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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20230004-GU

In re: Natural gas conservation  
cost recovery.

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VOLUME 1  
PAGES 1 - 56

PROCEEDINGS: HEARING

COMMISSIONERS  
PARTICIPATING: CHAIRMAN ANDREW GILES FAY  
COMMISSIONER GARY F. CLARK  
COMMISSIONER MIKE LA ROSA  
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Wednesday, November 1, 2023

TIME: Commenced: 9:30 a.m.  
Concluded: 9:56 a.m.

PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK  
Court Reporter

PREMIER REPORTING  
112 W. 5TH AVENUE  
TALLAHASSEE, FLORIDA  
(850) 894-0828

1 APPEARANCES:

2 BETH KEATING, ESQUIRE, Gunster Law Firm, 215  
3 South Monroe Street, Suite 601, Tallahassee, Florida  
4 32301; CHRISTOPHER T. WRIGHT, ESQUIRE, 700 Universe  
5 Boulevard, Juno Beach, Florida 33408-2863; appearing on  
6 behalf of Florida City Gas (FCG).

7 BETH KEATING, ESQUIRE, Gunster Law Firm, 215  
8 South Monroe Street, Suite 601, Tallahassee, Florida  
9 32301; appearing on behalf of Florida Public Utilities  
10 Company, Florida Public Utilities Company (FPUC), and on  
11 behalf of Sebring Gas System (SEBRING).

12 J. JEFFREY WAHLEN, MALCOLM N. MEANS and  
13 VIRGINIA PONDER, ESQUIRES, Ausley Law Firm, Post Office  
14 Box 391, Tallahassee, Florida 32302; appearing on behalf  
15 of Peoples Gas System, Inc. (PGS).

16 WALT TRIERWEILER, PUBLIC COUNSEL; CHARLES J.  
17 REHWINKEL, DEPUTY PUBLIC COUNSEL, PATRICIA A.  
18 CHRISTENSEN, MARY A. WESSLING and OCTAVIO PONCE,  
19 ESQUIRES, OFFICE OF PUBLIC COUNSEL, c/o The Florida  
20 Legislature, 111 West Madison Street, Room 812,  
21 Tallahassee, Florida 32399-1400; appearing on behalf of  
22 the Citizens of the State of Florida (OPC).

23

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25

1 APPEARANCES CONTINUED:

2                   TIMOTHY SPARKS and CARLOS MARQUEZ, II,  
3 ESQUIRES, FPSC General Counsel's Office, 2540 Shumard  
4 Oak Boulevard, Tallahassee, Florida 32399-0850,  
5 appearing on behalf of the Florida Public Service  
6 Commission (Staff).

7                   KEITH C. HETRICK, GENERAL COUNSEL; MARY ANNE  
8 HELTON, ESQUIRE, Florida Public Service Commission, 2540  
9 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850,  
10 Advisor to the Florida Public Service Commission.

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I N D E X

WITNESS:	PAGE
MIGUEL BUSTOS	
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EXHIBITS

NUMBER:		ID	ADMITTED
1	Comprehensive Exhibit List	53	53
2-23	As identified on the CEL	53	54

1 P R O C E E D I N G S

2 CHAIRMAN FAY: Showing that, we will adjourn  
3 the 03 docket and we will move to the 04 docket for  
4 Mr. Sparks to present when you are ready.

5 MR. SPARKS: Thank you, Mr. Chairman.

6 I would note for the record that St. Joe  
7 Natural Gas has been excused from participating in  
8 these proceedings.

9 There are proposed Type 2 stipulations on all  
10 the issues, with the intervenors not objecting, and  
11 these can be voted on today.

12 All witnesses have been excused and all  
13 parties agreed to waive opening statements and  
14 post-hearing briefs.

15 CHAIRMAN FAY: Okay. Any preliminary matters  
16 on the 04 docket from the parties?

17 Okay. Showing none. We will move into  
18 prefiled testimony, Mr. Sparks.

19 MR. SPARKS: Staff asks that the prefiled  
20 testimony of all witnesses identified in Section VI  
21 of the Prehearing Order be inserted into the record  
22 as though read.

23 CHAIRMAN FAY: Okay. Show the listed prefiled  
24 testimony moved in the record without objection.

25 (Whereupon, prefiled direct testimony of

1 Miguel Bustos was inserted.)

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 20230004-GU**

**FLORIDA CITY GAS**

**NATURAL GAS CONSERVATION COST RECOVERY TRUE-UP AMOUNT FOR  
THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2022**

**DIRECT TESTIMONY OF MIGUEL BUSTOS**

**May 1, 2023**



1 **Q. Please state your name and business address.**

2 A. My name is Miguel Bustos. My business address is 4045 NW 97 Avenue, Doral,  
3 Florida 33178.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Florida City Gas (“FCG” or “Company”) as Manager of  
6 Governmental & Community Affairs.

7 **Q. What are your responsibilities as Manager of Governmental & Community  
8 Affairs?**

9 A. I am responsible for managing FCG’s Purchased Gas Adjustment clause, the overall  
10 strategic design and management of the Company’s energy efficiency programs, as  
11 well as development of strategies of new business channels and emerging technologies.  
12 I am also responsible for providing direction and oversight for the Company’s  
13 implementation of governmental and community affairs. I have held these  
14 responsibilities since 2013.

15 **Q. Please describe your prior work experience and responsibilities.**

16 A. I began my career at FCG in 2003. I progressed through roles in operations, budgeting,  
17 accounting, and business operations. Prior to joining FCG, I was a corporate lead  
18 auditor at PricewaterhouseCoopers.

19 **Q. What is your educational background?**

20 A. I have a Bachelor of Science Degree in Accounting from the National Polytechnic  
21 Institute (Mexico City) and completed MBA coursework from the University of  
22 Americas.

23 **Q. Please explain the purpose of your testimony.**

24 A. The purpose of my testimony is to present FCG’s final net Natural Gas Conservation  
25 Cost Recovery (“NGCCR”) true-up amount for the period of January 1, 2022, through

1 December 31, 2022.

2 **Q. Has the Company prepared the schedules prescribed by this Commission for this**  
3 **purpose?**

4 A. Yes. Attached to my testimony as Exhibit MB-1 are the Schedules CT-1, CT-2, CT-3,  
5 and CT-6 supplied by Commission Staff. These schedules provide the information and  
6 data required by Rule 25-17.015, Florida Administrative Code (“F.A.C.”).

