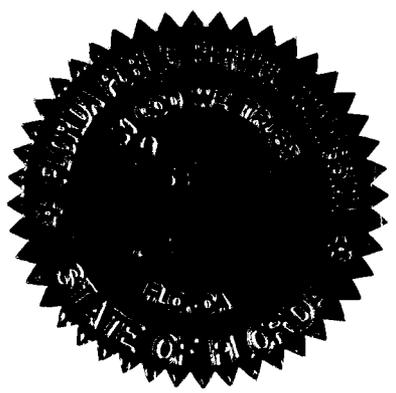


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of : DOCKET NO. 990002-EG
Energy conservation :
cost recovery clause. :



PROCEEDINGS: HEARING

COMMISSIONER J. TERRY DEASON
COMMISSIONER SUSAN F. CLARK
COMMISSIONER JULIA L. JOHNSON

DATE: Wednesday, February 10, 1999

TIME: Commenced at 9:30 a.m.
Concluded at 9:36 a.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: H. RUTHE POTAMI, CSR, RPR
FPSC Commission Reporter

DOCUMENT NUMBER - DATE

~~01700~~ FEB 10 99

FPSC-RECORDS/REPORTING

1 **APPEARANCES:**

2 **GRACE A. JAYE**, Florida Public Service
3 Commission, Division of Legal Services, 2540 Shumard
4 Oak Boulevard, Tallahassee, Florida 32399-0870,
5 appearing on behalf of the **Commission Staff**.

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I N D E X

WITNESSES

3	NAME	PAGE NO.
4	BEVERLY A. BAUCK	
	Prefiled Direct Testimony Inserted	6
5	Into the Record by Stipulation	
	CARL SMITH	
6	Prefiled Direct Testimony Inserted	9
	Into the Record by Stipulation	
7	DEBBIE STITT	
	Prefiled Direct Testimony Inserted	12
8	Into the Record by Stipulation	
	VERNON KRUTSINGER	
9	Prefiled Direct Testimony Inserted	14
	Into the Record by Stipulation	
10	MICHAEL A. PEACOCK	
	Prefiled Direct Testimony Inserted	22
11	Into the Record by Stipulation	
	HOWARD T. BRYANT	
12	Prefiled Direct Testimony Inserted	27
	Into the Record by Stipulation	

EXHIBITS

15	NUMBER	ID.	ADMTD.
16	1	BAB-1	5 5
17	2	BAB-2	5 5
	3	CS-1	5 5
18	4	VIK-1	5 5
	5	VIK-2	5 5
19	6	VIK-3	5 5
	7	VIK-4	5 5
20	8	Schedules C1-C4 (Stitt)	5 5
	9	MAP-2, composite	5 5
21	10	MAP-1	5 5
	11	HTB-1	5 5
22	12	HTB-2	5 5

23

24 CERTIFICATE OF REPORTER 34

25

P R O C E E D I N G S

(Hearing convened at 9:30 a.m.)

COMMISSIONER DEASON: Call the hearing to order. Have the notice read, please.

MS. JAYE: Yes. Pursuant to notice issued December 21st, 1998, this time and place have been set for a hearing in Docket No. 990002-EG, energy conservation cost recovery clause.

COMMISSIONER DEASON: Take appearances.

MS. JAYE: Grace A. Jaye on behalf of Commission Staff.

COMMISSIONER DEASON: And, according to the prehearing order, counsel for all of the parties who have stipulated issues have been excused from attendance at this hearing.

MS. JAYE: Yes, sir.

COMMISSIONER DEASON: Okay. We need to enter the testimony and exhibits into the record, correct?

MS. JAYE: Yes, sir.

COMMISSIONER DEASON: Okay. Let's proceed with that.

MS. JAYE: Commissioners, all parties have agreed with Staff's numbers factors and the period of recovery, and have stipulated to the issues.

1 All witnesses listed on Page 5 of the
2 prehearing order have prefiled direct testimony. If
3 we could move all those into the record now.

4 **COMMISSIONER DEASON:** Okay. Show, then,
5 that all of the prefiled testimony of the witnesses
6 listed on Page 5 of the prehearing order shall be
7 inserted into the record.

8 **MS. JAYE:** And, Commissioner, on Pages 9
9 through 11 of the prehearing order, there is a list of
10 exhibits. If we could number those and move those
11 into the record, too.

12 **COMMISSIONER DEASON:** The exhibits listed on
13 Pages 9 through 11 of the prehearing order shall be
14 numbered beginning with No. 1 and proceeding
15 through --

16 **MS. JAYE:** I believe there are 12 of them,
17 Commissioner.

18 **COMMISSIONER DEASON:** Yes; through
19 Exhibit 12. And, likewise, those prefiled Exhibits 1
20 through 12 shall be admitted into the record without
21 objection. Okay.

22 (Exhibits 1 through 12 marked for
23 identification and received in evidence.)

24

25

In. Re: Conservation Cost Recovery Clause

DIRECT TESTIMONY OF BEVERLY A. BAUCK

On Behalf of

Chesapeake Utilities Corporation

DOCKET NO. 990002-EG

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

9 A. My name is Beverly A. Bauck, and my business address is 1015 6th Street N. W.,
10 Winter Haven, Florida, 33881. I am employed by Chesapeake Utilities Corporation
11 ("Chesapeake") as Conservation Services Representative.

12 Q. Are you familiar with the energy conservation programs of Chesapeake and costs which
13 have been, and are projected to be, incurred in their implementation?

14 A. Yes.

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

16 A. To describe generally the expenditures made and projected to be made in implementing,
17 promoting, and operating Chesapeake's energy conservation programs. This will
18 include recoverable costs incurred in April, 1998 through October, 1998 and
19 projections of program costs to be incurred from November, 1998 through March
20 1999. It will also include projected conservation costs for the period April, 1999
21 through December 1999, with a calculation of the conservation adjustment factors to
22 be applied to the customers' bills during the collection period of April, 1999 through
23 December, 1999.

24 Q. Have you prepared summaries of Chesapeake's conservation programs and the costs
25 associated with these programs?

- 1 A. Yes. Summaries of these seven programs are contained in Schedule C-4 of Exhibit
2 BAB-2. Included are our Residential Home Builder Program, Residential Appliance
3 Replacement Program, Water Heater Retention Program, Natural Gas Space
4 Conditioning Program for Residential Homes, Natural Gas Space Conditioning
5 Program, as well as our Residential Propane Distribution Program and our
6 Conservation Education Program.
- 7 Q. Have you prepared schedules which show the expenditures associated with
8 Chesapeake's energy conservation programs for the periods you have mentioned?
- 9 A. Yes. Schedule C-3, Exhibit BAB-2 shows actual expenses for the months April
10 through October 1998. Projections for November, 1998 through March, 1999 are also
11 shown on Schedule C-3. Projected expenses for the April, 1999 through December
12 1999 period are shown on Schedule C-2 of Exhibit BAB-2.
- 13 Q. Have you prepared schedules which show revenues for the period April, 1998 through
14 March, 1999?
- 15 A. Yes. Schedule C-3 (Page 4 of 5) shows actual revenues for the months April 1998
16 through October, 1998. Projections for November, 1998 through March, 1999, are
17 also shown on Schedule C-3 (Page 4 of 5).
- 18 Q. Have you prepared a schedule which shows the calculation of Chesapeake's proposed
19 conservation adjustment factors to be applied during billing periods from April 1, 1999
20 through December, 1999?
- 21 A. Yes. Schedule C-1 of Exhibit BAB-2 shows this calculation. Net program cost
22 estimates for the period April, 1999, through December, 1999 are used. The estimated
23 true-up amount from Schedule C-3 (Page 4 of 5) of Exhibit BAB-2, being an
24 underrecovery, was added to the total of the projected costs for the nine-month period.
25 The total amount was then divided among Chesapeake's firm rate classes, based on

1 total projected contribution. The results were then divided by the projected retail firm
2 term sales for each rate class for the nine-month period ending December, 1999. The
3 resulting factors are shown on Schedule C-1 of Exhibit BAB-2.

4 Q. Does this conclude your testimony?

5 A. Yes, it does.

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1 A. To submit the projected ECCR costs to be incurred by City Gas during the
2 months of April 1999 through December 1999, as well as the
3 actual/estimated true-up for the period April 1998 through March 1999. I
4 also present the total level of costs City Gas seeks to recover through its
5 Conservation Factors during the period January 1999 and December 1999,
6 as well as the Conservation factors which, when applied to our customer's
7 bills during the period January 1999 and December 1999, will permit
8 recovery of total ECCR costs.

9

10 **Q. What are the projected ECCR costs to be incurred by City Gas for the**
11 **period April 1, 1999 through December 1999?**

12

13 A. \$1,640,769.

14

15 **Q. What is the Company's true-up for the period April 1998 through**
16 **March 1999 (five months actual and seven months estimated)?**

17

18 A. An overrecovery of \$474,320.

19

20 **Q. What is the total cost City Gas seeks to recover during the period**
21 **January 1999 through December 1999?**

22

23 A. \$1,166,449.

24

25 **Q. What conservation factors does City Gas need to permit recovery of**
26 **these costs?**

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A. Residential (RS, ED & GL) \$00.03678
Commercial (CS, ED, CTS & SCTS) \$00.00861
Commercial Large Volume (LCS) \$00.00704

Q. Has City Gas prepared summaries of its conservation programs and the costs associated with these programs?

A. Yes. Summaries of the Company's programs are contained in Schedule C-5 of my Exhibit (CS-1).

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

A. Yes. I have prepared and filed together with this testimony Schedules C-1 through C-3 as prescribed by Commission Staff. These schedules are included in my Exhibit (CS-1).

Q. Does this conclude your testimony?

A. Yes, it does.

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In Re: Conservation Cost) Docket No. 980002-EG
Recovery Clause) Submitted for Filing
_____) December 7, 1998

DIRECT TESTIMONY OF DEBBIE STITT ON
BEHALF OF ST. JOE NATURAL GAS COMPANY, INC.

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

A. Debbie Stitt, 301 Long Avenue, Port St. Joe, Florida 32456, St Joe Natural Gas Company in the capacity of Energy Conservation Analyst.

Q. What is the purpose of your testimony?

A. My purpose is to submit the known and projected expenses and revenues associated with SJNG's conservation programs incurred in April thru September 1998 and projection costs to be incurred from October 1998 through March 1999. It will also include projected conservation costs for the period October 1, 1998 through March 31, 1999 with a calculation of the conservation adjustment factors to be applied to the customers bills during the April 1, 1999 through December 31, 1999 period.

Q. Have you prepared any exhibits in conjunction with your testimony?

A. Yes, I have prepared and filed to the Commission the

1 7th day of December 1998 Schedules C1 through C4
2 prescribed by the Commission Staff which have
3 collectively been entitled "Energy Conservation
4 Adjustmnt Summary of Cost Recovery Clause Calculation
5 for months April 1, 1999 through December 31, 1999"
6 for identification.

7 Q. What Conservation Adjustment Factor does St. Joe
8 Natural Gas seek approval through its petition for
9 the nine month period ending December 31, 1999.

10 A. \$0.00150 per therm for Residential, \$0.00189 per
11 therm for Commercial, and \$0.00081 for Large
12 Commercial.

13 Q. Does this conclude your testimony?

14 A. Yes.

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 PREPARED DIRECT TESTIMONY

3 OF

4 VERNON I. KRUTSINGER

5
6 Q. Please state your name, business address, by whom you are
7 employed, and in what capacity.

8
9 A. My name is Vernon I. Krutsinger. My business address is
10 Peoples Gas System, 702 North Franklin Street, P. O. Box
11 2562, Tampa, Florida 33601-2562. I am employed by Peoples
12 Gas System ("Peoples") as Manager of Energy Conservation.

13
14 Q. Are you familiar with Peoples' energy conservation
15 programs?

16
17 A. Yes.

18
19 Q. Are you familiar with the costs which have been incurred
20 and which are projected to be incurred by Peoples in
21 implementing its energy conservation programs?

22
23 A. Yes. I am responsible for planning, implementation,
24 coordination, and maintenance of all of Peoples' energy
25 conservation programs. My responsibilities include
26 routinely testifying in support of the Company's energy

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

1 conservation cost recovery filings.

2

3 **Q.** Have you previously testified in proceedings before the
4 Florida Public Service Commission?

5

6 **A.** Yes. Since 1992, I have testified in a number of energy
7 conservation cost recovery proceedings. I have also
8 testified in other conservation-related dockets before the
9 Commission.

10

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

12

13 **A.** My testimony addresses Peoples' energy conservation
14 programs and the costs that Peoples seeks to recover
15 through the energy conservation cost recovery ("ECCR")
16 clause. My testimony supports the revenues and expenses
17 incurred and expected to be incurred in connection with the
18 conservation programs of both the former Peoples Gas
19 System, Inc. (the costs of which are recovered under
20 Peoples' Volume 1 Tariff) and the former West Florida
21 Natural Gas Company (the costs of which are recovered under
22 Peoples' Volume 2 Tariff). I will hereafter refer to the
23 territory within which the Volume 2 Tariff applies as
24 Peoples' "West Florida Region."

25

26 My testimony first presents data and summaries concerning
27 the planned and actual accomplishments of the Company's
28 energy conservation programs during the period October 1997

1 through March 1998. Data related to the calculation of the
2 true-up for this period is also included.

3
4 Second, my testimony describes generally the expenditures
5 made and projected to be made in implementing, promoting
6 and operating Peoples' energy conservation programs for the
7 current period. This information includes actual costs
8 incurred in April through September 1998, and revised
9 projections of program costs that Peoples expects to incur
10 from October 1998 through March 1999. Next, my testimony
11 presents projected conservation program costs for the
12 period April 1, 1999 through December 31, 1999.

13
14 Finally, my testimony presents the calculation of the
15 conservation cost recovery adjustment factors to be applied
16 to customers' bills during the period beginning April 1,
17 1999 and continuing through December 31, 1999.

18
19 Specifically, the first portion of my testimony addresses
20 the adjusted net true-up amounts associated with those
21 programs for the period October 1997 through March 1998.

22
23 Q. Are you sponsoring any exhibits with your testimony?

24
25 A. Yes. I am sponsoring four exhibits. Exhibit 4 (VIK-I)

1 contains the conservation cost recovery true-up data for
2 the period October 1997 through March 1998 for Peoples'
3 divisions other than the West Florida Region. Exhibit 5
4 (VIK-2) contains similar information for the same period
5 for the West Florida Region. Exhibit 6 (VIK-3) consists
6 of Schedules C-1 through C-5, which contain information
7 related to the calculation of the ECCR factors to be
8 applied to customers' bills during the period April through
9 September 1999 in Peoples divisions other than the West
10 Florida Region. Exhibit 7 (VIK-4) contains the same
11 schedule and similar information for the West Florida
12 Region.

13
14 **Q.** Have you prepared summaries of the Company's conservation
15 programs and the costs associated with these programs?

16
17 **A.** Yes. Summaries of the Company's programs in divisions
18 other than the West Florida Region are presented in Exhibit
19 5 (VIK-3), Schedule C-5, consisting of nine pages.
20 Summaries of the programs in the West Florida Region are
21 presented in Exhibit 7 (VIK-4), Schedule C-5, consisting
22 of seven pages.

23
24 **Q.** Have you prepared schedules that show the expenditures
25 associated with Peoples' energy conservation programs for

1 the periods that your testimony addresses?
2

3 **A.** Yes. Actual expenses for the period October 1997 through
4 March 1998 for Peoples' divisions other than the West
5 Florida Region are shown on Schedule CT-2, page 2, of
6 Exhibit 4 (VIK-1). Actual expenses for that period for
7 the West Florida Region are shown on Schedule CT-2, page 2,
8 of Exhibit 5 (VIK-2). In each of these exhibits,
9 Schedule CT-2, page 1, presents a comparison of the actual
10 program costs and true-up amount to the projected costs and
11 true-up amount for the same period.
12

13 **Q.** What are the Company's true-up amounts for the period
14 October 1997 through March 1998?
15

16 **A.** With respect to Peoples' divisions other than the West
17 Florida Region, as shown on Schedule CT-1 of Exhibit 4
18 (VIK-1), the end-of-period net true-up for the period is an
19 overrecovery of \$1,527,481, including both principal and
20 interest. The projected true-up for the period was an
21 overrecovery of \$1,013,605 (including interest).
22 Subtracting the projected true-up overrecovery from the
23 actual overrecovery yields the adjusted net true-up of
24 \$513,876 overrecovery (including interest).
25

1 With respect to Peoples' West Florida Region, as shown on
2 Schedule CT-I of Exhibit 5 (VIK-2), the end-of-period
3 net true-up for the period is an overrecovery of \$357,250,
4 including both principal and interest. The projected
5 true-up for the period was an overrecovery of \$207,645
6 (including interest). Subtracting the projected true-up
7 overrecovery from the actual overrecovery yields the
8 adjusted net true-up of \$149,605 overrecovery (including
9 interest).

10
11 Q. What do the rest of the schedules in Exhibits 4 (VIK-1)
12 and 5 (VIK-2) show?

13
14 A. Schedule CT-2, in each of the exhibits, presents an
15 analysis of the variance between actual and estimated
16 energy conservation program costs for the period October
17 1997 through March 1998. Each exhibit's Schedule CT-3
18 presents an analysis of program costs, by month and by
19 program, and calculation of the true-up and interest
20 amounts. Schedule CT-4 is not applicable to Peoples.
21 Schedule CT-5 provides for a reconciliation and explanation
22 of differences between the Company's filing and the
23 Commission's audit for the relevant period, and there are
24 no such differences to report as of the date of this
25 filing. Each exhibit's Schedule CT-6 contains Program

1 Progress Reports for each of Peoples' approved energy
2 conservation programs.

3

4 Q. Have you prepared schedules required for the calculation of
5 Peoples' proposed conservation adjustment factors to be
6 applied during the period from April 1, 1999 through and
7 including September 30, 1999?

8

9 A. Yes. Schedule C-3 of Exhibits VIK-3 (for divisions other
10 than the West Florida Region) and VIK-4 (for the West
11 Florida Region) shows actual expenses for the period April
12 through September 1998. Projected expenses for the period
13 October 1998 through March 1999 are also shown in Schedule
14 C-3 of each exhibit. The total annual cost projected
15 represents an increase over the prior year's expense due to
16 increased load growth and advertising of conservation
17 programs, particularly in new areas.

18

19 Projected expenses for the April through December 1999
20 period are shown on Schedule C-2 of Exhibits VIK-3 and VIK-
21 4. Schedule C-1 of those exhibits shows the calculation of
22 the conservation adjustment factors. Net program cost
23 estimates for the period April through December 1999 are
24 used. The estimated true-up amount from Schedule C-3 (Page
25 4, line 11) of each exhibit, being an overrecovery, was

1 subtracted from the total of the projected costs for the
2 April through December 1999 period. The resulting totals
3 of \$5,520,911 (for divisions other than the West Florida
4 Region) and \$438,751 (for the West Florida Region) were
5 then allocated to the Company's affected rate classes
6 pursuant to the methodology approved by the Commission.
7

8 Schedule C-1 of Exhibit VIK-3 shows the estimated ECCR
9 revenues and adjustment factors by rate class for Peoples'
10 divisions other than the West Florida Region for the period
11 April 1 through December 31, 1999. Schedule C-1 of Exhibit
12 VIK-4 shows the estimated ECCR revenues and adjustment
13 factors by rate class for Peoples' West Florida Region for
14 the same period.
15

16 **Q.** Does this conclude your prefiled direct testimony?
17

18 **A.** Yes, it does.
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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 990002-EG
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Direct Testimony of
MICHAEL A. PEACOCK
On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY

- 1 Q. Please state your name and business address.
- 2 A. Michael A. Peacock: my business address is P.O.
- 3 Box 610 Marianna, Florida 32446.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities
- 6 Company as Manager of Customer Relations.
- 7 Q. What is the purpose of your testimony at this
- 8 time?
- 9 A. To Advise the Commission as to the Conservation
- 10 Cost Recover Clause Calculation for the period
- 11 April, 1999 through December, 1999.
- 12 Q. What respectively are the total projected costs
- 13 for the period April, 1999 through December,
- 14 1999 in the Marianna Division and the Fernandina
- 15 Beach Division?
- 16 A. For the Marianna Division, the total projected
- 17 Conservation Program Costs are \$123,700. For
- 18 the Fernandina Beach Division, the total
- 19 projected Conservation Program Costs are

1 \$119,800. For each Division, please see its
2 respective Schedule C-2, page 2, for the
3 programmatic and functional breakdown of these
4 total costs.

5 Q. For each division, what is the true-up amount to
6 be applied to determine the projected net total
7 costs for the period April, 1998 through March,
8 1999.

9 A. As reflected in the respective "C" Schedules,
10 the true-up amount for the Marianna Division is
11 (\$63,056). In the Fernandina Beach Division the
12 true-up is (\$88,760). These amounts are based
13 upon seven months actual and five months
14 estimated data.

15 Q. For each division, what are the resulting net
16 total projected conservation costs to be
17 recovered during this period?

18 A. For the Marianna Division the net total costs
19 to be recovered are \$60,644. For the
20 Fernandina Beach Division the net total costs
21 to be recovered are \$31,040.

22 Q. For each division, what is the Conservation
23 Adjustment Factor necessary to recover these
24 projected net total costs?

25 A. For the Marianna Division, the Conservation
26 Adjustment Factor is \$.00029 per KWH. For the

1 Fernandina Beach Division, the factor is
2 \$.00011 per KWH.

3 Q. Are there any exhibits that you wish to sponsor
4 in this proceeding?

5 A. Yes. I wish to sponsor as exhibits for each
6 division Schedules C-1, C-2, C-3, C-4, and C-5
7 (Composite Prehearing Identification Number
8 MAP-1), which have been filed with this
9 testimony.

10 Q. Does this conclude your testimony?

11 A. Yes

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13 conservation disk/peactest.1298)

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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 980002-EG
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Direct Testimony of
MICHAEL A. PEACOCK

On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY

- 1 Q. Please state your name and business address.
- 2 A. Michael A. Peacock: my business address is P.O. Box 610
3 Marianna, Florida 32446.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities Company as
6 Manager of Customer Relations.
- 7 Q. What is the purpose of your testimony at this time?
- 8 A. To Advise the Commission of the actual over/under
9 recovery of the Conservation Program costs for the period
10 October 1, 1997 through March 31, 1998 as compared to the
11 true-up amounts previously reported for that period which
12 were based on two months actual and four months estimated
13 data.
- 14 Q. Please state the actual amounts of over/under recovery of
15 Conservation Program costs for both divisions of Florida
16 Public Utilities Company for October 1, 1997 through
17 March 31, 1998.
- 18 A. The Company over-recovered \$112,506 in the Marianna

1 Division during that period. In the Fernandina Beach
2 Division we over-recovered \$137,457. These amounts are
3 substantiated on Schedule CT-3, page 2 of 3, Energy
4 Conservation Adjustment.

5 Q. How do these amounts compare with the estimated true-up
6 amounts which were allowed by the Commission during the
7 February 1998 hearing?

8 A. We had estimated that we would over-recover \$85,285 in
9 Marianna. In Fernandina Beach we had estimated an over-
10 recovery of \$99,460 as of March 31, 1998.

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

12 A. We have prepared and pre-filed Schedules CT-1, CT-2,
13 CT-3, CT-4, CT-5 and CT-6 (Composite Exhibit MAP-2).

14 Q. Does this conclude your testimony?

15 A. Yes.

16

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BEFORE THE PUBLIC SERVICE COMMISSION

PREPARED DIRECT TESTIMONY

OF

HOWARD T. BRYANT

Q. Please state your name and address.

A. My name is Howard Bryant. My business address is 702 North Franklin Street in Tampa, Florida 33602.

Q. Mr. Bryant, what is the purpose of your testimony?

A. The purpose of my testimony is to support the Company's actual conservation costs incurred during the period October 1, 1997 through and including March 31, 1998, the actual and projected period of April 1, 1998 to March 31, 1999, and the nine month projected period of April 1, 1998 through December 31, 1999. Also, I will support the level of charges (benefits) for the interruptible Customers allocated to the period April 1, 1999 through December 31, 1999. The balance of costs will be charged to the firm Customers on a per kilowatt-hour basis in accordance with Docket No. 930759-EG, Order No. PSC-93-1845-FOF-EG dated December 29, 1993.

1 Q. What is the basis of this request for expenses to be based
2 on different charges for interruptible and firm Customers?

3
4 A. Tampa Electric Company believes that our conservation and
5 load management programs do not accrue capacity benefits to
6 interruptible Customers. This position has been supported
7 by this Commission in Dockets 900002-EG through 980002-EG.
8 The Company estimates the cumulative effects of its
9 conservation and load management programs will allow the
10 interruptible Customers to have lower fuel costs
11 (\$0.17/MWH) due to the reductions in marginal fuel costs.

12
13 Q. How were those benefits calculated?

14
15 A. To determine fuel savings effects, we have calculated a
16 "what if there had been no conservation programs." The
17 results indicate that the avoided gigawatt-hours have
18 actually reduced average fuel costs due to the fact that
19 higher priced marginal fuels would be burned if the
20 gigawatt-hours had not been saved.

21
22 The attached analysis, Exhibit No. (HTB-2), Conservation
23 Costs Projected, portrays costs and benefits.

24
25 Q. Doesn't charging different amounts for firm and

1 interruptible Customers conflict with the Florida Energy
2 Efficiency and Conservation Act?

3

4 **A.** No. The act requires the utilities, through the guidance
5 of the Florida Public Service Commission, to cost
6 effectively reduce peak demand, energy consumption and the
7 use of scarce resources, particularly petroleum fuels. It
8 does not require all Customers to pay the utilities'
9 conservation costs no matter if they receive the same level
10 of benefits or not. The relationships between costs and
11 benefits received are specifically the determination of the
12 Commission.

13

14 **Q.** Please describe the conservation program costs projected by
15 Tampa Electric Company during the period October 1, 1997
16 through March 31, 1998.

17

18 **A.** For the period October 1, 1997 through March 31, 1998 Tampa
19 Electric Company projected conservation program costs to be
20 \$10,250,032. The Commission authorized collections to
21 recover these expenses in Docket No. 970002-EG, Order No.
22 PSC-97-0291-FOF-EG, issued March 14, 1997.

23

24 **Q.** Mr. Bryant, for the period October 1, 1997 through March
25 31, 1998, what were Tampa Electric's conservation costs and

1 what was recovered through the Conservation Cost Recovery
2 Clause?

3

4 **A.** For the period October 1, 1997 through March 31, 1998 Tampa
5 Electric Company incurred actual net conservation costs of
6 \$9,092,300, plus a beginning true-up over recovery of
7 \$1,067,112 for a total of \$8,025,188. The amount collected
8 in the Conservation Cost Recovery Clause was \$8,969,441.

9

10 **Q.** What was the true-up amount?

11

12 **A.** The true-up amount for the period October 1, 1997 through
13 March 31, 1998 was an over recovery of \$975,858. These
14 calculations are detailed in Exhibit No. (HTB-1),
15 Conservation Cost Recovery True Up, Pages 1 through 10.

16

17 **Q.** Please describe the conservation program costs incurred and
18 projected to be incurred by Tampa Electric Company during
19 the period April 1, 1998 through March 31, 1999.

20

21 **A.** The actual costs incurred by Tampa Electric Company through
22 September 30, 1998 and estimated for October 1, 1998
23 through March 31, 1999 are \$20,095,522.

24

25 For the period, Tampa Electric anticipates an over recovery

1 in the conservation cost recovery of \$2,262,323 which
2 includes the previous period true-up and interest. A
3 summary of these costs and estimates are fully detailed in
4 Exhibit No. (HTB-2), Conservation Costs Projected, Pages 1
5 through 31.
6

7 **Q.** Mr. Bryant, for the period April 1, 1999 through and
8 including December 31, 1999, what are Tampa Electric's
9 estimates of its conservation costs and cost recovery
10 factor?
11

12 **A.** The company has estimated that the total conservation costs
13 (less program revenues) during that period will be
14 \$15,498,880 plus true-up. Including true-up estimates and
15 the interruptible sales contribution at 0.017 cents/KWH,
16 the cost recovery factors for firm retail rate classes will
17 be 0.132 cents/KWH for Residential, 0.118 cents/KWH for
18 General Service Non-Demand and Temporary Service (GS, TS),
19 0.104 cents/KWH for General Service Demand and Electric
20 Vehicle-Experimental (GSD, EV-X)-Secondary, 0.103 cents/KWH
21 for General Service Demand and Electric Vehicle-
22 Experimental (GSD, EV-X)-Primary, 0.098 cents/KWH for
23 General Service Large Demand and Firm Standby (GSLD, SBF)-
24 Secondary, 0.097 cents/KWH for General Service Large Demand
25 and Firm Standby (GSLD, SBF)-Primary, 0.096 cents/KWH for

1 General Service Large Demand and Firm Standby (GSLD, SBF) -
2 Subtransmission and 0.059 cents/KWH for Lighting (SL, OL).
3 Exhibit No. (HTB-2), Conservation Costs Projected, pages 3
4 through 8 contain the Commission prescribed forms which
5 detail these estimates.

6

7 **Q.** Mr. Bryant, has Tampa Electric Company complied with the
8 ECCR cost allocation methodology stated in Docket No.
9 930759-EG, Order No. PSC-93-1845-EG?

10

11 **A.** Yes, it has.

12

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

14

15 **A.** Yes it does.

16

17

18

19

20

21

22

1 **MS. JAYE:** Commissioner, could Staff at this
2 time request that we could vote to accept the
3 stipulations of the parties as to the issues?

4 **COMMISSIONER CLARK:** I so move.

5 **COMMISSIONER DEASON:** There's been a motion
6 to accept Staff's recommendation that the stipulations
7 be approved.

8 **COMMISSIONER JOHNSON:** Second.

9 **COMMISSIONER DEASON:** And moved and
10 seconded. All in favor say aye.

11 **COMMISSIONER CLARK:** Aye.

12 **COMMISSIONER JOHNSON:** Aye.

13 **COMMISSIONER DEASON:** Aye. Show that that
14 motion is carried unanimously.

15 Any other matters to come before the
16 Commission?

17 **MS. JAYE:** No, sir, not at this time.

18 **COMMISSIONER DEASON:** Well, I want to thank
19 the parties and Staff and Public Counsel's Office and
20 everyone involved for a very expeditious proceeding
21 that we've been able to accomplish here today.

22 If there's nothing else to come before the
23 Commission, this hearing is adjourned. Thank you all.

24 (Thereupon, the hearing concluded
25 at 9:36 a.m.)

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STATE OF FLORIDA)
:
COUNTY OF LEON)

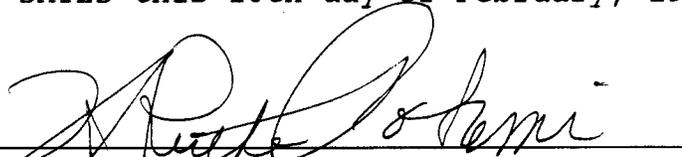
CERTIFICATE OF REPORTER

I, H. RUTHE POTAMI, CSR, RPR, FPSC
Commission Reporter,

DO HEREBY CERTIFY that the Hearing in Docket
No. 990002-EG was heard by the Florida Public Service
Commission at the time and place herein stated; it is
further

CERTIFIED that I stenographically reported
the said proceedings; that the same has been
transcribed by me; and that this transcript,
consisting of 33 pages, constitutes a true
transcription of my notes of said proceedings and the
insertion of the prescribed prefiled testimony of the
witnesses.

DATED this 10th day of February, 1999.



H. RUTHE POTAMI, CSR, RPR
Official Commission Reporter
(904) 413-6734

Exhibit _____ (BAB-1)

CHESAPEAKE UTILITIES CORPORATION

CONSERVATION COST RECOVERY TRUE-UP

October 1, 1997 through March 31, 1998

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 990002-EG EXHIBIT NO. 1
COMPANY/ Luuck
WITNESS: _____
DATE: 2-10-99

CONTENTS

Schedule CT-1

(1 of 1)	Adjusted Net True-Up	1
----------	----------------------	---

Schedule CT-2

(1 of 3)	Analysis of Energy Conservation Costs Actual vs. Estimated	2
----------	---	---

(2 of 3)	Actual Conservation Program Costs per Program	3
----------	---	---

(3 of 3)	Conservation Costs Per Program - Variance Actual vs. Projected	4
----------	--	---

Schedule CT - 3

(1 of 3)	Energy Conservation Adjustment Calculation of True-Up and Interest Provision - Summary of Expenses by Program by Month	5
----------	---	---

(2 of 3)	Energy Conservation Adjustment Calculation of True-up and Interest Provision	6
----------	---	---

(3 of 3)	Calculation of True-up and Interest Provision	7
----------	---	---

Schedule CT - 4

(1 of 1)	Schedule of Capital Investments, Depreciation and Return	8
----------	--	---

Schedule CT - 5

(1 of 1)	Reconciliation and Explanation of Differences Between Filing and PSC Audit Report for October 1997 through March 1998	9
----------	--	---

Schedule CT - 6

(1 of 5)	Program Description and Progress - Single & Multi-Family Home Builder Program	10
----------	--	----

(2 of 5)	Program Description and Progress- Water Heater Replacement Program	11
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(3 of 5)	Program Description and Progress- Electric Strip and Oil Heating Replacement	12
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(4 of 5)	Program Description and Progress- Conservation Education Program	13
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(5 of 5)	Program Description and Progress Natural Gas Space Conditioning Program	14
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SCHEDULE CT-1

COMPANY: CHESAPEAKE UTILITIES
CORPORATION

ADJUSTED NET TRUE-UP
OCTOBER 1997 THROUGH MARCH 1998

END OF PERIOD NET TRUE-UP

PRINCIPLE	34,031	
INTEREST	<u>1,558</u>	35,589

LESS PROJECTED TRUE-UP

PRINCIPLE	15,863	
INTEREST	<u>1,387</u>	<u>17,250</u>

ADJUSTED NET TRUE-UP		<u>18,339</u>
----------------------	--	---------------

() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
OCTOBER 1997 THROUGH MARCH 1998

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	18,758	15,357	3,401
MATERIALS & SUPPLIES	93	105	(12)
ADVERTISING	19,478	16,154	3,324
INCENTIVES	95,828	83,061	12,767
OUTSIDE SERVICES	1,896	327	1,569
VEHICLES	1,611	1,857	(246)
OTHER	<u>109</u>	<u>0</u>	<u>109</u>
SUB-TOTAL	137,773	116,861	20,912
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	137,773	116,861	20,912
LESS:			
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(103,741)	(100,998)	(2,743)
TRUE-UP BEFORE INTEREST	34,031	15,863	18,168
INTEREST PROVISION	<u>1,558</u>	<u>1,387</u>	<u>171</u>
END OF PERIOD TRUE-UP	<u>35,589</u>	<u>17,250</u>	<u>18,339</u>

() REFLECTS OVER-RECOVERY

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
OCTOBER 1997 THROUGH MARCH 1998

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: HOME BUILDERES	12,519	0	13,988	86,972	0	1,123	0	114,602
PROGRAM 2: WATER HEATER REPLACE.	3,767	0	2,631	3,751	0	295	0	10,444
PROGRAM 3: OIL & ELEC. HEAT REPLACE	2,473	0	2,859	1,155	0	193	0	6,680
PROGRAM 4: CONSERVATION EDUCATION	0	93	0	0	0	0	0	93
PROGRAM 5: GAS SPACE CONDITIONING	0	0	0	3,950	0	0	0	3,950
PROGRAM 6: COMMOM COSTS	0	0	0	0	1,896	0	109	2,005
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	18,758	93	19,478	95,828	1,896	1,611	109	137,773

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
OCTOBER 1997 THROUGH MARCH 1998

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: HOME BUILDERES	2,325	0	1,444	9,608	0	(197)	0	13,180
PROGRAM 2: WATER HEATER REPLACEMENT	599	0	826	1,256	0	(32)	0	2,650
PROGRAM 3: OIL & ELECTRIC HEAT REPLACE	477	0	1,054	(1,047)	0	(16)	0	468
PROGRAM 4: CONSERVATION EDUCATION	0	93	0	0	0	0	0	93
PROGRAM 5: GAS SPACE CONDITIONING	0	(105)	0	3,950	0	0	0	3,845
PROGRAM 6: COMMOM COSTS	0	0	0	(1,000)	1,569	0	109	678
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	3,401	(12)	3,324	12,767	1,569	(245)	109	20,912
	3,401	(12)	3,324	12,767	1,569	(245)	109	20,912

() REFELCTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST
OCTOBER 1997 THROUGH MARCH 1998

PROGRAM NAME	OCT 1997	NOV 1997	DEC 1997	JAN 1998	FEB 1998	MAR 1998	TOTAL
PROGRAM 1: HOME BUILDERES	18,013	10,965	31,583	6,415	14,983	32,643	114,603
PROGRAM 2: WATER HEATER REPLACE.	951	886	2,571	1,390	2,290	2,356	10,444
PROGRAM 3: OIL & ELEC. HEAT REPLACE	495	669	2,173	562	1,634	1,146	6,679
PROGRAM 4: CONSERVATION EDUCATION	0	0	0	0	0	93	93
PROGRAM 5: GAS SPACE CONDITIONING	0	0	3,950	0	0	0	3,950
PROGRAM 6: COMMOM COSTS	214	0	431	0	820	540	2,005
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0
TOTAL	19,672	12,520	40,708	8,368	19,728	36,777	137,773

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST
OCTOBER 1997 THROUGH MARCH 1998

CONSERVATION REVENUES	OCT 1997	NOV 1997	DEC 1997	JAN 1998	FEB 1998	MAR 1998	TOTAL
1. RCS AUDIT FEES	0	0	0	0	0	0	0
2. OTHER PROGRAM REVS	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	(14,002)	(18,093)	(21,689)	(26,347)	(25,662)	(23,421)	(129,214)
4. TOTAL REVENUES	(14,002)	(18,093)	(21,689)	(26,347)	(25,662)	(23,421)	(129,214)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	4,246	4,246	4,246	4,246	4,246	4,246	25,473
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	(9,757)	(13,848)	(17,443)	(22,101)	(21,417)	(19,176)	(103,741)
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	19,672	12,520	40,708	8,368	19,728	36,777	137,773
8. TRUE-UP THIS PERIOD	9,916	(1,328)	23,265	(13,733)	(1,689)	17,601	34,031
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	248	251	289	290	231	250	1,558
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	50,950	56,868	51,546	70,854	53,165	47,461	50,950
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	(4,246)	(4,246)	(4,246)	(4,246)	(4,246)	(4,246)	(25,473)
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	56,868	51,546	70,854	53,165	47,461	61,066	61,066

CALCULATION OF TRUE-UP AND INTEREST PROVISION
OCTOBER 1997 THROUGH MARCH 1998

INTEREST PROVISION	OCT 1997	NOV 1997	DEC 1997	JAN 1998	FEB 1998	MAR 1998	TOTAL
1. BEGINNING TRUE-UP	50,950	56,868	51,546	70,854	53,165	47,461	
2. ENDING TRUE-UP BEFORE INTEREST	56,620	51,295	70,565	52,875	47,230	60,816	
3. TOTAL BEGINNING & ENDING TRUE-UP	107,570	108,163	122,110	123,728	100,395	108,277	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	53,785	54,081	61,055	61,864	50,197	54,139	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	5.530%	5.530%	5.600%	5.750%	5.500%	5.530%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	5.530%	5.600%	5.750%	5.500%	5.530%	5.550%	
7. TOTAL (SUM LINES 5 & 6)	11.060%	11.130%	11.350%	11.250%	11.030%	11.080%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	5.530%	5.565%	5.675%	5.625%	5.515%	5.540%	
9. MONTHLY AVG INTEREST RATE	0.461%	0.464%	0.473%	0.469%	0.460%	0.462%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	248	251	289	290	231	250	1,558

SCHEDULE CT-4

SCHEDULE OF CAPITAL INVESTMENTS, DEPRECIATION, AND RETURN
FOR MONTHS: OCTOBER 1997 THROUGH MARCH 1998

NOT APPLICABLE

BEGINNING OF PERIOD CUMULATIVE INVESTMENT:	0
LESS: ACCUMULATED DEPRECIATION:	0
NET INVESTMENT	0

DESCRIPTION	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	TOTAL
INVESTMENT	0	0	0	0	0	0	0
DEPRECIATION BASE	0	0	0	0	0	0	
DEPRECIATION EXPENSE	0	0	0	0	0	0	0
CUMULATIVE INVEST.	0	0	0	0	0	0	0
LESS: ACCUM. DEPR	0	0	0	0	0	0	0
NET INVESTMENT	0	0	0	0	0	0	0
AVERAGE INVESTMENT	0	0	0	0	0	0	
RETURN ON AVG INVEST	0	0	0	0	0	0	0
RETURN REQUIREMENTS	0	0	0	0	0	0	0
TOTAL DEPR & RETURN	0	0	0	0	0	0	0

Exhibit No. _____

Docket No. 980002-EG

CHESAPEAKE UTILITIES CORPORATION

(BAB-1)

Page 9 of 14

Schedule CT-5

CHESAPEAKE UTILITIES CORPORATION

Reconciliation and Explanation of Differences Between Filing and PSC Audit Report for October 1997 through March 1998.

NO DIFFERENCES AS OF THE DATE OF THIS FILING

Schedule CT-6

Page 1 of 5

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Single and Multi-Family Home Builder Program

Program Description:

This program is designed to increase the number of high priority natural gas customers in the new home construction market. Incentives are offered in the form of gas piping and venting allowances to assist builders with gas appliance installation.

Allowances:

Conservation allowances are currently:

- \$220 Energy efficient natural gas water heater installation.
- \$220 Natural Gas home heating.
- \$38 Energy efficient natural gas range or dryer stub outlet.

