

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost) DOCKET NO. 960002-EG
Recovery Clause.) ORDER NO. PSC-96-0352-FOF-EG
_____) ISSUED: 03/12/96

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING

**FINAL ORDER APPROVING CERTAIN ENERGY
CONSERVATION COST RECOVERY**

APPEARANCES:

VICKI GORDON KAUFMAN, Esquire, McWhirter, Reeves, McGlothlin, Davidson and Bakas, 315 South Calhoun Street, Suite 716, Tallahassee, Florida 32301
On behalf of Florida Industrial Power Users Group and City Gas Company of Florida.

ROBERT SCHEFFEL WRIGHT, Esquire, Landers and Parsons, 310 West College Avenue, Tallahassee, Florida 32302
On behalf of Peoples Gas System, Inc..

JEFFREY A. STONE, Esquire, Beggs & Lane, P.O. Box 12950, Pensacola, Florida 32576-2950.
On behalf of Gulf Power Company

JOHN ROGER HOWE, Esquire, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida.

SHEILA L. ERSTLING, Esquire, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commission Staff.

BY THE COMMISSION:

Case Background

As part of the Commission's continuing fuel and energy conservation cost, purchased gas cost, and environmental cost recovery proceedings, pursuant to Notice, a hearing was held

DOCUMENT NUMBER-DATE

02999 MAR 12 96

FPSC-RECORDS/REPORTING

February 21, 1996, in this docket, as well as in Dockets Nos. 960001-EI, 960003-GU and 960007-EI which will be addressed in other orders.

Florida Power Corporation (FPC), Florida Power and Light Company (FPL), Florida Public Utilities Company (FPUC), Gulf Power Company (GULF), Tampa Electric Company (TECO), Chesapeake Utilities Corporation (CUC), City Gas Company (CGC), Peoples Gas System, Inc. (Peoples), St. Joe Natural Gas Company (SJNG) and West Florida Natural Gas Company (WFNG) submitted testimony and exhibits in support of their actual end-of-the-period true-up amounts, projections, and their conservation cost recovery factors. At the Prehearing Conference, the Office of Public Counsel, all other intervenors and the utilities reached agreement as to the appropriate true-up amounts and recovery factors for all utilities except Peoples Gas System, Inc., subject to resolution of company specific issues.

Actual True-ups Amounts and Cost Recovery Factors

The parties, except for Peoples, stipulated to the conservation cost recovery true-up amounts and the appropriate factors to be applied during the April 1996 through March 1997 period. We approve the stipulations as reasonable and supported by competent substantial evidence of record.

In accord with our findings in Peoples' company-specific issues, as later discussed herein, we find the true-up amount and factors shown below for all utilities to be appropriate. Therefore, we approve the following actual end-of-the-period true-up amount for the period October 1, 1994, through September 30, 1995, as follows:

Electric Utilities:

FPC:	\$9,044,353 over-recovery
FPL:	\$5,400,404 over-recovery
TECO:	\$1,580,551 over-recovery
FPUC	
(Marianna Division):	\$6,312 under-recovery
(Fernandina Division):	\$1,656 over-recovery
GULF	\$ 133,511 under-recovery

Gas Utilities:

CHESAPEAKE:	\$ 55,068	under-recovery
CGS:	\$ 210,395	under-recovery
PEOPLES:	\$1,053,457	over-recovery
SJNG:	\$ 9,736	over-recovery
WFNG:	\$ 147,969	over-recovery

We also approve the following energy conservation cost recovery (ECCR) factors to be utilized for the period April 1996 through March 1997:

Electric Utilities:

Florida Power Corporation

<u>Rate Class</u>	<u>ECCR Factor</u>
Residential:	0.295 cents/kWh
GS Non-Demand:	0.242 cents/kWh
@ primary voltage:	0.240 cents/kWh
@ transmission voltage:	0.237 cents/kWh
GS 100% Load Factor:	0.179 cents/kWh
GS Demand:	0.209 cents/kWh
@ primary voltage:	0.207 cents/kWh
@ transmission voltage:	0.205 cents/kWh
Curtable:	0.182 cents/kWh
@ primary voltage:	0.182 cents/kWh
@ transmission voltage:	0.178 cents/kWh
Interruptible:	0.182 cents/kWh
@ primary voltage:	0.178 cents/kWh
@ transmission voltage:	0.178 cents/kWh
Lighting:	0.091 cents/kWh

Florida Power and Light Company

<u>Rate Class</u>	<u>ECCR Factor</u>
RS-1:	0.209 cents/kWh
GS-1:	0.206 cents/kWh
GSD-1:	0.174 cents/kWh
OS-2:	0.164 cents/kWh
GSLD-1 / CS-1:	0.173 cents/kWh

GSLD-2 / CS-2:	0.175 cents/kWh
GSLD-3 / CS-3:	0.168 cents/kWh
ISST-1D:	0.180 cents/kWh
SST-1T:	0.193 cents/kWh
SST-1D:	0.142 cents/kWh
CILCD/CILCG:	0.172 cents/kWh
CILCT:	0.157 cents/kWh
MET:	0.189 cents/kWh
OL-1 / SL-1:	0.111 cents/kWh
SL-2:	0.163 cents/kWh

Florida Public Utilities Company

<u>Rate Class</u>	<u>ECCR Factor</u>
Marianna Division:	0.019 cents/kWh
Fernandina Division:	0.009 cents/kWh

Gulf Power Company

<u>Rate Class</u>	<u>ECCR Factor</u>
RS, RST	0.041 cents/kWh
GS, GST	0.041 cents/kWh
GSD, GSDT	0.041 cents/kWh
LP, LPT, SBS(1)	0.039 cents/kWh
PX, PXT, RTP, SBS(2)	0.038 cents/kWh
OS-I, OS-II	0.039 cents/kWh
OS-III	0.040 cents/kWh
OS-IV	0.039 cents/kWh

