

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost)
Recovery Clause)
_____)

ORIGINAL
FILE COPY

Docket No. 960002-EG
Submitted for Filing
January 16, 1996

ST. JOE NATURAL GAS COMPANY'S PRELIMINARY
LIST OF ISSUES AND POSITIONS

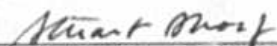
St. Joe Natural Gas Company, Inc. ("SJNG") by and through its undersigned officer, hereby submits its Preliminary List of Issues and Positions to be taken up at the Hearing now scheduled to begin February 21, 1996 in the above listed docket.

1. What should the final conservation cost recovery amount be for the twelve month period ending September 30, 1995?

SJNG's Position: \$9,736.00 overrecovery.

2. What is the appropriate conservation cost recovery factor to be applied to customer bills during the twelve month period ending March 31, 1997?

SJNG's Position: \$0.00494 Residential, \$0.00791 for Commercial and \$0.00418 for Large Commercial.



Stuart L. Shoaf, President
St. Joe Natural Gas Company, Inc.
P.O. Box 549
Port St. Joe, Florida 32456-0549
(904) 229-8216

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

1 16th day of January 1996
2 prescribed by the Commission Staff which have
3 collectively been entitled "Energy Conservation
4 Adjustment Summary of Cost Recovery Clause Calculation
5 for months April 1, 1996 through March 31, 1997"
6 for identification.

7 Q. What Conservation Adjustment Factor does St. Joe
8 Natural Gas seek approval through its petition for
9 the twelve month period ending March 31, 1997.

10 A. \$0.00494 per therm for Residential, \$0.00791 per
11 therm for Commercial, and \$0.00418 for Large
12 Commercial.

13 Q. Does this conclude your testimony?

14 A. Yes.

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ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION
OCTOBER 1996 THROUGH MARCH 1997

PROJECTED PERIOD: OCTOBER 1996 THROUGH MARCH 1997
 ACTUAL/ESTIMATED PERIOD: OCTOBER 1995 THROUGH SEPTEMBER 1996
 FINAL TRUE-UP PERIOD: OCTOBER 1994 THROUGH SEPTEMBER 1995
 COLLECTION PERIOD FOR PRIOR TRUE-UP: APRIL 1996 THROUGH MARCH 1997

1. INCREMENTAL COSTS (SCHEDULE C-2)	16,000
2. TRUE-UP (SCHEDULE C-3)	<u>(11,380)</u>
3. TOTAL	<u>4,620</u>

RATE CLASS	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
RESIDENTIAL	17,286	726,745	51,857	14,317	66,173	3,485	5.2663%	0.0048	1.0296	0.00494
COMMERCIAL	1,149	47,012	5,745	1,109	6,854	361	5.2663%	0.0077	1.0296	0.00791
LARGE COMMERCIAL	307	190,449	6,140	8,551	14,691	774	5.2663%	0.0041	1.0296	0.00418
OTHER	0	0	0	0	0	0	5.2663%	ERR	1.02960	ERR
OTHER	0	0	0	0	0	0	5.2663%	ERR	1.02960	ERR
OTHER	0	0	0	0	0	0	5.2663%	ERR	1.02960	ERR
OTHER	0	0	0	0	0	0	0	ERR	0.00000	ERR
TOTAL	18,742	964,206	63,742	23,978	87,719	4,620				

PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
FOR PERIOD: OCTOBER 1996 THROUGH MARCH 1997

PROGRAM NAME	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	TOTAL
1. BUILDER PROGRAM	666.67	666.67	666.67	666.67	666.67	666.65	4000
2. ELECTRIC REPLACEMENT	2000	2000	2000	2000	2000	2000	12000
3. (INSERT NAME)	0	0	0	0	0	0	0
4. (INSERT NAME)	0	0	0	0	0	0	0
5. (INSERT NAME)	0	0	0	0	0	0	0
6. (INSERT NAME)	0	0	0	0	0	0	0
7. (INSERT NAME)	0	0	0	0	0	0	0
8. (INSERT NAME)	0	0	0	0	0	0	0
9. (INSERT NAME)	0	0	0	0	0	0	0
10. (INSERT NAME)	0	0	0	0	0	0	0
11. (INSERT NAME)	0	0	0	0	0	0	0
12. (INSERT NAME)	0	0	0	0	0	0	0
13. (INSERT NAME)	0	0	0	0	0	0	0
14. (INSERT NAME)	0	0	0	0	0	0	0
15. (INSERT NAME)	0	0	0	0	0	0	0
16. (INSERT NAME)	0	0	0	0	0	0	0
17. (INSERT NAME)	0	0	0	0	0	0	0
18. (INSERT NAME)	0	0	0	0	0	0	0
19. (INSERT NAME)	0	0	0	0	0	0	0
20. (INSERT NAME)	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	2666.67	2666.67	2666.67	2666.67	2666.67	2666.65	16000
LESS: AMOUNT IN RATE BASE	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	2666.67	2666.67	2666.67	2666.67	2666.67	2666.65	16000

