BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Natural gas conservation cost recovery. | DOCKET NO. 20210004-GU  ORDER NO. PSC-2021-0422-FOF-GU  ISSUED: November 9, 2021 |

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman

ART GRAHAM

ANDREW GILES FAY

MIKE LA ROSA

GABRIELLA PASSIDOMO

FINAL ORDER APPROVING NATURAL GAS CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING NATURAL GAS CONSERVATION COST RECOVERY FACTORS FOR JANUARY 2022 THROUGH DECEMBER 2022

APPEARANCES:

BETH KEATING, ESQUIRE, GREGORY M. MUNSON, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida 32301; and CHRISTOPHER T. WRIGHT, ESQUIRE, 700 Universe Boulevard, Juno Beach, Florida 33408

On behalf of FLORIDA CITY GAS (FCG).

BETH KEATING, ESQUIRE, Gunster, Yoakley & Stewart, P.A., 215 South Monroe St., Suite 601, Tallahassee, Florida 32301

On behalf of FLORIDA PUBLIC UTILITIES COMPANY (FPUC), FLORIDA PUBLIC UTILITIES COMPANY-FORT MEADE, FLORIDA PUBLIC UTILITIES COMPANY-INDIANTOWN DIVISION, FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (CUC) (jointly, CONSOLIDATED COMPANIES), and on behalf of SEBRING GAS SYSTEM (SEBRING).

ANDREW M. BROWN, ESQUIRE, and THOMAS R. FARRIOR, ESQUIRE, Macfarlane Ferguson & McMullen, P.O. Box 1531, Tampa, Florida 33601-1531

On behalf of PEOPLES GAS SYSTEM (PGS).

ANDY SHOAF, P.O. Box 549, Port St. Joe, Florida 32457-0549

On behalf of ST. JOE NATURAL GAS COMPANY, INC. (SJNG).

RICHARD GENTRY, ESQUIRE, and CHARLES J. REHWINKEL, ESQUIRE 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400

On behalf of OFFICE OF PUBLIC COUNSEL (OPC).

LEE ENG TAN, ESQUIRE, and MATTHEW JONES, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission (Staff).

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Advisor to the Florida Public Service Commission.

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel.

BY THE COMMISSION:

BACKGROUND

As part of the Commission’s continuing natural gas conservation cost recovery clause proceedings, an administrative hearing was held on November 2, 2021. The clause proceedings allow natural gas companies to seek recovery of its costs for approved natural gas conservation programs on an annual basis, pursuant to Sections 366.80-366.83, Florida Statutes (F.S.), and Chapter 25-17, Florida Administrative Code (F.A.C.). FCG, the Consolidated Companies, PGS, Sebring, and SJNG submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. Prior to the hearing, the parties reached an agreement concerning all issues identified for resolution at the hearing. OPC took no position. We have jurisdiction over this subject matter by the provisions of Chapter 366, F.S., including Sections 366.04, 366.05, and 366.06, F.S.

The parties reached Type 2 stipulations[[1]](#footnote-1) to the final and estimated true-up amounts and purchased gas cost recovery factors appropriate for each utility. We accept and approve the stipulations as reasonable and find they are supported by competent, substantial evidence of record, as set forth below.

DECISION

Conservation Cost Recovery Factors

We find the appropriate final conservation cost recovery true-up amounts for the period January 2020 through December 2020 are as follows:

FCG $533,692 Under-recovery

Consolidated Companies $443,434 Under-recovery

PGS $732,504 Under-recovery

Sebring $12,927 Under-recovery

SJNG $17,251 Over-recovery

We find the appropriate conservation cost adjustment actual/estimated true-up amounts for the period January 2021 through December 2021 are as follows:

FCG $288,868 Under-recovery

Consolidated Companies $769,847 Over-recovery

PGS $2,078,274 Under-recovery

Sebring $19,460 Under-recovery

SJNG $63,826 Over-recovery

We find the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2021 through December 2021 are as follows:

FCG $822,560 Under-recovery

Consolidated Companies $326,413 Over-recovery

PGS $ 2,810,778 Under-recovery

Sebring $32,387 Under-recovery

SJNG $81,077 Over-recovery

We find the total conservation cost recovery amounts to be collected during the period January 2022 through December 2022 are as follows:

FCG $7,482,015

Consolidated Companies $4,692,087

PGS $26,011,848

Sebring $59,820

SJNG $122,398

We find the appropriate conservation cost recovery factors for the period January 2022 through December 2022 are as follows:

**FCG:**

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| **Rate Class** | **Cost Recovery Factor ($ per therm)** |
| RS-1 | $0.27057 |
| RS-100 | $0.17325 |
| RS-600 | $0.09718 |
| GS-1 | $0.06055 |
| GS-6K | $0.04700 |
| GS-25K | $0.04551 |
| Gas Lights | $0.07295 |
| GS-120K | $0.03040 |
| GS-1250K | $0.01797 |
| GS-11M | $0.00000 |
| GS-25M | $0.00000 |

**Consolidated**

**Companies:**

CUC:

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| **Rate Class** | **Cost Recovery Factor ($ per therm)** |
| FTS-A | $0.21173 |
| FTS-B | $0.16429 |
| FTS-1 | $0.14627 |
| FTS-2 | $0.08113 |
| FTS-2.1 | $0.05816 |
| FTS-3 | $0.05020 |
| FTS-3.1 | $0.03672 |
| FTS-4 | $0.03070 |
| FTS-5 | $0.02681 |
| FTS-6 | $0.02165 |
| FTS-7 | $0.01486 |
| FTS-8 | $0.01337 |
| FTS-9 | $0.01122 |
| FTS-10 | $0.01032 |
| FTS-11 | $0.00744 |
| FTS-12 | $0.00766 |
| FTS-NGV | $0.01443 |

The Consolidated Companies also seek approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors for Chesapeake:

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| **Rate Class** | **Cost Recovery Factor ($ per bill)** |
| FTS-A | $1.34 |
| FTS-B | $1.74 |
| FTS-1 | $2.17 |
| FTS-2 | $4.27 |
| FTS-2.1 | $6.05 |
| FTS-3 | $15.20 |
| FTS-3.1 | $21.08 |

FPUC and FPU-Fort Meade:

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| **Rate Class** | **Cost Recover Factor ($ per therm)** |
| Residential | $0.08627 |
| Commercial Small (Gen Srv GS1 & GS1 Transportation <600) | $0.05498 |
| Commercial Small (Gen Srv GS2 & GS2 Transportation >600) | $0.04090 |
| Commercial Large  (Large Vol & LV Transportation <, > 50,000 units) | $0.03407 |
| Natural Gas Vehicles | $0.01461 |

Indiantown:

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| **Rate Class** | **Cost Recovery Factor ($ per therm)** |
| TS1 (Indiantown Division) | $0.08395 |
| TS2 (Indiantown Division) | $0.01167 |
| TS3 (Indiantown Division) | $0.01658 |
| TS4 (Indiantown Division) | $0.00000 |

**PGS:**

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| **Rate Schedule** | **Cost Recover Factor ($ per therm)** |
| RS & RS-SG & RS-GHP | $0.13116 |
| SGS | $0.08094 |
| GS-1 & CS-SG & CS-GHP | $0.04107 |
| GS-2 | $0.03100 |
| GS-3 | $0.02617 |
| GS-4 | $0.01901 |
| GS-5 | $0.01329 |
| CSLS | $0.02660 |

**SEBRING:**

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| **Rate Class** | **Cost Recovery Factor ($ per therm)** |
| TS-1 | $0.20867 |
| TS-2 | $0.09056 |
| TS-3 | $0.05580 |
| TS-4 | $0.04914 |

**SJNG:**

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| **Rate Class** | **Cost Recovery Factor ($ per therm)** |
| RS-1 | $0.34498 |
| RS-2 | $0.23544 |
| RS-3 | $0.18631 |
| GS-1 | $0.13503 |
| GS-2 | $0.06541 |
| FTS-4/GS-4 | $0.04748 |

Tariff Revisions Reflecting Natural Gas Conservation Cost Recovery Amounts and Establishing Natural Gas Conservation Cost Recovery Factors

The revised tariffs reflecting the new energy conservation cost charges determined to be appropriate in this proceeding are hereby approved. We direct our staff to verify that the revised tariffs are consistent with this Order.

Conservation Cost Recovery Effective Date for 2022 Billing Cycle

The factors we approved as reflected above shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2022 through December 2022. Billing cycles may start before January 1, 2022 and the last cycle may be read after December 31, 2022, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Company-Specific Conservation Cost Recovery

Florida Public Utilities Company – Chesapeake

We hereby approve FPUC-Chesapeake’s petition to establish a conservation cost recovery factor for the FTS-NGV rate class, and we find the appropriate conservation cost recovery factor for the period January 2022 through December 2022 to be 0.01443 dollars per therm.

Docket to Remain Open

While a separate docket number is assigned each year, this is a continuing docket and shall remain open for administrative convenience.

Based on the foregoing, it is

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

ORDERED that each utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the natural gas conservation cost recovery amounts and utilize the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period January 2022 through December 2022. Billing cycles may start before January 1, 2022, and the last cycle may be read after December 31, 2022, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. It is further

ORDERED that the utilities’ revised tariffs, reflecting the natural gas conservation cost recovery amounts and establishing natural gas conservation cost recovery factors determined to be appropriate herein are approved. Our staff shall verify that the revised tariffs are consistent with this Order. It is further

ORDERED that the Natural Gas Conservation Cost Recovery Clause docket is on-going and the docket shall remain open.

By ORDER of the Florida Public Service Commission this 9th day of November, 2021.

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|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMAN  Commission Clerk |

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413‑6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

TLT/MJJ

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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 Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 Office of Commission Clerk, 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 Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

1. A Type 2 stipulation occurs on an issue when the utility and the staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if they do not join in the agreement) do not object to the Commission relying on the agreed language to resolve that issue in a final order. [↑](#footnote-ref-1)