



FILED 10/9/2025  
DOCUMENT NO. 14421-2025  
FPSC - COMMISSION CLERK

Attorneys and Counselors at Law  
123 South Calhoun Street  
P.O. Box 391 32302  
Tallahassee, FL 32301

P: (850) 224-9115  
F: (850) 222-7560

[ausley.com](http://ausley.com)

October 9 2025

**VIA: ELECTRONIC FILING**

Mr. Adam J. Teitzman  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Docket No. 20250004-GU; Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Attached for filing in the above docket is Peoples Gas System, Inc.'s Supplemental Testimony of Charles T. Morgan and Exhibit CTM-3.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'V. Ponder', written over a light blue rectangular background.

Virginia L. Ponder

VLP/dh  
Attachment

cc: All Parties of Record (w/attachment)

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Supplemental Testimony of Charles T. Morgan II and Exhibit CTM-3, filed on behalf of People Gas System, Inc., has been furnished by electronic mail on this 9<sup>th</sup> day of October 2025 to the following:

Timothy Sparks  
Saad Farooqi  
Shaw Stiller  
Office of General Counsel  
Florida Public Service Commission  
Room 390L – Gerald L. Gunter Building  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
[tsparks@psc.state.fl.us](mailto:tsparks@psc.state.fl.us)  
[sfarooqi@psc.state.fl.us](mailto:sfarooqi@psc.state.fl.us)  
[sstiller@psc.state.fl.us](mailto:sstiller@psc.state.fl.us)  
[discovery-gcl@psc.state.fl.us](mailto:discovery-gcl@psc.state.fl.us)

Walt L. Trierweiler  
Charles J. Rehwinkel  
Patricia A. Christensen  
Mary A. Wessling  
Octavio Ponce  
Austin Watrous  
Office of Public Counsel  
111 West Madison Street – Room 812  
Tallahassee, FL 32399-1400  
[trierweiler.walt@leg.state.fl.us](mailto:trierweiler.walt@leg.state.fl.us)  
[rehwinkel.charles@leg.state.fl.us](mailto:rehwinkel.charles@leg.state.fl.us)  
[christensen.patty@leg.state.fl.us](mailto:christensen.patty@leg.state.fl.us)  
[wessling.mary@leg.state.fl.us](mailto:wessling.mary@leg.state.fl.us)  
[ponce.octavio@leg.state.fl.us](mailto:ponce.octavio@leg.state.fl.us)  
[watrous.austin@leg.state.fl.us](mailto:watrous.austin@leg.state.fl.us)

Charles A. Shoaf/ Debbie Stitt  
St. Joe Natural Gas Company  
P.O. Box 549  
Port St. Joe, FL 32457-0549  
[andy@stjoegas.com](mailto:andy@stjoegas.com)  
[dstitt@stjoegas.com](mailto:dstitt@stjoegas.com)

Beth Keating  
Gunster Law Firm  
215 South Monroe Street, Suite 601  
Tallahassee, FL 32301-1839  
[bkeating@gunster.com](mailto:bkeating@gunster.com)

Jerry H. Melendy, Jr.  
Sebring Gas System  
3515 Highway 27 South  
Sebring, FL 33870-5452  
[jmelendy@floridasbestgas.com](mailto:jmelendy@floridasbestgas.com)

Derrick Craig  
Florida Public Utilities Company  
Florida Division of Chesapeake Utilities  
208 Wildlight Ave  
Yulee, FL 32097  
[dcraig@chpk.com](mailto:dcraig@chpk.com)

Michelle D. Napier  
Florida Public Utilities Company  
1635 Meathe Drive  
West Palm Beach, Florida 33411  
[mnapier@fpuc.com](mailto:mnapier@fpuc.com)



---

ATTORNEY



BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 20250004-GU  
IN RE: NATURAL GAS CONSERVATION  
COST RECOVERY CLAUSE

SUPPLEMENTAL TESTIMONY AND EXHIBIT  
OF  
CHARLES T. MORGAN II

FILED: OCTOBER 9, 2025

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

PREPARED DIRECT TESTIMONY

OF

CHARLES T. MORGAN II

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

**A.** My name is Charles T. Morgan II. My business address is 3600 Midtown Drive, Tampa, Florida 33607. I am employed by Peoples Gas System, Inc. ("Peoples" or the "company"), as Supervisor, Conservation Programs, in the Regulatory Affairs Department.