7 **Q. Are you familiar with FCG’s energy conservation programs?**

8 A. Yes. A description of each program is provided in Exhibit MB-1, Schedule CT-6.

9 **Q. What was the total actual cost incurred by FCG for its energy conservation**  
10 **programs during the period January 1, 2022 through December 31, 2022?**

11 A. During this period, FCG incurred a total of \$6,070,844 for its energy conservation  
12 programs, including common costs, as shown in Exhibit MB-1, Schedule CT-2, Page 2  
13 of 4. The costs incurred for each energy conservation program are provided in Exhibit  
14 MB-1, Schedule CT-6.

15 **Q. What was the total amount of revenues recovered through the NGCCR during the**  
16 **period of January 1, 2022 through December 31, 2022?**

17 A. During this period, the Company recovered a total amount of \$6,388,055 through the  
18 NGCCR as shown on Line 6 of FCG Exhibit MB-1, Schedule CT-3, Page 4 of 5.

19 **Q. What is the Company’s actual end of period over/under recovery amount for the**  
20 **period of January 1, 2022 through December 31, 2022?**

21 A. The actual over/under recovery amount for this period is an over-recovery of \$310,928  
22 as shown on Line 8 plus Line 9 of Exhibit MB-1, Schedule CT-3, page 4 of 5.

23 **Q. Can you explain how you calculated that amount?**

24 A. Yes. As shown on Exhibit MB-1, Schedule CT-3, Page 4 of 5, total energy conservation  
25 costs incurred for the period were \$6,070,844 (Line 7) and the total revenues recovered

1 through the NGCCR for the period were \$6,388,055 (Line 6), which results in an over-  
2 recovery of \$317,211 (Line 8). As calculated on Exhibit MB-1, Schedule CT-3, Page 5  
3 of 5, the interest on this under-recovery is \$6,282. The sum of these amounts is an over-  
4 recovery of \$310,928 for the period of January 1, 2022 through December 31, 2022  
5 (Lines 8+9).

6 **Q. Did you also provide a comparison of the actual over/under recovery and the**  
7 **projected over/under recovery reported in the Company's actual/estimated filing**  
8 **for the period January 1, 2022 through December 31, 2022 as required by Rule 25-**  
9 **17.015(1)(a), F.A.C.?**

10 A. Yes. A summary of this comparison is provided in Exhibit MB-1, Schedule CT-2, Page  
11 1 of 4. Based on six months of actual data and six months of projected data, FCG  
12 projected an end of period over-recovery amount for 2022 of \$64,595 as compared to an  
13 actual over-recovery of \$310,928 (based on 12 months of actual data). This results in a  
14 net over-recovery amount of \$246,333 for the period January 1, 2022 through December  
15 31, 2022. This amount is calculated on Exhibit MB-1, Schedule CT-1.

16 **Q. What true-up amount for the period January through December 2022 should be**  
17 **included in the Company's NGCCR Factor for the period of January 1, 2024**  
18 **through December 31, 2024 ("2024 NGCCR Factor")?**

19 A. The final, net true-up for 2022 that should be included in the Company's 2024 NGCCR  
20 Factor is an over-recovery of \$246,333.

21 **Q. Does this conclude your testimony?**

22 A. Yes, it does.

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 20230004-GU**

**FLORIDA CITY GAS**

**NATURAL GAS CONSERVATION COST RECOVERY**

**2023 ACTUAL/ESTIMATED TRUE-UP AND 2024 PROJECTION**

**DIRECT TESTIMONY OF MIGUEL BUSTOS**

**August 4, 2023**

1 **Q. Please state your name and business address.**

2 A. My name is Miguel Bustos. My business address is 4045 NW 97 Avenue, Doral,  
3 Florida 33178.

4 **Q. By whom are you employed and what is your position?**

5 A. I am employed by Florida City Gas (“FCG” or “Company”) as Manager Regulatory  
6 Marketing and Energy Conservation.

7 **Q. Did you previously submit testimony in this docket?**

8 A. Yes. On May 2, 2023, I submitted direct testimony and Exhibit MB-1 in support of  
9 FCG’s final, net Natural Gas Conservation Cost Recovery (“NGCCR”) true-up amount  
10 for the period January 1, 2022 through December 31, 2022.

11 **Q. Are you sponsoring any exhibits?**

12 A. Yes. I am sponsoring the following exhibit:

- 13 • Exhibit MB-2 - Schedules C-1 through C-5

14 **Q. What is the purpose of your testimony in this proceeding?**

15 A. My testimony supports FCG’s request for Florida Public Service Commission  
16 (“Commission”) approval of the NGCCR Factors to be applied during the period of  
17 January 1, 2024 through December 31, 2024 (the “Projection Period”). My testimony  
18 will present the revised projected true-up for the current period January 1, 2023 through  
19 December 31, 2023, based on actual data for six months and projected data for six months  
20 (the “Actual/Estimated True-Up”). I will then present the development of the proposed  
21 NGCCR Factors to be charged during the Projection Period.

22

1 **Q. Has the Company prepared the schedules prescribed by this Commission for this**  
2 **purpose?**

3 A. Yes. Exhibit MB-2 includes Schedules C-1 through C-5, which are the forms prescribed  
4 by Commission Staff. These schedules provide the information and data required by  
5 Rule 25-17.015, Florida Administrative Code, and are used to calculate FCG's  
6 Actual/Estimated True-Up for the current period and the proposed NGCCR Factors for  
7 the Projection Period.

8 **Q. Are you familiar with FCG's energy conservation programs?**

9 A. Yes. A description of each program is provided in Schedule C-5.

10 **Q. Is FCG proposing any new or modified energy conservation programs for**  
11 **NGCCR cost recovery during the Projection Period?**

12 A. No.

13 **Q. What are FCG's total projected energy conservation program costs for the**  
14 **Projection Period?**

15 A. As shown on page 1 of Schedule C-1, the total projected cost to be recovered for the  
16 period January 2024 through December 2024 is \$6,471,483 (Schedule C-1, line 3).  
17 This represents a total cost of \$6,807,689 projected to be incurred during the Projection  
18 Period (Schedule C-1, line 1), less the estimated net true-up over-recovery of \$336,206  
19 for 2023 (Schedule C-1, line 2).

20 **Q. Please explain how the estimated true-up was calculated.**

21 A. The calculation of the estimated net true-up amount to be included in the 2024 NGCCR  
22 Factors is provided on page 4 of Schedule C-3. I previously submitted direct testimony  
23 and Exhibit MB-1 in support of the final, net NGCCR true-up amount for the period

1 January 2022 through December 2022. As shown therein, the actual over/under recovery  
2 amount for the period January 2022 through December 2022, inclusive of interest, was  
3 an under-recovery of \$314,639. Included in the NGCCR Factors for the current period  
4 January 2023 through December 2023 was an estimated under-recovery of \$404,512.  
5 Thus, the final, net NGCCR true-up amount for the period January 2022 through  
6 December 2022, net of interest, adjustments, and the estimated under-recovery included  
7 in the 2023 NGCCR Factors, was an over-recovery of \$246,333. See Exhibit MB-1,  
8 Schedule CT-1 filed on May 2, 2022.

