

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 120002-EG
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Revised Direct Testimony (Final True-up) of
CURTIS D. YOUNG

On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY

RECEIVED FPSC
12 JUL 13 PM 12:11
COMMISSION
CLERK

- 1 Q. Please state your name and business address.
- 2 A. Curtis D. Young: my business address is 1641 Worthington
- 3 Road, Suite 220 West Palm Beach, Florida 33409.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities Company as a
- 6 Senior Regulatory Analyst.
- 7 Q. What is the purpose of your testimony at this time?
- 8 A. To advise the Commission of the actual over/under recovery
- 9 of the Conservation Program costs for the period January 1,
- 10 2011 through December 31, 2011 as compared to the true-up
- 11 amounts previously reported for that period which were based
- 12 on seven months actual and five months estimated data.
- 13 Q. Please state the actual amount of over/under recovery of
- 14 Conservation Program costs for the Consolidated Electric
- Divisions of Florida Public Utilities Company for January 1,
- 2011 through December 31, 2011.

COM 5
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 CtRp 1

DOCUMENT NUMBER-DATE
04663 JUL 13 2011
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1 A. The Company under-recovered \$236,897.00 during that period.
2 This amount is substantiated on Schedule CT-3, page 2 of 3,
3 Energy Conservation Adjustment.

4 Q. How does this amount compare with the estimated true-up
5 amount which was allowed by the Commission during the
6 November 2011 hearing?

7 A. We had estimated that we would under-recover \$46,902.00 as
8 of December 31, 2011.

9 Q. Have you prepared any exhibits at this time?

10 A. We have prepared and pre-filed Schedules CT-1, CT-2, CT-3,
11 CT-4, CT-5 and CT-6 (**Revised** Composite Exhibit CDY-1).

12 Q. Does this conclude your testimony?

13 A. Yes.

Docket No. 120002-EG

Revised Exhibit CDY- 1

On behalf of Florida Public Utilities Company

COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC
 CONSERVATION ADJUSTMENT TRUE-UP

SCHEDULE CT-1
 PAGE 1 OF 1

FOR MONTHS January-11 THROUGH December-11

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS January-11 THROUGH December-11		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>236,667</u>	
5.	INTEREST	<u>230</u>	<u>236,897</u>
6.	LESS PROJECTED TRUE-UP		
7.	November-11 (DATE) HEARINGS		
8.	PRINCIPAL	<u>46,702</u>	
9.	INTEREST	<u>200</u>	<u>46,902</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>189,995</u></u>

EXHIBIT NO. _____
 DOCKET NO. 120002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (Revised CDY-1)
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ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

	FOR MONTHS	January-11	THROUGH	December-11	
		<u>ACTUAL</u>		<u>PROJECTED*</u>	<u>DIFFERENCE</u>
1.	LABOR/PAYROLL	371,884		239,935	131,949
2.	ADVERTISING	245,003		279,315	(34,312)
3.	LEGAL	14,686		9,216	5,470
4.	OUTSIDE SERVICES/CONTRACT	44,181		29,811	14,370
5.	VEHICLE COST	24,210		22,046	2,164
6.	MATERIAL & SUPPLIES	67,501		80,277	(12,776)
7.	TRAVEL	54,605		53,724	881
8.	GENERAL & ADMIN	1,528		25	1,503
9.	INCENTIVES	113,303		61,887	51,416
10.	OTHER	4,561		3,042	1,519
11.	SUB-TOTAL	941,462		779,278	162,184
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	941,462		779,278	162,184
14.	LESS: PRIOR PERIOD TRUE-UP	90,657		90,657	0
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	(795,452)		(820,134)	24,682
17.	Less: 2010 Audit Adj.			(3,099)	
18.	TRUE-UP BEFORE INTEREST	236,667		46,702	189,965
19.	ADD INTEREST PROVISION	230		200	30
20.	END OF PERIOD TRUE-UP	236,897		46,902	189,995

() REFLECTS OVERRECOVERY

* 7 MONTHS ACTUAL AND 5 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-11 THROUGH December-11