**Q.** Have you previously filed testimony in this docket?

**A.** Yes. On May 1, 2025, I submitted direct testimony in this docket, including Exhibit CTM-1, in support of Peoples' Natural Gas Conservation Cost Recovery Clause ("NGCCR") final true-up for the period January 1, 2024, through December 31, 2024 (the "2024 True-Up Testimony and Exhibits"). On August 1, 2025, I submitted direct testimony in this docket, including Exhibit CTM-2, in support of Peoples' Actual/Estimated 2025 NGCCR True-up and the projected 2026 conservation cost recovery factors

1 ("2025 Estimated/Actual True-Up and 2026 Projection  
2 Testimony and Exhibits"). This testimony supplements both  
3 the 2024 True-Up Testimony and Exhibits, and the 2025  
4 Estimated/Actual True-up and 2026 Projection Testimony  
5 and Exhibits.  
6

7 **Q.** What is the purpose of your supplemental testimony in  
8 this docket?  
9

10 **A.** The purposes of my supplemental testimony are to support  
11 Peoples' (1) updated conservation cost recovery factors  
12 to be applied to bills beginning January 1, 2026, through  
13 December 31, 2026; (2) actual conservation costs incurred  
14 during the period January through December 2024; (3)  
15 actual/estimated period January to December 2025; and (4)  
16 projected period January through December 2026.  
17

18 On October 7, 2025, the Commission approved the company's  
19 Motion to Approve the 2025 Stipulation and Settlement  
20 Agreement ("2025 Agreement") filed in Docket No.  
21 20250029-GU. The 2025 Agreement settles all issues in  
22 Peoples' 2025 rate case petition filed on March 31, 2025.  
23 The company calculated the projected 2026 NGCCR factors  
24 in accordance with the Commission-approved 2025  
25 Agreement.

1     **Q.**     Are you sponsoring any exhibits with your testimony?

2  
3     **A.**     Yes. I am sponsoring Exhibit No. CTM-3, prepared under my  
4             direction and supervision. These updated schedules were  
5             used to calculate Peoples' 2026 conservation cost  
6             recovery factors pursuant to the 2025 Agreement.

7  
8     **Q.**     Please describe the impact of the 2025 Agreement on the  
9             proposed 2026 conservation cost recovery factors.

10  
11    **A.**     Paragraph 4 of the 2025 Agreement states that, with  
12             respect to cost recovery clauses and riders that recover  
13             plant investment costs, the company shall allocate among  
14             its respective rate schedules the annual cost recovery  
15             amounts by applying the cost recovery revenue  
16             distribution shown in Exhibit B of the 2025 Agreement.  
17             Accordingly, because the Commission approved the 2025  
18             Agreement, this change to the cost recovery revenue  
19             distribution must be reflected in the conservation cost  
20             recovery factors. While Peoples does not currently  
21             recover plant investment costs through the NGCCR, these  
22             costs are eligible for recovery through the NGCCR, if  
23             they are part of the company's conservation activities.

24  
25    **Q.**     Have you provided an updated schedule showing the

1 allocation of conservation cost recovery by retail rate  
2 class using the cost recovery distribution presented in  
3 Exhibit B of the 2025 Agreement?  
4

5 **A.** Yes. Schedule C-1, Page 1 of 1, of Exhibit CTM-3, shows  
6 the updated cost recovery factors calculated using the  
7 revenue distribution in Exhibit B of the 2025 Agreement.  
8 Peoples modified the Schedule C-1 standard form to better  
9 demonstrate the revenue allocations under the 2025  
10 Agreement. Specifically, the company removed the  
11 "CUSTOMER CHARGE", "NON-GAS ENERGY CHARGE", "TOTAL CUST  
12 & ENGY CHARGE" and "ECCR AS % OF TOTAL REVENUES" columns  
13 and added "REVENUE CHANGE UNDER SETTLEMENT" and "REVENUE  
14 APPORTIONMENT PER SETTLEMENT" columns. Additionally, the  
15 company removed the "NGVS" rate schedule designation  
16 because this rate schedule is no longer used by the  
17 company. In its place, the company included the category  
18 of "EXCLUDED FROM COST RECOVERY", which is further  
19 explained below. The company notes that the modified  
20 form Schedule C-1 results in the same conservation cost  
21 recovery factors as the standard form schedule.  
22

