

In Re: Energy Conservation :
Cost Recovery Clause :
_____ :

DOCKET NO. 990002-EG

Submitted for Filing:
10-21-99

REVISED DIRECT TESTIMONY AND EXHIBITS

of

J. BRENT CALDWELL

on behalf of

PEOPLES GAS SYSTEM

(Revised October 20, 1999)

DOCUMENT NUMBER-DATE

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FPSC RECORDS REPORTING

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

3
4 A. My name is J. Brent Caldwell. My business address is
5 Peoples Gas System, 702 North Franklin Street, P.O. Box
6 2562, Tampa, Florida 33601-2562. I am employed by Peoples
7 Gas System ("Peoples") as Manager of Regulatory and Gas
8 Supply.

9
10 Q. Please describe your educational and employment background?

11
12 A. I have a Bachelor of Electrical Engineering degree from the
13 Georgia Institute of Technology and a Masters of Science in
14 Electrical Engineering from the University of South
15 Florida. From 1985 to 1994, I was employed in a series of
16 progressively more responsible positions in the electrical
17 engineering and systems analysis fields. In 1994, I joined
18 Tampa Electric Company as a Rate Analyst in the Regulatory
19 Affairs Department. As a Rate Analyst, I performed
20 analyses associated with the Fuel Adjustment Clause, the
21 Environmental Cost Recovery Clause and other rate design
22 issues. I joined Peoples in 1997 as a member of the Gas
23 Supply and Regulatory Planning Department. As Manager of
24 Regulatory and Gas Supply, I am primarily responsible for

1 coordinating and overseeing all regulatory activity for
2 Peoples, including the Energy Conservation Cost Recovery
3 ("ECCR") Clause.
4

5 Q. What is the purpose of your testimony in this docket?
6

7 A. My testimony addresses Peoples' energy conservation
8 programs and the costs that Peoples seeks to recover
9 through the ECCR clause. My testimony supports the
10 revenues and expenses that are expected to be incurred in
11 connection with the conservation programs of both the
12 former Peoples Gas System, Inc. (the costs of which are
13 recovered under Peoples' Volume 1 Tariff) and the former
14 West Florida Natural Gas Company (the costs of which are
15 recovered under Peoples' Volume 2 Tariff). I will
16 hereinafter refer to the territory within which the Volume
17 2 Tariff applies as Peoples' "West Florida Region."
18

19 My testimony describes generally the expenditures made and
20 projected to be made in implementing, promoting and
21 operating Peoples' energy conservation programs for the
22 current period. This information includes actual costs
23 incurred in January through August 1999, and revised

1 projections of program costs that Peoples expects to incur
2 from September through December 1999. Next, my testimony
3 presents projected conservation program costs for the
4 period January 1, 2000 through December 31, 2000.

5
6 Finally, my testimony presents the calculation of the
7 conservation cost recovery adjustment factors to be applied
8 to customers' bills during the period beginning January 1,
9 2000 and continuing through December 31, 2000.

10
11 **Q.** Are you sponsoring any exhibits with your testimony?

12
13 **A.** Yes. I am sponsoring two exhibits produced under my
14 direction and supervision. Exhibit ____ (JBC-1R), consists
15 of Schedules C-1 through C-5, which contain information
16 related to the calculation of the ECCR factors to be
17 applied to customers' bills during the period January
18 through December 2000 in Peoples' divisions other than the
19 West Florida Region. Exhibit ____ (JBC-2R), contains the
20 same schedules and similar information for Peoples' West
21 Florida Region.

22
23 **Q.** Have you prepared summaries of the Company's conservation

1 programs and the costs associated with these programs?

2

3 A. Yes. Summaries of the Company's programs in divisions
4 other than the West Florida Region are presented in Exhibit
5 ____ (JBC-1R), Schedule C-5. Summaries of the programs in
6 the West Florida Region are presented in Exhibit ____ (JBC-
7 2R), Schedule C-5.

