

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 20220004-GU  
ORDER NO. PSC-2022-0423-FOF-GU  
ISSUED: December 14, 2022

The following Commissioners participated in the disposition of this matter:

ANDREW GILES FAY, Chairman  
ART GRAHAM  
GARY F. CLARK  
MIKE LA ROSA  
GABRIELLA PASSIDOMO

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY  
AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY  
FACTORS FOR JANUARY 2023 THROUGH DECEMBER 2023

APPEARANCES:

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida 32301-1804; and CHRISTOPHER T. WRIGHT, ESQUIRE, 700 Universe Boulevard, Juno Beach, Florida 33408-2863  
On behalf of FLORIDA CITY GAS (FCG).

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida 32301-1804  
On behalf of FLORIDA PUBLIC UTILITIES COMPANY (FPUC), FLORIDA PUBLIC UTILITIES COMPANY-FORT MEADE, FLORIDA PUBLIC UTILITIES COMPANY-INDIANTOWN DIVISION, FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (CUC) (jointly, CONSOLIDATED COMPANIES), and on behalf of SEBRING GAS SYSTEM (SEBRING).

J. JEFFRY WAHLEN, ESQUIRE, MALCOLM N. MEANS, ESQUIRE, and VIRGINIA PONDER, ESQUIRE, Ausley McMullen, 123 S. Calhoun St., Tallahassee, Florida 32301-1517  
On behalf of PEOPLES GAS SYSTEM (PGS).

DEBBIE STITT, P.O. Box 549, Port St. Joe, Florida 32457-0549  
On behalf of ST. JOE NATURAL GAS COMPANY, INC. (SJNG).

RICHARD GENTRY, ESQUIRE, and CHARLES J. REHWINKEL, ESQUIRE,  
111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400  
On behalf of OFFICE OF PUBLIC COUNSEL (OPC).

MATTHEW JONES, ESQUIRE, and ADRIA HARPER, 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.

BY THE COMMISSION:

### BACKGROUND

As part of the Commission's continuing natural gas conservation cost recovery clause proceedings, an administrative hearing was held on November 17, 2022. The clause proceedings allow natural gas companies to seek recovery of their costs for approved natural gas conservation programs on an annual basis, pursuant to Sections 366.80-366.83, Florida Statutes (F.S.), and Chapter 25-17, Florida Administrative Code (F.A.C.). FCG, the Consolidated Companies, PGS, Sebring, 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. We have jurisdiction over this subject matter by the provisions of Chapter 366, F.S., including Sections 366.04, 366.05, and 366.06, F.S.

### DECISION

Prior to the hearing, the parties reached Type 2 stipulations<sup>1</sup> on all issues identified for resolution at hearing, with the Utilities agreeing to proposed stipulations to the final and estimated true-up amounts and purchased gas cost recovery factors appropriate for each utility, and with OPC taking no position on these proposed stipulations. The OPC position on each Type 2 stipulation is as follows:

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<sup>1</sup> A Type 2 stipulation occurs on an issue when the utility and the staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if they do not join in the agreement) do not object to us relying on the agreed language to resolve that issue in a final order.

OPC takes no position on these issues nor does it have the burden of proof related to them. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the Company and another party or staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on these issues, either in this docket, in an order of the Commission, or in a representation to a Court.

The proposed stipulations were presented to us for approval. We accept and approve the proposed stipulations as reasonable and supported by competent, substantial evidence of record, as set forth below.

#### Conservation Cost Recovery Amounts and Factors

We find the appropriate final conservation cost recovery true-up amounts for the period January 2021 through December 2021 are as follows:

FCG	\$469,106	Under-recovery
Consolidated Companies	\$422,449	Over-recovery
PGS	\$2,209,020	Over-recovery
Sebring	\$7,104	Over-recovery
SJNG	\$23,184	Over-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for the period January 2022 through December 2022 are as follows:

FCG	\$67,504	Over-recovery
Consolidated Companies	\$430,359	Under-recovery
PGS	\$1,333,568	Over-recovery
Sebring	\$13,584	Under-recovery
SJNG	\$56,534	Over-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from the period January 2022 through December 2022 are as follows:

FCG	\$404,512	Under-recovery
Consolidated Companies	\$7,910	Under-recovery
PGS	\$3,542,588	Over-recovery
Sebring	\$6,480	Under-recovery
SJNG	\$79,718	Over-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2023 through December 2023 are as follows:

FCG	\$7,012,004
Consolidated Companies	\$4,728,310
PGS	\$18,338,325
Sebring	\$35,945
SJNG	\$114,907

We find the appropriate conservation cost recovery factors for the period January 2023 through December 2023 are as follows:

**FCG:**

<u>Rate Schedule</u>	<u>Conservation Recovery Factors</u> <u>(\$/therm)</u>
RS1	\$0.25615
RS-100	\$0.16795
RS-600	\$0.09486
GS-1	\$0.05986
GS-6K	\$0.04463
GS-25K	\$0.04452
Gas Lights	\$0.07066
GS-120K	\$0.02987
GS-1250K	\$0.01939
GS11M-GS-25M	\$0.00000

**Consolidated  
Companies:**CUC:

<b><u>Rate Schedule</u></b>	<b><u>Conservation Recovery Factors (\$/therm)</u></b>
FTS-A	\$0.20323
FTS-B	\$0.16565
FTS-1	\$0.14368
FTS-2	\$0.08328
FTS-2.1	\$0.06057
FTS-3	\$0.05038
FTS-3.1	\$0.03687
FTS-4	\$0.03123
FTS-5	\$0.02755
FTS-6	\$0.02035
FTS-7	\$0.01484
FTS-8	\$0.01366
FTS-9	\$0.01167
FTS-10	\$0.00964
FTS-11	\$0.00965
FTS-12	\$0.00794
FTS-NGV	\$0.01563

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

<b><u>Rate Schedule</u></b>	<b><u>Conservation Recovery Factors (\$/bill)</u></b>
FTS-A	\$1.38
FTS-B	\$1.77
FTS-1	\$2.24
FTS-2	\$4.32
FTS-2.1	\$6.04
FTS-3	\$15.59
FTS-3.1	\$21.66

FPUC and FPU-Fort Meade:

<b><u>Rate Schedule</u></b>	<b><u>Conservation Recovery Factors (\$/therm)</u></b>
Residential	\$0.08852
Commercial Small (General Service GS1 and GS Transportation <600)	\$0.05352
Commercial Small (General Service GS1 and GS Transportation >600)	\$0.04181
Commercial Large Volume (Large Volume and LV Transportation < , > 50,000 Units)	\$0.03467
Natural Gas Vehicles	\$0.01483

Indiantown:

<b><u>Rate Schedule</u></b>	<b><u>Conservation Recovery Factors (\$/therm)</u></b>
TS 1 (Indiantown Division)	\$0.09466
TS 2 (Indiantown Division)	\$0.01188
TS 3 (Indiantown Division)	\$0.01178
TS 4 (Indiantown Division)	\$0.00000

**PGS:**

<b><u>Rate Schedule</u></b>	<b><u>Conservation Recovery Factors (\$/therm)</u></b>
RS1, RS-SG, and RS-GHP	\$0.09056
SGS	\$0.05718
GS-1, CS-SG, and CS-GHP	\$0.02909
GS-2	\$0.02167
GS-3	\$0.01843
GS-4	\$0.01336
GS-5	\$0.00928
NGVS	\$0.00000
CSLS	\$0.01851

**SEBRING:**

<b><u>Rate Schedule</u></b>	<b><u>Conservation Recovery Factors (\$/therm)</u></b>
TS-1	\$0.12192
TS-2	\$0.05051
TS-3	\$0.03418
TS-4	\$0.02981

**SJNG:**

<b><u>Rate Schedule</u></b>	<b><u>Conservation Recovery Factors (\$/therm)</u></b>
RS-1	\$0.27254
RS-2	\$0.19097
RS-3	\$0.14851
GS-1	\$0.09512
GS-2	\$0.05337
FTS4/GS-4	\$0.04049

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

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

Conservation Cost Recovery Effective Date for 2023 Billing Cycle

The factors we approved as reflected above shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2023 through December 2023. Billing cycles may start before January 1, 2023 and the last cycle may be read after December 31, 2023, 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 2023 through December 2023. Billing cycles may start before January 1, 2023, and the last cycle may be read after December 31, 2023, 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 on-going and the docket shall remain open.



By ORDER of the Florida Public Service Commission this 14th day of December, 2022.



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ADAM J. TEITZMAN  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850) 413-6770  
www.floridapsc.com

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

MJJ

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Subsection 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.