PROGRAM NAME	LABOR	ADVERTISING	LEGAL	OUTSIDE	VEHICLE	MATERIALS	TRAVEL	GENERAL	INCENTIVES	OTHER	SUB	PROGRAM	TOTAL
	& PAYROLL					& SUPPLIES		& ADMIN.					
1. Common	302,418	162,219	14,686	24,181	18,130	63,605	45,637	1,528	31,995	4,019	668,418		668,418
2. Residential Energy Survey	45,841	72,792	0	0	4,075	2,616	5,987	0	0	365	131,676		131,676
3. Loan Program (discontinued but remains open)	0	0	0	0	0	0	0	0	(100)	0	(100)		(100)
4. Commercial Energy Survey	21,909	3,341	0	0	1,948	1,251	2,862	0	0	175	31,486		31,486
5. Low Income Education	0	0	0	0	0	0	0	0	0	0	0		0
6. Commercial Heating & Cooling Upgrade	0	0	0	0	0	0	0	0	0	0	0		0
7. Residential Heating & Cooling Upgrade	0	1,700	0	0	0	0	0	0	37,295	0	38,995		38,995
8. Commercial Indoor Efficient Lighting Rebate	1,716	1,700	0	0	57	29	119	0	0	2	3,623		3,623
9. Commercial Window Film Installation Program	0	0	0	0	0	0	0	0	0	0	0		0
10. Commercial Chiller Upgrade Program	0	0	0	0	0	0	0	0	0	0	0		0
11. Solar Water Heating Program	0	1,532	0	0	0	0	0	0	599	0	2,131		2,131
12. Solar Photovoltaic Program	0	1,532	0	0	0	0	0	0	43,514	0	45,046		45,046
13. Electric Conservation Demonstration and Development	0	187	0	20,000	0	0	0	0	0	0	20,187		20,187
14. Affordable Housing Builders and Providers	0	0	0	0	0	0	0	0	0	0	0		0
15.											0		0
16.											0		0
17.											0		0
18.											0		0
19.											0		0
20.											0		0
21.											0		0
22.											0		0
TOTAL ALL PROGRAMS	371,884	245,003	14,686	44,181	24,210	67,501	54,605	1,528	113,303	4,561	941,462	0	941,462

COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

CONSERVATION COSTS PER PROGRAM--VARIANCE ACTUAL VS PROJECTED
VARIANCE ACTUAL VS PROJECTED

FOR MONTHS January-11 THROUGH December-11

PROGRAM NAME	LABOR	ADVERTISING	LEGAL	OUTSIDE	VEHICLE	MATERIALS	TRAVEL	GENERAL	INCENTIVES	OTHER	SUB	PROGRAM	TOTAL
	& PAYROLL					& SUPPLIES		& ADMIN.					
1. Common	140,208	288,252	5,470	(5,630)	3,205	(10,122)	5,996	1,503	(29,942)	1,770	400,710		400,710
2. Residential Energy Survey	(27,663)	(95,481)	0	0	(2,762)	(2,997)	(6,970)	0	50	(428)	(136,251)		(136,251)
3. Loan Program (discontinued but remains open)	0	0	0	0	0	0	0	0	(100)	0	(100)		(100)
4. Commercial Energy Survey	21,909	(99,811)	0	0	1,948	1,251	2,862	0	0	175	(71,666)		(71,666)
5. Low Income Education	0	0	0	0	0	0	0	0	0	0	0		0
6. Commercial Heating & Cooling Upgrade	0	0	0	0	0	0	0	0	0	0	0		0
7. Residential Heating & Cooling Upgrade	(4,221)	(108,497)	0	0	(284)	(937)	(1,126)	0	37,295	0	(77,770)		(77,770)
8. Commercial Indoor Efficient Lighting Rebate	1,716	(22,026)	0	0	57	29	119	0	0	2	(20,103)		(20,103)
9. Commercial Window Film Installation Program	0	0	0	0	0	0	0	0	0	0	0		0
10. Commercial Chiller Upgrade Program	0	0	0	0	0	0	0	0	0	0	0		0
11. Solar Water Heating Program	0	1,532	0	0	0	0	0	0	599	0	2,131		2,131
12. Solar Photovoltaic Program	0	1,532	0	0	0	0	0	0	43,514	0	45,046		45,046
13. Electric Conservation Demonstration and Development	0	187	0	20,000	0	0	0	0	0	0	20,187		20,187
14. Affordable Housing Builders and Providers	0	0	0	0	0	0	0	0	0	0	0		0
15.											0		0
16.											0		0
17.											0		0
18.											0		0
19.											0		0
20.											0		0
21.											0		0
22.											0		0
TOTAL ALL PROGRAMS	131,949	(34,312)	5,470	14,370	2,164	(12,776)	881	1,503	51,416	1,519	162,184	0	162,184

