

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

October 8, 2019

E-PORTAL/ELECTRONIC FILING

Mr. Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20190004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Mr. Teitzman:

Attached for electronic filing, please find the Prehearing Statement 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 for the above-referenced docket.

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. 20190004-GU
Filed: October 8, 2019

CONSOLIDATED PREHEARING STATEMENT 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

In accordance with Order No. PSC-2019-0083-PCO-GU, issued February 26, 2019, as amended by Order No. PSC-2019-0083A-PCO-GU, 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, ” hereby submit their Consolidated Prehearing Statement:

a. All Known Witnesses

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Curtis Young	True Up for 2018	Issue 1
G. Scott Ranck	Actual/Estimated True-up Amount for 2019; cost recovery factors for 2020; effective date	Issues 2 – 7

b. All Known Exhibits

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
CDY-1	Curtis Young	True-Up Variance Analysis [Schedules CT1-CT6]
GSR-1	G. Scott Ranck	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 2018, the estimated true-up for the period January through December, 2019, and the projected conservation program expenses and recovery factors for the period January through December, 2020.

d. Position on the Issues

ISSUE 1. What are the final conservation cost recovery adjustment true-up amounts for the period January 2018 through December 2018?

Consolidated Companies: The Consolidated Companies over-recovered \$371,568, as compared to the estimated over-recovery of \$620,489, resulting in an adjusted end of period total true up amount of an under-recovery of \$248,921.

ISSUE 2: What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2019 through December 2019? [Current year true-up amount]

Consolidated Companies: The projected true-up for the period January 2019 through December 2019 is an over-recovery of \$152,510.

ISSUE 3: What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2020 through December 2020?

Consolidated Companies: The projected net true-up is an under-recovery of \$96,411.

ISSUE 4. What are the total conservation cost recovery amounts to be collected during the period January 2020 through December 2020?

Consolidated Companies: A total of \$5,318,211 remains to be recovered during the period January 1, 2020 through December 31, 2020.

ISSUE 5. What are the conservation cost recovery factors for the period January 2020 through December 2020?

CUC: The appropriate factors are:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>	
FTS-A	\$	0.25768
FTS-B	\$	0.19566
FTS-1	\$	0.17125
FTS-2	\$	0.08675
FTS-2.1	\$	0.06376
FTS-3	\$	0.05567
FTS-3.1	\$	0.04165
FTS-4	\$	0.03543
FTS-5	\$	0.03028

<u>Rate Class</u>		<u>Adjustment Factor</u> <u>(dollars per therm)</u>
FTS-6	\$	0.02557
FTS-7	\$	0.01728
FTS-8	\$	0.01558
FTS-9	\$	0.01356
FTS-10	\$	0.01259
FTS-11	\$	0.01015
FTS-12	\$	0.00845

The Consolidated Companies also seek approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors for Chesapeake:

<u>Rate Class</u>	<u>ECCR Factor (\$ per bill)</u>
FTS-A	\$1.57
FTS-B	\$2.05
FTS-1	\$2.58
FTS-2	\$5.32
FTS-2.1	\$7.63
FTS-3	\$18.80
FTS-3.1	\$25.86

FPUC and FPU-Fort Meade:

The appropriate factors are:

<u>Rate Class</u>		<u>Adjustment</u> <u>Factor (dollars</u> <u>per therm)</u>
RESIDENTIAL (FPU, Fort Meade)	\$	0.10281

<u>Rate Class</u>	\$	<u>Adjustment Factor (dollars per therm)</u>
COMMERCIAL SMALL (FPU, Fort Meade)(Gen Srv GS1 & GS Transportation <600)	\$	0.06276
COMMERCIAL SMALL (FPU, Fort Meade) (Gen Srv GS2 & GS Transportation >600)	\$	0.04750
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <, > 50,000 units)	\$	0.03987
Natural Gas Vehicles	\$	0.01743

Indiantown: The appropriate factors are:

<u>Rate Class</u>	\$	<u>Adjustment Factor (dollars per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$	0.10118
TS2 (INDIANTOWN DIVISION)	\$	0.01424
TS3 (INDIANTOWN DIVISION)	\$	0.02720
TS4 (INDIANTOWN DIVISION) ¹	\$	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?

¹ The Consolidated Companies note that the customers in this class are no longer on the system; therefore, the rate is appropriately reflected as \$0.

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 2020 through December 2020. Billing cycles may start before January 1, 2020 and the last cycle may be read after December 31, 2020, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

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. 2019-0083-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 8th day of October, 2019.



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

*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 8th day of October, 2019:

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	MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown P.O. Box 1531 Tampa, FL 33601-1531 aw@macfar.com AB@macfar.com
Florida Power & Light Company Christopher T. Wright 700 Universe Boulevard Juno Beach, FL 33408 Christopher.Wright@fpl.com	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
Peoples Gas System Paula Brown Mark Roche P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com MRRoche@tecoenergy.com	St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 andy@stjoegas.com

<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 4045 NW 97th Avenue Doral, Florida 33178 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>



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Tallahassee, FL 32301
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