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FCG's Response to Staff's First Interrogatories
Nos. 1–4

Florida City Gas
Docket No: 20210004
Staffs First Set of Interrogatories
Interrogatory No: 1

QUESTION:

1. Please explain the principle drivers for the following variances in Payroll & Benefits as they relate to the following programs for the January – December 2020 period:
 - a. A variance of \$17,553 for the Residential New Construction Program.
 - b. A variance of (\$10,258) for the Residential Appliance Retention Program.
 - c. A variance of (\$13,472) for the Residential Cut and Cap Program.
 - d. A variance of \$28,184 for the Commercial/Industrial Conversion Program.
 - e. A variance of (\$10,042) for Common Costs.

RESPONSE:

The overall payroll and benefits expenses in 2020 were \$8,231 or 0.6% higher than forecasted as explained below:

- a. A variance of \$17,553 for the Residential New Construction Program: Activity in the new construction was very strong in 2020. See FCG's response to Staff Interrogatory No. 2. Company resources from other ECP programs increased efforts to support builders and developers with the increased demand in the New Construction Program.
- b. A variance of (\$10,258) for the Residential Appliance Retention Program: Due to COVID-19 restrictions and also customers being cautious on receiving visits, the company resources reallocated some efforts associated with the program by assisting the customers with the greater need, such as the New Construction and Commercial programs.
- c. A variance of (\$13,472) for the Residential Cut and Cap Program: Due to COVID-19 restrictions and also customers being cautious on receiving visits, company resources

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were reallocated from this program to other programs to assist customers with higher demand, such as the New Construction and Commercial programs.

- d. A variance of \$28,184 for the Commercial/Industrial Conversion Program: The Company reallocated resources from other ECP programs to the Commercial Program to support business owners interested in saving energy and resources with more efficient appliances and sources of energy, especially those who were impacted by the COVID-19 pandemic.
- e. A variance of (\$10,042) for Common Costs: The variance can be attributed to a reduction in ECP personnel.

Florida City Gas
Docket No: 20210004
Staffs First Set of Interrogatories
Interrogatory No: 2

QUESTION:

2. Please explain the principle drivers for the variance of \$229,607 in Incentive costs for the Residential New Construction Program in the January – December 2020 period.

RESPONSE:

The \$229,607 variance in incentive costs associated with the Residential New Construction Program can be primarily attributed the significant increase in the Florida housing market in 2020. Due to the COVID -19 pandemic, there has been an unprecedented influx of people from the northern region of the country moving to the south. This has presented an increased opportunity to work and assist builders with the New Construction Program.

Florida City Gas
Docket No: 20210004
Staffs First Set of Interrogatories
Interrogatory No: 3

QUESTION:

3. Please explain the principle drivers for the variance of (\$152,107) in Advertising Common Costs for the January – December 2020 period.

RESPONSE:

Advertising costs were lower than anticipated due to a reduction of media buys that were directly impacted by the loss of audience due to COVID-19. Additionally, a reduction in face to face outreach participation occurred due to the same restrictions.

Florida City Gas
Docket No: 20210004
Staffs First Set of Interrogatories
Interrogatory No: 4

QUESTION:

4. Please explain the principle drivers for the variance of (\$16,660) in Vehicle costs for the Commercial/Industrial Conversion Program in the January – December 2020 period.

RESPONSE:

The variance in vehicle costs for the Commercial/Industrial Conversion Program were \$16,660 lower than anticipated primarily due to the impact of reduced travel due to COVID.