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH

FOR MONTHS January-11 THROUGH December-11

A. CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. Common	64,894	58,201	64,748	51,651	78,942	79,584	37,570	76,454	48,699	66,023	35,799	5,853	668,418
2. Residential Energy Survey	13,389	18,668	17,573	8,345	6,911	2,615	7,895	16,475	22,330	5,285	26,160	(13,970)	131,676
3. Loan Program (discontinued but remains open)	0	(10)	(10)	(10)	0	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(100)
4. Commercial Energy Survey	(481)	2,035	(500)	879	(518)	0	0	1,926	0	0	0	28,145	31,486
5. Low Income Education	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Commercial Heating & Cooling Upgrade	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Residential Heating & Cooling Upgrade	6,180	3,645	6,728	207	(1,185)	0	15	1,327	3,480	2,143	1,062	15,393	38,995
8. Commercial Indoor Efficient Lighting Rebate	6,180	3,646	6,728	207	(1,185)	0	15	749	749	0	0	(13,466)	3,623
9. Commercial Window Film Installation Program	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Commercial Chiller Upgrade Program	0	0	0	0	0	0	0	0	0	0	0	0	0
11. Solar Water Heating Program	0	0	0	0	0	0	0	0	0	1,532	0	599	2,131
12. Solar Photovoltaic Program	0	0	0	0	0	0	0	0	0	10,835	0	34,211	45,046
13. Electric Conservation Demonstration and Developmen	0	0	0	0	0	0	0	0	10,000	0	187	10,000	20,187
14. Affordable Housing Builders and Providers	0	0	0	0	0	0	0	0	0	0	0	0	0
15.													0
16.													0
17.													0
18.													0
19.													0
20.													0
21.													0
22.													0
21. TOTAL ALL PROGRAMS	90,162	88,185	95,267	61,279	82,965	82,189	45,485	96,921	85,248	85,808	63,198	66,755	941,462
22. LESS AMOUNT INCLUDED IN RATE BASE													
23. RECOVERABLE CONSERVATION EXPENSES	90,162	86,185	95,267	61,279	82,965	82,189	45,485	96,921	85,248	85,808	63,198	66,755	941,462

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-11 THROUGH December-11

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													
2. CONSERVATION ADJ. REVENUES	(80,735)	(68,489)	(53,952)	(53,593)	(59,191)	(71,180)	(78,675)	(88,932)	(75,981)	(55,219)	(50,876)	(58,629)	(795,452)
3. TOTAL REVENUES	(80,735)	(68,489)	(53,952)	(53,593)	(59,191)	(71,180)	(78,675)	(88,932)	(75,981)	(55,219)	(50,876)	(58,629)	(795,452)
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	7,555	7,555	7,555	7,555	7,555	7,555	7,555	7,555	7,555	7,555	7,555	7,552	90,657
5. CONSERVATION REVENUE APPLICABLE	(73,180)	(60,934)	(46,397)	(46,038)	(51,636)	(63,625)	(71,120)	(81,377)	(68,426)	(47,664)	(43,321)	(51,077)	(704,795)
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	90,162	86,185	95,267	61,279	82,965	82,189	45,485	96,921	85,248	85,808	63,198	66,755	941,462
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	16,982	25,251	48,870	15,241	31,329	18,564	(25,635)	15,544	16,822	38,144	19,877	15,678	236,667
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	20	23	26	26	25	26	20	13	8	10	17	16	230
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	90,657	100,104	117,823	159,164	166,876	190,675	201,710	168,540	176,542	185,817	216,416	228,755	90,657
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	(7,555)	(7,555)	(7,555)	(7,555)	(7,555)	(7,555)	(7,555)	(7,555)	(7,555)	(7,555)	(7,555)	(7,552)	(90,657)
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	100,104	117,823	159,164	166,876	190,675	201,710	168,540	176,542	185,817	216,416	228,755	236,897	236,897

