BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost Recovery
Clause.

DOCKET NO. 960002-EG
Filed: November 19, 1996

DIRECT TESTIMONY

OF

RAND W. SMITH

ON BEHALF OF CITY GAS COMPANY OF FLORIDA (A DIVISION OF NUI CORPORATION)

ACK
AFA

Balling

3+ ove

Michael A. Palecki Vice President of Regulatory Affairs 955 East 25 Street Hialeah, FL 33013-3498 (305)691-8710

DOCUMENT ADMINED PATE

12273 NOV 19 #

FPSC-RECORDS/REPORTING

	BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
	DIRECT TESTIMONY OF
	RAND W. SMITH
	ON BEHALF OF CITY GAS COMPANY OF FLORIDA
	(A DIVISION OF NUI CORPORATION)
	DOCKET NO. 960002-EG
Q.	PLEASE STATE YOUR NAME, BUSINESS ADDRESS, BY WHOM YOU ARE
	EMPLOYED, AND IN WHAT CAPACITY.
Α.	My name is Rand W. Smith. My business address is NUI Corporation,
	Southern Division, 955 E. 25th Street, Hialeah, FL 33013-3498. I am
	employed by the NUI Corporation as Vice President - Finance for its
	Southern Division, which includes City Gas Company of Florida ("City Gas"
	or "the Company"). The Southern Division also includes the North Carolina,
	Maryland, New York and Pennsylvania operations of NUI Corporation.
α.	ARE YOU FAMILIAR WITH THE COSTS WHICH HAVE BEEN INCURRED BY
	CITY GAS COMPANY IN IMPLEMENTING ITS ENERGY CONSERVATION
	PROGRAMS?
Α.	Yes, I am.
Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS DOCKET?
Α.	The purpose of my testimony is to present data and summaries concerning
	the planned and actual accomplishments of the Company's energy
	conservation programs during the period October 1, 1995 through September
	30, 1996. Data related to calculation of the true-up for this period are also
	included.
	A. A. Q.

1	Q.	HAVE YOU PREPARED STUDIES OF THE COMPANY'S CONSERVATION
2		PROGRAMS AND THE COSTS ASSOCIATED WITH THESE PROGRAMS?
3	Α.	Yes. Summaries of the programs in which City Gas incurred recoverable
4		costs during the period October 1995 through September 1996 are contained
5		on Schedule CT-6, pages 1-12 of my Exhibit (RWS-1).
6	Q.	HAS CITY GAS PREPARED A SCHEDULE WHICH SHOWS THE ACTUAL
7		EXPENDITURES ASSOCIATED WITH ITS ENERGY CONSERVATION
8		PROGRAMS FOR THIS PERIOD?
9	A.	Yes. Actual expenses for this period are shown on Schedule CT-2, page 2 of
		•

- 9 A. Yes. Actual expenses for this period are shown on Schedule CT-2, page 2 of
 10 3. Schedule CT-2, page 1 of 3, shows a comparison of the actual program
 11 cost with previously submitted projected program cost.
- 12 Q. WHAT WAS THE TOTAL COST INCURRED BY THE COMPANY IN
 13 CONNECTION WITH THESE PROGRAMS DURING THE TWELVE MONTHS
 14 ENDED SEPTEMBER 30, 1996?
- 15 A. As shown on Schedule CT-2, page 1 of 3, total program costs were \$1,291,738. This total is \$199,600 less than our projection of program costs for the twelve-month period.
- 18 Q. HAS CITY GAS PREPARED, FOR THE TWELVE-MONTH PERIOD INVOLVED,
 19 A SCHEDULE WHICH SHOWS THE VARIANCE OF ACTUAL FROM
 20 PROJECTED PROGRAM COSTS BY CATEGORIES OF EXPENSES?
- 21 A. Yes. Schedule CT-2, page 3 of 3 shows these variances.
- 22 Q. WHAT IS THE COMPANY'S ADJUSTED NET TRUE-UP FOR THE TWELVE
 23 MONTHS ENDED SEPTEMBER 30, 1996?
- 24 A. We originally estimated an underrecovery, including interest, of \$293,474.