23 **Q.** Please explain the line "EXCLUDED FROM COST RECOVERY" in  
24 the "RATE SCHEDULE" column on Schedule C-1.  
25

1     **A.**     This category sums the "Revenue Change Under Settlement"  
2             amounts for rate schedules that are not eligible for  
3             participation in Peoples' Demand-Side Management programs  
4             and that are not subject to cost recovery under the NGCCR.  
5             These include Wholesale Service and Interruptible rate  
6             schedules. The company included this line to align with  
7             the total base rate revenue changes reflected in Exhibit  
8             B of the 2025 Agreement.

9  
10    **Q.**     Does the 2025 Agreement necessitate any other changes to  
11             Peoples' NGCCR filings, aside from the conservation cost  
12             recovery factors?

13  
14    **A.**     No. The approval of the 2025 Agreement does not necessitate  
15             any changes to the 2024 true-up amount, the  
16             actual/estimated 2025 true-up amount, the projected 2026  
17             expenses, or to any other figure or calculation presented  
18             in Peoples' previous filings in this docket.

19  
20    **Q.**     Please provide the updated conservation cost recovery  
21             factors applicable to the period January through December  
22             2026.

23  
24    **A.**     The updated January through December 2026 conservation  
25             cost recovery factors for retail rate classes are as



1 follows:

		Cost Recovery Factors
<u>Rate Schedule</u>		<u>(Dollars per Therm)</u>
RS & RS-SG & RS-GHP		\$0.10374
SGS		\$0.08938
GS-1 & CS-SG & CS-GHP		\$0.00946
GS-2		\$0.01656
GS-3		\$0.01561
GS-4		\$0.01319
GS-5		\$0.00938
CSLS		\$0.00558

12  
13 Exhibit No. CTM-3, Schedule C-1, Page 1 of 1, Energy  
14 Conservation Adjustment, Summary of Cost Recovery Clause  
15 Calculation, details these estimates.

16  
17 **Q.** Does this conclude your supplemental testimony?

18  
19 **A.** Yes, it does.  
20  
21  
22  
23  
24  
25

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	27,004,094
2. TRUE-UP (SCHEDULE C-3, PAGE 3, LINE 11)	-8,928,384
3. TOTAL (LINE 1 AND LINE 2)	18,075,710

RATE SCHEDULE	BILLS	THERMS	REVENUE CHANGE UNDER SETTLEMENT*	REVENUE APPORTIONMENT PER SETTLEMENT	ECCR REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RS & RS-SG & RS-GHP	5,913,442	96,381,542	34,637,160 *	55.04%	9,948,206	0.10322	1.00503	0.10374
SGS	163,472	9,873,474	3,057,132 *	4.86%	878,045	0.08893	1.00503	0.08938
GS-1 & CS-SG & CS-GHP	266,717	101,063,262	3,311,909 *	5.26%	951,220	0.00941	1.00503	0.00946
GS-2	98,378	141,622,572	8,126,690 *	12.91%	2,334,082	0.01648	1.00503	0.01656
GS-3	10,173	82,620,743	4,468,926 *	7.10%	1,283,529	0.01554	1.00503	0.01561
GS-4	1,783	52,669,966	2,407,005 *	3.82%	691,321	0.01313	1.00503	0.01319
GS-5	2,410	212,843,650	6,916,126 *	10.99%	1,986,394	0.00933	1.00503	0.00938
CSLS	0	525,047	10,143 *	0.02%	2,913	0.00555	1.00503	0.00558
EXCLUDED FROM COST RECOVERY	0	0	2,768,385	0.00%	0	0.00000	0.00000	0.00000
TOTAL	6,456,375	697,600,256	65,703,477 *		18,075,710			

\*The "Revenue Change Under Settlement" column is based on Exhibit B to Peoples' 2025 Stipulation and Settlement Agreement (the "2025 Agreement"), which shows the cost recovery revenue apportionment to each customer class. The NGCCR revenues have been updated by applying the revenue distribution shown on Exhibit B and in accordance with Paragraph 4(e) of the 2025 Agreement.

