

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY OF GLORIA L. LOPEZ

3 ON BEHALF OF

4 CITY GAS COMPANY OF FLORIDA

5 DOCKET NO. 040004-GU

6 September 24, 2004

7

8 **Q. Please state your name, business address, by whom you are**
9 **employed, and in what capacity.**

10

11 **A. My name is Gloria L. Lopez and my business address is 955 East 25th**
12 **Street, Hialeah, Florida 33013-3498. I am employed by NUI Utilities, Inc. as**
13 **Director of Regulatory & Business Affairs.**

14

15 **Q. Are you familiar with the energy conservation programs of City Gas**
16 **Company of Florida ("City Gas")?**

17

18 **A. Yes, I am.**

19

20 **Q. Are you familiar with the costs that have been incurred and are**
21 **projected to be incurred by City Gas in implementing its energy**
22 **conservation programs?**

23

24 **A. Yes, I am.**

25

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

1

2 **Q. What is the purpose of your testimony in this docket?**

3

4 A. To submit the conservation cost recovery true-up for the final true-up period
5 January 1, 2003 through December 31, 2003, and for the actual and
6 estimated period of January 1, 2004, through December 31, 2004. I will
7 also present the total level of costs City Gas seeks to recover through its
8 conservation factors during the period January 1, 2005 through December
9 31, 2005, as well as the conservation factors which, when applied to our
10 customer's bills during the period January 1, 2005 through December 31,
11 2005, will permit recovery of total ECCR costs.

12

13 **Q. What is the Company's estimated true-up for the period January 1,
14 2004 through December 31, 2004?**

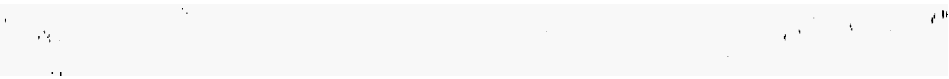
15

16 A. An under-recovery of \$37,294. This amount is calculated on page 4 of
17 Schedule C-3 and takes into account the final audited true-up for the year
18 ended December 31, 2003, which was an over-recovery of \$552,826,
19 including interest.

20

21 **Q. What is the total cost City Gas seeks to recover during the period
22 January 1, 2005 through December 31, 2005?**

23 A. \$3,365,641. This represents the projected costs of \$3,328,347 to be
24 incurred during 2005, plus the estimated true-up of \$37,294 for calendar
25 year 2004.



1 **Q. What conservation factors does City Gas need to permit recovery of**
2 **these costs?**

3

4	A.	GS-1, GS-100, GS-220 (Sales & Transportation)	\$0.09302
5		GS-600 (Sales & Transportation)	\$0.04997
6		GS-1200 (Sales & Transportation)	\$0.03071
7		GS-6k (Sales & Transportation)	\$0.02520
8		GS-25000 (Sales & Transportation)	\$0.02487
9		GS-60000 (Sales & Transportation)	\$0.02432
10		Gas Lights	\$0.04963
11		GS-120000 (Sales & Transportation)	\$0.01789
12		GS-250000 (Sales & Transportation)	\$0.01640

13

14 **Q. Has City Gas prepared schedules to support its requested**
15 **Conservation Cost Recovery Factor?**

16

17 A. Yes. I have prepared and filed together with this testimony Schedules C-1
18 through C-3 as prescribed by Commission Staff. These schedules are
19 included in my Exhibit ____ (GL-2).

20

21 **Q. Does this conclude your testimony?**

22

23 A. Yes, it does.

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2005 THROUGH DECEMBER 2005
ACTUAL/ESTIMATED PERIOD: JANUARY 2004 THROUGH DECEMBER 2004
FINAL TRUE-UP PERIOD: JANUARY 2003 THROUGH DECEMBER 2003
COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2005 THROUGH DECEMBER 2005

- 1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1) \$ 3,328,347
- 2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12) \$ 37,294
- 3. TOTAL (LINE 1 AND 2) \$ 3,365,641