Tampa Electric Company

<u>Rate Class</u>	<u>ECCR Factor</u>
Interruptible:	0.007 cents/kWh
Residential:	0.162 cents/kWh
GS Non-Demand:	0.154 cents/kWh
GS Demand @ secondary:	0.127 cents/kWh
GS Demand @ primary:	0.126 cents/kWh
GS Large Demand @ secondary:	0.121 cents/kWh
GS Large Demand @ primary:	0.119 cents/kWh
GS Large Demand @ sub-transmission:	0.118 cents/kWh
Lighting:	0.064 cents/kWh

Gas Utilities:

Chesapeake Utility Company

<u>Rate Class</u>	<u>ECCR Factor</u>
GS - Residential	3.656 cents / therm
GS - Commercial	1.142 cents / therm
GS - Commercial Lg Vol	.693 cents / therm
GS - Industrial	.382 cents / therm
Firm Transportation	.369 cents / therm

City Gas Company

<u>Rate Class</u>	<u>ECCR Factor</u>
RS - Residential	3.232 cents / therm
CS - Commercial	.883 cents / therm

Peoples Gas System, Inc.

<u>Rate Class</u>	<u>ECCR Factor</u>
Residential	3.598 cents per therm
Comm'l Street Lighting	0.439 cents per therm
Small Commercial	3.318 cents per therm
Commercial	1.282 cents per therm
Comm'l Large Volume 1	1.037 cents per therm
Comm'l Large Volume 2	0.755 cents per therm
Natural Gas Vehicle Svc.	0.330 cents per therm

St. Joe Natural Gas

<u>Rate Class</u>	<u>ECCR Factor</u>
Residential	.494 cents / therm
Commercial	.791 cents / therm
Commercial - Lg Vol	.418 cents / therm

West Florida Natural Gas

<u>Rate Class</u>	<u>ECCR Factor</u>
Residential	4.960 cents / therm
Commercial	1.676 cents / therm
Commercial Lg Vol	1.255 cents / therm
Commercial Lg Vol Trans	1.255 cents / therm
Industrial	.287 cents / therm
Firm Transportation	.287 cents / therm
Special Contract	.287 cents / therm

We find that the factors shall be effective beginning with the specified billing cycle and thereafter for the period April 1, 1996, through March 31, 1997. Billing cycles may start before April 1, 1996, and the last cycle may be read after March 31, 1997, so that the customer is billed for twelve months regardless of when the adjustment factor became effective.

A calculation worksheet detailing the true-up amounts and the factors for the natural gas utilities is attached to this Order as Attachment A. Also, a calculation worksheet detailing the true-up accounts and factors for the electric utilities is attached to this Order as Attachment B.

Company-Specific Conservation Cost Recovery Issues

A. The following company-specific issues were stipulated to by the parties. We find the stipulations to be fair and reasonable and we approve them.

Florida Power Corporation (FPC)

In Docket No. 930444-EI we approved FPC's proposal for revenue decoupling on a trial basis. We found, in Order No. PSC-95-0097-FOF-EI, "that revenue impacts from the decoupling experiment shall be reflected in the calculation of the ECCR factor." In reaching that calculation the company must determine the appropriate amount of the revenue decoupling true-up amount based upon the methodology set forth in the aforementioned docket. FPC proposed \$17,746,531 as the appropriate amount of over-recovery for the Revenue Decoupling true-up balance for 1995.

The parties and staff agree that \$17,746,531 is the appropriate amount of overrecovery for the Revenue Decoupling true-up balance for 1995. Staff, however, notes that actual 1995 Personal Income data used to economically recouple 1995 revenues will not be available until late 1996. When this information becomes available, a final true-up for 1995 economic conditions will be made and will be included in the 1996 Revenue Decoupling true-up balance. Furthermore, the amount of overrecovery for 1995

is subject to the results of an audit. Any changes to the \$17,746,531 amount resulting from the audit will be included in the 1996 Revenue Decoupling true-up balance. The parties also agree that the revisions to the "Proposed Adjustment to the RPC for Changes in Economic Condition" are appropriate.

FPC proposed that the company be allowed to defer until no later than October 1, 1996, with interest, its revenue decoupling true-up to allow FPC the opportunity to conduct a bidding process among its contract QF's for the purpose of enhancing the benefit of the true-up to its ratepayers, instead of refunding the amount to ratepayers through an ECCR factor effective April 1996 through March 1997.

FPC shall be allowed to defer refunds of the final 1995 decoupling overrecovery, with accrued interest, while the utility conducts a bidding process among its contract QFs to determine if enhanced benefits can be obtained for residential customers. No later than October 1, 1996, FPC shall file a petition for its proposed disposition of the 1995 Decoupling overrecovery. The petition shall describe with specificity the results of FPC's bidding process and enhanced benefits available to the residential ratepayer, if any. Regardless of the findings of the utility's bidding process, the ultimate disposition of all overrecovery decoupling revenues for 1995, plus accrued interest, shall remain subject to the Commission's decision. Florida Industrial Power Users Group (FIPUG), Legal Environmental Assistance Foundation (LEAF), Office of the Public Counsel (OPC) and parties to this docket retain the right to participate in future proceedings on this decoupling true-up issue. In approving future party participation we are also specifically approving the joint stipulation between FPC and Leaf, which is attached hereto as Attachment C and made a part hereof.