9  
10 The Actual/Estimated True-Up amount for the current period January 2023 through  
11 December 2023, based on six months of actual data and six months of projected data, is  
12 an over-recovery of \$75,243 (Schedule C-3, page 4 of 5, line 8). The interest on this  
13 over-recovery is \$14,630 (Schedule C-3, page 5 of 5, line 10).

14  
15 The total estimated net true-up to be included in the 2024 NGCCR Factors, inclusive of  
16 the final true-up for 2022, the Actual/Estimated True-Up for the current period, and  
17 interest, is an over-recovery of \$336,206 (Schedule C-3, page 4 of 5, line 12). This  
18 estimated true-up amount is included in the total \$6,471,483 of energy conservation  
19 program costs projected for the period January 2024 through December 2024 as shown  
20 on page 1 of Schedule C-1, line3.

21  
22

1 **Q. What are the NGCCR Factors that FCG is proposing to recover for the total**  
 2 **projected energy conservation program costs during the Projection Period?**

3 A. Utilizing the rate design and cost allocation methodology approved by the Commission,  
 4 FCG proposes the following 2024 NGCCR Factors:

	<u>Rate Schedule</u>	<u>NGCCR Factor</u>
5		
6	RS-1	\$0.29484
7	RS-100	\$0.14192
8	RS-600	\$0.08522
9	GS-1	\$0.05856
10	GS-6K	\$0.04196
11	GS-25K	\$0.03873
12	Gas Lights	\$0.04635
13	GS-120K	\$0.02624
14	GS-1250K	\$0.01500
15	GS-11M – GS-25M	\$0.00000

16 Page 1 of Schedule C-1 contains the Commission prescribed form that details these  
 17 NGCCR Factors proposed for the period January 1, 2024 through December 31, 2024.

18 **Q. Does this conclude your testimony?**

19 A. Yes.



1                   (Whereupon, prefiled direct testimony of  
2   Derrick M. Craig was inserted.)

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 20230004-GU  
NATURAL GAS CONSERVATION COST RECOVERY

Direct Testimony of  
Derrick M. Craig  
On Behalf of  
Florida Public Utilities Company

1 Q. Please state your name and business address.

2 A. Derrick M. Craig: my business address is 208 Wildlight Avenue, Yulee, Florida 32097.

3 Q. By whom are you employed and in what capacity?

4 A. I am employed by Florida Public Utilities Company as the Energy Conservation  
5 Manager.

6 A. I am employed by Chesapeake Utilities Corporation as Regulatory Manager, South.  
7 Chesapeake Utilities is the parent company of Florida Public Utilities Company  
8 (“Company” or “FPUC”).

9 Q. What is the purpose of your testimony at this time?

10 A. To advise the Commission of the actual over/under recovery of the Conservation costs  
11 for the period January 1, 2022 through December 31, 2022 as compared to the amount  
12 previously reported for that period which was based on Six months actual and Six months  
13 estimated data.

14 Q. Please state the actual amount of over/under recovery of Conservation Program costs for  
15 the gas divisions of Florida Public Utilities Company for January 1, 2022 through  
16 December 31, 2022.

1 A. The Company over-recovered \$948,141 during that period. This amount is substantiated  
2 on Schedule CT-3, page 2 of 3, Calculation of True-up and Interest Provision.

3 Q. How does this amount compare with the estimated true-up amount which was allowed by  
4 the Commission?

5 A. We had estimated that we would under-recover \$7,910 as of December 31, 2022.

6 Q. Have you prepared any exhibits at this time?

7 A. We have prepared and pre-filed Schedules CT-1, CT-2, CT-3, CT-4, CT-5 and CT-6  
8 (Composite Exhibit DMC-1).

9 Q. Does this conclude your testimony?

10 A. Yes.

1                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION  
2                   DOCKET NO. 20230004-GU: Natural Gas Conservation Cost Recovery

3

4                                   Direct Testimony of Derrick M. Craig

5   On Behalf of

6                   FLORIDA PUBLIC UTILITIES CONSOLIDATED GAS COMPANIES

7

8       **Q. Please state your name and business address.**

9       A. My name is Derrick M. Craig. My business address is 208 Wildlight Avenue,  
10       Yulee, FL 32097.

11       **Q. By whom are you employed and in what capacity?**

12       A. I am employed by Florida Public Utilities Company (FPUC) as the Manager  
13       of Energy Conservation.

14       **Q. Can you please provide a brief overview of your educational and  
15       employment background?**

16       A. I graduated from the Georgia Institute of Technology in 1991 with a  
17       Bachelor's degree of Electrical Engineering, and I obtained a Masters of  
18       Business Administration from the Darden Graduate School of Business (the  
19       University of Virginia) in 1997. I have been employed with Florida Public  
20       Utilities Company since 2019, starting as a Regulatory Analyst before  
21       reaching my current position as the Energy Conservation Manager in 2021.

22       **Q. What is the purpose of your testimony at this time?**

23       A. To describe generally the expenditures made and projected to be made in  
24       implementing, promoting, and operating the Company's energy conservation  
25       programs. This will include recoverable costs incurred in January through  
26       June 2023 and projections of program costs to be incurred July through

1 December 2023. It will also include projected conservation costs, for the  
2 period January through December 2024, with a calculation of the Energy  
3 Conservation Cost Recovery Adjustment and Energy Conservation Cost  
4 Recovery Adjustment (Experimental) factors to be applied to the customers'  
5 bills during the collection period of January 1, 2024 through December 31,  
6 2024.

7 **Q. Are there any exhibits that you wish to sponsor in this proceeding?**

8 A. Yes. I am sponsoring Exhibit DMC-2, which consists of Schedules C-1, C-2,  
9 C-3, and C-5, which have been filed with this testimony.

10 **Q. Have there been any changes in the Conservation filing compared to the**  
11 **prior year?**

12 A. As done in previous projections, the Company has consolidated the natural  
13 gas conservation programs and costs for the 2024 projection period. The  
14 schedules were prepared this period using the costs and revenues for the  
15 consolidated entity known as FPUC. The Company did not project any  
16 expenses for its Conservation, Demonstration and Development program  
17 because that program ended on December 31, 2017.

