BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Natural gas conservation cost recovery. | DOCKET NO. 20200004-GU  ORDER NO. PSC-2020-0436-FOF-GU  ISSUED: November 16, 2020 |

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman

ART GRAHAM

JULIE I. BROWN

DONALD J. POLMANN

ANDREW GILES FAY

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY FACTORS FOR JANUARY 2021 THROUGH DECEMBER 2021

APPEARANCES:

BETH KEATING, ESQUIRE, GREGORY M. MUNSON, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida 32301; and CHRISTOPHER T. WRIGHT, ESQUIRE, 700 Universe Boulevard, Juno Beach, Florida 33408

On behalf of FLORIDA CITY GAS (FCG).

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida 32301

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).

ANDREW M. BROWN, ESQUIRE, and THOMAS R. FARRIOR Macfarlane Ferguson & McMullen, P. O. Box 1531, Tampa, Florida 33601-1531

On behalf of PEOPLES GAS SYSTEM (PGS).

ANDY SHOAF, ESQUIRE, P.O. Box 549, Port St. Joe, Florida 32457-0549

On behalf of ST. JOE NATURAL GAS COMPANY, INC. (SJNG).

CHARLES J. REHWINKEL, ESQUIRE, 111 West Madison Street, Room 812,

Tallahassee, Florida 32399-1400

On behalf of OFFICE OF PUBLIC COUNSEL (OPC).

GABRIELLA PASSIDOMO, 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 3, 2020. The clause proceedings allow gas companies to seek recovery of its costs for approved 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.

The parties reached Type 2 stipulations[[1]](#footnote-1) 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 find they are supported by competent, substantial evidence of record, as set forth below.

DECISION

Conservation Cost Recovery Factors

We find the appropriate final conservation cost recovery true-up amounts for the period January 2019 through December 2019 are as follows:

FCG $454,477 Under-recovery

Consolidated Companies $97,527 Under-recovery

PGS $343,120 Under-recovery

Sebring $2,945 Under-recovery

SJNG $12,036 Over-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for the period January 2020 through December 2020 are as follows:

FCG $295,192 Under-recovery

Consolidated Companies $710,598 Under-recovery

PGS $807,578 Under-recovery

Sebring $4,829 Over-recovery

SJNG $118,560 Under-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2020 through December 2020 are as follows:

FCG $749,669 Under-recovery

Consolidated Companies $808,125 Under-recovery

PGS $1,150,698 Under-recovery

Sebring $1,884 Over-recovery

SJNG $106,524 Under-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2021 through December 2021 are as follows:

FCG $6,540,349

Consolidated Companies $3,991,575

PGS $18,782,204

Sebring $26,050

SJNG $254,349

We find the appropriate conservation cost recovery factors for the period January 2021 through December 2021 are as follows:

**FCG:**

**Rate Class** **CCR Factor ($/per therm)**

RS-1 $0.26401

RS-100 $0.14211

RS-600 $0.08400

GS-1 $0.05728

GS-6K $0.04197

GS-25K $0.04136

Gas Lights $0.06523

GS-120K $0.02629

GS1250K $0.01863

GS-11M – GS-25M $0.01094

**Consolidated**

**Companies:**

CUC:

**Rate Class Adjustment Factor (dollars per therm)**

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

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:

**Rate Class** **ECCR Factor ($ per bill)**

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:

**Rate Class** **Adjustment Factor (dollars per**

**therm)**

RESIDENTIAL (FPU,Fort Meade) $0.07642

COMMERCIAL SMALL $0.04805

(FPU.Fort Meade)

( Gen Srv GS1 & GS

Transportation <600)

COMMERCIAL SMALL $0.03549

(FPU, Fort Meade)

(Gen Srv GS2 & GS

Transportation >600)

COMM. LRG VOLUME $0.02965

(FPU, Fort Meade)

(Large Vol & LV Transportation

<,> 50,000 units)

Natural Gas Vehicles $0.01278

Indiantown:

**Rate Class** **Adjustment Factor (dollars per**

**therm)**

TS1 (INDIANTOWN DIVISION) $0.07366

TS2 (INDIANTOWN DIVISION) $0.01021

TS3 (INDIANTOWN DIVISION) $0.01727

TS4 (INDIANTOWN DIVISION) $0.0000

**PGS:**

**Cost Recovery Factors**

**Rate Schedule (Dollars per Therm)**

RS & RS-SG & RS-GHP 0.09591

SGS 0.06210

GS-1 & CS-SG & CS-GHP 0.03043

GS-2 0.02224

GS-3 0.01840

GS-4 0.01353

GS-5 0.00996

NGVS 0.01957

CSLS 0.01603

**SEBRING:**

**Rate Class** **Rate/$Per Therm**

TS-1 $.10222

TS-2 $.03987

TS-3 $.02533

TS-4 $.02339

**SJNG:**

**Rate Class** **Rate/$Per Therm**

RS-1 $0.90626

RS-2 $0.57353

RS-3 $0.47108

GS-1 $0.40182

GS-2 $0.15167

GS-4/TS-4 $0.12696

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 2021 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 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

Florida City Gas

We hereby approve FCG’s Petition to establish a conservation cost recovery factor for the GS-1250K rate class, and we find the appropriate conservation cost recovery factor for the period January 2021 through December 2021 to be 0.01863 dollars per therm.

We also hereby approve FCG’s Petition to establish a conservation cost recovery factor for the GS-11M-GS25M rate class, and we find the appropriate conservation cost recovery factor for the period January 2021 through December 2021 to be 0.01094 dollars per therm.

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 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. 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 16th day of November, 2020.

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|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMAN  Commission Clerk |

Florida Public Service Commission

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

GAP

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.

1. 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 the Commission relying on the agreed language to resolve that issue in a final order. [↑](#footnote-ref-1)