Gulf Power Company (Gulf)

Gulf requested that it be allowed to change the method for allocating the costs of the Residential Advanced Energy Management (AEM) program from an energy basis to a demand basis. During the pilot program, the costs associated with the AEM system were allocated on an energy basis. The utility has demonstrated that there are demand savings attributable to the AEM program. Whether the magnitude of the demand savings demonstrated to date can or should be generalized to the residential (RS) class as a whole is uncertain. To avoid the expense of litigating the issue, the company has proposed that the allocation of costs of the program will be equally divided between energy and demand. Half of the costs will be allocated on energy, and half will be allocated on demand.

Gulf Power Company incurred some licensing fee expenses for the "In Concert With the Environment" program prior to our approval

of this program. Gulf agrees that licensing fees paid for the "In Concert With The Environment" program prior to program approval will not be recoverable through ECCR. Gulf's final true-up amount reflects this adjustment.

Peoples Gas System, Inc. (Peoples)

Peoples sought to recover \$41,038 for outside consulting fees related to research conducted to forecast and monitor financial impact of their conservation programs.

Peoples believes that it is appropriate for the company to recover the full amount; however, Staff's position is that the information obtained is also useful for other company planning, and Peoples should recover only \$20,519 of the expenses. In order to avoid controversy and the uncertainty and expense associated with litigation, Peoples is willing to stipulate to the Staff's recommended treatment of the subject expenses, *ie.*, that fifty percent (\$20,519) would be recovered through ECCR charges and fifty percent (\$20,519) would be recorded as a general above-the-line expense.

B. The following company-specific issues were not stipulated.

Peoples Gas System, Inc.

In reaching our decision we have taken into consideration the prefiled testimony and exhibits, cross-examination of the company's witness, and closing argument of counsel for Peoples.

Peoples seeks to recover \$41,625 of legal costs incurred in defense of its Commission approved Home Builder program when it was challenged for cost-effectiveness by a competitive utility. Peoples contends that legal expenses incurred to defend against Tampa Electric Company's (TECO's) challenge to its Commission-approved Home Builder program in Docket No. 941165-GU are reasonable and prudent expenses appropriately incurred. Further, Peoples claims that these legal costs were incurred to implement its conservation plan and programs and, therefore, are recoverable through ECCR. The company's witness testified that, historically, the company has recovered all legal expenses relative to implementation of its conservation plan and Commission-approved programs through ECCR.

Peoples' argued that there "is no requirement in the statute to exclude costs of this nature from ECCR ...[h]ad there been a question as to the legality of this type of recovery, surely it would have been raised before." This argument begs the question. Our only interest is whether legal expenses incurred to defend a competitive challenge to a Commission-approved program is recoverable through ECCR. The broader question as to whether legal expenses incurred to implement a conservation plan and Commission-

approved programs should be recovered through ECCR has already been considered. The Commission stated its preference, in Order No. 15079, issued September 27, 1985, in Docket No. 850002-PU. At that time, the concern was for uniformity in the method of recovery of conservation costs. Some utilities were recovering conservation expenses in rate base, while others were recovering through ECCR. While the Commission did not set forth a methodology for a utility to make the transition from base rate recovery to ECCR, it did state "[r]ather than treat legal fees apart from other costs, we prefer to first ensure that all costs related to conservation are concurrently recovered." By having costs for conservation readily determinable we are assured that the cost-effectiveness of a given plan or program is properly weighed.

The evolving competitive environment in the electric industry is now bringing into focus the potential for competitive challenges to Commission-approved programs. With such competitive challenges comes the potential for public utilities to expend large sums in the legal defense of such challenges. We may in the future have to determine whether it is more appropriate for these types of legal expenses to be recovered through ECCR or through base rates.

Peoples' expounded that, considering the length of time since we first determined that all expenses related to conservation should be recovered through ECCR, and the proposed nature of the change (recovery in base rates rather than through ECCR), the matter should go to a rulemaking proceeding. Section 120.535(10), Florida Statutes, however, states:

Agency statements that relate to cost-recovery clauses, factors, or mechanisms implemented pursuant to chapter 366 are exempt from the requirements of this section.

Although, the statute exempts cost-recovery clauses, factors, or mechanisms from rulemaking, this Commission has the option to institute rulemaking if it deems it appropriate. At present, this seems to be the first instance where recovery of this type of legal expense has been sought. We are concerned, considering the new competitive climate, that similar requests may multiply in the future. We believe that it would be prudent to examine future requests on a case-by-case basis, allowing our policy on this complex issue to develop.

In the instant case, we find that Peoples has incurred reasonable and prudent legal expenses. The company had been following its practice of many years (since at least 1981) of putting legal fees related to conservation through ECCR. The Commission has a stated policy encouraging that treatment. The company had no prior knowledge that any of its legal expenses would be examined differently. The company was defending a Commission-approved plan recently found to be cost-effective. The particular expenses were matched to the period in which the program cost-

effectiveness challenge took place. We find it appropriate that Peoples recover \$41,625 of legal costs incurred in defense of its Home Builder program.

Peoples also requested recovery of costs incurred in Docket No. 941104-GU related to the development of a demand-side management cost recovery methodology. Peoples contends that it is entitled to recover the \$7,828 in expenses because: (1) they were incurred directly as part of Peoples energy conservation program activities pursuant to "Florida Energy Efficiency and Conservation Act" (FEECA) and Peoples' Commission approved Energy Conservation Plan; and (2) they meet the statutory criteria of being "reasonable and prudent unreimbursed costs projected to be incurred" in accordance with FEECA. In addition, Peoples argues that the evaluation of cost-effectiveness of its conservation programs is an ongoing activity. So too, the company contends, is the development of newer and better methodologies for the purposes of conducting such evaluations. The utility argued it was immaterial whether they developed a new cost-effective methodology themselves or were involved in rule-making to that effect. It would be entirely appropriate for them to recover those costs consistent with historic practice since "it is consistent with and encompassed by the scope of our evaluation responsibilities pursuant to the research, monitoring, and evaluation component of People's approved energy conservation plan."