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH  
January 2026 through December 2026

	PROGRAM	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
1	RESIDENTIAL CUSTOMER ASSISTED AUDIT	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	\$200,000
2	RESIDENTIAL NEW CONSTRUCTION	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	\$14,681,558
3	RESIDENTIAL RETROFIT	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	\$256,837
4	RESIDENTIAL RETENTION	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	\$3,035,814
5	COMMERCIAL WALKTHROUGH AUDIT	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	\$148,910
6	COMMERCIAL NEW CONSTRUCTION	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	\$3,284,587
7	COMMERCIAL RETROFIT	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	\$693,979
8	COMMERCIAL RETROFIT CHP	0	0	0	0	0	0	0	0	0	0	0	0	\$0
9	COMMERCIAL RETROFIT ELECTRIC REPLACEMENT	0	0	0	0	0	0	0	0	0	0	0	0	\$0
10	COMMERCIAL RETENTION	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	\$2,121,083
11	CONSERVATION R&D	0	0	0	0	0	0	0	0	0	0	0	0	\$0
12	COMMON COSTS	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	\$2,581,326
	TOTAL ALL PROGRAMS	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$27,004,094

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
January 2026 through December 2026

6

PROGRAM		CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1	RESIDENTIAL CUSTOMER ASSISTED AUDIT	0	0	0	0	0	200,000	0	0	\$200,000
2	RESIDENTIAL NEW CONSTRUCTION	0	0	0	0	14,681,558	0	0	0	\$14,681,558
3	RESIDENTIAL RETROFIT	0	0	0	0	256,837	0	0	0	\$256,837
4	RESIDENTIAL RETENTION	0	0	0	0	3,035,814	0	0	0	\$3,035,814
5	COMMERCIAL WALKTHROUGH AUDIT	0	0	0	0	0	148,910	0	0	\$148,910
6	COMMERCIAL NEW CONSTRUCTION	0	0	0	0	3,284,587	0	0	0	\$3,284,587
7	COMMERCIAL RETROFIT	0	0	0	0	693,979	0	0	0	\$693,979
8	COMMERCIAL RETROFIT CHP	0	0	0	0	0	0	0	0	\$0
9	COMMERCIAL RETROFIT ELECTRIC REPLACEMENT	0	0	0	0	0	0	0	0	\$0
10	COMMERCIAL RETENTION	0	0	0	0	2,121,083	0	0	0	\$2,121,083
11	CONSERVATION R&D	0	0	0	0	0	0	0	0	\$0
12	COMMON COSTS	0	826,751	0	1,500,000	0	163,550	0	91,025	\$2,581,326
	PROGRAM COSTS	\$0	\$826,751	\$0	\$1,500,000	\$24,073,858	\$512,460	\$0	\$91,025	\$27,004,094

