

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 000003-GU
DETERMINATION OF PURCHASED
GAS/COST RECOVERY FACTOR

Direct Testimony of
George Bachman
On Behalf of
Florida Public Utilities Company

- 1 Q. Please state your name and business address.
- 2 A. George Bachman, 401 South Dixie Highway, West Palm Beach, FL 33401.
- 3 Q. By whom are you employed?
- 4 A. I am employed by Florida Public Utilities Company.
- 5 Q. Have you previously testified in this Docket?
- 6 A. Yes.
- 7 Q. What is the purpose of your testimony at this time?
- 8 A. I will summarize our projected gas recoveries computations which are contained
- 9 in composite exhibit GMB-3 which supports the January 2001 - December 2001
- 10 projected purchased gas adjustments for our consolidated gas division. In
- 11 addition, I will advise the Commission of the projected differences between the
- 12 revenues collected and the purchased gas costs allowed in developing the
- 13 levelized purchased gas adjustment for the periods January 1999 – December
- 14 1999 and January 2000 - December 2000. From these two periods I will establish
- 15 a “true-up” amount to be collected or refunded during January 2001 - December
- 16 2001.
- 17 Q. Were the schedules filed by your Company completed under your direction?

1 A. Yes.

2 Q. Which of the staff's set of schedules has your Company completed and filed?

3 A. We have prepared and previously filed True-Up Schedules A-1, A-2, A-3, A-4, A-
4 5, A-6, and A-7 in addition to filing composite exhibit GMB-3 which contains
5 Schedules E1, E1/R, E2, and E3, E4 and E5 for our consolidated gas division.

6 These schedules support the calculation of the purchased gas adjustment factors
7 for January 2001 - December 2001.

8 Q. Have the January 2000 - December 2000 projections been revised?

9 A. Yes.

10 Q. What are the primary purchased gas adjustment issues?

11 A. The primary issues are as follows:

12 **PURCHASED GAS ADJUSTMENT ISSUES**

13 **ISSUE 1:** What is the appropriate final purchased gas adjustment true-up
14 amount for the period January 1999 through December 1999?

15 **COMPANY POSITION:** The final purchased gas adjustment true-up amount
16 for the period January 1999 - December 1999 is an under-recovery of \$67,156.

17 **ISSUE 2:** What is the estimated purchased gas adjustment true-up amount for
18 the period January 2000 through December 2000?

19 **COMPANY POSITION:** We have estimated that we will have over-recovered
20 \$33,877 for the period January 2000 - December 2000.

21 **ISSUE 3:** What is the total purchased gas adjustment true-up amount to be
22 refunded during the period January 2001 through December 2001?

1 **COMPANY POSITION:** The total net under-recovery to be collected during
2 the period January 2001 - December 2001 is \$33,279.

3 **ISSUE 4:** What is the appropriate levelized purchased gas adjustment
4 recovery (cap) factor for the period January 2001 through December 2001?

5 **COMPANY POSITION:** The Purchased Gas Cost Recovery Factor will be a
6 maximum of 84.781¢ per therm.

7 **ISSUE 5:** What should be the effective date of the new purchased gas
8 adjustment charge for billing purposes?

9 **COMPANY POSITION:** The factor should be effective for all meter readings
10 on or after January 1, 2001, beginning with the first or applicable billing cycle for
11 the period January 2001 - December 2001.

12 Q. Does this conclude your testimony?

13 A. Yes.

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