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October 7, 2020

E-PORTAL/ELECTRONIC FILING

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

Re: Docket No. 20200004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Mr. Teitzman:

Attached for electronic filing, please find Florida Public Utilities Company's Prehearing Statement.

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. 20200004-GU
Filed: October 7, 2020

**CONSOLIDATED PREHEARING STATEMENT FOR FLORIDA PUBLIC UTILITIES
COMPANY, FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
AND FLORIDA PUBLIC UTILITIES-INDIANTOWN DIVISION**

In accordance with Order No. PSC-2020-0043-PCO-GU, issued January 31, 2020, as amended by Order No. PSC-2020-0123-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 2019	Issue 1
G. Scott Ranck	Actual/Estimated True-up Amount for 2020; cost recovery factors for 2021; effective date	Issues 2 – 7

b. All Known Exhibits

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>	<u>Issues</u>
CDY-1	Curtis Young	True-Up Variance Analysis [Schedules CT1-CT6]	1
GSR-1	G. Scott Ranck	Projections: Estimated ECCR charges by rate class [Schedules C-1 through C-4]	2-7

c. Statement of Basic Position

The Commission should approve the Consolidated Companies' respective final net true-ups for the period January through December 2019, the estimated true-up for the period January through December, 2020, and the projected conservation program expenses and recovery factors for the period January through December, 2021.

d. Position on the Issues

ISSUE 1. What are the final conservation cost recovery adjustment true-up amounts for the period January 2019 through December 2019?

Consolidated Companies: The Consolidated Companies under-recovered \$193,938, as compared to the estimated under-recovery of 96,411, resulting in an adjusted end of period total true up amount of an under-recovery of \$97,527.

ISSUE 2: What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2020 through December 2020? [Current year true-up amount]

Consolidated Companies: The projected true-up for the period January 2020 through December 2020 is an under-recovery of \$710,598.

ISSUE 3: What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2021 through December 2021

Consolidated Companies: The projected net true-up is an under-recovery of \$808,125.

ISSUE 4. What are the total conservation cost recovery amounts to be collected during the period January 2021 through December 2021?

Consolidated Companies: A total of \$3,991,575 remains to be recovered during the period January 1, 2021 through December 31, 2021.

ISSUE 5. What are the conservation cost recovery factors for the period January 2021 through December 2021?

CUC: The appropriate factors are:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>	
FTS-A	\$	0.18991
FTS-B	\$	0.14315
FTS-1	\$	0.12747
FTS-2	\$	0.06564
FTS-2.1	\$	0.04827
FTS-3	\$	0.04341
FTS-3.1	\$	0.03171
FTS-4	\$	0.02651
FTS-5	\$	0.02285

<u>Rate Class</u>		<u>Adjustment Factor</u> <u>(dollars per therm)</u>
FTS-6	\$	0.01928
FTS-7	\$	0.01295
FTS-8	\$	0.01175
FTS-9	\$	0.00981
FTS-10	\$	0.00936
FTS-11	\$	0.00737
FTS-12	\$	0.00651

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	\$1.16
FTS-B	\$1.52
FTS-1	\$1.90
FTS-2	\$3.88
FTS-2.1	\$5.51
FTS-3	\$13.35
FTS-3.1	\$18.57

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)	\$	0.07642

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
COMMERCIAL SMALL (FPU, Fort Meade)(Gen Srv GS1 & GS Transportation <600)	\$	0.04805
COMMERCIAL SMALL (FPU, Fort Meade) (Gen Srv GS2 & GS Transportation >600)	\$	0.03549
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <, > 50,000 units)	\$	0.02965
Natural Gas Vehicles	\$	0.01278

Indiantown: The appropriate factors are:

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$	0.07366
TS2 (INDIANTOWN DIVISION)	\$	0.01021
TS3 (INDIANTOWN DIVISION)	\$	0.01727
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

ISSUE 7: 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 2021 through December 2021. Billing cycles may start before January 1, 2021 and the last cycle may be read after December 31, 2021, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

COMPANY SPECIFIC CONSERVATION COST RECOVERY ISSUES

Florida City Gas

ISSUE 8A: Should the Commission approve FCG's Petition to establish a conservation cost recovery factor for the GS-1250K rate class, and if so, what is the appropriate conservation cost recovery factor for the period January 2021 through December 2021?

Consolidated Companies: No position.

ISSUE 8B: How should the clause recoverable amounts allocated to this rate class be recorded in the true up filings for 2021?

Consolidated Companies: No position.

ISSUE 9A: Should the Commission approve FCG's Petition to establish a conservation cost recovery factor for the GS11M-GS25M rate class, and if so, what is the appropriate conservation cost recovery factor for the period January 2021 through December 2021?

Consolidated Companies: No position.

ISSUE 9B: How should the clause recoverable amounts allocated to this rate class be recorded in the true up filings for 2021?

Consolidated Companies: No position.

ISSUE 10: Should this docket be closed?

Consolidated Companies: This is an ongoing proceeding; however, upon the conclusion of this year's proceeding, this docket should be closed and a new docket should be opened to address cost recovery for 2021.

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. 2020-0043-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 7th day of October, 2020.

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

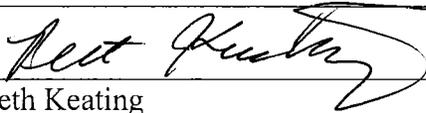
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*Attorneys for Florida Public Utilities
Company, Florida Public Utilities Company-
Indiantown Division, Florida Public Utilities
Company – Fort Meade, and the Florida
Division of Chesapeake Utilities Corporation*

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 7th day of October, 2020:

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