8

9 Q. Have you prepared schedules required for the calculation of
10 Peoples' proposed conservation adjustment factors to be
11 applied during the period from January 1, 2000 through and
12 including December 31, 2000?

13

14 A. Yes. Schedule C-3 of Exhibit ____ (JBC-1R) (for divisions
15 other than the West Florida Region) and Exhibit ____ (JBC-
16 2R) (for the West Florida Region) show actual expenses for
17 the period January through August 1999 and projected
18 expenses for the period September 1999 through December
19 1999.

20

21 Projected expenses for the January through December 2000
22 period are shown on Schedule C-2 of Exhibits ____ (JBC-1R)
23 and ____ (JBC-2R). The total annual cost projected

1 represents an increase over recent levels as a result of
2 Peoples' active expansion of the availability of natural
3 gas throughout the state of Florida. The levels of Home
4 Builder Incentives and program promotional expenses have
5 increased as a result of increased numbers of new
6 customers. Additionally, the previously approved ECCR
7 factors were reduced as a result of significant levels of
8 prior period overrecovery true-up which no longer exist in
9 the factors for which Peoples now seeks approval. Schedule
10 C-1 of both exhibits shows the calculation of the
11 conservation adjustment factors. The estimated true-up
12 amount from Schedule C-3 (Page 4, line 11) of Exhibit ____
13 (JBC-1R) being an overrecovery, and Exhibit ____ (JBC-2R)
14 being an underrecovery, were subtracted from the total of
15 the projected costs for the January through December 2000
16 period. The resulting totals of \$10,125,140 (for divisions
17 other than the West Florida Region) and \$1,756,784 (for the
18 West Florida Region) were then allocated to the Company's
19 affected rate classes pursuant to the methodology approved
20 by the Commission.

21
22 Schedule C-1 of Exhibit ____ (JBC-1R) shows the estimated
23 ECCR revenues and adjustment factors by rate class for

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Peoples' divisions other than the West Florida Region for the period January 1 through December 31, 2000. Schedule C-1 of Exhibit ____ (JBC-2R) shows the estimated ECCR revenues and adjustment factors by rate class for Peoples' West Florida Region for the same period.

Q. Does this conclude your prefiled direct testimony?

A. Yes, it does.

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 990002-EG
Peoples Gas System
(JBC-1R)

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: January 2000 Through December 2000

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	10,426,620
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	(301,480)
3. TOTAL (LINE 1 AND LINE 2)	10,125,140

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	2,389,615	43,889,549	16,727,305	18,046,066	34,773,371	3,536,637	10.17053%	0.08058	1.00503	0.08099
SMALL COMMERCIAL	60,791	2,771,857	911,865	935,169	1,847,034	187,853	10.17053%	0.06777	1.00503	0.06811
COMMERCIAL	221,366	111,913,558	3,763,222	27,277,811	31,041,033	3,157,039	10.17053%	0.02821	1.00503	0.02835
COMM. LGE VOL I	32,220	126,675,806	805,500	27,691,331	28,496,831	2,898,280	10.17053%	0.02288	1.00503	0.02299
COMM. LGE VOL II	884	19,825,887	39,780	3,202,872	3,242,652	329,795	10.17053%	0.01663	1.00503	0.01672
STREET LIGHTING	981	1,042,705	0	98,504.00	98,504	10,018	10.17053%	0.00961	1.00503	0.00966
NGVS	235	730,805	5,875	48,379	54,254	5,518	10.17053%	0.00755	1.00503	0.00759
TOTAL	2,706,092	306,850,167	22,253,547	77,300,132	99,553,679	10,125,140				

Company: Peoples Gas System
 Except West Florida Region
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 Docket No. 990002-EG
 Peoples Gas System
 (JBC-1R)