Program Accomplishments:

For the six month period October 1997 through March 1998, we estimated that 165 new homes would be connected to the system. During this period, allowances were actually paid for building 215 new homes equipped with natural gas appliances.

Program Fiscal Expenditures:

During the six month period, expenditures for this program totaled \$114,602.

Program Progress Summary:

Since the programs inception, 3961 new homes have been equipped with efficient natural gas appliances. Company representatives continue to work closely with area builders to promote the installation of natural gas appliances in new homes.

Exhibit No. _____

Docket No. 980002-EG

CHESAPEAKE UTILITIES CORPORATION

(BAB-1)

Page 11 of 14

Schedule CT-6

Page 2 of 5

CHESAPEAKE UTILITIES CORPORATION

Program Description and Progress

Program Title:

Water Heater Replacement Program

Program Description:

This program is designed to encourage the replacement of electric resistance water heater with energy efficient natural gas water heaters. For the period October 1997 through March 1998 the program offered incentives of \$220 to homeowners and \$33 to installing dealers to assist in defraying the increase cost of piping and venting associated with gas water heater installations.

Program Accomplishments:

During the six month period, October 1997 through March 1998 we estimated that 25 homeowners would replace their electric water heaters with energy efficient natural gas models. In actuality 16 water heaters were installed during this period.

Program Fiscal Expenditures:

Program costs totaled \$10,443.87 during the six-month period.

Program Progress Summary:

Since the programs inception, 976 natural gas water heaters have replaced electric models as a result of conversion allowances.

Schedule CT-6

Page 3 of 5

CHESAPEAKE UTILITIES CORPORATION

Program Description and Progress

Program Title:

Electric Strip and Oil Heating Replacement

Program Description:

This program is designed to reduce KWD and KWH consumption, and the direct use of oil, by encouraging the replacement of electric strip and oil heating equipment with energy efficient natural gas furnaces. The company offers incentives of \$330 to homeowners and \$55 to installing dealers to offset the additional cost of piping and venting required for natural gas heating. The company offers piping and venting allowances of \$55 to homeowners and \$22 to installing dealers when installing a natural gas space heater to replace oil or electric heat.

Program Accomplishments:

For the six month period from October 1997 through March 1998 we estimate that 7 natural gas furnaces and space heaters would replace electric or oil heat. During this period 3 homeowners actually converted to natural gas heat.

Program Fiscal Expenditures:

Program costs totaled \$6680 during the six month period.

Program Progress Summary:

Since the programs inception, 365 energy-efficient natural gas furnaces and space heaters have replaced electric or oil burning models as a result of conservation allowances.

Schedule CT-6
Page 4 of 5

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Conservation Education Program

Program Description:

The objective of this program is to teach adults and young people conservation measures designed to reduce energy consumption and consequently reduce their family's utility bill.

Program Accomplishments:

We continue to offer no-cost walk-through energy audits on the proper use of natural gas appliances and conservation tips to gas customers, together with literature outlining the expected savings from using natural gas appliances when compared to electricity.

Program Fiscal Expenditures:

Program cost totaled \$93 for this six month period.

Program Progress Summary:

We continue to meet requests from schools and the community for speakers and from schools for conservation education materials.

Exhibit No. _____

Docket No. 980002-EG
CHESAPEAKE UTILITIES CORPORATION
(BAB-1)
Page 14 of 14

Schedule CT-6
Page 5 of 5

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Natural Gas Space Conditioning Program

Program Description:

The program is designed to convert customers from electric space conditioning equipment to energy efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation. The program will also help reduce summer kw demand and will assist in the conservation of kwh production. The company offers incentives of \$50 per ton installed natural gas space conditioning equipment.

Program Accomplishments:

During this period, 79 tons of natural gas cooling were installed.

Program Fiscal Expenditures:

During this period from October 1997 through March 1998, \$3950 has been expended in allowances.

Program Progress Summary:

Seven natural gas space conditioning units have been installed since this program began.

CHESAPEAKE UTILITIES CORPORATION
CONSERVATION COST RECOVERY PROJECTION

April 1, 1999 through December 31, 1999

EXHIBIT BAB-2

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 990002-EG EXHIBIT NO. 2
COMPANY/
WITNESS: Bauck
DATE: 2-10-99

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
'APRIL 1999 THROUGH DECEMBER 1999

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	214,297
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	40,317
3. TOTAL (LINE 1 AND LINE 2)	254,614

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL	80,348	1,367,890	562,436	641,609	1,204,045	88,680	7.36520%	0.06483	1.00376	0.06507
COMMERCIAL	7,653	3,488,904	114,795	771,571	886,366	65,283	7.36520%	0.01871	1.00376	0.01878
COMM. LGE VOL	239	1,302,390	4,780	225,144	229,924	16,934	7.36520%	0.01300	1.00376	0.01305
COMM. LGE VOL II	451	6,269,827	18,040	494,627	512,667	37,759	7.36520%	0.00602	1.00376	0.00604
FIRM TRANSPORT	0	8,491,930	0	623,987	623,987	45,958	7.36520%	0.00541	1.00376	0.00543
TOTAL	88,691	20,920,941	700,051	2,756,938	3,456,989	254,614.00				

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
APRIL 1999 THROUGH DECEMBER 1999

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	14,646	0	18,432	149,638	0	2,205	0	184,921
2 APPLIANCE REPLACEMENT	0	6,500	0	3,479	2,363	0	960	0	13,303
3	0	0	0	0	0	0	0	0	0
4 WATER HEATER RETENTION	0	1,835	0	358	10,800	0	0	0	12,993
5 SPACE CONDITIONING	0	0	0	0	0	0	0	0	0
6 SPACE CONDIDTION RES	0	0	0	0	0	0	0	0	0
7 EDUCATION PROGRAM	0	273	301	0	0	0	0	574	574
8 COMMON COST	0	0	0	0	0	2,506	0	2,506	2,506
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	23,255	301	22,269	162,801	2,506	3,165	3,079	214,297

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
APRIL 1998 THROUGH MARCH 1999

PROGRAM	CAPITAL INVEST	PYROLL & BENEFTTS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROG									
A. ACTUAL	0	13,995	0	14,336	116,385	0	1,715	0	146,432
B. ESTIMATED	0	8,881	0	10,240	83,132	0	1,225	0	103,478
TOTAL	0	22,876	0	24,577	199,517	0	2,940	0	249,910
2 WATER HEATER REPLACE									
A. ACTUAL	0	4,589	0	668	1,023		476	0	6,756
B. ESTIMATED	0	0	0	0	0		0	0	0
TOTAL	0	4,589	0	668	1,023		476	0	6,756
3 HOME HEATING REPLACE									
A. ACTUAL	0	2,924	0	668	385	0	271	0	4,247
B. ESTIMATED	0		0			0	0	0	0
TOTAL	0	2,924	0	668	385	0	271	0	4,247
4 CONSERVATION EDUC									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	400	0	0	0	0	0	400
TOTAL	0	0	400	0	0	0	0	0	400
5 COMMON COSTS									
A. ACTUAL	0	0	0	0	0	1,949	0	0	1,949
B. ESTIMATED	0	0	0	0	0	1,392	0	0	1,392
TOTAL	0	0	0	0	0	3,342	0	0	3,342
6 WATER HEATER RETENTION									
A. ACTUAL	0	0	0	0	2,700	0	0	0	2,700
B. ESTIMATED	0	1,008	0	477	4,500	0	0	0	5,985
C. TOTAL	0	1,008	0	477	7,200	0	0	0	8,685
SUB-TOTAL	0	31,397	400	26,389	208,125	3,342	3,687	0	273,339

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
APRIL 1998 THROUGH MARCH 1999

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	31,397	400	26,389	208,125	3,342	3,687	0	273,339
APPLIANCE REPLACEMENT									
7. A. ACTUAL	0	0	0	1,370	430	0	0	0	1,800
B. ESTIMATED	0	4,245	0	1,933	1,313	0	533	0	8,024
TOTAL	0	4,245	0	3,303	1,743	0	533	0	9,824
(INSERT NAME)									
8. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
9. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
10. 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
(INSERT NAME)									
11. 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
TOTAL	0	35,641	400	29,692	209,868	3,342	4,220	0	283,163

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
APRIL 1998 THROUGH DECEMBER 1998

PROGRAM NAME	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
HOME BUILDER PROGRAM	12,797	23,338	31,993	6,465	22,581	16,439	32,818	20,696	20,696	20,696	20,696	20,696	249,910
WATER HEATER REPLACEM	1,358	1,333	699	772	1,139	760	696	0	0	0	0	0	6,756
HEATER REPLACEMENT	816	610	441	492	928	515	445	0	0	0	0	0	4,247
CONSERVATION EDUC	0	0	0	0	0	0	0	0	0	200	200	0	400
	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMON COSTS	390	0	0	428	0	563	569	278	278	278	278	278	3,342
APPLIANCE REPLACEMENT	0	0	0	0	700	250	1,750	1,197	1,197	1,197	1,197	1,197	8,685
WATER HEATER RETENTIO	0	0	0	0	430	0	1,370	1,605	1,605	1,605	1,605	1,605	9,824
(INSERT NAME)	0	0	0	0	0	0	0						
(INSERT NAME)													
(INSERT NAME)	0	0	0	0	0	0	0		0	0	0	0	
TOTAL ALL PROGRAMS	15,361	25,281	33,132	8,156	25,778	18,526	37,648	23,776	23,776	23,976	23,976	23,776	283,163

ENERGY CONSERVATION ADJUSTMENT
APRIL 1998 THROUGH DECEMBER 1998

	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(33,040)	(19,961)	(16,650)	(16,878)	(17,041)	(15,508)	(19,044)	(26,967)	(31,903)	(41,539)	(36,482)	(32,231)	(307,244)
TOTAL REVENUES	(33,040)	(19,961)	(16,650)	(16,878)	(17,041)	(15,508)	(19,044)	(26,967)	(31,903)	(41,539)	(36,482)	(32,231)	(307,244)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	5,089	5,089	5,089	5,089	5,089	5,089	5,089	5,089	5,089	5,089	5,089	5,089	61,066
CONSERVATION REVS. APPLIC. TO PERIOD	(27,951)	(14,872)	(11,561)	(11,789)	(11,952)	(10,419)	(13,955)	(21,878)	(26,814)	(36,450)	(31,393)	(27,142)	(246,178)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	15,361	25,281	33,132	8,156	25,778	18,526	37,648	23,776	23,776	23,976	23,976	23,776	283,162
TRUE-UP THIS PERIOD	(12,590)	10,409	21,571	(3,633)	13,826	8,107	23,693	1,898	(3,038)	(12,474)	(7,417)	(3,366)	36,984
INTEREST THIS PERIOD (C-3, PAGE 5)	241	213	265	286	286	304	340	365	338	286	225	183	3,333
TRUE-UP & INT. BEG. OF MONTH	61,066	43,628	49,161	65,908	57,473	66,496	69,819	88,763	85,937	78,148	60,870	48,590	
PRIOR TRUE-UP COLLECT./(REFUND.)	(5,089)	(5,089)	(5,089)	(5,089)	(5,089)	(5,089)	(5,089)	(5,089)	(5,089)	(5,089)	(5,089)	(5,089)	
END OF PERIOD TOTAL NET TRUE-UP	43,628	49,161	65,908	57,473	66,496	69,819	88,763	85,937	78,148	60,870	48,590	40,317	40,317

CALCULATION OF TRUE-UP AND INTEREST PROVISION
APRIL 1998 THROUGH DECEMBER 1998

INTEREST PROVISION	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
BEGINNING TRUE-UP	61,066	43,628	49,161	65,908	57,473	66,496	69,819	88,763	85,937	78,148	60,870	48,590	48,590
END. T-UP BEFORE INT.	43,387	48,948	65,643	57,187	66,210	69,514	88,423	85,572	77,810	60,584	48,364	40,134	36,984
TOT. BEG. & END. T-UP	104,453	92,576	114,804	123,095	123,683	136,010	158,242	174,336	163,747	138,732	109,235	88,724	85,574
AVERAGE TRUE-UP	52,227	46,288	57,402	61,548	61,842	68,005	79,121	87,168	81,874	69,366	54,617	44,362	42,787
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	5.55%	5.53%	5.50%	5.60%	5.56%	5.52%	5.22%	5.10%	4.95%	4.95%	4.95%	4.95%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	5.53%	5.50%	5.60%	5.56%	5.52%	5.22%	5.10%	4.95%	4.95%	4.95%	4.95%	4.95%	
TOTAL	11.08%	11.03%	11.10%	11.16%	11.08%	10.74%	10.32%	10.05%	9.90%	9.90%	9.90%	9.90%	
AVG INTEREST RATE	5.54%	5.52%	5.55%	5.58%	5.54%	5.37%	5.16%	5.03%	4.95%	4.95%	4.95%	4.95%	
MONTHLY AVG. RATE	0.46%	0.46%	0.46%	0.47%	0.46%	0.45%	0.43%	0.42%	0.41%	0.41%	0.41%	0.41%	
INTEREST PROVISION	\$241	\$213	\$265	\$286	\$286	\$304	\$340	\$365	\$338	\$286	\$225	\$183	\$3,333

Schedule C-4

Page 1 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Home Builder Program

Program Description:

This program is designed to increase the number of high priority natural gas customers in the new home construction market. Incentives are offered in the form of gas piping and venting allowances to assist builders with gas appliance installation.

Program Allowances:

- \$275 Energy efficient natural gas water heater installation.
- \$275 Natural Gas home heating.
- \$75 Energy efficient natural gas range or dryer stub outlet.

Program Projections:

For the seven month period April, 1998 through October, 1998, 248 residences qualified under our home builder program. We estimate that 177 new homes will qualify during the period November, 1998 through March, 1999.

Program Fiscal Expenditures:

For the two month period seven month period April 1998 through October, 1998 CUC incurred costs of \$146,432 for the Home Builder Program. For November, 1998 through March, 1999, costs are estimated to be \$103,478.

Schedule C-4

Page 2 of 7

CHESAPEAKE UTILITIES CORPORATION

Program Description and Progress

Program Title:

Residential Appliance Replacement Program (*replaces and combines former Water Heater Replacement Program and Replacement of Electric Strip and Oil Heating Program*)

Program Description:

This program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. Incentives are offered in the form of allowances to assist in defraying the additional costs associated with the installation of piping, venting and purchase of natural gas appliances.

Program Allowances:

\$330 Per Energy Efficient Natural Gas Water Heater
\$330 Per Energy Efficient Natural Gas Furnace
\$50 Per Energy Efficient Natural Gas Clothes Dryer
\$50 Per Energy Efficient Natural Gas Range

Program Projections:

During the seven month period, April, 1998 through October, 1998, 9 residences qualified under our appliance replacement program. We estimate an additional 6 residences will qualify for incentives during the period November, 1998 through March, 1999.

Program Fiscal Expenditures:

For the seven month period April through October, 1998, CUC incurred costs of \$12,803 for the Residential Appliance Replacement Program. During November, 1998 through March, 1999 costs are estimated to be \$8,024.

Exhibit No. _____

Docket No. 980002-EG

CHESAPEAKE UTILITIES CORPORATION

(BAB-1)

Page 11 of 15

Schedule C-4

Page 3 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Propane Distribution Program

Program Description:

This program is designed to promote the use of gas within subdivisions that are built beyond the economic extension of the Company's existing natural gas. This program is designed to provide Builders and Developers a cash incentive to encourage the installation of gas appliances in newly constructed homes.

Program Allowances:

- \$275 Energy efficient natural gas water heater installation.
- \$275 Natural Gas home heating.
- \$75 Energy efficient natural gas range or dryer stub outlet.

Program Projections:

There has been no activity in this program to date.

Program Fiscal Expenditures:

There has been no activity in this program to date.

Schedule C-4

Page 4 of 7

CHESAPEAKE UTILITIES CORPORATION

Program Description and Progress

Program Title:

Residential Water Heater Retention Program

Program Description:

The program is designed to encourage the continued use of natural gas in the home and avoid costly abandonment activities by the Company. This program offers a cash incentive to both the customer and the dealer to promote the retention fo the natural gas water heater.

Program Allowances:

\$ 100	Water Heater Customer Incentive
\$ 50	Dealer Incentive

Program Projections:

For the seven month period April through October, 1998, CUC paid allowances on 25 water heaters. We estimate we will pay allowances on 41 additional water heaters during the period of November, 1999 through March, 1999.

Program Fiscal Expenditures:

For the seven month period April through October, 1998, CUC incurred program costs of \$2,700 for this program. For November, 1998 through March, 1999, expenditures for allowances totaling \$5,985 are anticipated.

Schedule C-4
Page 5 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Natural Gas Space Conditioning Program for Residential Homes

Program Description:

The program is designed to convert residential customers from electric space conditioning equipment to energy efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation. The program will also help reduce summer KW demand and will assist in the conservation of KWH production.

Program Allowances:

\$1,200 Per Installation of Natural Gas Cooling Equipment

Program Projections:

For the seven month period April through October, 1998, CUC paid no allowances on this program.

Program Fiscal Expenditures:

For the seven month period April through October, 1998, CUC incurred no costs for the Natural Gas Space Conditioning Program.

Schedule C-4

Page 6 of 7

CHESAPEAKE UTILITIES CORPORATION

Program Description and Progress

Program Title:

Gas Space Conditioning Program

Program Description:

The program is designed to convert non-residential customers from electric space conditioning equipment to energy efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation. The program will also help reduce summer KW demand and will assist in the conservation of KWH production.

Program Allowances:

\$50 per Ton Installation of Natural Gas Cooling Equipment

Program Projections:

For the seven month period April through October, 1998, CUC paid no allowances on this program.

Program Fiscal Expenditures:

For the seven month period April through October, 1998, CUC incurred no costs for the Natural Gas Space Conditioning Program.

Exhibit No. _____

Docket No. 980002-EG

CHESAPEAKE UTILITIES CORPORATION

(BAB-1)

Page 15 of 15

Schedule C-4

Page 7 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Conservation Education Program

Program Description:

This program teaches young people and adults in the schools and in community and civic organizations about conservation of energy and seeks to establish an awareness of natural gas as a valuable resource.

Program Projections:

Over the next several months we intend to supply conservation education materials to schools in our service area.

Program Fiscal Expenditures:

None this period and \$400 planned for the balance of the period from November, 1998 through March, 1999.

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION
APRIL 1998 THROUGH DECEMBER 1999

PROJECTED PERIOD: APRIL 1999 THROUGH DECEMBER 1999
ACTUAL/ESTIMATED PERIOD: APRIL 1998 THROUGH MARCH 1999
FINAL TRUE-UP PERIOD: OCTOBER 1997 THROUGH MARCH 1998
COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 1999 THROUGH DECEMBER 1999

- 1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1) \$ 1,640,769
- 2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11) \$ (474,320)
- 3. TOTAL (LINE 1 AND 2) \$ 1,166,449

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENERGY CHG REVENUES	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERVATION FACTOR
RESIDENTIAL (RS, ED & GL)	1,146,033	19,889,030	\$ 8,000,391	\$ 9,218,376	\$ 17,218,767	\$ 728,685	4.2319%	\$ 0.03664	1.00376	\$ 0.03678
COMMERCIAL (CS, ED, CTS & SCTS)	64,092	49,406,954	\$ 1,106,988	\$ 8,905,824	\$ 10,012,812	\$ 423,734	4.2319%	\$ 0.00858	1.00376	\$ 0.00861
COMMERCIAL LARGE VOLUME (LCS)	132	2,000,900	\$ 4,620	\$ 326,867	\$ 331,487	\$ 14,030	4.2325%	\$ 0.00701	1.00376	\$ 0.00704
TOTAL	1,210,257	71,296,884	\$ 9,111,999	\$ 18,451,067	\$ 27,563,066	\$ 1,166,449				

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 990002-EG EXHIBIT NO. 3
COMPANY: Smith/EGC
WITNESS: _____
DATE: 2-10-99

PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
FOR THE PERIOD APRIL 1999 THROUGH DECEMBER 1999

PROGRAM NAME	Apr-99	May-99	Jun-99	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	TOTAL
1. RESIDENTIAL BUILDER	\$ 87,403	\$ 85,087	\$ 87,503	\$ 85,003	\$ 83,903	\$ 85,403	\$ 85,003	\$ 83,903	\$ 85,403	\$ 768,611
2. MULTI-FAMILY RESIDENTIAL BLDR	6,053	2,048	2,553	853	853	2,353	853	853	2,353	\$ 18,772
3. APPLIANCE REPLACEMENT	38,025	34,470	34,525	35,525	34,525	34,524	35,525	34,525	34,524	\$ 316,168
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	467	467	367	367	367	567	367	367	567	\$ 3,903
6. RES PROPANE CONVERSION	1,213	1,106	1,113	1,213	1,113	1,113	1,213	1,113	1,113	\$ 10,310
7. RES WATER HEATER RETENTION	6,314	6,205	6,214	6,314	6,214	6,214	6,314	6,214	6,214	\$ 56,217
8. RES CUT AND CAP ALTERNATIVE	1,921	1,813	1,821	1,921	1,821	1,821	1,921	1,821	1,821	\$ 16,681
9. COMM/IND CONVERSION	28,723	30,460	28,723	28,723	29,323	29,323	28,723	29,323	29,323	\$ 262,644
10. COMM/IND ALTERNATIVE TECH. COMMON COSTS	21,442 2,600	16,927 3,100	17,542 2,000	21,442 2,000	16,942 2,000	17,542 2,000	21,442 2,000	16,942 2,000	17,542 2,000	\$ 167,763 \$ 19,700
TOTAL ALL PROGRAMS	\$ 194,161	\$ 181,683	\$ 182,361	\$ 183,361	\$ 177,061	\$ 180,860	\$ 183,361	\$ 177,061	\$ 180,860	\$ 1,640,769
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	\$ 194,161	\$ 181,683	\$ 182,361	\$ 183,361	\$ 177,061	\$ 180,860	\$ 183,361	\$ 177,061	\$ 180,860	\$ 1,640,769

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD APRIL 1999 THROUGH DECEMBER 1999

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER	\$ -	\$ 89,111	\$ -	\$ 13,500	\$ 663,300	\$ -	\$ 2,700	\$ -	\$ 768,611
2. MULTI-FAMILY RESIDENTIAL BLDR	-	7,672	-	6,600	4,500	-	-	-	18,772
3. APPLIANCE REPLACEMENT	-	44,268	-	59,500	202,500	-	9,900	-	316,168
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	3,303	600	-	-	-	-	-	3,903
6. RES PROPANE CONVERSION	-	4,610	-	2,100	3,600	-	-	-	10,310
7. RES WATER HEATER RETENTION	-	33,417	-	9,300	13,500	-	-	-	56,217
8. RES CUT AND CAP ALTERNATIVE	-	3,781	900	3,900	8,100	-	-	-	16,681
9. COMM/IND CONVERSION	-	168,444	-	26,700	67,500	-	-	-	262,644
10. COMM/IND ALTERNATIVE TECH. COMMON COSTS	-	39,063	900	28,800	99,000	-	-	-	167,763
	-	-	-	18,000	-	-	-	1,700	19,700
TOTAL ALL PROGRAMS	-	393,669	2,400	168,400	1,062,000	-	12,600	1,700	1,640,769
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 393,669	\$ 2,400	\$ 168,400	\$ 1,062,000	\$ -	\$ 12,600	\$ 1,700	\$ 1,640,769

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD APRIL 1998 THROUGH MARCH 1999
FIVE MONTHS ACTUAL AND SEVEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER									
A. ACTUAL (5 months)	\$ -	\$ 66,410	\$ -	\$ 5,298	\$ 398,466	\$ -	\$ 6,677	\$ -	\$ 476,851
B. ESTIMATED (7 months)	-	73,316	-	18,700	495,000	-	2,900	-	589,916
C. TOTAL	\$ -	\$ 139,726	\$ -	\$ 23,998	\$ 893,466	\$ -	\$ 9,577	\$ -	\$ 1,066,767
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (5 months)	\$ -	\$ 8,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,085
B. ESTIMATED (7 months)	-	5,194	-	5,000	3,000	-	-	-	13,194
C. TOTAL	\$ -	\$ 13,279	\$ -	\$ 5,000	\$ 3,000	\$ -	\$ -	\$ -	\$ 21,279
3. APPLIANCE REPLACEMENT									
A. ACTUAL (5 months)	\$ -	\$ 83,023	\$ -	\$ 109,791	\$ 122,240	\$ -	\$ 11,643	\$ -	\$ 326,697
B. ESTIMATED (7 months)	-	46,337	-	50,500	169,500	-	8,400	-	274,737
C. TOTAL	\$ -	\$ 129,360	\$ -	\$ 160,291	\$ 291,740	\$ -	\$ 20,043	\$ -	\$ 601,434
4. DEALER PROGRAM									
A. ACTUAL (5 months)	\$ -	\$ -	\$ -	\$ -	\$ 255	\$ -	\$ -	\$ -	\$ 255
B. ESTIMATED (7 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 255	\$ -	\$ -	\$ -	\$ 255
5. GAS APPLIANCES IN SCHOOLS									
A. ACTUAL (5 months)	\$ -	\$ 9,897	\$ 1,500	\$ -	\$ -	\$ -	\$ 198	\$ -	\$ 11,595
B. ESTIMATED (7 months)	-	4,290	700	1,300	-	-	21	-	6,311
C. TOTAL	\$ -	\$ 14,187	\$ 2,200	\$ 1,300	\$ -	\$ -	\$ 219	\$ -	\$ 17,906
6. RES PROPANE CONVERSION									
A. ACTUAL (5 months)	\$ -	\$ 4,983	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 5,483
B. ESTIMATED (7 months)	-	4,741	-	5,779	4,692	-	-	-	15,212
C. TOTAL	\$ -	\$ 9,724	\$ -	\$ 5,779	\$ 4,692	\$ -	\$ 500	\$ -	\$ 20,695
SUB-TOTAL	\$ -	\$ 306,276	\$ 2,200	\$ 196,368	\$ 1,193,153	\$ -	\$ 30,339	\$ -	\$ 1,728,336

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD APRIL 1998 THROUGH MARCH 1999
FIVE MONTHS ACTUAL AND SEVEN MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 306,276	\$ -	\$ 196,368	\$ 1,193,153	\$ -	\$ 30,339	\$ -	\$ 1,728,336
7. RES WATER HEATER RETENTION									
A. ACTUAL (5 months)	\$ -	\$ 15,527	\$ -	\$ -	\$ 4,839	\$ -	\$ 873	\$ -	\$ 21,239
B. ESTIMATED (7 months)	-	22,097	-	12,728	21,188	-	-	-	56,013
C. TOTAL	\$ -	\$ 37,624	\$ -	\$ 12,728	\$ 26,027	\$ -	\$ 873	\$ -	\$ 77,252
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (5 months)	\$ -	\$ 8,814	\$ -	\$ -	\$ 9,825	\$ -	\$ 2,946	\$ -	\$ 21,585
B. ESTIMATED (7 months)	-	4,992	600	3,759	9,900	-	-	-	19,251
C. TOTAL	\$ -	\$ 13,806	\$ 600	\$ 3,759	\$ 19,725	\$ -	\$ 2,946	\$ -	\$ 40,836
9. COMM/IND CONVERSION									
A. ACTUAL (5 months)	\$ -	\$ 54,908	\$ -	\$ -	\$ 412	\$ -	\$ 6,788	\$ -	\$ 62,108
B. ESTIMATED (7 months)	-	117,857	-	39,139	48,186	-	-	-	205,182
C. TOTAL	\$ -	\$ 172,765	\$ -	\$ 39,139	\$ 48,598	\$ -	\$ 6,788	\$ -	\$ 267,290
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (5 months)	\$ -	\$ 13,801	\$ -	\$ -	\$ -	\$ -	\$ 817	\$ -	\$ 14,618
B. ESTIMATED (7 months)	-	25,934	600	21,700	66,000	-	-	-	114,234
C. TOTAL	\$ -	\$ 39,735	\$ 600	\$ 21,700	\$ 66,000	\$ -	\$ 817	\$ -	\$ 128,852
COMMON COSTS									
A. ACTUAL (5 months)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B. ESTIMATED (7 months)	-	-	-	12,000	-	-	-	600	12,600
C. TOTAL	\$ -	\$ -	\$ -	\$ 12,000	\$ -	\$ -	\$ -	\$ 600	\$ 12,600
TOTAL	\$ -	\$ 570,206	\$ 1,200	\$ 285,694	\$ 1,353,503	\$ -	\$ 41,763	\$ 600	\$ 2,255,166

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR THE PERIOD APRIL 1998 THROUGH MARCH 1999
FIVE MONTHS ACTUAL AND SEVEN MONTHS ESTIMATED

DESCRIPTION	Apr-98	May-98	Jun-98	Jul-98	Aug-98	Sep-98	Oct-98	Nov-98	Dec-98	Jan-99	Feb-99	Mar-99	TOTAL
1. RESIDENTIAL BUILDER	\$ 120,653	\$ 50,845	\$ 164,804	\$ 77,038	\$ 63,511	\$ 67,850	\$ 87,203	\$ 92,363	\$ 86,419	\$ 88,417	\$ 83,745	\$ 83,919	\$ 1,066,767
2. MULTI-FAMILY RESIDENTIAL BLDR	928	928	1,941	2,491	1,797	-	1,032	5,327	2,438	1,197	842	2,358	21,279
3. APPLIANCE REPLACEMENT	105,607	50,317	86,405	47,002	37,366	64,850	35,452	34,274	35,646	35,693	34,268	34,554	601,434
4. DEALER PROGRAM	255	-	-	-	-	-	-	-	-	-	-	-	255
5. GAS APPLIANCES IN SCHOOLS	2,301	2,099	3,621	1,792	1,782	2,271	1,758	458	458	432	467	467	17,906
6. RES PROPANE CONVERSION	-	-	1,484	1,932	2,067	8,309	1,201	1,095	1,125	1,268	1,097	1,117	20,695
7. RES WATER HEATER RETENTION	2,214	2,581	4,244	5,549	6,651	18,716	6,266	6,033	6,196	6,515	6,069	6,218	77,252
8. RES CUT AND CAP ALTERNATIVE	2,374	8,053	5,493	3,061	2,604	8,116	1,912	1,804	1,841	1,951	1,801	1,826	40,836
9. COMM/IND CONVERSION	13,662	9,861	15,438	12,646	10,501	20,091	28,304	33,027	34,366	31,536	29,072	28,786	267,290
10. COMM/IND ALTERNATIVE TECH.	2,235	4,701	1,661	1,479	4,542	-	21,375	16,744	17,490	21,781	16,787	20,057	128,852
COMMON COSTS	-	-	-	-	-	-	2,000	2,600	2,000	2,000	2,000	2,000	12,600
TOTAL ALL PROGRAMS	250,229	129,385	285,091	152,990	130,821	190,203	186,503	193,725	187,979	190,790	176,148	181,302	2,255,166
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	\$ 250,229	\$ 129,385	\$ 285,091	\$ 152,990	\$ 130,821	\$ 190,203	\$ 186,503	\$ 193,725	\$ 187,979	\$ 190,790	\$ 176,148	\$ 181,302	\$ 2,255,166

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD APRIL 1998 THROUGH MARCH 1999
FIVE MONTHS ACTUAL AND SEVEN MONTHS ESTIMATED

CONSERVATION REVENUES	Apr-98	May-98	Jun-98	Jul-98	Aug-98	Sep-98	Oct-98	Nov-98	Dec-98	Jan-99	Feb-99	Mar-99	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(217,349)	(149,379)	(153,972)	(147,231)	(132,757)	(80,382)	(149,223)	(156,228)	(191,632)	(238,986)	(217,279)	(210,295)	(2,044,713)
4. TOTAL REVENUES	(217,349)	(149,379)	(153,972)	(147,231)	(132,757)	(80,382)	(149,223)	(156,228)	(191,632)	(238,986)	(217,279)	(210,295)	(2,044,713)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	(19,939)	(19,939)	(19,939)	(19,939)	(19,939)	(19,939)	(19,939)	(19,939)	(19,939)	(19,939)	(19,939)	(19,935)	(239,264)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(237,288)	(169,318)	(173,911)	(167,170)	(152,696)	(100,321)	(169,162)	(176,167)	(211,571)	(258,925)	(237,218)	(230,230)	(2,283,977)
7. CONSERV. EXPS.	250,229	129,385	285,091	152,990	130,821	190,203	186,503	193,725	187,979	190,790	176,148	181,302	2,255,166
8. TRUE-UP THIS PERIOD	12,941	(39,933)	111,180	(14,180)	(21,875)	89,882	17,341	17,558	(23,592)	(68,135)	(61,070)	(48,928)	(28,811)
9. INTEREST PROV. THIS PERIOD	(1,029)	(1,000)	(754)	(443)	(433)	(180)	144	308	383	271	78	(74)	(2,728)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(239,264)	(207,413)	(228,408)	(98,043)	(92,726)	(95,095)	14,546	51,970	89,775	86,505	38,580	(2,473)	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	19,939	19,939	19,939	19,939	19,939	19,939	19,939	19,939	19,939	19,939	19,939	19,935	
12. TOTAL NET TRUE-UP	\$ (207,413)	\$ (228,408)	\$ (98,043)	\$ (92,726)	\$ (95,095)	\$ 14,546	\$ 51,970	\$ 89,775	\$ 86,505	\$ 38,580	\$ (2,473)	\$ (31,539)	\$ (474,320)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
APRIL 1998 THROUGH MARCH 1999
FIVE MONTHS ACTUAL AND SEVEN MONTHS ESTIMATED

INTEREST PROVISION	Apr-98	May-98	Jun-98	Jul-98	Aug-98	Sep-98	Oct-98	Nov-98	Dec-98	Jan-99	Feb-99	Mar-99	TOTAL
1. BEGINNING TRUE-UP	\$ (239,264)	\$ (207,413)	\$ (228,408)	\$ (98,043)	\$ (92,726)	\$ (95,095)	\$ 14,546	\$ 51,970	\$ 89,775	\$ 86,505	\$ 38,580	\$ (2,473)	
2. ENDING TRUE-UP BEFORE INTEREST	(206,384)	(227,407)	(97,289)	(92,284)	(94,662)	14,726	51,826	89,467	86,122	38,309	(2,551)	(31,466)	
3. TOTAL BEGINNING & ENDING TRUE-UP	(445,648)	(434,821)	(325,696)	(190,326)	(187,388)	(80,369)	66,372	141,438	175,897	124,813	36,029	(33,938)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ (222,824)	\$ (217,410)	\$ (162,848)	\$ (95,163)	\$ (93,694)	\$ (40,184)	\$ 33,186	\$ 70,719	\$ 87,949	\$ 62,407	\$ 18,015	\$ (16,969)	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	5.550%	5.530%	5.500%	5.600%	5.560%	5.520%	5.220%	5.220%	5.220%	5.220%	5.220%	5.220%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	5.530%	5.500%	5.600%	5.560%	5.520%	5.220%	5.220%	5.220%	5.220%	5.220%	5.220%	5.220%	
7. TOTAL (SUM LINES 5 & 6)	11.080%	11.030%	11.100%	11.160%	11.080%	10.740%	10.440%	10.440%	10.440%	10.440%	10.440%	10.440%	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	5.540%	5.515%	5.550%	5.580%	5.540%	5.370%	5.220%	5.220%	5.220%	5.220%	5.220%	5.220%	
9. MONTHLY AVG INTEREST RATE	0.462%	0.460%	0.463%	0.465%	0.462%	0.448%	0.435%	0.435%	0.435%	0.435%	0.435%	0.435%	
10. INTEREST PROVISION	\$ (1,029)	\$ (1,000)	\$ (754)	\$ (443)	\$ (433)	\$ (180)	\$ 144	\$ 308	\$ 383	\$ 271	\$ 78	\$ (74)	\$ (2,728)

Exhibit No. _____
DOCKET NO. 980002-EG
City Gas Company of Florida
(CS-1)

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:

Furnace	\$350
Water Heater	350
Range	100
Dryer	100
Triathlon	1200

REPORTING PERIOD: April 1998 through August 1998

APPLIANCES INSTALLED:

The Company connected 1,049 gas appliances during the period.

Exhibit No. _____
DOCKET NO. 980002-EG
City Gas Company of Florida
(CS-1)

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:

Per dwelling unit \$300

REPORTING PERIOD: April 1998 through August 1998

PROGRAM SUMMARY:

Program costs for the period were \$8,085.

Exhibit No. _____
DOCKET NO. 980002-EG
City Gas Company of Florida
(CS-1)

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:

Furnace	\$625
Water Heater	525
Range	100
Dryer	100
Triathlon	1200

REPORTING PERIOD: April 1998 through August 1998

APPLIANCES INSTALLED:

The Company connected 308 gas appliances during the period.

Exhibit No. _____
DOCKET NO. 980002-EG
City Gas Company of Florida
(CS-1)

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	\$30
Water Heater	30
Range	15
Dryer	15

REPORTING PERIOD: April 1998 through August 1998

APPLIANCES INSTALLED:

This program was discontinued in February 1998 with Order #PSC-98-0154-GOF-GU granting the new programs.

Exhibit No. _____
DOCKET NO. 980002-EG
City Gas Company of Florida
(CS-1)

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: April 1998 through August 1998

PROGRAM SUMMARY:

Program costs for the period were \$11,595.

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
Range	25
Dryer	50

REPORTING PERIOD: April 1998 through August 1998

PROGRAM SUMMARY:

Program costs for the period were \$5,483.

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:

Water Heater	\$50
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REPORTING PERIOD: April 1998 through August 1998

PROGRAM SUMMARY:

Program costs for the period were \$21,239.

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: April 1998 through August 1998

PROGRAM SUMMARY:

Program costs for the period were \$21,585.

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: April 1998 through August 1998

PROGRAM SUMMARY:

Program costs for the period were \$62,108.

Exhibit No. _____
City Gas Company of Florida
(A Division of NUI Corporation)
DOCKET NO. 980002-EG
(CS-1)

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: April 1998 through August 1998

PROGRAM SUMMARY:

Program costs for the period were \$14,618.

Exhibit No. _____
DOCKET NO. 980002-EG
City Gas Company of Florida
(CS-1)

CITY GAS COMPANY OF FLORIDA
Schedule C-5
PROGRAM PROGRESS REPORT

NAME: ENERGY CONSERVATION COMMON COSTS

REPORTING PERIOD: April 1998 through August 1998

There was no activity in common costs during the period.

Exhibit No. _____
Docket No. **980002-EG**
Peoples Gas System
(VIK - 1)

Peoples Gas System

EXCEPT FOR WEST FLORIDA REGION

CONSERVATION COST RECOVERY TRUE-UP DATA

OCTOBER 1997 THROUGH MARCH 1998

Hearing:

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 990002-EG EXHIBIT NO. 4
COMPANY/ Krutzinger
WITNESS: Krutzinger
DATE: 2-10-99

SCHEDULE CT-1

Exhibit No. _____
Docket No. 980002-EG
Peoples Gas System
(VIK - 1)

**PEOPLES GAS SYSTEM
ADJUSTED NET TRUE-UP**

FOR MONTHS: **OCTOBER 1997 THROUGH MARCH 1998**

END OF PERIOD NET TRUE-UP

PRINCIPAL	(1,491,170)	
INTEREST	(36,312)	(1,527,481)

LESS PROJECTED TRUE-UP

PRINCIPAL	(985,275)	
INTEREST	(28,330)	(1,013,605)

ADJUSTED NET TRUE-UP		(513,876)
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ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS OCTOBER 1997 THROUGH MARCH 1998

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	0	1,282,950	0	0	0	1,282,950
PROGRAM 2: ENERGY AUDITS	0	0	0	0	0	0	0	0	0
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	0	92,435	0	0	0	92,435
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	0	15,510	0	0	0	15,510
PROGRAM 5: SMALL PKG COGEN	0	0	0	0	0	0	0	0	0
PROGRAM 6: COM ELECTRIC REPLACE	0	0	0	0	42,250	0	0	0	42,250
PROGRAM 7: RES ELECTRIC REPLACE	0	0	0	0	212,306	0	0	0	212,306
PROGRAM 8: COMMON COSTS	0	132,420	2,644	6,616	0	14,287	20,389	23,541	199,897
PROGRAM 9: GAS SPACE CONDITIONING	0	0	0	0	49,275	0	0	0	49,275
PROGRAM 10: MONITORING & RESEARCH	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL	0	132,420	2,644	6,616	1,694,726	14,287	20,389	23,541	1,894,623

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
 FOR MONTHS **OCTOBER 1997 THROUGH MARCH 1998**

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	0	(591,275)	0	0	0	(591,275)
PROGRAM 2: ENERGY AUDITS	0	0	0	0	0	0	0	0	0
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	0	(65,522)	0	0	0	(65,522)
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	0	(16,501)	0	0	0	(16,501)
PROGRAM 5: SMALL PKG COGEN	0	0	0	0	0	0	0	0	0
PROGRAM 6: COM ELECTRIC REPLACE	0	0	0	0	(39,269)	0	0	0	(39,269)
PROGRAM 7: RES ELECTRIC REPLACE	0	0	0	0	(108,502)	0	0	0	(108,502)
PROGRAM 8: COMMON COSTS	0	(41,458)	(2,481)	(180,884)	0	(105,811)	3,822	(145,616)	(472,427)
PROGRAM 9: GAS SPACE CONDITIONING	0	0	0	0	(61,662)	0	0	0	(61,662)
PROGRAM 10: MONITORING & RESEARCH	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL TOTAL OF ALL PROGRAMS	0	(41,458)	(2,481)	(180,884)	(882,730)	(105,811)	3,822	(145,616)	(1,355,157)

() REFELCTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

FOR MONTHS: OCTOBER 1997 THROUGH MARCH 1998

SCHEDULE OF CAPITAL INVESTMENTS, DEPRECIATION, AND RETURN

NOT APPLICABLE TO PEOPLES GAS SYSTEM

FOR MONTHS: OCTOBER 1997 THROUGH MARCH 1998

RECONCILIATION AND EXPLANATION
OF DIFFERENCES BETWEEN FILING AND THE FPSC AUDIT FOR THE PERIOD

NOT APPLICABLE TO PEOPLES GAS SYSTEM

Program Progress Report

Reporting Period: **OCTOBER 1997 THROUGH MARCH 1998**

Name: **Single Family Residential Home Builder Program**

Description: This program is designed to increase the number of high priority natural gas customers in the new residential construction market. The Company offers incentives in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the installation of gas appliances.