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-11 THROUGH December-11

C.	INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.	BEGINNING TRUE-UP (LINE B-9)	90,657	100,104	117,823	159,164	166,876	190,675	201,710	168,540	176,542	185,817	216,416	228,755	90,657
2.	ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	100,084	117,800	159,138	166,850	190,650	201,684	168,520	176,529	185,809	216,406	228,738	236,881	236,667
3.	TOTAL BEG. AND ENDING TRUE-UP	190,741	217,904	276,961	326,014	357,526	392,359	370,230	345,069	362,351	402,223	445,154	465,636	327,324
4.	AVERAGE TRUE-UP (LINE C-3 X 50%)	95,371	108,952	138,481	163,007	178,763	196,180	185,115	172,535	181,176	201,112	222,577	232,818	163,662
5.	INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	0.25%	0.25%	0.25%	0.20%	0.19%	0.16%	0.16%	0.12%	0.07%	0.04%	0.09%	0.09%	
6.	INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	0.25%	0.25%	0.20%	0.19%	0.16%	0.16%	0.12%	0.07%	0.04%	0.09%	0.09%	0.07%	
7.	TOTAL (LINE C-5 + C-6)	0.50%	0.50%	0.45%	0.39%	0.35%	0.32%	0.28%	0.19%	0.11%	0.13%	0.18%	0.16%	
8.	AVG. INTEREST RATE (C-7 X 50%)	0.25%	0.25%	0.23%	0.20%	0.18%	0.16%	0.14%	0.10%	0.06%	0.07%	0.09%	0.08%	
9.	MONTHLY AVERAGE INTEREST RATE	0.021%	0.021%	0.019%	0.016%	0.015%	0.013%	0.012%	0.008%	0.005%	0.005%	0.008%	0.007%	
10.	INTEREST PROVISION (LINE C-4 X C-9)	20	23	26	26	25	26	20	13	8	10	17	16	230

COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

SCHEDULE CT-4

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

PAGE 1 OF 1

FOR MONTHS January-11 THROUGH December-11

PROGRAM NAME:	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. INVESTMENT														
2. DEPRECIATION BASE														
3. DEPRECIATION EXPENSE														
4. CUMULATIVE INVESTMENT														
5. LESS: ACCUMULATED DEPRECIATION														
6. NET INVESTMENT														
7. AVERAGE INVESTMENT														
8. RETURN ON AVERAGE INVESTMENT														
9. RETURN REQUIREMENTS														
10. TOTAL DEPRECIATION AND RETURN														NONE

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COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

SCHEDULE CT-5

RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

PAGE 1 OF 1

FOR MONTHS January-11 THROUGH December-11

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

EXHIBIT NO. _____
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FLORIDA PUBLIC UTILITIES COMPANY
(Revised CDY-1)
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1. Residential Energy Survey Program
2. Commercial Energy Survey Program
3. Educational/Low Income Program
4. Commercial Heating & Cooling Upgrade Program
5. Residential Heating & Cooling Upgrade Program
6. Commercial Indoor Efficient Lighting Rebate Program
7. Commercial Window Film Installation Program
8. Commercial Chiller Upgrade Program
9. Solar Water Heating Program
10. Solar Photovoltaic Program
11. Conservation Demonstration and Development Program
12. Educational/ Affordable Housing Builders and Providers Program

PROGRAM TITLE: Residential Energy Survey Program

PROGRAM DESCRIPTION: The Residential Energy Survey Program is provided at no cost to the customer and provides participating customers with information they need to determine which energy saving measures are best suited to their individual needs and requirements. The objective of this type of survey is to provide Florida Public Utilities Company's residential customers with energy conservation advice that encourages the implementation of efficiency measures resulting in energy savings for the customer. These measures, once implemented, also lower Florida Public Utilities Company's energy requirements and improve operating efficiencies. Florida Public Utilities Company views this program as a way of promoting the installation of cost-effective conservation measures. During the survey process, the customer is provided with specific whole-house recommendations.

PROGRAM ACCOMPLISHMENTS: This year a total of 272 residential energy surveys were performed.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were **\$131,676**.

PROGRAM PROGRESS SUMMARY: We feel confident that through our efforts to promote this program through print, radio, television, events and social media we will continue to provide valuable advice to our customers on the topics of energy conservation and energy efficiency measures and practices.