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2000 Through December 2000

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	6,000,000	0	0	0	6,000,000
2 WATER HEATER LOAD RETENTION	0	0	0	0	220,500	0	0	0	220,500
3 OIL HEAT REPLACEMENT	0	0	0	0	40,500	0	0	0	40,500
4 SMALL PKG COGEN	0	0	0	0	0	0	0	0	0
5 COMM ELECTRIC REPLACEMENT	0	0	0	0	144,000	0	0	0	144,000
6 RES ELECTRIC REPLACEMENT	0	0	0	0	1,500,000	0	0	0	1,500,000
7 COMMON COSTS	0	725,120	12,000	1,500,000	0	100,000	15,000	75,000	2,427,120
8 GAS SPACE CONDITIONING	0	0	0	0	94,500	0	0	0	94,500
9 N/A	0	0	0	0	0	0	0	0	0
10 N/A	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	725,120	12,000	1,500,000	7,999,500	100,000	15,000	75,000	10,426,620

Company:

Peoples Gas System
 Except West Florida Region
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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									
A. ACTUAL	0	0	0	0	1,584,691	0	0	0	1,584,691
B. ESTIMATED	0	0	0	0	1,666,664	0	0	0	1,666,664
C. TOTAL	0	0	0	0	3,251,355	0	0	0	3,251,355
2 WATER HEATER LOAD RETENTION									
A. ACTUAL	0	0	0	0	84,380	0	0	0	84,380
B. ESTIMATED	0	0	0	0	80,000	0	0	0	80,000
C. TOTAL	0	0	0	0	164,380	0	0	0	164,380
3 OIL HEAT REPLACEMENT									
A. ACTUAL	0	0	0	0	3,630	0	0	0	3,630
B. ESTIMATED	0	0	0	0	20,000	0	0	0	20,000
C. TOTAL	0	0	0	0	23,630	0	0	0	23,630
4 SMALL PKG COGEN									
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
5 COMM ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	40,945	0	0	0	40,945
B. ESTIMATED	0	0	0	0	48,000	0	0	0	48,000
C. TOTAL	0	0	0	0	88,945	0	0	0	88,945
6 RES ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	170,988	0	0	0	170,988
B. ESTIMATED	0	0	0	0	240,000	0	0	0	240,000
C. TOTAL	0	0	0	0	410,988	0	0	0	410,988
SUB-TOTAL	0	0	0	0	3,939,298	0	0	0	3,939,298

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 990002-EG
Peoples Gas System
(JBC-1R)

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
April 1999 Through December 1999

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	3,939,298	0	0	0	3,939,298
7. COMMON COSTS									
A. ACTUAL	0	300,202	4,895	351,643	0	6,096	6,691	15,968	685,494
B. ESTIMATED	0	240,000	4,000	542,000	0	26,000	6,000	840,000	840,000
C. TOTAL	0	540,202	8,895	893,643	0	32,096	12,691	37,968	1,525,494
8. GAS SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	15,450	0	0	0	15,450
B. ESTIMATED	0	0	0	0	33,332	0	0	0	33,332
C. TOTAL	0	0	0	0	48,782	0	0	0	48,782
9. (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
10. (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
11. (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
TOTAL	0	540,202	8,895	893,643	3,988,080	32,096	12,691	37,968	5,513,574

Company: **Peoples Gas System**
Except West Florida Region
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Peoples Gas System
(JBC-1R)

CONSERVATION PROGRAM COSTS BY PROGRAM
 ACTUAL/ESTIMATED
 April 1999 Through December 1999

PROGRAM NAME	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 1999				TOTAL
HOME BUILDER PROGRAM	501,650	231,275	327,235	198,036	326,495	416,666	416,666	416,666	416,666	0	0	0	3,251,355
WATER HEATER LOAD RETENTION	17,900	15,680	18,800	16,800	15,200	20,000	20,000	20,000	20,000	0	0	0	164,380
OIL HEAT REPLACEMENT	990	1,320	330	330	660	5,000	5,000	5,000	5,000	0	0	0	23,630
SMALL PKG COGEN	0	0	0	0	0	0	0	0	0	0	0	0	0
COMM ELECTRIC REPLACEMENT	12,920	7,010	645	13,400	6,970	12,000	12,000	12,000	12,000	0	0	0	88,945
RES ELECTRIC REPLACEMENT	44,680	33,198	37,575	30,035	25,500	60,000	60,000	60,000	60,000	0	0	0	410,988
COMMON COSTS	140,941	114,538	173,193	132,247	124,575	210,000	210,000	210,000	210,000	0	0	0	1,525,494
GAS SPACE CONDITIONING	0	15,000	0	0	450	8,333	8,333	8,333	8,333	0	0	0	48,782
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	719,081	418,021	557,778	390,848	499,850	731,999	731,999	731,999	731,999	0	0	0	5,513,574