Program Allowances:	Gas Water Heater.....	\$250
	Gas Furnace.....	\$250
	Gas Range.....	\$85
	Gas Dryer.....	\$85

Program Summary

New Home Goal:	2,797
New Homes Connected:	<u>1,915</u>
Variance:	882
Percent of Goal:	68.5%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$1,874,225
Actual Cost:	\$1,282,950
Variance:	\$591,275

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Residential Conservation Service Program

Description: This program is designed to assist our residential customers in conserving all forms of energy consumption. Peoples has had contractual arrangements with private contractors to perform Class "A", Walk-Through and Mini-Walk Through Audits.

Customer Audit Charges:	Class "A" Audit.....	\$15
	Walk-Through Audit.....	No Charge
	Mini-Walk Through Audit	No Charge

Program Summary

Program Goal:	0
Program Accomplishments:	0
Variance:	0
Percent of Goal:	0.0%

The Company has not had a request for an energy audit during this period.

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Water Heater Load Retention Program

Description: This program is designed to discourage current natural gas customers from changing to electricity. The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances: Energy Efficient Gas Water Heater..... \$100

Program Summary

Goals:	1,580
Actual:	924
Variance:	655
Percent of Goal:	58.5%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$157,957
Actual Cost:	\$92,435
Variance:	\$65,522

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Replacement of Oil Heating Program

Description: This program is designed to encourage customers to convert their existing Oil Burning Heating system to energy efficient natural gas heating so as to discourage those customers from switching to less costly resistance strip heating. The program offers allowances to defray the additional cost of installing gas appliances.

Program Allowances: Energy Efficient Gas Furnaces..... \$330

Program Summary

Goals:	97
Actual:	47
Variance:	50
Percent of Goal:	48.5%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$32,011
Actual Cost:	\$15,510
Variance:	\$16,501

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Small Package Cogeneration Program

Description: This program is designed to promote the direct use of natural gas to generate on-site power and utilize the waste heat for on-site heating, cooling and water heating requirements for commercial and industrial applications. A cogeneration feasibility audit will be made available to commercial and industrial customers interested in workshops. Direct mail and personal contacts will be used to promote the cogeneration computer audit program and to assist Peoples customers in completing forms for the computer audit.

Program Summary

Goals:	0
Actual:	<u>0</u>
Variance:	0
Percent of Goal:	0.0%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Commercial Electric Replacement Program

Description: This program is designed to encourage the replacement of electric resistance appliances in commercial establishments by offering piping and venting allowances to defray the additional cost of installing natural gas equipment.

Program Allowances: For every KW Displaced (KWD) **\$40**

Each customer will be allowed a maximum of 100 KWD deferred or: **\$4,000**

Program Summary

Program Goal:	2,038
Program Accomplishments:	1,056
Variance:	982
Percent of Goal:	51.8%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$81,519
Actual Cost:	\$42,250
Variance:	\$39,269

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Residential Electric Replacement Program

Description: This program is designed to encourage the replacement of electric resistance appliances in the residential market by offering piping and venting allowances to defray the additional cost of installing energy efficient natural gas appliances.

Program Allowances:	Natural Gas Water Heat.....	\$440
	Natural Gas Furnace.....	\$440
	Natural Gas Range.....	\$75
	Natural Gas Dryer.....	\$75
	Natural Gas Space Heat.....	\$65

Program Summary

Program Goal:	746
Program Accomplishments:	<u>603</u>
Variance:	143
Percent of Goal:	80.9%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$320,808
Actual Cost:	\$212,306
Variance:	\$108,502

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name:

Energy Conservation Common Cost

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$672,324
Actual Cost:	\$199,897
Variance:	\$472,427

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Gas Space Conditioning Program

Description: This program is designed to convert on-main customers from electric space conditioning equipment to energy efficient natural gas space conditioning. The program offers piping and venting allowances to reduce the generally higher cost of installing gas space conditioning equipment. This program would also reduce summer as well as winter peak demand and contribute to the conservation of KWH / KWD consumption.

Program Allowance: Each customer is allowed 100tons maximum paid allowance/installation at: **\$150 /ton**

Program Summary

Goals:	740
Actual:	329
Variance:	411
Percent of Goal:	44.4%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$110,937
Actual Cost:	\$49,275
Variance:	\$61,662

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Program Monitoring, Evaluation and Reaserch Demonstration

Program Summary: The projected costs and benefits of Peoples' energy conservation programs will be affected not only by the numbers of participating customers and the extent of their participation, but also by the assumptions used in estimating costs and savings to be derived from the programs.

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

() Reflects Overrecovery

Exhibit No. _____
Docket No. 980002-EG
Peoples Gas System
(VIK - 2)

Peoples Gas System

WEST FLORIDA REGION

CONSERVATION COST RECOVERY TRUE-UP DATA

OCTOBER 1997 THROUGH MARCH 1998

Hearing:

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 990002-EG EXHIBIT NO. 5

COMPANY/

WITNESS: Kautzinger

DATE: 2-10-99

**PEOPLES GAS SYSTEM
 ADJUSTED NET TRUE-UP**

FOR MONTHS: **OCTOBER 1997 THROUGH MARCH 1998**

END OF PERIOD NET TRUE-UP

PRINCIPAL	(349,196)	
INTEREST	(8,054)	(357,249)

LESS PROJECTED TRUE-UP

PRINCIPAL	(201,928)	
INTEREST	(5,717)	(207,645)

ADJUSTED NET TRUE-UP		(149,604)
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ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED

MONTHS: **OCTOBER 1997 THROUGH MARCH 1998**

	ACTUAL	PROJECTED*	DIFFERENCE
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	16,165	52,077	(35,912)
MATERIALS & SUPPLIES	0	0	0
ADVERTISING	33,291	55,196	(21,905)
INCENTIVES	266,083	358,113	(92,030)
OUTSIDE SERVICES	933	1,000	(67)
VEHICLES	0	0	0
OTHER	50	0	50
SUB-TOTAL	316,522	466,386	(149,864)
PROGRAM REVENUES	0	0	0
TOTAL PROGRAM COSTS	316,522	466,386	(149,864)
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION ADJUSTMENT			
REVENUES	(665,718)	(463,682)	(202,036)
ROUNDING ADJUSTMENT	0	0	0
TRUE-UP BEFORE INTEREST	(349,196)	2,704	(351,900)
INTEREST PROVISION	(8,054)	(5,717)	(2,337)
END OF PERIOD TRUE-UP	(357,249)	(3,013)	(354,237)

() REFLECTS OVER-RECOVERY

* 2 MONTHS ACTUAL AND 4 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS OCTOBER 1997 THROUGH MARCH 1998

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	120	172,606	0	0	0	172,726
PROGRAM 2: ENERGY AUDITS	0	0	0	0	0	0	0	0	0
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	1,000	14,080	0	0	0	15,080
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	1,252	0	0	0	0	1,252
PROGRAM 5: SMALL PKG COGEN	0	0	0	0	0	0	0	0	0
PROGRAM 6: COM ELECTRIC REPLACE	0	0	0	0	11,769	0	0	0	11,769
PROGRAM 7: RES ELECTRIC REPLACE	0	0	0	16,593	52,325	0	0	0	68,918
PROGRAM 8: COMMON COSTS	0	16,165	0	14,326	0	933	0	50	31,474
PROGRAM 9: GAS SPACE CONDITIONING	0	0	0	0	(3,882)	0	0	0	(3,882)
PROGRAM 10: MONITORING & RESEARCH	0	0	0	0	0	0	0	0	0
PROGRAM 11: ESP PROGRAM	0	0	0	0	19,185	0	0	0	19,185
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL	0	16,165	0	33,291	266,083	933	0	50	316,522

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
FOR MONTHS **OCTOBER 1997 THROUGH MARCH 1998**

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	(20,771)	0	(13,236)	18,481	0	0	0	(15,526)
PROGRAM 2: ENERGY AUDITS	0	0	0	0	0	0	0	0	0
PROGRAM 3: WATER HEATER LOAD RET	0	(4,225)	0	(2,193)	(7,055)	0	0	0	(13,473)
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	1,252	0	0	0	0	1,252
PROGRAM 5: SMALL PKG COGEN	0	0	0	0	0	0	0	0	0
PROGRAM 6: COM ELECTRIC REPLACE	0	(3,291)	0	(5,843)	(7,965)	0	0	0	(17,099)
PROGRAM 7: RES ELECTRIC REPLACE	0	(9,714)	0	(8,445)	(57,325)	0	0	0	(75,484)
PROGRAM 8: COMMON COSTS	0	16,165	0	14,326	0	(67)	0	50	30,474
PROGRAM 9: GAS SPACE CONDITIONING	0	(13,041)	0	(4,743)	(46,994)	0	0	0	(64,778)
PROGRAM 10: MONITORING & RESEARCH	0	0	0	0	0	0	0	0	0
PROGRAM 11: ESP PROGRAM	0	(1,035)	0	(3,023)	8,828	0	0	0	4,770
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL	0	(35,912)	0	(21,905)	(92,030)	(67)	0	50	(149,864)

() REFELCTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

FOR MONTHS: OCTOBER 1997 THROUGH MARCH 1998

SCHEDULE OF CAPITAL INVESTMENTS, DEPRECIATION, AND RETURN

NOT APPLICABLE TO PEOPLES GAS SYSTEM

FOR MONTHS: **OCTOBER 1997 THROUGH MARCH 1998**

RECONCILIATION AND EXPLANATION
OF DIFFERENCES BETWEEN FILING AND THE FPSC AUDIT FOR THE PERIOD

NOT APPLICABLE TO PEOPLES GAS SYSTEM

Program Progress Report

Reporting Period: **OCTOBER 1997 THROUGH MARCH 1998**

Name: **Single Family Residential Home Builder Program**

Description: This program is designed to increase the number of high priority natural gas customers in the new residential construction market. The Company offers incentives in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the installation of gas appliances.

Program Allowances:	Gas Water Heater.....	\$150
	Gas Furnace.....	\$250
	Gas Range.....	\$100
	Gas Dryer.....	\$100

Program Summary

New Home Goal:	314
New Homes Connected:	<u>288</u>
Variance:	26
Percent of Goal:	91.8%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$188,252
Actual Cost:	\$172,726
Variance:	\$15,526

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: **Residential Conservation Service Program**

Description: This program is designed to assist our residential customers in conserving all forms of energy consumption. Peoples has had contractual arrangements with private contractors to perform Class "A", Walk-Through and Mini-Walk Through Audits.

Customer Audit Charges:	Class "A" Audit.....	\$15
	Walk-Through Audit.....	No Charge
	Mini-Walk Through Audit	No Charge

Program Summary

Program Goal:	0
Program Accomplishments:	0
Variance:	0
Percent of Goal:	0.0%

The Company has not had a request for an energy audit during this period.

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Water Heater Load Retention Program

Description: This program is designed to discourage current natural gas customers from changing to electricity. The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances: Energy Efficient Gas Water Heater..... \$100

Program Summary

Goals:	286
Actual:	151
Variance:	135
Percent of Goal:	52.8%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$28,553
Actual Cost:	\$15,080
Variance:	\$13,473

() Reflects Overrecovery

Program Progress Report

Reporting Period: **OCTOBER 1997 THROUGH MARCH 1998**

Name: **Replacement of Oil Heating Program**

Description: This program is designed to encourage customers to convert their existing Oil Burning Heating system to energy efficient natural gas heating so as to discourage those customers from switching to less costly resistance strip heating. The program offers allowances to defray the additional cost of installing gas appliances.

Program Allowances: Energy Efficient Gas Furnaces..... \$500

Program Summary

Goals:	0
Actual:	<u>4</u>
Variance:	(4)
Percent of Goal:	NA

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$1,252
Variance:	(\$1,252)

() Reflects Overrecovery

Program Progress Report

Reporting Period: **OCTOBER 1997 THROUGH MARCH 1998**

Name: **Small Package Cogeneration Program**

Description: This program is designed to promote the direct use of natural gas to generate on-site power and utilize the waste heat for on-site heating, cooling and water heating requirements for commercial and industrial applications. A cogeneration feasibility audit will be made available to commercial and industrial customers interested in workshops. Direct mail and personal contacts will be used to promote the cogeneration computer audit program and to assist Peoples customers in completing forms for the computer audit.

Program Summary

Goals:	0
Actual:	<u>0</u>
Variance:	0
Percent of Goal:	0.0%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

() Reflects Overrecovery

Program Progress Report

Reporting Period: **OCTOBER 1997 THROUGH MARCH 1998**

Name: **Commercial Electric Replacement Program**

Description: This program is designd to encourage the replacement of electric resistance appliances in commercial establishments by offering piping and venting allowances to defray the additional cost of installing natural gas equipment.

Program Allowances: For every KW Displaced (KWD) \$30

Program Summary

Program Goal:	962
Program Accomplishments:	294
Variance:	<u>668</u>
Percent of Goal:	30.6%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$28,868
Actual Cost:	\$11,769
Variance:	\$17,099

() Reflects Overrecovery

Program Progress Report

Reporting Period: **OCTOBER 1997 THROUGH MARCH 1998**

Name: **Residential Electric Replacement Program**

Description: This program is designd to encourage the replacement of electric resistance appliances in the residential market by offering piping and venting allowances to defray the additional cost of installing energy efficient natural gas appliances.

Program Allowances:	Natural Gas Water Heat.....	\$250
	Natural Gas Furnace.....	\$500
	Natural Gas Range.....	\$150
	Natural Gas Dryer.....	\$150
	Natural Gas Space Heat..	\$160

Program Summary

Program Goal:	336
Program Accomplishments:	<u>196</u>
Variance:	140
Percent of Goal:	58.3%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$144,402
Actual Cost:	\$68,918
Variance:	\$75,484

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name:

Energy Conservation Common Cost

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$1,000
Actual Cost:	\$31,474
Variance:	(\$30,474)

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: Gas Space Conditioning Program

Description: This program is designed to convert on-main customers from electric space conditioning equipment to energy efficient natural gas space conditioning. The program offers piping and venting allowances to reduce the generally higher cost of installing gas space conditioning equipment. This program would also reduce summer as well as winter peak demand and contribute to the conservation of KWH / KWD consumption.

Program Allowance: Each customer is allowed 100tons maximum paid allowance/installation at: **\$100 /ton**

Program Summary

Goals:	609
Actual:	(26)
Variance:	635
Percent of Goal:	-4.2%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$60,896
Actual Cost:	(\$3,882)
Variance:	\$64,778

() Reflects Overrecovery

Program Progress Report

Reporting Period: OCTOBER 1997 THROUGH MARCH 1998

Name: ENERGY SAVINGS PAYBACK (ESP) PROGRAM

Program Summary: This program has been designed to promote replacement of standard gas appliances with energy efficient natural gas appliances and will focus on water heaters, central heaters, ranges and dryers. Installation allowances are added to the program to encourage customers to consider the extra expense of energy efficeint natural gas appliances i lieu of standard gas or electric appliances.

Installation allowance is \$50.00 per Appliance

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$14,415
Actual Cost:	\$19,185
Variance:	(\$4,770)

() Reflects Overrecovery

SCHEDUL C-1
 PAGE 1 OF 1

COMPANY: Peoples Gas System
 Except West Florida Region

ENERGY CONSERVATION ADJUSTMENT
 SUMMARY OF COST RECOVERY CLAUSE CALCULATION
 MONTHS: April 1999 Through December 1999

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	6,861,702
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	(1,340,791)
3. TOTAL (LINE 1 AND LINE 2)	5,520,911

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL	1,705,629	27,719,891	11,939,403	11,397,588	23,336,991	1,913,157	8.19796%	0.06902	1.00503	0.06936
SMALL COMMERCIAL	44,982	1,652,491	674,730	557,517	1,232,247	101,019	8.19796%	0.06113	1.00503	0.06144
COMMERCIAL	143,906	72,191,392	2,446,402	17,595,930	20,042,332	1,643,062	8.19796%	0.02276	1.00503	0.02287
COMM. LGE VOL I	18,068	88,779,246	451,700	19,407,143	19,858,843	1,628,020	8.19796%	0.01834	1.00503	0.01843
COMM. LGE VOL II	348	17,231,813	15,660	2,783,799	2,799,459	229,498	8.19796%	0.01332	1.00503	0.01339
STREET LIGHTING	513	367,216	0	34,691.00	34,691	2,844	8.19796%	0.00774	1.00503	0.00778
NGVS	156	551,106	3,900	36,483	40,383	3,311	8.19796%	0.00601	1.00503	0.00604
TOTAL	1,913,602	208,493,155	15,531,795	51,813,151	67,344,946	5,520,911				

FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET NO. 990002-EG EXHIBIT NO. 6
 COMPANY: Krusinger
 WITNESS: _____
 DATE: 5-10-99

SCHEDULE C-2
PAGE 1 OF 2

COMPANY: Peoples Gas System

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
April 1999 Through December 1999

PROGRAM	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 1999	TOTAL
1 HOME BUILDER PROGRAM	416,666	416,666	416,667	416,667	416,667	416,667	416,667	416,667	416,667	3,750,001
2 WATER HEATER REPLACEME	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	180,000
3 OIL REPLACEMENT	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	45,000
4 RES. ELECTRIC REPLACEMEN	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	540,000
5 COMM. ELECTRIC REPLACEM	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	108,000
6 SPACE CONDITIONING	8,333	8,333	8,334	8,333	8,333	8,334	8,333	8,333	8,334	75,000
7 COMMON COSTS	241,851	240,000	240,000	240,000	240,000	240,000	241,851	240,000	240,000	2,163,701
8 N/A	0	0	0	0	0	0	0	0	0	0
9 N/A	0	0	0	0	0	0	0	0	0	0
10 N/A	0	0	0	0	0	0	0	0	0	0
11 N/A	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	763,850	761,999	762,001	762,000	762,000	762,001	763,851	762,000	762,001	6,861,702

SCHEDULE C - 2
PAGE 2 OF 2

COMPANY: Peoples Gas System

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
April 1999 Through December 1999

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	3,750,001	0	0	0	3,750,001
2 WATER HEATER REPLACEMEN	0	0	0	0	180,000	0	0	0	180,000
3 OIL REPLACEMENT	0	0	0	0	45,000	0	0	0	45,000
4 RES. ELECTRIC REPLACEMEN	0	0	0	0	540,000	0	0	0	540,000
5 COMM. ELECTRIC REPLACEM	0	0	0	0	108,000	0	0	0	108,000
6 SPACE CONDITIONING	0	0	0	0	75,000	0	0	0	75,000
7 COMMON COSTS	0	434,546	9,000	1,350,000	0	187,500	13,500	169,155	2,163,701
8 N/A	0	0	0	0	0	0	0	0	0
9 N/A	0	0	0	0	0	0	0	0	0
10 N/A	0	0	0	0	0	0	0	0	0
11 N/A	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	434,546	9,000	1,350,000	4,698,001	187,500	13,500	169,155	6,861,702

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

April 1998 Through March 1999

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	1,214,579	0	0	0	1,214,579
B. ESTIMATED	0	0	0	0	2,751,046	0	0	0	2,751,046
	0	0	0	0	3,965,625	0	0	0	3,965,625
2 WATER HEATER REPLACEMENT									
A. ACTUAL	0	0	0	0	44,575	0	0	0	44,575
B. ESTIMATED	0	0	0	0	190,664	0	0	0	190,664
	0	0	0	0	235,239	0	0	0	235,239
3 OIL REPLACEMENT									
A. ACTUAL	0	0	0	0	8,800	0	0	0	8,800
B. ESTIMATED	0	0	0	0	37,573	0	0	0	37,573
	0	0	0	0	46,373	0	0	0	46,373
4 RES. ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	151,565	0	0	0	151,565
B. ESTIMATED	0	0	0	0	751,912	0	0	0	751,912
	0	0	0	0	903,477	0	0	0	903,477
5 COMM. ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	38,525	0	0	0	38,525
B. ESTIMATED	0	0	0	0	85,436	0	0	0	85,436
	0	0	0	0	123,961	0	0	0	123,961
6 SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	17,290	0	0	0	17,290
B. ESTIMATED	0	0	0	0	94,796	0	0	0	94,796
	0	0	0	0	112,086	0	0	0	112,086
SUB-TOTAL	0	0	0	0	5,386,761	0	0	0	5,386,761

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
April 1998 Through March 1999

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	5,386,761	0	0	0	5,386,761
7. COMMON COSTS									
A. ACTUAL	0	81,302	3,034	360	0	13,765	0	39,429	137,890
B. ESTIMATED	0	227,985	6,800	366,668	0	146,500	0		832,995
	0	309,287	9,834	367,028	0	160,265	0	124,471	970,885
(INSERT NAME)									
8. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
9. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
10. 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
(INSERT NAME)									
11. 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
TOTAL	0	309,287	9,834	367,028	5,386,761	160,265	0	124,471	6,357,646

SCHEDULE C-3
PAGE 3 OF 5

COMPANY: Peoples Gas System

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
April 1998 Through March 1999

PROGRAM NAME	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
HOME BUILDER PROGRA	215,978	188,008	187,420	406,003	217,170	375,263	375,263	375,263	375,258	416,666	416,666	416,667	3,965,625
WATER HEATER REPLAC	15,300	13,800	6,900	5,675	2,900	32,667	32,667	32,667	32,663	20,000	20,000	20,000	235,239
OIL REPLACEMENT	2,310	1,650	2,200	660	1,980	5,644	5,644	5,644	5,641	5,000	5,000	5,000	46,373
RES. ELECTRIC REPLACE	36,485	25,585	46,140	28,783	14,572	142,979	142,979	142,979	142,975	60,000	60,000	60,000	903,477
COMM. ELECTRIC REPLA	3,000	6,745	5,742	9,181	13,857	12,358	12,358	12,358	12,362	12,000	12,000	12,000	123,961
SPACE CONDITIONING	0	490	900	15,000	900	17,448	17,448	17,448	17,452	8,333	8,333	8,334	112,086
COMMON COSTS	22,678	23,495	23,263	37,640	30,814	93,742	93,742	93,742	93,742	152,676	152,676	152,676	970,885
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	295,751	259,773	272,565	502,942	282,193	680,101	680,101	680,101	680,093	674,675	674,675	674,677	6,357,646

ENERGY CONSERVATION ADJUSTMENT
April 1998 Through March 1999

	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b. CONSERV. ADJ. REV.	(577,017)	(458,281)	(405,300)	(371,031)	(358,013)	(351,678)	(360,525)	(485,248)	(590,537)	(804,000)	(762,557)	(645,901)	(6,170,088)
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(577,017)	(458,281)	(405,300)	(371,031)	(358,013)	(351,678)	(360,525)	(485,248)	(590,537)	(804,000)	(762,557)	(645,901)	(6,170,088)
TOTAL REVENUES	(577,017)	(458,281)	(405,300)	(371,031)	(358,013)	(351,678)	(360,525)	(485,248)	(590,537)	(804,000)	(762,557)	(645,901)	(6,170,088)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	(127,290)	(127,290)	(127,290)	(127,290)	(127,290)	(127,290)	(127,290)	(127,290)	(127,290)	(127,290)	(127,290)	(127,290)	(1,527,481)
CONSERVATION REVS. APPLIC. TO PERIOD	(704,307)	(585,571)	(532,590)	(498,321)	(485,303)	(478,968)	(487,815)	(612,538)	(717,827)	(931,290)	(889,847)	(773,191)	(7,697,569)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	295,751	259,773	272,565	502,942	282,193	680,101	680,101	680,101	680,093	674,675	674,675	674,677	6,357,646
TRUE-UP THIS PERIOD	(408,556)	(325,798)	(260,025)	4,621	(203,110)	201,133	192,286	67,563	(37,734)	(256,616)	(215,173)	(98,515)	(1,339,924)
INTEREST THIS PERIOD (C-3,PAGE 5)	(77)	(88)	(96)	(93)	(89)	(83)	(68)	(57)	(51)	(52)	(56)	(58)	(867)
TRUE-UP & INT. BEG. OF MONTH	(1,527,481)	(1,808,824)	(2,007,420)	(2,140,251)	(2,008,433)	(2,084,342)	(1,756,002)	(1,436,494)	(1,241,698)	(1,152,192)	(1,281,570)	(1,369,508)	
PRIOR TRUE-UP COLLECT./(REFUND.)	127,290	127,290	127,290	127,290	127,290	127,290	127,290	127,290	127,290	127,290	127,290	127,290	
END OF PERIOD TOTAL NET TRUE-UP	(1,808,824)	(2,007,420)	(2,140,251)	(2,008,433)	(2,084,342)	(1,756,002)	(1,436,494)	(1,241,698)	(1,152,192)	(1,281,570)	(1,369,508)	(1,340,791)	(1,340,791)

SCHEDULE C-3
PAGE 5 OF 5

COMPANY: Peoples Gas System

CALCULATION OF TRUE-UP AND INTEREST PROVISION
April 1998 Through March 1999

	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	(1,527,481)	(1,808,824)	(2,007,420)	(2,140,251)	(2,008,433)	(2,084,342)	(1,756,002)	(1,436,494)	(1,241,698)	(1,152,192)	(1,281,570)	(1,369,508)	(1,369,508)
END. T-UP BEFORE INT.	(1,808,747)	(2,007,332)	(2,140,155)	(2,008,340)	(2,084,253)	(1,755,919)	(1,436,426)	(1,241,641)	(1,152,142)	(1,281,518)	(1,369,452)	(1,340,733)	(1,339,924)
TOT. BEG. & END. T-UP	(3,336,228)	(3,816,155)	(4,147,575)	(4,148,592)	(4,092,687)	(3,840,261)	(3,192,428)	(2,678,134)	(2,393,839)	(2,433,710)	(2,651,022)	(2,710,241)	(2,709,432)
AVERAGE TRUE-UP	(1,668,114)	(1,908,078)	(2,073,787)	(2,074,296)	(2,046,343)	(1,920,131)	(1,596,214)	(1,339,067)	(1,196,920)	(1,216,855)	(1,325,511)	(1,355,121)	(1,354,716)
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.0553	0.0550	0.0560	0.0556	0.0520	0.0522	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.0550	0.0560	0.0556	0.0520	0.0522	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	
TOTAL	0.1103	0.1110	0.1116	0.1076	0.1042	0.1032	0.1020	0.1020	0.1020	0.1020	0.1020	0.1020	
AVG INTEREST RATE	0.0552	0.0555	0.0558	0.0538	0.0521	0.0516	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	
MONTHLY AVG. RATE	0.0046	0.0046	0.0047	0.0045	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	
INTEREST PROVISION	(\$77)	(\$88)	(\$96)	(\$93)	(\$89)	(\$83)	(\$68)	(\$57)	(\$51)	(\$52)	(\$56)	(\$58)	(\$867)

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name: Home Builder Program

Description:

This Program is designed to increase the number of high priority natural gas customers in the new residential construction market. The Company offers incentives in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the gas appliance installation.

Program Goals:

Projected new home connections for this period:	7,019
Actual connections to date this period:	1,813
Percent of goal for the two (2) months:	25.8%

Program Fiscal Expenditures:

Estimated for period:	\$3,965,625
Actual to date:	\$1,214,579

Peoples Gas System

Reporting:
APRIL 1998 THROUGH MARCH 1999

Name: Residential Conservation Service Program

Description: This Program is designed to assist our residential customers in conserving all forms of energy consumption. Peoples' has had contractual arrangements with private contractors to perform Class "A", Walk-Through and Mini-Walk Through audits

Program Go Audit requests anticipated this period: 0

Program Fiscal Expenditures:	Estimated for period:	\$0
	Actual to date:	\$0

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name: Water Heater Load Retention Program

Description: This Program is designed to discourage current natural gas customers from changing to electricity. The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Go	Projected connections for this period:	2,352
	Actual connections to date this period:	446
	Percent of goal for the two (2) months:	18.9%
Program Fiscal Expenditures:	Estimated for period:	\$235,239
	Actual to date:	\$44,575

Peoples Gas System

Reporting:
APRIL 1998 THROUGH MARCH 1999

Name: Replacement of Oil Heating Program

Description: This Program is designed to encourage customers to convert their existing Oil Heating system to more energy efficient natural gas heating. Peoples' offers piping and venting allowances to defray the higher cost of installation of natural gas systems in hopes of preventing the customer from putting in less costly electric resistance strip heat.

Program Go	Projected new connections for this period:	141
	Actual connections to date this period:	27
	Percent of goal for the two (2) months:	19.0%
Program Fiscal Expenditures:	Estimated for period:	\$46,373
	Actual to date:	\$8,800

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name:

Commercial Electric Replacement Program

Description: This Program is designed to encourage the replacement of electric resistance equipment in commercial establishments by offering piping and venting allowances to defray the additional cost of installing more energy efficient equipment.

Program Goals:	Projected KWD displaced this period:	3,099
	Actual KWD displaced this period:	963
	Percent of goal for the two (2) months:	31.1%
Program Fiscal Expenditures:	Estimated for period:	\$123,961
	Actual to date:	\$38,525

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name:

Residential Electric Replacement Program

Description: This program was designed to encourage the replacement of electric resistance appliances by offering piping and venting allowances to defray the additional cost of installing more energy efficient natural gas appliances.

Program Goals:	Projected new connections for this period:	3,750
	Actual connections to date this period:	505
	Percent of goal for the two (2) months:	13.5%
Program Fiscal Expenditures:	Estimated for period:	\$903,477
	Actual to date:	\$151,565

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name:

Energy Conservation Common Costs

Program Fiscal Expenditures:

Estimated for period:	\$970,885
Actual to date:	\$137,890
Percent of budget for two (2) months:	14.2%

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name:

Gas Space Conditioning Program

Description: This Program is designed to convert on-main customers from electric space conditioning equipment to energy efficient gas space conditioning. The program offers piping and venting allowances to reduce the generally higher cost of installing gas space conditioning equipment. This program would also reduce summer as well as winter peak demand and contribute to the conservation of KWH / KWD consumption.

Program Goals:	Projected connections this period: (tons)	747
	Actual connections this period: (tons)	115
	Percent of goal for the two (2) months:	15.4%
Program Fiscal Expenditures:	Estimated for period:	\$112,086
	Actual to date:	\$17,290

SCHEDUL C-1
 PAGE 1 OF 1

COMPANY: Peoples Gas System
 West Florida Region

ENERGY CONSERVATION ADJUSTMENT
 SUMMARY OF COST RECOVERY CLAUSE CALCULATION
 MONTHS: April 1999 Through December 1999

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	924,373
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	(485,621)
3. TOTAL (LINE 1 AND LINE 2)	438,751

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL	253,512	5,430,198	1,774,584	1,914,145	3,688,729	266,190	7.21631%	0.04902	1.00503	0.04927
COMMERCIAL	20,869	7,779,624	208,690	1,274,147	1,482,837	107,006	7.21631%	0.01375	1.00503	0.01382
COMM. LGE VOL I	317	3,094,718	15,850	428,309	444,159	32,052	7.21631%	0.01036	1.00503	0.01041
INDUSTRIAL	9	520,000	450	71,968	72,418	5,226	7.21631%	0.01005	1.00503	0.01010
FIRM TRANSPORTATION	90	3,524,000	9,000	171,865	180,865	13,052	7.21631%	0.00370	1.00503	0.00372
SPECIAL CONTRACT	9	6,511,000	210,987	0	210,987	15,225	7.21631%	0.00234	1.00503	0.00235
TOTAL	274,806	26,859,540	2,219,561	3,860,434	6,079,995	438,751				

FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET NO. 990002-EG EXHIBIT NO. 1
 COMPANY: Peoples Gas System
 WITNESS: Krutinger
 DATE: 9-10-99

SCHEDULE C-2
PAGE 1 OF 2

COMPANY: Peoples Gas System

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
April 1999 Through December 1999

PROGRAM	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 1999	TOTAL
1 HOME BUILDER PROGRAM	28,250	28,250	28,250	28,250	28,250	28,250	28,250	28,250	28,250	254,250
2 ENERGY SAVINGS PAYBACK	2,084	2,084	2,084	2,084	2,084	2,084	2,084	2,080	2,080	18,748
3 WATER HEATER RETENTION	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	29,250
4 RES. ELECTRIC REPLACEMEN	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	101,250
5 COMM. ELECTRIC REPLACEM	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,663	41,999
6 SPACE CONDITIONING	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	22,500
7 COMMON COSTS	50,708	50,708	50,708	50,708	50,708	50,708	50,708	50,708	50,708	456,376
8 N/A	0	0	0	0	0	0	0	0	0	0
9 N/A	0	0	0	0	0	0	0	0	0	0
10 N/A	0	0	0	0	0	0	0	0	0	0
11 N/A	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	102,709	102,705	102,701	924,373						

SCHEDULE C - 2
PAGE 2 OF 2

COMPANY: Peoples Gas System

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
April 1999 Through December 1999

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	254,250	0	0	0	254,250
2 ENERGY SAVINGS PAYBACK	0	0	0	0	18,748	0	0	0	18,748
3 WATER HEATER RETENTION	0	0	0	0	29,250	0	0	0	29,250
4 RES. ELECTRIC REPLACEMEN	0	0	0	0	101,250	0	0	0	101,250
5 COMM. ELECTRIC REPLACEM	0	0	0	0	41,999	0	0	0	41,999
6 SPACE CONDITIONING	0	0	0	0	22,500	0	0	0	22,500
7 COMMON COSTS	0	71,252	0	352,499	0	32,625	0	0	456,376
8 N/A	0	0	0	0	0	0	0	0	0
9 N/A	0	0	0	0	0	0	0	0	0
10 N/A	0	0	0	0	0	0	0	0	0
11 N/A	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	71,252	0	352,499	467,997	32,625	0	0	924,373

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
April 1998 Through March 1999

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	76,150	0	0	0	76,150
B. ESTIMATED	0	0	0	0	113,200	0	0	0	113,200
	0	0	0	0	189,350	0	0	0	189,350
2 ENERGY SAVINGS PAYBACK									
A. ACTUAL	0	0	0	0	7,950	0	0	0	7,950
B. ESTIMATED	0	0	0	0	14,102	0	0	0	14,102
	0	0	0	0	22,052	0	0	0	22,052
3 WATER HEATER RETENTION									
A. ACTUAL	0	0	0	0	13,500	0	0	0	13,500
B. ESTIMATED	0	0	0	0	19,450	0	0	0	19,450
	0	0	0	0	32,950	0	0	0	32,950
4 RES. ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	25,300	0	0	0	25,300
B. ESTIMATED	0	0	0	0	53,200	0	0	0	53,200
	0	0	0	0	78,500	0	0	0	78,500
5 COMM. ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	6,776	0	0	0	6,776
B. ESTIMATED	0	0	0	0	17,721	0	0	0	17,721
	0	0	0	0	24,497	0	0	0	24,497
6 SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	7,500	0	0	0	7,500
	0	0	0	0	7,500	0	0	0	7,500
SUB-TOTAL	0	0	0	0	354,848	0	0	0	354,848

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
April 1998 Through March 1999

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	354,848	0	0	0	354,848
7. COMMON COSTS									
A. ACTUAL	0	19,795	417	36,672	0	0	0	3,860	60,744
B. ESTIMATED	0	34,495	0	103,419	0	10,875	0		151,369
	0	54,290	417	140,091	0	10,875	0	6,440	212,113
(INSERT NAME)									
8. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
9. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
10. 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
(INSERT NAME)									
11. 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
TOTAL	0	54,290	417	140,091	354,848	10,875	0	6,440	566,961

SCHEDULE C-3
PAGE 3 OF 5

COMPANY: Peoples Gas System

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
April 1998 Through March 1999

PROGRAM NAME	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
HOME BUILDER PROGRA	26,450	6,900	10,900	20,500	11,400	16,350	7,500	2,300	2,300	28,250	28,250	28,250	189,350
ENERGY SAVINGS PAYBA	950	2,250	1,350	1,900	1,500	2,900	1,150	1,900	1,900	2,084	2,084	2,084	22,052
WATER HEATER RETENTI	1,950	3,800	2,050	1,250	4,450	2,700	2,000	2,500	2,500	3,250	3,250	3,250	32,950
RES. ELECTRIC REPLACE	5,600	5,150	4,450	5,050	5,050	3,700	3,150	6,300	6,300	11,250	11,250	11,250	78,500
COMM. ELECTRIC REPLA	0	2,130	4,321	0	325	270	450	1,500	1,500	4,667	4,667	4,667	24,497
SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	2,500	2,500	2,500	7,500
COMMON COSTS	15,493	8,021	16,432	17,448	3,351	33,253	13,881	13,556	13,556	25,708	25,708	25,707	212,113
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	50,443	28,251	39,502	46,148	26,076	59,173	28,131	28,056	28,056	77,709	77,709	77,708	566,961

ENERGY CONSERVATION ADJUSTMENT
April 1998 Through March 1999

	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b. CONSERV. ADJ. REV.	(59,617)	(43,269)	(36,165)	(32,314)	(33,229)	(28,379)	(38,307)	(50,992)	(77,754)	(117,859)	(99,395)	(77,846)	(695,126)
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(59,617)	(43,269)	(36,165)	(32,314)	(33,229)	(28,379)	(38,307)	(50,992)	(77,754)	(117,859)	(99,395)	(77,846)	(695,126)
TOTAL REVENUES	(59,617)	(43,269)	(36,165)	(32,314)	(33,229)	(28,379)	(38,307)	(50,992)	(77,754)	(117,859)	(99,395)	(77,846)	(695,126)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	(29,771)	(29,771)	(29,771)	(29,771)	(29,771)	(29,771)	(29,771)	(29,771)	(29,771)	(29,771)	(29,771)	(29,771)	(357,250)
CONSERVATION REVS. APPLIC. TO PERIOD	(89,388)	(73,040)	(65,936)	(62,085)	(63,000)	(58,150)	(68,078)	(80,763)	(107,525)	(147,630)	(129,166)	(107,617)	(1,052,376)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	50,443	28,251	39,502	46,148	26,076	59,173	28,131	28,056	28,056	77,709	77,709	77,708	566,961
TRUE-UP THIS PERIOD	(38,945)	(44,789)	(26,434)	(15,937)	(36,924)	1,023	(39,947)	(52,707)	(79,469)	(69,921)	(51,457)	(29,909)	(485,415)
INTEREST THIS PERIOD (C-3,PAGE 5)	(17)	(17)	(18)	(17)	(16)	(15)	(15)	(15)	(17)	(19)	(20)	(21)	(206)
TRUE-UP & INT. BEG. OF MONTH	(357,250)	(366,441)	(381,476)	(378,157)	(364,340)	(371,509)	(340,730)	(350,921)	(373,873)	(423,588)	(463,757)	(485,463)	
PRIOR TRUE-UP COLLECT./(REFUND.)	29,771	29,771	29,771	29,771	29,771	29,771	29,771	29,771	29,771	29,771	29,771	29,771	
END OF PERIOD TOTAL NET TRUE-UP	(366,441)	(381,476)	(378,157)	(364,340)	(371,509)	(340,730)	(350,921)	(373,873)	(423,588)	(463,757)	(485,463)	(485,621)	(485,621)

SCHEDULE C-3
PAGE 5 OF 5

COMPANY: Peoples Gas System

CALCULATION OF TRUE-UP AND INTEREST PROVISION
April 1998 Through March 1999

	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	(357,250)	(366,441)	(381,476)	(378,157)	(364,340)	(371,509)	(340,730)	(350,921)	(373,873)	(423,588)	(463,757)	(485,463)	(485,463)
END. T-UP BEFORE INT.	(366,424)	(381,459)	(378,139)	(364,323)	(371,493)	(340,715)	(350,907)	(373,857)	(423,571)	(463,738)	(485,443)	(485,601)	(485,415)
TOT. BEG. & END. T-UP	(723,674)	(747,900)	(759,616)	(742,480)	(735,832)	(712,223)	(691,637)	(724,779)	(797,444)	(887,325)	(949,199)	(971,063)	(970,878)
AVERAGE TRUE-UP	(361,837)	(373,950)	(379,808)	(371,240)	(367,916)	(356,112)	(345,818)	(362,389)	(398,722)	(443,663)	(474,600)	(485,532)	(485,439)
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.0553	0.0550	0.0560	0.0556	0.0520	0.0522	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.0550	0.0560	0.0556	0.0520	0.0522	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	
TOTAL	0.1103	0.1110	0.1116	0.1076	0.1042	0.1032	0.1020	0.1020	0.1020	0.1020	0.1020	0.1020	
AVG INTEREST RATE	0.0552	0.0555	0.0558	0.0538	0.0521	0.0516	0.0510	0.0510	0.0510	0.0510	0.0510	0.0510	
MONTHLY AVG. RATE	0.0046	0.0046	0.0047	0.0045	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	
INTEREST PROVISION	(\$17)	(\$17)	(\$18)	(\$17)	(\$16)	(\$15)	(\$15)	(\$15)	(\$17)	(\$19)	(\$20)	(\$21)	(\$206)

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name: Home Builder Program

Description:

This Program is designed to increase the number of high priority natural gas customers in the new residential construction market. The Company offers incentives in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the gas appliance installation.