 25 The actual true-up amount, including interest, is an overrrecovery of

1		\$450,368. As shown on Schedule CT-1, this results in an adjusted net
2		true-up amount, including interest, of \$743,842.
3	Q.	IS THE ADJUSTED NET TRUE-UP OF \$743,842 AN UNDERRECOVERY OF
4		AN OVERRECOVERY?
5	Α.	An overrecovery, as shown on Schedule CT-1.
6	Q.	DOES THIS CONCLUDE YOUR TESTIMONY?
7	A.	Yes, it does.
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Direct Testimony of Rand W. Smith on Behalf of City Gas Company of Florida has been furnished by U.S. Mail to the following parties of record, this 19th day of November, 1996:

Sheila Erstling
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Ausley Law Firm James Beasley P.O. Box 391 Tallahassee, FL 32302

Florida Industrial Power Users Group c/o McWhirter Law Firm Vicki Kaufman 117 S. Gadsden St. Tallahassee, FL 32301

Gulf Power Company Ms. Susan D. Cranmer P.O. Box 13470 Pensacola, FL 32591-3470

Messer Law Firm Norman Horton, Jr. P.O. Box 1876 Tallahassee, FL 32302

Sebring Gas Company 3515 Highway 27 South Sebring, FL 33870-5452

Mr. Stuart L. Shoaf P. O. Box 549 Port St. Joe, FL 32457-0549 John Roger Howe c/o The Florida Legislature Office of the Public Counsel 111 West Madison Street Suite #812 Tallahassee, FL 32399

Beggs & Lane Law Firm Jeffery Stone P.O. Box12950 Pensacola, FL 32576-2950

Gatlin Law Firm Wayne Schiefelbein 1709-D Mahan Dr. Tallahassee, FL 32308

Landers Law Firm Scheffel Wright P.O. Box 271 Tallahassee, FL 32302

Steel Law Firm Charles A. Guyton 215 South Monroe Street Suite 601 Tallahassee, FL 32301

Mr. J. Peter Martin 101 N. W. 202 Terrace P. O. Box 96000-J Miami, FL 33269-0078

Michael A. Palecki Vice President of Regulatory Affairs 955 East 25 Street

Hialeah, FL 33013-3498

(305)691-8710

CITY GAS COMPANY OF FLORIDA

CONSERVATION COST RECOVERY TRUE-UP DATA (October 1, 1995 through September 30, 1996)

> 12273 NOV 19景 FPSC-RECORDS/REPORTING

DESCRIPTION	PAGE
Contents	2
Schedule CT-1	
1 of 1 - Summary: Adjusted Net True-up	3
Schedule CT-2 -	
1 of 3 - Energy Conservation Costs: Actual vs. Estimated	4
2 of 3 - Actual Conservation Program Costs per Program	5
3 of 3 - Conservation Costs per Program - Variance Actual vs. Projected	6
Schedule CT-3	
1 of 3 - Energy Conservation Adjustment Calculation of True-up	
and Interest Provision	7
2 of 3 - Energy Conservation Adjustment	8
3 of 3 - Calculation of True-up and Interest Provision	9
Schedule CT-4	
1 of 1 - Schedule of Capital Investments, Depreciation and Return	10
Schedule CT-5	
1 of 1 - Reconciliation and Explanation of Differences Between Filing	
and FPSC Audit Report	11
Schedule CT-6	
Program Progress Reports:	
Single Family Residential Home Builder Program	12
Multi-Family Residential Home Builder Program	13
Electric Resistance Replacement Program	14
Dealer Program	15
Schools Program	16
Common Costs	17

Exhibit No.