**DOCKET NO. 20250004-GU**  
**NGCCR 2026 PROJECTION**  
**EXHIBIT CTM-3, SCHEDULE C-3, PAGE 1 OF 4**

SCHEDULE C - 3  
PAGE 1 OF 4

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

Estimated For Months July 2025 through December 2025

	PROGRAM	CAPITAL INVEST	PAYROLL BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1	RESIDENTIAL CUSTOMER ASSISTED AUDIT									
	A. ACTUAL	0	0	0	0	0	160,938	0	0	160,938
	B. ESTIMATED	0	0	0	0	0	0	0	0	0
	C. TOTAL	0	0	0	0	0	160,938	0	0	160,938
2	RESIDENTIAL NEW CONSTRUCTION									
	A. ACTUAL	0	0	0	0	7,655,100	0	0	0	7,655,100
	B. ESTIMATED	0	0	0	0	7,037,519	0	0	0	7,037,519
	C. TOTAL	0	0	0	0	14,692,619	0	0	0	14,692,619
3	RESIDENTIAL RETROFIT									
	A. ACTUAL	0	0	0	0	154,488	0	0	0	154,488
	B. ESTIMATED	0	0	0	0	115,866	0	0	0	115,866
	C. TOTAL	0	0	0	0	270,354	0	0	0	270,354
4	RESIDENTIAL RETENTION									
	A. ACTUAL	0	0	0	0	1,727,348	0	0	0	1,727,348
	B. ESTIMATED	0	0	0	0	1,468,246	0	0	0	1,468,246
	C. TOTAL	0	0	0	0	3,195,594	0	0	0	3,195,594
5	COMMERCIAL WALKTHROUGH AUDIT									
	A. ACTUAL	0	0	0	0	0	51,103	0	0	51,103
	B. ESTIMATED	0	0	0	0	0	94,281	0	0	94,281
	C. TOTAL	0	0	0	0	0	145,384	0	0	145,384
6	COMMERCIAL NEW CONSTRUCTION									
	A. ACTUAL	0	0	0	0	1,597,368	0	0	0	1,597,368
	B. ESTIMATED	0	0	0	0	1,530,811	0	0	0	1,530,811
	C. TOTAL	0	0	0	0	3,128,179	0	0	0	3,128,179
7.	COMMERCIAL RETROFIT									
	A. ACTUAL	0	0	0	0	357,704	0	0	0	357,704
	B. ESTIMATED	0	0	0	0	372,800	0	0	0	372,800
	C. TOTAL	0	0	0	0	730,504	0	0	0	730,504
8.	COMMERCIAL RETROFIT CHP									
	A. ACTUAL	0	0	0	0	0	0	0	0	0
	B. ESTIMATED	0	0	0	0	0	0	0	0	0
	C. TOTAL	0	0	0	0	0	0	0	0	0
9.	COMMERCIAL RETROFIT ELECTRIC REPLACEMENT									
	A. ACTUAL	0	0	0	0	0	0	0	0	0
	B. ESTIMATED	0	0	0	0	0	0	0	0	0
	C. TOTAL	0	0	0	0	0	0	0	0	0
10.	COMMERCIAL RETENTION									
	A. ACTUAL	0	0	0	0	2,330,041	0	0	0	2,330,041
	B. ESTIMATED	0	0	0	0	1,390,541	0	0	0	1,390,541
	C. TOTAL	0	0	0	0	3,720,582	0	0	0	3,720,582
11.	CONSERVATION R&D									
	A. ACTUAL	0	0	0	0	0	0	0	0	0
	B. ESTIMATED	0	0	0	0	0	0	0	0	0
	C. TOTAL	0	0	0	0	0	0	0	0	0
12	COMMON COSTS									
	A. ACTUAL	0	420,804	0	258,612	0	53,527	0	83,497	816,440
	B. ESTIMATED	0	389,070	0	1,224,999	0	94,329	0	1,078	1,709,476
	C. TOTAL	0	809,874	0	1,483,611	0	147,856	0	84,575	2,525,916
	TOTAL	0	809,874	0	1,483,611	25,737,833	454,178	0	84,575	28,570,070

CONSERVATION PROGRAM COSTS BY PROGRAM  
ACTUAL/ESTIMATED

Estimated For Months July 2025 through December 2025

PROGRAM NAME	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RESIDENTIAL CUSTOMER ASSISTED AUDIT	0	0	0	160,938	0	0	0	0	0	0	0	0	\$160,938
RESIDENTIAL NEW CONSTRUCTION	1,557,975	971,250	1,128,800	812,900	1,642,525	1,541,650	1,172,920	1,172,920	1,172,920	1,172,920	1,172,920	1,172,920	\$14,692,619
RESIDENTIAL RETROFIT	27,450	23,650	13,850	38,600	32,213	18,725	19,311	19,311	19,311	19,311	19,311	19,311	\$270,354
RESIDENTIAL RETENTION	211,638	343,010	185,000	425,200	411,200	151,300	244,708	244,708	244,708	244,708	244,708	244,708	\$3,195,594
COMMERCIAL WALKTHROUGH AUDIT	4,767	4,767	8,953	9,681	18,169	4,767	15,714	15,714	15,714	15,714	15,714	15,714	\$145,384
COMMERCIAL NEW CONSTRUCTION	197,135	277,368	405,997	160,629	225,959	330,279	255,135	255,135	255,135	255,135	255,135	255,135	\$3,128,179
COMMERCIAL RETROFIT	30,200	35,068	10,500	128,902	75,034	78,000	62,133	62,133	62,133	62,133	62,133	62,133	\$730,504
COMMERCIAL RETROFIT CHP	0	0	0	0	0	0	0	0	0	0	0	0	\$0
COMMERCIAL RETROFIT ELECTRIC REPLACEME	0	0	0	0	0	0	0	0	0	0	0	0	\$0
COMMERCIAL RETENTION	274,500	585,626	317,750	468,666	492,500	190,999	231,757	231,757	231,757	231,757	231,757	231,757	\$3,720,582
CONSERVATION R&D	0	0	0	0	0	0	0	0	0	0	0	0	\$0
COMMON COSTS	40,030	360,819	89,368	88,525	74,993	162,705	284,913	284,913	284,913	284,913	284,913	284,913	\$2,525,916
TOTAL ALL PROGRAMS	\$2,343,694	\$2,601,557	\$2,160,218	\$2,294,041	\$2,972,595	\$2,478,424	\$2,286,590	\$2,286,590	\$2,286,590	\$2,286,590	\$2,286,590	\$2,286,590	\$28,570,070