ENERGY CONSERVATION ADJUSTMENT
April 1999 Through December 1999

	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 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.	(719,459)	(593,135)	(558,430)	(535,676)	(502,890)	(609,128)	(609,128)	(609,128)	(609,128)	0	0	0	(5,346,102)
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(719,459)	(593,135)	(558,430)	(535,676)	(502,890)	(609,128)	(609,128)	(609,128)	(609,128)	0	0	0	(5,346,102)
TOTAL REVENUES	(719,459)	(593,135)	(558,430)	(535,676)	(502,890)	(609,128)	(609,128)	(609,128)	(609,128)	0	0	0	(5,346,102)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	(49,606)	(49,606)	(49,606)	(49,606)	(49,606)	(49,606)	(49,606)	(49,606)	(49,606)	0	0	0	(446,455)
CONSERVATION REVS. APPLIC. TO PERIOD	(769,065)	(642,741)	(608,036)	(585,282)	(552,496)	(658,734)	(658,734)	(658,734)	(658,734)	0	0	0	(5,792,557)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	719,081	418,021	557,778	390,848	499,850	731,999	731,999	731,999	731,999	0	0	0	5,513,574
TRUE-UP THIS PERIOD	(49,984)	(224,720)	(50,258)	(194,434)	(52,646)	73,265	73,265	73,265	73,265	0	0	0	(278,983)
INTEREST THIS PERIOD (C-3,PAGE 5)	(1,801)	(2,156)	(2,583)	(2,967)	(3,380)	(3,201)	(2,670)	(2,137)	(1,602)	0	0	0	(22,497)
TRUE-UP & INT. BEG. OF MONTH	(446,455)	(448,634)	(625,904)	(629,140)	(776,935)	(783,354)	(663,684)	(543,483)	(422,749)	0	0	0	
PRIOR TRUE-UP COLLECT. (REFUND.)	49,606	49,606	49,606	49,606	49,606	49,606	49,606	49,606	49,606	0	0	0	446,455
END OF PERIOD TOTAL NET TRUE-UP	(448,634)	(625,904)	(629,140)	(776,935)	(783,354)	(663,684)	(543,483)	(422,749)	(301,480)	0	0	0	(301,480)

Company: Peoples Gas System
Except West Florida Region
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Peoples Gas System
(JBC-1R)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
April 1999 Through December 1999

	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 1999				TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	(446,455)	(448,634)	(625,904)	(629,140)	(776,935)	(783,354)	(663,684)	(543,483)	(422,749)	0	0	0	(422,749)
END. T-UP BEFORE INT.	(446,833)	(623,748)	(626,556)	(773,968)	(779,975)	(660,483)	(540,813)	(420,612)	(299,878)	0	0	0	167,472
TOT. BEG. & END. T-UP	(893,288)	(1,072,383)	(1,252,461)	(1,403,107)	(1,556,909)	(1,443,838)	(1,204,497)	(964,095)	(722,627)	0	0	0	(255,277)
AVERAGE TRUE-UP	(446,644)	(536,191)	(626,230)	(701,554)	(778,455)	(721,919)	(602,248)	(482,047)	(361,313)	0	0	0	(127,638)
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	4.8800%	4.8000%	4.8500%	5.0500%	5.1000%	5.3200%	5.3200%	5.3200%	5.3200%	0.0000%	0.0000%	0.0000%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	4.8000%	4.8500%	5.0500%	5.1000%	5.3200%	5.3200%	5.3200%	5.3200%	5.3200%	0.0000%	0.0000%	0.0000%	
TOTAL	9.6800%	9.6500%	9.9000%	10.1500%	10.4200%	10.6400%	10.6400%	10.6400%	10.6400%	0.0000%	0.0000%	0.0000%	
AVG INTEREST RATE	4.8400%	4.8250%	4.9500%	5.0750%	5.2100%	5.3200%	5.3200%	5.3200%	5.3200%	0.0000%	0.0000%	0.0000%	
MONTHLY AVG. RATE	0.4033%	0.4021%	0.4125%	0.4229%	0.4342%	0.4433%	0.4433%	0.4433%	0.4433%	0.0000%	0.0000%	0.0000%	
INTEREST PROVISION	(\$1,801)	(\$2,156)	(\$2,583)	(\$2,967)	(\$3,380)	(\$3,201)	(\$2,670)	(\$2,137)	(\$1,602)	\$0	\$0	\$0	(\$22,497)