Program Goals:

Projected new home connections for this period:	344
Actual connections to date this period:	114
Percent of goal for the two (2) months:	33.0%

Program Fiscal Expenditures:	Estimated for period:	\$189,350
	Actual to date:	\$76,150

Peoples Gas System

Reporting:
APRIL 1998 THROUGH MARCH 1999

Name: ENERGY SAVINGS PAYBACK (ESP) PROGRAM

Description: This program has been designed to promote replacement of standard gas appliances with energy efficient natural gas appliances.

Installation Allowances:

Water Heater	\$50.00
Central Heater	\$50.00
Range	\$50.00
Dryer	\$50.00

Program Goals:

Projected Installations for the period: 33

Program Fiscal Expenditures:	Estimated for period:	\$22,052
	Actual to date:	\$7,950

Peoples Gas System

Reporting:
APRIL 1998 THROUGH MARCH 1999

Name: Water Heater Load Retention Program

Description: This Program is designed to discourage current natural gas customers from changing to electricity. The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Go	Projected connections for this period:	330
	Actual connections to date this period:	135
	Percent of goal for the two (2) months:	41.0%
Program Fiscal Expenditures:	Estimated for period:	\$32,950
	Actual to date:	\$13,500

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name:

Commercial Electric Replacement Program

Description: This Program is designed to encourage the replacement of electric resistance equipment in commercial establishments by offering piping and venting allowances to defray the additional cost of installing more energy efficient equipment.

Program Goals:	Projected KWD displaced this period:	612
	Actual KWD displaced this period:	169
	Percent of goal for the two (2) months:	27.7%
Program Fiscal Expenditures:	Estimated for period:	\$24,497
	Actual to date:	\$6,776

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name: Residential Electric & Oil Replacement Program

Description: This program was designed to encourage the replacement of electric resistance appliances by offering piping and venting allowances to defray the additional cost of installing more energy efficient natural gas appliances.

Natural Gas Water Heat	\$250
Natural Gas Furnace	\$500
Natural Gas Range	\$150
Natural Gas Dryer	\$150
Natural Gas Space Heat	\$150

Program Goals:	Projected new connections for this period:	326
	Actual connections to date this period:	84
	Percent of goal for the two (2) months:	25.9%

Program Fiscal Expenditures:	Estimated for period:	\$78,500
	Actual to date:	\$25,300

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name:

Energy Conservation Common Costs

Program Fiscal Expenditures:

Estimated for period: **\$212,113**

Actual to date: **\$60,744**

Percent of budget for two (2) months: **28.6%**

Peoples Gas System

Reporting:

APRIL 1998 THROUGH MARCH 1999

Name:

Gas Space Conditioning Program

Description: This Program is designed to convert on-main customers from electric space conditioning equipment to energy efficient gas space conditioning. The program offers piping and venting allowances to reduce the generally higher cost of installing gas space conditioning equipment. This program would also reduce summer as well as winter peak demand and contribute to the conservation of KWH / KWD consumption.

Program Goals:	Projected connections this period: (tons)	50
	Actual connections this period: (tons)	0
	Percent of goal for the two (2) months:	0.0%
Program Fiscal Expenditures:	Estimated for period:	\$7,500
	Actual to date:	\$0

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: APRIL 99 THROUGH DECEMBER 99

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	22,150
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	(20,693)
3. TOTAL (LINE 1 AND LINE 2)	1,457

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL	18,536	808,023	74,142	75,631	149,773	1,173	0.78340%	0.00145	1.02960	0.00150
COMMERCIAL	1,154	70,738	8,459	8,156	16,615	130	0.78340%	0.00184	1.02960	0.00189
COMM. LGE VOL	288	194,943	7,200	12,379	19,579	153	0.78340%	0.00079	1.02960	0.00081
COMM. LGE VOL II	0	0	0	0	0	0	0.78340%	ERR	1.02960	ERR
STREET LIGHTING	0	0	0	0	0	0	0.78340%	ERR	1.02960	ERR
OTHER										
TOTAL	19,978	1,073,704	89,801	96,166	185,967	1,456.86				

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 990002-EG EXHIBIT NO 8

COMPANY/

WITNESS: Stt/SJNG

DATE: 2/10/99

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
APRIL 99 THROUGH DECEMBER 99

PROGRAM	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 1999	TOTAL
1 HOME BUILDER PROGRAM	2,100	1,100	2,700	425	425	1,275	1,025	175	1,000	10,225
2 WATER HEATER REPLACE	1,350	1,125	675	225	1,350	675	2,475	450	2,250	10,575
3 HOME HEATING REPLACE	0	450	0	450	0	0	450	0	0	1,350
4 CONSERVATION EDUC	0	0	0	0	0	0	0	0	0	0
5 COMMON COSTS	0	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	3,450	2,675	3,375	1,100	1,775	1,950	3,950	625	3,250	22,150

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
APRIL 99 THROUGH DECEMBER 99

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	10,225	0	0	0	10,225
2 WATER HEATER REPLACE	0	0	0	0	10,575	0	0	0	10,575
3 HOME HEATING REPLACE	0	0	0	0	1,350	0	0	0	1,350
4 CONSERVATION EDUC	0	0	0	0	0	0	0	0	0
5 COMMON COSTS	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)	0	0	0	0	0	0	0	0	0
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	0	0	0	22,150	0	0	0	22,150

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 APRIL 98 THROUGH MARCH 99

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROG									
A. ACTUAL	0	0	0	0	4,175	0	0	0	4,175
B. ESTIMATED	0	0	0	0	1,700	0	0	0	1,700
MULIT-FAMILY HM BUILDER	0	0	0	0	5,875	0	0	0	5,875
2 WATER HEATER REPLACE									
A. ACTUAL	0	0	0	0	7,650	0	0	0	7,650
B. ESTIMATED	0	0	0	0	4,000	0	0	0	4,000
ELECTRIC REPLACEMENT	0	0	0	0	11,650	0	0	0	11,650
3 HOME HEATING REPLACE									
A. ACTUAL	0	0	0	0	450	0	0	0	450
B. ESTIMATED	0	0	0	0	1,000	0	0	0	1,000
DEALER PROGRAM	0	0	0	0	1,450	0	0	0	1,450
4 CONSERVATION EDUC									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
SCHOOLS PROGRAM	0	0	0	0	0	0	0	0	0
5 COMMON COSTS									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
COMMON COSTS	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)									
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
SUB-TOTAL	0	0	0	0	18,975	0	0	0	18,975

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
APRIL 98 THROUGH MARCH 99

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	18,975	0	0	0	18,975
7. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
8. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
9. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
10. 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
(INSERT NAME)									
11. 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
TOTAL	0	0	0	0	18,975	0	0	0	18,975

CONSERVATION PROGRAM COSTS BY PROGRAM
 ACTUAL/ESTIMATED
 APRIL 98 THROUGH MARCH 99

PROGRAM NAME	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
HOME BUILDER PROG.	850	1,700	0	0	600	350	250	425	625	625	425	425	6,275
WATER HEAT REPLACE.	2,700	675	225	900	450	1,350	675	675	1,555	1,015	1,015	1,015	12,250
HOME HEAT REPLACE	0	0	0	0	0	450	0	0	0	0	0	0	450
CONS. EDUC	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMON COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	3,550	2,375	225	900	1,050	2,150	925	1,100	2,180	1,640	1,440	1,440	18,975

ENERGY CONSERVATION ADJUSTMENT
APRIL 98 THROUGH MARCH 99

	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(3,890)	(1,988)	(1,954)	(1,558)	(1,456)	(1,905)	(1,579)	(2,317)	(6,052)	(7,102)	(6,172)	(5,411)	(12,751)
TOTAL REVENUES	(3,890)	(1,988)	(1,954)	(1,558)	(1,456)	(1,905)	(1,579)	(2,317)	(6,052)	(7,102)	(6,172)	(5,411)	(12,751)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	318	318	318	106	106	106	106	106	106	106	106	106	1,909
CONSERVATION REVS. APPLIC. TO PERIOD	(3,572)	(1,670)	(1,636)	(1,452)	(1,350)	(1,799)	(1,472)	(2,211)	(5,946)	(6,996)	(6,066)	(5,305)	(39,475)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	3,550	2,375	225	900	1,050	2,150	925	1,100	2,180	1,640	1,440	1,440	18,975
TRUE-UP THIS PERIOD	(22)	705	(1,411)	(552)	(300)	351	(547)	(1,111)	(3,766)	(5,356)	(4,626)	(3,865)	(20,500)
INTEREST THIS PERIOD (C-3,PAGE 5)	8	8	5	(0)	(3)	(3)	(4)	(8)	(19)	(39)	(60)	(79)	(194)
TRUE-UP & INT. BEG. OF MONTH	1,909	1,577	1,973	249	(410)	(819)	(577)	(1,234)	(2,459)	(6,350)	(11,850)	(16,643)	
PRIOR TRUE-UP COLLECT./(REFUND.)	(318)	(318)	(318)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	(106)	
END OF PERIOD TOTAL NET TRUE-UP	1,577	1,973	249	(410)	(819)	(577)	(1,234)	(2,459)	(6,350)	(11,850)	(16,643)	(20,693)	(20,693)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
 APRIL 98 THROUGH MARCH 99

INTEREST PROVISION	APR 1998	MAY 1998	JUN 1998	JUL 1998	AUG 1998	SEP 1998	OCT 1998	NOV 1998	DEC 1998	JAN 1999	FEB 1999	MAR 1999	TOTAL
BEGINNING TRUE-UP	1,909	1,577	1,973	249	(410)	(819)	(577)	(1,234)	(2,459)	(6,350)	(11,850)	(16,643)	(16,643)
END. T-UP BEFORE INT.	1,569	1,965	244	(409)	(816)	(574)	(1,231)	(2,451)	(6,331)	(11,812)	(16,583)	(20,614)	(20,500)
TOT. BEG. & END. T-UP	3,478	3,542	2,217	(160)	(1,225)	(1,393)	(1,808)	(3,686)	(8,790)	(18,161)	(28,433)	(37,257)	(37,143)
AVERAGE TRUE-UP	1,739	1,771	1,108	(80)	(613)	(696)	(904)	(1,843)	(4,395)	(9,081)	(14,217)	(18,629)	(18,571)
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	5.55	5.53	5.50	5.60	5.56	5.52	5.22	5.10	5.10	5.10	5.10	5.10	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	5.53	5.50	5.60	5.56	5.52	5.22	5.10	5.10	5.10	5.10	5.10	5.10	
TOTAL	11.08	11.03	11.10	11.16	11.08	10.74	10.32	10.20	10.20	10.20	10.20	10.20	
AVG INTEREST RATE	5.54	5.52	5.55	5.58	5.54	5.37	5.16	5.10	5.10	5.10	5.10	5.10	
MONTHLY AVG. RATE	0.462	0.460	0.463	0.465	0.462	0.448	0.430	0.425	0.425	0.425	0.425	0.425	
INTEREST PROVISION	\$8	\$8	\$5	(\$0)	(\$3)	(\$3)	(\$4)	(\$8)	(\$19)	(\$39)	(\$60)	(\$79)	(\$194)

PROGRAM TITLE:

SINGLE & MULTI-FAMILY HOME BUILDER PROGRAM

PROGRAM DESCRIPTION:

This program is designed to increase the number of high priority firm natural gas customers in the new construction market. Incentives are offered in the form of cash allowances to assist builders in defraying the additional costs associated with natural gas appliance installations.

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS HEATING	\$250.00
GAS WATER HEATING	\$175.00
GAS AIR CONDITIONING	\$1,400.00
	<u>\$1,825.00</u>

PROGRAM PROJECTIONS FOR:

APRIL 1999 THROUGH DECEMBER 1999

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS AIR CONDITIONING</u>
OCT 98 - MAR 99 (6 MTHS)	13	6	
APRIL 99 - DECEMBER 99 (9 MTHS)	23	8	

PROGRAM FISCAL EXPENSES FOR:

APRIL 98 - DECEMBER 99

APRIL 98 - SEPTEMBER 98	ACTUAL EXPENSES	4,175.00
OCTOBER 98 - MARCH 99	ESTIMATED EXPENSES	1,700.00
APRIL 99 - DECEMBER 99	ESTIMATED EXPENSES	10,225.00

PROGRAM PROGRESS SUMMARY:

New construction is very limited in St Joe Natural Gas's service territory. By far the majority of new construction is by custom design where the owner specified to the builder the type of energy desired. There is almost no speculative new construction.

PROGRAM TITLE: ELECTRIC RESISTANCE APPLIANCE REPLACEMENT PROGRAM

PROGRAM DESCRIPTION: This program is designed to promote the replacement of electric resistance appliances with energy efficient natural gas heaters, water heaters and air conditioners. Incentives are offered in the form of cash allowances to assist in defraying the additional costs of purchasing and installing natural gas appliances.

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS HEATING	\$450.00
GAS WATER HEATING	\$225.00
GAS AIR CONDITIONING	\$1,500.00
	<u>\$2,175.00</u>

PROGRAM PROJECTIONS FOR: APRIL 1999 THROUGH DECEMBER 1999

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS AIR CONDITIONING</u>
OCT 98 - MAR 99 (6 MTHS)	15	4	
APRIL 99 - DECEMBER 99 (9 MTHS)	20	5	

PROGRAM FISCAL EXPENSES FOR: APRIL 98 - DECEMBER 99

APRIL 98 - SEPTEMBER 98	ACTUAL EXPENSES	8,100.00
OCTOBER 98 - MARCH 99	ESTIMATED EXPENSES	5,000.00
APRIL 99 - DECEMBER 99	ESTIMATED EXPENSES	11,925.00

PROGRAM PROGRESS SUMMARY: Replacement of electric appliances with natural gas appliances continues to be well received by ratepayers in St Joe Natural Gas Company's service territory.

Exhibit No. _____
Docket No. 980002-EG
Florida Public Utilities Company
(MAP-2)

**True-up Calculations
October 1997 - March 1998**

Schedule CT-1	True-up Calculations
Schedule CT-2	Analysis of Energy Conservation Program Costs
Schedule CT-3	Energy Conservation Adjustment Calculation of True-up and Interest Provision
Schedule CT-4	Schedule of Capital Investment, Depreciation & Return
Schedule CT-5	Reconciliation and Explanation of Differences Between Filing and PSC Audit Report
Schedule CT-6	Program Summaries

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 990002-EG EXHIBIT NO. 9
COMPANY/ Pracok
WITNESS: _____
DATE: 2-10-99

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-1
PAGE 1 OF 1

CONSERVATION ADJUSTMENT TRUE-UP

FOR MONTHS October-97 THROUGH March-98

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS October-97 THROUGH March-98		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>(110,126)</u>	
5.	INTEREST	<u>(2,380)</u>	<u>(112,506)</u>
6.	LESS PROJECTED TRUE-UP		
7.	February-98 (DATE) HEARINGS		
8.	PRINCIPAL	<u>(83,131)</u>	
9.	INTEREST	<u>(2,154)</u>	<u>(85,285)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>(27,221)</u></u>

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 1 OF 38

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

FOR MONTHS October-97 THROUGH March-98

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
1. LABOR/PAYROLL	22,626	30,101	(7,475)
2. ADVERTISING	10,567	9,967	600
3. LEGAL	1,490	2,005	(515)
4. OUTSIDE SERVICES/CONTRACT	3,204	15,617	(12,413)
5. VEHICLE COST	4,005	5,440	(1,435)
6. MATERIAL & SUPPLIES	5,015	3,859	1,156
7. TRAVEL	1,999	2,760	(761)
8. GENERAL & ADMIN	2,079	2,218	(139)
9. INCENTIVES	71	0	71
10. OTHER	649	6,900	(6,251)
11. SUB-TOTAL	<u>51,705</u>	<u>78,867</u>	<u>(27,162)</u>
12. PROGRAM REVENUES			
13. TOTAL PROGRAM COSTS	<u>51,705</u>	<u>78,867</u>	<u>(27,162)</u>
14. LESS: PRIOR PERIOD TRUE-UP	56,065	56,065	0
15. AMOUNTS INCLUDED IN RATE BASE			
16. CONSERVATION ADJ REVENUE	105,766	105,933	(167)
17. ROUNDING ADJUSTMENT			
18. TRUE-UP BEFORE INTEREST	<u>(110,126)</u>	<u>(83,131)</u>	<u>(26,995)</u>
19. ADD INTEREST PROVISION	(2,380)	(2,154)	(226)
20. END OF PERIOD TRUE-UP	<u>(112,506)</u>	<u>(85,285)</u>	<u>(27,221)</u>

() REFLECTS OVERRECOVERY
* 2 MONTHS ACTUAL AND 4 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS October-97 THROUGH March-98

PROGRAM NAME	LABOR	ADVERTISING	LEGAL	OUTSIDE	VEHICLE	MATERIALS	TRAVEL	GENERAL	INCENTIVES	OTHER	SUB	PROGRAM	TOTAL
	&					&		SUPPLIES					
	PAYROLL			SERVICES	COST								
1. In Concert with the Environment	1,238	0	0	3,055	0	0	10	0	71	0	4,374		4,374
2. Direct Leakage Repair	1,446	1,399	0	0	0	409	0	0	0	0	3,254		3,254
3. Residential Geothermal Heat Pump	1,191	0	0	0	0	0	0	0	0	0	1,191		1,191
4. Residential Energy Audits	2,289	3,046	0	0	0	0	118	0	0	0	5,453		5,453
5. Low Income Customer Energy Audits	1,071	0	0	0	0	0	0	0	0	0	1,071		1,071
6. FPU Express	1,471	2,727	0	0	0	0	78	0	0	0	4,276		4,276
7. Enhanced Good Cents Home	1,483	2,462	0	78	0	2,469	(353)	51	0	0	6,190		6,190
8. Commercial/Industrial Good Cents Building	915	607	0	0	0	1,437	0	0	0	0	2,959		2,959
9. Commercial/Industrial Energy Audits & Tech. Ass	957	45	0	71	0	0	1,992	21	0	0	3,086		3,086
10. Common	10,565	281	1,490	0	4,005	700	154	2,007	0	649	19,851		19,851
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
TOTAL ALL PROGRAMS	22,626	10,567	1,490	3,204	4,005	5,015	1,999	2,079	71	649	51,705	0	51,705

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-2
PAGE 3 OF 3

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

FOR MONTHS October-97 THROUGH March-98

PROGRAM NAME	LABOR &		LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS &		GENERAL &			SUB TOTAL	PROGRAM REVENUES	TOTAL
	PAYROLL	ADVERTISING				SUPPLIES	TRAVEL	ADMIN.	INCENTIVES	OTHER			
1. In Concert with the Environment	352	0	0	(5,740)	(300)	0	1	0	71	0	(5,616)	0	(5,616)
2. Direct Leakage Repair	262	333	0	(1,300)	(300)	109	0	0	0	(400)	(1,296)	0	(1,296)
3. Residential Geothermal Heat Pump	107	(300)	0	(1,100)	(300)	(300)	(300)	(200)	0	(700)	(3,093)	0	(3,093)
4. Residential Energy Audits	(841)	(25)	0	0	(300)	(300)	(300)	(200)	0	(700)	(2,666)	0	(2,666)
5. Low Income Customer Energy Audits	(145)	(700)	0	(300)	(300)	(300)	0	(200)	0	(1,100)	(3,045)	0	(3,045)
6. FPU Express	(513)	1,327	0	(700)	(300)	(300)	0	(200)	0	(1,100)	(1,786)	0	(1,786)
7. Enhanced Good Cents Home	(1,555)	134	0	(1,000)	(300)	1,169	(700)	(166)	0	(1,100)	(3,518)	0	(3,518)
8. Commercial/Industrial Good Cents Building	(57)	5	0	(700)	(300)	1,137	(700)	(200)	0	(700)	(1,515)	0	(1,515)
9. Commercial/Industrial Energy Audits & Tech. As	31	(455)	0	(1,573)	(300)	(300)	1,084	(179)	0	(1,100)	(2,792)	0	(2,792)
10. Common	(5,116)	281	(515)	0	1,265	241	154	1,206	0	649	(1,835)	0	(1,835)
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
TOTAL ALL PROGRAMS	(7,475)	600	(515)	(12,413)	(1,435)	1,166	(761)	(139)	71	(6,251)	(27,162)	0	(27,162)

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 4 OF 38

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

FOR MONTHS October-97 THROUGH March-98

A. CONSERVATION EXPENSE BY PROGRAM		OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
1.	In Concert with the Environment	1,761	629	926	439	243	376	0	0	0	0	0	0	4,374
2.	Direct Leakage Repair	993	256	872	81	305	747	0	0	0	0	0	0	3,254
3.	Residential Geothermal Heat Pump	305	179	462	81	138	26	0	0	0	0	0	0	1,191
4.	Residential Energy Audits	741	278	686	1,164	1,351	1,233	0	0	0	0	0	0	5,453
5.	Low Income Customer Energy Audits	203	113	395	176	185	(1)	0	0	0	0	0	0	1,071
6.	FPU Express	473	789	1,319	687	431	577	0	0	0	0	0	0	4,276
7.	Enhanced Good Cents Home	333	475	2,548	1,314	719	801	0	0	0	0	0	0	6,190
8.	Commercial/Industrial Good Cents Building	237	237	1,124	777	625	(41)	0	0	0	0	0	0	2,959
9.	Commercial/Industrial Energy Audits & Tech. As	247	331	308	58	1,694	448	0	0	0	0	0	0	3,086
10.	Common	2,562	3,624	3,053	2,902	3,369	4,341	0	0	0	0	0	0	19,851
11.														
12.														
13.														
14.														
15.														
16.														
17.														
18.														
19.														
20.														
21.	TOTAL ALL PROGRAMS	7,855	6,911	11,693	7,679	9,060	8,507	0	0	0	0	0	0	51,705
22.	LESS AMOUNT INCLUDED IN RATE BASE													
23.	RECOVERABLE CONSERVATION EXPENSES	7,855	6,911	11,693	7,679	9,060	8,507	0	0	0	0	0	0	51,705

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS October-97 THROUGH March-98

B. CONSERVATION REVENUES	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	20,036	15,464	17,868	18,520	17,498	16,380	0	0	0	0	0	0	105,766
3. TOTAL REVENUES	20,036	15,464	17,868	18,520	17,498	16,380	0	0	0	0	0	0	105,766
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	4,672	4,672	4,672	4,672	4,672	4,672							56,065
5. CONSERVATION REVENUE APPLICABLE	24,708	20,136	22,540	23,192	22,170	21,052	0	0	0	0	0	0	161,831
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	7,855	6,911	11,693	7,679	9,060	8,507	0	0	0	0	0	0	51,705
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	16,853	13,225	10,847	15,513	13,110	12,545	0	0	0	0	0	0	110,126
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	286	338	381	419	457	499	0	0	0	0	0	0	2,380
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	56,065	68,532	77,423	83,979	95,239	104,134							
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	(4,672)	(4,672)	(4,672)	(4,672)	(4,672)	(4,672)	0	0	0	0	0	0	
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	68,532	77,423	83,979	95,239	104,134	112,506	0	0	0	0	0	0	112,506

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 6 OF 38

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-3
PAGE 3 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS October-97 THROUGH March-98

C. INTEREST PROVISION	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	56,065	68,532	77,423	83,979	95,239	104,134	0	0	0	0	0	0	0
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	68,246	77,085	83,598	94,820	103,677	112,007	0	0	0	0	0	0	110,126
3. TOTAL BEG. AND ENDING TRUE-UP	124,311	145,617	161,021	178,799	198,916	216,141	0	0	0	0	0	0	110,126
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	62,156	72,809	80,511	89,400	99,458	108,071	0	0	0	0	0	0	55,063
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	5.53%	5.53%	5.60%	5.75%	5.50%	5.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	5.53%	5.60%	5.75%	5.50%	5.53%	5.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7. TOTAL (LINE C-5 + C-6)	11.06%	11.13%	11.35%	11.25%	11.03%	11.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8. AVG. INTEREST RATE (C-7 X 50%)	5.53%	5.57%	5.68%	5.63%	5.52%	5.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9. MONTHLY AVERAGE INTEREST RATE	0.461%	0.464%	0.473%	0.469%	0.460%	0.462%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
10. INTEREST PROVISION (LINE C-4 X C-9)	286	338	381	419	457	499	0	0	0	0	0	0	2,380

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 7 OF 38

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-4
PAGE 1 OF 1

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS October-97 THROUGH March-98

PROGRAM NAME:	BEGINNING OF PERIOD	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	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

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 8 OF 38

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-5
PAGE 1 OF 1

RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

FOR MONTHS October-97 THROUGH March-98

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 9 OF 38

- 1. IN CONCERT WITH THE ENVIRONMENT**
- 2. DUCT LEAKAGE REPAIR**
- 3. RESIDENTIAL GEOTHERMAL HEAT PUMP**
- 4. RESIDENTIAL ENERGY AUDITS**
- 5. LOW INCOME CUSTOMER ENERGY AUDITS**
- 6. FPU EXPRESS LOAN**
- 7. ENHANCED GOOD CENTS HOME**
- 8. COMMERCIAL/INDUSTRIAL GOOD CENTS BUILDING**
- 9. COMMERCIAL/INDUSTRIAL ENERGY AUDITS AND
TECHNICAL ASSISTANCE**

PROGRAM TITLE : In Concert With the Environment

PROGRAM DESCRIPTION : In Concert With the Environment® is an environmental and energy awareness program that is being implemented in the 8th and 9th grade science classes in Florida Public Utilities Company's service area. The program will show students how everyday energy use impacts the environment and how using energy wisely increases environmental quality. In Concert With the Environment® is brought to students who are already making decisions which impact our country's energy supply and the environment. Wise energy use today can best be achieved by linking environmental benefits to wise energy-use activities and by educating both present and future consumers on how to live "in concert with the environment".

The "In Concert" program was designed for teachers and students from the ground up. "In Concert" comes complete with suggestions for implementation and evaluation, with quality materials designed to accentuate distinctive teaching styles. The program is flexible enough to be used as a stand-alone learning unit, or it can be integrated into existing lessons.

PROGRAM ACCOMPLISHMENTS : The offering of this program is currently being implemented in cooperation with area school board members, administrators, and teachers. The program itself will continue during the current school year for 9th grade students in schools within our service area. The schools which will be taking part are the three county school systems located in Calhoun, Liberty, and Jackson counties (Marianna Division). Teachers and administrators alike have embraced the program with great enthusiasm.

PROGRAM FISCAL EXPENDITURES : The expenditures October 1997 through March 30, 1998 were \$4,374.

PROGRAM PROGRESS SUMMARY : This program was instituted for the first time during the 1997 school year with 288 students participating thus far. We received an enthusiastic response from both teachers and students which will continue to make this program a great success.

PROGRAM TITLE : Duct Leakage Repair

PROGRAM DESCRIPTION : The objective of the Duct Leakage Repair Program is to provide FPUC's residential customers a means to identify house air duct leakage and recommend repairs that can reduce customer energy usage and demand.

FPUC will identify program participants through the Residential Energy Audit Program as well as through promotional activities. Blower Door testing required to identify and quantify the duct leakage will be performed by a contractor. After identification of the leakage sites and quantities, the customer will be given a written summary of the test findings and the potential savings, along with a list of approved repair contractors. Testing will be done on new construction duct systems to ensure maximum efficiency and comfort in these new homes also. This testing will be available to the Builder, HVAC contractor, or homeowner. FPUC will utilize duct testing and expertise for the purpose of educating Builders and HVAC contractors by identifying problem areas and improvement methodologies or techniques.

Additionally, FPUC will offer two approved continuing education courses for building contractors licensed by the Florida Construction Industry Licensing Board (CILB). The two courses are: "Duct Leakage in Homes: Consequences, Control, and Code Requirements" and "Repairing Duct Leakage".

PROGRAM ACCOMPLISHMENTS : The program goal for the current year is fourteen participants. As of the end of this reporting period we have a total of 22 participants.

PROGRAM FISCAL EXPENDITURES : The expenditures October 1997 through March 30, 1998 were \$3,254.

PROGRAM PROGRESS SUMMARY : In order to ensure that we continue to meet future goals FPUC will be sponsoring continuing education courses for building and HVAC contractors which will provide training in the areas of duct leakage identification and repair solutions. Contractors will then be in a better position to provide quality duct repair/installation services to FPUC customers. This training will be offered to area contractors in both service areas. The Marianna Division will be cosponsoring this training along with Gulf Power and West Florida Electric Cooperative. As with the Enhanced Good Cents Program we are offering these training seminars in cooperation with other utilities in order to allow us to offer these courses to local contractors at a much lower cost to us.

PROGRAM TITLE : Residential Geothermal Heat Pump

PROGRAM DESCRIPTION : The objective of the Residential Geothermal Heat Pump Program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of advanced and emerging geothermal systems. Geothermal heat pumps also provide significant benefits to participating customers in the form of reduced operating costs and increased comfort levels, and are superior to other available heating and cooling technologies with respect to source efficiency and environmental impacts. FPUC's proposed Geothermal Heat Pump program is designed to overcome existing market barriers, specifically, lack of consumer awareness, knowledge, and acceptance of this technology.

This program will promote efficiency levels well above current market conditions, specifically those units with an Energy Efficiency Ratio (EER) of 13.0 or higher. The Department of Energy (DOE) is touting geothermal technology as the most energy-efficient and environmentally clean space-conditioning system available today. Additionally, a recent DOE study indicates that geothermal systems have the lowest life-cycle cost of any HVAC system today.

PROGRAM ACCOMPLISHMENTS : This current year we have not had a geothermal installation in our service area. Several customers have inquired about this technology, therefore, we are confident that we will see a number of geothermal installations by the end of the current year.

PROGRAM FISCAL EXPENDITURES : The expenditures October 1997 through March 30, 1998 were \$1,191.

PROGRAM PROGRESS SUMMARY : Even though there is not a goal for this particular program we feel confident that by our efforts to promote this technology we will see a number of geothermal installations in our service areas . We will continue to educate customers and strive to develop a network of installers in order to better promote this highly energy efficient heating and cooling source.

PROGRAM TITLE : Residential Energy Audits

PROGRAM DESCRIPTION : The objective of the Residential Energy Audit Program is to provide FPUC's residential customers with energy conservation advice that will encourage the implementation of efficiency measures resulting in energy savings for the customer. FPUC views this program as a vehicle to promote the installation of cost-effective conservation features. During the audit process, the customer is provided with specific whole-house recommendations. Through follow-up audit work, FPUC monitors and tracks the implementation of the measures.

The "Appliance Efficiency Education" DSM program from JEA's DSM Plan will be incorporated into these residential energy audits. The customer will be educated on the expense of operating a second refrigerator or freezer and on the value of a high efficiency pool pump. The resulting increase in operating efficiencies will provide for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

PROGRAM ACCOMPLISHMENTS : The goal for this program is 141 participants. This has been a successful program to date. Audits have been conducted for 108 customers at the end of this reporting period.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1997 through March 30, 1998 were \$5,453.

PROGRAM PROGRESS SUMMARY: We feel confident that by our efforts to promote this program through radio, newspaper, bill stuffers and cable TV that we will see increased participation in this program.

PROGRAM TITLE : Low Income Customer Energy Audits

PROGRAM DESCRIPTION : FPUC has provided low income customers benefits through its energy conservation programs for many years. Although programs are offered to customers without discrimination, the company recognizes that a customer may be less likely to participate in a particular program due to various circumstances, including lack of disposable income. FPUC does not directly identify low income participants, but base on experience and observations, it is apparent that low income customers are participating at levels similar to the overall residential population.

Every FPUC customer is eligible for an FPUC residential energy audit, but the audit recommendations usually require the customer to spend money replacing or adding energy conservation measures. Low income persons may not have the discretionary income to make these changes. In an effort to further assist FPUC's low income customers, FPUC will work with a local weatherization agency to provide weatherization energy audits for low income customers. FPUC will pay for these weatherization energy audits for any FPUC customer through the state weatherization program. The estimated cost per audit is \$50.

PROGRAM ACCOMPLISHMENTS: Eighty-three low income customer audits have been completed to date.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1997 through March 30, 1998 were \$1,071.

PROGRAM PROGRESS SUMMARY: The program goal is twenty participants per year. The audits that have been done were completed in the first quarter of the year. We will continue to make contacts with low income agencies in order to stay up to date on their progress and needs.

PROGRAM TITLE : FPU Express Loan Program

PROGRAM DESCRIPTION : The objective of the FPU Express Loan Program is to provide FPUC's residential customers a vehicle to encourage installation of energy conservation features in their homes. This below-market interest rate loan program provides financing from participating banks in FPUC's service area for up to \$5,000 for a period of 5 years (\$7,500 and 7 years if a closed loop heat pump is installed) to customers that choose to install energy conservation features in their existing homes.

The program provides FPUC a financing option to offer customers who wish to install conservation features in their homes. The program is designed to work in conjunction with FPUC's approved Residential Energy Audit Program. During the audit process, the customer is provided with specific whole-house recommendations. An FPUC representative will submit a completed loan application to a participating bank once the customer decides to install the conservation features. Along with the application, the FPUC representative will also provide the bank with a copy of the energy audit and a list of the specific energy conservation features recommended. After the application has been approved, the customer will contact a licensed contractor of their choice to install the recommended conservation features. After the work is completed, an inspection is performed by FPUC to ensure all energy conservation features covered by the loan are installed. Confirmation of the installed features is provided to the participating bank. The increased operating efficiencies of the installed features provide a reduction in weather sensitive peak demand as well as a reduction in overall energy consumption.

PROGRAM ACCOMPLISHMENTS: This year's goal is ten program participants. To date, we have completed four FPU Express Loans. Program participation is expected to increase as contractors, realtors and customers become more aware of the availability of the program.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1997 through March 30, 1998 were \$4,276.

PROGRAM PROGRESS SUMMARY : Full implementation of this program has now begun and we feel this program will be extremely successful due to increased advertising and our new promotional efforts. During Residential Audits we will also inform residents of the advantages of this program. We will continue to develop close relationships with area realtors and contractors by providing them with program materials that will enhance their efforts to inform customers of this program.

PROGRAM TITLE : Enhanced Good Cents Home Program

PROGRAM DESCRIPTION : The objective of the Enhanced Good Cents Home Program is to provide Florida Public Utilities Company's residential customers guidance concerning energy efficiency in new construction. The program promotes energy efficient home construction techniques by evaluating components in the categories of design and construction practices. These categories include: wall insulation, doors, windows, perimeter/floor insulation, moisture/infiltration barrier, attic/ceiling insulation, attic ventilation system, centsable duct system, centsable water heating system, and HVAC system.

The program will result in reductions in energy usage and peak demand. FPU will identify potential program participants through builder/developer relationships as well as through promotional activities. Additionally, FPUC will provide education and training to building contractors and building inspectors to encourage energy conservation. Two classes will be provided, both of which are approved continuing education courses for building contractors licensed by the Florida Construction Industry Licensing Board (CILB). The two classes are: "Constructing an Energy Efficient Home" and "Load and Duct Sizing Calculations: Computer Solutions".

PROGRAM ACCOMPLISHMENTS : A total of ten Enhanced Good Cents Homes have been built to date with several more currently under construction.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1997 through March 30, 1998 were \$6,190.

PROGRAM PROGRESS SUMMARY : The program goal is forty-two participants by the end of the current year. We are below our goal at this time . We've enhanced our efforts in promoting contractor participation and customer benefits. Informational presentations will be conducted to educate area builders, realtors, and suppliers. We feel these measures along with increased efforts in building partnerships with local contractors will enable us to make this program successful.

PROGRAM TITLE : Commercial/Industrial Good Cents Buildings

PROGRAM DESCRIPTION : The commercial/industrial market is comprised of a wide range of diverse businesses with variable size and operational characteristics. The success of the Commercial/Industrial Good Cents Building program lies in its ability to address this diversity by focusing on the mutual characteristics of commercial buildings. The most common critical areas in commercial buildings that affect summer peak demand are the thermal efficiency of the building and HVAC equipment efficiency. The Commercial/Industrial Good Cents Building program provides requirements for these area that, if adhered to, will help reduce peak demand and energy consumption.

Promotion of the Commercial/Industrial Good Cents Building program will feature a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design is sufficiently flexible to allow an architect or designer to use initiative and ingenuity to achieve results that are meaningful to both the customer and FPUC.

To provide an accurate quantitative analysis of the demand and energy savings due to the Commercial/Industrial Good Cents Building program, the Good Cents standards for our average commercial building are compared to the Florida Model Energy Code. The features used to prepare the customer's analysis include: wall and ceiling R-values; glass area; description of glass; and equipment used in determining the demand and energy differences for the two types of structures. The AXCESS - Energy Analysis Computer Program (AXCESS) is used in calculating these demand and energy differences.

PROGRAM ACCOMPLISHMENTS : To date, we have a total of two Good Cents Building qualifications.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1997 through March 30, 1998 were \$2,959.

PROGRAM PROGRESS SUMMARY : New construction in the commercial/industrial area is not a common occurrence in FPUC's service territory. The goal for this program is two Good Cents Buildings for the current year. By developing a plan of action to gain knowledge of possible projects from the architect before the design stage begins we feel that we will have further success with this program. We have laid the foundation of customer trust in this area, just as in our Commercial/Industrial Audit and Technical Assistance Program. We feel that with these changes we will exceed the program goal for the current year.

PROGRAM TITLE : Commercial/Industrial Energy Audits and Technical Assistance

PROGRAM DESCRIPTION : FPUC provides auditing services to the commercial and industrial classes to assist in the evaluation of specific energy requirements of a given structure.

FPUC's representative will be provided a prospective customer for an audit through a phone call, advertising, a complaint, or referral. In this initial contact the representative determines needs, sets an appointment, and begins to gather some basic data such as the address, account number, business type, and past energy records. At the time of the audit, the representative discusses the audit and submits an outline of the procedure to the customer. During the discussion, the representative also acquires some customer data as it relates to the characteristics of the operation, time of operation, occupancy, and duration of the occupancy. In the audit's visual inspections, the representative observes overall layout, gathers equipment data, statistics, observes housekeeping and maintenance, checks various energy sources, and checks waste heat sources. The representative also makes appropriate measurements of lighting, ambient air temperatures, water temperatures, and air quantities.

After the visual inspection, the representative will return to the customer to review the total energy consumption and billing of the structure, and make general suggestions for improved efficiency that will have little or no cost associated with them. The representative will also identify major items for further study in which the customer will have the option of making capital expenditures.

PROGRAM PROJECTION : Commercial/Industrial Audits have been completed for eight customers to date.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1997 through March 30, 1998 were \$3,086.

PROGRAM PROGRESS SUMMARY : The DSM plan goal is twelve participants for this particular program. Program participation has been excellent with many customers having participated thus far. We are optimistic that our commercial/industrial customers will involve us to a greater extent in future projects based upon the work we are currently doing in this area.