DOCKET NO. 960002-EG
City Gas Company of Florida
(RWS-1)
Page 3 of 17

SCHEDULE CT-1			
	ADJUSTED N		STEEL LIST CONTRACTOR
FOR MONTHS: O	CTOBER 1995	THROUGH SEPT	EMBER 1996
END OF PERIOD NET TRUE-U	P		
	PRINCIPLE	(435,811)	
		The same parties and	
	INTEREST _	(14,557)	(450,368)
LESS PROJECTED TRUE-UP			
LESS PROJECTED TROE-OF			
	DDINICIDI E	301,965	
	FRINCIFLE	301,303	
	INTEREST	(8,491)	293,474
ADJUSTED NET TRUE-UP			(743,842)
ADJUSTED NET TRUE-UP			17 10,0 127
() REFLECTS OVER-RECOVERY			

Exhibit No. DOCKET NO. 960002-EG City Gas Company of Florida (RWS-1) Page 4 of 17

SCHEDULE CT-2 PAGE 1 OF 3

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS ACTUAL VERSUS ESTIMATED

FOR MONTHS: OCTOBER 1995 THROUGH SEPTEMBER 1996

	ACTUAL	PROJECTED*	DIFFERENCE
CAPITAL INVESTMENT		*	
PAYROLL & BENEFITS	319,519	224,282	95,237
MATERIALS & SUPPLIES	1,796	3,822	(2,026)
ADVERTISING	27,641	107,500	(79,859)
INCENTIVES	924,914	1,134,324	(209,410)
OUTSIDE SERVICES	85	9	
VEHICLES	17,868	21,410	(3,542)
OTHER			
SUB-TOTAL	1,291,738	1,491,338	(199,600)
PROGRAM REVENUES			
TOTAL PROGRAM COSTS	1,291,738	1,491,338	(199,600)
LESS:			
PAYROLL ADJUSTMENTS			
AMOUNTS INCLUDED IN RATE BASE	*		70
CONSERVATION ADJUSTMENT REVENUES	(1,727,549)	(1,189,373)	(538,176)
ROUNDING ADJUSTMENT			-
TRUE-UP BEFORE INTEREST	(435,811)	301,965	(737,776)
INTEREST PROVISION	(14,557)	(8,491)	(6,066)
	(450,368)	293,474	(743,842)

⁽⁾ REFLECTS OVER-RECOVERY

• 2 MONTHS ACTUAL AND 10 MONTHS PROJECTED

Exhibit No. DOCKET NO. 960002-EG City Gas Company of Florida (RWS-1) Page 5 of 17

SCHEDULE CT-2 PAGE 2 OF 3

ACTUAL CONSERVATION COSTS PER PROGRAM FOR MONTHS: OCTOBER 1995 THROUGH SEPTEMBER 1996

PROGRAM NAM	E	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1:	SINGLE FAMILY HOME BUILDER		138.255	203	4,370	652,399	*2	7,585	25	802,812
PROGRAM 2	MULTI FAMILY HOME BUILDER				50		2	7		
PROGRAM 3	ELECTRIC REPLACEMENT		139,258	9	22,847	259,531		7,111	0.	428,747
PROGRAM 4	DEALER PROGRAM	22	33,075	*	424	12,984	8	2,408	-37	48,891
PROGRAM 5:	SCHOOLS PROGRAM	**	8,931	1,593	*:		8	764	9	11,288
/.cent.na/.utokn/na/.u	COMMON COSTS									
TOTAL	TOTAL OF ALL PROGRAMS		319,519	1,796	27,641	924,914		17,868		1,291,738

Exhibit No.