ENERGY CONSERVATION ADJUSTMENT

January 2025 through December 2025

CONSERVATION REVS.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RCS AUDIT FEES	-	-	-	-	-	-	-	-	-	-	-	-	-
a. OTHER PROG. REV.	(4,481,769)	(4,435,296)	(3,805,148)	(3,502,961)	(3,105,552)	(2,540,222)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(38,618,875)
b. CONSERV. ADJ. REV.	-	-	-	-	-	-	-	-	-	-	-	-	-
c.	-	-	-	-	-	-	-	-	-	-	-	-	-
CONSERV. ADJ. REV. (NET OF REV. TAXES)	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	(4,481,769)	(4,435,296)	(3,805,148)	(3,502,961)	(3,105,552)	(2,540,222)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(38,618,875)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	1,483,836
CONSERVATION REVS. APPLIC. TO PERIOD	(4,358,116)	(4,311,643)	(3,681,495)	(3,379,308)	(2,981,899)	(2,416,569)	(2,667,668)	(2,667,668)	(2,667,668)	(2,667,668)	(2,667,668)	(2,667,668)	(37,135,039)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	2,343,694	2,601,557	2,160,218	2,294,041	2,972,595	2,478,424	2,286,590	2,286,590	2,286,590	2,286,590	2,286,590	2,286,590	28,570,070
TRUE-UP THIS PERIOD	(2,014,421)	(1,710,086)	(1,521,276)	(1,085,267)	(9,304)	61,856	(381,078)	(381,078)	(381,078)	(381,078)	(381,078)	(381,078)	(8,564,969)
REGULATORY ADJUSTMENTS													-
INTEREST THIS PERIOD (C-3, PAGE 5)	1,034	(6,172)	(12,439)	(17,488)	(20,064)	(20,544)	(21,531)	(23,421)	(25,318)	(27,222)	(29,132)	(31,050)	(233,347)
TRUE-UP & INT. BEG. OF MONTH	1,353,768	(783,272)	(2,623,183)	(4,280,551)	(5,506,959)	(5,659,980)	(5,742,321)	(6,268,583)	(6,796,735)	(7,326,784)	(7,858,737)	(8,392,601)	1,353,768
PRIOR TRUE-UP COLLECT./ (REFUND.)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(1,483,836)
END OF PERIOD TOTAL NET TRUE-UP	(783,272)	(2,623,183)	(4,280,551)	(5,506,959)	(5,659,980)	(5,742,321)	(6,268,583)	(6,796,735)	(7,326,784)	(7,858,737)	(8,392,601)	(8,928,382)	(8,928,384)

CALCULATION OF TRUE-UP AND INTEREST PROVISION  
January 2025 through December 2025