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-1

CONSERVATION ADJUSTMENT TRUE-UP

PAGE 1 OF 1

FOR MONTHS October-97 THROUGH March-98

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS October-97 THROUGH March-98		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>(134,853)</u>	
5.	INTEREST	<u>(2,604)</u>	<u>(137,457)</u>
6.	LESS PROJECTED TRUE-UP		
7.	February-98 (DATE) HEARINGS		
8.	PRINCIPAL	<u>(97,178)</u>	
9.	INTEREST	<u>(2,282)</u>	<u>(99,460)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>(37,997)</u></u>

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 20 OF 38

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

FOR MONTHS October-97 THROUGH March-98

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
1. LABOR/PAYROLL	22,598	31,115	(8,517)
2. ADVERTISING	7,662	8,525	(863)
3. LEGAL	1,479	1,997	(518)
4. OUTSIDE SERVICES/CONTRACT	3,682	16,122	(12,440)
5. VEHICLE COST	3,388	4,938	(1,550)
6. MATERIAL & SUPPLIES	4,516	3,400	1,116
7. TRAVEL	2,472	3,470	(998)
8. GENERAL & ADMIN	4,141	2,242	1,899
9. INCENTIVES	0	0	0
10. OTHER	864	6,331	(5,467)
11. SUB-TOTAL	50,802	78,140	(27,338)
12. PROGRAM REVENUES			
13. TOTAL PROGRAM COSTS	50,802	78,140	(27,338)
14. LESS: PRIOR PERIOD TRUE-UP	50,545	50,545	0
15. AMOUNTS INCLUDED IN RATE BASE			
16. CONSERVATION ADJ REVENU	135,110	124,773	10,337
17. ROUNDING ADJUSTMENT			
18. TRUE-UP BEFORE INTEREST	(134,853)	(97,178)	(37,675)
19. ADD INTEREST PROVISION	(2,604)	(2,282)	(322)
20. END OF PERIOD TRUE-UP	(137,457)	(99,460)	(37,997)

() REFLECTS OVERRECOVERY

* 2 MONTHS ACTUAL AND 4 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS October-97 THROUGH March-98

PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. In Concert with the Environment	2,040	0	0	3,021	0	0	43	0	0	0	5,104		5,104
2. Direct Leakage Repair	1,275	0	0	0	0	415	0	0	0	0	1,690		1,690
3. Residential Geothermal Heat Pump	510	0	0	50	0	0	0	0	0	0	560		560
4. Residential Energy Audits	2,730	3,904	0	0	0	176	0	0	0	0	6,810		6,810
5. Low Income Customer Energy Audits	751	0	0	0	0	0	0	0	0	0	751		751
6. FPU Express	874	1,744	0	0	0	0	79	0	0	18	2,715		2,715
7. Enhanced Good Cents Home	3,531	1,723	0	420	0	2,488	503	370	0	371	9,406		9,406
8. Commercial/Industrial Good Cents Building	394	198	0	0	0	1,437	565	0	0	0	2,594		2,594
9. Commercial/Industrial Energy Audits & Tech. Ass	1,915	0	0	191	0	0	560	0	0	0	2,666		2,666
10. Common	8,578	93	1,479	0	3,388	0	722	3,771	0	475	18,506		18,506
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
TOTAL ALL PROGRAMS	22,598	7,662	1,479	3,682	3,388	4,516	2,472	4,141	0	864	50,802	0	50,802

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

FOR MONTHS October-97 THROUGH March-98

PROGRAM NAME	LABOR	ADVERTISING	LEGAL	OUTSIDE	VEHICLE	MATERIALS	TRAVEL	GENERAL	INCENTIVES	OTHER	SUB	PROGRAM	TOTAL
	&					&		SUPPLIES					
	PAYROLL			SERVICES	COST						TOTAL		TOTAL
1. In Concert with the Environment	1,404	0	0	(4,440)	(300)	0	0	(100)	0	(400)	(3,836)	0	(3,836)
2. Direct Leakage Repair	466	(300)	0	(1,000)	(300)	115	0	(100)	0	(800)	(1,919)	0	(1,919)
3. Residential Geothermal Heat Pump	162	(300)	0	(700)	(300)	(300)	(300)	(100)	0	(700)	(2,538)	0	(2,538)
4. Residential Energy Audits	(1,006)	610	0	(700)	(300)	(124)	(300)	(100)	0	(1,000)	(2,920)	0	(2,920)
5. Low Income Customer Energy Audits	(486)	(700)	0	(300)	(300)	(300)	0	(100)	0	(1,000)	(3,186)	0	(3,186)
6. FPU Express	(225)	867	0	(300)	(300)	(300)	1	(100)	0	(1,082)	(1,439)	0	(1,439)
7. Enhanced Good Cents Home	(247)	(331)	0	(1,000)	(300)	1,188	(700)	(100)	0	(984)	(2,474)	0	(2,474)
8. Commercial/Industrial Good Cents Building	(540)	(302)	0	(1,300)	(300)	1,137	(135)	(100)	0	(1,100)	(2,640)	0	(2,640)
9. Commercial/Industrial Energy Audits & Tech. As	140	(500)	0	(2,700)	(300)	(300)	(260)	(100)	0	0	(4,020)	0	(4,020)
10. Common	(8,185)	93	(518)	0	1,150	0	696	2,799	0	1,599	(2,366)	0	(2,366)
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
TOTAL ALL PROGRAMS	(8,517)	(863)	(518)	(12,440)	(1,550)	1,116	(998)	1,899	0	(5,467)	(27,338)	0	(27,338)

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

FOR MONTHS		October-97	THROUGH	March-98										
A. CONSERVATION EXPENSE BY PROGRAM		OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
1.	In Concert with the Environment	1,833	807	1,729	135	126	474	0	0	0	0	0	0	5,104
2.	Direct Leakage Repair	229	280	554	183	258	186	0	0	0	0	0	0	1,690
3.	Residential Geothermal Heat Pump	193	105	67	68	68	59	0	0	0	0	0	0	560
4.	Residential Energy Audits	880	750	1,855	493	2,129	703	0	0	0	0	0	0	6,810
5.	Low Income Customer Energy Audits	31	206	79	87	138	210	0	0	0	0	0	0	751
6.	FPU Express	143	311	437	460	340	1,024	0	0	0	0	0	0	2,715
7.	Enhanced Good Cents Home	2,612	1,168	2,674	1,140	635	1,177	0	0	0	0	0	0	9,406
8.	Commercial/Industrial Good Cents Building	6	28	852	811	758	139	0	0	0	0	0	0	2,594
9.	Commercial/Industrial Energy Audits & Tech. As	384	402	287	227	889	477	0	0	0	0	0	0	2,666
10.	Common	2,713	2,759	2,759	3,599	3,094	3,582	0	0	0	0	0	0	18,506
11.														
12.														
13.														
14.														
15.														
16.														
17.														
18.														
19.														
20.														
21.	TOTAL ALL PROGRAMS	9,024	6,816	11,293	7,203	8,435	8,031	0	0	0	0	0	0	50,802
22.	LESS AMOUNT INCLUDED IN RATE BASE													
23.	RECOVERABLE CONSERVATION EXPENSES	9,024	6,816	11,293	7,203	8,435	8,031	0	0	0	0	0	0	50,802

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS October-97 THROUGH March-98

B. CONSERVATION REVENUES	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	25,870	18,021	22,006	24,322	22,621	22,270	0	0	0	0	0	0	135,110
3. TOTAL REVENUES	25,870	18,021	22,006	24,322	22,621	22,270	0	0	0	0	0	0	135,110
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	4,212	4,212	4,212	4,212	4,212	4,212							50,545
5. CONSERVATION REVENUE APPLICABLE	30,082	22,233	26,218	28,534	26,833	26,482	0	0	0	0	0	0	185,655
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	9,024	6,816	11,293	7,203	8,435	8,031	0	0	0	0	0	0	50,802
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	21,058	15,417	14,925	21,331	18,398	18,451	0	0	0	0	0	0	134,853
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	272	340	400	464	529	599	0	0	0	0	0	0	2,604
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	50,545	67,663	79,208	90,321	107,904	122,619							
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	(4,212)	(4,212)	(4,212)	(4,212)	(4,212)	(4,212)	0	0	0	0	0	0	0
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	67,663	79,208	90,321	107,904	122,619	137,457	0	0	0	0	0	0	137,457

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 25 OF 38

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS October-97 THROUGH March-98

C. INTEREST PROVISION	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	50,545	67,663	79,208	90,321	107,904	122,619	0	0	0	0	0	0	0
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	67,391	78,868	89,921	107,440	122,090	136,858	0	0	0	0	0	0	134,853
3. TOTAL BEG. AND ENDING TRUE-UP	117,936	146,531	169,129	197,761	229,994	259,477	0	0	0	0	0	0	134,853
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	58,968	73,266	84,565	98,881	114,997	129,739	0	0	0	0	0	0	67,427
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	5.53%	5.53%	5.60%	5.75%	5.50%	5.53%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	5.53%	5.60%	5.75%	5.50%	5.53%	5.55%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7. TOTAL (LINE C-5 + C-6)	11.06%	11.13%	11.35%	11.25%	11.03%	11.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8. AVG. INTEREST RATE (C-7 X 50%)	5.53%	5.57%	5.68%	5.63%	5.52%	5.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9. MONTHLY AVERAGE INTEREST RATE	0.461%	0.464%	0.473%	0.469%	0.460%	0.462%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
10. INTEREST PROVISION (LINE C-4 X C-9)	272	340	400	464	529	599	0	0	0	0	0	0	2,604

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-4
PAGE 1 OF 1

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS October-97 THROUGH March-98

PROGRAM NAME:	BEGINNING OF PERIOD	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	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

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 27 OF 38

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-5

PAGE 1 OF 1

RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

FOR MONTHS October-97 THROUGH March-98

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

EXHIBIT NO. _____
DOCKET NO. 980002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-2)
PAGE 28 OF 38

- 1. IN CONCERT WITH THE ENVIRONMENT**
- 2. DUCT LEAKAGE REPAIR**
- 3. RESIDENTIAL GEOTHERMAL HEAT PUMP**
- 4. RESIDENTIAL ENERGY AUDITS**
- 5. LOW INCOME CUSTOMER ENERGY AUDITS**
- 6. FU EXPRESS LOAN**
- 7. ENHANCED GOOD CENTS HOME**
- 8. COMMERCIAL/INDUSTRIAL GOOD CENTS BUILDING**
- 9. COMMERCIAL/INDUSTRIAL ENERGY AUDITS AND
TECHNICAL ASSISTANCE**

PROGRAM TITLE : In Concert With the Environment

PROGRAM DESCRIPTION : In Concert With the Environment® is an environmental and energy awareness program that is being implemented in the 8th and 9th grade science classes in Florida Public Utilities Company's service area. The program will show students how everyday energy use impacts the environment and how using energy wisely increases environmental quality. In Concert With the Environment® is brought to students who are already making decisions which impact our country's energy supply and the environment. Wise energy use today can best be achieved by linking environmental benefits to wise energy-use activities and by educating both present and future consumers on how to live "in concert with the environment".

The "In Concert" program was designed for teachers and students from the ground up. "In Concert" comes complete with suggestions for implementation and evaluation, with quality materials designed to accentuate distinctive teaching styles. The program is flexible enough to be used as a stand-alone learning unit, or it can be integrated into existing lessons.

PROGRAM ACCOMPLISHMENTS : The offering of this program has been implemented in cooperation with area school board members, administrators, and teachers. The school which will participate in the Fernandina Beach service territory is Fernandina Beach High School. Teachers and administrators alike have embraced the program with great enthusiasm. Actual participants in this program will not begin accumulating until June of 1998 in this particular area.

PROGRAM FISCAL EXPENDITURES : The expenditures October 1, 1997 through March 31, 1998 were \$5,104.

PROGRAM PROGRESS SUMMARY : Program accomplishments in this territory will fall short due to the small number of students in the Fernandina area. In the future we hope to offer In Concert to other grades to increase participation.

PROGRAM TITLE : Duct Leakage Repair

PROGRAM DESCRIPTION : The objective of the Duct Leakage Repair Program is to provide FPUC's residential customers a means to identify house air duct leakage and recommend repairs that can reduce customer energy usage and demand.

FPUC will identify program participants through the Residential Energy Audit Program as well as through promotional activities. Blower Door testing required to identify and quantify the duct leakage will be performed by a contractor. After identification of the leakage sites and quantities, the customer will be given a written summary of the test findings and the potential savings, along with a list of approved repair contractors. Testing will be done on new construction duct systems to ensure maximum efficiency and comfort in these new homes also. This testing will be available to the Builder, HVAC contractor, or homeowner. FPUC will utilize duct testing and expertise for the purpose of educating Builders and HVAC contractors by identifying problem areas and improvement methodologies or techniques.

Additionally, FPUC will offer two approved continuing education courses for building contractors licensed by the Florida Construction Industry Licensing Board (CILB). The two courses are: "Duct Leakage in Homes: Consequences, Control, and Code Requirements" and "Repairing Duct Leakage".

PROGRAM ACCOMPLISHMENTS : The program goal for the current year is 22 participants. As of the end of this reporting period we have had a total of 30 participants in the Fernandina Beach service territory..

PROGRAM FISCAL EXPENDITURES : The expenditures October 1, 1997 through March 31, 1998 were \$1,690.

PROGRAM PROGRESS SUMMARY : In order to ensure that we meet our current and future goals FPUC will be sponsoring continuing education courses for building and HVAC contractors which will provide training in the areas of duct leakage identification and repair solutions. Contractors will then be in a better position to provide quality duct repair/installation services to FPUC customers. This training will be offered to area contractors in both service areas. The Fernandina Beach Division will be cosponsoring this training along with JEA and Clay Electric Cooperative. As with the Enhanced Good Cents Program we are offering these training seminars in cooperation with other utilities in order to allow us to offer these courses to local contractors at a much lower cost to us. With this training we feel confident that we can meet our PSC approved goals now and in the future.

PROGRAM TITLE : Residential Geothermal Heat Pump

PROGRAM DESCRIPTION : The objective of the Residential Geothermal Heat Pump Program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of advanced and emerging geothermal systems. Geothermal heat pumps also provide significant benefits to participating customers in the form of reduced operating costs and increased comfort levels, and are superior to other available heating and cooling technologies with respect to source efficiency and environmental impacts. FPUC's proposed Geothermal Heat Pump program is designed to overcome existing market barriers, specifically, lack of consumer awareness, knowledge, and acceptance of this technology.

This program will promote efficiency levels well above current market conditions, specifically those units with an Energy Efficiency Ratio (EER) of 13.0 or higher. The Department of Energy (DOE) is touting geothermal technology as the most energy-efficient and environmentally clean space-conditioning system available today. Additionally, a recent DOE study indicates that geothermal systems have the lowest life-cycle cost of any HVAC system today.

PROGRAM ACCOMPLISHMENTS : At this time we have had no geothermal installations completed in our service area within this reporting period. Many customers are beginning to learn more about this technology, therefore, we are confident that we will see a greater number of geothermal installations in the future..

PROGRAM FISCAL EXPENDITURES : The expenditures October 1, 1997 through March 31, 1998 were \$560.

PROGRAM PROGRESS SUMMARY : Even though there is no particular goal for this program we feel confident that by our efforts to promote this technology we will see a number geothermal installations in our service areas during the current year. We will continue to educate customers and strive to develop a network of installers in order to better promote this highly energy efficient heating and cooling source.

PROGRAM TITLE : Residential Energy Audits

PROGRAM DESCRIPTION : The objective of the Residential Energy Audit Program is to provide FPUC's residential customers with energy conservation advice that will encourage the implementation of efficiency measures resulting in energy savings for the customer. FPUC views this program as a vehicle to promote the installation of cost-effective conservation features. During the audit process, the customer is provided with specific whole-house recommendations. Through follow-up audit work, FPUC monitors and tracks the implementation of the measures.

The "Appliance Efficiency Education" DSM program from JEA's DSM Plan will be incorporated into these residential energy audits. The customer will be educated on the expense of operating a second refrigerator or freezer and on the value of a high efficiency pool pump. The resulting increase in operating efficiencies will provide for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

PROGRAM ACCOMPLISHMENTS : The goal for this program is 141 participants. This has been a very successful program to date. Audits have been conducted for 179 customers at the end of this reporting period.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1, 1997 through March 31, 1998 were \$6,810.

PROGRAM PROGRESS SUMMARY: We feel confident that by our efforts to promote this program through newspaper and cable TV that we will see increased participation in this program in the future.

PROGRAM TITLE : Low Income Customer Energy Audits

PROGRAM DESCRIPTION : FPUC has provided low income customers benefits through its energy conservation programs for many years. Although programs are offered to customers without discrimination, the company recognizes that a customer may be less likely to participate in a particular program due to various circumstances, including lack of disposable income. FPUC does not directly identify low income participants, but base on experience and observations, it is apparent that low income customers are participating at levels similar to the overall residential population.

Every FPUC customer is eligible for an FPUC residential energy audit, but the audit recommendations usually require the customer to spend money replacing or adding energy conservation measures. Low income persons may not have the discretionary income to make these changes. In an effort to further assist FPUC's low income customers, FPUC will work with a local weatherization agency to provide weatherization energy audits for low income customers. FPUC will pay for these weatherization energy audits for any FPUC customer through the state weatherization program. The estimated cost per audit is \$50.

PROGRAM ACCOMPLISHMENTS: Six low-income customer audits have been completed to date.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1, 1997 through March 31, 1998 were \$751.

PROGRAM PROGRESS SUMMARY: The program goal is twenty participants per year. At this time the agencies that we deal with to provide these services are currently at a standstill. Whether this is due to a lack of funding or aggressiveness on their part we cannot determine. We have made the contacts we need to make and will keep in touch with these organizations in order to stay up to date on their progress and needs.

PROGRAM TITLE : Commercial/Industrial Energy Audits and Technical Assistance

PROGRAM DESCRIPTION : FPUC provides auditing services to the commercial and industrial classes to assist in the evaluation of specific energy requirements of a given structure.

FPUC's representative will be provided a prospective customer for an audit through a phone call, advertising, a complaint, or referral. In this initial contact the representative determines needs, sets an appointment, and begins to gather some basic data such as the address, account number, business type, and past energy records. At the time of the audit, the representative discusses the audit and submits an outline of the procedure to the customer. During the discussion, the representative also acquires some customer data as it relates to the characteristics of the operation, time of operation, occupancy, and duration of the occupancy. In the audit's visual inspections, the representative observes overall layout, gathers equipment data, statistics, observes housekeeping and maintenance, checks various energy sources, and checks waste heat sources. The representative also makes appropriate measurements of lighting, ambient air temperatures, water temperatures, and air quantities.

After the visual inspection, the representative will return to the customer to review the total energy consumption and billing of the structure, and make general suggestions for improved efficiency that will have little or no cost associated with them. The representative will also identify major items for further study in which the customer will have the option of making capital expenditures.

PROGRAM PROJECTION : Commercial/Industrial Audits have been completed for thirteen customers to date.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1, 1997 through March 31, 1998 were \$2,666.

PROGRAM PROGRESS SUMMARY : The DSM plan goal is twelve participants for this particular program. Program participation has been excellent with several customers having participated thus far. This program has exceeded goal . We are optimistic that our commercial/industrial customers will involve us to a greater extent in future projects based upon the work we are currently doing in this area.

PROGRAM TITLE : FPUC Express Loan Program

PROGRAM DESCRIPTION : The objective of the FPUC Express Loan Program is to provide FPUC's residential customers a vehicle to encourage installation of energy conservation features in their homes. This below-market interest rate loan program provides financing from participating banks in FPUC's service area for up to \$5,000 for a period of 5 years (\$7,500 and 7 years if a closed loop heat pump is installed) to customers that choose to install energy conservation features in their existing homes.

The program provides FPUC a financing option to offer customers who wish to install conservation features in their homes. The program is designed to work in conjunction with FPUC's approved Residential Energy Audit Program. During the audit process, the customer is provided with specific whole-house recommendations. An FPUC representative will submit a completed loan application to a participating bank once the customer decides to install the conservation features. Along with the application, the FPUC representative will also provide the bank with a copy of the energy audit and a list of the specific energy conservation features recommended. After the application has been approved, the customer will contact a licensed contractor of their choice to install the recommended conservation features. After the work is completed, an inspection is performed by FPUC to ensure all energy conservation features covered by the loan are installed. Confirmation of the installed features is provided to the participating bank. The increased operating efficiencies of the installed features provide a reduction in weather sensitive peak demand as well as a reduction in overall energy consumption.

PROGRAM ACCOMPLISHMENTS: This year's goal is 10 program participants. To date no FPUC Express Loans have been completed. Program participation is expected to increase as contractors, realtors and customers become more aware of the availability of the program.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1, 1997 through March 31, 1998 were \$2,715.

PROGRAM PROGRESS SUMMARY : The contract agreement that was needed to offer this program was not signed until October of 1997. Full implementation of this program has now begun. We feel this program will be extremely successful due to increased advertising and our new promotional efforts. During Residential Audits we will also inform residents of the advantages of this program. We will continue to develop close relationships with area realtors and contractors by providing them with program materials that will enhance their efforts to inform customers of this program.

PROGRAM TITLE : Enhanced Good Cents Home Program

PROGRAM DESCRIPTION : The objective of the Enhanced Good Cents Home Program is to provide Florida Public Utilities Company's residential customers guidance concerning energy efficiency in new construction. The program promotes energy efficient home construction techniques by evaluating components in the categories of design and construction practices. These categories include: wall insulation, doors, windows, perimeter/floor insulation, moisture/infiltration barrier, attic/ceiling insulation, attic ventilation system, centsable duct system, centsable water heating system, and HVAC system.

The program will result in reductions in energy usage and peak demand. FPUC will identify potential program participants through builder/developer relationships as well as through promotional activities. Additionally, FPUC will provide education and training to building contractors and building inspectors to encourage energy conservation. Two classes will be provided, both of which are approved continuing education courses for building contractors licensed by the Florida Construction Industry Licensing Board (CILB). The two classes are: "Constructing an Energy Efficient Home" and "Load and Duct Sizing Calculations: Computer Solutions".

PROGRAM ACCOMPLISHMENTS : A total of 13 Enhanced Good Cents Homes have been built to date with several more currently under construction.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1, 1997 through March 31, 1998 were \$9,406.

PROGRAM PROGRESS SUMMARY : The program goal is forty-two participants by the end of the current year. We are considerably below our goal at this time but we are making progress. During 1997 there were only a total of 8 Enhanced Good Cents Homes built in the Fernandina Beach service territory. Through our increased efforts this number has risen to 13 in only the first half of 1998. We will continue to build on our success with even greater creativity and better marketing efforts in order to reach our goal during the current year.

PROGRAM TITLE : Commercial/Industrial Good Cents Buildings

PROGRAM DESCRIPTION : The commercial/industrial market is comprised of a wide range of diverse businesses with variable size and operational characteristics. The success of the Commercial/Industrial Good Cents Building program lies in its ability to address this diversity by focusing on the mutual characteristics of commercial buildings. The most common critical areas in commercial buildings that affect summer peak demand are the thermal efficiency of the building and HVAC equipment efficiency. The Commercial/Industrial Good Cents Building program provides requirements for these area that, if adhered to, will help reduce peak demand and energy consumption.

Promotion of the Commercial/Industrial Good Cents Building program will feature a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design is sufficiently flexible to allow an architect or designer to use initiative and ingenuity to achieve results that are meaningFPUCI to both the customer and FPUC.

To provide an accurate quantitative analysis of the demand and energy savings due to the Commercial/Industrial Good Cents Building program, the Good Cents standards for our average commercial building are compared to the Florida Model Energy Code. The features used to prepare the customer's analysis include: wall and ceiling R-values; glass area; description of glass; and equipment used in determining the demand and energy differences for the two types of structures. The AXCESS - Energy Analysis Computer Program (AXCESS) is used in calculating these demand and energy differences.

PROGRAM ACCOMPLISHMENTS : To date, we have had two Good Cents Building qualifications in the Fernandina Beach service territory.

PROGRAM FISCAL EXPENDITURES : Expenditures beginning October 1, 1997 through March 31, 1998 were \$2,594.

PROGRAM PROGRESS SUMMARY : The goal for this program is two Good Cents Buildings for the current year. By developing a plan of action to gain knowledge of possible projects before the design stage begins we feel that we will have greater success with this program. We have laid the foundation of customer trust in this area through our Commercial/Industrial Audit and Technical Assistance Program. We feel that with these changes the program goal will be met for the current year.

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE C-1
PAGE 1 OF 1

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION

FOR MONTHS April-99 THROUGH December-99

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2,PAGE 1, LINE 33)	<u>123,700</u>
2. TRUE-UP (SCHEDULE C-3,PAGE 4,LINE 11)	<u>(63,056)</u>
3. TOTAL (LINE 1 AND LINE 2)	<u>60,644</u>
4. RETAIL KWH/THERM SALES	<u>212,393,000</u>
5. COST PER KWH/THERM	<u>0.00028600</u>
6. REVENUE TAX MULTIPLIER	<u>1.00072</u>
7. ADJUSTMENT FACTOR ADJUSTED FOR TAXES (LINE 5 X LINE 6)	<u>0.00028600</u>
8. CONSERVATION ADJUSTMENT FACTOR- (ROUNDED TO THE NEAREST .001 CENTS PER KWH/THERM)	<u>0.00029</u>

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 1 OF 42

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 990002-EG EXHIBIT NO. 10
COMPANY/ Peacock
WITNESS: _____
DATE: 2-10-99

ESTIMATED CONSERVATION PROGRAM COSTS

FOR MONTHS April-99 THROUGH December-99

A. ESTIMATED EXPENSE BY PROGRAM	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. In Concert with the Environment	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	10,900
2. Direct Leakage Repair	500	500	500	500	500	500	500	500	500	4,900
3. Residential Geothermal Heat Pump	500	500	500	500	500	500	500	500	500	4,100
4. Residential Energy Audits	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	19,200
5. Low Income Customer Energy Audits	700	700	700	700	700	700	700	700	700	6,400
6. FPU Express	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,600
7. Enhanced Good Cents Home	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	18,000
8. Commercial/Industrial Good Cents Building	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	11,000
9. Commercial/Industrial Energy Audits & Tech. Assit.	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	11,000
10. Common	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	29,600
11.										
12.										
13.										
14.										
15.										
16.										
17.										
18.										
19.										
31. TOTAL ALL PROGRAMS	13,700	13,700	13,700	13,700	13,700	13,700	13,700	13,700	13,700	123,700
32. LESS AMOUNT INCLUDED IN RATE BASE										
33. RECOVERABLE CONSERVATION EXPENSES	13,700	13,700	13,700	13,700	13,700	13,700	13,700	13,700	13,700	123,700

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS April-99 THROUGH December-99

PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. In Concert with the Environment	1,400	0	0	0	500	8,200	0	800	0	0	10,900		10,900
2. Direct Leakage Repair	1,400	2,300	0	0	400	0	0	800	0	0	4,900		4,900
3. Residential Geothermal Heat Pump	1,400	1,500	0	0	400	0	0	800	0	0	4,100		4,100
4. Residential Energy Audits	5,200	7,500	0	800	1,100	2,300	1,500	800	0	0	19,200		19,200
5. Low Income Customer Energy Audits	1,400	2,300	0	0	1,100	800	0	800	0	0	6,400		6,400
6. FPU Express	1,300	4,500	0	800	400	800	0	800	0	0	8,600		8,600
7. Enhanced Good Cents Home	5,100	6,000	0	1,500	800	0	3,800	800	0	0	18,000		18,000
8. Commercial/Industrial Good Cents Building	2,100	2,300	0	3,000	500	800	1,500	800	0	0	11,000		11,000
9. Commercial/Industrial Energy Audits & Tech. As	2,100	2,300	0	3,000	500	800	1,500	800	0	0	11,000		11,000
10. Common	24,700	0	3,000	0	1,900	0	0	0	0	0	29,600		29,600
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
31. TOTAL ALL PROGRAMS	46,100	28,700	3,000	9,100	7,600	13,700	8,300	7,200	0	0	123,700	0	123,700
32. LESS: BASE RATE RECOVERY													
33. NET PROGRAM COSTS	46,100	28,700	3,000	9,100	7,600	13,700	8,300	7,200	0	0	123,700	0	123,700

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE C-2
PAGE 3 OF 3

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

ESTIMATED FOR MONTHS April-99 THROUGH December-99

PROGRAM NAME:

	BEGINNING OF PERIOD	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	TOTAL
1. INVESTMENT								
2. DEPRECIATION BASE								
3. DEPRECIATION EXPENSE								
4. CUMULATIVE INVESTMENT								
5. LESS: ACCUMULATED DEPRECIATION								
6. NET INVESTMENT								
7. AVERAGE NET INVESTMENT								
8. RETURN ON AVERAGE INVESTMENT								
9. EXPANSION FACTOR								
10. RETURN REQUIREMENTS								
11. TOTAL DEPRECIATION EXPENSE AND RETURN REQUIREMENT								NONE

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 4 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3
 PAGE 1 OF 5

ACTUAL FOR MONTHS April-98 THROUGH October-98
 ESTIMATED FOR MONTHS November-98 THROUGH March-99

PROGRAM NAME	LABOR	ADVERTISING	LEGAL	OUTSIDE	VEHICLE	MATERIALS	TRAVEL	GENERAL	INCENTIVES	OTHER	SUB	PROGRAM	TOTAL
	& PAYROLL												
1. In Concert with the Environment													
A. ACTUAL	969	0	0	11,739	0	0	0	53	275	0	13,036		13,036
B. ESTIMATED	775	0	0	0	250	4,725	0	250	0	0	6,000		6,000
C. TOTAL	1,744	0	0	11,739	250	4,725	0	303	275	0	19,036		19,036
2. Direct Leakage Repair													
A. ACTUAL	2,200	836	0	0	0	3,014	0	0	0	0	6,050		6,050
B. ESTIMATED	775	1,050	0	300	325	300	0	450	0	200	3,400		3,400
C. TOTAL	2,975	1,886	0	300	325	3,314	0	450	0	200	9,450		9,450
3. Residential Geothermal Heat Pump													
A. ACTUAL	543	518	0	0	0	0	0	0	0	0	1,061		1,061
B. ESTIMATED	725	700	0	200	325	300	100	450	0	200	3,000		3,000
C. TOTAL	1,268	1,218	0	200	325	300	100	450	0	200	4,061		4,061
4. Residential Energy Audits													
A. ACTUAL	4,293	5,120	0	0	0	2,544	0	410	0	0	12,367		12,367
B. ESTIMATED	3,050	4,200	0	250	575	1,075	1,200	450	0	200	11,000		11,000
C. TOTAL	7,343	9,320	0	250	575	3,619	1,200	860	0	200	23,367		23,367
5. Low Income Customer Energy Audits													
A. ACTUAL	904	500	0	0	0	795	0	0	0	0	2,199		2,199
B. ESTIMATED	575	1,050	0	200	575	550	0	450	0	300	3,700		3,700
C. TOTAL	1,479	1,550	0	200	575	1,345	0	450	0	300	5,899		5,899
SUB-TOTAL ACTUAL	8,909	6,974	0	11,739	0	6,353	0	463	275	0	34,713		34,713
SUB-TOTAL ESTIMATED	5,900	7,000	0	950	2,050	6,950	1,300	2,050	0	900	27,100		27,100
LESS: INCLUDED IN RATE BASE													
ACTUAL													
ESTIMATED													
TOTAL													
NET PROGRAM COSTS	SEE PAGE 1A												

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 5 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3
 PAGE 1A OF 5

ACTUAL FOR MONTHS April-98 THROUGH October-98
 ESTIMATED FOR MONTHS November-98 THROUGH March-99

PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
6. FPU Express													
A. ACTUAL	1,553	2,488	0	0	0	1,086	0	10	0	0	5,137	0	5,137
B. ESTIMATED	1,025	2,000	0	550	325	550	0	350	0	300	5,100	0	5,100
C. TOTAL	2,578	4,488	0	550	325	1,636	0	360	0	300	10,237	0	10,237
7. Enhanced Good Cents Home													
A. ACTUAL	2,885	4,742	0	4,728	0	1,382	316	250	0	731	15,034	0	15,034
B. ESTIMATED	3,150	3,000	0	1,000	450	200	2,050	450	0	300	10,600	0	10,600
C. TOTAL	6,035	7,742	0	5,728	450	1,582	2,366	700	0	1,031	25,634	0	25,634
8. Commercial/Industrial Good Cents Building													
A. ACTUAL	596	391	0	0	0	939	91	0	0	0	2,017	0	2,017
B. ESTIMATED	1,275	1,050	0	1,300	375	550	800	450	0	300	6,100	0	6,100
C. TOTAL	1,871	1,441	0	1,300	375	1,489	891	450	0	300	8,117	0	8,117
9. Commercial/Industrial Energy Audits & Tech. Assit.													
A. ACTUAL	876	1,323	0	3,769	0	328	19	23	0	0	6,338	0	6,338
B. ESTIMATED	1,375	1,050	0	1,800	375	550	800	450	0	300	6,700	0	6,700
C. TOTAL	2,251	2,373	0	5,569	375	878	819	473	0	300	13,038	0	13,038
10. Common													
A. ACTUAL	14,286	0	317	0	5,633	1,328	342	5,442	0	1,266	28,614	0	28,614
B. ESTIMATED	14,675	0	2,000	0	1,225	0	0	0	0	0	17,900	0	17,900
C. TOTAL	28,961	0	2,317	0	6,858	1,328	342	5,442	0	1,266	46,514	0	46,514
TOTAL ACTUAL	29,105	15,918	317	20,236	5,633	11,416	788	6,188	275	1,997	91,853	0	91,853
TOTAL ESTIMATED	27,400	14,100	2,000	5,600	4,800	8,800	4,950	3,750	0	2,100	73,500	0	73,500
LESS: INCLUDED IN RATE BASE													
ACTUAL													
ESTIMATED													
TOTAL													
NET PROGRAM COSTS	56,505	30,018	2,317	25,836	10,433	20,216	5,718	9,938	275	4,097	165,353	0	165,353

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 6 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN

SCHEDULE C-3
 PAGE 2 OF 5

ACTUAL FOR MONTHS April-98 THROUGH October-98
 ESTIMATED FOR MONTHS November-98 THROUGH March-99

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

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 7 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA
 CONSERVATION PROGRAM COSTS

ACTUAL FOR MONTHS
 ESTIMATED FOR MONTHS

April-98 THROUGH October-98
 November-98 THROUGH March-99

A. ESTIMATED EXPENSE BY PROGRAM	ACTUAL								ESTIMATED					TOTAL ESTIMATED	GRAND TOTAL
	1998							TOTAL	1999						
	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	ACTUAL	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH		
1. In Concert with the Environment	861	235	204	0	0	293	11,443	13,036	1,200	1,200	1,200	1,200	1,200	6,000	19,036
2. Direct Leakage Repair	373	1,015	416	3,272	414	262	298	6,050	900	900	600	500	500	3,400	9,450
3. Residential Geothermal Heat Pump	39	119	285	310	9	190	109	1,061	800	800	400	500	500	3,000	4,061
4. Residential Energy Audits	1,492	1,491	2,777	1,243	1,857	1,196	2,311	12,367	2,300	2,300	2,200	2,100	2,100	11,000	23,367
5. Low Income Customer Energy Audits	75	164	155	594	46	263	902	2,199	800	800	700	700	700	3,700	5,899
6. FPU Express	540	975	772	458	547	624	1,221	5,137	1,100	1,100	900	1,000	1,000	5,100	10,237
7. Enhanced Good Cents Home	1,050	1,299	1,002	5,353	1,817	1,859	2,654	15,034	2,300	2,300	2,000	2,000	2,000	10,600	25,634
8. Commercial/Industrial Good Cents Building	93	46	189	100	109	247	1,233	2,017	1,200	1,200	1,300	1,200	1,200	6,100	8,117
9. Commercial/Industrial Energy Audits & Tech.	323	448	222	4,309	414	225	397	6,338	1,500	1,500	1,300	1,200	1,200	6,700	13,038
10. Common	3,253	3,427	3,696	3,467	4,749	4,517	5,505	28,614	4,000	4,000	3,300	3,300	3,300	17,900	46,514
11.															
12.															
13.															
14.															
15.															
16.															
17.															
18.															
19.															
31. TOTAL ALL PROGRAMS	8,099	9,219	9,718	19,106	9,962	9,676	26,073	91,853	16,100	16,100	13,900	13,700	13,700	73,500	165,353
32. LESS AMOUNT INCLUDED IN RATE BASE															
33. RECOVERABLE CONSERVATION EXPENSES	8,099	9,219	9,718	19,106	9,962	9,676	26,073	91,853	16,100	16,100	13,900	13,700	13,700	73,500	165,353

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA
ENERGY CONSERVATION ADJUSTMENT
CALCULATION OF TRUE UP AND INTEREST PROVISION

SCHEDULE C-3
PAGE 4 OF 5

	ACTUAL FOR MONTHS	April-98	THROUGH	October-98													
	ESTIMATED FOR MONTHS	November-98	THROUGH	March-99	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	TOTAL
B. CONSERVATION REVENUES																	
1. RCS AUDIT FEES																	
a.																	
b.																	
c.																	
2. CONSERVATION ADJ REVENUE (NET OF REVENUE TAXES)		7,002	7,796	10,901	12,538	10,818	10,894	9,804	7,445	8,432	9,159	8,374	7,635	110,798			
3. TOTAL REVENUES		7,002	7,796	10,901	12,538	10,818	10,894	9,804	7,445	8,432	9,159	8,374	7,635	110,798			
4. PRIOR PERIOD TRUE-UP--ADJ NOT APPLICABLE TO PERIOD		9,376	9,376	9,376	9,376	9,376	9,376	9,376	9,376	9,376	9,376	9,376	9,376	112,506			
5. CONSERVATION REVENUES APPLICABLE TO PERIOD		16,378	17,172	20,277	21,914	20,194	20,270	19,180	16,821	17,808	18,535	17,750	17,005	223,304			
6. CONSERVATION EXPENSES (FORM C-3,PAGE 3)		8,099	9,219	9,718	19,106	9,962	9,676	26,073	16,100	16,100	13,900	13,700	13,700	165,353			
7. TRUE-UP THIS PERIOD		8,279	7,953	10,559	2,808	10,232	10,594	(6,893)	721	1,708	4,635	4,050	3,305	57,951			
8. INTEREST PROVISION THIS PERIOD (C-3,PAGE 5)		517	511	516	509	494	486	437	381	348	323	303	280	5,105			
9. TRUE-UP & INTEREST PROVISION		112,506	111,926	111,014	112,713	106,654	108,004	109,708	93,876	85,602	78,282	73,864	68,841	112,506			
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD																	
10. PRIOR TRUE-UP COLLECTED (REFUNDED)		(9,376)	(9,376)	(9,376)	(9,376)	(9,376)	(9,376)	(9,376)	(9,376)	(9,376)	(9,376)	(9,376)	(9,376)	(112,506)			
11. END OF PERIOD TOTAL NET TRUE- UP (SUM OF LINES 7,8,9,10)		111,926	111,014	112,713	106,654	108,004	109,708	93,876	85,602	78,282	73,864	68,841	63,056	63,056			

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 9 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA
 ENERGY CONSERVATION ADJUSTMENT
 CALCULATION OF TRUE UP AND INTEREST PROVISION

SCHEDULE C-3
 PAGE 5 OF 5

ACTUAL FOR MONTHS April-98 THROUGH October-98
 ESTIMATED FOR MONTHS November-98 THROUGH March-99

	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	TOTAL
C. INTEREST PROVISION													
1. BEGINNING TRUE-UP (LINE B-9)	112,506	111,926	111,014	112,713	106,654	108,004	109,708	93,876	85,602	78,282	73,864	68,841	63,056
2. ENDING TRUE-UP BEFORE INTEREST (LINE B7+B9+B10)	111,409	110,503	112,197	106,145	107,510	109,222	93,439	85,221	77,934	73,541	68,538	62,776	57,951
3. TOTAL BEG. AND ENDING TRUE-UP	223,915	222,429	223,211	218,858	214,164	217,226	203,147	179,097	163,536	151,823	142,402	131,617	121,007
4. AVERAGE TRUE-UP (LINE C-3 X 50 %)	111,957	111,214	111,605	109,429	107,082	108,613	101,573	89,548	81,768	75,911	71,201	65,808	60,503
5. INTEREST RATE-FIRST DAY OF REPORTING BUSINESS MONTH	5.55%	5.53%	5.50%	5.60%	5.56%	5.52%	5.22%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%
6. INTEREST RATE-FIRST DAY OF SUBSEQUENT BUSINESS MONTH	5.53%	5.50%	5.60%	5.56%	5.52%	5.22%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%
7. TOTAL (LINE C-5 + C-6)	11.08%	11.03%	11.10%	11.16%	11.08%	10.74%	10.32%	10.20%	10.20%	10.20%	10.20%	10.20%	10.20%
8. AVG INTEREST RATE (C-7 X 50%)	5.54%	5.52%	5.55%	5.58%	5.54%	5.37%	5.16%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%
9. MONTHLY AVERAGE INTEREST RATE	0.462%	0.460%	0.463%	0.465%	0.462%	0.448%	0.430%	0.425%	0.425%	0.425%	0.425%	0.425%	0.425%
10. INTEREST PROVISION (LINE C-4 X C-9)	517	511	516	509	494	486	437	381	348	323	303	280	5,105

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 10 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA
 CALCULATION OF CONSERVATION REVENUES

SCHEDULE C-4
 PAGE 1 OF 1

FOR THE PERIOD April-98 THROUGH December-99

MONTH	KWH/THERM SALES (000) (NET OF 3RD PARTY)	CONSERVATION ADJUSTMENT REVENUE (NET OF REVENUE TAXES)	RATE
98 APRIL	18,419	7,002	ACTUAL
MAY	20,515	7,796	ACTUAL
JUNE	28,696	10,901	ACTUAL
JULY	33,004	12,538	ACTUAL
AUGUST	28,476	10,818	ACTUAL
SEPTEMBER	28,675	10,894	ACTUAL
OCTOBER	25,805	9,804	ACTUAL
NOVEMBER	19,771	7,445	ACTUAL
DECEMBER	22,393	8,432	ACTUAL
99 JANUARY	24,324	9,159	0.03766
FEBRUARY	22,237	8,374	0.03766
MARCH	20,276	7,635	0.03766
SUB-TOTAL	<u>292,591</u>	<u>110,798</u>	
99 APRIL	18,239	5,216	0.02860
MAY	19,785	5,659	0.02860
JUNE	25,125	7,186	0.02860
JULY	27,470	7,856	0.02860
AUGUST	28,169	8,056	0.02860
SEPTEMBER	28,674	8,201	0.02860
OCTOBER	23,211	6,638	0.02860
NOVEMBER	19,547	5,590	0.02860
DECEMBER	22,173	6,341	0.02860
SUB-TOTAL	<u>212,393</u>	<u>184,778</u>	
TOTALS	<u>504,984</u>	<u>295,576</u>	

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 11 OF 42

FLORIDA PUBLIC UTILITIES COMPANY
MARIANNA DIVISION
PROGRAM DESCRIPTION AND PROGRESS

SCHEDULE C-5
PAGE 1 OF 10

1. In Concert With the Environment
2. Duct Leakage Repair
3. Residential Geothermal Heat Pump
4. Residential Energy Audits
5. Low Income Customer Energy Audits
6. FPU Express
7. Enhanced Good Cents Home
8. Commercial/ Industrial Good Cents Building
9. Commercial/Industrial Energy Audits and Technical Assistance

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 12 OF 42

PROGRAM TITLE : In Concert With the Environment

PROGRAM DESCRIPTION : In Concert With the Environment® is an environmental and energy awareness program that is being implemented in the 9th grade science classes in Florida Public Utilities Company's service area. The program will show students how everyday energy use impacts the environment and how using energy wisely increases environmental quality. In Concert With the Environment® is brought to students who are already making decisions which impact our country's energy supply and the environment. Wise energy use today can best be achieved by linking environmental benefits to wise energy-use activities and by educating both present and future consumers on how to live "in concert with the environment".

The "In Concert" program was designed for teachers and students from the ground up. "In Concert" comes complete with suggestions for implementation and evaluation, with quality materials designed to accentuate distinctive teaching styles. The program is flexible enough to be used as a stand-alone learning unit, or it can be integrated into existing lessons.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The goal for the number of program participants for this period is 75.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$10,900.

PROGRAM PROGRESS SUMMARY: Program participants totaled 435 during the 1997-98 school year. We have received an enthusiastic response from both teachers and students during the first two years and expect continued success.

PROGRAM TITLE : Duct Leakage Repair

PROGRAM DESCRIPTION : The objective of the Duct Leakage Repair Program is to provide FPUC's residential customers a means to identify house air duct leakage and recommend repairs that can reduce customer energy usage and demand.