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	DEMAND CHARGE	TOTAL CUST. & ENERGY CHG REVENUES	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERVATION FACTOR
GS-1, GS-100, GS-220 (Sales & Transportation)	96,750	18,671,638	\$ 11,334,406	\$ 9,505,045	\$	\$ 20,839,451	\$ 1,728,222	8.2930%	\$ 0.09256	1.0503	\$ 0.09302
GS-600 (Sales & Transportation)	1,241	1,096,442	\$ 178,678	\$ 478,735	\$	\$ 667,413	\$ 54,519	8.2930%	\$ 0.04972	1.00603	\$ 0.04997
GS-1200 (Sales & Transportation)	2,466	8,642,912	\$ 443,889	\$ 2,741,096	\$	\$ 3,184,985	\$ 264,131	8.2930%	\$ 0.03056	1.00503	\$ 0.03071
GS-6k (Sales & Transportation)	1,662	21,761,295	\$ 598,391	\$ 5,981,527	\$	\$ 6,579,918	\$ 545,674	8.2930%	\$ 0.02508	.00503	\$ 0.02520
GS-25000 (Sales & Transportation)	262	11,329,859	\$ 251,918	\$ 3,129,074	\$	\$ 3,380,992	\$ 280,386	8.2930%	\$ 0.02475	1.00503	\$ 0.02487
GS-60000 (Sales & Transportation)	59	6,250,070	\$ 106,199	\$ 1,717,332	\$	\$ 1,823,531	\$ 151,226	8.2930%	\$ 0.02420	1.00503	\$ 0.02432
Gas Lights	221	22,800	\$ -	\$ 13,584	\$	\$ 13,584	\$ 1,126	8.2892%	\$ 0.04939	1.00503	\$ 0.04963
GS-120000 (Sales & Transportation)	65	10,443,315	\$ 166,500	\$ 1,888,578	\$ 186,940	\$ 2,242,018	\$ 185,931	8.2930%	\$ 0.01780	1.00503	\$ 0.01789
GS-250000 (Sales & Transportation)	20	9,462,603	\$ 73,500	\$ 1,626,720	\$ 161,840	\$ 1,862,060	\$ 154,421	8.2930%	\$ 0.01632	1.00503	\$ 0.01640
TOTAL	102,736	87,680,934	\$ 13,153,481	\$ 27,081,691	\$ 348,780	\$ 40,583,952	\$ 3,365,641				

PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
FOR THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM NAME	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	TOTAL
1. RESIDENTIAL BUILDER	\$ 170,884	\$ 170,067	\$ 172,521	\$ 170,884	\$ 171,703	\$ 171,703	\$ 170,884	\$ 172,521	\$ 171,703	\$ 170,385	\$ 171,179	\$ 171,972	\$ 2,056,406
2. MULTI-FAMILY RESIDENTIAL BLDR	5,077	4,982	5,269	5,077	5,173	5,173	5,077	5,269	5,173	5,018	5,112	5,205	\$ 61,605
3. APPLIANCE REPLACEMENT	29,162	28,510	30,468	29,162	29,814	29,814	29,162	30,468	29,814	28,871	29,510	30,150	\$ 354,905
4. DEALER PROGRAM													- \$
5. GAS APPLIANCES IN SCHOOLS													- \$
6. RES PROPANE CONVERSION	464	442	507	464	485	485	464	507	485	451	471	493	\$ 5,718
7. RES WATER HEATER RETENTION	14,544	14,288	15,056	14,544	14,800	14,800	14,544	15,056	14,800	14,407	14,657	14,906	\$ 176,402
8. RES CUT AND CAP ALTERNATIVE	2,376	2,294	2,540	2,376	2,458	2,458	2,376	2,540	2,458	2,325	2,405	2,485	\$ 29,091
9. COMM/IND CONVERSION	27,246	26,111	30,217	27,246	28,381	29,081	27,246	29,517	29,081	26,630	27,736	29,543	\$ 338,035
0. COMM/IND ALTERNATIVE TECH. COMMON COSTS	10,285 20,731	1,227 20,624	2,603 20,942	10,285 20,731	1,344 20,837	2,544 20,837	10,285 20,731	1,403 20,942	11,544 20,838	1,258 20,665	1,315 20,769	2,573 20,872	\$ 56,666 \$ 249,519
TOTAL ALL PROGRAMS	\$ 280,769	\$ 268,545	\$ 280,123	\$ 280,769	\$ 274,995	\$ 276,895	\$ 280,769	\$ 278,223	\$ 285,896	\$ 270,010	\$ 273,154	\$ 278,199	\$ 3,328,347
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	\$ 280,769	\$ 268,545	\$ 280,123	\$ 280,769	\$ 274,995	\$ 276,895	\$ 280,769	\$ 278,223	\$ 285,896	\$ 270,010	\$ 273,154	\$ 278,199	\$ 3,328,347

