

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 090004-GU
ORDER NO. PSC-09-0733-FOF-GU
ISSUED: November 4, 2009

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
NANCY ARGENZIANO
NATHAN A. SKOP
DAVID E. KLEMENT

APPEARANCES:

BETH KEATING, ESQUIRE, Akerman Senterfitt, 106 East College Avenue, Suite 1200, Tallahassee, Florida 32301
On behalf of the Florida Division of Chesapeake Utilities Corporation (CUC) and Florida City Gas (FCG).

NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello & Self, P.A., Post Office Box 15579, Tallahassee, Florida 32317
On behalf of Florida Public Utilities Company (FPUC) and Sebring Gas System, Inc. (Sebring).

ANSLEY WATSON, JR., ESQUIRE, Macfarlane Ferguson & McMullen, Post Office Box 1531, Tampa, Florida, 33601-1531, and MATTHEW R. COSTA, ESQUIRE, TECO Energy, Inc., Post Office Box 111, Tampa, Florida 33601-0111
On behalf of Peoples Gas System (PGS).

STUART L. SHOAF, PRESIDENT, St. Joe Natural Gas Company, Inc., Post Office Box 549, Port St. Joe, Florida 32457-0549
On behalf of St. Joe Natural Gas Company (SJNG).

ROBERT SCHEFFEL WRIGHT, ESQUIRE, Young van Assenderp, P.A., 225 South Adams Street, Suite 200, Tallahassee, Florida 32301
On Behalf of Indiantown Gas Company (IGC).

KATHERINE E. FLEMING, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission (Staff).

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

SAMANTHA CIBULA, Attorney Supervisor, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
Advisor to the Florida Public Service Commission.

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

BY THE COMMISSION:

As part of our continuing natural gas conservation cost recovery proceedings, an administrative hearing was held November 2, 2009, in this docket. Chesapeake Utilities Corporation, Florida City Gas, Florida Public Utilities Company, Indiantown Gas Company, Peoples Gas System, St. Joe Natural Gas Company, and Sebring Gas System, Inc. submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. Prior to hearing, the parties reached agreement concerning all issues identified for resolution at hearing. These issues were presented to us as a stipulation. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, and 366.06, F.S.

The parties stipulated to the final and estimated true-up amounts and purchased gas cost recovery factors appropriate for each utility. We accept and approve the stipulations as reasonable and supported by competent, substantial evidence of record, as set forth below.

We find that the appropriate final conservation cost recovery true-up amounts for the period January 2008 through December 2008 are as follows:

Chesapeake (CUC)	\$751,034	Overrecovery
Florida City Gas (FCG)	\$940,038	Underrecovery
Florida Public Utilities Company (FPUC)	\$381,259	Overrecovery
Indiantown Gas Company (IGC)	\$33,917	Overrecovery
Peoples Gas System (PGS)	\$2,770,192	Overrecovery
St. Joe Natural Gas (SING)	\$94,282	Underrecovery
Sebring Gas System, Inc. (Sebring)	\$27,820	Overrecovery

We find that the appropriate total conservation cost recovery amounts to be collected during the period January 2010 through December 2010 are as follows:

Chesapeake (CUC)	\$134,035
Florida City Gas (FCG)	\$2,074,176
Florida Public Utilities Company (FPUC)	\$1,580,407
Indiantown Gas Company (IGC)	\$32,470
Peoples Gas System (PGS)	\$5,319,817
St. Joe Natural Gas (SJNG)	\$199,187

Sebring Gas System, Inc. (Sebring)

\$26,799

We find that the appropriate conservation cost recovery factors for the period January 2010 through December 2010 are as follows:

Gas:

CUC	Rate Class	ECCR Factor
	FTS-A	2.324 cents/therm
	FTS-B	1.879 cents/therm
	FTS-1	1.652 cents/therm
	FTS-2	0.905 cents/therm
	FTS-3	0.595 cents/therm
	FTS-4	0.450 cents/therm
	FTS-5	0.392 cents/therm
	FTS-6	0.345 cents/therm
	FTS-7	0.221 cents/therm
	FTS-8	0.197 cents/therm
	FTS-9	0.161 cents/therm
	FTS-10	0.153 cents/therm
	FTS-11	0.131 cents/therm
	FTS-12	0.111 cents/therm

In accordance with Order No. PSC-07-0427-TRF-GU, issued May 15, 2007, in Docket No. 060675-GU, optional fixed rates are available to CUC customers in the following rate schedules:

CUC	Rate Class	ECCR Factor (\$ per bill)
	FTS-A	0.20
	FTS-B	0.28
	FTS-1	0.36
	FTS-2	0.76
	FTS-3	2.53

FCG	Rate Class	ECCR Factor
	GS-1, GS-100, GS-220	6.070 cents/therm
	GS-600	3.052 cents/therm
	GS-1200	1.890 cents/therm
	GS-6000	1.548 cents/therm
	GS-25000	1.516 cents/therm
	GS-60000	1.485 cents/therm
	Gas Lights	3.022 cents/therm
	GS-120000	1.174 cents/therm
	GS-250000	1.039 cents/therm

FPUC	Rate Class	ECCR Factor
	Residential	5.658 cents/therm
	General Service	2.506 cents/therm
	Comm. Lge. Vol.	2.184 cents/therm
	Comm. Lge. Vol. Transport	2.184 cents/therm
IGC	Rate Class	ECCR Factor
	TS-1	5.836 cents/therm
	TS-2	1.012 cents/therm
	TS-4	0.448 cents/therm
PGS	Rate Class	ECCR Factor
	RS	4.100 cents/therm
	RSSG	4.100 cents/therm
	SGS	2.619 cents/therm
	CSG	1.156 cents/therm
	GS-1	1.156 cents/therm
	GS-2	0.835 cents/therm
	GS-3	0.692 cents/therm
	GS-4	0.519 cents/therm
	GS-5	0.381 cents/therm
	NGVS	0.672 cents/therm
CSLS	0.607 cents/therm	
SJNG	Rate Class	ECCR Factor
	RS-1	36.761 cents/therm
	RS-2	22.721 cents/therm
	RS-3	16.899 cents/therm
	GS-1	15.146 cents/therm
	GS-2	7.672 cents/therm
	FTS-4	2.969 cents/therm
Sebring	Rate Class	ECCR Factor
	TS-1	9.975 cents/therm
	TS-2	5.041 cents/therm
	TS-3	3.525 cents/therm
	TS-4	2.871 cents/therm

We find that these factors shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2010 through December 2010. Billing cycles may start before January 1, 2010, and the last cycle may be read after December 31, 2010,

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

We find that Florida City Gas' final conservation cost recovery true-up amounts for costs associated with mailing bills, billing services, billing insert expenses, office supplies, and legal costs are appropriately reflected for the period January 2008 through December 2008.


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 2010 through December 2010. Billing cycles may start before January 1, 2010, and the last cycle may be read after December 31, 2010, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

By ORDER of the Florida Public Service Commission this 4th day of November, 2009.



ANN COLE
Commission Clerk

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 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.