FPUC will identify program participants through the Residential Energy Audit Program as well as through promotional activities. Blower Door testing required to identify and quantify the duct leakage will be performed by a contractor. After identification of the leakage sites and quantities, the customer will be given a written summary of the test findings and the potential savings, along with a list of approved repair contractors. Testing will be done on new construction duct systems to ensure maximum efficiency and comfort in these new homes also. This testing will be available to the Builder, HVAC contractor, or homeowner. FPUC will utilize duct testing and expertise for the purpose of educating Builders and HVAC contractors by identifying problem areas and improvement methodologies or techniques.

Additionally, FPUC will offer two approved continuing education courses for building contractors licensed by the Florida Construction Industry Licensing Board (CILB). The two courses are: "Duct Leakage in Homes: Consequences, Control, and Code Requirements" and "Repairing Duct Leakage".

PROGRAM PROJECTIONS: For April 1999 through December 1999: The goal for the number of program participants for this period is 12.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$4,900.

PROGRAM PROGRESS SUMMARY : In order to ensure that we meet our current and future goals FPUC will be sponsoring continuing education courses for building and HVAC contractors which will provide training in the areas of duct leakage identification and repair solutions. Contractors will then be in a better position to provide quality duct repair/installation services to FPUC customers. This training will be offered to area contractors in both service areas. As with the Enhanced Good Cents Program we are offering these training seminars in cooperation with other utilities in order to allow us to offer these courses to local contractors at a much lower cost to us. With this training we feel confident that we can meet our PSC approved goals now and in the future.

PROGRAM TITLE : Residential Geothermal Heat Pump

PROGRAM DESCRIPTION : The objective of the Residential Geothermal Heat Pump Program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of advanced and emerging geothermal systems. Geothermal heat pumps also provide significant benefits to participating customers in the form of reduced operating costs and increased comfort levels, and are superior to other available heating and cooling technologies with respect to source efficiency and environmental impacts. FPUC's proposed Geothermal Heat Pump program is designed to overcome existing market barriers, specifically, lack of consumer awareness, knowledge, and acceptance of this technology.

This program will promote efficiency levels well above current market conditions, specifically those units with an Energy Efficiency Ratio (EER) of 13.0 or higher. The Department of Energy (DOE) is touting geothermal technology as the most energy-efficient and environmentally clean space-conditioning system available today. Additionally, a recent DOE study indicates that geothermal systems have the lowest life-cycle cost of any HVAC system today.

PROGRAM PROJECTIONS: For April 1999 through December 1999: FPUC intends to implement this program over an extended period of time, currently expected to be 5 years. At this time no participation goals have been set. FPUC will continue to educate consumers on geothermal technology and raise awareness of the availability, affordability, and improved customer satisfaction associated with these units.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for the period are \$4,100.

PROGRAM PROGRESS SUMMARY: Even though there is no particular goal for this program we feel confident that by our efforts to promote this technology we will see a number of geothermal installations in our service areas during the current year. We will continue to educate customers and strive to develop a network of installers in order to better promote this highly efficient heating and cooling source.

PROGRAM TITLE : Residential Energy Audits

PROGRAM DESCRIPTION : The objective of the Residential Energy Audit Program is to provide FPUC's residential customers with energy conservation advice that will encourage the implementation of efficiency measures resulting in energy savings for the customer. FPUC views this program as a vehicle to promote the installation of cost-effective conservation features. During the audit process, the customer is provided with specific whole-house recommendations. Through follow-up audit work, FPUC monitors and tracks the implementation of the measures.

The "Appliance Efficiency Education" DSM program from JEA's DSM Plan will be incorporated into these residential energy audits. The customer will be educated on the expense of operating a second refrigerator or freezer and on the value of a high efficiency pool pump. The resulting increase in operating efficiencies will provide for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The goal for the number of program participants for this period is 110.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$19,200.

PROGRAM PROGRESS: We feel confident that by our efforts to promote this program through billing promotional materials, newspaper, and cable TV that we will see similar participation in this program in the future.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 16 OF 42

PROGRAM TITLE : Low Income Customer Energy Audits

PROGRAM DESCRIPTION : FPUC has provided low income customers benefits through its energy conservation programs for many years. Although programs are offered to customers without discrimination, the company recognizes that a customer may be less likely to participate in a particular program due to various circumstances, including lack of disposable income. FPUC does not directly identify low income participants, but base on experience and observations, it is apparent that low income customers are participating at levels similar to the overall residential population.

Every FPUC customer is eligible for an FPUC residential energy audit, but the audit recommendations usually require the customer to spend money replacing or adding energy conservation measures. Low income persons may not have the discretionary income to make these changes. In an effort to further assist FPUC's low income customers, FPUC will work with a local weatherization agency to provide weatherization energy audits for low income customers. FPUC will pay for these weatherization energy audits for any FPUC customer through the state weatherization program. The estimated cost per audit is \$50.

PROGRAM PROJECTIONS: For April 1999 through March 1999: The goal for the number of program participants for this period is 17.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$6,400.

PROGRAM PROGRESS SUMMARY: FPUC will continue to work with Social Service Agencies and low-income housing managers to provide information concerning weatherization programs and energy saving measures.

**FLORIDA PUBLIC UTILITIES COMPANY
MARIANNA DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 7 OF 10**

PROGRAM TITLE : FPU Express Loan Program

PROGRAM DESCRIPTION : The objective of the FPU Express Loan Program is to provide FPUC's residential customers a vehicle to encourage installation of energy conservation features in their homes. This below-market interest rate loan program provides financing for up to \$15,000 for a period of 10 years to customers that choose to install energy conservation features in their existing homes.

The program provides FPUC a financing option to offer customers who wish to install conservation features in their homes. The program is designed to work in conjunction with FPUC's approved Residential Energy Audit Program. During the audit process, the customer is provided with specific whole-house recommendations. An FPUC representative will submit a completed loan application once the customer decides to install the conservation features. After the application has been approved, the customer will contact a licensed contractor of their choice to install the recommended conservation features. After the work is completed, an inspection is performed by FPUC to ensure all energy conservation features covered by the loan are installed. The increased operating efficiencies of the installed features provide a reduction in weather sensitive peak demand as well as a reduction in overall energy consumption.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The goal for the number of program participants for this period is 9.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for the period are \$8,600.

PROGRAM PROGRESS SUMMARY: We feel this program will be extremely successful due to increased advertising and our new promotional efforts. During Residential Audits we will inform residents of the advantages of this program as well as through newspaper and cable television advertising. We will continue to nurture the close relationships we have built with area realtors and contractors by providing them with program materials that will enhance their efforts to inform customers of this program.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 18 OF 42

PROGRAM TITLE : Enhanced Good Cents Home Program

PROGRAM DESCRIPTION : The objective of the Enhanced Good Cents Home Program is to provide Florida Public Utilities Company's residential customers guidance concerning energy efficiency in new construction. The program promotes energy efficient home construction techniques by evaluating components in the categories of design and construction practices. These categories include: wall insulation, doors, windows, perimeter/floor insulation, moisture/infiltration barrier, attic/ceiling insulation, attic ventilation system, centsable duct system, centsable water heating system, and HVAC system.

The program will result in reductions in energy usage and peak demand. FPU will identify potential program participants through builder/developer relationships as well as through promotional activities. Additionally, FPUC will provide education and training to building contractors and building inspectors to encourage energy conservation. Two classes will be provided, both of which are approved continuing education courses for building contractors licensed by the Florida Construction Industry Licensing Board (CILB). The two classes are: "Constructing an Energy Efficient Home" and "Load and Duct Sizing Calculations: Computer Solutions".

PROGRAM PROJECTION: For April 1999 through December 1999: The goal for the number of program participants for this period is 36.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for the period are \$18,000.

PROGRAM PROGRESS SUMMARY: Program participation has been disappointing thus far despite our efforts to educate customers. Our department recently met with Good Cents Representatives at Gulf Power Company in Panama City, Florida. During this meeting some different ways to promote this program were identified. We will be taking what we learned in that meeting in order to re-focus our efforts to promote this program's benefits to the final consumer.

PROGRAM TITLE : Commercial/Industrial Good Cents Buildings

PROGRAM DESCRIPTION : The commercial/industrial market is comprised of a wide range of diverse businesses with variable size and operational characteristics. The success of the Commercial/Industrial Good Cents Building program lies in its ability to address this diversity by focusing on the mutual characteristics of commercial buildings. The most common critical areas in commercial buildings that affect summer peak demand are the thermal efficiency of the building and HVAC equipment efficiency. The Commercial/Industrial Good Cents Building program provides requirements for these area that, if adhered to, will help reduce peak demand and energy consumption.

Promotion of the Commercial/Industrial Good Cents Building program will feature a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design is sufficiently flexible to allow an architect or designer to use initiative and ingenuity to achieve results that are meaningful to both the customer and FPUC.

To provide an accurate quantitative analysis of the demand and energy savings due to the Commercial/Industrial Good Cents Building program, the Good Cents standards for our average commercial building are compared to the Florida Model Energy Code. The features used to prepare the customer's analysis include: wall and ceiling R-values; glass area; description of glass; and equipment used in determining the demand and energy differences for the two types of structures. The AXCESS - Energy Analysis Computer Program (AXCESS) is used in calculating these demand and energy differences.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The goal for the number of program participants for this period is 2.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for the period are \$11,000.

PROGRAM PROGRESS SUMMARY: We contracted with Gulf Power in order to provide commercial services to our commercial/industrial customers. Utilizing aggressive advertising and by staying in contact with the decision makers we will continue to make great progress in this area.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 20 OF 42

PROGRAM TITLE : Commercial/Industrial Energy Audits and Technical Assistance

PROGRAM DESCRIPTION : FPUC provides auditing services to the commercial and industrial classes to assist in the evaluation of specific energy requirements of a given structure.

FPUC's representative will be provided a prospective customer for an audit through a phone call, advertising, a complaint, or referral. In this initial contact the representative determines needs, sets an appointment, and begins to gather some basic data such as the address, account number, business type, and past energy records. At the time of the audit, the representative discusses the audit and submits an outline of the procedure to the customer. During the discussion, the representative also acquires some customer data as it relates to the characteristics of the operation, time of operation, occupancy, and duration of the occupancy. In the audit's visual inspections, the representative observes overall layout, gathers equipment data, statistics, observes housekeeping and maintenance, checks various energy sources, and checks waste heat sources. The representative also makes appropriate measurements of lighting, ambient air temperatures, water temperatures, and air quantities.

After the visual inspection, the representative will return to the customer to review the total energy consumption and billing of the structure, and make general suggestions for improved efficiency that will have little or no cost associated with them. The representative will also identify major items for further study in which the customer will have the option of making capital expenditures.

PROGRAM PROJECTION: For April 1999 through December 1999: The goal for the number of program participants for this period is 10.

PROGRAM FISCAL EXPENDITURES For April 1999 through December 1999: Projected expenses for this period are \$11,000.

PROGRAM PROGRESS SUMMARY : As has been stated previously, we have contracted with Gulf Power to provide these types of services to our customers. We have built trusting relationships with many of these customers by educating them concerning new technologies and by getting them in touch with people who could solve their particular problems. The work we have done in this area will continue to benefit FPUC by increased participation in this program.

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION

FOR MONTHS April-99 THROUGH December-99

1.	TOTAL INCREMENTAL COSTS (SCHEDULE C-2,PAGE 1, LINE 33)	<u>119,800</u>
2.	TRUE-UP (SCHEDULE C-3,PAGE 4,LINE 11)	<u>(88,760)</u>
3.	TOTAL (LINE 1 AND LINE 2)	<u>31,040</u>
4.	RETAIL KWH/THERM SALES	<u>278,925,000</u>
5.	COST PER KWH/THERM	<u>0.00011100</u>
6.	REVENUE TAX MULTIPLIER	<u>1.01597</u>
7.	ADJUSTMENT FACTOR ADJUSTED FOR TAXES (LINE 5 X LINE 6)	<u>0.00011300</u>
8.	CONSERVATION ADJUSTMENT FACTOR- (ROUNDED TO THE NEAREST .001 CENTS PER KWH/THERM)	<u>0.00011</u>

ESTIMATED CONSERVATION PROGRAM COSTS

FOR MONTHS April-99 THROUGH December-99

A. ESTIMATED EXPENSE BY PROGRAM	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. In Concert with the Environment	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	9,300
2. Direct Leakage Repair	700	700	700	700	700	700	700	700	700	6,400
3. Residential Geothermal Heat Pump	400	400	400	400	400	400	400	400	400	3,800
4. Residential Energy Audits	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	17,800
5. Low Income Customer Energy Audits	900	900	900	900	900	900	900	900	900	8,300
6. FPU Express	700	700	700	700	700	700	700	700	700	6,100
7. Enhanced Good Cents Home	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	18,800
8. Commercial/Industrial Good Cents Building	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	12,800
9. Commercial/Industrial Energy Audits & Tech. Assit.	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	12,000
10. Common	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	24,500
11.										
12.										
13.										
14.										
15.										
16.										
17.										
18.										
19.										
31. TOTAL ALL PROGRAMS	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	119,800
32. LESS AMOUNT INCLUDED IN RATE BASE										
33. RECOVERABLE CONSERVATION EXPENSES	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	119,800

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS April-99 THROUGH December-99

PROGRAM NAME	LABOR	ADVERTISING	LEGAL	OUTSIDE	VEHICLE	MATERIALS	TRAVEL	GENERAL	INCENTIVES	OTHER	SUB	PROGRAM	TOTAL
	& PAYROLL					& SUPPLIES		& ADMIN.					
1. In Concert with the Environment	300	0	0	0	0	8,200	0	800	0	0	9,300		9,300
2. Direct Leakage Repair	2,200	1,900	0	0	400	0	800	1,100	0	0	6,400		6,400
3. Residential Geothermal Heat Pump	600	800	0	400	400	0	800	800	0	0	3,800		3,800
4. Residential Energy Audits	5,900	6,000	0	400	800	1,500	1,500	1,700	0	0	17,800		17,800
5. Low Income Customer Energy Audits	3,000	1,900	0	0	800	1,500	0	1,100	0	0	8,300		8,300
6. FPU Express	2,100	1,900	0	400	400	500	0	800	0	0	6,100		6,100
7. Enhanced Good Cents Home	5,900	6,000	0	400	800	400	3,800	1,500	0	0	18,800		18,800
8. Commercial/Industrial Good Cents Building	2,900	1,500	0	3,800	800	800	1,500	1,500	0	0	12,800		12,800
9. Commercial/Industrial Energy Audits & Tech. As	2,800	800	0	3,800	800	800	1,500	1,500	0	0	12,000		12,000
10. Common	19,900	0	3,000	0	1,600	0	0	0	0	0	24,500		24,500
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
31. TOTAL ALL PROGRAMS	45,600	20,800	3,000	9,200	6,800	13,700	9,900	10,800	0	0	119,800	0	119,800
32. LESS: BASE RATE RECOVERY													
33. NET PROGRAM COSTS	45,600	20,800	3,000	9,200	6,800	13,700	9,900	10,800	0	0	119,800	0	119,800

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

ESTIMATED FOR MONTHS April-99 THROUGH December-99

PROGRAM NAME:

	BEGINNING OF PERIOD	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	TOTAL
1. INVESTMENT								
2. DEPRECIATION BASE								
3. DEPRECIATION EXPENSE								
4. CUMULATIVE INVESTMENT								
5. LESS: ACCUMULATED DEPRECIATION								
6. NET INVESTMENT								
7. AVERAGE NET INVESTMENT								
8. RETURN ON AVERAGE INVESTMENT								
9. EXPANSION FACTOR								
10. RETURN REQUIREMENTS								
11. TOTAL DEPRECIATION EXPENSE AND RETURN REQUIREMENT								NONE

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 25 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3
 PAGE 1 OF 5

ACTUAL FOR MONTHS ESTIMATED FOR MONTHS	April-98 November-98	THROUGH THROUGH	October-98 March-99									SUB TOTAL	PROGRAM REVENUES	TOTAL									
				LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.				INCENTIVES	OTHER							
1.	In Concert with the Environment																						
A. ACTUAL	769	0	0	11,388	0	0	0	25	0	0	12,182		12,182										
B. ESTIMATED	325	0	0	0	100	4,725	0	350	0	0	5,500		5,500										
C. TOTAL	1,094	0	0	11,388	100	4,725	0	375	0	0	17,682		17,682										
2.	Direct Leakage Repair																						
A. ACTUAL	1,846	102	0	0	0	3,014	0	0	0	0	4,962		4,962										
B. ESTIMATED	925	825	0	300	225	300	450	475	0	200	3,700		3,700										
C. TOTAL	2,771	927	0	300	225	3,314	450	475	0	200	8,662		8,662										
3.	Residential Geothermal Heat Pump																						
A. ACTUAL	812	571	0	0	0	0	0	0	0	0	1,383		1,383										
B. ESTIMATED	400	450	0	425	225	300	250	350	0	400	2,800		2,800										
C. TOTAL	1,212	1,021	0	425	225	300	250	350	0	400	4,183		4,183										
4.	Residential Energy Audits																						
A. ACTUAL	4,270	3,347	0	32	0	1,600	74	216	21	0	9,560		9,560										
B. ESTIMATED	2,975	3,300	0	125	450	800	700	750	0	400	9,500		9,500										
C. TOTAL	7,245	6,647	0	157	450	2,400	774	966	21	400	19,060		19,060										
5.	Low Income Customer Energy Audits																						
A. ACTUAL	387	0	0	0	0	795	0	0	0	0	1,182		1,182										
B. ESTIMATED	1,250	925	0	200	350	800	0	475	0	500	4,500		4,500										
C. TOTAL	1,637	925	0	200	350	1,595	0	475	0	500	5,682		5,682										
SUB-TOTAL ACTUAL											8,084	4,020	0	11,420	0	5,409	74	241	21	0	29,269		29,269
SUB-TOTAL ESTIMATED											5,875	5,500	0	1,050	1,350	6,925	1,400	2,400	0	1,500	26,000		26,000
LESS: INCLUDED IN RATE BASE																							
ACTUAL																							
ESTIMATED																							
TOTAL																							
NET PROGRAM COSTS	SEE PAGE 1A																						

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 26 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3
 PAGE 1A OF 5

ACTUAL FOR MONTHS		April-98	THROUGH	October-98									
ESTIMATED FOR MONTHS		November-98	THROUGH	March-99									
PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
6. FPU Express													
A. ACTUAL	1,562	2,186	0	0	0	1,176	0	125	0	0	5,049		5,049
B. ESTIMATED	1,125	1,025	0	325	225	450	0	350	0	500	4,000		4,000
C. TOTAL	2,687	3,211	0	325	225	1,626	0	475	0	500	9,049		9,049
7. Enhanced Good Cents Home													
A. ACTUAL	4,290	2,264	0	0	0	4	1,289	472	0	618	8,937		8,937
B. ESTIMATED	3,150	2,800	0	625	450	325	1,550	600	0	500	10,000		10,000
C. TOTAL	7,440	5,064	0	625	450	329	2,839	1,072	0	1,118	18,937		18,937
8. Commercial/Industrial Good Cents Building													
A. ACTUAL	721	0	0	0	0	795	91	18	0	0	1,625		1,625
B. ESTIMATED	1,150	800	0	1,950	350	550	800	500	0	500	6,600		6,600
C. TOTAL	1,871	800	0	1,950	350	1,345	891	518	0	500	8,225		8,225
9. Commercial/Industrial Energy Audits & Tech. Assit.													
A. ACTUAL	3,042	0	0	8,540	0	328	147	515	0	0	12,572		12,572
B. ESTIMATED	1,600	550	0	2,550	450	550	800	600	0	500	7,600		7,600
C. TOTAL	4,642	550	0	11,090	450	878	947	1,115	0	500	20,172		20,172
10. Common													
A. ACTUAL	12,189	0	317	0	3,840	1,003	14	5,405	338	0	23,106		23,106
B. ESTIMATED	12,975	0	2,000	0	1,125	0	0	0	0	0	16,100		16,100
C. TOTAL	25,164	0	2,317	0	4,965	1,003	14	5,405	338	0	39,206		39,206
TOTAL ACTUAL	29,888	8,470	317	19,960	3,840	8,715	1,615	6,776	359	618	80,558	0	80,558
TOTAL ESTIMATED	25,875	10,675	2,000	6,500	3,950	8,800	4,550	4,450	0	3,500	70,300	0	70,300
LESS: INCLUDED IN RATE BASE													
ACTUAL													
ESTIMATED													
TOTAL													
NET PROGRAM COSTS	55,763	19,145	2,317	26,460	7,790	17,515	6,165	11,226	359	4,118	150,858	0	150,858

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 27 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN

SCHEDULE C-3
 PAGE 2 OF 5

ACTUAL FOR MONTHS April-98 THROUGH October-98
 ESTIMATED FOR MONTHS November-98 THROUGH March-99

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

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 28 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA
 CONSERVATION PROGRAM COSTS

ACTUAL FOR MONTHS April-98 THROUGH October-98
 ESTIMATED FOR MONTHS November-98 THROUGH March-99

A. ESTIMATED EXPENSE BY PROGRAM	ACTUAL							ESTIMATED					TOTAL ESTIMATED	GRAND TOTAL	
	1998							1999							
	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	TOTAL ACTUAL	NOVEMBER	DECEMBER	JANUARY	FEBRUARY			MARCH
1. In Concert with the Environment	285	212	93	107	97	73	11,315	12,182	1,200	1,200	1,100	1,000	1,000	5,500	17,682
2. Direct Leakage Repair	180	504	397	2,831	153	286	611	4,962	800	800	700	700	700	3,700	8,662
3. Residential Geothermal Heat Pump	157	105	499	232	112	176	102	1,383	800	800	400	400	400	2,800	4,183
4. Residential Energy Audits	630	1,425	1,572	1,438	975	1,171	2,349	9,560	1,800	1,800	1,900	2,000	2,000	9,500	19,060
5. Low Income Customer Energy Audits	9	51	54	59	97	132	780	1,182	900	900	900	900	900	4,500	5,682
6. FPU Express	384	954	601	1,052	602	445	1,011	5,049	1,000	1,000	600	700	700	4,000	9,049
7. Enhanced Good Cents Home	385	704	811	1,675	1,994	2,352	1,016	8,937	1,900	1,900	2,000	2,100	2,100	10,000	18,937
8. Commercial/Industrial Good Cents Building	176	129	51	143	114	214	798	1,825	1,200	1,200	1,400	1,400	1,400	6,600	8,225
9. Commercial/Industrial Energy Audits & Tech.	1,038	413	274	9,818	265	328	436	12,572	1,800	1,800	1,400	1,300	1,300	7,600	20,172
10. Common	2,744	2,940	3,443	3,790	3,399	3,264	3,526	23,106	4,000	4,000	2,700	2,700	2,700	16,100	39,206
11.															
12.															
13.															
14.															
15.															
16.															
17.															
18.															
19.															
31. TOTAL ALL PROGRAMS	5,988	7,437	7,795	21,145	7,808	8,441	21,944	80,558	15,400	15,400	13,100	13,200	13,200	70,300	150,858
32. LESS AMOUNT INCLUDED IN RATE BASE															
33. RECOVERABLE CONSERVATION EXPENSES	5,988	7,437	7,795	21,145	7,808	8,441	21,944	80,558	15,400	15,400	13,100	13,200	13,200	70,300	150,858

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA
ENERGY CONSERVATION ADJUSTMENT
CALCULATION OF TRUE UP AND INTEREST PROVISION

SCHEDULE C-3
PAGE 4 OF 5

ACTUAL FOR MONTHS ESTIMATED FOR MONTHS	April-98 November-98	THROUGH THROUGH	October-98 March-99													
				APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	TOTAL
B. CONSERVATION REVENUES																
1. RCS AUDIT FEES																
a.																
b.																
c.																
2. CONSERVATION ADJ REVENUE (NET OF REVENUE TAXES)	6,161	6,648	10,147	11,205	9,619	9,724	9,129	5,983	6,560	7,222	6,898	6,322	95,618			
3. TOTAL REVENUES	6,161	6,648	10,147	11,205	9,619	9,724	9,129	5,983	6,560	7,222	6,898	6,322	95,618			
4. PRIOR PERIOD TRUE-UP--ADJ NOT APPLICABLE TO PERIOD	11,455	11,455	11,455	11,455	11,455	11,455	11,455	11,455	11,455	11,455	11,455	11,452	137,457			
5. CONSERVATION REVENUES APPLICABLE TO PERIOD	17,616	18,103	21,602	22,660	21,074	21,179	20,584	17,438	18,015	18,677	18,353	17,774	233,075			
6. CONSERVATION EXPENSES (FORM C-3,PAGE 3)	5,988	7,437	7,795	21,145	7,808	8,441	21,944	15,400	15,400	13,100	13,200	13,200	150,858			
7. TRUE-UP THIS PERIOD	11,628	10,666	13,807	1,515	13,266	12,738	(1,360)	2,038	2,615	5,577	5,153	4,574	82,217			
8. INTEREST PROVISION THIS PERIOD (C-3,PAGE 5)	635	634	644	633	613	604	558	506	470	440	416	390	6,543			
9. TRUE-UP & INTEREST PROVISION	137,457	138,265	138,110	141,106	131,799	134,223	136,110	123,853	114,942	106,572	101,134	95,248	137,457			
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD																
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	(11,455)	(11,455)	(11,455)	(11,455)	(11,455)	(11,455)	(11,455)	(11,455)	(11,455)	(11,455)	(11,455)	(11,452)	(137,457)			
11. END OF PERIOD TOTAL NET TRUE- UP (SUM OF LINES 7,8,9,10)	138,265	138,110	141,106	131,799	134,223	136,110	123,853	114,942	106,572	101,134	95,248	88,760	88,760			

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 30 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA
ENERGY CONSERVATION ADJUSTMENT
CALCULATION OF TRUE UP AND INTEREST PROVISION

SCHEDULE C-3
PAGE 5 OF 5

ACTUAL FOR MONTHS April-98 THROUGH October-98
ESTIMATED FOR MONTHS November-98 THROUGH March-99

	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	TOTAL
C. INTEREST PROVISION													
1. BEGINNING TRUE-UP (LINE B-9)	137,457	138,265	138,110	141,106	131,799	134,223	136,110	123,853	114,942	106,572	101,134	95,248	88,760
2. ENDING TRUE-UP BEFORE INTEREST (LINE B7+B9+B10)	137,630	137,476	140,462	131,166	133,610	135,506	123,295	114,436	106,102	100,694	94,832	88,370	82,217
3. TOTAL BEG. AND ENDING TRUE-UP	275,087	275,741	278,572	272,272	265,409	269,729	259,405	238,289	221,044	207,266	195,966	183,618	170,977
4. AVERAGE TRUE-UP (LINE C-3 X 50 %)	137,544	137,871	139,286	136,136	132,705	134,865	129,703	119,145	110,522	103,633	97,983	91,809	85,489
5. INTEREST RATE-FIRST DAY OF REPORTING BUSINESS MONTH	5.55%	5.53%	5.50%	5.60%	5.56%	5.52%	5.22%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%
6. INTEREST RATE-FIRST DAY OF SUBSEQUENT BUSINESS MONTH	5.53%	5.50%	5.60%	5.56%	5.52%	5.22%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%
7. TOTAL (LINE C-5 + C-6)	11.08%	11.03%	11.10%	11.16%	11.08%	10.74%	10.32%	10.20%	10.20%	10.20%	10.20%	10.20%	10.20%
8. AVG INTEREST RATE (C-7 X 50%)	5.54%	5.52%	5.55%	5.58%	5.54%	5.37%	5.16%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%
9. MONTHLY AVERAGE INTEREST RATE	0.462%	0.460%	0.463%	0.465%	0.462%	0.448%	0.430%	0.425%	0.425%	0.425%	0.425%	0.425%	0.425%
10. INTEREST PROVISION (LINE C-4 X C-9)	635	634	644	633	613	604	558	506	470	440	416	390	6,543

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MAP-1)
PAGE 31 OF 42

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA
 CALCULATION OF CONSERVATION REVENUES

SCHEDULE C-4
 PAGE 1 OF 1

FOR THE PERIOD April-98 THROUGH December-99

MONTH	KWH/THERM SALES (000) (NET OF 3RD PARTY)	CONSERVATION ADJUSTMENT REVENUE (NET OF REVENUE TAXES)	RATE
98 APRIL	26,082	6,161	ACTUAL
MAY	28,153	6,648	ACTUAL
JUNE	42,959	10,147	ACTUAL
JULY	47,435	11,205	ACTUAL
AUGUST	40,725	9,619	ACTUAL
SEPTEMBER	41,166	9,724	ACTUAL
OCTOBER	38,651	9,129	ACTUAL
NOVEMBER	25,128	5,983	ACTUAL
DECEMBER	27,552	6,560	ACTUAL
99 JANUARY	30,336	7,222	0.02381
FEBRUARY	28,972	6,898	0.02381
MARCH	26,553	6,322	0.02381
SUB-TOTAL	<u>403,712</u>	<u>95,618</u>	
99 APRIL	25,596	2,841	0.01110
MAY	27,382	3,039	0.01110
JUNE	32,227	3,577	0.01110
JULY	36,097	4,007	0.01110
AUGUST	36,501	4,052	0.01110
SEPTEMBER	35,557	3,947	0.01110
OCTOBER	30,763	3,415	0.01110
NOVEMBER	26,191	2,907	0.01110
DECEMBER	28,611	3,176	0.01110
SUB-TOTAL	<u>278,925</u>	<u>140,938</u>	
TOTALS	<u>682,637</u>	<u>236,556</u>	

EXHIBIT NO. _____
 DOCKET NO. 990002-EG
 FLORIDA PUBLIC UTILITIES COMPANY
 (MAP-1)
 PAGE 32 OF 42

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 1 OF 10**

1. In Concert With the Environment
2. Duct Leakage Repair
3. Residential Geothermal Heat Pump
4. Residential Energy Audits
5. Low Income Customer Energy Audits
6. FPU Express
7. Enhanced Good Cents Home
8. Commercial/ Industrial Good Cents Building
9. Commercial/Industrial Energy Audits and Technical Assistance

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 33 OF 42

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 2 OF 10**

PROGRAM TITLE : In Concert With the Environment

PROGRAM DESCRIPTION : In Concert With the Environment® is an environmental and energy awareness program that is being implemented in the 8th and 9th grade science classes in Florida Public Utilities Company's service area. The program will show students how everyday energy use impacts the environment and how using energy wisely increases environmental quality. In Concert With the Environment® is brought to students who are already making decisions which impact our country's energy supply and the environment. Wise energy use today can best be achieved by linking environmental benefits to wise energy-use activities and by educating both present and future consumers on how to live "in concert with the environment".

The "In Concert" program was designed for teachers and students from the ground up. "In Concert" comes complete with suggestions for implementation and evaluation, with quality materials designed to accentuate distinctive teaching styles. The program is flexible enough to be used as a stand-alone learning unit, or it can be integrated into existing lessons.

PROGRAM PROJECTIONS : For April 1999 through December 1999: The number of program participants is projected to be 75 students.

PROGRAM FISCAL EXPENDITURES : For April 1999 through December 1999 : Projected expenses for this period are \$9,300.

PROGRAM PROGRESS SUMMARY : Program participants totaled 44 during the 1997-1998 school year. It is expected that more teachers and students will be participating during the upcoming school year due to positive student response to the program.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 34 OF 42

PROGRAM TITLE: Duct Leakage Repair

PROGRAM DESCRIPTION: The objective of the Duct Leakage Repair Program is to provide FPUC's residential customers a means to identify house air duct leakage and recommend repairs that can reduce customer energy usage and demand.

FPUC will identify program participants through the Residential Energy Audit Program as well as through promotional activities. Blower Door testing required to identify and quantify the duct leakage will be performed by a contractor. After identification of the leakage sites and quantities, the customer will be given a written summary of the test findings and the potential savings, along with a list of approved repair contractors. Testing will be done on new construction duct systems to ensure maximum efficiency and comfort in these new homes also. This testing will be available to the Builder, HVAC contractor, or homeowner. FPUC will utilize duct testing and expertise for the purpose of educating Builders and HVAC contractors by identifying problem areas and improvement methodologies or techniques.

Additionally, FPUC will offer two approved continuing education courses for building contractors licensed by the Florida Construction Industry Licensing Board (CILB). The two courses are: "Duct Leakage in Homes: Consequences, Control, and Code Requirements" and "Repairing Duct Leakage".

PROGRAM PROJECTIONS: For April 1999 through December 1999: The number of program participants is projected to be 12.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$6,400.

PROGRAM PROGRESS SUMMARY: In order to ensure that we meet our current and future goals FPUC will be sponsoring continuing education courses for building and HVAC contractors which will provide training in the areas of duct leakage identification and repair solutions. Contractors will then be in a better position to provide quality duct repair/installation services to FPUC customers. This training will be offered to area contractors in both service areas. The Fernandina Beach Division will be cosponsoring this training along with JEA and Clay Electric Cooperative. As with the Enhanced Good Cents Program we are offering these training seminars in cooperation with other utilities in order to allow us to offer these courses to local contractors at a much lower cost to us. With this training we feel confident that we can meet our PSC approved goals now and in the future.

PROGRAM TITLE: Residential Geothermal Heat Pump

PROGRAM DESCRIPTION: The objective of the Residential Geothermal Heat Pump Program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of

advanced and emerging geothermal systems. Geothermal heat pumps also provide significant benefits to participating customers in the form of reduced operating costs and increased comfort levels, and are superior to other available heating and cooling technologies with respect to source efficiency and environmental impacts. FPUC's proposed Geothermal Heat Pump program is designed to overcome existing market barriers, specifically, lack of consumer awareness, knowledge, and acceptance of this technology.

This program will promote efficiency levels well above current market conditions, specifically those units with an Energy Efficiency Ratio (EER) of 13.0 or higher. The Department of Energy (DOE) is touting geothermal technology as the most energy-efficient and environmentally clean space-conditioning system available today. Additionally, a recent DOE study indicates that geothermal systems have the lowest life-cycle cost of any HVAC system today.

PROGRAM PROJECTIONS: For April 1999 through December 1999: FPUC intends to implement this program over a five-year period. At this time participation goals have not been set. We will strive to educate consumers concerning geothermal technology in hopes that customer demand will make this technology more readily available in our service territory.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Expenditures for this period are expected to be approximately \$3,800.

PROGRAM PROGRESS SUMMARY: Even though there is no particular goal for this particular program we feel confident that by our efforts to promote this technology we will see a number geothermal installations in our service areas during the current year. We will continue to educate customers and strive to develop a network of installers in order to better promote this highly energy efficient heating and cooling source.

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 5 OF 10**

PROGRAM TITLE : Residential Energy Audits

PROGRAM DESCRIPTION: The objective of the Residential Energy Audit Program is to provide FPUC's residential customers with energy conservation advice that will encourage the implementation of efficiency measures resulting in energy savings for the customer. FPUC views this program as a vehicle to promote the installation of cost-effective conservation features. During the audit process, the customer is provided with specific whole-house recommendations. Through follow-up audit work, FPUC monitors and tracks the implementation of the measures.

The "Appliance Efficiency Education" DSM program from JEA's DSM Plan will be incorporated into these residential energy audits. The customer will be educated on the expense of operating a second refrigerator or freezer and on the value of a high efficiency pool pump. The resulting increase in operating efficiencies will provide for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The number of program participants is projected to be 109.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$17,800.

PROGRAM PROGRESS SUMMARY: We feel confident that by our efforts to promote this program through billing promotional materials, newspaper, and cable TV that we will see similar participation in this program in the future.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 37 OF 42

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 6 OF 10**

PROGRAM TITLE : Low Income Customer Energy Audits

PROGRAM DESCRIPTION: FPUC has provided low income customers benefits through its energy conservation programs for many years. Although programs are offered to customers without discrimination, the company recognizes that a customer may be less likely to participate in a particular program due to various circumstances, including lack of disposable income. FPUC does not directly identify low income participants, but base on experience and observations, it is apparent that low income customers are participating at levels similar to the overall residential population.

Every FPUC customer is eligible for an FPUC residential energy audit, but the audit recommendations usually require the customer to spend money replacing or adding energy conservation measures. Low income persons may not have the discretionary income to make these changes. In an effort to further assist FPUC's low income customers, FPUC will work with a local weatherization agency to provide weatherization energy audits for low income customers. FPUC will pay for these weatherization energy audits for any FPUC customer through the state weatherization program. The estimated cost per audit is \$50.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The number of program participants is projected to be 17.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$8,300.

PROGRAM PROGRESS SUMMARY: FPUC will continue to work with Social Service Agencies and Low-Income housing managers to provide information concerning weatherization programs and energy saving measures.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 38 OF 42

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 7 OF 10**

PROGRAM TITLE: FPUC Express Loan Program

PROGRAM DESCRIPTION: The objective of the FPUC Express Loan Program is to provide FPUC's residential customers a vehicle to encourage installation of energy conservation features in their homes. This below-market interest rate loan program provides financing from participating banks in FPUC's service area for up to \$15,000 for a period of 10 years to customers that choose to install energy conservation features in their existing homes.

The program provides FPUC a financing option to offer customers who wish to install conservation features in their homes. The program is designed to work in conjunction with FPUC's approved Residential Energy Audit Program. During the audit process, the customer is provided with specific whole-house recommendations. An FPUC representative will submit a completed loan application to a participating bank once the customer decides to install the conservation features. Along with the application, the FPUC representative will also provide the bank with a copy of the energy audit and a list of the specific energy conservation features recommended. After the application has been approved, the customer will contact a licensed contractor of their choice to install the recommended conservation features. After the work is completed, an inspection is performed by FPUC to ensure all energy conservation features covered by the loan are installed. Confirmation of the installed features is provided to the participating bank. The increased operating efficiencies of the installed features provide a reduction in weather sensitive peak demand as well as a reduction in overall energy consumption.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The number of program participants is projected to be 9.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$6,100.

PROGRAM PROGRESS SUMMARY: We feel this program will be extremely successful due to increased advertising and our new promotional efforts. During Residential Audits we will inform residents of the advantages of this program as well as through newspaper and cable television advertising. We will continue to nurture the close relationships we have built with area realtors and contractors by providing them with program materials that will enhance their efforts to inform customers of this program.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 39 OF 42

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 8 OF 10**

PROGRAM TITLE: Enhanced Good Cents Home Program

PROGRAM DESCRIPTION: The objective of the Enhanced Good Cents Home Program is to provide Florida Public Utilities Company's residential customers guidance concerning energy efficiency in new construction. The program promotes energy efficient home construction techniques by evaluating components in the categories of design and construction practices. These categories include: wall insulation, doors, windows, perimeter/floor insulation, moisture/infiltration barrier, attic/ceiling insulation, attic ventilation system, centsable duct system, centsable water heating system, and HVAC system.

The program will result in reductions in energy usage and peak demand. FPUC will identify potential program participants through builder/developer relationships as well as through promotional activities. Additionally, FPUC will provide education and training to building contractors and building inspectors to encourage energy conservation. Two classes will be provided, both of which are approved continuing education courses for building contractors licensed by the Florida Construction Industry Licensing Board (CILB). The two classes are: "Constructing an Energy Efficient Home" and "Load and Duct Sizing Calculations: Computer Solutions".

PROGRAM PROJECTIONS: For April 1999 through December 1999: The number of program participants is projected to be 36.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$18,800.

PROGRAM PROGRESS SUMMARY: Program participation has been disappointing thus far despite our efforts to educate customers. Our department recently met with Good Cents Representatives at Gulf Power Company in Panama City, Florida. During this meeting some different ways to promote this program were identified. We will be taking what we learned in that meeting in order to re-focus our efforts to promote this program's benefits to the final consumer.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 40 OF 42

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 9 OF 10**

PROGRAM TITLE: Commercial/Industrial Good Cents Buildings

PROGRAM DESCRIPTION: The commercial/industrial market is comprised of a wide range of diverse businesses with variable size and operational characteristics. The success of the Commercial/Industrial Good Cents Building program lies in its ability to address this diversity by focusing on the mutual characteristics of commercial buildings. The most common critical areas in commercial buildings that affect summer peak demand are the thermal efficiency of the building and HVAC equipment efficiency. The Commercial/Industrial Good Cents Building program provides requirements for these area that, if adhered to, will help reduce peak demand and energy consumption.

Promotion of the Commercial/Industrial Good Cents Building program will feature a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design is sufficiently flexible to allow an architect or designer to use initiative and ingenuity to achieve results that are meaningful to both the customer and FPUC.

To provide an accurate quantitative analysis of the demand and energy savings due to the Commercial/Industrial Good Cents Building program, the Good Cents standards for our average commercial building are compared to the Florida Model Energy Code. The features used to prepare the customer's analysis include: wall and ceiling R-values; glass area; description of glass; and equipment used in determining the demand and energy differences for the two types of structures. The AXCESS - Energy Analysis Computer Program (AXCESS) is used in calculating these demand and energy differences.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The number of program participants is expected to be 2.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$12,800.

PROGRAM PROGRESS SUMMARY: We contracted with Gulf Power in order to provide commercial services to our commercial/industrial customers. Utilizing aggressive advertising and by staying in contact with the decision-makers we will continue to make great progress in this area.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 41 OF 42

**FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 10 OF 10**

PROGRAM TITLE: Commercial/Industrial Energy Audits and Technical Assistance

PROGRAM DESCRIPTION: FPUC provides auditing services to the commercial and industrial classes to assist in the evaluation of specific energy requirements of a given structure.

FPUC's representative will be provided a prospective customer for an audit through a phone call, advertising, a complaint, or referral. In this initial contact the representative determines needs, sets an appointment, and begins to gather some basic data such as the address, account number, business type, and past energy records. At the time of the audit, the representative discusses the audit and submits an outline of the procedure to the customer. During the discussion, the representative also acquires some customer data as it relates to the characteristics of the operation, time of operation, occupancy, and duration of the occupancy. In the audit's visual inspections, the representative observes overall layout, gathers equipment data, statistics, observes housekeeping and maintenance, checks various energy sources, and checks waste heat sources. The representative also makes appropriate measurements of lighting, ambient air temperatures, water temperatures, and air quantities.