INTEREST PROVISION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
BEGINNING TRUE-UP	1,353,768	-783,272	-2,623,183	-4,280,551	-5,506,959	-5,659,980	-5,742,321	-6,268,583	-6,796,735	-7,326,784	-7,858,737	-8,392,601	-8,928,382
END. T-UP BEFORE INT.	-784,306	-2,617,011	-4,268,112	-5,489,471	-5,639,916	-5,721,777	-6,247,052	-6,773,314	-7,301,466	-7,831,515	-8,363,468	-8,897,332	-8,695,037
TOT. BEG. & END. T-UP	569,462	-3,400,283	-6,891,295	-9,770,022	-11,146,875	-11,381,757	-11,989,373	-13,041,897	-14,098,201	-15,158,299	-16,222,205	-17,289,933	-17,623,419
AVERAGE TRUE-UP	284,731	-1,700,142	-3,445,648	-4,885,011	-5,573,438	-5,690,879	-5,994,687	-6,520,949	-7,049,101	-7,579,150	-8,111,103	-8,644,967	-8,811,710
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	4.3600%	4.3500%	4.3500%	4.3200%	4.2800%	4.3500%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	4.3500%	4.3500%	4.3200%	4.2800%	4.3500%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	
TOTAL	8.7100%	8.7000%	8.6700%	8.6000%	8.6300%	8.6600%	8.6200%	8.6200%	8.6200%	8.6200%	8.6200%	8.6200%	
AVG INTEREST RATE	4.3550%	4.3500%	4.3350%	4.3000%	4.3150%	4.3300%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	
MONTHLY AVG. RATE	0.36300%	0.3630%	0.3610%	0.3580%	0.3600%	0.3610%	0.3592%	0.3592%	0.3592%	0.3592%	0.3592%	0.3592%	
INTEREST PROVISION	\$1,034	-\$6,172	-\$12,439	-\$17,488	-\$20,064	-\$20,544	-\$21,531	-\$23,421	-\$25,318	-\$27,222	-\$29,132	-\$31,050	-\$233,347



## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** RESIDENTIAL ONLINE ENERGY AUDIT

**Program Description:** The Residential Online Energy Audit is designed to save energy by increasing residential customer awareness of natural gas energy use in personal residences. This program allows new and prospective residential customers to engage in an online energy audit. Recommendations provided to the customer include an estimated range of energy savings and insightful advice on managing their overall energy usage.

**Program Projections:** January 1 to December 31, 2025

During this period, 3,650 customers are projected to participate.

January 1 to December 31, 2026

During this period, 6,000 customers are projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$160,938.

January 1 to December 31, 2026

Expenditures are estimated to be \$200,000.

**Historical Program  
Summary:**

Since the inception of this program, 42,713 customers have participated.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** RESIDENTIAL NEW CONSTRUCTION

**Program Description:** The Residential New Construction Program is designed to encourage builders and developers to construct new single family and multi-family homes with energy efficient natural gas appliances to help reduce the new customer's energy consumption and conserve energy resources. The rebates offered to builders and developers under this program are designed to assist in defraying the added cost of gas piping and venting.

**Program Projections:** January 1 to December 31, 2025

During this period, 13,469 customers are projected to participate.

January 1 to December 31, 2026

During this period, 13,500 customers are projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$14,692,619.

January 1 to December 31, 2026

Expenditures are estimated to be \$14,681,558.

**Historical Program  
Summary:**

Since the inception of this program, 233,076 customers have participated.

### PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** RESIDENTIAL RETROFIT

**Program Description:** The Residential Retrofit Program is designed to encourage both existing and new natural gas customers to make cost-effective improvements to their residences by installing energy- efficient natural gas appliances. This will help reduce their energy consumption and conserve energy resources. The rebates offered to customers under this program are designed to assist in defraying the added cost of gas piping and venting.

**Program Projections:** January 1 to December 31, 2025

During this period, customers are projected to install 620 appliances.

January 1 to December 31, 2026

During this period, customers are projected to install 589 appliances.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$270,355.

January 1 to December 31, 2026

Expenditures are estimated to be \$256,837.

**Historical Program  
Summary:**

Since the inception of this program, 33,601 customers have participated.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** RESIDENTIAL RETENTION

**Program Description:** The Residential Retention Program is designed to encourage current natural gas customers to make cost-effective improvements to existing residences with the installation of energy-efficient natural gas appliances to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas equipment.

**Program Projections:** January 1 to December 31, 2025

During this period, customers are projected to install 7,957 appliances.

January 1 to December 31, 2026

During this period, customers are projected to install 7,559 appliances.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$3,195,594.

January 1 to December 31, 2026

Expenditures are estimated at \$3,035,814.

**Historical Program  
Summary:**

Since the inception of this program, 241,500 customers have participated.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COMMERCIAL WALKTHROUGH ENERGY AUDIT

**Program Description:** The Commercial Walk-Through Energy Audit is designed to reduce the energy consumption of commercial facilities by increasing customer awareness of the energy use in their facilities. The savings are dependent upon the customer's implementation of conservation measures and practices recommended.