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER	\$ -	\$ 211,460	\$ -	\$ 36,000	\$ 1,800,000	\$ -	\$ 8,945	\$ -	\$ 2,056,405
2. MULTI-FAMILY RESIDENTIAL BLDR	-	24,836	-	-	36,000	-	769	-	61,605
3. APPLIANCE REPLACEMENT	-	169,473	-	84,000	96,000	-	5,431	-	354,904
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	-	5,567	-	-	-	-	153	-	5,720
7. RES WATER HEATER RETENTION	-	66,456	-	-	108,000	-	1,947	-	176,403
8. RES CUT AND CAP ALTERNATIVE	-	21,307	-	-	7,200	-	584	-	29,091
9. COMM/IND CONVERSION	-	294,315	-	2,800	31,200	-	9,721	-	338,036
10. COMM/IND ALTERNATIVE TECH. COMMON COSTS	-	15,252	-	4,800	36,000	-	616	-	56,668
		27,515	-	180,000	-	42,000	-	-	249,515
TOTAL ALL PROGRAMS		836,181	-	307,600	2,114,400	42,000	28,166	-	3,328,347
LESS: AMOUNT IN RATE BASE									
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 836,181	\$ -	\$ 307,600	\$ 2,114,400	\$ 42,000	\$ 28,166	\$ -	\$ 3,328,347

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER									
A. ACTUAL (8 months)	\$ -	\$ 145,685	\$ -	\$ 29,407	\$ 1,410,966	\$ -	\$ 5,325	\$ -	\$ 1,591,383
B. ESTIMATED (4 months)		68,561	-	3,200	674,800	-	2,592	-	749,153
C. TOTAL		214,246	-	32,607	2,085,766	-	7,917	-	2,340,530
2. MULTI-FAMILY RESIDENTIAL BLDG									
A. ACTUAL (8 months)		7,011	-	-	33,600	-	346	-	40,957
B. ESTIMATED (4 months)		5,091	-	-	12,000	-	160	-	17,251
C. TOTAL		12,102	-	-	45,600	-	506	-	58,208
3. APPLIANCE REPLACEMENT									
A. ACTUAL (8 months)		69,288	-	63,591	53,384	-	4,105	-	190,368
B. ESTIMATED (4 months)		67,296	-	24,000	40,000	-	2,008	-	133,304
C. TOTAL		136,584	-	87,591	93,384	-	6,113	-	323,672
4. DEALER PROGRAM									
A. ACTUAL (8 months)									
B. ESTIMATED (4 months)									
C. TOTAL									
5. GAS APPLIANCES IN SCHOOLS									
A. ACTUAL (8 months)									
B. ESTIMATED (4 months)									
C. TOTAL									
3. RES PROPANE CONVERSION									
A. ACTUAL (8 months)					450	-	-	-	450
B. ESTIMATED (4 months)		1,378	-	-	-	-	-	-	1,378
C. TOTAL		1,378	-	-	450	-	-	-	1,828
SUB-TOTAL	\$ -	\$ 364,310	\$ -	\$ 120,198	\$ 2,225,200	\$ -	\$ 14,536	\$ -	\$ 2,724,244