After the visual inspection, the representative will return to the customer to review the total energy consumption and billing of the structure, and make general suggestions for improved efficiency that will have little or no cost associated with them. The representative will also identify major items for further study in which the customer will have the option of making capital expenditures.

PROGRAM PROJECTIONS: For April 1999 through December 1999: The number of program participants is expected to be 11.

PROGRAM FISCAL EXPENDITURES: For April 1999 through December 1999: Projected expenses for this period are \$12,000.

PROGRAM PROGRESS SUMMARY: As has been stated previously, we have contracted with Gulf Power Company to provide these types of services to our customers. We have built trusting relationships with many of these customers by educating them concerning new technologies and by getting them in touch with people who could solve their particular problems. The work we have done in this area will continue to benefit FPUC by increased participation in this program.

EXHIBIT NO. _____
DOCKET NO. 990002-EG
FLORIDA PUBLIC UTILITIES CO.
(MAP-2)
PAGE 42 OF 42

EXHIBIT NO. _____
DOCKET NO. 980002-EG
TAMPA ELECTRIC COMPANY
(HTB-1)
SUBMITTED FOR FILING 09/03/98

TAMPA ELECTRIC COMPANY
SCHEDULES SUPPORTING CONSERVATION
COST RECOVERY FACTOR
ACTUAL
OCTOBER 1997 - MARCH 1998

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 990002-EG EXHIBIT NO. 11
COMPANY/
WITNESS: Bryant
DATE: 2-9-99

CONSERVATION COST RECOVERY

INDEX

SCHEDULE	TITLE	PAGE
CT-1	Adjusted Net True-up	1
CT-2	Program Costs - Actual vs. Projected	2
CT-3	Summary of Expenses and Calculation of True-up and Interest Provision	6
CT-4	Schedule of Capital Investments, Depreciation and Return	9
CT-5	Reconciliation and Explanation of Difference between Filing and FPSC Audit	11
CT-6	Program Description & Progress	12
-	Conservation Value Program Participant Information	27

TAMPA ELECTRIC COMPANY
Energy Conservation
Adjusted Net True-up
For Months October 1997 through March 1998

End of Period True-up

Principal	944,253	
Interest	<u>31,605</u>	975,858

Less: Projected True-up

(Last Projected Hearing Conservation)

Principal	(103,860)	
Interest	<u>19,408</u>	(84,452)

Adjusted Net True-up

1,060,310

TAMPA ELECTRIC COMPANY
Analysis of Energy Conservation Program Costs
Actual vs. Projected
For Months October 1997 through March 1998

<u>Description</u>	(A) <u>Actual</u>	(B) <u>Projected</u>	(C) <u>Difference</u>
1. Capital Investment	\$128,240	\$582,463	(\$454,223)
2. Payroll	966,234	\$1,320,240	(354,006)
3. Materials and Supplies	107,028	\$114,474	(7,446)
4. Outside Services	438,188	\$435,640	2,548
5. Advertising	163,603	\$213,901	(50,298)
6. Incentives	7,210,212	\$7,487,376	(277,164)
7. Vehicles	65,838	\$79,614	(13,776)
8. Other	<u>12,957</u>	<u>\$16,324</u>	<u>(3,367)</u>
9. Subtotal	9,092,300	10,250,032	(1,157,732)
10. Less: Program Revenues	<u>0</u>	<u>0</u>	<u>0</u>
11. Total Program Costs	9,092,300	10,250,032	(1,157,732)
12. Adjustments	0	0	0
13. Beginning of Period True-up Overrecovery	(1,067,112)	(1,067,112)	0
14. Amounts included in Base Rates	0	0	0
15. Conservation Adjustment Revenues	<u>(8,969,441)</u>	<u>(9,079,060)</u>	<u>109,619</u>
16. True-up Before Interest	944,253	(103,860)	1,048,113
17. Interest Provision	<u>31,605</u>	<u>19,408</u>	<u>12,197</u>
18. End of Period True-up	<u>\$975,858</u>	<u>(\$84,452)</u>	<u>\$1,060,310</u>

TAMPA ELECTRIC COMPANY										
Actual Conservation Program Costs per Program										
Actual for Months October 1997 through March 1998										
Program Name	(A) Capital Investment	(B) Payroll & Benefits & Supplies	(C) Materials	(D) Outside Services	(E) Advertising	(F) Incentives	(G) Vehicles	(H) Other	(I) Program Revenues	(J) Total
1. Heating and Cooling	0	30,241	0	2,741	123,206	961,950	354	0	0	1,118,492
2. Prime Time (1)	122,144	300,341	102,777	51,037	2,320	5,342,423	24,735	10,763	0	5,956,540
3. Energy Audits	0	296,401	474	259,755	5,962	(2,014)	25,074	1,124	0	586,776
4. Cogeneration	0	129,126	0	0	0	0	3,967	0	0	133,093
5. Ceiling Insulation	0	29,541	2,401	995	0	177,046	2,010	0	0	211,993
6. C & I Load Management (2)	6,096	3,766	0	416	0	9,094	629	0	0	20,001
7. Commerical Lighting	0	15,778	0	0	0	249,568	597	0	0	265,943
8. Standby Generator	0	12,654	28	746	0	295,737	833	0	0	309,998
9. Conservation Value	0	106	0	0	0	0	6	0	0	112
10. Duct Repair	0	53,634	1,259	116,698	32,115	176,408	9,093	1,070	0	390,277
11. Builder Awareness	0	0	0	0	0	0	0	0	0	0
12. DSM Commercial R&D	0	5,323	89	5,800	0	0	145	0	0	11,357
13. Natural Gas R&D	0	258	0	0	0	0	0	0	0	258
14. Common Expenses	0	89,065	0	0	0	0	(1,605)	0	0	87,460
15. Total All Programs	128,240	966,234	107,028	438,188	163,603	7,210,212	65,838	12,957	0	9,092,300

(1) Includes an adjustment of (451,415) as noted on CT-4, page 1 of 2

(2) Includes an adjustment of 3,683 as noted CT-4, page 2 of 2

TAMPA ELECTRIC COMPANY
Conservation Program Costs per Program
Variance - Actual vs. Projected
For Months October 1997 through March 1998

Program Name	(A) Capital Investment	(B) Payroll & Benefits	(C) Materials & Supplies	(D) Outside Services	(E) Advertising	(F) Incentives	(G) Vehicles	(H) Other	(I) Program Revenues	(J) Total
1. Heating and Cooling	0	(13,280)	(687)	(2,446)	(32,701)	(207,870)	(2,286)	(196)	0	(259,466)
2. Prime Time	(457,834)	(130,607)	3,781	(5,966)	(16,612)	(15,081)	(5,027)	356	0	(626,990)
3. Energy Audits	0	(63,561)	(2,655)	(6,085)	(16,000)	(2,014)	(3,349)	(1,329)	0	(94,993)
4. Cogeneration	0	(38,569)	0	0	0	0	702	(68)	0	(37,935)
5. Ceiling Insulation	0	4,595	2,401	440	0	28,921	(191)	0	0	36,166
6. C & I Load Management	3,611	(3,558)	(375)	16	0	(7,504)	(420)	0	0	(8,230)
7. Commerical Lighting	0	(3,813)	0	0	(100)	105,440	(549)	0	0	100,978
8. Standby Generator	0	(5,125)	(1,972)	(2,004)	0	(6,389)	164	0	0	(15,326)
9. Conservation Value	0	(712)	0	0	0	(9,000)	(34)	0	0	(9,746)
10. Duct Repair	0	(31,234)	(5,752)	67,523	15,115	(163,667)	963	770	0	(116,282)
11. Builder Awareness	0	(2,382)	0	0	0	0	(202)	(2,900)	0	(5,484)
12. DSM Commercial R&D	0	(3,386)	(1,237)	(19,870)	0	0	(311)	0	0	(24,804)
13. Natural Gas R&D	0	(6,035)	(950)	(28,500)	0	0	(236)	0	0	(35,721)
14. Common Expenses	0	(56,339)	0	(560)	0	0	(3,000)	0	0	(59,899)
15. Total All Programs	<u>(454,223)</u>	<u>(354,006)</u>	<u>(7,446)</u>	<u>2,548</u>	<u>(50,298)</u>	<u>(277,164)</u>	<u>(13,776)</u>	<u>(3,367)</u>	<u>0</u>	<u>(1,157,732)</u>

4

TAMPA ELECTRIC COMPANY
Description for Account
For Months October 1997 through March 1998

18251	RESIDENTIAL LOAD MANAGEMENT	90870	CONSERVATION VALUE PROGRAM
18252	COMMERCIAL-INDUSTRIAL LOAD MGT	90871	RESIDENTIAL DUCT EFFICIENCY
45608	OTHER REVENUE-ENERGY ANALYSIS	90877	DEFERRED CONSERVATION EXPENSE
45609	OTHER REVENUE-COM & IND AUDIT	90878	DEFERRED CONSERVATION INTEREST
45612	OTHER REVENUE-BERS BLDG ENERGY EFF	90879	AMORT DEFERRED CONSERVATION EXPENSE
90849	COMMON RECOVERABLE CONS COSTS	90889	NATURAL GAS R&D
90850	HEATING & COOLING PROGRAM	90890	DSM COMMERCIAL R&D
90851	PRIME TIME EXPENSES	90950	HEATING & COOLING PROG ADVERTISING
90852	RESIDENTIAL MAIL-IN AUDIT	90951	PRIME TIME ADVERTISING
90853	COMMERCIAL MAIL-IN AUDIT	90952	RESIDENTIAL MAIL-IN AUDIT ADVERTISING
90854	COMPREHENSIVE HOME SURVEY	90953	COMMERCIAL MAIL-IN AUDIT ADVERTISING
90855	FREE HOME ENERGY CHECK	90954	COMPREHENSIVE HOME SURVEY ADVERTISING
90856	COMPREHENSIVE C/I AUDIT	90955	FREE HOME ENERGY CHECK ADVERTISING
90857	FREE C/I AUDIT	90957	FREE C/I AUDIT ADVERTISING
90859	BUILDER AWARENESS PROGRAM	90959	BUILDER AWARENESS PROGRAM ADVERTISING
90860	RESIDENTIAL BERS AUDIT	90966	CEILING INSULATION ADVERTISING
90861	COGENERATION	90967	COM-IND LOAD MGT ADVERTISING
90866	CEILING INSULATION	90968	COMMERCIAL LIGHTING PROGRAM ADVERTISING
90867	COMMERCIAL-INDUSTRIAL LOAD MGT	90969	STANDBY GENERATOR PROGRAM ADVERTISING
90868	COMMERCIAL LIGHTING PROGRAM	90970	CONSERVATION VALUE PROGRAM ADVERTISING
90869	STANDBY GENERATOR PROGRAM	90971	RESIDENTIAL DUCT EFFICIENCY ADVERTISING

TAMPA ELECTRIC COMPANY
Energy Conservation Adjustment
Summary of Expenses by Program by Month
Actual for Months October 1997 through March 1998

A.

Program Name	October	November	December	January	February	March	Total
1. Heating and Cooling	253,010	200,701	210,920	135,154	92,001	226,706	1,118,492
2. Prime Time	918,713	1,039,612	661,149	1,107,500	1,124,054	1,105,512	5,956,540
3. Energy Audits	89,815	204,924	67,738	62,694	73,987	87,618	586,776
4. Cogeneration	23,840	24,146	19,366	20,931	22,598	22,212	133,093
5. Ceiling Insulation	48,899	51,519	27,094	29,913	8,930	45,638	211,993
6. C & I Load Management	3,366	2,501	5,761	2,418	1,785	4,170	20,001
7. Commercial Lighting	135,426	15,418	25,934	19,777	39,039	30,349	265,943
8. Standby Generation	60,122	48,679	54,902	41,704	53,076	51,515	309,998
9. Conservation Value	0	0	0	0	107	5	112
10. Duct Repair	90,006	55,013	87,767	44,157	45,550	67,784	390,277
11. Builder Awareness	0	0	0	0	0	0	0
12. Green Pricing Initiative	0	0	0	0	0	0	0
13. DSM Commercial R&D	0	38	0	1,016	2,424	7,879	11,357
14. Natural Gas R&D	0	77	181	0	0	0	258
15. Common Expenses	14,994	20,567	8,598	11,054	16,331	15,916	87,460
16. Total	1,638,191	1,663,195	1,169,410	1,476,318	1,479,882	1,665,304	9,092,300
17. Less: Included in Base Rates	0	0	0	0	0	0	0
18. Recoverable Conservation Expenses	<u>1,638,191</u>	<u>1,663,195</u>	<u>1,169,410</u>	<u>1,476,318</u>	<u>1,479,882</u>	<u>1,665,304</u>	<u>9,092,300</u>

EXHIBIT NO. _____
 DOCKET NO. 980002-EG
 TAMPA ELECTRIC COMPANY
 (HTB-1)
 SCHEDULE CT-3
 PAGE 1 of 3

TAMPA ELECTRIC COMPANY
Energy Conservation Adjustment
Calculation of True-up and Interest Provision
For Months October 1997 through March 1998

B. Description	October	November	December	January	February	March	Total
1. Residential Conservation Audit Fees (A)	0	0	0	0	0	0	0
2. Conservation Adjustment Revenues *	<u>1,737,526</u>	<u>1,399,061</u>	<u>1,449,522</u>	<u>1,561,841</u>	<u>1,410,091</u>	<u>1,411,400</u>	<u>8,969,441</u>
3. Total Revenues	<u>1,737,526</u>	<u>1,399,061</u>	<u>1,449,522</u>	<u>1,561,841</u>	<u>1,410,091</u>	<u>1,411,400</u>	<u>8,969,441</u>
4. Prior Period True-up	<u>177,852</u>	<u>177,852</u>	<u>177,852</u>	<u>177,852</u>	<u>177,852</u>	<u>177,852</u>	<u>1,067,112</u>
5. Conservation Revenue Applicable to Period	<u>1,915,378</u>	<u>1,576,913</u>	<u>1,627,374</u>	<u>1,739,693</u>	<u>1,587,943</u>	<u>1,589,252</u>	<u>10,036,553</u>
6. Conservation Expenses	<u>1,638,191</u>	<u>1,663,195</u>	<u>1,169,410</u>	<u>1,476,318</u>	<u>1,479,882</u>	<u>1,665,304</u>	<u>9,092,300</u>
7. True-up This Period (Line 5 - Line 6)	<u>277,187</u>	<u>(86,282)</u>	<u>457,964</u>	<u>263,375</u>	<u>108,061</u>	<u>(76,052)</u>	<u>944,253</u>
8. Interest Provision This Period	<u>5,148</u>	<u>4,823</u>	<u>4,978</u>	<u>5,816</u>	<u>5,768</u>	<u>5,072</u>	<u>31,605</u>
9. True-up & Interest Provision Beginning of Period	<u>1,067,112</u>	<u>1,171,595</u>	<u>912,284</u>	<u>1,197,374</u>	<u>1,288,713</u>	<u>1,224,690</u>	<u>1,067,112</u>
10. Prior Period True-up Collected (Refunded)	<u>(177,852)</u>	<u>(177,852)</u>	<u>(177,852)</u>	<u>(177,852)</u>	<u>(177,852)</u>	<u>(177,852)</u>	<u>(1,067,112)</u>
11. End of Period Total Net True-up	<u>1,171,595</u>	<u>912,284</u>	<u>1,197,374</u>	<u>1,288,713</u>	<u>1,224,690</u>	<u>975,858</u>	<u>975,858</u>

(A) Included in Line 6

* Net of Revenue Taxes

TAMPA ELECTRIC COMPANY
Energy Conservation Adjustment
Calculation of True-up and Interest Provision
For Months october 1997 through March 1998

C. Interest Provision	October	November	December	January	February	March	Total
1. Beginning True-up Amount	1,067,112	1,171,595	912,284	1,197,374	1,288,713	1,224,690	
2. Ending True-up Amount Before Interest	1,166,447	907,461	1,192,396	1,282,897	1,218,922	970,786	
3. Total Beginning & Ending True-up	<u>2,233,559</u>	<u>2,079,056</u>	<u>2,104,680</u>	<u>2,480,271</u>	<u>2,507,635</u>	<u>2,195,476</u>	
4. Average True-up Amount (50% of Line 3)	<u>1,116,780</u>	<u>1,039,528</u>	<u>1,052,340</u>	<u>1,240,136</u>	<u>1,253,818</u>	<u>1,097,738</u>	
5. Interest Rate - First Day of Month	5.530%	5.530%	5.600%	5.750%	5.500%	5.530%	
6. Interest Rate - First Day of Next Month	5.530%	5.600%	5.750%	5.500%	5.530%	5.550%	
7. Total (Line 5 + Line 6)	<u>11.060%</u>	<u>11.130%</u>	<u>11.350%</u>	<u>11.250%</u>	<u>11.030%</u>	<u>11.080%</u>	
8. Average Interest Rate (50% of Line 7)	<u>5.530%</u>	<u>5.565%</u>	<u>5.675%</u>	<u>5.625%</u>	<u>5.515%</u>	<u>5.540%</u>	
9. Monthly Average Interest Rate (Line 8/12)	<u>0.461%</u>	<u>0.464%</u>	<u>0.473%</u>	<u>0.469%</u>	<u>0.460%</u>	<u>0.462%</u>	
10. Interest Provision (Line 4 x Line 9)	<u>\$5,148</u>	<u>\$4,823</u>	<u>\$4,978</u>	<u>\$5,816</u>	<u>\$5,768</u>	<u>\$5,072</u>	<u>\$31,605</u>

TAMPA ELECTRIC COMPANY
Schedule of Capital Investment, Depreciation and Return
For Months October 1997 through March 1998

Description	Beginning of Period	PRIME TIME						Total
		October	November	December	January	February	March	
1. Investment		56,880	67,160	59,366	22,431	56,218	92,016	354,071
2. Retirements		65,630	65,500	66,049	75,000	82,399	91,079	445,657
3. Depreciation Base		4,144,035	4,723,876	4,717,193	4,664,624	4,638,443	4,639,380	
4. Depreciation Expense		<u>69,140</u>	<u>69,081</u>	<u>78,676</u>	<u>78,182</u>	<u>77,526</u>	<u>77,315</u>	<u>449,920</u>
5. Cumulative Investment	4,152,785	4,144,035	4,723,876	4,717,193	4,664,624	4,638,443	4,639,380	4,639,380
6. Less: Accumulated Depreciation	<u>2,312,786</u>	<u>2,316,296</u>	<u>2,446,643</u>	<u>2,459,270</u>	<u>2,462,452</u>	<u>2,457,579</u>	<u>2,443,815</u>	<u>2,443,815</u>
7. Net Investment	<u>1,839,999</u>	<u>1,827,739</u>	<u>2,277,233</u>	<u>2,257,923</u>	<u>2,202,172</u>	<u>2,180,864</u>	<u>2,195,565</u>	<u>2,195,565</u>
8. Average Investment		1,833,869	2,052,486	2,267,578	2,230,048	2,191,518	2,188,215	
9. Return on Average Investment		10,912	12,212	13,492	13,269	13,040	13,020	75,945
10. Return Requirements		<u>17,765</u>	<u>19,881</u>	<u>21,965</u>	<u>21,602</u>	<u>21,229</u>	<u>21,197</u>	<u>123,639</u>
11. Total Depreciation and Return		<u>86,905</u>	<u>88,962</u>	<u>100,641</u>	<u>99,784</u>	<u>98,755</u>	<u>98,512</u>	<u>573,559</u>

Note: Depreciation expense is calculated using a useful life of 60 months.
Return on Average Investment is calculated using a monthly rate of 0.59500%.
Return Requirements are calculated using an income tax multiplier of 1.6280016.

An amount of \$578,181 was added in November to Depreciation Base to correct Cumulative Investment balance, with a corresponding amount of \$126,766 to Accum. Depreciation.

EXHIBIT NO. _____
 DOCKET NO. 980002-EG
 TAMPA ELECTRIC COMPANY
 (HTB-1)
 SCHEDULE CT-4
 PAGE 1 of 2

6

TAMPA ELECTRIC COMPANY
Schedule of Capital Investment, Depreciation and Return
For Months October 1997 through March 1998

C & I LOAD MANAGEMENT

Description	Beginning of Period	October	November	December	January	February	March	Total
1. Investment		0	0	0	0	0	0	0
2. Retirements		4,296	61	394	0	396	904	6,051
3. Depreciation Base		12,592	25,594	25,200	25,200	24,804	23,900	
4. Depreciation Expense		<u>246</u>	<u>209</u>	<u>423</u>	<u>420</u>	<u>417</u>	<u>406</u>	<u>2,121</u>
5. Cumulative Investment	16,888	12,592	25,594	25,200	25,200	24,804	23,900	23,900
6. Less: Accumulated Depreciation	8,141	<u>4,091</u>	<u>20,985</u>	<u>21,014</u>	<u>21,434</u>	<u>21,455</u>	<u>20,957</u>	<u>20,957</u>
7. Net Investment	<u>8,747</u>	<u>8,501</u>	<u>4,609</u>	<u>4,186</u>	<u>3,766</u>	<u>3,349</u>	<u>2,943</u>	<u>2,943</u>
8. Average Investment		8,624	6,555	4,398	3,976	3,558	3,146	
9. Return on Average Investment		51	39	26	24	21	19	180
10. Return Requirements		83	63	42	39	34	31	292
11. Total Depreciation and Return		<u>329</u>	<u>272</u>	<u>465</u>	<u>459</u>	<u>451</u>	<u>437</u>	<u>2,413</u>

Note: Depreciation expense is calculated using a useful life of 60 months.
Return on Average Investment is calculated using a monthly rate of 0.59500%.
Return Requirements are calculated using an income tax multiplier of 1.6280016.

An amount of \$13,063 was added in November to Depreciation Base to correct Cumulative Investment balance, with a corresponding amount of \$16,746 to Accum. Depreciation.

10

TAMPA ELECTRIC COMPANY
Reconciliation and Explanation of
Difference Between Filing and FPSC Audit
For months October 1997 through March 1998

The audit has not been completed as of the date of this filing.

Program Description and Progress

Program Title: Heating and Air Conditioning Program

Program Description: Incentive program for the installation of high efficiency heating and air conditioning equipment.

Program Accomplishments October 1, 1997 to March 31, 1998
In this reporting period 1,470 units were installed.

Program Fiscal Expenditures for October 1, 1997 to March 31, 1998
Expenditures of \$1,118,492 occurred.

Program Progress Summary: Through this reporting period, 135,720 approved units have been installed.

Program Description and Progress

Program Title: Prime Time

Program Description: To directly control the larger loads in Customers' homes, such as air conditioning, water heating, electric space heating, and pool pumps in a voluntary manner with participating Customers receiving monthly rate incentives.

Program Accomplishments October 1, 1997 to March 31, 1998
778 Customers added this reporting period.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998
Dollars spent: \$5,956,540

Program Progress Summary: Through this reporting period, there are 78,346 participating Customers.

Program Description and Progress

Program Title: Energy Audits

Program Description: Audits (on-site and mail-in) of residential, commercial and industrial Customers which will instruct Customers how to use conservation measures to best reduce their energy usage.

Program Accomplishments October 1, 1997 to March 31, 1998

Number of audits completed: 4,287 Residential on-site audits, 6,074 Residential mail-in audits, 127 Commercial on-site audits, 268 Commercial mail-in audits.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998

Actual expenditures of \$586,776 occurred.

Program Progress Summary: Through this reporting period, 187,905 on-site audits have been performed. Additionally, over 19,494 residential and commercial mail-in audits have been processed.

Program Description and Progress

Program Title: Cogeneration

Program Description: To encourage the development of cost-effective commercial and industrial cogeneration facilities. To evaluate and administer standard offer and negotiated contracts for the purchase of firm capacity and energy.

Program Accomplishments October 1, 1997 to March 31, 1998

Construction is complete on all current qualifying facilities, will continue communication and interaction with all present and potential cogeneration customers. Completed the development and publication of the 20-Year Cogeneration Forecast. Attended meetings and tours as scheduled with cogeneration customer personnel at selected facilities. Prepared and reviewed proposed cogeneration opportunities for cost-effectiveness. Provide data and information to existing cogenerators and function as the data resource center for responding to all cogeneration related inquiries.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998

Dollars spent: \$133,093

EXHIBIT NO. _____
DOCKET NO. 980002-EG
TAMPA ELECTRIC COMPANY
(HTB-1)
SCHEDULE CT-6
PAGE 5 OF 15

Program Progress Summary:

The projected total maximum generation by electrically interconnected cogeneration during 1999 will be approximately 580 MW and 3,744 GWH.

Continuing interaction with current and potential cogeneration developers for discussion regarding current cogeneration activities and future cogeneration construction activities. Currently there are sixteen (16) Qualifying Facilities with generation on-line in our service area.

Program Description and Progress

Program Title: Ceiling Insulation

Program Description: Incentive program for meeting the efficient level of ceiling insulation.

Program Accomplishments October 1, 1997 to March 31, 1998
1,764 units were installed during this period.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998
Actual expenses of \$211,993 occurred.

Program Progress Summary: Customer response has resulted in actual-to-date total of 26,472.

Program Description and Progress

Program Title: Commercial/Industrial Load Management

Program Description: A program that achieves demand reduction through load management of commercial/industrial Customers.

Program Accomplishments October 1, 1997 to March 31, 1998

Six (6) Customers discontinued participation during this reporting period.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998

Dollars spent: \$20,001

Program Progress Summary: Through this reporting period, there are 29 commercial/industrial Customers participating.

Program Description and Progress

Program Title: Commercial Indoor Lighting

Program Description: Incentive program to encourage investment in more efficient lighting technology in existing commercial facilities.

Program Accomplishments October 1, 1997 to March 31, 1998
A total of 45 Customers participated during this period.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998
Dollars spent: \$265,943

Program Progress Summary: Through this reporting period, 608 Customers have participated.

Program Description and Progress

Program Title: Standby Generator

Program Description: A program designed to utilize the emergency generation capacity of commercial/industrial facilities in order to reduce weather sensitive peak demand.

Program Accomplishments October 1, 1997 to March 31, 1998
One (1) Customer has been added during this reporting period.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998
Dollars spent: \$309,998

Program Progress Summary: Through this reporting period, there are 42 participating Customers.

Program Description and Progress

Program Title: Conservation Value

Program Description: An incentive program for Commercial/Industrial Customers that encourages additional investments in substantial demand shifting or demand reduction measures.

Program Accomplishments October 1, 1997 to March 31, 1998

We are actively working with several Customers on evaluations of various measures, particularly in the HVAC equipment area.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998

Dollars spent: \$112

Program Progress Summary: To date, four (4) Customers have qualified and received the appropriate incentive.

Program Description and Progress

Program Title: Duct Repair

Program Description: An incentive program to encourage the repair of the air distribution system in a residence.

Program Accomplishments October 1, 1997 to March 31, 1998
For this period, 742 Customers have participated.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998
Dollars spent: \$390,277

Program Progress Summary: Through this reporting period, 20,852 Customers have participated.

Program Description and Progress

Program Title: Builder Awareness

Program Description: A three-year program designed to decrease demand and energy by improving construction techniques used on air distribution systems in new residential structures.

Program Accomplishments October 1, 1997 to March 31, 1998

Twenty-Five (25) model homes have qualified for participation and received the incentive.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998

Dollars spent: \$0

Program Progress Summary: We are actively working with building construction and HVAC contractors to initiate participation. Blower door testing and evaluation will occur on their model homes.

Program Description and Progress

Program Title: DSM Commercial R&D

Program Description: A three-year program directed at R&D commercial end-use technologies not yet commercially available or insufficient data exists for measure evaluations specific to central Florida climate.

Program Accomplishments October 1, 1997 to March 31, 1998
See Program Progress Summary below.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998
Dollars spent: \$11,357

Program Progress Summary: Commercial Desiccant Application - Testing in progress at two school sites (one with desiccant system; one without system). Preliminary results indicate the unit is reducing moisture load to the school. Continued testing to be performed through early 1999.

Program Description and Progress

Program Title: Natural Gas R&D

Program Description: A three-year R&D program designed to gather data on the performance and cost-effectiveness of gas technologies for heating, cooling, dehumidification and water heating.

Program Accomplishments October 1, 1997 to March 31, 1998
See Program Progress Summary below.

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998
Dollars spent: \$258

Program Progress Summary: Site selection and data gathering are at various stages of completion for the end-use applications listed above. Tampa Electric Company filed a detailed progress report pursuant to Docket No. 950521-EG, Order No. PSC-94-1313-FOF-EG on August 29, 1997.

Program Description and Progress

Program Title: Common Expenses

Program Description: Expenses common to all programs.

Program Accomplishments October 1, 1997 to March 31, 1998
N/A

Program Fiscal Expenditure for October 1, 1997 to March 31, 1998
Dollars spent: \$87,460

Program Progress Summary: N/A

EXHIBIT NO. _____
DOCKET NO. 980002-EG
TAMPA ELECTRIC COMPANY
(HTB-1)

Pursuant to Order No. 24276, Docket No. 900885-EG issued March 25, 1991 by the Florida Public Service Commission for the purpose of approving Tampa Electric Company's Conservation Value Program, the company is filing the attached table. Specifically, the table provides incentive payments made during the October 1997 through March 1998 period as well as other program costs. The table format was filed with the Commission on April 23, 1991 in response to the above referenced order request for program participation standards.

TAMPA ELECTRIC COMPANY
 CONSERVATION VALUE PROGRAM
 CUSTOMER INCENTIVE PAYMENT SCHEDULE
 OCTOBER 1997 - MARCH 1998

CUSTOMER DATA	OCT 97	NOV 97	DEC 97	JAN 98	FEB 98	MAR 98
MAAS BROTHERS/BURDINE - PHASE I AVG SUM DEMAND SAVING: 103.46 KW AVG WIN DEMAND SAVING: 103.46 KW ANNUAL ENERGY SAVING: 409,391 KWH						
MAAS BROTHERS/BURDINE - PHASE II AVG SUM DEMAND SAVING: 315.625 KW AVG WIN DEMAND SAVING: 315.625 KW ANNUAL ENERGY SAVING: 1,248,928 KWH						
J. C. PENNEY - WESTSHORE PLAZA AVG SUM DEMAND SAVING: 95 KW AVG WIN DEMAND SAVING: 0 KW ANNUAL ENERGY SAVING: 355,917 KWH						
J. C. PENNEY - UNIVERSITY SQUARE MALL AVG SUM DEMAND SAVING: 73 KW AVG WIN DEMAND SAVING: 0 KW ANNUAL ENERGY SAVING: 322,035 KWH						
MONTHLY TOTALS:	\$0	\$0	\$0	\$0	\$0	\$0

TOTAL INCENTIVES PAID FOR PERIOD: \$0
 TOTAL OTHER EXPENSES FOR PERIOD: \$112
 GRAND TOTAL EXPENSES FOR PERIOD: \$112

CONSERVATION COSTS
PROJECTED

INDEX

<u>SCHEDULE</u>	<u>TITLE</u>	<u>PAGE</u>
—	Fuel Cost Impact on Interruptible Customers	1
—	Calculation Of Energy & Demand Allocation % By Rate Class	2
C-1	Summary of Cost Recovery Clause Calculation	3
C-2	Program Costs - Projected	4
C-3	Program Costs - Actual and Projected	8
C-4	Calculation of Conservation Revenues	14
C-5	Program Description and Progress	15

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 990002-EG EXHIBIT NO. 12
COMPANY
BY Bryant
DATE: 2-18-99

**Fuel Cost Impact of Conservation and Load Management Programs
On Interruptible Customers
April 1, 1999 through December 31, 1999**

Month	Fuel Costs With Conservation and Load Management			Fuel Costs Without Conservation and Load Management			Fuel Benefits		
	(1) (\$000)	(2) (GWH)	(3) (\$/MWH)	(4) (\$000)	(5) (GWH)	(6) (\$/MWH)	(4) - (1) (\$000)	(5) - (2) (GWH)	(6) - (3) (\$/MWH)
April	23,484	1,271.7	18.47	23,782	1,284.4	18.52	298	13	0.05
May	27,827	1,508.9	18.44	28,365	1,525.6	18.59	538	17	0.15
June	28,675	1,597.8	17.95	29,395	1,616.8	18.18	720	19	0.23
July	29,817	1,670.8	17.85	30,624	1,691.6	18.10	807	21	0.26
August	30,756	1,689.8	18.20	31,558	1,711.4	18.44	801	22	0.24
September	28,542	1,607.6	17.75	29,148	1,627.2	17.91	606	20	0.16
October	26,820	1,422.5	18.85	27,154	1,436.2	18.91	334	14	0.05
November	23,079	1,247.2	18.51	23,642	1,267.2	18.66	563	20	0.15
December	22,697	1,336.2	16.99	23,474	1,368.7	17.15	777	32	0.16
Period									
Apr 1999 - Dec 1999	241,699	13,353	18.10	247,142	13,529	18.27	5,443	177	0.17

1

TAMPA ELECTRIC COMPANY
 CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS
 APRIL 1998 THROUGH MARCH 1999

	(1) AVG 12CP Load Factor at Meter (%)	(2) Projected Sales at Meter (kWh)	(3) Projected AVG 12 CP at Meter (kW)	(4) Demand Loss Expansion Factor	(5) Energy Loss Expansion Factor	(6) Projected Sales at Generation (kWh)	(7) Projected AVG 12 CP at Generation (kW)	(8) Percentage of Sales at Generation (%)	(9) Percentage of Demand at Generation (%)	(10) 12 CP & 1/13 Allocation Factor (%)
RS	52.72205%	5,492,446	1189	1.061628	1.062297	5,834,609	1,262	49.68%	59.61%	58.85%
GS,TS	63.02283%	743,855	135	1.061896	1.062297	790,195	143	6.73%	6.75%	6.75%
GSD	78.23957%	3,351,444	489	1.060330	1.061240	3,556,686	519	30.29%	24.52%	24.96%
GSLD,SBF	86.12625%	1,365,574	181	1.045147	1.045213	1,427,316	189	12.16%	8.93%	9.18%
SL/OL	319.52368%	125,546	4	1.058824	1.062295	133,367	4	1.14%	0.19%	0.26%
TOTAL		11,078,865	1,998			11,742,173	2,117	100.00%	100.00%	100.00%

- 2
- (1) AVG 12 CP load factor based on actual 1995 calendar data.
 - (2) Projected kwh sales for the period April 1998 through March 1999.
 - (3) Calculated: Col (2) / (8760 x Col (1)), 8760 hours = hours in twelve months.
 - (4) Based on 1995 demand losses.
 - (5) Based on 1995 energy losses.
 - (6) Col (2) x Col (5).
 - (7) Col (3) x Col (4).
 - (8) Col (6) / total for Col (6).
 - (9) Col(7) / total for Col(7).
 - (10) Col (8) x 1/13 + Col (9) x 12/13

TR EJ

AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

January 13, 1999

HAND DELIVERED

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Conservation Cost Recovery Clause
FPSC Docket No. 990002-EG

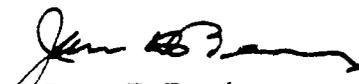
Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and ten (10) copies of Tampa Electric Company's Schedule C-1 (revised 1/13/99). In Tampa Electric's original filing the company attempted to compress the information supplied into a single page. However, at Staff's request we have reverted back to the two-page format used in previous filings. We would appreciate your circulating these copies to Commission recipients of the earlier filing so that they may be substituted in place of that earlier filing.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter.

Sincerely,


James D. Beasley

JDB/pp
Enclosures

cc: All Parties of Record (w/enc.)

DOCUMENT NUMBER-DATE

00475 JAN 13 99

FPSC-RECORDS/REPORTING

TAMPA ELECTRIC COMPANY
Energy Conservation Adjustment
Summary of Cost Recovery Clause Calculation
For Months April 1999 through December 1999

1. Total Incremental Cost (C-2, Page 1, Line 18)	15,498,880
2. Demand Related Incremental Costs	9,967,602
3. Energy Related Incremental Costs	5,531,278
4. Interruptible Sales (@\$0.17 per MWH)	(219,681)
5. Net Energy Related Incremental Costs (Line 3 - Line 4)	5,311,597

RETAIL BY RATE CLASS

	RS	GS,IS	GSD,EV-X	GSLD,SBE	SL,OL	Total
6. Demand Allocation Percentage	58.85%	6.75%	24.96%	9.18%	0.26%	100.00%
7. Demand Related Incremental Costs (Total cost prorated based on demand allocation % above)	5,865,934	672,813	2,487,913	915,026	25,916	9,967,602
8. Demand Portion of End of Period True Up (O)/U Recovery Shown on Schedule C-3, Pg 5, Line 11 (Allocation of D & E is based on the forecast period cost.)	(852,081)	(97,732)	(361,393)	(132,916)	(3,765)	(1,447,887)
9. Total Demand Related Incremental Costs	5,013,853	575,081	2,126,520	782,110	22,151	8,519,715
10 Net Energy Related Incremental Costs	2,638,801	357,470	1,608,883	645,890	60,552	5,311,596
11 Energy Portion of End of Period True Up (O)/U Recovery Shown on Schedule C-3, Pg 5, Line 11 (Allocation of D & E is based on the forecast period cost.)	(404,612)	(54,812)	(246,693)	(99,035)	(9,284)	(814,436)
12 Total Net Energy Related Incremental Costs	2,234,189	302,658	1,362,190	546,855	51,268	4,497,160
<hr/>						
13 Total Incremental Costs (Line 7 + 10)	8,504,735	1,030,283	4,096,796	1,560,916	86,468	15,279,198
14 Total True Up (Over)/Under Recovery (Line 8 + 11) (Schedule C-3, Pg 5, Line 11) (Allocation of D & E is based on the forecast period cost.)	(1,256,693)	(152,544)	(608,086)	(231,951)	(13,049)	(2,262,323)
15 Total (Line 13 + 14)	7,248,042	877,739	3,488,710	1,328,965	73,419	13,016,875
16 Firm Retail MWH Sales	5,492,446	743,855	3,351,444	1,365,574	125,546	11,078,865
17 Cost per KWH - Demand (Line 9/Line 16)	0.09129	0.07731	*	*	0.01764	
18 Cost per KWH - Energy (Line 12/Line 16)	0.04068	0.04069	*	*	0.04084	
19 Cost per KWH - Demand & Energy (Line 17 + Line 18)	0.13196	0.11800	*	*	0.05848	
20 Revenue Tax Expansion Factor	1.00072	1.00072	*	*	1.00072	
21 Adjustment Factor Adjusted for Taxes	0.1321	0.1181	*	*	0.0585	
22 Conservation Adjustment Factor (cents/KWH) - Secondary	0.132	0.118	0.104	0.098	0.059	
- Primary			0.103	0.097		
- Subtransmission			-	0.096		

(ROUNDED TO NEAREST .001 PER KWH)

* See attached Schedule C-1, page 2 of 2.

EXHIBIT NO. _____
 DOCKET NO. 980002-EG
 TAMPA ELECTRIC COMPANY
 (HTB-2)
 SCHEDULE C-1
 PAGE 1 OF 2

Calculation of ECCR Factors for Customers Served at
Levels Other than Secondary Distribution

	<u>GSD, EV-X</u>	<u>GSLD, SBF</u>
Line 15 Total (Projected Costs & T/U) (Schedule C-1, pg 1, Line 15)		
-Secondary	3,377,435	659,827
- Primary	111,275	668,372
- Subtransmission	**	766
- Total	3,488,710	1,328,965
 Total Firm MWH Sales (Schedule C-1, pg 1, Line 16)		
-Secondary	3,243,502	674,569
- Primary	107,942	690,206
- Subtransmission	**	799
- Total	3,351,444	1,365,574
 Cost per KWH - Demand & Energy		
-Secondary	0.10413	0.09781
- Primary	0.10309	0.09684
- Subtransmission	**	0.09587
 Revenue Tax Expansion Factor	1.00072	1.00072
 Adjustment Factor Adjusted for Taxes		
-Secondary	0.10420	0.09789
- Primary	0.10316	0.09691
- Subtransmission	**	0.09594
 Conservation Adjustment Factor (cents/KWH)		
-Secondary	<u>0.104</u>	<u>0.098</u>
- Primary	<u>0.103</u>	<u>0.097</u>
- Subtransmission	**	<u>0.096</u>

Note: Customers in the GSD rate class are only served at primary and secondary distribution levels.

The calculation for interruptible classes did not change the factor from the original (\$0.17 per MWH).