PROGRAM TITLE: Commercial Energy Survey Program

PROGRAM DESCRIPTION: The Commercial Energy Survey Program provides participating customers with a free energy audit that provides customized information to meet the individual needs of small and large customers; therefore, it is an evolving program. The survey process consists of an on-site review of the customer's facility operation, equipment, and energy usage pattern by a Florida Public Utilities Company Energy Conservation Representative. The Energy Conservation Representative identifies areas of potential reduction in kW demand and kWh consumption as well as identifying end-use technology opportunities. A technical evaluation is then performed to determine the economic payback or life cycle cost for various improvements to the facility. Florida Public Utilities Company will subcontract the evaluation process to an independent engineering firm and/or contracting consultant, if necessary.

PROGRAM ACCOMPLISHMENTS: This year a total of 65 audits were completed during the reporting period.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were **\$31,486**.

PROGRAM PROGRESS SUMMARY: This program has been successful and we are optimistic that our commercial customers will continue to involve us to an even greater extent in the future on upcoming commercial construction projects.

PROGRAM TITLE: Educational/Low Income Program

PROGRAM DESCRIPTION: Florida Public Utilities Company presently has energy education programs that identify low-cost and no-cost energy conservation measures. To better assist low-income customers in managing their energy purchases, the presentations and formats of these energy education programs are tailored to the audience. These programs provide basic energy education, as well as inform the customers of other specific services, such as the free energy surveys that Florida Public Utilities Company currently offers.

PROGRAM ACCOMPLISHMENTS: Even though there are no goals for this program we continue to work through various agencies to provide home energy surveys to low income customers as well as evaluating homes for local agencies for possible energy efficiency improvements.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$0.

PROGRAM PROGRESS SUMMARY: Even though this year there were not any special events or presentations directly related to Low Income customers we will continue to promote the opportunity to educate low-income customers on the benefits of an energy efficient home.

PROGRAM TITLE: Commercial Heating & Cooling Efficiency Upgrade Program

PROGRAM DESCRIPTION: The Commercial Heating & Cooling Efficiency Upgrade Program is directed at reducing the rate of growth in peak demand as well as reducing energy consumption throughout Florida Public Utilities Company's commercial sector. The program will do this by increasing the saturation of high-efficiency heat pumps and central air conditioning systems.

PROGRAM ACCOMPLISHMENTS: For the reporting period, 0 customers participated in the Commercial Heating & Cooling Efficiency Upgrade Program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$0.

PROGRAM PROGRESS SUMMARY: Even though there was no participation in this program, we will continue our efforts to promote this program to our commercial customers.

PROGRAM TITLE: Residential Heating & Cooling Efficiency Upgrade Program

PROGRAM DESCRIPTION: Residential Heating & Cooling Efficiency Upgrade Program is directed at reducing the rate of growth in peak demand and energy throughout Florida Public Utilities Company's electricity service territories. The program will do this by increasing the saturation of high-efficiency heat pumps and central air-conditioning systems.

PROGRAM ACCOMPLISHMENTS: For the reporting period, 323 customers participated in the residential heating and cooling efficiency upgrade program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$38,995.

PROGRAM PROGRESS SUMMARY: This program has continued to be successful over the years and we are optimistic that our residential customers will continue to find value in this program.

PROGRAM TITLE: Commercial Indoor Efficient Lighting Rebate Program

PROGRAM DESCRIPTION: The Commercial Indoor Efficient Lighting Rebate Program is directed at reducing peak demand and energy consumption by decreasing the load presented by commercial lighting equipment. To serve this purpose, this program requires that commercial customers achieve at least 1,000 watts of lighting reduction by either replacing ballasts and lamps, qualifying for a \$.010 per watt reduced incentive or by replacing lamps only for an incentive of \$.025 per watt reduced (maximum \$100 rebate).

PROGRAM ACCOMPLISHMENTS: For the reporting period, 2 customers participated in the Commercial Indoor Efficient Lighting Rebate Program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$3,623.

PROGRAM PROGRESS SUMMARY: Even though we did not meet our goal for this program, we will continue our efforts in 2012 to promote this program.

PROGRAM TITLE: Commercial Window Film Installation Program

PROGRAM DESCRIPTION: The Commercial Window Film Installation Program is directed at reducing peak demand and energy by decreasing the load on commercial air conditioning equipment. To serve this purpose, Florida Public Utilities Company will provide rebates of \$0.50 per square foot of covered area (at a maximum of \$100 per customer) for solar window film installations with a shading coefficient of 0.45 or less. An on-site inspection should be scheduled with FPUC prior to installation.

PROGRAM ACCOMPLISHMENTS: For the reporting period, 0 customers participated in the Commercial Window Film Installation Program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$0.

