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October 2, 2017

E-PORTAL/ELECTRONIC FILING

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

Re: Docket No. 20170004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Ms. Stauffer:

Attached for electronic filing, please find the Consolidated Prehearing Statement of Issues and Positions of Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, and the Florida Division of Chesapeake Utilities Corporation.

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: Natural Gas)
Conservation Cost Recovery)
Clause)
_____)

Docket No. 20170004-GU
Filed: October 2, 2017

**CONSOLIDATED PREHEARING STATEMENT FOR FLORIDA PUBLIC UTILITIES
COMPANY, FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
AND FLORIDA PUBLIC UTILITIES-INDIANTOWN DIVISION**

In accordance with Order No. PSC-2017-0110-PCO-GU, issued March 27, 2017, Florida Public Utilities Company (“FPUC”), the Florida Division of Chesapeake Utilities Corporation (“CUC”), Florida Public Utilities Company-Indiantown Division (“Indiantown”), and Florida Public Utilities – Fort Meade (“Fort Meade”), referred to jointly herein as “Consolidated Companies,” hereby submit their Consolidated Prehearing Statement:

a. All Known Witnesses

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Curtis Young	True Up for 2016	Issue 1
Danielle N.B. Mulligan	Actual/Estimated True-up Amount for 2017; cost recovery factors; effective date	Issues 2 – 6

b. All Known Exhibits

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
CDY-1	Curtis Young	True-Up Variance Analysis [Schedules CT1-CT6]
DNBM-1	Danielle N.B. Mulligan	Projections: Estimated ECCR charges by rate class [Schedules C-1 through C-4]

c. Statement of Basic Position

The Commission should approve the Consolidated Companies' respective final net true-ups for the period January through December 2016, the estimated true-up for the period January through December, 2017, and the projected conservation program expenses and recovery factors for the period January through December, 2018.

d. Position on the Issues

ISSUE 1. What are the final conservation cost recovery adjustment true-up amounts for the period January 2016 through December 2016?

Consolidated Companies: The Consolidated Companies experienced an adjusted end of period total true up amount of an over-recovery of \$169,605.

ISSUE 2: What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2017 through December 2017? [Current year true-up amount]

Consolidated Companies: The projected true-up for the period January 2017 through December 2017 is an over-recovery of 778,201.

ISSUE 3: What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2018 through December 2018?

Consolidated Companies: The projected net true-up is an over-recovery of \$947,806.

ISSUE 4. What are the total conservation cost recovery amounts to be collected during the period January 2018 through December 2018?

Consolidated Companies: A total of \$3,881,244 remains to be recovered during the period January 1, 2018 through December 31, 2018.

ISSUE 5. What are the conservation cost recovery factors for the period January 2018 through December 2018?

CUC: The appropriate factors are:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>
FTS-A	\$ 0.19641
FTS-B	\$ 0.14849
FTS-1	\$ 0.12980
FTS-2	\$ 0.06840
FTS-2.1	\$ 0.05000
FTS-3	\$ 0.04353
FTS-3.1	\$ 0.03237
FTS-4	\$ 0.02735

FTS-5	\$	0.02384
FTS-6	\$	0.01960
FTS-7	\$	0.01384
FTS-8	\$	0.01225
FTS-9	\$	0.01031
FTS-10	\$	0.00947
FTS-11	\$	0.00780
FTS-12	\$	0.00667

The Company also seeks approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors:

Rate Class	ECCR Factor (\$ per bill)
FTS-A	\$1.20
FTS-B	\$1.57
FTS-1	\$1.98
FTS-2	\$4.00
FTS-2.1	\$5.71
FTS-3	\$14.15
FTS-3.1	\$19.50

FPUC and FPU-Fort Meade:

The appropriate factors are:

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
RESIDENTIAL	\$	0.07936
COMMERCIAL SMALL (Gen Srv GS1 & GS1 Transportation <600)	\$	0.04732
COMMERCIAL SMALL (Gen Srv GS2 & GS2 Transportation >600)	\$	0.03684

COMM. LRG VOLUME (Large Vol & LV Transportation <,> 50,000 units)	\$	0.03047
NATURAL GAS VEHICLES	\$	0.01496

Indiantown: The appropriate factors are:

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$	0.07721
TS2 (INDIANTOWN DIVISION)	\$	0.01142
TS3 (INDIANTOWN DIVISION)	\$	0.03049
TS4 (INDIANTOWN DIVISION)	\$	0.00000

ISSUE 6: Should the Commission approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding?

Consolidated Companies: Yes. The Commission should approve revised tariffs reflecting the natural gas conservation cost recovery amounts and establishing gas conservation cost recovery factors determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision

ISSUE 7: What should be the effective date of the conservation cost recovery factors for billing purposes?

Consolidated Companies: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2018 through December 2018. Billing cycles may start before January 1, 2018 and the last cycle may

be read after December 31, 2018, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

e. Stipulated Issues

While not a party to stipulations at this time, the Consolidated Companies believe that it should be possible to reach a stipulation on each of the issues as they pertain to the Consolidated Companies.

f. Pending Motions

None.

g. Pending Confidentiality Claims or Requests

None.

h. Objections to Witness Qualifications as an Expert

None.

i. Compliance with Order No. 2017-0110-PCO-GU

CUC, FPUC, FPUC-Fort Meade, and Indiantown believe that this Prehearing Statement fully complies with all requirements of the Order Establishing Procedure entered in this docket.

RESPECTFULLY SUBMITTED this 2nd day of October, 2017.



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*Attorneys for Florida Public Utilities
Company, Florida Public Utilities Company-
Indiantown Division, Florida Public Utilities
Company – Fort Meade, and the Florida
Division of Chesapeake Utilities Corporation*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing, has been furnished by Electronic Mail to the following parties of record this 2nd day of October, 2017:

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