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September 13, 2010

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**VIA HAND DELIVERY**

Ms. Ann Cole  
Office of the Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**Re: Docket No. 100004-GU – Natural Gas Conservation Cost Recovery Clause.**

Dear Ms. Cole:

Enclosed for filing in the above referenced Docket, please find an original and 15 copies of Florida City Gas Company's Petition for Approval of Conservation Cost Recovery Factors and the Direct Testimony and Exhibit CB-2 of Ms. Carolyn Bermudez.

Your assistance in this matter is greatly appreciated.

Sincerely,



**Beth Keating**  
**AKERMAN SENTERFITT**  
106 East College Avenue, Suite 1200  
Tallahassee, FL 32302-1877  
Phone: (850) 224-9634  
Fax: (850) 222-0103

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Enclosures

DOCUMENT NUMBER 07652  
SEP 13 2010  
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: **Natural Gas Conservation Cost** )  
**Recovery** )  
\_\_\_\_\_ )

**Docket No. 100004-GU**  
**Filed: September 13, 2010**

**PETITION OF FLORIDA CITY GAS  
FOR APPROVAL OF CONSERVATION COST RECOVERY FACTORS**

Florida City Gas, a division of Pivotal Utility Holdings, Inc. ("Florida City Gas" or "the Company") hereby petitions the Commission for Approval of the Company's conservation cost recovery factors for the period January 1, 2011 through December 31, 2011. In support thereof, the Company says:

1. For the period January 1, 2011 through December 31, 2011, Florida City Gas projects its total incremental conservation costs to be \$2,039,239 (Schedule C-2). Florida City Gas' true-up for the period January 1, 2010 through December 31, 2010, is an under-recovery of \$945,263, resulting in a total of \$4,347,811, of conservation costs to be recovered during the January 1, 2011 through December 31, 2011 period.

2. When the required true-up and projected expenditures are spread over the projected therm sales and expanded for taxes, the required conservation cost recovery factors for the period January 1, 2011 through December 31, 2011, are:

GS-1, GS-100, GS-220 (Sales & Transportation)	\$0.10753
GS-600 (Sales & Transportation)	\$0.06078
GS-1200 (Sales & Transportation)	\$0.03858
GS-6k (Sales & Transportation)	\$0.03214
GS-25000 (Sales & Transportation)	\$0.03198

FILED \$0.03198 PER DATE

7652 SEP 13 2010

GS-60000 (Sales & Transportation)	\$0.03167
Gas Lights	\$0.06191
GS-120000 (Sales & Transportation)	\$0.02238
GS-250000 (Sales & Transportation)	\$0.02105

3. The Company's calculation of the Conservation Cost Recovery Factors is consistent with the Commission's methodology, and supported by the Direct Testimony of Carolyn Bermudez, and Schedules C-1 through C-3, which are included in Exhibit No. - (CB-2).

WHEREFORE, Florida City Gas requests that its Conservation Cost Recovery Factors for the period January 1, 2011 through December 31, 2011 be approved.

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Beth Keating  
Akerman Senterfitt Attorneys at Law  
106 East College Avenue  
Highpoint Center, 12<sup>th</sup> Floor  
Tallahassee, FL 32301  
(850)224-9634

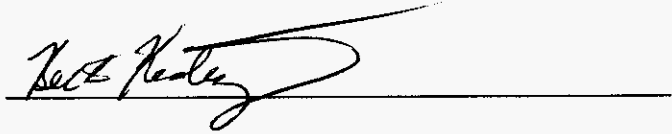
*Attorneys for Florida City Gas*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the Petition of Florida City Gas, as well as the Direct Testimony and Exhibits of Carolyn Bermudez, has been furnished by U.S. Mail to the following parties of record this 13th day of September, 2010:

Florida Public Utilities Company Tom Geoffroy P.O. Box 3395 West Palm Beach, FL 33402-3395	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Office of Public Counsel J.R. Kelly/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Peoples Gas System Paula Brown P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Stuart L. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
TECO Energy, Inc. Matthew Costa P.O. Box 111 Tampa, FL 33601-0111	AGL Resources Inc. Elizabeth Wade/David Weaver Ten Peachtree Place Location 1470 Atlanta, GA 30309
Florida City Gas Melvin Williams 933 East 25 <sup>th</sup> Street Hialeah, FL 33013-3498	Katherine Fleming Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

