638
FTS-7	\$ 0.02669
FTS-8	\$ 0.02309

FTS-9	\$	0.01947
FTS-10	\$	0.01849
FTS-11	\$	0.01587
FTS-12	\$	0.01198

The Company also seeks approval of the following experimental per bill Conservation Cost

Recovery Adjustment (Experimental) factors:

Rate Class	ECCR Factor (\$ per bill)
FTS-A	\$2.30
FTS-B	\$3.02
FTS-1	\$3.84
FTS-2	\$7.62
FTS-2.1	\$10.93
FTS-3	\$28.10
FTS-3.1	\$36.55

FPUC and Fort Meade: The appropriate factors are:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
RESIDENTIAL (FPU, Fort Meade)	\$ 0.14796
COMMERCIAL SMALL (FPU, Fort Meade) CVPD	\$ 0.08788
COMMERCIAL SMALL (FPU only) (Gen Srv GS2 & GS Transportation >600)	\$ 0.06987
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <,> 50,000 units)	\$ 0.05706

Indiantown: The appropriate factors are:

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$	0.13840
TS2 (INDIANTOWN DIVISION)	\$	0.02243
TS3 (INDIANTOWN DIVISION)	\$	0.05210
TS4 (INDIANTOWN DIVISION)	\$	0.00739

ISSUE 4. What should be the effective date of the conservation cost recovery factors for billing purposes?

Consolidated Companies: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2016 through December 2016. Billing cycles may start before January 1, 2016 and the last cycle may be read after December 31, 2016, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

ISSUE 5: Should the Commission approve revised tariffs reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate in this proceeding?

Consolidated Companies: Agree with Commission Staff.

e. Stipulated Issues

While not a party to stipulations at this time, the Consolidated Companies believe that it should be possible to reach a stipulation on each of the issues as they pertain to the Consolidated Companies.

f. Pending Motions

None.

g. Pending Confidentiality Claims or Requests

None.

h. Objections to Witness Qualifications as an Expert

None.

i. Compliance with Order No. 15-0099-PCO-GU

CUC, FPUC, FPUC-Fort Meade, and Indiantown believe that this Prehearing Statement fully complies with all requirements of the Order Establishing Procedure entered in this docket.

RESPECTFULLY SUBMITTED this 9th day of October, 2015.



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*Attorneys for Florida Public Utilities
Company, Florida Public Utilities
Company-Indiantown Division, Florida
Public Utilities Company – Fort Meade,
and the Florida Division of Chesapeake
Utilities Corporation*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing, has been furnished by Electronic Mail to the following parties of record this 9th day of October, 2015:

Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantown Mike Cassel Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach FL 32034	MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown/Ashley Kellgren P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Office of Public Counsel J.R. Kelly/Charles Rehwinkel/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Peoples Gas System Paula Brown Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Charles A. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870	AGL Resources Inc. Elizabeth Wade/Shannon Pierce Ten Peachtree Place Location 1470 Atlanta, GA 30309
Florida City Gas Carolyn Bermudez 933 East 25 th Street Hialeah, FL 33013-3498-	Kelley Corbari/Leslie Ames* Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399



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