Company: Peoples Gas System
 Except West Florida Region
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 Peoples Gas System
 (JBC-1R)

Peoples Gas System

Reporting: APRIL 1999 THROUGH DECEMBER 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 Allowances:	Gas Water Heater	\$250.00
	Gas Furnace	\$250.00
	Gas Range	\$85.00
	Gas Dryer	\$85.00

Program Goals:	Projected new home connections for this period:	6,066
	Actual connections to date this period:	2,957
	Percent of goal for the five (5) months:	48.7%

Program Fiscal Expenditures:	Estimated for period:	\$3,251,355
	Actual to date:	\$1,584,691

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 990002-EG
Peoples Gas System
(JBC-1R)

Peoples Gas System

Reporting: APRIL 1999 THROUGH DECEMBER 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 Allowances: Energy Efficient Gas Water Heater \$100.00

Program Goals: Projected connections for this period: 1,644

Actual connections to date this period: 844

Percent of goal for the five (5) months: 51.3%

Program Fiscal Expenditures: Estimated for period: \$164,380

Actual to date: \$84,380

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
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Peoples Gas System
(JBC-1R)

Peoples Gas System

Reporting: APRIL 1999 THROUGH DECEMBER 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 Allowance: Energy Efficient Gas Furnaces \$330.00

Program Goals: Projected new connections for this period: 72

Actual connections to date this period: 11

Percent of goal for the five (5) months: 15.4%

Program Fiscal Expenditures: Estimated for period: \$23,630

Actual to date: \$3,630

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
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Peoples Gas System
(JBC-1R)

Peoples Gas System

Reporting: APRIL 1999 THROUGH DECEMBER 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 Allowances: For every KW Displaced \$40.00
Each customer allowed a maximum of 100 KWD deferred

Program Goals: Projected KWD displaced this period: **2,224**
Actual KWD displaced this period: **1,024**
Percent of goal for the five (5) months: **46.0%**

Program Fiscal Expenditures: Estimated for period: **\$88,945**
Actual to date: **\$40,945**

Company: Peoples Gas System
Except West Florida Region
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Docket No. 990002-EG
Peoples Gas System
(JBC-1R)

Peoples Gas System

Reporting: APRIL 1999 THROUGH DECEMBER 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 Allowances:	Natural Gas Water Heater	\$440.00
	Natural Gas Furnace	\$440.00
	Natural Gas Range	\$75.00
	Natural Gas Dryer	\$75.00
	Natural Gas Space Heater	\$65.00

Program Goals:	Projected new connections for this period:	668
	Actual connections to date this period:	278
	Percent of goal for the five (5) months:	41.6%

Program Fiscal Expenditures:	Estimated for period:	\$410,988
	Actual to date:	\$170,988

Company: Peoples Gas System
Except West Florida Region
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Docket No. 990002-EG
Peoples Gas System
(JBC-1R)

Peoples Gas System

Reporting: APRIL 1999 THROUGH DECEMBER 1999

Name: Energy Conservation Common Costs

Program Fiscal Expenditures:

Estimated for period:	\$1,525,494
Actual to date:	\$685,494
Percent of budget for five (5) months:	44.9%

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Peoples Gas System

Reporting: APRIL 1999 THROUGH DECEMBER 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 Allowance:	Each customer allowed 100 tons maximum paid allowance / installation a	\$150.00
		per ton
Program Goals:	Projected connections this period: (tons)	325
	Actual connections this period: (tons)	103
	Percent of goal for the five (5) months:	31.7%
Program Fiscal Expenditures:	Estimated for period:	\$48,782
	Actual to date:	\$15,450

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: January 2000 Through December 2000

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	1,564,992
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	191,792
3. TOTAL (LINE 1 AND LINE 2)	1,756,784

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	344,867	10,700,000	2,414,069	3,480,175	5,894,244	958,759	16.26602%	0.08960	1.00503	0.09005
COMMERCIAL	30,823	11,439,956	308,230	1,873,636	2,181,866	354,903	16.26602%	0.03102	1.00503	0.03118
COMM. LGE VOL 1	252	3,896,421	12,600	539,265	551,865	89,766	16.26602%	0.02304	1.00503	0.02315
INDUSTRIAL	320	9,328,476	16,000	1,291,061	1,307,061	212,607	16.26602%	0.02279	1.00503	0.02291
FIRM TRANSPORTATION	52	11,867,605	5,200	578,783	583,983	94,991	16.26602%	0.00800	1.00503	0.00804
SPECIAL CONTRACT	12	6,511,000	281,316	0	281,316	45,759	16.26602%	0.00703	1.00503	0.00706
TOTAL	376,326	53,743,458	3,037,415	7,762,920	10,800,335	1,756,784				

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ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2000 Through December 2000

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	900,000	0	0	0	900,000
2 ENERGY SAVINGS PAYBACK	0	0	0	0	24,000	0	0	0	24,000
3 WATER HEATER RETENTION	0	0	0	0	39,996	0	0	0	39,996
4 RES. ELECTRIC REPLACEMENT	0	0	0	0	124,500	0	0	0	124,500
5 COMM. ELECTRIC REPLACEMENT	0	0	0	0	60,000	0	0	0	60,000
6 SPACE CONDITIONING	0	0	0	0	30,000	0	0	0	30,000
7 COMMON COSTS	0	123,500	3,000	200,000	0	45,000	14,996	0	386,496
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	123,500	3,000	200,000	1,178,496	45,000	14,996	0	1,564,992

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	217,300	0	0	0	217,300
B. ESTIMATED	0	0	0	1,000	112,000	0	0	0	113,000
C. TOTAL	0	0	0	1,000	329,300	0	0	0	330,300
2 ENERGY SAVINGS PAYBACK									
A. ACTUAL	0	0	0	0	6,600	0	0	0	6,600
B. ESTIMATED	0	0	0	500	7,820	0	0	0	8,320
C. TOTAL	0	0	0	500	14,420	0	0	0	14,920
3 WATER HEATER RETENTION									
A. ACTUAL	0	0	0	0	21,110	0	0	0	21,110
B. ESTIMATED	0	0	0	1,000	12,000	0	0	0	13,000
C. TOTAL	0	0	0	1,000	33,110	0	0	0	34,110
4 RES. ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	15,900	0	0	0	15,900
B. ESTIMATED	0	0	0	8,000	37,000	0	0	0	45,000
C. TOTAL	0	0	0	8,000	52,900	0	0	0	60,900
5 COMM. ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	270	0	0	0	270
B. ESTIMATED	0	0	0	2,000	16,668	0	0	0	18,668
C. TOTAL	0	0	0	2,000	16,938	0	0	0	18,938
6 SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	1,000	9,000	0	0	0	10,000
C. TOTAL	0	0	0	1,000	9,000	0	0	0	10,000
SUB-TOTAL	0	0	0	13,500	455,669	0	0	0	469,169