18 **Q. Has the Company included descriptions and summary information on the**  
19 **Conservation Programs currently approved and available to your**  
20 **customers for Florida Public Utilities Company?**

21 A. Yes, the Company has included summaries of the approved conservation  
22 programs currently available to our customers in all divisions in C-5 of  
23 Exhibit DMC-2.

24 **Q. What are the total projected costs for the period January 2024 through**  
25 **December 2024 for Florida Public Utilities Company?**

26 A. The total projected Consolidated Conservation Program Costs are \$4,815,400.

1 Please see Schedule C-2, page 2, for the programmatic and functional  
2 breakdown of these total costs.

3 **Q. What is the true-up for the period January 2023 through December**  
4 **2023?**

5 A. As reflected in the Schedule C-3, Page 4 of 5, the True-up amount for the  
6 Consolidated Natural Gas Divisions is an over-recovery of \$1,511,155

7 **Q. What are the resulting total projected conservation costs to be recovered**  
8 **during this projection period?**

9 A. The total costs to be recovered during the projection period are \$3,304,245.

10 **Q. Has the Company prepared a schedule that shows the calculation of its**  
11 **proposed Energy Conservation Cost Recovery Adjustment factors to be**  
12 **applied during billing periods from January 1, 2024 through December**  
13 **31, 2024?**

14 A. Yes. Schedule C-1 of Exhibit DMC-2 shows these calculations. Net program  
15 cost estimates for the period January 1, 2024 through December 31, 2024 are  
16 used. The estimated true-up amount from Schedule C-3, page 4 of 5, of  
17 Exhibit DMC-2, being an over-recovery, was subtracted from the total  
18 projected costs for the 12-month period. The total amount was then divided  
19 among the Company's rate classes, excluding customers who are on market-  
20 based rates that fall under Special Contract Services and Flexible Gas Service  
21 based on total projected contribution. In addition, the customer classes for  
22 Outdoor Lights, Interruptible and Interruptible Transportation have always  
23 been exempt from the Conservation Adjustment Factor due to the distinctive  
24 service provided by the Company. The results were then divided by the  
25 projected gas throughput for each rate class for the 12-month period ending  
26 December 31, 2024. The resulting Energy Conservation Cost Recovery

1 Adjustment factors are shown on Schedule C-1 of Exhibit DMC-2.

2 **Q. Why has the Company excluded market-based rate customers from the**  
3 **Energy Conservation Cost Recovery Adjustment factors?**

4 A. These customers are served either under the Special Contract Service or  
5 Flexible Gas Service, because they have alternative fuel or physical bypass  
6 options and are considered by FPUC to be “market-based rate” customers.  
7 Each of these customers has viable alternatives for service; therefore, the  
8 negotiated and Commission-approved (in the case of Special Contract  
9 Service) rates reflect the fact that only a certain level of revenues can be  
10 charged to these customers. In fact, the Company has always excluded the  
11 Special Contract Service customers from the ECCR recovery factors. The  
12 Commission has not taken issue with the Company’s expressed application of  
13 the factors either in the ECCR Clause proceedings or in the context of any  
14 Special Contract approval.

15 **Q. Does this conclude your testimony?**

16 A. Yes.

1                   (Whereupon, prefiled direct testimony of  
2 Charles T. Morgan, II was inserted.)

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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 20230004-GU  
IN RE: NATURAL GAS CONSERVATION  
COST RECOVERY CLAUSE

TESTIMONY AND EXHIBIT  
OF  
CHARLES T. MORGAN II

FILED: MAY 2, 2023

1                                   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2                                   **PREPARED DIRECT TESTIMONY**

3                                   **OF**

4                                   **CHARLES T. MORGAN II**

5  
6   **Q.**   Please state your name, business address, by whom you are  
7           employed, and in what capacity?

8  
9   **A.**   My name is Charles T. Morgan II. My business address is  
10           702 North Franklin Street, Tampa, Florida 33602. I am  
11           employed by Peoples Gas System, Inc. ("Peoples" or the  
12           "company") as Senior Regulatory Analyst, in the  
13           Regulatory Affairs Department.

14  
15   **Q.**   Please describe your educational and employment  
16           background.

17  
18   **A.**   I graduated from Florida State University in 2009 with a  
19           Bachelor of Science degree in Social Science. My work  
20           experience includes six years of regulatory experience,  
21           including three years with the Florida Public Service  
22           Commission as a Public Utility Analyst and one year as a  
23           Regulatory Analyst with Peoples before beginning my current  
24           role in 2021. In my current position, I am responsible for  
25           Peoples' Natural Gas Conservation Cost Recovery ("NGCCR")

1 Clause and other Conservation and demand-side management  
2 ("DSM") activities.

3

4 **Q.** What is the purpose of your testimony in this docket?

5

6 **A.** The purpose of my testimony is to present and support for  
7 Commission review and approval the company's actual DSM  
8 program true-up costs incurred during the January through  
9 December 2022 period.

10

11 **Q.** Did you prepare any exhibits in support of your testimony?

12

13 **A.** Yes. Exhibit No. CTM-1, entitled "Peoples Gas System, Inc.  
14 Schedules Supporting Conservation Cost Recovery Factor,  
15 Actual, January 2022-December 2022" was prepared under my  
16 direction and supervision. This Exhibit includes Schedules  
17 CT-1 through CT-3, and CT-6 which support the company's  
18 actual and prudent DSM program-related true-up costs  
19 incurred during the January through December 2022 period.

20

21 **Q.** What were Peoples' actual January through December 2022  
22 conservation costs?

23

24 **A.** For the period January through December 2022, Peoples Gas  
25 System incurred actual net conservation costs of

1           \$22,801,408.

2

3   **Q.**   What is the final end of period net true-up for the  
4           conservation clause for January through December 2022?

5

6   **A.**   The final conservation clause end of period net true-up for  
7           January through December 2022 is an over-recovery,  
8           including interest, of \$1,571,783. This calculation is  
9           detailed on Schedule CT-1, page 1 of 1.

10

11   **Q.**   Please summarize how Peoples's actual program costs for  
12           January through December 2022 period compare to the  
13           actual/estimated costs presented in Docket No. 20220004-  
14           GU?

15

16   **A.**   Peoples' actual program costs for 2022 exceeded the  
17           actual/estimated costs presented in Docket No. 20220004-  
18           GU by \$1,608,728. The total program costs were projected  
19           to be \$21,192,680, compared to the actual costs of  
20           \$22,801,408.

21

22   **Q.**   Please summarize the reasons for the actual expenses  
23           exceeding projected expenses.

