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SJNG's Response to Staff's Third Set of Interrogatories, No. 8

20220004-GU Staff Hearing Exhibits 000082

St. Joe Natural Gas Docket No: 20220004 Staff's Third Set of Interrogatories Interrogatory No:8

Q 8.0 Please refer to the Direct Testimony of Witness Debbie K. Stitt, Exhibit DKS-2, filed on August 5, 2022, Schedule C03, Page 3 of 5, and Schedule C-2, Page 2 of 2, to answer this question. Exhibit DKS-2, Schedule C-3, Page 3 of 5 (2022 Actual/Estimated Schedule), reflects that SJNG projects that the Residential New Construction Program will incur costs of \$80,950 in 2022. Exhibit DKS-2, Schedule C-2, Page 2 of 2 (2023 Projection Schedule), reflects that the same program has estimated costs of \$103,450. Please explain why the 2023 projected costs are 27.8 percent higher than the 2022 actual and estimated expenses.

<u>Response</u>: SJNG is experiencing a boom in new construction so therefore projection for the new year will be higher.