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October 3, 2016

Via E-PORTAL

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

Re: Docket 160004-GU

Dear Ms. Stauffer:

Enclosed for filing on behalf of Sebring Gas System Inc., is its Pre-Hearing Statement.

Should you have any questions, please may contact me.

Sincerely, Paula M. Sparkman

PMS/kc Cc: Jerry Melendy, Jr. H:\psparkman\Sebring Gas Systems Inc\Docket 160004 GU\Ltr to Clerk transmitting pre-hearing statement.wpd

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#### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Natural Gas Conservation Cost Recovery. Docket No. 160004-GU Filed: October 3, 2016

#### SEBRING GAS SYSTEM INC.'S <u>PREHEARING STATEMENT</u>

Sebring Gas System, Inc. ("Sebring"), by and through its undersigned counsel, submits its prehearing statement in connection with the hearing that is scheduled for November 2-4, 2016, in the above-styled docket.

#### A. WITNESS

Witness	Subject Matter	Issues	
Jerry H. Melendy, Jr.	Conservation cost recovery factor	1 - 5	
<b>B. EXHIBITS</b>			

Exhibit Number	Witness	Description
JHM-1	Melendy	Schedules C-1, C-2, C-3, C-4, C-5, CT-6, filed May 2, 2016.

and Schedules C-1, C-2, C-3, and C-4, filed August 23, 2016.

#### **C. BASIC POSITION**

Sebring has properly projected its costs and calculated its true-up amounts and conservation cost recovery factors. Those amounts and factors should be approved by the Commission.

#### **D. STATEMENT OF ISSUES AND POSITIONS**

**Issue 1:** What are the final conservation cost recovery true-up amounts for the period January 2015 through December 2015?

Sebring's Position: \$3,047 (under recovery).

# **Issue 2:** What are the total conservation cost recovery amounts to be collected during the period January 2017 through December 2017?

Sebring's Position: \$48,315.00 to be recovered.

## **Issue 3:** What are the conservation cost recovery factors for the period January 2017 through December 2017?

Sebring's Position:

TS-1	\$0.19897/therm
TS-2	\$0.08761/therm
TS-3	\$0.05151/therm
TS-4	\$0.04456/therm

# **Issue 4:** What should be the effective date of the new conservation cost recovery factors for billing purposes?

- Sebring's Position: The conservation cost recovery factors should be effective beginning with the specified conservation cost recovery period and thereafter for the period January 2017 through December 2017 and to billings thereafter until other conservation cost recovery factors are approved by the Commission. Billing cycles may start before January 1, 2017, and the last cycle may be read after December 31, 2017, 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 factors determined to be appropriate in this proceeding?
- <u>Sebring's Position</u>: It is Sebring's position that the Commission should approve revised tariffs reflecting the natural gas cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision.

#### **E. QUESTIONS OF LAW**

None.

### **F. POLICY QUESTIONS**

None.

#### **G. STIPULATED ISSUES**

None.

### **H. PENDING MOTIONS**

None.

## **I. PENDING CLAIMS OF CONFIDENTIALITY**

None.

### J. OBJECTIONS TO EXPERT WITNESS QUALIFICATIONS

None

## K. ANY REQUIREMENT THAT CANNOT BE COMPLIED WITH

None.

Respectfully submitted this 3<sup>rd</sup> day of October, 2016.

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Attorney for Sebring Gas System, Inc.

Docket No. 160004-GU

#### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement has been served by Electronic Mail or Hand Delivery to the following parties of record this 3<sup>rd</sup> day of October, 2016.

Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantown Mike Cassel 1750 SW 14<sup>th</sup> Street, Suite 200 Fernandina Beach, FL 32034 <u>mcassel@fpuc.com</u>

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