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ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	13,500	455,669	0	0	0	469,169
7. COMMON COSTS									
A. ACTUAL	0	23,538	0	124,376	0	0	0	863	148,776
B. ESTIMATED	0	30,000	100	171,532	0	1,000	0	200	202,832
C. TOTAL	0	53,538	100	295,908	0	1,000	0	1,063	351,608
(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	53,538	100	309,408	455,669	1,000	0	1,063	820,777

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CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
April 1999 Through December 1999

PROGRAM NAME	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 1999				TOTAL
HOME BUILDER PROGRAM	31,700	42,950	45,500	31,100	66,050	28,250	28,250	28,250	28,250	0	0	0	330,300
ENERGY SAVINGS PAYBACK	1,300	2,450	900	1,050	900	2,080	2,080	2,080	2,080	0	0	0	14,920
WATER HEATER RETENTION	1,700	4,150	6,500	6,460	2,300	3,250	3,250	3,250	3,250	0	0	0	34,110
RES ELECTRIC REPLACEMENT	2,750	3,800	2,500	3,250	3,600	11,250	11,250	11,250	11,250	0	0	0	60,900
COMM. ELECTRIC REPLACEMENT	270	0	0	0	0	4,667	4,667	4,667	4,667	0	0	0	18,938
SPACE CONDITIONING	0	0	0	0	0	2,500	2,500	2,500	2,500	0	0	0	10,000
COMMON COSTS	35,712	12,443	29,576	21,702	49,344	50,708	50,708	50,708	50,708	0	0	0	351,608
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	73,432	65,793	84,976	63,562	122,194	102,705	102,705	102,705	102,706	0	0	0	820,777

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ENERGY CONSERVATION ADJUSTMENT

	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 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.	(53,471)	(40,324)	(33,288)	(44,173)	(33,729)	(54,568)	(54,568)	(54,568)	(54,568)	0	0	0	(423,257)
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ. REV. (NET OF REV. TAXES)	(53,471)	(40,324)	(33,288)	(44,173)	(33,729)	(54,568)	(54,568)	(54,568)	(54,568)	0	0	0	(423,257)
TOTAL REVENUES	(53,471)	(40,324)	(33,288)	(44,173)	(33,729)	(54,568)	(54,568)	(54,568)	(54,568)	0	0	0	(423,257)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	(22,749)	(22,749)	(22,749)	(22,749)	(22,749)	(22,749)	(22,749)	(22,749)	(22,749)	0	0	0	(204,737)
CONSERVATION REVS. APPLIC. TO PERIOD	(76,220)	(63,073)	(56,037)	(66,922)	(56,478)	(77,317)	(77,317)	(77,317)	(77,317)	0	0	0	(627,994)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	73,432	65,793	84,976	63,562	122,194	102,705	102,705	102,705	102,706	0	0	0	820,777
TRUE-UP THIS PERIOD	(2,788)	2,720	28,939	(3,360)	65,717	25,388	25,388	25,388	25,389	0	0	0	192,783
INTEREST THIS PERIOD (C-3, PAGE 5)	(786)	(695)	(557)	(423)	(202)	96	310	525	740	0	0	0	(991)
TRUE-UP & INT BEG. OF MONTH	(204,737)	(185,562)	(160,788)	(109,657)	(90,691)	(2,427)	45,806	94,252	142,914	0	0	0	
PRIOR TRUE-UP COLLECT/(REFUND)	22,749	22,749	22,749	22,749	22,749	22,749	22,749	22,749	22,749	0	0	0	204,737
END OF PERIOD TOTAL NET TRUE-UP	(185,562)	(160,788)	(109,657)	(90,691)	(2,427)	45,806	94,252	142,914	191,792	0	0	0	191,792

