



ATTORNEYS & COUNSELORS AT LAW EST. 1884

One Tampa City Center, Suite 2000
201 N. Franklin Street
P.O. Box 1531 (33601)
Tampa, FL 33602
813.273.4200 Fax: 813.273.4396

WWW.MFMLLEGAL.COM
EMAIL: INFO@MFMLLEGAL.COM

625 Court Street, Suite 200
P.O. Box 1669 (33757)
Clearwater, FL 33756
727.441.8966 Fax: 727.442.8470

In Reply Refer to:
Tampa
ab@macfar.com

October 12, 2018

VIA E-PORTAL FILING

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

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

Dear Ms. Stauffer:

Attached for electronic filing in the above docket on behalf of Peoples Gas System, please find the Prehearing Statement of Peoples Gas System.

Your assistance in this matter is greatly appreciated.

Sincerely,

Andrew M. Brown

AB/tlk

Attachment

cc: Parties of Record
Ms. Paula Brown
Ansley Watson, Jr., Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20180004-GU
 FILED: October 12, 2018

**PREHEARING STATEMENT
 OF PEOPLES GAS SYSTEM**

A. APPEARANCES:

Andrew M. Brown
 Ansley Watson, Jr.
 Macfarlane Ferguson & McMullen
 P. O. Box 1531
 Tampa, Florida 33601-1531
On behalf of Peoples Gas System

B. WITNESSES:

Witness	Subject Matter	Issues #
Direct		
Mark R. Roche	Conservation Cost Recovery True-Up and Projection; Peoples Gas System's company specific issues	1,2,3,4,5,6,7

C. EXHIBITS:

Witness	Proffered By	Exhibit #	Description
Direct			
Mark R. Roche	Peoples Gas System	KMF-1, filed May 1, 2018 KMF-1, adopted by Mark R. Roche on August 10, 2018	Schedules supporting cost recovery factor, actual January 2017 – December 2017
Mark R. Roche	Peoples Gas System	MRR-2, filed August 10, 2018 MRR-2, revised and filed September 14, 2018	Schedules supporting conservation costs projected for the period January 2019 – December 2019

D. STATEMENT OF BASIC POSITION

Peoples Gas System's Statement of Basic Position:

The Commission should determine that Peoples Gas System has properly calculated its conservation cost recovery true-up and projections and the natural gas conservation cost recovery factors set forth in the testimony and exhibits of witness Mark R. Roche during the period January 2019 through December 2019.

E. STATEMENT OF ISSUES AND POSITIONS

GENERIC CONSERVATION COST RECOVERY ISSUES

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

PGS: An adjusted net true-up under-recovery of \$324,464, including interest.
(Witness: Roche)

ISSUE 2: What are the appropriate total conservation adjustment actual/estimated true-up amounts for the period January 2018 through December 2018?

PGS: An under-recovery of \$1,110,202, including interest. (Witness: Roche)

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

PGS: A collection of \$1,434,666, including interest. (Witness: Roche)

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

PGS: \$18,488,090, (including current period estimated true-up). (Witness: Roche)

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

PGS: For the period January 2019 through December 2019 the cost recovery factors are as follows:

<u>Rate Schedule</u>	<u>Cost Recovery Factors</u> <u>(Dollars per Therm)</u>
RS & RS-SG & RS-GHP	0.10655
SGS	0.06397
GS-1 & CS-SG & CS-GHP	0.03147
GS-2	0.02302
GS-3	0.01897
GS-4	0.01406
GS-5	0.01034
NGVS	0.01982
CSLS	0.01665
(Witness: Roche)	

ISSUE 6: What should be the effective date of the new conservation cost recovery factors for billing purposes?

PGS: 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 long as each customer is billed for 12 months regardless of when the factors became effective. (Witness: Roche)

ISSUE 7: 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?

PGS: Yes, the Commission should approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding. (Witness: Roche)

COMPANY-SPECIFIC CONSERVATION COST RECOVERY ISSUES

Peoples Gas System has no company-specific conservation cost recovery issues at this time.

F. STIPULATED ISSUES

Peoples Gas System is not aware of any stipulated issues as of this date.

G. PENDING MOTIONS

Peoples Gas System is not aware of any pending motions as of this date.

H. PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

Peoples Gas System has no pending confidentiality claims or requests at this time.

I. OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT

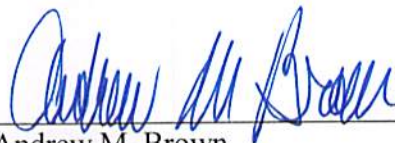
Peoples Gas System has no objections to any witness' qualifications as an expert in this proceeding.

J. COMPLIANCE WITH ORDER NO. PSC-2018-0115-PCO-GU

Peoples Gas System has complied with all requirements of the Order Establishing Procedure entered in this docket.

DATED this 12th day of October 2018.

Respectfully submitted,



Andrew M. Brown
ab@macfar.com; 813-273-4321
Ansley Watson, Jr.
aw@macfar.com, 813-273-4209
Macfarlane Ferguson & McMullen
Post Office Box 1531
Tampa, Florida 33601-1531
ATTORNEYS FOR PEOPLES GAS SYSTEM

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing filed on behalf of Peoples Gas System, has been furnished by electronic mail on this 12th day of October 2018, to the following:

J.R. Kelly/Charles Rehwinkel
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee FL 32399
(850) 488-9330
kelly.jr@leg.state.fl.us
Rehwinkel.charles@leg.state.fl.us

Paula Brown
Peoples Gas System
Regulatory Affairs
P. O. Box 111
Tampa FL 33601
(813) 228-1444
+1-813-2281770
regdept@tecoenergy.com

Beth Keating/Gregory M. Munson
Gunster Law Firm
215 South Monroe Street, Suite 601
Tallahassee FL 32301
(850) 521-1706, (850) 521-1713
bkeating@gunster.com, gmunson@gunster.com

Christopher T. Wright
Florida Power & Light Company
700 Universe Boulevard (LAW/JB)
Juno Beach FL 33408
(561) 691-2512, +1-561-6917135
Christopher.Wright@fpl.com


Paula M. Sparkman
Messer Law Firm
2618 Centennial Place
Tallahassee FL 32308
(850) 222-0720, +1-850-558-0643
psparkman@lawfla.com

Mr. Andy Shoaf
St. Joe Natural Gas Company, Inc.
P. O. Box 549
Port St. Joe FL 32457
(850) 229-8216, +1-850-2298392
andy@stjoegas.com

Ms. Carolyn Bermudez
Florida City Gas
933 East 25th Street
Hialeah FL 33013
(305) 835-3606
cbermude@southernco.com

Jerry H. Melendy, Jr.
Sebring Gas System, Inc.
3515 Highway 27 South
Sebring FL 33870
(863) 385-0194, +1-863-3853423
jmelendy@floridasbestgas.com

Mr. Mike Cassel
Florida Public Utilities Company
FPUC-Fort Meade, FPUC-Indiantown
Florida Div. of Chesapeake Utilities Corp.
1750 S.W. 14th Street, Suite 200
Fernandina Beach FL 32034
(904) 491-4361
mcassel@fpuc.com



Andrew M. Brown
Ansley Watson, Jr.