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August 31, 2018

E-PORTAL/ELECTRONIC FILING

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


Re: Docket No. 20180004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Ms. Stauffer:

Attached for electronic filing, please find the Preliminary Statement of Issues and Positions of Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities Company – Fort Meade, 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
Gunster, Yoakley & Stewart, P.A.
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. 20180004-GU
Filed: August 31, 2018

**CONSOLIDATED PRELIMINARY STATEMENT OF ISSUES AND POSITIONS
FOR FLORIDA PUBLIC UTILITIES COMPANY, FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION, FLORIDA PUBLIC UTILITIES-
INDIANTOWN DIVISION AND FLORIDA PUBLIC UTILITIES – FORT MEADE**

The following is the preliminary statement of issues and positions filed on behalf 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”:

ISSUE 1. What are the final conservation cost recovery adjustment true-up amounts for the period January 2017 through December 2017?

Consolidated Companies: The Consolidated Companies over-recovered \$1,006,967, as compared to the estimated over-recovery of \$947,806, resulting in an adjusted end of period total true up amount of an over-recovery of \$59,161.

ISSUE 2: What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2018 through December 2018? [Current year true-up amount]

Consolidated Companies: The projected true-up for the period January 2017 through December 2017 is an over-recovery of \$561,329.

ISSUE 3: What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2019 through December 2019?

Consolidated Companies: The projected net true-up is an over-recovery of \$620,490.

ISSUE 4. What are the total conservation cost recovery amounts to be collected during the period January 2019 through December 2019?

Consolidated Companies: A total of \$3,749,031 remains to be recovered during the period January 1, 2019 through December 31, 2019.

ISSUE 5. What are the conservation cost recovery factors for the period January 2019 through December 2019?

CUC: The appropriate factors are:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
FTS-A	\$ 0.18507
FTS-B	\$ 0.14103
FTS-1	\$ 0.12194
FTS-2	\$ 0.06328
FTS-2.1	\$ 0.04624
FTS-3	\$ 0.04125
FTS-3.1	\$ 0.03036
FTS-4	\$ 0.02572
FTS-5	\$ 0.02186
FTS-6	\$ 0.01849
FTS-7	\$ 0.01290
FTS-8	\$ 0.01138
FTS-9	\$ 0.00965

FTS-10	\$	0.00924
FTS-11	\$	0.00758
FTS-12	\$	0.00614

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	\$	1.13
FTS-B	\$	1.47
FTS-1	\$	1.86
FTS-2	\$	3.79
FTS-2.1	\$	5.44
FTS-3	\$	13.21
FTS-3.1	\$	18.34

FPUC and FPU-Fort Meade:

The appropriate factors are:

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
RESIDENTIAL	\$	0.07369
COMMERCIAL SMALL (Gen Srv GS1 & GS1 Transportation <600)	\$	0.04462
COMMERCIAL SMALL (Gen Srv GS2 & GS2 Transportation >600)	\$	0.03451
COMM. LRG VOLUME	\$	0.02874

(Large Vol & LV Transportation <,>
50,000 units)

NATURAL GAS VEHICLES \$ 0.01252

Indiantown: The appropriate factors are:

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$	0.07277
TS2 (INDIANTOWN DIVISION)	\$	0.01038
TS3 (INDIANTOWN DIVISION)	\$	0.02430
TS4 (INDIANTOWN DIVISION)	\$	0.0000

ISSUE 6: Should the Commission approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding?

Consolidated Companies: Yes. The Commission should approve revised tariffs reflecting the natural gas conservation cost recovery amounts and establishing 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

ISSUE7. 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 2019 through December 2019. Billing cycles may start before January 1, 2019 and the last cycle may be read after December 31, 2019, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

RESPECTFULLY SUBMITTED this 31st day of August, 2018.

A handwritten signature in black ink, appearing to read "Beth Keating", is written over a horizontal line.

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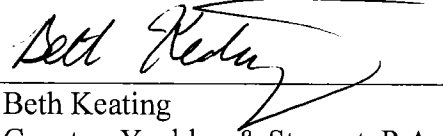
*Attorneys for Florida Public Utilities
Company, Florida Public Utilities Company-
Indiantown Division, Florida Public Utilities
Company – Fort Meade, and the Florida
Division of Chesapeake Utilities Corporation*

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 31st day of August, 2018:

<p>Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantow Mike Cassel Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach FL 32034 mcassel@fpuc.com</p>	<p>MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown P.O. Box 1531 Tampa, FL 33601-1531 aw@macfar.com AB@macfar.com</p>
<p>Messer Law Firm Paula M. Sparkman P.O Box 15579 Tallahassee, FL 32317 psparkman@lawfla.com</p>	<p>Office of Public Counsel J.R. Kelly/Charles Rehwinkel/Patty Christensen c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Kelly.JR@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us Christensen.Patty@leg.state.fl.us</p>
<p>Peoples Gas System Paula Brown Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com</p>	<p>St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 andy@stjoegas.com</p>
<p>Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com</p>	<p>Gregory M. Munson Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 gmunson@gunster.com</p>
<p>Florida City Gas Carolyn Bermudez/Miguel Bustos 933 East 25th Street Hialeah, FL 33013-3498 cbermude@nexterenergy.com miguel.bustos@nexterenergy.com</p>	<p>Florida Public Service Commission Rachael Dziechciarz 2540 Shumard Oak Boulevard Tallahassee, FL 32399 rdziehc@psc.state.fl.us</p>

	Florida Power & Light Company Christopher T. Wright 700 Universe Boulevard Juno Beach, FL 33408 Christopher.Wright@fpl.com
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