We disagree with Peoples analysis. The development of a demand-side management cost recovery methodology can readily be distinguished from the company performing a cost-effectiveness analysis of one of its own programs. The establishment of an industry-wide generic cost-effective formula is more similar in nature to setting industry-wide electric conservation goals. We have previously determined in Order No. PSC-95-0398-FOF-EG, issued in Docket 950002-EG, that expenses related to participation in the Conservation Goals dockets were not recoverable through the conservation cost recovery clause. Section 366.83(5), Florida Statutes, speaks specifically to recovery of expenses for the implementation of plans and programs by utilities. We reasoned that the legislative intent was to ensure that companies put actual conservation programs in place. Also, during the course of any given year many generic regulatory matters are litigated before the Commission. Just as the setting of conservation goals was part of the customary regulatory function of the Commission, so too is rulemaking. Docket No. 941104-GU is a rule-making docket opened to determine an appropriate methodology to be used to measure the cost-effectiveness of any gas demand-side management conservation program. The methodology does not implement any given plan or program; it is preliminary in nature in that it measures whether any given program should be implemented at all. It is not specific to one company but is generic to all the gas utilities. Therefore, based on the foregoing, we deny Peoples request to recover \$7,828 in expenses related to this rule-making docket.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the findings and stipulation set forth in the body of this Order are hereby approved. It is further

ORDERED that the utilities named herein are authorized to collect the conservation cost recovery amount and utilize the factors approved herein for bills rendered for meter readings taken beginning with the specified billing cycle and thereafter for the period April, 1996, through March, 1997. Billing cycles may start before April 1, 1996, and the last cycle may be read after March 31, 1997, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. It is further

ORDERED that \$17,746,531 is the appropriate amount of over-recovery for the Revenue Decoupling true-up balance for 1995 subject to audit and final adjustment in the 1996 Revenue Decoupling true-up balance, as discussed herein. It is further

ORDERED that Florida Power Corporation's revisions to the "Proposed Adjustment to RPC for Changes in Economic Condition" are appropriate. It is further

ORDERED that Florida Power Corporation shall be allowed to defer refunds of the final 1995 decoupling overage, with accrued interest, subject to the terms and conditions set forth in the body of this order. It is further

ORDERED that Gulf Power Company shall be allowed to allocate the half the costs of the Residential Advanced Energy Management program on an energy basis and half on a demand basis. It is further

ORDERED that Gulf Power Company shall not be allowed to recover expenses incurred for the "In Concert With the Environment Program" prior to Commission approval of the program. It is further

ORDERED that Peoples Gas System, Inc., shall be allowed to recover legal costs incurred in defense of its Commission approved Home Builder program challenged for cost-effectiveness by a competitive utility, as discussed in the body of this order. It is further

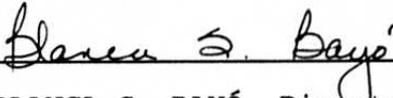
ORDERED that Peoples Gas System, Inc., shall be allowed to recover fifty percent (\$20, 519) of outside consulting fees through the Energy Conservation Cost Recovery clause, as discussed in the body of this order. It is further

ORDERED that Peoples Gas System, Inc., shall not be allowed to

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recover \$7,828 in expenses incurred in the development of a demand-side management cost recovery methodology in Docket No. 941104-GU.

By ORDER of the Florida Public Service Commission, this 12th day of March, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

SLE

DISSENT

Commissioner Deason dissents in the decision regarding Peoples Gas System, Inc.'s recovery of expenses related to the demand-side management cost recovery methodology.

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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 Director, Division of Records and Reporting 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 Director, Division of Records and Reporting 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

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Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

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*** NATURAL GAS UTILITIES ***

Issue	CHESAPEAKE UTILITIES CORPORATION					CITY GAS COMPANY				
	Company Position	Pub. Counsel Position	Difference Co. & PC	Commission Vote	Difference	Company Position	Pub. Counsel Position	Difference Co. & PC	Commission Vote	Difference
Prior Period ADJUSTED NET True-up - Oct'93/Sep'94 (Over)/Under Recovery	\$55,068	NA	\$0	55,068	\$0	210,395	NA	\$0	210,395	(\$0)
Current Period ACTUAL/EST True-Up - Oct'94/Sep'95 (Over)/Under Recovery	\$89,985	NA	\$0	89,985	\$0	296,013	NA	\$0	296,013	\$0
Future Period Projections Estimated Costs Oct'95/Mar'96	\$118,968	NA	\$0	118,968	\$0	871,579	NA	\$0	871,579	\$0
(Over)/Under Recovery Estimated - Oct'94/Sep'95	\$89,985	NA	\$0	\$89,985	\$0	\$296,013	NA	\$0	\$296,013	\$0
TOTAL to Recover During - Apr'95/Mar'96	\$208,953	NA	\$0	\$208,953	\$0	\$1,167,592	NA	\$0	\$1,167,592	\$0

Issue	PEOPLES GAS SYSTEM, INC.					ST JOE NATURAL GAS COMPANY				
	Company Position	Pub. Counsel Position	Difference Co. & PC	Commission Vote	Difference	Company Position	Pub. Counsel Position	Difference Co. & PC	Commission Vote	Difference
Prior Period ADJUSTED NET True-up - Oct'93/Sep'94 (Over)/Under Recovery	(\$1,020,434)	NA	\$0	(1,053,457)	\$33,023	(\$9,736)	NA	\$0	(9,736)	\$0
Current Period ACTUAL/EST True-Up - Oct'94/Sep'95 (Over)/Under Recovery	\$1,688,588	NA	\$0	1,653,601	\$34,987	(\$11,380)	NA	\$0	(11,380)	\$0
Future Period Projections Estimated Costs Oct'95/Mar'96	\$2,368,777	NA	\$0	2,368,777	\$0	\$16,000	NA	\$0	16,000	\$0
(Over)/Under Recovery Estimated - Oct'94/Sep'95	\$1,688,588	NA	\$0	\$1,653,601	\$34,987	(\$11,380)	NA	\$0	(\$11,380)	\$0
TOTAL to Recover During - Apr'95/Mar'96	\$4,057,365	NA	\$0	\$4,022,378	\$34,987	\$4,620	NA	\$0	\$4,620	(\$0)