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1996 THROUGH MARCH 1997

PROGRAM NAME

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. BUILDER PROGRAM	0	0	0	0	4000	0	0	0	4000
2. ELECTRIC REPLACEMENT	0	0	0	0	12000	0	0	0	12000
3. (INSERT NAME)	0	0	0	0	0	0	0	0	0
4. (INSERT NAME)	0	0	0	0	0	0	0	0	0
5. (INSERT NAME)	0	0	0	0	0	0	0	0	0
6. (INSERT NAME)	0	0	0	0	0	0	0	0	0
7. (INSERT NAME)	0	0	0	0	0	0	0	0	0
8. (INSERT NAME)	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)	0	0	0	0	0	0	0	0	0
14. (INSERT NAME)	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	0	0	0	0	16000	0	0	0	16000
LESS: AMOUNT IN RATE BASE	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSER.	0	0	0	0	16000	0	0	0	16000

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1995 THROUGH SEPTEMBER 1996
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	4250	0	0	0	4250
B. ESTIMATED	0	0	0	0	10000	0	0	0	10000
C. TOTAL	0	0	0	0	14250	0	0	0	14250
2. ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	7200	0	0	0	7200
B. ESTIMATED	0	0	0	0	10000	0	0	0	10000
C. TOTAL	0	0	0	0	17200	0	0	0	17200
3. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
4. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
5. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
6. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
7. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	0	0	0	31450	0	0	0	31450

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1995 THROUGH SEPTEMBER 1996
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
BALANCE FROM PREVIOUS PAGE	0	0	0	0	31450	0	0	0	31450
8. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	0	0	0	31450	0	0	0	31450

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: OCTOBER 1995 THROUGH SEPTEMBER 1996
TWO MONTHS ACTUAL AND TEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
BALANCE FROM PREVIOUS PAGE	0	0	0	0	31450	0	0	0	31450
14. (INSERT NAME) (INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
15. (INSERT NAME) (INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
16. (INSERT NAME) (INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
17. (INSERT NAME) (INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
18. (INSERT NAME) (INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
19. (INSERT NAME) (INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
20. (INSERT NAME) (INSERT NAME)	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
TOTAL PROG. COSTS	0	0	0	0	31450	0	0	0	31450
LESS: BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0
NET PROG. COSTS	0	0	0	0	31450	0	0	0	31450

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR PERIOD: OCTOBER 1995 THROUGH SEPTEMBER 1996
TWO MONTHS ACTUAL AND 10 MONTHS ESTIMATED

CONSERVATION REVS	OCT MONTH NO.1	NOV MONTH NO. 2	DEC 94 MONTH NO. 3	JAN 95 MONTH NO. 4	FEB MONTH NO. 5	MAR MONTH NO. 6	APR MONTH NO. 7	MAY MONTH NO. 8	JUN MONTH NO. 9	JUL MONTH NO. 10	AUG MONTH NO. 11	SEP MONTH NO. 12	TOTAL
1. RCS AUDIT FEE	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROG. REVS.	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS.	(2,142)	(4,842)	(6,357)	(6,357)	(6,357)	(6,357)	0	0	0	0	0	0	(32,413)
4. TOTAL REVENUES	(2,142)	(4,842)	(6,357)	(6,357)	(6,357)	(6,357)	0	0	0	0	0	0	(32,413)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	(1,623)	(1,623)	(1,623)	(541)	(541)	(541)	(541)	(541)	(541)	(541)	(541)	(541)	(9,736)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(3,765)	(6,464)	(7,980)	(6,898)	(6,898)	(6,898)	(541)	(541)	(541)	(541)	(541)	(541)	(42,149)
7. CONSERV. EXPS.	3,050	2,200	6,200	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	31,700
8. TRUE-UP THIS PERIOD	(715)	(4,264)	(1,780)	(4,648)	(4,648)	(4,648)	1,709	1,709	1,709	1,709	1,709	1,709	(10,449)
9. INTER. PROVISION THIS PERIOD	(45)	(49)	(56)	(67)	(87)	(107)	(113)	(102)	(92)	(81)	(71)	(60)	(932)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(9,736)	(8,874)	(11,565)	(11,778)	(15,952)	(20,147)	(24,362)	(22,224)	(20,076)	(17,918)	(15,749)	(13,570)	(9,736)
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	1,623	1,623	1,623	541	541	541	541	541	541	541	541	541	9,736
12. TOTAL NET TRUE-UP	(8,874)	(11,565)	(11,778)	(15,952)	(20,147)	(24,362)	(22,224)	(20,076)	(17,918)	(15,749)	(13,570)	(11,380)	(11,380)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR PERIOD: OCTOBER 1995 THROUGH SEPTEMBER 1996
TWO MONTHS ACTUAL AND 10 MONTHS ESTIMATED