Florida Division of Chesapeake Utilities Corporation Thomas A. Geoffroy P.O. Box 960 Winter Haven, FL 33882-0960	FPUC/Indiantown Division Tom Geoffroy P.O. Box 3395 West Palm Beach, FL 33402-3395
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870	



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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY OF CAROLYN BERMUDEZ

3 ON BEHALF OF

4 FLORIDA CITY GAS

5 DOCKET NO. 100004-GU

6 September 10, 2011

7

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

10

11 A. My name is Carolyn Bermudez and my business address is 933 East 25th Street, Hialeah,  
12 Florida 33013-3498. I am employed by Florida City Gas as Director, Strategic Business &  
13 Financial Planning.

14

15 **Q. Are you familiar with the energy conservation programs of Florida City Gas?**

16

17 A. Yes, I am.

18

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

21

22 A. Yes, I am.

23

24

25

DOCUMENT NUMBER-DATE

07652 SEP 13 0

FPSC-COMMISSION CLERK

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

2

3 A. To submit the conservation cost recovery true-up for the final true-up period January 1,  
4 2009 through December 31, 2009, and for the actual and estimated period of January 1,  
5 2010, through December 31, 2010. I will also present the total level of costs Florida City  
6 Gas seeks to recover through its conservation factors during the period January 1, 2011  
7 through December 31, 2011, as well as the conservation factors which, when applied to  
8 our customer's bills during the period January 1, 2011 through December 31, 2011, will  
9 permit recovery of total ECCR costs.

10

11 **Q. What is the Company's estimated true-up for the period January 1, 2010 through**  
12 **December 31, 2010?**

13

14 A. An under-recovery of \$945,263. This amount is calculated on page 4 of Schedule C-3 and  
15 takes into account the final true-up for the year ended December 31, 2009, which was an  
16 under-recovery of \$166,044, including interest.

17

18 **Q. What is the total cost Florida City Gas seeks to recover during the period January 1,**  
19 **2011 through December 31, 2011?**

20

21 A. \$4,347,811. This represents the projected costs of \$3,402,548 to be incurred during 2011,  
22 plus the estimated true-up of \$ 945,263 for calendar year 2010.

23

24

25

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

3

4	A.	GS-1, GS-100, GS-220 (Sales & Transportation)	\$0.10753
5		GS-600 (Sales & Transportation)	\$0.06078
6		GS-1200 (Sales & Transportation)	\$0.03858
7		GS-6k (Sales & Transportation)	\$0.03214
8		GS-25000 (Sales & Transportation)	\$0.03196
9		GS-60000 (Sales & Transportation)	\$0.03167
10		Gas Lights	\$0.06191
11		GS-120000 (Sales & Transportation)	\$0.02238
12		GS-250000 (Sales & Transportation)	\$0.02105

13

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

16

17 A. Yes. I have prepared and filed together with this testimony Schedules C-1 through C-3 as  
18 prescribed by Commission Staff.

19

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

21

22 A. Yes, it does.



DOCKET No. 100004-GU

Exhibit No. \_\_\_\_\_ (CB-2)

on behalf of Florida City Gas

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2011 THROUGH DECEMBER 2011  
ACTUAL/ESTIMATED PERIOD: JANUARY 2010 THROUGH DECEMBER 2010  
FINAL TRUE-UP PERIOD: JANUARY 2009 THROUGH DECEMBER 2009  
COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2009 THROUGH DECEMBER 2009

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 3,402,548	\$ -
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12)	<u>\$ 945,263</u>	
3. TOTAL (LINE 1 AND 2)	<u>\$ 4,347,811</u>	