DOCKET NO. 960002-EG

City Gas Company of Florida
(RWS-1)

Page 6 of 17

SCHEDULE CT-2 PAGE 3 OF 3

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PHOJECTED FOR MONTHS: OCTOBER 1995 THROUGH SEPTEMBER 1996

PROGRAM NAME	í	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1:	SINGLE FAMILY HOME BUILDER		35,969	203	(85,630)	(81,001)	6	(3,394)	1.0	(133,853)
PROGRAM 2:	MULTI FAMILY HOME BUILDER	40			*1	(875)			a	(875)
PROGRAM 3	ELECTRIC REPLACEMENT	**	58,500		15,347	(134,433)	¥	1,324	20	(59,262)
PROGRAM 4	DEALER PROGRAM	*	74	9	(9,576)	6,899		(779)	(*)	(3, 382)
PROGRAM 5.	SCHOOLS PROGRAM	¥3	684	(2,229)	*	32		(693)		(2,239)
	COMMON COSTS									
TOTAL	TOTAL OF ALL PROGRAMS		95,227	(2,026)	(79,859)	(209,410)		(3,542)		(199,611

II REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

SCHEDULE CT-3 PAGE 1 OF 3

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION SUMMARY OF EXPENSES BY PROGRAM FOR MONTHS: OCTOBER 1995 THROUGH SEPTEMBER 1996

EXPENSES:	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
PROGRAM 1:	39,020	96,222	74,104	87,671	56,867	95,523	95,621	74.352	62,445	49,257	33,572	38,157	802,811
PROGRAM 2:	-	-				*	**				*	*	*
PROGRAM 3:	27,520	32,488	29,591	51,278	26,154	40,884	47,538	30,812	33,839	30,618	47,707	30,350	428,778
PROGRAM 4: PROGRAM 5:	2,566 1,559	3 626 1,529	3,350 831	4.536 774	3,300 1,443	4,133 1,568	5,372 1,137	3,732 352	5,191 28	4,437	4,705 861	3,914 1,205	48,861 11,287
TOTAL	70,665	133,864	107,876	144,259	87,764	142,108	149,667	109,248	101,503	84,312	86,845	73,627	1,291,738
LESS AMOUNT INCLUDED IN RATE BASE									-				
RECOVERABLE CONSERVATION EXPENSES	70,665	133,864	107,876	144,259	87,764	142,108	149,667	109,248	101,503	84,312	86,845	73,627	1,291,738

SCHEDULE CT-3 PAGE 2 OF 3

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION FOR MONTHS: OCTOBER 1995 THROUGH SEPTEMBER 1996

CONSERVATION REVENUES	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.	MONTH NO.	MONTH NO. 12	TOTAL
1 RCS AUDIT FEES	ž.		8	-	4	2		4-	**			9	
2 OTHER PROGRAM REVS	*	196	*	1.60	*	19	100	5	51	- 2	8	9	
3 CONSERV. ADJ REVS	(148,411)	(177,426)	(219,585)	(332,376)	(288,060)	(270,445)	(105,587)	(91,288)	(81,064)	(76,380)	(73,699)	(71,239)	(1,935,560
4 TOTAL REVENUES 5 PRIOR PERIOD TRUE UP NOT	(148,411)	(177,426)	(219,585)	(332,376)	(288,060)	(270,445)	(105,587)	(91,288)	(81,064)	(76,380)	(73,699)		(1,935,560
APPLICABLE TO THIS PERIOD	17,334	17,334	17,334	17,334	17,334	17,334	17,334	17,334	17,334	17.335	17,335	17,335	208,011
CONSERVATION REVENUES 6 APPLICABLE TO THE PERIOD	(131,077)	(160,092)	(202, 251)	(315,042)	(270,726)	(253,111)	(88,253)	(73,954)	(63,730)	(59.045)	(56,364)	(53,904)	(1,727,549
CONSERVATION EXPENSES 7 (FROM CT-3, PAGE 1)	70,665	133,864	107,876	144.259	87,764	142,108	149,667	109,248	101,503	84,312	86,845	73,627	1,291,738
8 TRUE-UP THIS PERIOD	(60,412)	(26,228)	(94,375)	(170,783)	(182,962)	(111,003)	61,414	35,294	37,773	25,267	30,481	19,723	(435,811
9 INTEREST PROVISION THIS PERIOD (FROM CT-3 PAGE 3)	828	529	156	(549)	(1,396)	(2,157)	(2,372)	(2,221)	(2,169)	(2,124)	(2,063)	(1,018)	(14,557
10 TRUE-UP & INTER, PROV. BEGINNING OF MONTH	208,011	131,093	88,060	(23,494)	(212,160)	(413,852)	(544,346)	(502,638)	(486,899)	(468,629	(462,821)	(451,738)	
11 PRIOR PERIOD TRUE UP COLLECTED/(REFUNDED)	_(17,334)	(17,334)	(17,334)	(17,334)	(17,334)	(17,334)	(17,334)	(17,334)	(17,334)	(17,335	(17,335)	(17,335)	
12 TOTAL NET TRUE UP (SUM LINES 8 + 9 + 10 - 11)	131,093	88,060	(23,494)	(212,160)	(413,852)	(544,346)	(502,638)	(486,899)	(468,629)	(462,821	(451,738)	(450,368)	(450,368