24

25   **A.**   The variance was a result of actual expenses exceeding

1 projections in the following programs: Residential New  
2 Construction, Commercial New Construction, and Commercial  
3 Retention. The actual versus projected variance for each  
4 program is detailed on Schedule CT-2, Page 3 of 3.

5  
6 **Q.** Should Peoples' costs incurred during the January through  
7 December 2022 period for energy conservation be approved by  
8 the Commission?

9  
10 **A.** Yes, the costs incurred were prudent and directly related  
11 to the Commission's approved DSM programs and should be  
12 approved.

13  
14 **Q.** Please provide an overview of Peoples' efforts to launch  
15 its new Commercial Walkthrough Energy Audit Program.

16  
17 **A.** Peoples first issued a Request for Proposal ("RFP") for the  
18 Commercial Walkthrough Audit in 2020. The responses  
19 indicated that there was a preference to delay launching  
20 the audit until public health concerns related to the COVID-  
21 19 Pandemic had eased.

22  
23 In June 2021, Peoples restarted the competitive bidding  
24 process, with a goal to launch the audit that year. Peoples  
25 reviewed its original RFP and made updates, including a

1 change to limit the participating area to the Tampa Bay  
2 region. Peoples distributed a revised RFP to the same list  
3 of vendors as the original RFP. While the company received  
4 some communications from vendors, ultimately, none  
5 submitted a responsive proposal.

6  
7 In December 2021, Peoples began a nationwide search to  
8 increase the distribution list for an RFP to be issued in  
9 2022. The RFP was issued in May 2022 to nine prospective  
10 vendors, and Peoples received four proposals. Peoples  
11 evaluated the proposals, chose a vendor, and signed a  
12 contract in December 2022.

13  
14 In early 2023, Peoples began working in parallel with the  
15 selected vendor on marketing materials, audit reports,  
16 safety requirements, and other items related to the  
17 Commercial Walkthrough Energy Audit. The first audits under  
18 this new program are planned to take place in May. An update  
19 on the Commercial Walkthrough Audit will be provided in  
20 Peoples' upcoming NGCCR Projection Filing.

21  
22 **Q.** Does that conclude your testimony?

23  
24 **A.** Yes, it does.  
25



BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 20220004-GU  
IN RE: NATURAL GAS CONSERVATION  
COST RECOVERY CLAUSE

TESTIMONY AND EXHIBIT  
OF  
CHARLES T. MORGAN II

FILED: AUGUST 4, 2023

1                   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2                                   **PREPARED DIRECT TESTIMONY**

3   **OF**

4   **CHARLES T. MORGAN II**

5  
6   **Q.**   Please state your name, business address, by whom you are  
7           employed, and in what capacity.

8  
9   **A.**   My name is Charles T. Morgan II. My business address is  
10           702 North Franklin Street, Tampa, Florida 33602. I am  
11           employed by Peoples Gas System, Inc. ("Peoples" or "the  
12           Company"), as a Senior Regulatory Analyst, in the  
13           Regulatory Affairs Department.

14  
15   **Q.**   Please describe your educational and employment  
16           background.

17  
18   **A.**   I graduated from Florida State University in 2009 with a  
19           Bachelor of Science degree in Social Science. My work  
20           experience includes six years of utility regulatory  
21           experience, including three years with the Florida Public  
22           Service Commission ("Commission") as a Public Utility  
23           Analyst and one year as a Regulatory Analyst with Peoples  
24           before beginning my current role in 2021. In my current  
25           position, I am responsible for Peoples' Natural Gas



1 Conservation Cost Recovery ("NGCCR") Clause and other  
2 Conservation and demand-side management ("DSM") activities.

3

4 **Q.** What is the purpose of your testimony in this docket?

5

6 **A.** The purpose of my testimony is to support Peoples' actual  
7 conservation costs incurred during the period January  
8 through December 2022, the actual/estimated period  
9 January to December 2023, and the projected period January  
10 through December 2024. The projected 2024 NGCCR factors  
11 have been calculated based on the currently approved  
12 allocation methodology.

13

14 **Q.** Are you sponsoring any exhibits with your testimony?

15

16 **A.** Yes, I am sponsoring Exhibit No. CTM-2 prepared under my  
17 direction and supervision. This document consists of  
18 Schedules C-1 through C-5 and associated data which  
19 contain information that supports the development of the  
20 natural gas conservation cost recovery factors to be  
21 applied to customer bills during the period January 2024  
22 through December 2024.

23

24 **Q.** Does Exhibit No. CTM-2 meet the requirements of Rule 25-  
25 17.015, Florida Administrative Code, which requires the

1 projection filing to include the annual estimated/actual  
2 true-up filing showing actual and projected common costs,  
3 individual program costs, and any revenues collected?  
4

5 **A.** Yes, it does.  
6

7 **Q.** What timeframe did Peoples use in developing its 2023 annual  
8 actual/estimated true-up filing?  
9

10 **A.** Peoples developed its 2023 annual actual/estimated true-up  
11 filing showing actual and projected common costs,  
12 individual program costs, and any revenues collected based  
13 on six months of actuals and six months of estimates.  
14

15 **Q.** Please describe the conservation program costs projected by  
16 Peoples during the period January through December 2022.  
17

18 **A.** For the period January through December 2022, the company  
19 projected conservation program costs to be \$21,192,680.  
20 The Commission authorized collections to recover these  
21 expenses in Order No. PSC-2022-0423-FOF-GU, issued December  
22 14, 2022, in Docket No. 20220004-GU.  
23

24 **Q.** For the period January through December 2022, what were  
25 Peoples' conservation costs, and what was recovered through  
C3-133

1 the NGCCR clause?

2

3 **A.** For the period January through December 2022, Peoples  
4 incurred actual net conservation costs of \$22,801,408. The  
5 amount collected in the NGCCR clause was \$24,935,073. The  
6 conservation revenue applicable to this period was  
7 \$22,124,295, which includes the \$24,810,398 amount  
8 collected in the NGCCR clause, applicable regulatory  
9 assessment fees of \$124,675, and the prior period true-up  
10 under-recovery of \$2,810,778.

11

12 **Q.** What is the true-up amount for Peoples for the period  
13 January through December 2022?

14

15 **A.** Peoples' true-up amount for the period January through  
16 December 2022 was an over-recovery of \$1,571,783,  
17 including interest, as detailed on Schedule CT-1 of  
18 Exhibit No. CTM-1.

19

20 **Q.** Please describe the conservation program costs projected  
21 to be incurred by Peoples during the period January  
22 through December 2023?

