

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 090004-GU

DATED: October 9, 2009

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STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-09-0186-PCO-GU, issued March 27, 2009, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff intends to offer the Direct Testimony of Kathy L. Welch.

b. All Known Exhibits

Staff intends to offer the following exhibits associated with the Direct Testimony of Kathy L. Welch:

<u>Exhibit</u>	<u>Title</u>
KLW-1	History of testimony provided by Kathy L. Welch
KLW-2	Audit report

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

GENERIC CONSERVATION COST RECOVERY ISSUES

ISSUE 1: What are the final conservation cost recovery true-up amounts for the period January 2008 through December 2008?

POSITION:

Chesapeake (CUC)	\$751,034	Overrecovery
Florida City Gas (FCG)	Staff has no position at this time.	
Florida Public Utilities Company (FPUC)	\$381,259	Overrecovery
Indiantown Gas Company (IGC)	\$33,917	Overrecovery

DOCUMENT NUMBER-DATE

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Peoples Gas System (PGS)	\$2,770,192	Overrecovery
St. Joe Natural Gas (SING)	\$94,282	Underrecovery
Sebring Gas System, Inc. (Sebring)	\$27,820	Overrecovery

ISSUE 2: What are the total conservation cost recovery amounts to be collected during the period January 2010 through December 2010?

POSITION:

Chesapeake (CUC)	\$134,035
Florida City Gas (FCG)	\$2,088,536
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

ISSUE 3: What are the conservation cost recovery factors for the period January 2010 through December 2010?

POSITION:

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:

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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	6.112 cents/therm
	GS-600	3.073 cents/therm
	GS-1200	1.903 cents/therm
	GS-6000	1.559 cents/therm
	GS-25000	1.526 cents/therm
	GS-60000	1.495 cents/therm
	Gas Lights	3.043 cents/therm
	GS-120000	1.182 cents/therm
	GS-250000	1.046 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

PGS	Rate Class	ECCR Factor
	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

ISSUE 4: What should be the effective date of the new conservation cost recovery factors for billing purposes?

POSITION: The factors should 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

ISSUE 5: What adjustments, if any, should be made to Florida City Gas' final conservation cost recovery true-up amounts for the period January 2008 through December 2008 for costs associated with mailing bills, billing services, billing insert expenses, office supplies, and legal costs?

POSITION: Staff has no position at this time.

e. Stipulated Issues

Staff is not aware of any stipulated issues at this time.

f. Pending Motions

Staff has no pending motions at this time.

g. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests at this time.


h. Objections to Witness Qualifications as an Expert

Staff has no objections to any witness' qualifications as an expert in this proceeding.

i. Compliance with Order No. PSC-09-0186-PCO-GU

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 9th day of October, 2009.



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DATED: October 9, 2009

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of STAFF'S PREHEARING STATEMENT was furnished to the following by electronic and U.S. Mail, on this 9th day of October, 2009:

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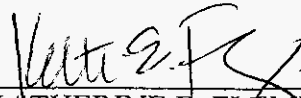
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