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)	96,695	21,528,087	\$ 11,176,788	\$ 11,085,309	\$ -	\$ 22,262,097	\$ 2,303,394	10.3470%	\$ 0.10699	1.00503	\$ 0.10753
GS-600 (Sales & Transportation)	1,071	1,042,684	\$ 154,224	\$ 455,266	\$ -	\$ 609,490	\$ 63,062	10.3470%	\$ 0.06048	1.00503	\$ 0.06078
GS-1200 (Sales & Transportation)	2,467	8,241,579	\$ 444,060	\$ 2,613,816	\$ -	\$ 3,057,876	\$ 316,389	10.3470%	\$ 0.03839	1.00503	\$ 0.03858
GS-6k (Sales & Transportation)	2,214	23,294,646	\$ 797,040	\$ 6,403,000	\$ -	\$ 7,200,040	\$ 744,967	10.3470%	\$ 0.03198	1.00503	\$ 0.03214
GS-25000 (Sales & Transportation)	322	9,904,279	\$ 309,120	\$ 2,735,364	\$ -	\$ 3,044,484	\$ 315,004	10.3470%	\$ 0.03180	1.00503	\$ 0.03196
GS-60000 (Sales & Transportation)	81	4,830,643	\$ 144,000	\$ 1,327,316	\$ -	\$ 1,471,316	\$ 152,233	10.3470%	\$ 0.03151	1.00503	\$ 0.03167
Gas Lights	211	22,800	\$ -	\$ 13,574	\$ -	\$ 13,574	\$ 1,404	10.3470%	\$ 0.06160	1.00503	\$ 0.06191
GS-120000 (Sales & Transportation)	59	10,603,840	\$ 177,000	\$ 1,917,598	\$ 188,001	\$ 2,282,599	\$ 236,174	10.3470%	\$ 0.02227	1.00503	\$ 0.02238
GS-250000 (Sales & Transportation)	26	10,274,375	\$ 93,600	\$ 1,766,268	\$ 219,867	\$ 2,079,735	\$ 215,184	10.3470%	\$ 0.02094	1.00503	\$ 0.02105
<b>TOTAL</b>	<u>103,146</u>	<u>89,742,933</u>	<u>\$ 13,295,832</u>	<u>\$ 28,317,511</u>	<u>\$ 407,868</u>	<u>\$ 42,021,211</u>	<u>\$ 4,347,811</u>				

PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH  
FOR THE PERIOD JANUARY 2011 THROUGH DECEMBER 2011

PROGRAM NAME	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	TOTAL
1. RESIDENTIAL BUILDER	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 9,200	\$ 110,400
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	41,541	41,541	41,541	41,541	41,541	41,541	41,541	41,541	41,541	41,541	41,541	41,541	\$ 498,492
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	-	200	-	-	-	-	-	-	200	-	200	-	\$ 600
7. RES WATER HEATER RETENTION	140,350	140,350	140,350	140,350	140,350	140,350	140,350	140,350	140,350	140,350	140,350	140,350	\$ 1,684,200
8. RES CUT AND CAP ALTERNATIVE	625	625	625	625	625	625	625	625	625	625	625	625	\$ 7,500
9. COMM/IND CONVERSION	30,451	30,451	30,451	30,451	30,451	30,451	30,451	30,451	30,451	30,451	30,451	30,451	\$ 365,412
10. COMM/IND ALTERNATIVE TECH.	220	220	220	220	220	220	220	220	220	220	220	220	\$ 2,640
COMMON COSTS	61,109	61,109	61,109	61,109	61,109	61,109	61,109	61,109	61,109	61,109	61,109	61,109	\$ 733,304
TOTAL ALL PROGRAMS	\$ 283,496	\$ 283,696	\$ 283,496	\$ 283,496	\$ 283,496	\$ 283,496	\$ 283,496	\$ 283,496	\$ 283,696	\$ 283,496	\$ 283,696	\$ 283,492	\$ 3,402,548
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	\$ 283,496	\$ 283,696	\$ 283,496	\$ 283,496	\$ 283,496	\$ 283,496	\$ 283,496	\$ 283,496	\$ 283,696	\$ 283,496	\$ 283,696	\$ 283,492	\$ 3,402,548