SCHEDULE CT-3 PAGE 3 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION FOR MONTHS: OCTOBER 1995 THROUGH SEPTEMBER 1996

	INTEREST PROVISION	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO.	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
F.	BEGINNING TRUE-UP	208,011	131,093	88,060	(23,494)	(212,160)	(413,852)	(544,346)	(502,638)	(486,899)	(468,629)	(462,821)	(451,738)	
	ENDING TRUE-UP BEFORE INTEREST	130,265	87,531	(23,649)	(211,611)	(412,456)	(542,189)	(500,266)	(484.678)	(466,460)	(460,697)	(449,675)	1,018	
	TOTAL BEGINNING & ENDING TRUE-UP	338,276	218,624	64,410	(235,105)	(624,616)	(956,042)	(1,044,612)	(987,316)	(953,360)	(929,327)	(912,497)	(450,720)	
£5	AVERAGE TRUE-UP (LINE 3 TIMES 50%)	169,138	109,312	32,205	(117,552)	(312,308)	(478,021)	(522,306)	(493,658)	(476,680)	(464,663)	(456,248)	(225,360)	
	INTER: RATE - 1ST DAY OF REPORTING MONTH	5.940%	5.810%	5.800%	5.810%	5.400%	5.330%	5.500%	5.400%	5.400%	5.520%	5.450%	5.400%	
	INTER, RATE - 1ST DAY OF SUBSEQUENT MONTH	5.810%	5.800%	5.810%	5.400%	5.330%	5.500%	5.400%	5.400%	5.520%	5.450%	5.400%	5.440%	
7.	TOTAL (SUM LINES 5 & 6)	11.750%	11.610%	11.610%	11.210%	10.730%	10.830%	10.900%	10.800%	10.920%	10.970%	10.850%	10.840%	
l.	AVG INTEREST RATE (LINE 7 TIMES 50%)	5.875%	5.805%	5.805%	5.605%	5.365%	5.415%	5.450%	5.400%	5.460%	5.485%	5.425%	5.420%	
).	MONTHLY AVG INTEREST RATE	0.490%	0.484%	0.484%	0.467%	0.447%	0.451%	0.454%	0.450%	0.455%	0.457%	0.452%	0.452%	
10.	INTEREST PROVISION (LINE 4 TIMES LINE 9)	528	529	156	(549)	(1,396)	(2,157)	(2,372)	(2,221)	(2,169)	(2,124)	(2,063)	(1,018)	(14,55

	Exhibit No.
	DOCKET NO. 960002-EG
_	City Gas Company of Florida
	(RWS-1)
	Page 10 of 17

SCHEDULE CT-4

SCHEDULE OF CAPITAL INVESTMENTS, DEPRECIATION, AND RETURN FOR MONTHS: OCTOBER 1995 THROUGH SEPTEMBER 1996

BEGINNING OF PERIOD CI	UMULATIVE INVESTMENT:
------------------------	-----------------------

LESS: ACCUMULATED DEPRECIATION:

NET INVESTMENT

DESCRIPTION	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
INVESTMENT	*2	953		*		3	2	12	\$1	-	47	×	
DEPRECIATION BASE	2)		74	9	9.45	19	**		*	1.0	*		
DEPRECIATION EXPENSE								:			-		
CUMULATIVE INVEST.				*	*	1/4		120					-
LESS: ACCUM. DEPR	-		:										
NET INVESTMENT													
AVERAGE INVESTMENT		*	100		*	323			3		4	S	-
RETURN ON AVG INVEST					¥		×					38	
RETURN REQUIREMENTS				:	:		+						
TOTAL DEPR & RETURN						:		<u> </u>					

Exhibit No.
DOCKET NO. 960002-EG
City Gas Company of Florida
(RWS-1)
Page 11 of 17

CITY GAS COMPANY OF FLORIDA

SCHEDULE CT-5

Reconciliation and Explanation of Differences Between Filing and PSC Audit Report

(If no differences exit please state)

There are no known differences at this time.

CITY GAS COMPANY OF FLORIDA

Schedule CT-6 PROGRAM PROGRESS REPORT

NAME:

SINGLE FAMILY RESIDENTIAL HOME BUILDER - PROGRAM 1

DESCRIPTION:

The Single Femily Residential Home Builder Program is designed to increase the number of high-priority natural gas customers in the new residential construction market. The Company offers incentives in the form of allowances to builders to assist in defraying the additional cost associated with piping,

venting, and installing gas appliances.

PROGRAM ALLOWANCES:

Furnace	\$250
Water Heater	225
Range	100
Dryer	100

REPORTING PERIOD: October 1995 through September 1996

APPLIANCES INSTALLED:

Furnace	782
Water Heater	1,419
Range	799
Dryer	568
Total	3,568

CONSERVATION COST VARIANCE: Actual vs. Projected

Projected Costs	\$936,665
Actual Costs	802,812
Variance	(\$133,853)

CITY GAS COMPANY OF FLORIDA

Schedule CT-6 PROGRAM PROGRESS REPORT

NAME:

MULTI-FAMILY RESIDENTIAL HOME BUILDER - PROGRAM 2

DESCRIPTION:

The Multi-Family Residential Home Builder Program is designed to increase the number of high-priority natural gas customers in the new residential construction market. The Company offers incentives in the form of allowances to builders to assist in defraying the additional cost associated with piping,

venting, and installing gas appliances.

PROGRA	M	AII	OW	ΔN	CES

Per dwelling unit\$300

REPORTING PERIOD: October 1995 through September 1996

APPLIANCES INSTALLED:

There was no activity in this program during the October 1995 through September 1996 period.

CONSERVATION COST VARIANCE: Actual vs. Projected

Projected Costs \$875 Actual Costs 0

Variance (\$875)

CITY GAS COMPANY OF FLORIDA

Schedule CT-6 PROGRAM PROGRESS REPORT

NAME:

ELECTRIC RESISTANCE REPLACEMENT PROGRAM 3

DESCRIPTION:

The Electric Resistance Replacement Program is designed to encourage the replacement of electric resistance type appliances with energy-efficient natural gas appliances. The Program offers incentives in the form of

allowances to assist customers in defraying the additional cost associated with

the purchasing, piping, and installation.

PROGRAM ALLOWANCES:

Furnace	\$550
Water Heater	400
Range	100
Dryer	100

REPORTING PERIOD: October 1995 through September 1996

APPLIANCES INSTALLED:

174
344
173
104

Total 795

CONSERVATION COST VARIANCE: Actual vs. Projected

Projected Costs	\$488,009
Actual Costs	428,747

Variance (\$59,262)

CITY GAS COMPANY OF FLORIDA

Schedule CT-6 PROGRAM PROGRESS REPORT

NAME:

DEALER - PROGRAM 4

DESCRIPTION:

The Gas Appliance Dealer/Contractor Program is designed to encourage the replacement of electric resistance type appliances with natural gas appliances and older, inefficient gas appliances with modern, efficient gas appliances through appliance dealers and contractors. The Program offers allowances to the dealer/contractors.