Conservation Cost Recovery
 Calculation Worksheet
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*** NATURAL GAS UTILITIES ***

Issue	WEST FLORIDA NATURAL GAS				
	Company Position	Pub. Counsel Position	Difference Co. & PC	Commission Vote	Difference
Prior Period ADJUSTED NET True-up - Oct'93/Sep'94 (Over)/Under Recovery	(\$147,969)	NA	\$0	(147,969)	\$0
Current Period ACTUAL/EST True-Up - Oct'94/Sep'95 (Over)/Under Recovery	\$325,315	NA	\$0	325,315	\$0
Future Period Projections Estimated Costs Oct'95/Mar'96	\$458,600	NA	\$0	458,600	\$0
(Over)/Under Recovery Estimated - Oct'94/Sep'95	\$325,315	NA	\$0	\$325,315	\$0
TOTAL to Recover During - Apr'95/Mar'96	\$783,915	NA	\$0	\$783,915	\$0

*** NATURAL GAS UTILITIES ***
 ESTIMATED ECCR CHARGES BY RATE CLASSIFICATION BASED ON TOTAL CONTRIBUTION
 FOR THE PERIOD - APRIL 1994, / MARCH, 1995

CHESAPEAKE UTILITIES CORPORATION

COMMISSION VOTE										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
RATE CLASS	BILLS	THERM SALES	TOTAL CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL (4+5)	TOTAL ESTIMATED ECCR	% SURCHARGE	DOLLARS PER THERM	REVENUE TAX	ADJUSTMENT FACTOR
GS - RESIDENTIAL	92,368	2,024,059	600,392	872,896	1,473,288	72,620	4.93%	0.03588	1.01911	0.03656
GS - COMMERCIAL	9,165	4,295,534	137,475	839,004	976,479	48,132	4.93%	0.01121	1.01911	0.01142
GS - COMMERCIAL - LV	251	1,546,914	5,020	208,292	213,312	10,514	4.93%	0.00680	1.01911	0.00693
GS - INDUSTRIAL	456	7,155,909	18,240	525,816	544,056	26,817	4.93%	0.00375	1.01911	0.00382
FIRM TRANSPORTATION	0	14,044,940	0	1,032,022	1,032,022	50,870	4.93%	0.00362	1.01911	0.00369
TOTAL	102,240	29,067,356	761,127	3,478,030	4,239,157	208,953				

CITY GAS COMPANY

COMMISSION VOTE										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
RATE CLASS	BILLS	THERM SALES	TOTAL CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL (4+5)	TOTAL ESTIMATED ECCR	% SURCHARGE	DOLLARS PER THERM	REVENUE TAX	ADJUSTMENT FACTOR
RS - RESIDENTIAL	1,126,639	22,173,435	6,759,834	8,789,550	15,549,384	714,061	4.59%	0.03220	1.00376	0.03232
CS - COMMERCIAL	60,040	51,543,066	720,480	9,155,595	9,876,075	453,531	4.59%	0.00880	1.00376	0.00883
INTERRUPTIBLE	0	0	0	0	0	0	0.00%	0.00000	1.00376	0.00000
TOTAL	1,186,679	73,716,501	7,480,314	17,945,145	25,425,459	1,167,592				

Conservation Cost Recovery
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*** NATURAL GAS UTILITIES ***
ESTIMATED ECCR CHARGES BY RATE CLASSIFICATION BASED ON TOTAL CONTRIBUTION
FOR THE PERIOD - APRIL 1994, / MARCH, 1995

PEOPLES GAS SYSTEM, INC.

COMMISSION VOTE

(1) RATE CLASS	(2) BILLS	(3) THERM SALES	(4) TOTAL CUSTOMER CHARGE	(5) NON-GAS ENERGY CHARGE	(6) TOTAL (4+5)	(7) TOTAL ESTIMATED ECCR	(8) % SURCHARGE PER THERM	(9) DOLLARS REVENUE TAX	(10) REVENUE TAX	(11) ADJUSTMENT FACTOR
RESIDENTIAL	2,161,163	41,734,531	15,128,141	17,159,987	32,288,128	1,495,860	4.63%	0.03584	1.00376	0.03598
COMMERCIAL - STREET LT	391	287,123	0	27,125	27,125	1,257	4.63%	0.00438	1.00376	0.00439
SMALL COMMERCIAL	61,933	2,469,732	928,995	833,238	1,762,233	81,642	4.63%	0.03306	1.00376	0.03318
COMMERCIAL	175,485	93,346,506	2,983,245	22,752,277	25,735,522	1,192,287	4.63%	0.01277	1.00376	0.01282
COMMERCIAL - LG VOL 1	19,021	107,997,195	475,525	23,608,187	24,083,712	1,115,762	4.63%	0.01033	1.00376	0.01037
COMMERCIAL - LG VOL 2	342	17,485,209	15,390	2,824,736	2,840,126	131,579	4.63%	0.00753	1.00376	0.00755
NGVS	209	1,215,024	5,225	80,945	86,170	3,992	4.63%	0.00329	1.00376	0.00330
TOTAL	2,418,544	264,535,320	19,536,521	67,286,495	86,823,016	4,022,378				