23

24 **A.** The actual costs incurred by Peoples through June 2023  
25 and projected for July through December 2023 are

1           \$31,664,593, as shown on Schedule C-3, Page 1 of 4. For  
2           the period, Peoples anticipates an under-recovery in the  
3           NGCCR Clause of \$12,431,477 which includes the 2022 true-  
4           up and interest. A summary of these costs and estimates  
5           are fully detailed in Exhibit No. CTM-2, Estimated  
6           Conservation Program Costs Per Program, pages 12 through  
7           15.

8  
9           **Q.** Please summarize the reasons for the under-recovery.

10  
11           **A.** The under-recovery is primarily a result of  
12           actual/estimated expenses exceeding projections in three  
13           programs: (i) Residential New Construction; (ii)  
14           Commercial New Construction; and (iii) Commercial  
15           Retention. The actual/estimated costs for each program  
16           are detailed on Schedule C-3, Page 1 of 4.

17  
18           **Q.** Has Peoples initiated any projects in its Conservation  
19           Research and Development Program?

20  
21           **A.** No, Peoples has not begun any Research and Development  
22           projects. The company expects to identify and contribute  
23           to a research and development project in 2024.

24  
25           **Q.** Has Peoples implemented its Commercial Walkthrough Energy

1           Audit Program?

2

3       **A.**    Yes, Peoples began marketing the program to eligible  
4           customers in May 2023. The first audit was conducted under  
5           the program on June 14, 2023. Currently, five additional  
6           customers are scheduled to receive audits.

7

8       **Q.**    Please explain Peoples' process for selecting a vendor to  
9           perform the audit.

10

11       **A.**    Peoples issued a Request for Proposal ("RFP") in May 2022,  
12           seeking a vendor to provide commercial energy audits in  
13           the Tampa Bay Area for two years. The company narrowed  
14           the eligible territory to the Tampa Bay Area in 2021 (see  
15           Peoples' Amended petition for approval of demand-side  
16           management plan, filed February 26, 2021, in Docket No.  
17           20190210-EG), after it received feedback that it would be  
18           difficult to cover its entire territory at a reasonable  
19           cost.

20

21           Upon receipt of four proposals to provide the audit,  
22           Peoples reviewed the bids and ranked them based on cost  
23           per audit, vendor personnel qualifications, scheduling  
24           limitations, and the ability of the vendor to provide as  
25           many audits as requested. A recommendation was presented

1 to Peoples' management for final approval, and in December  
2 2022, Peoples signed a contract with the recommended  
3 vendor. The chosen vendor offered the lowest cost per  
4 audit and satisfied the other criteria listed above.

5  
6 Peoples chose to pursue a two-year contract to gauge  
7 interest in the audit before acquiring either a permanent  
8 resource to perform audits or entering into a long-term  
9 contract with a vendor. At the end of the two-year  
10 contract, Peoples plans to evaluate the program and  
11 determine whether to extend the contract, issue another  
12 RFP, or acquire an internal resource to perform the  
13 audits.

14  
15 **Q.** Does Peoples plan to expand the Commercial Audit outside  
16 the Tampa Bay Area?

17  
18 **A.** Peoples is currently in discussions with its contracted  
19 vendor to expand the program into more of the company's  
20 service territory. The main obstacle to a full expansion  
21 of the program is the size of the company's territory and  
22 the accompanying travel time and expense required to offer  
23 the audit to all Peoples' customers. Multiple vendors  
24 and/or higher costs per audit may be required.

25

1 **Q.** Please summarize the proposed conservation costs for the  
 2 period January through December 2024 and the annualized  
 3 recovery factors applicable for the period January through  
 4 December 2024.

5  
 6 **A.** Peoples has estimated that the total conservation costs  
 7 (less program revenues) during the period will be  
 8 \$32,323,597, plus true-up. Including true-up estimates,  
 9 the January through December 2024 conservation cost  
 10 recovery factors for retail rate classes are as follows:

<u>Rate Schedule</u>	<u>Cost Recovery Factors</u> <u>(Dollars per Therm)</u>
14 RS & RS-SG & RS-GHP	\$0.21579
15 SGS	\$0.12933
16 GS-1 & CS-SG & CS-GHP	\$0.06667
17 GS-2	\$0.05036
18 GS-3	\$0.04243
19 GS-4	\$0.03134
20 GS-5	\$0.02183
21 CSLS	\$0.04347

22  
 23 Exhibit No. CTM-2, Schedule C-1, Page 1 of 1, Energy  
 24 Conservation Adjustment, Summary of Cost Recovery Clause  
 25 Calculation, contains the Commission-prescribed form which

1 details these estimates.

2

3 **Q.** Does this conclude your testimony?

4

5 **A.** Yes, it does.

6

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1                   (Whereupon, prefiled direct testimony of Jerry  
2 H. Melendy was inserted.)

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET 20230004-GU

DIRECT TESTIMONY OF

JERRY H. MELENDY

ON BEHALF OF SEBRING GAS SYSTEM, INC.

May 2, 2023

1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A. My name is Jerry H. Melendy. My business address is Sebring Gas System, Inc., 3515  
3 U.S. Highway 27 South, Sebring FL 33870

4 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

5 A. I am President of Sebring Gas System, Inc. (the "Company").

6 Q. ARE YOU FAMILIAR WITH THE COMPANY'S CURRENT ENERGY  
7 CONSERVATION PROGRAMS?

8 A. Yes.

9 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

10 A. My testimony presents data and summaries that describe the planned and actual  
11 activities and expenses for the Company's energy conservation programs incurred  
12 during the period January 2022 through December 2022. I will also identify the final  
13 conservation true-up amount for the above referenced period.

14 Q. HAVE YOU PREPARED A SUMMARY OF THE COMPANY'S  
15 CONSERVATION PROGRAMS AND THE COSTS ASSOCIATED WITH  
16 THESE PROGRAMS?

17 A. Yes. Summaries of the Company's six approved programs for which costs were  
18 incurred during the period January 2022 through December 2022

1 are included in Schedule CT-6 of Exhibit JHM-1. Included are the Residential New  
2 Construction Program, the Residential Appliance Replacement Program, the  
3 Residential Appliance Retention Program, Commercial New Construction,  
4 Commercial Replacement, and Commercial Retention.

5 **Q. HAVE YOU PREPARED SCHEDULES WHICH SHOW THE**  
6 **EXPENDITURES ASSOCIATED WITH THE COMPANY'S ENERGY**  
7 **CONSERVATION PROGRAMS FOR THE APPLICABLE PERIOD?**

8 **A.** Yes. Exhibit JHM-1 includes schedules CT-1, CT-2 and CT-3 detail the Company's  
9 actual conservation related expenditures for the period, along with a comparison of the  
10 actual program costs and true-up to the projected costs and true-up for the period.