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CALCULATION OF TRUE-UP AND INTEREST PROVISION

	APR 1999	MAY 1999	JUN 1999	JUL 1999	AUG 1999	SEP 1999	OCT 1999	NOV 1999	DEC 1999				TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	(204,737)	(185,562)	(160,788)	(109,657)	(90,691)	(2,427)	45,806	94,252	142,914	0	0	0	142,914
END. T-UP BEFORE INT.	(184,776)	(160,093)	(109,100)	(90,268)	(2,226)	45,710	93,943	142,389	191,052	0	0	0	397,520
TOT. BEG. & END. T-UP	(389,513)	(345,655)	(269,888)	(199,925)	(92,916)	43,282	139,748	236,642	333,966	0	0	0	540,434
AVERAGE TRUE-UP	(194,757)	(172,827)	(134,944)	(99,962)	(46,458)	21,641	69,874	118,321	166,983	0	0	0	270,217
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.0488	0.0480	0.0485	0.0505	0.0510	0.0532	0.0532	0.0532	0.0532	0.0000	0.0000	0.0000	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.0480	0.0485	0.0505	0.0510	0.0532	0.0532	0.0532	0.0532	0.0532	0.0000	0.0000	0.0000	
TOTAL	0.0968	0.0965	0.0990	0.1015	0.1042	0.1064	0.1064	0.1064	0.1064	0.0000	0.0000	0.0000	
AVG INTEREST RATE	0.0484	0.0483	0.0495	0.0508	0.0521	0.0532	0.0532	0.0532	0.0532	0.0000	0.0000	0.0000	
MONTHLY AVG. RATE	0.0040	0.0040	0.0041	0.0042	0.0043	0.0044	0.0044	0.0044	0.0044	0.0000	0.0000	0.0000	
INTEREST PROVISION	(\$786)	(\$695)	(\$557)	(\$423)	(\$202)	\$96	\$310	\$525	\$740	\$0	\$0	\$0	(\$991)

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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 Allowances:	Gas Water Heater	\$150.00
	Gas Furnace	\$250.00
	Gas Range	\$100.00
	Gas Dryer	\$100.00

Program Goals:	Projected new home connections for this period:	721
	Actual connections to date this period:	474
	Percent of goal for the five (5) months:	65.8%

Program Fiscal Expenditures:	Estimated for period:	\$330,300
	Actual to date:	\$217,300

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Reporting: April 1999 Through December 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.

Program Allowances:	Water Heater	\$50.00
	Central Heater	\$50.00
	Range	\$50.00
	Dryer	\$50.00

Program Goals: Projected Installations for the period: 22

Program Fiscal Expenditures:	Estimated for period:	\$14,920
	Actual to date:	\$6,600

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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 \$100.00

Program Goals: Projected connections for this period: 341

Actual connections to date this period: 211

Percent of goal for the five (5) months: 61.9%

Program Fiscal Expenditures: Estimated for period: \$34,110

Actual to date: \$21,110

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Reporting: April 1999 Through December 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.

Program Allowance:	Natural Gas Water Heat	\$250.00
	Natural Gas Furnace	\$500.00
	Natural Gas Range	\$150.00
	Natural Gas Dryer	\$150.00
	Natural Gas Space Heat	\$150.00

Program Goals:	Projected new connections for this period:	253
	Actual connections to date this period:	53
	Percent of goal for the five (5) months:	21.0%

Program Fiscal Expenditures:	Estimated for period:	\$60,900
	Actual to date:	\$15,900

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Reporting: April 1999 Through December 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 Allowance:	For every KW Displaces	\$30.00
Program Goals:	Projected KWD displaced this period:	631
	Actual KWD displaced this period:	9
	Percent of goal for the five (5) months:	1.4%
Program Fiscal Expenditures:	Estimated for period:	\$18,938
	Actual to date:	\$270

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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 Allowances: Each customer allowed 100 tons maximum paid allowance / installation at: **\$100.00**
per ton

Program Goals:	Projected connections this period: (tons)	100
	Actual connections this period: (tons)	0
	Percent of goal for the five (5) months:	0.0%

Program Fiscal Expenditures:	Estimated for period:	\$10,000
	Actual to date:	\$0

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Name: Energy Conservation Common Costs

Program Fiscal Expenditures:	Estimated for period:	\$351,608
	Actual to date:	\$148,776
	Percent of budget for five (5) months:	42.3%