ST JOE NATURAL GAS COMPANY

COMMISSION VOTE

(1) RATE CLASS	(2) BILLS	(3) THERM SALES	(4) TOTAL CUSTOMER CHARGE	(5) NON-GAS ENERGY CHARGE	(6) TOTAL (4+5)	(7) TOTAL ESTIMATED ECCR	(8) % SURCHARGE PER THERM	(9) DOLLARS REVENUE TAX	(10) REVENUE TAX	(11) ADJUSTMENT FACTOR
RESIDENTIAL	17,286	726,745	51,857	14,317	66,174	3,485	5.27%	0.00480	1.02960	0.00494
COMMERCIAL	1,149	47,012	5,745	1,109	6,854	361	5.27%	0.00768	1.02960	0.00791
COMMERCIAL - LG VOL	307	190,449	6,140	8,551	14,691	774	5.27%	0.00406	1.02960	0.00418
INTERRUPTIBLE	0	0	0	0	0	0	5.27%	0.00000	1.02960	0.00000
INTERRUPTIBLE - LG VOL	0	0	0	0	0	0	5.27%	0.00000	1.02960	0.00000
TOTAL	18,742	964,206	63,742	23,977	87,719	4,620				

*** NATURAL GAS UTILITIES ***
 ESTIMATED ECCR CHARGES BY RATE CLASSIFICATION BASED ON TOTAL CONTRIBUTION
 FOR THE PERIOD - APRIL 1994, / MARCH, 1995

WEST FLORIDA NATURAL GAS

COMMISSION VOTE

(1) RATE CLASS	(2) BILLS	(3) THERM SALES	(4) TOTAL CUSTOMER CHARGE	(5) NON-GAS ENERGY CHARGE	(6) TOTAL (4+5)	(7) TOTAL ESTIMATED ECCR	(8) % SURCHARGE PER THE	(9) DOLLARS REVENUE PER THE	(10) REVENUE TAX	(11) ADJUSTMENT FACTOR
RESIDENTIAL	314,752	9,657,491	2,203,264	3,141,099	5,344,363	477,186	8.93%	0.04941	1.00376	0.04960
COMMERCIAL	26,045	11,221,543	260,450	1,837,864	2,098,314	187,354	8.93%	0.01670	1.00376	0.01676
COMMERICAL LRG VOL	103	3,918,512	5,150	542,322	547,472	48,883	8.93%	0.01250	1.00376	0.01255
COMMERICAL LRG VOL TRAN:	84	1,993,200	4,200	275,859	280,059	25,006	8.93%	0.01250	1.00376	0.01255
INDUSTRIAL	52	1,555,326	5,200	75,853	81,053	7,237	8.93%	0.00286	1.00376	0.00287
FIRM TRANSPORTATION	60	7,854,700	6,000	383,074	389,074	34,740	8.93%	0.00286	1.00376	0.00287
SPECIAL CONTRACT	12	6,511,200	39,312	0	39,312	3,510	8.93%	0.00286	1.00376	0.00287
TOTAL	341,108	42,711,972	2,523,576	6,256,071	8,779,647	783,915				

FLORIDA POWER & LIGHT COMPANY

*** ELECTRIC UTILITIES ***

Revised 3/6/98
 FPL06.1

	NS 1	OS 1	OSD 1	OS 2	OSLD 1 CS 1	OSLD 2 CS 2	OSLD 3 CS 3	15S1 10	15S1 11	15S1 10	CALC D CALC 9	CALC T	NET	OL 1 RL 1	OL 2 RL 2	TOTAL
Demand Allocation %	59.750%	7.103%	19.094%	0.071%	7.640%	1.807%	0.837%	0.002%	0.009%	0.003%	2.247%	0.871%	0.111%	0.141%	0.074%	100.000%
Energy Allocation %	52.812%	8.383%	23.284%	0.028%	9.403%	2.228%	1.012%	0.002%	0.000%	0.000%	2.788%	1.342%	0.112%	0.503%	0.102%	100.000%
End of Period 1 Truing Over/Under Recovery Account: Oct 8/87ep 88																(88,480,484)
Estimated: Oct 8/87ep 88																(515,281,710)
Projected: Apr 8/87ep 87																(140,872,287)
Less Load Management Credit- No Tier Expansion																(553,171,722)
Subtotal																(815,418,864)
Regulation Expansion Factor																1,01609
Subtotal																(817,277,871)
Add Back Load Management Credit																(523,171,722)
Future Investment Costs Projected: Apr 8/87ep 87	\$51,528,571	\$8,128,731	\$16,487,187	\$18,164	\$8,598,879	\$1,800,870	\$722,088	\$1,857	\$82,730	\$28,244	\$1,807,828	\$807,865	\$98,842	\$121,301	\$64,072	\$98,241,878
Demand Allocation 12CP	\$3,781,114	\$458,432	\$1,871,917	\$1,877	\$875,732	\$160,801	\$72,701	\$158	\$8,488	\$4,285	\$200,388	\$98,488	\$8,083	\$28,745	\$7,286	\$7,248,823
Demand Allocation 1/12M	\$29,888,272	\$3,645,124	\$13,284,865	\$15,885	\$5,281,404	\$1,278,549	\$578,807	\$1,254	\$51,328	\$33,888	\$1,588,841	\$785,518	\$64,213	\$215,337	\$58,875	\$27,020,083
Energy Allocate	\$85,318,887	\$10,234,288	\$31,404,028	\$35,828	\$12,825,835	\$3,047,454	\$1,371,574	\$3,070	\$140,528	\$88,528	\$3,728,285	\$1,888,888	\$188,248	\$478,283	\$130,142	\$182,448,784
TOTAL Retail kWh (000) As Projected at Meter	40,804,018	4,857,878	18,042,655	21,785	7,284,204	1,743,874	817,240	1,708	72,271	48,782	2,170,288	1,084,812	88,185	428,811	78,807	77,885,587
Concentration Adjustment Factor (maximum .001 cover)	0.208	0.208	0.174	0.164	0.173	0.178	0.168	0.180	0.183	0.142	0.172	0.157	0.188	0.111	0.163	