PROJECTED CONSERVATION PROGRAM COST BY COST CATEGORY  
FOR THE PERIOD JANUARY 2011 THROUGH DECEMBER 2011

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER	\$ -	\$ 47,508	\$ -	\$ -	\$ 56,244	\$ -	\$ 6,648	\$ -	\$ 110,400
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT	-	109,848	-	240,000	140,508	-	8,136	-	498,492
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	-	-	-	-	600	-	-	-	600
7. RES WATER HEATER RETENTION	-	105,000	-	-	1,579,200	-	-	-	1,684,200
8. RES CUT AND CAP ALTERNATIVE	-	-	-	-	7,500	-	-	-	7,500
9. COMM/IND CONVERSION	-	121,572	-	-	219,600	-	24,240	-	365,412
10. COMM/IND ALTERNATIVE TECH. COMMON COSTS	-	-	-	-	-	-	2,640	-	2,640
	-	66,924	-	560,000	-	-	16,380	90,000	733,304
TOTAL ALL PROGRAMS	-	450,852	-	800,000	2,003,652	-	58,044	90,000	3,402,548
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 450,852	\$ -	\$ 800,000	\$ 2,003,652	\$ -	\$ 58,044	\$ 90,000	\$ 3,402,548

CONSERVATION PROGRAM COSTS BY COST CATEGORY  
FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010  
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

	<u>CAPITAL INVESTMENT</u>	<u>PAYROLL &amp; BENEFITS</u>	<u>MATERIALS &amp; SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL BUILDER									
A. ACTUAL (8 months)	\$ -	\$ 53,478	\$ -	\$ -	\$ 83,390	\$ -	\$ 3,312	\$ -	\$ 140,180
B. ESTIMATED (4 months)	-	34,331	-	-	19,865	-	2,217	-	56,413
C. TOTAL	-	87,809	-	-	103,255	-	5,529	-	196,593
2 MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (8 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (4 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
3 APPLIANCE REPLACEMENT									
A. ACTUAL (8 months)	-	73,375	-	293,304	89,817	24,272	4,948	-	485,716
B. ESTIMATED (4 months)	-	40,519	-	93,012	33,685	-	2,710	-	169,927
C. TOTAL	-	113,894	-	386,316	123,502	24,272	7,658	-	655,643
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	-	-	-	-	-	-	-	-	-
6 RES PROPANE CONVERSION									
A. ACTUAL (8 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (4 months)	-	-	-	-	400	-	-	-	400
C. TOTAL	-	-	-	-	400	-	-	-	400
SUB-TOTAL	\$ -	\$ 201,703	\$ -	\$ 386,316	\$ 227,157	\$ 24,272	\$ 13,187	\$ -	\$ 852,635

CONSERVATION PROGRAM COSTS BY COST CATEGORY  
FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010  
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 201,703	\$ -	\$ 386,316	\$ 227,157	\$ 24,272	\$ 13,187	\$ -	\$ 852,635
7. RES WATER HEATER RETENTION									
A. ACTUAL (8 months)	-	17,929	-	-	925,598	-	-	-	943,527
B. ESTIMATED (4 months)	-	17,814	-	-	259,489	-	-	-	277,303
C. TOTAL	-	35,743	-	-	1,185,087	-	-	-	1,220,830
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (8 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (4 months)	-	20,048	-	-	-	-	-	-	20,048
C. TOTAL	-	20,048	-	-	-	-	-	-	20,048
9. COMM/ND CONVERSION									
A. ACTUAL (8 months)	-	100,488	-	-	66,032	-	16,123	-	182,643
B. ESTIMATED (4 months)	-	77,718	-	-	28,329	-	8,079	-	114,126
C. TOTAL	-	178,206	-	-	94,361	-	24,202	-	296,769
10. COMM/ND ALTERNATIVE TECH.									
A. ACTUAL (8 months)	-	-	-	-	-	-	1,537	-	1,537
B. ESTIMATED (4 months)	-	10,451	-	-	-	-	867	-	11,318
C. TOTAL	-	10,451	-	-	-	-	2,404	-	12,855
COMMON COSTS									
A. ACTUAL (8 months)	-	74,826	63,073	412,733	-	-	11,267	-	561,899
B. ESTIMATED (4 months)	-	14,758	1,400	10,000	-	-	647	-	26,805
C. TOTAL	-	89,584	64,473	422,733	-	-	11,914	-	588,704
TOTAL	\$ -	\$ 535,735	\$ 64,473	\$ 809,049	\$ 1,506,605	\$ 24,272	\$ 51,707	\$ -	\$ 2,991,842

