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October 9, 2015

BY E-PORTAL/ELECTRONIC FILING

Ms. Carlotta Stauffer Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 150004-GU - Natural Gas Conservation Cost Recovery Clause

Dear Ms. Stauffer:

Attached for filing, please find Florida City Gas' Prehearing Statement in the above-referenced docket.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301

(850) 521-1706

MEK

cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery)	Docket No. 150004-GU
Clause)	
)	Filed: October 9, 2015

FLORIDA CITY GAS COMPANY'S PREHEARING STATEMENT

Pursuant to the requirements of the Order on Procedure, Order No. PSC-15-0099-PCO-GU, as modified by Order No. PSC-15-0204-PCO-GU, Florida City Gas hereby submits its Prehearing Statement.

A. Known Witnesses

Florida City Gas intends to offer the testimony of Miguel Bustos filed on May 4, 2015, as well as the Testimony of Mr. Bustos submitted on August 21, 2015.

Miguel Bustos

(Direct)

Issues: 1 - 4

B. Known Exhibits

Florida City Gas intends to sponsor the following exhibits:

Bustos (Direct)

MB-1

Schedules CT-1, CT-2, CT-3, and

CT-6

Bustos (Direct)

MB-2

Schedules C-1, C-2, C-3, and C-5

C. Basic Position

The Company's true-up amounts and conservation cost recovery factors as shown in Issues 1 through 4 are appropriate and should be approved.

D. – F. Issues

<u>Issue 1:</u> What are the final conservation cost recovery true-up amounts for the period January 2014 through December 2014?

<u>Florida City Gas:</u> An over-recovery of \$30,343, calculated based upon an end-of-period net true up over-recovery of \$746,231.

<u>Issue 2</u>: What are the total conservation cost recovery amounts to be collected during the period January 2016 through December 2016?

Florida City Gas: A total of \$5,045,381 in conservation costs.

<u>Issue 3:</u> What are the conservation cost recovery factors for the period January 2016 through December 201?

Florida City Gas: The appropriate factors are:

RATE CLASS	RATE/\$ PER THERM
GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportation)	\$0.15163
GS-600 (Sales & Transportation)	\$0.07531

RATE CLASS	RATE/\$ PER THERM
GS-1200 (Sales & Transportation)	\$0.04493
GS-6k (Sales & Transportation)	\$0.03736
GS-25000 (Sales & Transportation)	\$0.03701
GS-60000 (Sales & Transportation)	\$0.03583
Gas Lights	\$0.07212
GS-120000 (Sales & Transportation)	\$0.02517
GS-250000 (Sales & Transportation)	\$0.02401

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<u>Issue 4:</u> What should be the effective date of the conservation cost recovery factors for billing purposes?

Florida City Gas:

The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2016 through December 2016. Billing cycles may start before January 1, 2016 and the last cycle may be read after December 31, 2016, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

<u>Issue 5</u>: Should the Commission approve revised tariffs reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate in this proceeding?

Florida City Gas: Agree with Commission Staff.

G. Stipulated Issues

Florida City Gas is not a party to any stipulations at this time, although it believes that it should be possible to reach a stipulation on each of the above issues as they relate to Florida City Gas.

H. Pending Motions

Florida City Gas has no pending motions or other matters requiring attention at this time.

I. Pending Confidentiality Requests

None.

J. Compliance With Order on Procedure

Florida City Gas believes that this Prehearing Statement fully complies with the requirements of the Order on Procedure.

K. Objections to Witness Qualifications

Florida City Gas has no objection to the qualifications of any expert witness.

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RESPECTFULLY SUBMITTED this 9th day of October, 2015.

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301

(850) 521-1706

Attorneys for Florida City Gas

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic or US Mail to the following parties of record this 9th day of October, 2015:

Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantown Mike Cassel Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach FL 32034	MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown/Ashley Kellgren P.O. Box 1531 Tampa, FL 33601-1531
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Peoples Gas System Paula Brown Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Charles A. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870	AGL Resources Inc. Elizabeth Wade/Shannon Pierce Ten Peachtree Place Location 1470 Atlanta, GA 30309
Florida City Gas Carolyn Bermudez 933 East 25 th Street Hialeah, FL 33013-3498-	Kelley Corbari/Leslie Ames* Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

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