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 364,310	\$ -	\$ 120,198	\$ 2,225,200	\$ -	\$ 14,536	\$ -	\$ 2,724,244
7 RES WATER HEATER RETENTION									
A. ACTUAL (8 months)		13,821	-	-	76,786	-	1,137	-	91,744
B. ESTIMATED (4 months)		20,787	-	-	29,600	-	600	-	50,987
C. TOTAL		34,608	-	-	106,386	-	1,737	-	142,731
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (8 months)		11,703	-	-	450	-	391	-	12,544
B. ESTIMATED (4 months)		7,524	-	-	2,000	-	184	-	9,708
C. TOTAL		19,227	-	-	2,450	-	575	-	22,252
9. COMM/IND CONVERSION									
A. ACTUAL (8 months)		144,820	-	-	32,693	-	6,057	-	183,570
B. ESTIMATED (4 months)		98,001	-	1,400	8,000	-	3,024	-	110,425
C. TOTAL		242,821	-	1,400	40,693	-	9,081	-	293,995
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (8 months)		2,550	-	2,325	-	-	300	-	5,175
B. ESTIMATED (4 months)		3,881	-	2,400	16,000	-	156	-	22,437
C. TOTAL		6,431	-	4,725	16,000	-	456	-	27,612
COMMON COSTS									
A. ACTUAL (8 months)		20,576	-	109,729	-	24,278	-	-	154,583
B. ESTIMATED (4 months)		8,718	-	60,000	-	11,200	-	-	79,918
C. TOTAL		29,294	-	169,729	-	35,478	-	-	234,501
TOTAL	\$ -	\$ 696,691	\$ -	\$ 296,052	\$ 2,390,729	\$ 35,478	\$ 26,385	\$ -	\$ 3,445,335

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

DESCRIPTION	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	TOTAL
1. RESIDENTIAL BUILDER	\$ 134,127	\$ 182,381	\$ 273,123	\$ 155,546	\$ 148,827	\$ 223,716	\$ 153,010	\$ 319,753	\$ 187,729	\$ 187,914	\$ 185,596	\$ 187,914	2,339,636
2. MULTI-FAMILY RESIDENTIAL BLDR	22,004	12,637	989	1,037	1,032	975	1,817	486	4,350	4,358	4,185	4,358	58,208
3. APPLIANCE REPLACEMENT	41,000	20,168	23,511	19,580	22,402	16,251	23,319	24,137	33,671	33,971	31,691	33,971	323,672
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	225	925	-	14,500	4,150	-	-	(18,450)	354	357	310	357	2,728
7. RES WATER HEATER RETENTION	14,485	10,782	11,249	12,293	8,758	10,809	9,929	13,439	12,859	12,944	12,240	12,944	142,731
8. RES CUT AND CAP ALTERNATIVE	1,170	1,111	1,536	1,493	1,831	1,847	1,828	1,728	2,483	2,493	2,239	2,493	22,252
9. COMM/IND CONVERSION	18,152	28,598	16,660	24,579	24,803	25,148	24,135	21,495	28,587	28,150	24,838	28,850	293,995
10. COMM/IND ALTERNATIVE TECH.	204	2,486	(49)	640	553	444	672	225	6,230	5,046	4,915	6,246	27,612
COMMON COSTS	<u>4,962</u>	<u>10,688</u>	<u>43,642</u>	<u>26,013</u>	<u>18,748</u>	<u>22,059</u>	<u>3,600</u>	<u>24,871</u>	<u>20,045</u>	<u>20,056</u>	<u>19,761</u>	<u>20,056</u>	<u>234,501</u>
TOTAL ALL PROGRAMS	236,329	269,776	370,641	255,681	231,104	301,249	218,310	387,684	296,308	295,289	285,775	297,189	3,445,335
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	\$ 236,329	\$ 269,776	\$ 370,641	\$ 255,681	\$ 231,104	\$ 301,249	\$ 218,310	\$ 387,684	\$ 296,308	\$ 295,289	\$ 285,775	\$ 297,189	\$ 3,445,335

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(297,283)	(280,887)	(281,232)	(245,384)	(210,948)	(194,121)	(192,763)	(185,214)	(236,398)	(223,314)	(225,922)	(277,825)	(2,851,291)
4. TOTAL REVENUES	(297,283)	(280,887)	(281,232)	(245,384)	(210,948)	(194,121)	(192,763)	(185,214)	(236,398)	(223,314)	(225,922)	(277,825)	(2,851,291)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,067)	(552,826)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(343,352)	(326,956)	(327,301)	(291,453)	(257,017)	(240,190)	(238,832)	(231,283)	(282,467)	(269,383)	(271,991)	(323,892)	(3,404,117)
7. CONSERV. EXPS.	236,329	269,776	370,641	255,681	231,104	301,249	218,310	387,684	296,308	295,289	285,775	297,189	3,445,335
8. TRUE-UP THIS PERIOD	(107,023)	(57,180)	43,340	(35,772)	(25,913)	61,059	(20,522)	156,401	13,841	25,906	13,784	(26,703)	41,218
9. INTEREST PROV. THIS PERIOD	(507)	(521)	(477)	(447)	(445)	(449)	(454)	(351)	(191)	(104)	(16)	37	(3,924)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(552,826)	(614,287)	(625,919)	(536,987)	(527,136)	(507,425)	(400,746)	(375,653)	(173,535)	(113,816)	(41,944)	17,893	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,067	552,826
12. TOTAL NET TRUE-UP	\$ (614,287)	\$ (625,919)	\$ (536,987)	\$ (527,136)	\$ (507,425)	\$ (400,746)	\$ (375,653)	\$ (173,535)	\$ (113,816)	\$ (41,944)	\$ 17,893	\$ 37,294	\$ 37,294