11 **Q. WHAT WAS THE TOTAL COST INCURRED BY THE COMPANY TO**  
12 **ADMINISTER ITS SIX CONSERVATION PROGRAMS FOR THE**  
13 **TWELVEMONTH PERIOD ENDING DECEMBER 2022?**

14 **A.** As indicated on Schedule CT-2, page 2, of Exhibit JHM-1, the Company's total 2022  
15 programs costs were \$30,841.

16 **Q. HAVE YOU PREPARED A SCHEDULE WHICH SHOWS THE VARIANCE**  
17 **OF ACTUAL FROM PROJECTED COSTS BY CATEGORIES OF**  
18 **EXPENSES?**

19 **A.** Yes. Schedule CT-2, page 3, of Exhibit JHM-1, displays these variances.

20 **Q. WHAT IS THE COMPANY'S FINAL TRUE-UP FOR THE TWELVE**  
21 **MONTHS ENDING DECEMBER 2022?**

22 **A.** The final true-up amount as shown on Schedule CT-1, of Exhibit JHM-1 is an over  
23 recovery of \$10,132.

24 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

25 **A.** Yes.

1                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2                   In Re: Energy Conservation Cost Recovery Factors

3                   Direct Testimony of Jerry H. Melendy, Jr.

4                   On Behalf of

5                   Sebring Gas System, Inc.

6                   Docket No.20230004-GU

7                   08/04/2023

8

9           Q.    PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

10          A.    My name is Jerry H. Melendy, Jr. My business address is Sebring Gas  
11               System, Inc., US Highway 27 South, Sebring, FL 33870.

12          Q.    BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

13          A.    I am President of Sebring Gas Company, Inc. (the "Company").

14          Q.    ARE YOU FAMILIAR WITH THE COMPANY'S APPROVED ENERGY  
15               CONSERVATION PROGRAMS AND THE REVENUES AND COSTS  
16               THAT ARE ASSOCIATED WITH THESE PROGRAMS?

17          A.    Yes.

18          Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS DOCKET?

19          A.    My testimony will present actual and projected expenditures and  
20               revenues related to promoting and administering the Company's energy  
21               conservation programs in 2023 and 2024. I will provide the adjusted net  
22               true-up amount associated with program administration for the January  
23               2023 through December 2023 period. Projected program costs are

1 provided for the period January 1, 2023, through June 30, 2023, as  
2 well as the costs the Company expects to incur from July 1, 2023,  
3 through December 31, 2023. I will also indicate the total costs the  
4 Company seeks to recover through its conservation factors during the  
5 period January 1, 2024, through December 31, 2024. Finally, I will also  
6 propose the energy conservation cost recovery factors which, when  
7 applied to consumer bills during the period January 1, 2024 through  
8 December 31, 2024, will permit recovery of the Company's total  
9 conservation costs.

10 **Q. HAVE YOU PREPARED A SUMMARY OF THE COMPANY'S**  
11 **CONSERVATION PROGRAMS AND THE COSTS ASSOCIATED**  
12 **WITH THESE PROGRAMS?**

13 A. Yes. Summaries of the Company's six approved programs are included  
14 in Schedule C-4 of Exhibit JHM-2. Included are the Residential New  
15 Construction Program, the Residential Appliance Replacement  
16 Program, the Residential Appliance Retention Program, the  
17 Commercial New Construction Program, the Commercial Appliance  
18 Replacement Program and the Commercial Retention Program.

19 **Q. HAVE YOU PREPARED SCHEDULES THAT INCLUDE THE**  
20 **COMPANY'S CONSERVATION PROGRAM EXPENDITURES FOR**  
21 **THE CURRENT (2023) AND PROJECTED (2024) PERIODS?**

22 A. Yes. Schedule C-3, Exhibit JHM-2 provides actual conservation  
23 expenses for the January 2023 through June 2023 period and projected

1 expenses for the January 2024 through December 2024 period, and  
2 are included in Schedule C-2, Exhibit JHM-2.

3 **Q. HAVE YOU PREPARED A SCHEDULE THAT INCLUDES THE**  
4 **COMPANY'S CONSERVATION RELATED REVENUES FOR 2023?**

5 A. Yes. Schedule C-3 (page 4 of 5), Exhibit JHM-2, provides actual  
6 conservation revenue for the January 2023 through June 2023 period,  
7 and projected conservation revenues for the July 2023 through  
8 December 2023 period.

9 **Q. WHAT IS THE COMPANY'S ESTIMATED TRUE-UP FOR THE**  
10 **PERIOD JANUARY 1, 2023, THROUGH DECEMBER 31, 2023?**

11 A. The Company is under-recovered by \$4,028, as calculated on Schedule  
12 C-3, Page 4, Line 11, Exhibit JHM-2.

13 **Q. WHAT IS THE TOTAL COST THE COMPANY SEEKS TO RECOVER**  
14 **DURING THE PERIOD JANUARY 1, 2024, THROUGH DECEMBER**  
15 **31, 2024?**

16 A. As indicated on Schedule C-1, Exhibit JHM-2, the Company seeks to  
17 recover \$40,061 during the referenced period. This amount represents  
18 the projected costs of \$36,033 to be incurred during 2024, plus the  
19 estimated true-up of \$4,028 for calendar year 2023.

20 **Q. WHAT ARE THE COMPANY'S PROPOSED ENERGY**  
21 **CONSERVATION COST RECOVERY FACTORS FOR EACH RATE**  
22 **CLASS FOR JANUARY 2024 THROUGH DECEMBER 2024**  
23 **PERIOD?**

1 A. Schedule C-1, Exhibit JHM-2, provides the calculation of the  
2 Company's proposed ECCR factors for 2024.

3 The Conservation Adjustment Factors per therm for Sebring Gas  
4 System are:

5 TS-1 \$.12985

6 TS-2 \$.05476

7 TS-3 \$.03745

8 TS-4 \$.03355

9 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

10 A. Yes.

1 (Whereupon, prefiled direct testimony of  
2 Debbie Stitt was inserted.)

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1. BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2. In Re: Conservation Cost  
Recovery Clause

Docket No. 20230004-GU  
Filing Date: May 2, 2023

3. \_\_\_\_\_/

4.

5. DIRECT TESTIMONY OF DEBBIE STITT ON  
6. BEHALF OF ST. JOE NATURAL GAS COMPANY, INC.

7. Q. Please state your name, business address, by whom you are  
8. employed and in what capacity.

9. A. Debbie Stitt, 301 Long Avenue, Port St. Joe, Florida 32456  
10. St. Joe Natural Gas Company in the capacity of Energy  
11. Conservation Analyst.

