BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Natural gas conservation cost recovery. | DOCKET NO. 20180004-GU  ORDER NO. PSC-2018-0563-FOF-GU  ISSUED: November 29, 2018 |

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman

JULIE I. BROWN

DONALD J. POLMANN

GARY F. CLARK

ANDREW GILES FAY

APPEARANCES:

CHRISTOPHER T. WRIGHT, ESQUIRE, Florida Power & Light Company, 700 Universe Boulevard, Juno Beach, Florida, 33408

On behalf of Florida City Gas (FCG)

BETH KEATING and GREGORY M. MUNSON, ESQUIRES, Gunster, Yoakley & Stewart, P.A., 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301

On behalf of Florida City Gas (FCG)

AND

On behalf of the Florida Public Utilities Company (FPUC), Florida Public Utilities Company – Indiantown Division (Indiantown), Florida Public Utilities Company – Fort Meade (Fort Meade), and the Florida Division of Chesapeake Utilities Corporation (CUC)

Collectively referred to as FPUC Consolidated Companies (CC)

ANDREW M. BROWN and ANSLEY WATSON, JR., ESQUIRES, Macfarlane Ferguson & McMullen, Post Office Box 1531, Tampa, Florida 33601-1531

On behalf of Peoples Gas System (PGS)

CHARLES J. REHWINKEL, J.R. KELLY, and PATRICIA A. CHRISTENSEN, ESQUIRES, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399

On behalf of Citizens of the State of Florida (OPC)

PAULA M. SPARKMAN, ESQUIRE, Messer Caparello, P.A., Post Office Box 15579, Tallahassee, Florida 32317

On behalf of Sebring Gas System, Inc. (SGS)

CHARLES A. SHOAF, VICE PRESIDENT, Post Office Box 549, Port St. Joe, Florida 32457

On behalf of St. Joe Natural Gas Company (SJNG)

RACHAEL DZIECHCIARZ, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission (Staff)

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Advisor to the Florida Public Service Commission

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY FACTORS FOR JANUARY 2019 THROUGH DECEMBER 2019

BY THE COMMISSION:

BACKGROUND

As part of the Commission’s continuing Natural Gas Conservation Cost Recovery Clause proceedings, an administrative hearing was held November 5, 2018. FCG, FPUC, Indiantown, Fort Meade, CUC, PGS, SGS, and SJNG submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. Prior to the hearing, the parties reached an agreement concerning all issues identified for resolution at the hearing. OPC took no position. PGS and SJNG were excused from the hearing. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, and 366.06, F.S.

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 find they are supported by competent, substantial evidence of record, as set forth below.

DECISION

Conservation Cost Recovery Factors

We find the appropriate final conservation cost recovery true-up amounts for the period January 2017 through December 2017 are as follows:

FCG $166,106 over-recovery

FPUCConsolidated Companies $59,161 over-recovery

PGS  $324,464 under-recovery

SGS $3,246 under-recovery

SJNG $2,059 under-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for

the period January 2018 through December 2018 are as follows:

FCG $430,115 over-recovery

FPUC Consolidated Companies $561,329 over-recovery

PGS $1,110,202 under-recovery

SGS $13,882 under-recovery

SJNG $10,204 under-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2019 through December 2019 are as follows:

FCG $596,281 over-recovery

FPUC Consolidated Companies $620,490 over-recovery

PGS $1,434,666

SGS $46,648

SJNG$12,263 under-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2019 through December 2019 are as follows:

FCG $4,819,099

FPUCConsolidated Companies $3,749,031

PGS $18,488,090

SGS$60,530

SJNG $171,413

We find the appropriate conservation cost recovery factors for the period January 2019 through December 2019 are as follows:

**FCG:**

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| --- | --- |
| **Rate Class** | **CCR Factor ($/per therm)** |
| RS-1 | $0.19898 |
| RS-100 | $0.11940 |
| RS-600 | $0.07450 |
| GS-1 | $0.04288 |
| GS-6K | $0.03263 |
| GS-25K | $0.03163 |
| Gas Lights | $0.05150 |
| GS-120K | $0.02108 |

**FPUC CC:**

**CUC**

**Rate Class Adjustment Factor (dollars per therm)**

|  |  |  |  |
| --- | --- | --- | --- |
| 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 |

CUC also seeks approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors:

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| --- | --- |
| **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 Fort Meade**

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| --- | --- | --- |
| **Rate Class** |  | **Adjustment Factor (dollars per therm)** |
| RESIDENTIAL |  | $0.07369 |
|  |  |  |
| COMMERCIAL SMALL |  | $0.04462 |
| (Gen Srv GS1 & GS1 Transportation <600) |  |  |
|  |  |  |
| COMMERCIAL SMALL |  | $0.03451 |
| (Gen Srv GS2 & GS2 Transportation >600) |  |  |
|  |  |  |
| COMM. LRG VOLUME  (Large Vol & LV Transportation <,> 50,000 units) |  | $0.02874 |
| NATURAL GAS VEHICLES |  | $0.01252 |

**Indiantown**

|  |  |  |
| --- | --- | --- |
| **Rate Class** |  | **Adjustment Factor (dollars per therm)** |
| TS1 (INDIANTOWN DIVISION) |  | $0.07277 |
|  |  |  |
| TS2 (INDIANTOWN DIVISION) |  | $0.01038 |
|  |  |  |
| TS3 (INDIANTOWN DIVISION) |  | $0.02430 |
|  |  |  |
| TS4 (INDIANTOWN DIVISION) |  | $0.0000 |

**PGS:**

**Cost Recovery Factors**

**Rate Schedule (Dollars per Therm)**

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

**SGS:**

**RATE CLASS: RATE/$PER THERM**

TS-1 $0.22380/therm

TS-2 $0.08822/therm

TS-3 $0.05791/therm

TS-4 $0.04966/therm

**SJNG:**

**RATE CLASS: RATE/$PER THERM**

RS-1 $0.43076

RS-2 $0.26408

RS-3 $0.19925

GS-1 $0.17245

GS-2 $0.07667

GS-4/TS-4 $0.03544

Tariff Revisions Reflecting Natural Gas Conservation Cost Recovery Amounts and Establishing Natural Gas Conservation Cost Recovery Factors

We find the revised tariffs reflecting the new energy conservation cost charges determined to be appropriate in this proceeding are approved. We direct our staff to verify that the revised tariffs are consistent with this Order.

Conservation Cost Recovery Effective Date for 2019 Billing Cycle

The factors approved by us as reflected above shall 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.

Docket to Remain Open

While a separate docket number is assigned each year, this is a continuing docket and shall remain open for administrative convenience.

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 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. It is further

ORDERED that the utilities’ revised tariffs, reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate herein are approved. Our staff shall verify that the revised tariffs are consistent with this Order. It is further

ORDERED that the Natural Gas Conservation Cost Recovery Clause docket is ongoing and the docket shall remain open.

By ORDER of the Florida Public Service Commission this     29th       day of        November                       ,      2018               .

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| --- | --- |
|  | /s/ Carlotta S. Stauffer |
|  | CARLOTTA S. STAUFFER  Commission Clerk |

Florida Public Service Commission

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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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.