**Program Projections:** January 1 to December 31, 2025

During this period, 150 customers are projected to participate.

January 1 to December 31, 2026

During this period, 150 customers are projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$145,384.

January 1 to December 31, 2026

Expenditures are estimated to be \$148,910.

**Historical Program  
Summary:**

Since the inception of this program, 164 customers have participated.

### PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL NEW CONSTRUCTION

**Program Description:** The Commercial New Construction Program is designed to encourage new natural gas customers to construct commercial facilities with energy efficient natural gas equipment to help reduce the new customer's energy consumption and conserve energy resources. The rebates offered to builders and developers under this program are designed to assist in defraying the added cost of gas piping and venting.

**Program Projections:** January 1 to December 31, 2025

During this period, customers are projected to install 1,108 appliances.

January 1 to December 31, 2026

During this period, there are 1,164 customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$3,284,587.

January 1 to December 31, 2026

Expenditures are estimated to be \$3,128,178.

**Historical Program  
Summary:**

Since its inception of this program, 2,901 customers have participated.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL RETROFIT

**Program Description:** The Commercial Retrofit Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources.

**Program Projections:** January 1 to December 31, 2025

During this period, there are 213 customers projected to participate.

January 1 to December 31, 2026

During this period, there are 203 customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$730,504.

January 1 to December 31, 2026

Expenditures are estimated to be \$693,979.

**Historical Program  
Summary:**

Since the inception of this program, 2,957 customers have participated in this program.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL RETROFIT COMBINED HEAT AND POWER

**Program Description:** The Commercial Retrofit Combined Heat and Power Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial facilities with the installation of energy efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas combined heat and power equipment that utilizes waste heat to displace portions of natural gas usage for on-site heating, cooling, and/or water heating.

**Program Projections:** January 1 to December 31, 2025

During this period, there are zero customers projected to participate.

January 1 to December 31, 2026

During this period, there are zero customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$0.

January 1 to December 31, 2026

Expenditures are estimated to be \$0.

**Historical Program  
Summary:**

Since its inception of this program, 7 customers have participated.



## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL RETROFIT ELECTRIC REPLACEMENT

**Program Description:** The Commercial Retrofit Electric Replacement Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy efficient natural gas equipment.

**Program Projections:** January 1 to December 31, 2025

During this period, there are zero customers projected to participate.

January 1 to December 31, 2026

During this period, there are zero customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$0.

January 1 to December 31, 2026

Expenditures are estimated at \$0.

**Historical Program  
Summary:**

Since its inception of this program, 60,581 kW have been displaced.

### PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL RETENTION

**Program Description:** The Commercial Retention Program is designed to encourage current natural gas customers to make cost-effective improvements to existing commercial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources.

**Program Projections:** January 1 to December 31, 2025

During this period, there are 1,864 customers projected to participate.

January 1 to December 31, 2026

During this period, there are 1,063 customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$3,720,582.

January 1 to December 31, 2026

Expenditures are estimated to be \$2,121,083.

**Historical Program  
Summary:**

Since the inception of this program, 8,292 customers have participated.

### PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** CONSERVATION RESEARCH AND DEVELOPMENT

**Program Description:** This program is in response to Rule 25-17.001 (5) (f), F.A.C., that requires aggressive R&D projects be "...an ongoing part of the practice of every well managed utility's programs." It is also in support of Commission Order No. 22176 dated November 14, 1989, requiring utilities to "...pursue research, development, and demonstration projects designed to promote energy efficiency and conservation." R&D activity will be conducted on proposed measures to determine the impact on the company and its ratepayers and may occur at customer premises, Peoples facilities or at independent test sites.

**Program Projections:** The company continues to review possible projects for this program and will notify the Commission prior to beginning any research and development projects.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$0.

January 1 to December 31, 2026

Expenditures are estimated to be \$0.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COMMON COSTS

**Program Description:** These expenses do not represent a separate program. These are expenses common to all Peoples' conservation programs. These expenses may include labor, advertising, software maintenance, and other administrative costs that cannot be attributed to any specific conservation program.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$2,525,916.

January 1 to December 31, 2026

Expenditures are estimated to be \$2,581,326.