*** ELECTRIC UTILITIES ***
FLORIDA POWER CORPORATION

Revised 3/8/96
 FPC96-1

	Residential	General Non-Demand	General 100% L.F.	General Demand	Curtailable	Interruptible	Lighting	TOTAL
Demand Allocation %	60.408%	3.509%	0.098%	29.948%	0.471%	5.311%	0.185%	100.000%
Energy Allocation %	49.850%	3.643%	0.148%	37.146%	0.695%	7.638%	0.679%	100.000%
End of Period Trueup (Over)/Under Recovery Actual: Oct 94/Sep 95								(\$8,044,353)
Current Period Trueup Estimated: Oct 95/Mar 96								
Demand (O)/U Recovery	(\$3,278,686)	(\$190,073)	(\$5,333)	(\$1,622,026)	(\$25,526)	(\$287,631)	(\$8,928)	(\$5,418,203)
Energy (O)/U Recovery	(\$512,372)	(\$37,444)	(\$1,524)	(\$381,792)	(\$7,143)	(\$80,563)	(\$8,983)	(\$1,027,822)
Total (O)/U Recovery	(\$3,789,058)	(\$227,517)	(\$6,857)	(\$2,003,819)	(\$32,669)	(\$368,194)	(\$15,911)	(\$6,444,025)
Future Incremental Costs: Projected: Apr 96/Mar 97								
Demand Costs	\$41,683,255	\$2,417,956	\$87,838	\$20,634,063	\$324,724	\$3,659,001	\$113,569	\$68,900,408
Energy Costs	\$6,518,887	\$476,394	\$19,393	\$4,857,522	\$90,883	\$1,025,004	\$88,844	\$13,078,927
Total Projected Cost	\$48,202,142	\$2,894,351	\$87,231	\$25,491,585	\$415,607	\$4,684,005	\$202,412	\$81,977,333
Adjust. Collect/Refund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL to Recover Future Incremental Costs:	\$44,413,084	\$2,666,833	\$80,374	\$23,487,767	\$382,937	\$4,315,811	\$186,502	\$75,533,308
TOTAL Retail kWh (000)	15,079,859	1,102,008	44,880	11,236,547	210,232	2,371,067	205,516	30,249,889
Costs/kWh (cents)								
Demand	0.2546912	0.2021657	0.1393345	0.1691982	0.1423179	0.1421879	0.0509163	
Energy	0.0398319	0.0398319	0.0398319	0.0398319	0.0398319	0.0398319	0.0398319	
Total	0.2945231	0.2419976	0.1791664	0.2090301	0.1821498	0.1820198	0.0607482	
Regulation Expansion Factor	1.0002808	1.0002808	1.0002808	1.0002808	1.0002808	1.0002808	1.0002808	
Conservation Adjustment Factor (nearest .001 cent)								
Secondary Voltage	0.295	0.242	0.179	0.209	0.182	0.182	0.091	
Primary Voltage	-	0.240	-	0.207	0.180	0.180	-	
Transmission Voltage	-	0.237	-	0.205	0.178	0.178	-	

*** ELECTRIC UTILITIES ***

GULF POWER COMPANY

Revised: 3/8/96
GULF96-1

	RS, RST	GS, GST	GSD, GSDT	LP, LPT SBS1	PX, PXT, RTP SBS2	OS-I, OS-II	OS-III	OS-IV	TOTAL
Demand Allocation %	56.751%	3.223%	19.511%	14.489%	5.877%	0.000%	0.148%	0.000%	100.000%
Energy Allocation %	46.969%	2.731%	21.695%	18.350%	9.227%	0.757%	0.217%	0.033%	100.000%
End of Period Trueup (Over)/Under Recovery Actual: Oct 94/Sep 95									\$133,511
Current Period True-Up Estimated: Oct 95/Mar 96									\$151,932
Future Incremental Costs: Projected: Apr 96/Mar 97									
Demand Costs	\$105,846	\$8,020	\$37,196	\$27,947	\$11,598	\$110	\$290	\$5	\$189,010
Energy Costs	\$1,568,095	\$91,146	\$723,989	\$612,368	\$307,918	\$25,256	\$7,256	\$1,108	\$3,337,136
Total Projected Costs	\$1,673,941	\$97,166	\$761,185	\$640,315	\$319,514	\$25,366	\$7,546	\$1,113	\$3,526,146
TOTAL to Recover Future Incremental Costs:	\$1,673,941	\$97,166	\$761,185	\$640,315	\$319,514	\$25,366	\$7,546	\$1,113	\$3,526,146
Retail kWh (000)	4,034,799	234,524	1,863,240	1,624,239	833,402	64,985	18,669	2,851	8,676,709
Cost/kWh (cents)	0.0414875978	0.0414311542	0.0408527567	0.039422467	0.0383385155	0.0390335547	0.0404204108	0.0390402209	0.0408392124
Conservation Adjustment Factor nearest .001 cent	0.041	0.041	0.041	0.039	0.038	0.039	0.040	0.039	