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH  
FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010  
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

DESCRIPTION	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	TOTAL
1. RESIDENTIAL BUILDER	16,017	10,423	16,286	8,180	6,840	11,557	61,201	9,677	14,103	14,103	14,103	14,103	196,593
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT	15,292	232,908	80,733	59,933	26,207	30,161	17,992	22,489	42,482	42,482	42,482	42,482	655,643
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	-	-	-	-	-	-	-	-	200	-	200	-	400
7. RES WATER HEATER RETENTION	41,257	116,988	110,299	92,219	130,448	137,227	106,871	208,218	69,326	69,326	69,326	69,326	1,220,831
8. RES CUT AND CAP ALTERNATIVE	-	-	-	-	-	-	-	-	5,012	5,012	5,012	5,012	20,048
9. COMM/IND CONVERSION	18,001	21,144	22,241	19,557	18,959	15,167	30,041	37,533	28,532	28,532	28,532	28,532	296,771
10. COMM/IND ALTERNATIVE TECH.	259	309	214	191	262	201	100	-	2,829	2,829	2,829	2,829	12,852
COMMON COSTS	9,684	11,208	41,866	76,104	46,799	192,462	121,082	62,695	6,701	6,701	6,701	6,701	588,704
TOTAL ALL PROGRAMS	100,510	392,980	271,639	256,184	229,515	386,775	337,287	340,612	169,185	168,985	169,185	168,985	2,991,842
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	\$ 100,510	\$ 392,980	\$ 271,639	\$ 256,184	\$ 229,515	\$ 386,775	\$ 337,287	\$ 340,612	\$ 169,185	\$ 168,985	\$ 169,185	\$ 168,985	\$ 2,991,842

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT  
FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010  
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(273,592)	(245,559)	(264,600)	(185,133)	(154,364)	(147,350)	(130,405)	(136,374)	(169,185)	(169,185)	(169,185)	(169,185)	(2,214,117)
4. TOTAL REVENUES	(273,592)	(245,559)	(264,600)	(185,133)	(154,364)	(147,350)	(130,405)	(136,374)	(169,185)	(169,185)	(169,185)	(169,185)	(2,214,117)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	13,837	13,837	13,837	13,837	13,837	13,837	13,837	13,837	13,837	13,837	13,837	13,837	166,044
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(259,755)	(231,722)	(250,763)	(171,296)	(140,527)	(133,513)	(116,568)	(122,537)	(155,348)	(155,348)	(155,348)	(155,348)	(2,048,073)
7. CONSERV. EXPS.	100,510	392,980	271,639	256,184	229,515	386,775	337,287	340,612	169,185	166,985	169,185	166,985	2,991,842
8. TRUE-UP THIS PERIOD	(159,245)	161,258	20,876	84,888	88,988	253,262	220,719	218,075	13,837	13,637	13,837	13,637	943,769
9. INTEREST PROV. THIS PERIOD	14	11	26	33	61	120	166	194	217	217	217	217	1,494
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	166,044	(7,024)	140,408	147,473	218,557	293,769	533,314	740,362	944,793	945,011	945,028	945,245	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	(13,837)	(13,837)	(13,837)	(13,837)	(13,837)	(13,837)	(13,837)	(13,837)	(13,837)	(13,837)	(13,837)	(13,837)	(166,044)
12. TOTAL NET TRUE-UP	\$ (7,024)	\$ 140,408	\$ 147,473	\$ 218,557	\$ 293,769	\$ 533,314	\$ 740,362	\$ 944,793	\$ 945,011	\$ 945,028	\$ 945,245	\$ 945,263	\$ 945,263



CALCULATION OF TRUE-UP AND INTEREST PROVISION  
FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010  
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