PROGRAM PROGRESS SUMMARY: Even though we did not meet our goal for this program, we have adjusted our program standards to allow all installations, regardless of what direction they are facing, to qualify and expect increased participation in this program for 2012.

PROGRAM TITLE: Commercial Chiller Upgrade Program

PROGRAM DESCRIPTION: The Commercial Chiller Upgrade Program is directed at reducing the rate of growth in peak demand and energy throughout Florida Public Utilities Company's commercial sector. To serve this purpose, this program requires that commercial customers replace existing chillers with a more efficient system. By doing so, they will qualify for an incentive of up to \$100 per kW of additional savings above the minimum efficiency levels.

PROGRAM ACCOMPLISHMENTS: For the reporting period, 1 customer participated in the Commercial Chiller Upgrade Program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$0.

PROGRAM PROGRESS SUMMARY: This program was successful this year and we are optimistic that our commercial customers will continue to find value in this program.

PROGRAM TITLE: Solar Water Heating Program

PROGRAM DESCRIPTION: The Solar Water Heating Program is directed at reducing the consumption of electric energy and fossil fuels in Florida Public Utilities Company's service territory. Florida Public Utilities Company will provide a rebate of \$200 for eligible solar water heating installations. All of Florida Public Utilities Company's customers are eligible to participate in this program but each customer can only receive one incentive payment of \$200, regardless of the amount of installations.

PROGRAM ACCOMPLISHMENTS: For the reporting period, 3 customers participated in the Solar Water Heating Program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$2,131.

PROGRAM PROGRESS SUMMARY: Although our goal of 12 installations for this program was not met, we exhausted the dollars allotted for renewable energy programs and look forward to increased participation in 2012.

PROGRAM TITLE: Solar Photovoltaic Program

PROGRAM DESCRIPTION: The primary purpose of the Solar Water Heating Program is to encourage the installation of solar photovoltaic systems and reduce the consumption of fossil fuels used to generate electricity. Florida Public Utilities Company will provide an incentive of \$2.00 per watt of dc solar PV installed, up to a maximum of \$5000. Excess generation from the solar PV installation will be purchased by Florida Public Utilities Company under the terms of the Northwest Florida Division Rate Schedule REN-1 or the Northeast Florida Division Rate Schedule REN-1.

PROGRAM ACCOMPLISHMENTS: For the reporting period, 10 customers participated in the Solar Photovoltaic Program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$45,046.

PROGRAM PROGRESS SUMMARY: This program was very successful this year and we are optimistic that our customers will continue to find value in this program.

PROGRAM TITLE: Conservation Demonstration and Development Program

PROGRAM DESCRIPTION: The primary purpose of the Conservation Demonstration and Development (CDD) program is to pursue research, development, and demonstration projects that are designed to promote energy efficiency and conservation. This program will supplement and complement the other demand-side management programs offered by Florida Public Utilities Company. The CDD program is meant to be an umbrella program for the identification, development, demonstration, and evaluation of promising new end-use technologies. The CDD program does not focus on any specific end-use technology but, instead, will address a wide variety of energy applications.

PROGRAM ACCOMPLISHMENTS: For this reporting period, we used the Conservation Demonstration and Development Program to pursue a LED street lighting study in partnership with the City of Fernandina Beach. Details can be found in our 2011 annual report.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$20,187.

PROGRAM PROGRESS SUMMARY: Even though there is no particular goal for this program we continue to explore new technologies for applicability to this program.

PROGRAM TITLE: Affordable Housing Builders and Providers

PROGRAM DESCRIPTION: Florida Public Utilities Company will identify the affordable housing builders within the service area and will encourage them to attend educational seminars and workshops related to energy efficient construction, retrofit programs, and financing programs. The Company will also encourage them to participate in our other residential programs. Florida Public Utilities Company will work with the Florida Energy Extension Service and other seminar sponsors to offer to facilitate a minimum of two seminars and/or workshops per year. Florida Public Utilities Company will work with all sponsors to reduce or eliminate attendance fees for affordable housing providers.

PROGRAM ACCOMPLISHMENTS: Even though there are no goals for this program we continue to promote energy efficient construction to affordable housing providers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2011 through December 31, 2011 were \$0.

PROGRAM PROGRESS SUMMARY: Even though there are no goals for this program we continue to promote energy efficient construction to affordable housing providers.