TAMPA ELECTRIC COMPANY
Energy Conservation Adjustment
Summary of Cost Recovery Clause Calculation
For Months April 1999 through December 1999

1. Total Incremental Cost (C-2, Page 1, Line 18)	15,498,880
2. Demand Related Incremental Costs	9,967,602
3. Energy Related Incremental Costs	5,531,278
4. Interruptible Sales (@\$0.17 per MWH)	(219,681)
5. Net Energy Related Incremental Costs (Line 3 - Line 4)	5,311,597

RETAIL BY RATE CLASS

	RS	GS,TS	GSD,EV-X	GSLD,SBF	SL,OL	Total
6. Demand Allocation Percentage	58.85%	6.75%	24.96%	9.18%	0.26%	100.00%
7. Demand Related Incremental Costs (Total cost prorated based on demand allocation % above)	5,865,934	672,813	2,487,913	915,026	25,916	9,967,602
8. Demand Portion of End of Period True Up (O)/U Recovery Shown on Schedule C-3, Pg 5, Line 11 (Allocation of D & E is based on the forecast period cost.)	(852,081)	(97,732)	(361,393)	(132,916)	(3,765)	(1,447,887)
9. Total Demand Related Incremental Costs	5,013,853	575,081	2,126,520	782,110	22,151	8,519,715
10 Net Energy Related Incremental Costs	2,638,801	357,470	1,608,883	645,890	60,552	5,311,596
11 Energy Portion of End of Period True Up (O)/U Recovery Shown on Scedule C-3, Pg 5, Line 11 (Allocation of D & E is based on the forecast period cost.)	(404,612)	(54,812)	(246,693)	(99,035)	(9,284)	(814,436)
12 Total Net Energy Related Incremental Costs	2,234,189	302,658	1,362,190	546,855	51,268	4,497,160
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13 Total Incremental Costs (Line 7 + 10)	8,504,735	1,030,283	4,096,796	1,560,916	86,468	15,279,198
14 Total True Up (Over)/Under Recovery (Line 8 + 11) (Schedule C-3, Pg 5, Line 11) (Allocation of D & E is based on the forecast period cost.)	(1,256,693)	(152,544)	(608,086)	(231,951)	(13,049)	(2,262,323)
15 Total (Line 13 + 14)	7,248,042	877,739	3,488,710	1,328,965	73,419	13,016,875
16 Firm Retail MWH Sales	5,492,446	743,855	3,351,444	1,365,574	125,546	11,078,865
17 Cost per KWH - Demand (Line 9/Line 16) - Secondary	0.09129	0.07731	0.06347	0.05757	0.01764	
- Primary			0.06284	0.05699		
- Subtransmission				0.05642		
18 Cost per KWH - Energy (Line 12/Line 16) - Secondary	0.04068	0.04069	0.04066	0.04025	0.04084	
- Primary			0.04025	0.03985		
- Subtransmission				0.03945		
19 Cost per KWH - Demand & Energy (Line 17 + Line 18) - Secondary	0.13196	0.11800	0.10413	0.09782	0.05848	
- Primary			0.10309	0.09684		
- Subtransmission				0.09587		
20 Revenue Tax Expansion Factor	1.00072	1.00072	1.00072	1.00072	1.00072	
21 Adjustment Factor Adjusted for Taxes - Secondary	0.1321	0.1181	0.1042	0.0979	0.0585	
- Primary			0.1032	0.0969		
- Subtransmission				0.0959		
22 Conservation Adjustment Factor (cents/KWH) - Secondary	0.132	0.118	0.104	0.098	0.059	
- Primary			0.103	0.097		
- Subtransmission			-	0.096		

(ROUNDED TO NEAREST .001 PER KWH)

EXHIBIT NO. _____
 DOCKET NO. 980002-EG
 TAMPA ELECTRIC COMPAN
 (HTB-2)
 SCHEDULE C-1
 PAGE 1 of 1

TAMPA ELECTRIC COMPANY
Conservation Program Costs

Estimated for Months April 1999 through December 1999

ESTIMATED

Program Name	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1. Heating and Cooling (E)	173,943	231,359	335,103	205,974	189,624	188,618	189,624	178,618	188,650	1,881,513
2. Prime Time (D)	1,163,523	1,134,248	969,796	966,894	975,138	979,114	983,764	988,979	978,262	9,139,718
3. Energy Audits (E)	125,064	131,670	131,664	132,570	131,670	131,664	132,370	124,164	128,289	1,169,125
4. Cogeneration (E)	37,864	37,943	37,903	37,982	38,061	38,022	38,101	38,061	38,190	342,127
5. Ceiling Insulation (E)	41,812	43,012	41,812	41,812	41,812	41,812	41,812	41,812	43,866	379,562
6. C & I Load Mngt (D)	5,337	5,306	5,277	5,276	5,283	5,289	5,296	3,803	3,854	44,721
7. Commercial Lighting (E)	40,202	41,702	40,202	40,202	40,202	40,202	40,202	40,202	42,211	365,327
8. Standby Generator (D)	72,145	72,645	72,145	72,145	72,145	72,145	72,145	72,145	72,200	649,860
9. Conservation Value (E)	1,298	1,598	5,048	1,298	1,298	5,048	1,298	1,298	5,048	23,232
10. Duct Repair (E)	137,211	137,212	137,211	137,212	137,212	137,211	137,212	137,211	139,270	1,236,962
11. Builder Awareness (E)	128	0	0	0	0	0	0	0	0	128
12. DSM Commercial R&D (D&E) (50% D, 50% E)	9,000	0	0	0	0	0	0	0	0	9,000
13. Common Expenses (D&E) (50% D, 50% E)	28,620	28,620	28,620	28,620	28,620	28,620	28,620	28,620	28,645	257,605
14. Total	1,836,147	1,865,315	1,804,781	1,669,985	1,661,065	1,667,745	1,670,444	1,654,913	1,668,485	15,498,880
15. Less: Included in Base Rates	0	0	0	0	0	0	0	0	0	0
16. Recoverable Consv. Expenses	1,836,147	1,865,315	1,804,781	1,669,985	1,661,065	1,667,745	1,670,444	1,654,913	1,668,485	15,498,880
Summary of Demand & Energy										
Energy	576,332	638,806	743,253	611,360	594,189	596,887	594,929	575,676	599,846	5,531,278
Demand	1,259,815	1,226,509	1,061,528	1,058,625	1,066,876	1,070,858	1,075,515	1,079,237	1,068,639	9,967,602
Total Recoverable Consv. Expenses	1,836,147	1,865,315	1,804,781	1,669,985	1,661,065	1,667,745	1,670,444	1,654,913	1,668,485	15,498,880

TAMPA ELECTRIC COMPANY
Conservation Program Costs

Estimated for Months April 1999 through December 1999

Program Name	(A) Capital Investment	(B) Payroll & Benefits	(C) Materials & Supplies	(D) Outside Services	(E) Advertising	(F) Incentives	(G) Vehicles	(H) Other	(I) Program Revenues	(J) Total
1. Heating and Cooling (E)	0	58,791	0	6,002	119,000	1,697,270	450	0	0	1,881,513
2. Prime Time (D)	843,489	717,130	179,255	96,753	10,800	7,236,553	50,425	5,313	0	9,139,718
3. Energy Audits (E)	0	715,804	2,500	294,749	97,600	0	43,038	15,434	0	1,169,125
4. Cogeneration (E)	0	328,333	1,876	2,341	0	0	9,577	0	0	342,127
5. Ceiling Insulation (E)	0	61,576	0	6,002	39,200	270,000	2,784	0	0	379,562
6. C & I Load Mngt (D)	1,524	8,993	2,925	6,902	0	24,000	377	0	0	44,721
7. Commerical Lighting (E)	0	50,396	0	3,001	39,500	270,000	2,430	0	0	365,327
8. Standby Generator (D)	0	67,549	18,754	22,500	500	540,000	557	0	0	649,860
9. Conservation Value (E)	0	432	0	0	300	22,500	0	0	0	23,232
10. Duct Repair (E)	0	187,486	900	180,000	308,000	540,000	13,448	7,128	0	1,236,962
11. Builder Awareness (E)	0	128	0	0	0	0	0	0	0	128
12. DSM Commercial R&D (D&E) (50% D, 50% E)	0	0	0	9,000	0	0	0	0	0	9,000
13. Common Expenses (D&E) (50% D, 50% E)	0	237,186	0	0	0	0	450	19,969	0	257,605
14. Total All Programs	845,013	2,433,804	206,210	627,250	614,900	10,600,323	123,536	47,844	0	15,498,880
Summary of Demand & Energy										
Energy	0	1,521,539	5,276	496,595	603,600	2,799,770	71,952	32,546	0	5,531,278
Demand	845,013	912,265	200,934	130,655	11,300	7,800,553	51,584	15,298	0	9,967,602
Total All Programs	845,013	2,433,804	206,210	627,250	614,900	10,600,323	123,536	47,844	0	15,498,880

EXHIBIT NO. _____
DOCKET NO. 980002-EG
TAMPA ELECTRIC COMPANY
(HTB-2)
SCHEDULE C-2
PAGE 2 of 4

TAMPA ELECTRIC COMPANY
Schedule of Capital Investment, Depreciation and Return

Estimated for Months April 1999 through December 1999

PRIME TIME

	Beginning of Period	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1. Investment		80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	720,000
2. Retirements		75,812	134,986	68,659	86,272	77,472	55,078	50,903	34,219	44,139	627,540
3. Depreciation Base		4,343,397	4,288,411	4,299,752	4,293,480	4,296,008	4,320,930	4,350,027	4,395,808	4,431,669	
4. Depreciation Expense		<u>72,355</u>	<u>71,932</u>	<u>71,568</u>	<u>71,610</u>	<u>71,579</u>	<u>71,808</u>	<u>72,258</u>	<u>72,882</u>	<u>73,562</u>	649,554
5. Cumulative Investment	4,339,209	4,343,397	4,288,411	4,299,752	4,293,480	4,296,008	4,320,930	4,350,027	4,395,808	4,431,669	4,431,669
6. Less: Accumulated Depreciation	2,150,939	<u>2,147,482</u>	<u>2,084,428</u>	<u>2,087,337</u>	<u>2,072,675</u>	<u>2,066,782</u>	<u>2,083,512</u>	<u>2,104,867</u>	<u>2,143,530</u>	<u>2,172,953</u>	2,172,953
7. Net Investment	<u>2,188,270</u>	<u>2,195,915</u>	<u>2,203,983</u>	<u>2,212,415</u>	<u>2,220,805</u>	<u>2,229,226</u>	<u>2,237,418</u>	<u>2,245,160</u>	<u>2,252,278</u>	<u>2,258,716</u>	<u>2,258,716</u>
8. Average Investment		2,192,093	2,199,949	2,208,199	2,216,610	2,225,016	2,233,322	2,241,289	2,248,719	2,255,497	
9. Return on Average Investment		13,043	13,090	13,139	13,189	13,239	13,288	13,336	13,380	13,420	119,124
10. Return Requirements		21,234	<u>21,311</u>	<u>21,390</u>	<u>21,472</u>	<u>21,553</u>	<u>21,633</u>	<u>21,711</u>	<u>21,783</u>	<u>21,848</u>	193,935
11. Total Depreciation and Return		<u>93,589</u>	<u>93,243</u>	<u>92,958</u>	<u>93,082</u>	<u>93,132</u>	<u>93,441</u>	<u>93,969</u>	<u>94,665</u>	<u>95,410</u>	<u>843,489</u>

NOTES:

Depreciation expense is calculated using a useful life of 60 months.
Return on Average Investment is calculated using a monthly rate of 0.59500% .
Return requirements are calculated using an income tax multiplier of 1.6280016.

EXHIBIT NO. _____
DOCKET NO. 980002-EG
TAMPA ELECTRIC COMPANY
(HTB-2)
SCHEDULE C-2
PAGE 3 of 4

TAMPA ELECTRIC COMPANY
Schedule of Capital Investment, Depreciation and Return
Estimated for Months April 1999 through December 1999

C & I LOAD MANAGEMENT

	Beginning of Period	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1. Investment		300	300	300	300	300	300	300	300	300	2,700
2. Retirements		1140	3172	978	0	0	0	0	0	0	5,290
3. Depreciation Base		10,732	7,860	7,182	7,482	7,782	8,082	8,382	8,682	8,982	
4. Depreciation Expense		186	155	125	122	127	132	137	142	147	1,273
5. Cumulative Investment	11,572	10,732	7,860	7,182	7,482	7,782	8,082	8,382	8,682	8,982	8,982
6. Less: Accumulated Depreciation	9,356	8,402	5,385	4,532	4,654	4,781	4,913	5,050	5,192	5,339	5,339
7. Net Investment	2,216	2,330	2,475	2,650	2,828	3,001	3,169	3,332	3,490	3,643	3,643
8. Average Investment		2,273	2,403	2,563	2,739	2,915	3,085	3,251	3,411	3,567	
9. Return on Average Investment		14	14	15	16	17	18	19	20	21	154
10. Return Requirements		23	23	24	26	28	29	31	33	34	251
Total Depreciation and Return		209	178	149	148	155	161	168	175	181	1,524

NOTES:

Depreciation expense is calculated using a useful life of 60 months.

Return on Average Investment is calculated using a monthly rate of 0.59500% .

Return requirements are calculated using an income tax multiplier of 1.6280016.

EXHIBIT NO. _____
 DOCKET NO. 980002-EG
 TAMPA ELECTRIC COMPANY
 (HTB-2)
 SCHEDULE C-2
 PAGE 4 of 4

TAMPA ELECTRIC COMPANY
Conservation Program Costs

Actual for Months April 1998 through September 1998
Projected for Months October 1998 through March 1999

Program Name	Capital Investment	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicle	Other	Program Revenues	Total
1. Heating & Cooling										
2. Actual	0	28,629	0	7,438	127,473	1,499,900	268	0	0	1,663,708
3. Projected	0	40,403	500	2,298	75,000	1,025,175	1,675	0	0	1,145,051
4. Total	0	69,032	500	9,736	202,473	2,525,075	1,943	0	0	2,808,759
5. Prime Time										
6. Actual	586,917	412,020	100,851	65,157	6,227	4,391,022	31,547	20,335	0	5,614,076
7. Projected	566,449	474,256	131,510	65,003	7,200	5,138,777	33,725	11,359	0	6,428,279
8. Total	1,153,366	886,276	232,361	130,160	13,427	9,529,799	65,272	31,694	0	12,042,355
9. Energy Audits										
10. Actual	0	335,110	1,171	156,181	6,403	0	30,658	2,323	0	531,846
11. Projected	0	428,092	2,964	168,531	38,400	0	30,340	7,542	0	675,869
12. Total	0	763,202	4,135	324,712	44,803	0	60,998	9,865	0	1,207,715
13. Cogeneration										
14. Actual	0	121,985	0	0	0	0	4,078	0	0	126,063
15. Projected	0	199,806	624	780	0	0	3,818	0	0	205,028
16. Total	0	321,791	624	780	0	0	7,896	0	0	331,091
17. Ceiling Insulation										
18. Actual	0	32,510	113	354	0	495,150	1,600	0	0	529,727
19. Projected	0	33,227	0	2,553	12,000	150,150	3,199	0	0	201,129
20. Total	0	65,737	113	2,907	12,000	645,300	4,799	0	0	730,856
21. C & I Load Management										
22. Actual	1,724	2,017	0	0	0	14,107	454	0	0	18,302
23. Projected	1,174	7,622	1,275	2,598	0	14,751	648	0	0	28,068
24. Total	2,898	9,639	1,275	2,598	0	28,858	1,102	0	0	46,370
25. Commercial Lighting										
26. Actual	0	3,874	0	0	0	263,265	363	0	0	267,502
27. Projected	0	29,244	0	999	12,000	165,000	1,410	0	0	208,653
28. Total	0	33,118	0	999	12,000	428,265	1,773	0	0	476,155
29. Standby Generator										
30. Actual	0	19,017	2,172	315	0	269,927	879	0	0	292,310
31. Projected	0	35,512	7,746	9,750	0	330,000	458	0	0	383,466
32. Total	0	54,529	9,918	10,065	0	599,927	1,337	0	0	675,776
33. Conservation Value										
34. Actual	0	1,426	0	0	0	3,360	22	0	0	4,808
35. Projected	0	3,013	0	0	0	15,000	30	0	0	18,043
36. Total	0	4,439	0	0	0	18,360	52	0	0	22,851
37. Duct Repair										
38. Actual	0	66,782	3,080	114,738	8,637	196,566	9,044	1,130	0	399,977
39. Projected	0	117,649	5,800	97,175	117,600	360,000	10,267	2,676	0	711,167
40. Total	0	184,431	8,880	211,913	126,237	556,566	19,311	3,806	0	1,111,144
41. Builder Awareness										
42. Actual	0	0	0	0	0	0	0	400	0	400
43. Projected	0	2,395	0	0	0	0	120	1,500	0	4,015
44. Total	0	2,395	0	0	0	0	120	1,900	0	4,415
45. DSM Commercial R&D										
46. Actual	0	8,577	154,207	100,968	0	0	334	0	0	264,086
47. Projected	0	7,173	0	42,000	0	0	300	0	0	49,473
48. Total	0	15,750	154,207	142,968	0	0	634	0	0	313,559
49. Natural Gas R&D										
50. Actual	0	65	0	78,987	0	0	0	0	0	79,052
51. Projected	0	0	0	0	0	0	0	0	0	0
52. Total	0	65	0	78,987	0	0	0	0	0	79,052
53. Common Expenses										
54. Actual	0	78,136	510	596	0	0	1,456	0	0	80,698
55. Projected	0	157,191	0	0	0	0	881	6,654	0	164,726
56. Total	0	235,327	510	596	0	0	2,337	6,654	0	245,424
57. Total All Programs	1,156,264	2,645,731	412,523	916,421	410,940	14,332,150	167,574	53,919	0	20,095,522

TAMPA ELECTRIC COMPANY
Schedule of Capital Investment, Depreciation and Return
Actual for Months April 1998 through September 1998
Projected for Months October 1998 through March 1999

PRIME TIME

	Beginning of Period	April	May	June	July	August	September	October	November	December	January	February	March	Total
1. Investment		\$76,163	\$86,849	\$88,418	\$43,139	\$71,762	\$46,458	80,000	80,000	80,000	80,000	80,000	80,000	892,789
2. Retirements		85,559	79,903	104,842	79,993	117,545	92,013	88,255	103,356	183,495	74,182	93,602	90,215	1,192,960
3. Depreciation Base		4,629,984	4,636,930	4,620,506	4,583,652	4,537,869	4,492,314	4,484,059	4,460,703	4,357,208	4,363,026	4,349,424	4,339,209	
4. Depreciation Expense		<u>77,245</u>	<u>77,224</u>	<u>77,145</u>	<u>76,701</u>	<u>76,013</u>	<u>75,252</u>	<u>74,803</u>	<u>74,540</u>	<u>73,483</u>	<u>72,669</u>	<u>72,604</u>	<u>72,405</u>	900,084
5. Cumulative Investment	4,639,380	4,629,984	4,636,930	4,620,506	4,583,652	4,537,869	4,492,314	4,484,059	4,460,703	4,357,208	4,363,026	4,349,424	4,339,209	4,339,209
6. Less: Accumulated Depreciation	2,443,815	2,435,501	2,432,822	2,405,125	2,401,833	2,360,301	2,343,540	2,330,088	2,301,272	2,191,260	2,189,747	2,168,749	2,150,939	2,150,939
7. Net Investment	<u>2,195,565</u>	<u>2,194,483</u>	<u>2,204,108</u>	<u>2,215,381</u>	<u>2,181,819</u>	<u>2,177,568</u>	<u>2,148,774</u>	<u>2,153,971</u>	<u>2,159,431</u>	<u>2,165,948</u>	<u>2,173,279</u>	<u>2,180,675</u>	<u>2,188,270</u>	2,188,270
8. Average Investment		2,195,024	2,199,296	2,209,745	2,198,600	2,179,694	2,163,171	2,151,373	2,156,701	2,162,690	2,169,614	2,176,977	2,184,473	
9. Return on Average Investment		13,060	13,086	13,148	13,082	12,969	12,871	12,801	12,832	12,868	12,909	12,953	12,998	155,577
10. Return Requirements		21,262	21,304	21,405	21,298	21,114	20,954	20,840	20,891	20,949	21,016	21,088	21,161	253,282
11. Total Depreciation and Return		<u>98,507</u>	<u>98,528</u>	<u>98,550</u>	<u>97,999</u>	<u>97,127</u>	<u>96,206</u>	<u>95,643</u>	<u>95,431</u>	<u>94,432</u>	<u>93,685</u>	<u>93,692</u>	<u>93,566</u>	1,153,366

NOTES:

Depreciation expense is calculated using a useful life of 60 months.
Return on Average Investment is calculated using a monthly rate of 0.59500%
Return requirements are calculated using an income tax multiplier of 1.6280016.

TAMPA ELECTRIC COMPANY
Schedule of Capital Investment, Depreciation and Return
Actual for Months April 1998 through September 1998
Projected for Months October 1998 through March 1999

C & I LOAD MANAGEMENT

	Beginning of Period	April	May	June	July	August	September	October	November	December	January	February	March	Total
1. Investment		\$0	\$0	\$0	\$0	\$0	\$0	350	350	350	300	300	300	1,950
2. Retirements		1453	171	9694	0	2784	91	0	0	0	85	0	0	14,278
3. Depreciation Base		22,447	22,276	12,582	12,582	9,798	9,707	10,057	10,407	10,757	10,972	11,272	11,572	
4. Depreciation Expense		<u>386</u>	<u>373</u>	<u>290</u>	<u>210</u>	<u>187</u>	<u>163</u>	<u>165</u>	<u>171</u>	<u>176</u>	<u>181</u>	<u>185</u>	<u>190</u>	2,67Z
5. Cumulative Investment	23,900	22,447	22,276	12,582	12,582	9,798	9,707	10,057	10,407	10,757	10,972	11,272	11,572	11,572
6. Less: Accumulated Depreciation	20,957	19,890	20,092	10,688	10,898	8,301	8,373	8,538	8,709	8,885	8,981	9,166	9,356	9,356
7. Net Investment	2,943	2,557	2,184	1,894	1,684	1,497	1,334	1,519	1,698	1,872	1,991	2,106	2,216	2,216
8. Average Investment		2,750	2,371	2,039	1,789	1,591	1,416	1,427	1,609	1,785	1,932	2,049	2,161	
9. Return on Average Investment		16	14	12	11	9	8	8	10	11	11	12	13	135
10. Return Requirements		26	23	20	18	15	13	13	16	18	18	20	21	221
11. Total Depreciation and Return		<u>412</u>	<u>396</u>	<u>310</u>	<u>228</u>	<u>202</u>	<u>176</u>	<u>176</u>	<u>187</u>	<u>194</u>	<u>199</u>	<u>205</u>	<u>211</u>	2,898

NOTES:

Depreciation expense is calculated using a useful life of 60 months.
Return on Average Investment is calculated using a monthly rate of 0.59500% .
Return requirements are calculated using an income tax multiplier of 1.6280016.

10

EXHIBIT NO. _____
 DOCKET NO. 980002-EG
 TAMPA ELECTRIC COMPANY
 (HTB-2)
 SCHEDULE C-3
 PAGE 3 of 6

TAMPA ELECTRIC COMPANY
Conservation Program Costs

Actual for Months April 1998 through September 1998
Projected for Months October 1998 through March 1999

Program Name	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Grand Total
1. Heating and Cooling	245,063	260,285	239,502	350,470	370,841	197,547	276,142	276,142	254,134	108,499	119,185	110,949	2,808,759
2. Prime Time	892,990	933,117	993,356	935,782	945,264	913,567	994,244	997,660	984,287	1,122,882	1,140,862	1,188,344	12,042,355
3. Energy Audits	74,349	94,971	86,453	93,519	98,794	83,760	103,576	97,291	97,325	129,351	124,156	124,170	1,207,715
4. Cogeneration	22,128	22,650	19,290	21,924	23,366	16,705	30,385	30,385	30,390	38,101	37,864	37,903	331,091
5. Ceiling Insulation	74,824	36,171	90,827	138,061	95,545	94,299	24,902	24,889	24,902	42,812	41,812	41,812	730,856
6. C & I Load Management	3,627	3,830	3,928	2,657	2,033	2,227	5,501	5,510	5,558	3,827	3,833	3,839	46,370
7. Commercial Lighting	76,904	33,537	10,830	22,559	88,403	35,269	29,349	29,349	29,349	40,202	40,202	40,202	476,155
8. Standby Generator	51,408	55,984	42,955	44,640	45,804	51,519	55,244	55,244	55,268	73,420	72,145	72,145	675,776
9. Conservation Value	544	563	0	1,705	0	1,996	1,451	1,451	5,201	3,594	1,298	5,048	22,851
10. Duct Repair	51,413	78,967	67,732	59,350	78,331	64,184	99,217	98,717	99,102	139,712	137,207	137,212	1,111,144
11. Builder Awareness	0	0	400	0	0	0	1,207	1,207	1,217	128	128	128	4,415
12. DSM Commercial R&D	248	935	2,937	3,233	150,792	105,941	7,491	7,491	7,491	9,000	9,000	9,000	313,559
13. Natural Gas R&D	0	65	34,713	0	44,274	0	0	0	0	0	0	0	79,052
14. Common Expenses	11,629	15,743	12,320	9,293	14,489	17,224	26,287	26,287	26,292	28,620	28,620	28,620	245,424
15. Total	1,505,127	1,536,818	1,605,243	1,683,193	1,957,936	1,584,238	1,654,996	1,651,623	1,620,516	1,740,148	1,756,312	1,799,372	20,095,522
16. Less: Included in Base Rates	0	0	0	0	0	0	0	0	0	0	0	0	0
17. Recoverable Conservation Expenses	1,505,127	1,536,818	1,605,243	1,683,193	1,957,936	1,584,238	1,654,996	1,651,623	1,620,516	1,740,148	1,756,312	1,799,372	20,095,522

11

TAMPA ELECTRIC COMPANY
Energy Conservation Adjustment
Calculation of True-up

Actual for Months April 1998 through September 1998
Projected for Months October 1998 through March 1999

B. CONSERVATION REVENUES	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Grand Total
1. Residential Conservation Audit Fees (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Conservation Adjustment Revenues * (C-4, page 1 of 1)	1,514,829	1,602,798	2,067,298	2,209,845	2,072,634	2,111,148	1,818,088	1,537,438	1,563,488	1,723,043	1,533,576	1,512,552	21,266,737
3. Total Revenues	1,514,829	1,602,798	2,067,298	2,209,845	2,072,634	2,111,148	1,818,088	1,537,438	1,563,488	1,723,043	1,533,576	1,512,552	21,266,737
4. Prior Period True-up	162,643	162,643	162,643	162,643	162,643	162,643	454,365	454,365	454,365	454,365	454,365	454,365	3,702,048
5. Conservation Revenue Applicable to Period	1,677,472	1,765,441	2,229,941	2,372,488	2,235,277	2,273,791	2,272,453	1,991,803	2,017,853	2,177,408	1,987,941	1,966,917	24,968,785
6. Conservation Expenses (C-3, Page 4, Line 14)	1,505,127	1,536,818	1,605,243	1,683,193	1,957,936	1,584,238	1,654,996	1,651,623	1,620,516	1,740,148	1,756,312	1,799,372	20,095,522
7. True-up This Period (Line 5 - Line 6)	172,345	228,623	624,698	689,295	277,341	689,553	617,457	340,180	397,337	437,260	231,629	167,545	4,873,263
8. Interest Provision This Period (C-3, Page 6, Line 10)	4,531	4,706	5,981	8,333	9,800	10,984	12,242	12,459	12,138	12,029	11,556	10,491	115,250
9. True-up & Interest Provision Beginning of Period	975,858	990,091	1,060,777	1,528,813	2,063,798	2,188,296	2,726,190	2,901,524	2,799,798	2,754,908	2,749,832	2,538,652	975,858
10. Prior Period True-up Collecte (Refunded)	(162,643)	(162,643)	(162,643)	(162,643)	(162,643)	(162,643)	(454,365)	(454,365)	(454,365)	(454,365)	(454,365)	(454,365)	(3,702,048)
11. End of Period Total Net True-up	<u>990,091</u>	<u>1,060,777</u>	<u>1,528,813</u>	<u>2,063,798</u>	<u>2,188,296</u>	<u>2,726,190</u>	<u>2,901,524</u>	<u>2,799,798</u>	<u>2,754,908</u>	<u>2,749,832</u>	<u>2,538,652</u>	<u>2,262,323</u>	<u>2,262,323</u>

* Net of Revenue Taxes

(A) Included in Line 6

Summary of Allocation	Forecast	Ratio	True Up
Demand	9,967,602	0.64	1,447,887
Energy	5,531,278	0.36	814,436
Total	<u>15,498,880</u>	<u>1.00</u>	<u>2,262,323</u>

12

TAMPA ELECTRIC COMPANY
Energy Conservation Adjustment
Calculation of Interest Provision

Actual for Months April 1998 through September 1998
Projected for Months October 1998 through March 1999

C. INTEREST PROVISION	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Projected	November Projected	December Projected	January Projected	February Projected	March Projected	Grand Total
1. Beginning True-up Amount (C-3, Page 5, Line 9)	\$975,858	\$990,091	\$1,060,777	\$1,528,813	\$2,063,798	\$2,188,296	\$2,726,190	\$2,901,524	\$2,799,798	\$2,754,908	\$2,749,832	\$2,538,652	
2. Ending True-up Amount Before Interest (C-3, Page 5, Lines 7 + 9 + 10)	985,560	1,056,071	1,522,832	2,055,465	2,178,496	2,715,206	2,889,282	2,787,339	2,742,770	2,737,803	2,527,096	2,251,832	
3. Total Beginning & Ending True-up	<u>\$1,961,418</u>	<u>\$2,046,162</u>	<u>\$2,583,609</u>	<u>\$3,584,278</u>	<u>\$4,242,294</u>	<u>\$4,903,502</u>	<u>\$5,615,472</u>	<u>\$5,688,863</u>	<u>\$5,542,568</u>	<u>\$5,492,711</u>	<u>\$5,276,928</u>	<u>\$4,790,484</u>	
4. Average True-up Amount (50% of Line 3)	\$980,709	<u>\$1,023,081</u>	<u>\$1,291,805</u>	<u>\$1,792,139</u>	<u>\$2,121,147</u>	<u>\$2,451,751</u>	<u>\$2,807,736</u>	<u>\$2,844,432</u>	<u>\$2,771,284</u>	<u>\$2,746,356</u>	<u>\$2,638,464</u>	<u>\$2,395,242</u>	
5. Interest Rate - First Day of Month	5.550%	5.530%	5.500%	5.600%	5.560%	5.520%	5.220%	5.250%	5.250%	5.250%	5.250%	5.250%	
6. Interest Rate - First Day of Next Month	5.530%	5.500%	5.600%	5.560%	5.520%	5.220%	5.250%	5.250%	5.250%	5.250%	5.250%	5.250%	
7. Total (Line 5 + Line 6)	<u>11.080%</u>	<u>11.030%</u>	<u>11.100%</u>	<u>11.160%</u>	<u>11.080%</u>	<u>10.740%</u>	<u>10.470%</u>	<u>10.500%</u>	<u>10.500%</u>	<u>10.500%</u>	<u>10.500%</u>	<u>10.500%</u>	
8. Average Interest Rate (50% of Line 7)	5.540%	5.515%	5.550%	5.580%	5.540%	5.370%	5.235%	5.250%	5.250%	5.250%	5.250%	5.250%	
9. Monthly Average Interest R Line 8/12)	<u>0.462%</u>	<u>0.460%</u>	<u>0.463%</u>	<u>0.465%</u>	<u>0.462%</u>	<u>0.448%</u>	<u>0.436%</u>	<u>0.438%</u>	<u>0.438%</u>	<u>0.438%</u>	<u>0.438%</u>	<u>0.438%</u>	
10. Interest Provision (Line 4 x Line 9)	<u>\$4,531</u>	<u>\$4,706</u>	<u>\$5,981</u>	<u>\$8,333</u>	<u>\$9,800</u>	<u>\$10,984</u>	<u>\$12,242</u>	<u>\$12,459</u>	<u>\$12,138</u>	<u>\$12,029</u>	<u>\$11,556</u>	<u>\$10,491</u>	<u>\$115,250</u>

13

TAMPA ELECTRIC COMPANY
Energy Conservation
Calculation of Conservation Revenues

Actual for Months April 1998 through September 1998
Projected for Months October 1998 through March 1999

(1) Months	(2) Firm MWH Sales	(3) Interruptible MWH Sales	(4) Clause Revenue Net of Revenue Taxes
April	1,010,919	155,173	1,514,829
May	1,069,584	139,605	1,602,798
June	1,363,702	149,750	2,067,298
July	1,454,446	145,731	2,209,845
August	1,366,280	151,607	2,072,634
September	1,393,939	149,116	2,111,148
October	1,206,134	149,416	1,818,088
November	1,029,292	142,264	1,537,438
December	1,042,156	148,823	1,563,488
January	1,139,646	152,526	1,723,043
February	1,018,704	146,950	1,533,576
March	1,009,927	150,315	1,512,552
Total	14,104,729	1,781,276	21,266,737

EXHIBIT NO. _____
DOCKET NO. 980002-EG
TAMPA ELECTRIC COMPANY
(HTB-2)
SCHEDULE C-4
PAGE 1 of 1

11

PROGRAM DESCRIPTION AND PROGRESS

Program Title: HEATING AND COOLING

Program Description: Incentive Program for the installation of high efficiency heating and cooling equipment.

Program Projections: April 1, 1998 to March 31, 1999

3,976 units to be installed and approved.

April 1, 1999 to December 31, 1999

2,700 units to be installed and approved.

**Program Fiscal
Expenditures:**

April 1, 1998 to March 31, 1999

Expenditures estimated for the period are \$2,808,759.

April 1, 1999 to December 31, 1999

Expenditures estimated for the period are \$1,881,513.

**Program Progress
Summary:**

Through September 30, 1998 - 137,877 units have been installed and approved.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: PRIME TIME

Program Description: Load management program for cycling residential appliances - heating, air conditioning, water heating and pool pumps.

Program Projections: April 1, 1998 to March 31, 1999

78,224 Customers on this program (cumulative).

April 1, 1999 to December 31, 1999

80,024 Customers will be participating (cumulative).

Program Fiscal Expenditures:

April 1, 1998 to March 31, 1999

Estimated expenditures are \$12,042,355

April 1, 1999 to December 31, 1999

\$9,139,718 estimated.

Program Progress Summary:

77,768 Customers through September 30, 1998

Breakdown is as follows:

Water Heating	73,273
Air Conditioning	59,506
Heating	60,971
Pool Pump	14,406

PROGRAM DESCRIPTION AND PROGRESS

Program Title: ENERGY AUDITS

Program Description: Audits of residential, commercial and industrial Customers' facilities to help define potential areas of energy savings. Additionally, mail-in self evaluating audits are available for customers.

Program Projections: April 1, 1998 to March 31, 1999

Residential - 17,862 (RCS-0; Alt-5,299; Mail-in-12,563)

Comm/Ind - 849 (Paid - 2; Free - 337; Mail-in-510)

April 1, 1999 to December 31, 1999

Residential - 13,050 (RCS-0; Alt-4,050; Mail-in-9,000)

Comm/Ind - 738 (Paid - 3; Free - 360; Mail-in-375)

Program Fiscal Expenditures:

April 1, 1998 to March 31, 1999

Expenditures are expected to be \$1,207,715.

April 1, 1999 to December 31, 1999

Estimated costs are \$1,169,125.

Program Progress Summary:

Through September 30, 1998 the following audit totals are:

Residential RCS (Fee)	3,890
Residential Alt (Free)	174,414
Residential Mail-in	24,970
Commercial-Ind (Fee)	223
Commercial-Ind (Free)	12,354
Commercial Mail-in	1,052

PROGRAM DESCRIPTION AND PROGRESS

Program Title: COGENERATION

Program Description: To encourage the development of cost-effective Commercial and Industrial cogeneration facilities. To evaluate and administer Standard Offer and negotiated Contracts for the purchase of firm capacity and energy.

Program Projections: April 1, 1998 to March 31, 1999

Construction in progress to increase steam capability and generator output at one existing facility and a generator replacement will increase generator capacity at a second existing qualifying facility. Will continue communication and interaction with all present and potential cogeneration Customers.

April 1, 1999 to December 31, 1999

Start the development and publication of the 20-Year Cogeneration Forecast.

Program Fiscal Expenditures:

April 1, 1998 to March 31, 1999

Expenditures are estimated to be \$331,091.

April 1, 1999 to December 31, 1999

Expenditures are estimated to be \$342,127.

Program Progress Summary:

The projected total maximum generation by electrically interconnected cogeneration during 1999 will be approximately 580 MW and 3,740 GWH.

Continuing interaction with current and potential cogeneration developers for discussion regarding current cogeneration activities and future cogeneration construction activities. Currently there are sixteen (16) Qualifying Facilities with generation on-line in our service area.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: CEILING INSULATION

Program Description: Incentive program used to promote the addition of insulation in existing residential living units.

Program Projections: April 1, 1998 to March 31, 1999

Approximately 6,541 units during this period.

April 1, 1999 to December 31, 1999

2,700 units expected for this period.

Program Fiscal Expenditures:

April 1, 1998 to March 31, 1999

Expenditures are estimated to be \$730,856.

April 1, 1999 to December 31, 1999

\$379,562 are the expected costs.

Program Progress Summary:

Through September 30, 1998 - 31,513 installations have been certified and paid.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: COMMERCIAL/INDUSTRIAL LOAD MANAGEMENT

Program Description: Load Management program for Commercial/Industrial Customers.

Program Projections: April 1, 1998 to March 31, 1999

4 installations expected.

April 1, 1999 to December 31, 1999

9 installations expected.

**Program Fiscal
Expenditures:**

April 1, 1998 to March 31, 1999

\$46,370 are expected costs.

April 1, 1999 to December 31, 1999

Expenses of \$44,721 are estimated.

**Program Progress
Summary:**

Through September 30, 1998 - 27 C/I installations are in service.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: COMMERCIAL INDOOR LIGHTING

Program Description: An incentive program to encourage investment in more efficient lighting technology in existing commercial facilities.

Program Projections: April 1, 1998 to March 31, 1999

113 Customers are expected to participate during this period.

April 1, 1999 to December 31, 1999

90 Customers are expected to participate during this period.

Program Fiscal Expenditures:

April 1, 1998 to March 31, 1999

Expenditures estimated for the period are \$476,155.

April 1, 1999 to December 31, 1999

Expenditures estimated for this period are \$365,327.

Program Progress Summary:

Through September 30, 1998 - 666 Customers have participated.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: STANDBY GENERATOR

Program Description: A program designed to utilize the emergency generation capacity of Commercial/Industrial facilities in order to reduce weather sensitive peak demand.

Program Projections: April 1, 1998 to March 31, 1999

1 installation is expected.

April 1, 1999 to December 31, 1999

6 installations are expected.

**Program Fiscal
Expenditures:**

April 1, 1998 to March 31, 1999

Expenditures estimated for the period are \$675,776.

April 1, 1999 to December 31, 1999

Expenditures estimated for the period are \$649,860.

**Program Progress
Summary:**

Through September 30, 1998 - 38 Customers are participating.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: CONSERVATION VALUE

Program Description: An incentive program for Commercial/Industrial Customers that encourages additional investments in substantial demand shifting or demand reduction measures.

Program Projections: April 1, 1998 to March 31, 1999

2 Customers are expected to participate.

April 1, 1999 to December 31, 1999

3 Customers are expected to participate.

**Program Fiscal
Expenditures:**

April 1, 1998 to March 31, 1999

Estimated expenses are \$22,851.

April 1, 1999 to December 31, 1999

Estimated expenses are \$23,232.

Program Progress

Summary:

Through September 30, 1998 - Four Customers have earned incentive dollars. We are actively working with several Customers on evaluations of various measures.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: DUCT REPAIR

Program Description: An incentive program to encourage the repair of the air distribution system in a residence.

Program Projections: April 1, 1998 to March 31, 1999

3,984 repairs to be made.

April 1, 1999 to December 31, 1999

3,750 repairs to be made.

**Program Fiscal
Expenditures:**

April 1, 1998 to March 31, 1999

Expenditures estimated for the period are \$1,111,144.

April 1, 1999 to December 31, 1999

Expenditures estimated for the period are \$1,236,962.

**Program Progress
Summary:**

Through September 30, 1998 - 23,736 Customers have participated.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: BUILDER AWARENESS

Program Description: A three-year program designed to decrease demand and energy by improving construction techniques used on air distribution systems in new residential structures.

Program Projections: April 1, 1998 to March 31, 1999

19 homes are expected to participate.

April 1, 1999 to December 31, 1999

See Program Progress Summary below.

Program Fiscal Expenditures:

April 1, 1998 to March 31, 1999

Expenses are estimated at \$4,415.

April 1, 1999 to December 31, 1999

Expenses are estimated at \$128.

Program Progress Summary:

Through September 30, 1998 - 29 homes have qualified for participation. We are actively working with building construction and HVAC contractors in various stages of participation. This three year program is expected to terminate in April 1999.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: DSM COMMERCIAL R&D

Program Description: A three-year program directed at R&D commercial end-use technologies not yet commercially available or insufficient data exists for measure evaluations specific to central Florida climate.

Program Projections: See Program Progress Summary.

Program Fiscal Expenditures: April 1, 1998 to March 31, 1999

Expenditures are estimated at \$313,559.

April 1, 1999 to December 31, 1999

Expenditures are estimated at \$9,000.

Program Progress Summary:

Commercial Desiccant Application - Testing in progress at an adult high school. Preliminary results indicate the unit is reducing moisture load to the school. Testing has continued through the summer of 1998 as equipment performance relative to load conditions has been monitored and adjusted to optimize efficiency. Should additional testing be required beyond original completion date, Tampa Electric Company will submit a petition for project continuation.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: NATURAL GAS R&D

Program Description: A three-year R&D program designed to gather data on the performance and cost-effectiveness of gas technologies for heating, cooling, dehumidification and water heating.

Program Projections: April 1, 1998 to March 31, 1999.

See Program Progress Summary below.

April 1, 1999 to December 31, 1999.

See Program Progress Summary below.

Program Fiscal Expenditures: April 1, 1998 to March 31, 1999

Expenses are estimated to be \$79,052.

April 1, 1999 to December 31, 1999.

See Program Progress Summary below.

Program Progress Summary:

This R & D project was completed in August 1998. Tampa Electric Company filed a final report pursuant to Docket No. 950521-EG, Order No. PSC-94-1313-FOF-EG on September 10, 1998.

PROGRAM DESCRIPTION AND PROGRESS

Program Title: COMMON EXPENSES

Program Description: Expenditures which cover a number of conservation programs.

Program Projections: N/A

Program Fiscal Expenditures: April 1, 1998 to March 31, 1999

Expenditures are estimated to be \$245,424.

April 1, 1999 to December 31, 1999

Expenditures are estimated at \$257,605.

Program Progress Summary: N/A