INTEREST PROVISION	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	TOTAL
1. BEGINNING TRUE-UP	\$ 166,044	\$ (7,024)	\$ 140,408	\$ 147,473	\$ 218,557	\$ 293,769	\$ 533,314	\$ 740,362	\$ 944,793	\$ 945,011	\$ 945,028	\$ 945,245	
2. ENDING TRUE-UP BEFORE INTEREST	(7,038)	140,397	147,447	218,524	293,708	533,194	740,196	944,600	944,793	944,811	945,028	945,045	
3. TOTAL BEGINNING & ENDING TRUE-UP	159,006	133,372	287,855	365,997	512,264	826,963	1,273,510	1,684,961	1,889,587	1,889,821	1,890,056	1,890,291	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ 79,503	\$ 66,686	\$ 143,927	\$ 182,998	\$ 256,132	\$ 413,482	\$ 636,755	\$ 842,481	\$ 944,793	\$ 944,911	\$ 945,028	\$ 945,145	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	0.200%	0.200%	0.210%	0.210%	0.230%	0.340%	0.350%	0.280%	0.280%	0.280%	0.280%	0.280%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	0.200%	0.210%	0.210%	0.230%	0.340%	0.350%	0.280%	0.280%	0.280%	0.280%	0.280%	0.280%	
7. TOTAL (SUM LINES 5 & 6)	0.400%	0.410%	0.420%	0.440%	0.570%	0.690%	0.630%	0.560%	0.560%	0.560%	0.560%	0.560%	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	0.200%	0.205%	0.210%	0.220%	0.285%	0.345%	0.315%	0.280%	0.280%	0.280%	0.280%	0.280%	
9. MONTHLY AVG INTEREST RATE	0.017%	0.017%	0.018%	0.018%	0.024%	0.029%	0.026%	0.023%	0.023%	0.023%	0.023%	0.023%	
10. INTEREST PROVISION	\$ 14	\$ 11	\$ 26	\$ 33	\$ 61	\$ 120	\$ 166	\$ 194	\$ 217	\$ 217	\$ 217	\$ 217	\$ 1,494

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 RS 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:

Gas Storage Tank Water Heating .....	\$350
Gas High Efficiency Storage Tank Water Heating (82% AFUE+) .....	400
Gas Tankless Water Heating .....	550
Gas Heating .....	500
Gas Cooking .....	150
Gas Clothe Drying .....	100

REPORTING PERIOD: January 2010 through August 2010

PROGRAM SUMMARY:

Program costs for the period were \$140,180

**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:**

See Program Summary

**REPORTING PERIOD:** January 2010 through August 2010

**PROGRAM SUMMARY:**

Program ended in February 2007 - Multi-Family developments are included in the Residential New Construction Program.

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:**

Gas Storage Tank Water Heating .....	\$550
Gas High Efficiency Storage Tank Water Heating (82% AFUE+) .....	550
Gas Tankless Water Heating .....	675
Gas Heating .....	725
Gas Cooking .....	200
Gas Clothe Drying .....	150

**REPORTING PERIOD:** January 2010 through August 2010

**PROGRAM SUMMARY:**

Program costs for the period were \$485,716

**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 2010 through August 2010

**PROGRAM SUMMARY:**

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:** 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 2010 through August 2010

**PROGRAM SUMMARY:**

Program costs for the period were \$0.

**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 .....	50
Range .....	25

**REPORTING PERIOD: January 2010 through August 2010**

**PROGRAM SUMMARY:**

Program costs for the period were \$0

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:**

Gas Storage Tank Water Heating .....	\$350
Gas High Efficiency Storage Tank Water Heating (82% AFUE+) .	400
Gas Tankless Water Heating .....	550
Gas Heating .....	500
Gas Cooking .....	100
Gas Clothe Drying .....	100

**REPORTING PERIOD:** January 2010 through August 2010

**PROGRAM SUMMARY:**

Program costs for the period were \$943,527



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 2010 through August 2010

**PROGRAM SUMMARY:**

Program costs for the period were \$0

**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 2010 through August 2010

**PROGRAM SUMMARY:**

Program costs for the period were \$182,643

**Exhibit (CB-2)**

**Florida City Gas**

**A Division of Pivotal Utility Holdings, Inc.**

**DOCKET NO. 100004-GU**

**Page 18 of 18**

**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 2010 through August 2010**

**PROGRAM SUMMARY:**

Program costs for the period were \$1,537