*** ELECTRIC UTILITIES ***

TAMPA ELECTRIC COMPANY

Revised: 3/11/98
TECO06-1

	Residential	General Service Non-Demand	General Service Demand	General Service Large Demand	Lighting	TOTAL
Demand Allocation %	58.070%	7.230%	24.450%	10.080%	0.190%	100.000%
Energy Allocation %	49.440%	6.630%	29.700%	13.170%	1.060%	100.000%
End of Period Trueup (Over)/Under Recovery Actual: Oct 94/Sep 95						(\$1,580,551)
Current Period Trueup -- Estimated: Oct 95/Mar 98						
Demand (O)/U Recovery	\$58,740	\$7,313	\$24,732	\$10,178	\$192	\$101,154
Energy (O)/U Recovery	\$23,568	\$3,160	\$14,158	\$6,278	\$505	\$47,669
Total (O)/U Recovery	\$82,308	\$10,474	\$38,890	\$16,454	\$697	\$148,823
Future Incremental Costs -- Projected: Apr 96/Mar 97						
Demand Costs	\$7,383,530	\$916,798	\$3,100,367	\$1,275,652	\$24,083	\$12,680,438
Energy Costs	\$2,893,492	\$388,023	\$1,738,202	\$770,778	\$82,037	\$5,852,532
Total Projected Costs	\$10,257,022	\$1,304,819	\$4,838,569	\$2,046,430	\$86,130	\$18,532,970
TOTAL to Recover -- Future Incremental Costs:	\$10,339,330	\$1,315,292	\$4,877,459	\$2,082,884	\$86,827	\$18,681,793
Ⓐ Primary Voltage			\$173,587	\$1,136,228		
Ⓑ Subtransmission Voltage				\$140		
TOTAL Retail kWh (000)	6,378,548	855,765	3,834,750	1,720,978	136,342	12,924,379
Ⓐ Primary Voltage			137,790	952,181		
Ⓑ Subtransmission Voltage				119		
TOTAL Costs/kWh (cents)	0.1621	0.1537	0.1272	0.1205	0.0837	
Ⓐ Primary Voltage			0.1280	0.1193		
Ⓑ Subtransmission Voltage				0.1178		
Regulation Expansion Factor	1.00083	1.00083	1.00083	1.00083	1.00083	
Conservation Adjustment Factor (nearest .001 cent)						
Ⓐ Secondary Voltage	0.162	0.154	0.127	0.121	0.064	
Ⓑ Primary Voltage	-	-	0.126	0.119	-	
Ⓒ Subtransmission Voltage	-	-	-	0.118	-	

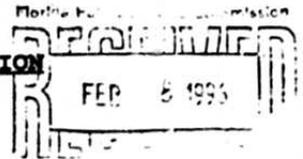
*** ELECTRIC UTILITIES ***
FLORIDA PUBLIC UTILITIES COMPANY

Revised: 3/11/98
 FPUC98-1

Marianna Fernandina Beach

End of Period Trueup (Over)/Under Recovery Actual: Oct 94/Sep 95	\$6,312	(\$1,656)
Current Period True-up (Over)/Under Recovery Estimated: Oct 95/Mar 96	\$27,905	\$12,927
Future Incremental Costs: Projected: Apr 96/Mar 97	\$21,800	\$15,300
TOTAL to Recover Projected: Apr 96/Mar 97	\$49,705	\$28,227
TOTAL Retail kWh (000)	262,061	308,792
Cost/KWH (cents)	0.019	0.009
Revenue Tax Adjustment Factor	1.00083	1.00083
Conservation Adjustment Factor (nearest .001 cent)	0.019	0.009

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION



In re: Conservation Cost Recovery
Clauses of Electric Companies

Docket No. 960002-EG

Filed: February 7, 1996

JOINT MOTION TO APPROVE STIPULATION

Florida Power Corporation ("FPC") and Legal Environmental Assistance Foundation, Inc. ("LEAF") file this joint motion to approve stipulation and state:

1. To avoid litigation and consistent with the Commission's encouragement to the parties to settle issues whenever possible, FPC and LEAF have, as reflected in the following stipulation, reached agreement regarding certain aspects of decoupling trueup issues in the above-styled docket.

2. FPC and LEAF agree and stipulate that:

a) The merits of any proposed use of revenue decoupling true-up funds, including the QF-auction FPC has proposed, are not at issue in this proceeding.

b) The ultimate disposition of decoupling true-up funds will be determined in a future proceeding wherein the merits of uses proposed by any party, including full or partial refund, shall be considered.

c) LEAF does not object to deferring, with interest, a true-up pending the outcome of said future proceeding. FPC agrees that LEAF may fully participate as a party at such future proceeding.

d) So long as the opportunity to participate in said future proceeding is provided, LEAF agrees not to participate further in FPC decoupling true-up issues raised in the above-styled docket. However, nothing herein shall prevent LEAF from participating in spin-off proceedings created by the Commission's vote in this docket.

e) This stipulation is supported by adequate consideration and subject to the jurisdiction of the Florida Public Service Commission.

WHEREFORE, Florida Power Corporation and Legal Environmental Assistance Foundation, Inc. move that the Commission enter an Order

DOCUMENT NUMBER-DATE

01452 FEB-7 96

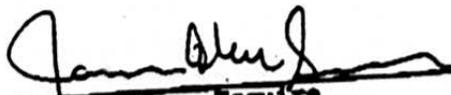
FPSC-RECORDS/REPORTING

approving the aforesated stipulation.

Respectfully submitted,


DEBRA SWIN, Esquire

Legal Environmental
Assistance Foundation, Inc.
1115 N. Gadsden Street
Tallahassee, FL 32303
(904) 681-2591


James McGee, Esquire

Florida Power Corporation
Office of the General Counsel
St. Petersburg, FL 33733
(813) 866-5184

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the Joint Motion to Approve Stipulation filed on behalf of Florida Power Corporation and Legal Environmental Assistance Foundation, Inc. has been furnished to the following individuals by hand delivery or regular U.S. mail this 7th day of February, 1996.

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