INTEREST PROVISION	MONTH NO.1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
1. BEGINNING TRUE-UP	(9,736)	(8,874)	(11,565)	(11,778)	(15,952)	(20,147)	(24,362)	(22,224)	(20,076)	(17,918)	(15,749)	(13,570)	
2. ENDING TRUE-UP BEFORE INTEREST	(8,828)	(11,515)	(11,722)	(15,885)	(20,060)	(24,254)	(22,112)	(19,974)	(17,826)	(15,668)	(13,499)	(11,320)	
3. TOTAL BEGINNING & ENDING TRUE-UP	(18,564)	(20,389)	(23,288)	(27,664)	(36,012)	(44,401)	(46,473)	(42,198)	(37,903)	(33,586)	(29,249)	(24,890)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	(9,282)	(10,194)	(11,643)	(13,832)	(18,006)	(22,201)	(23,237)	(21,099)	(18,951)	(16,793)	(14,624)	(12,445)	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	5.940%	5.810%	5.800%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	5.810%	5.800%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	
7. TOTAL (SUM LINES 5 & 6)	11.750%	11.610%	11.610%	11.620%	11.620%	11.620%	11.620%	11.620%	11.620%	11.620%	11.620%	11.620%	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	5.875%	5.805%	5.805%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	5.810%	
9. MONTHLY AVG INTEREST RATE	0.490%	0.484%	0.484%	0.484%	0.484%	0.484%	0.484%	0.484%	0.484%	0.484%	0.484%	0.484%	
10. INTEREST PROVISION	(45)	(49)	(56)	(67)	(87)	(107)	(113)	(102)	(92)	(81)	(71)	(60)	(932)

ST JOE NATURAL GAS COMPANY, INC.
 PROGRAM DESCRIPTION AND PROGRESS

Docket No. 960002-EG
 St. Joe Natural Gas Company
 (DKS)

PROGRAM TITLE:

Single & Multi-Family Home Builder Program

PROGRAM DESCRIPTION:

This program is designed to increase the number of high priority firm natural gas customers in the new construction market. Incentives are offered in the form cash allowances to assist builders in defraying the additional costs associated with natural gas appliance installations.

Appliance Load -----	Allowance -----
Gas Heating	\$250.00
Gas Water Heating	\$175.00
Gas Air Conditioning	\$1,400.00

	\$1,825.00

PROGRAM PROJECTIONS FOR :

OCTOBER 1996 THROUGH MARCH 1997

	Gas Water Heating	Gas Heating	Gas Air Conditioning
	-----	-----	-----
Dec 95 - Sept 96 (10 mths)	20	5	0
Oct 96 - Mar 97 (6 mths)	10	5	0

PROGRAM FISCAL EXPENSES FOR:

Oct 1, 1995 - March 31, 1997

Oct 95 - Nov 95	Actual Expenses	\$4,250
Dec 95 - Sep 96	Estimated Expenses	\$10,000
Oct 96 - Mar 97	Estimated Expenses	\$4,000

PROGRAM PROGRESS SUMMARY:

New construction is very limited in St Joe Natural Gas's service territory. By far the majority of new construction is by custom design where the owner specifies to the builder the type of energy desired. There is almost no speculative new construction.

ST JOE NATURAL GAS COMPANY, INC
 PROGRAM DESCRIPTION AND PROGRESS

Docket No. 960002-EG
 St. Joe Natural Gas Company
 (DKS)

PROGRAM TITLE: Electric Resistance Appliance Replacement Program

PROGRAM DESCRIPTION: This program is designed to promote the replacement of electric resistance appliances with energy efficient natural gas heaters, water heaters and air conditioners. Incentives are offered in the form of cash allowances to assist in defraying the additional costs in purchasing and installing natural gas appliances.

Appliance Load	Allowance
Gas Heating	\$450.00
Gas Water Heating	\$225.00
Gas Air Conditioning	\$1,500.00
	\$2,175.00

PROGRAM PROJECTIONS FOR : OCTOBER 1996 THROUGH MARCH 1997

	Gas Water Heating	Gas Heating	Gas Air Conditioning
Dec 95 - Sept 96 (10 mths)	25	7	0
Oct 96 - Mar 97 (6 mths)	15	5	0

PROGRAM FISCAL EXPENSES FOR: Oct 1, 1995 - March 31, 1997

Oct 95 - Nov 95	Actual Expenses	\$7,200
Dec 95 - Sep 96	Estimated Expenses	\$10,000
Oct 96 - Mar 97	Estimated Expenses	\$12,000

PROGRAM PROGRESS SUMMARY: Replacement of electric appliances with natural gas appliances continues to be well received by ratepayers in St Joe Natural Gas Company's service territory.