PROGRAM ALLOWANCES:

DEALER/CONTRACTOR ALLOWANCE:

Furnace	\$30
Water Heater	30
Range	15
Dryer	15

REPORTING PERIOD: October 1995 through September 1996

APPLIANCES INSTALLED:

Furnace	143
Water Heater	172
Range	113
Dryer	45
Total	473

CONSERVATION COST VARIANCE: Actual vs. Projected

Projected Costs	\$52,273
Actual Costs	48,891
Variance	(\$3,382)

All incentive payments were made to non-affiliated dealers.

CITY GAS COMPANY OF FLORIDA

Schedule CT-6 PROGRAM PROGRESS REPORT

NAME:

GAS APPLIANCES IN SCHOOLS - PROGRAM 5

DESCRIPTION:

The Schools Program is to promote the replacement of all-electric appliances where possible in Home Economics Departments of all schools in our service area at no charge, and to offer assistance of company-employed home economists to schools to teach energy conservation and to train students in the

use, care, and safety of gas appliances.

PROGRAM ALLOWANCES:

\$300 per gas range

REPORTING PERIOD: October 1995 through September 1996

PROGRAM SUMMARY:

The significant costs incurred by this program were payroll and benefits which totaled \$8,931.

CONSERVATION COST VARIANCE: Actual vs. Projected

Projected Costs \$13,527 Actual Costs \$11,288

Variance (\$2,239)

CITY GAS COMPANY OF FLORIDA

Schedule CT-6 PROGRAM PROGRESS REPORT

NAME:

ENERGY CONSERVATION COMMON COSTS

REPORTING PERIOD: October 1995 through September 1996

There was no activity in common costs during the October 1995 through September 1996 period.

CONSERVATION COST VARIANCE: Actual vs. Projected

Projected Costs \$0
Actual Costs 0

Variance \$0

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Direct Testimony of

Rand W. Smith on Behalf of City Gas Company of Florida has been furnished by

U.S. Mail to the following parties of record, this 19th day of November, 1996:

Sheila Erstling
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Ausley Law Firm James Beasley P.O. Box 391 Tallahassee, FL 32302

Florida Industrial Power Users Group c/o McWhirter Law Firm Vicki Kaufman 117 S. Gadsden St. Tallahassee, FL 32301

Gulf Power Company Ms. Susan D. Cranmer P.O. Box 13470 Pensacola, FL 32591-3470

Messer Law Firm Norman Horton, Jr. P.O. Box 1876 Tallahassee, FL 32302

Sebring Gas Company 3515 Highway 27 South Sebring, FL 33870-5452

Mr. Stuart L. Shoaf P. O. Box 549 Port St. Joe, FL 32457-0549 John Roger Howe c/o The Florida Legislature Office of the Public Counsel 111 West Madison Street Suite #812 Tallahassee, FL 32399

Beggs & Lane Law Firm Jeffery Stone P.O. Box12950 Pensacola, FL 32576-2950

Gatlin Law Firm Wayne Schiefelbein 1709-D Mahan Dr. Tallahassee, FL 32308

Landers Law Firm Scheffel Wright P.O. Box 271 Tailahassee, FL 32302

Steel Law Firm Charles A. Guyton 215 South Monroe Street Suite 601 Tallahassee, FL 32301

Mr. J. Peter Martin 101 N. W. 202 Terrace P. O. Box 96000-J Miami, FL 33269-0078

Michael A. Palecki

Vice President of Regulatory Affairs

955 East 25 Street

Hialeah, FL 33013-3498

(305)691-8710

12273-96