12. Q. What is the purpose of your testimony?

13. A. My purpose is to submit the expenses and revenues  
14. associated with the Company's conservation programs  
15. during the twelve-month period ending December 31, 2022  
16. and to identify the final true-up amount related to that  
17. period.

18. Q. Have you prepared any exhibits in conjunction with your  
19. testimony?

20. A. Yes, I have prepared and filed together with this testimony  
21. this 2nd day of May, 2023 Schedules CT-1 through  
22. CT-5 prescribed by the Commission Staff which have  
23. collectively been entitled "Adjusted Net True-up for  
24. twelve months ending December 31, 2022" for identi-  
25. fication

1. Q. What amount did St. Joe Natural Gas spend on conser-  
2. vation programs during the period?

3. A. \$173,225.00

4. Q. What is the final true-up amount associated with this  
5. twelve-month period ending December 31, 2022?

6. A. The final true-up amount for December 31, 2022 is  
7. an over-recovery of \$6,053.

8. Q. Does this conclude your testimony?

9. A. Yes

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11.

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1                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2   In Re:  Conservation Cost        )  
          Recovery Clause            )  
3   \_\_\_\_\_                          )  
  Docket No.20230004-GU  
  Submitted for Filing  
  August 4, 2023

4

5                   DIRECT TESTIMONY OF DEBBIE STITT ON BEHALF OF  
6                   ST. JOE NATURAL GAS COMPANY, INC.

7   Q.   Please state your name, business address, by whom you  
8        are employed and in what capacity.

9   A.   Debbie Stitt, 301 Long Avenue, Port St. Joe, Florida  
10       32456, St Joe Natural Gas Company in the capacity of  
11       Energy Conservation Analyst.

12   Q.   What is the purpose of your testimony?

13   A.   My purpose is to submit the known and projected expenses and  
14        revenues associated with SJNG's conservation programs incurred  
15        in January thru June 2023 and projection costs to be incurred  
16        from July 2023 through December 2023. It will also include  
17        projected conservation costs for the period January 1, 2024  
18        through December 31, 2024 with a calculation of the conservation  
19        adjustment factors to be applied to the customers' bills during  
20        the January 1, 2024 through December 31, 2024 period.

21   Q.   Have you prepared any exhibits in conjunction with your testimony?

22   A.   Yes, I have prepared and filed to the Commission the 4th day of  
23        August 2023 Schedule C-1 prescribed by the Commission Staff  
24        which has collectively been titled Energy Conservation Adjustment  
25        Summary of Cost Recovery Clause Calculation for months January

1           1, 2024 through December 31, 2024 for identification.

2           Q. What Conservation Adjustment Factor does St. Joe Natural Gas  
3           seek approval through its petition for the twelve-month period  
4           ending December 31, 2024?

5           A. \$.33922 per therm for RS-1, \$.24049 per therm for RS-2, and  
6           \$.18160 per therm for RS-3, \$0.10751 per therm for GS-1, \$0.06358  
7           per therm for GS-2, and \$0.03877 per therm for GS-4/FTS-4

8           Q. Does this conclude your testimony?

9           A. Yes.

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1 CHAIRMAN FAY: Exhibits?

2 MR. SPARKS: Staff as compiled a stipulated  
3 comprehensive exhibit list, which includes the  
4 prefiled exhibits attached to the witnesses'  
5 testimony in this case. The list has been provided  
6 for the parties, the Commissioners and the court  
7 reporter. Staff requests that the list be marked  
8 as the first hearing exhibit, and that the other  
9 exhibits marked as set forth in the comprehensive  
10 exhibit list.

11 CHAIRMAN FAY: All right. Show those marked.

12 (Whereupon, Exhibit Nos. 1-23 were marked for  
13 identification.)

14 MR. SPARKS: Staff requests that the  
15 comprehensive exhibit list, marked as Exhibit No.  
16 1, be entered into the record.

17 CHAIRMAN FAY: Okay. Show Exhibit 1 entered.

18 (Whereupon, Exhibit No. 1 was received into  
19 evidence.)

20 MR. SPARKS: Staff requests that Exhibits 2  
21 through 23 be moved into the record as set forth in  
22 the comprehensive exhibit list.

23 CHAIRMAN FAY: All right. Seeing no  
24 objections, show Exhibits 2 through 23 entered into  
25 the record.

1                   (Whereupon, Exhibit Nos. 2-23 were received  
2 into evidence.)

3                   MS. SPARKMAN: Because the parties have  
4 reached Type 2 stipulations, with the intervenors  
5 not observing to the Commission considering the  
6 stipulations on all the issues in this case, staff  
7 suggests that the Commission may make a bench  
8 decision in this docket because the parties agreed  
9 to waive post-hearing briefs. Staff is also  
10 available to answer any questions.

11                  CHAIRMAN FAY: All right. Thank you, Mr.  
12 Sparks.

13                  We will take up any questions at this time on  
14 the 04 docket.

15                  Showing none, then we would take up, Mr.  
16 Sparks, Issues 1 through 8 as Type 2 stipulations?

17                  MR. SPARKS: Yes.

18                  CHAIRMAN FAY: All right. We will take a  
19 motion on Issues 1 through 8.

20                  COMMISSIONER CLARK: Move to approve the  
21 proposed Type 2 stipulations in the 04 docket, Mr.  
22 Chairman.

23                  COMMISSIONER PASSIDOMO: Second.

24                  CHAIRMAN FAY: Okay. Motion and a second.  
25 All that approve say eye.

1 (Chorus of ayes.)

2 CHAIRMAN FAY: Okay. Show Issues 1 through 8  
3 as Type 2 stipulations approved unanimously in the  
4 04 docket.

5 Seeing any other issues? Nope. All right.  
6 Seeing none, we will conclude the 04 docket and  
7 move to the 07 docket, Commissioners.

8 (Proceedings concluded.)

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## CERTIFICATE OF REPORTER

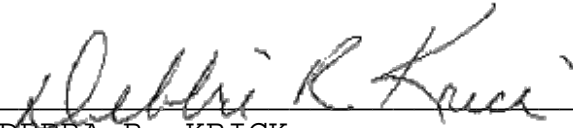
STATE OF FLORIDA     )  
COUNTY OF LEON     )

I, DEBRA KRICK, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 13th day of November, 2023.

  
DEBRA R. KRICK  
NOTARY PUBLIC  
COMMISSION #HH31926  
EXPIRES AUGUST 13, 2024