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

INTEREST PROVISION	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	TOTAL
1. BEGINNING TRUE-UP	\$ (552,826)	\$ (614,287)	\$ (625,919)	\$ (536,987)	\$ (527,136)	\$ (507,425)	\$ (400,746)	\$ (375,653)	\$ (173,535)	\$ (113,816)	\$ (41,944)	\$ 17,893	
2. ENDING TRUE-UP BEFORE INTEREST	(613,780)	(625,398)	(536,510)	(526,690)	(506,980)	(400,297)	(375,199)	(173,183)	(113,625)	(41,841)	17,909	37,257	
3. TOTAL BEGINNING & ENDING TRUE-UP	(1,166,606)	(1,239,686)	(1,162,429)	(1,063,676)	(1,034,117)	(907,722)	(775,946)	(548,837)	(287,159)	(155,656)	(24,035)	55,150	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ (583,303)	\$ (619,843)	\$ (581,215)	\$ (531,838)	\$ (517,058)	\$ (453,861)	\$ (387,973)	\$ (274,418)	\$ (143,580)	\$ (77,828)	\$ (12,018)	\$ 27,575	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	1.060%	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.600%	1.600%	1.600%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.600%	1.600%	1.600%	1.600%	
7. TOTAL (SUM LINES 5 & 6)	2.090%	2.010%	1.960%	2.010%	2.070%	2.370%	2.800%	3.070%	3.200%	3.200%	3.200%	3.200%	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	1.045%	1.005%	0.980%	1.005%	1.035%	1.185%	1.400%	1.535%	1.600%	1.600%	1.600%	1.600%	
9. MONTHLY AVG INTEREST RATE	0.087%	0.084%	0.082%	0.084%	0.086%	0.099%	0.117%	0.128%	0.133%	0.133%	0.133%	0.133%	
10. INTEREST PROVISION	\$ (507)	\$ (521)	\$ (477)	\$ (447)	\$ (445)	\$ (449)	\$ (454)	\$ (351)	\$ (191)	\$ (104)	\$ (16)	\$ 37	\$ (3,924)

Docket No. 040004-GU
 NUI City Gas Co. of Florida
 Exhibit No. GL-2
 Page 8 of 18

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL BUILDER - PROGRAM 1

DESCRIPTION: The Residential Builder Program is designed to increase the overall energy efficiency in the residential new construction market by promoting energy-efficient natural gas appliances in residences that would qualify for the RE rates. The program offers builders and developers incentives in the form of cash allowances to assist in defraying the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

PROGRAM ALLOWANCES:

Furnace	\$350
Water Heater	350
Range	100
Dryer	100
Triathlon	1200

REPORTING PERIOD: January 2004 through August 2004

APPLIANCES INSTALLED:

The Company connected 5,306 gas appliances during the period

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: MULTI-FAMILY RESIDENTIAL BUILDER - PROGRAM 2

DESCRIPTION: The Multi-Family Residential Builder Program is designed to increase overall energy efficiency in the multi-family new construction market by promoting energy-efficient natural gas in multi-unit residences qualifying for the Company's CS rates.

PROGRAM ALLOWANCES:

Per dwelling unit \$300

REPORTING PERIOD: January 2004 through August 2004

PROGRAM SUMMARY:

Program costs for the period were \$40,957.

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM 3

DESCRIPTION: The Residential Appliance Replacement Program is designed to promote the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. The Program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances

PROGRAM ALLOWANCES:

Furnace	\$625
Water Heater	525
Range	100
Dryer	100
Triathlon	1200

REPORTING PERIOD: January 2004 through August 2004

APPLIANCES INSTALLED:

The Company connected 158 gas appliances during the period

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: GAS APPLIANCES IN SCHOOLS - PROGRAM 5

DESCRIPTION: The Gas Appliances in Schools Program is designed to promote natural gas appliances where cost-efficient, in Home Economic Departments in schools located in our Company's service area. The program provides teaching assistance on energy conservation and on the use, care, and safety of natural gas appliances through a Company-employed home economist.

REPORTING PERIOD: January 2004 through August 2004

PROGRAM SUMMARY:

Program costs for the period were \$0.

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: DEALER - PROGRAM 4

DESCRIPTION: The Dealer Program is designed to encourage the replacement of non-gas appliances with energy efficient natural gas appliances through appliance dealers and contractors. The program offers incentives to the dealers and contractors.

PROGRAM ALLOWANCES:

Furnace
Water Heater
Range
Dryer

REPORTING PERIOD: January 2004 through August 2004

APPLIANCES INSTALLED:

This program was discontinued in February 1998 with Order #PSC-98-0154-GOF-GU granting the new programs.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL PROPANE CONVERSION - PROGRAM 6

DESCRIPTION: The Residential Propane Conversion Program is designed to promote the conversion of existing residential propane appliances to utilize efficient natural gas. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the conversion of their existing propane appliances to utilize natural gas.

PROGRAM ALLOWANCES:

Furnace	\$200
Water Heater	100
Dryer	25
Dryer	50

REPORTING PERIOD: January 2004 through August 2004

PROGRAM SUMMARY:

The Company connected 0 gas appliances during the period.

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL WATER HEATER RETENTION - PROGRAM 7

DESCRIPTION: The Residential Water Heater Retention Program is designed to promote the retention of energy efficient natural gas water heaters in existing residential structures. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Water Heater \$50

REPORTING PERIOD: January 2004 through August 2004

PROGRAM SUMMARY:

The Company retained 1,566 water heaters during the period.

CITY GAS COMPANY OF FLORIDA

Schedule C-5

PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL CUT AND CAP - PROGRAM 8

DESCRIPTION: The Residential Cut and Cap Program is designed to encourage the re-activation of existing residential service lines that are scheduled to be cut off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and/or lease and the installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service re-activation..... \$200

REPORTING PERIOD: January 2004 through August 2004

PROGRAM SUMMARY:

The retained 3 accounts during the period.

CITY GAS COMPANY OF FLORIDA

Schedule C-5

PROGRAM PROGRESS REPORT

NAME: COMMERCIAL/INDUSTRIAL CONVERSION - PROGRAM 9

DESCRIPTION: The Commercial/Industrial Conversion Program is designed to promote the conversion of commercial and industrial inefficient non-gas equipment to energy efficient natural gas. The program offers incentives in the form of cash allowances to existing commercial and industrial businesses located in existing structures, to assist in defraying the incremental first costs associated with the installation of natural gas supply lines, internal piping, venting and equipment.

PROGRAM ALLOWANCES:

Per 100,000 BTU input rating..... \$75

REPORTING PERIOD: January 2004 through August 2004

PROGRAM SUMMARY:

The Company converted 19 accounts during the period, with a combined BTU input rating of 46,432,990 BTUs.

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: COMMERCIAL/INDUSTRIAL ALTERNATIVE TECHNOLOGY INCENTIVE - PROGRAM 10

DESCRIPTION: The Commercial/Industrial Alternative Technology Incentive Program (ATI) is designed to encourage commercial and industrial business owners to install alternate technologies that utilize natural gas that are not covered by one of the other City Gas Energy Conservation Programs, but which cost-effectively reduce the total utility expense of the business. The program offers incentives based on the cost-effectiveness under a life-cycle analysis utilizing a computerized energy consumption simulation model.

PROGRAM ALLOWANCES:

Payback period of three years subject to a maximum incentive of three times the projected incremental annualized margin.

REPORTING PERIOD: January 2004 through August 2004

PROGRAM SUMMARY:

Program costs for the period were \$5,175.