

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

Docket No. 030002-EG

In the Matter of

ENERGY CONSERVATION COST RECOVERY  
CLAUSE.

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PROCEEDINGS: HEARING

BEFORE: CHAIRMAN LILA A. JABER  
COMMISSIONER J. TERRY DEASON  
COMMISSIONER BRAULIO L. BAEZ  
COMMISSIONER RUDOLPH BRADLEY  
COMMISSIONER CHARLES M. DAVIDSON



DATE: Wednesday, November 12, 2003

TIME: Commenced at 9:30 a.m.

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

REPORTED BY: JANE FAUROT, RPR  
OFFICIAL FPSC REPORTER  
(850) 413-6732

DOCUMENT NUMBER: 030002-EG

FLORIDA PUBLIC SERVICE COMMISSION | 1969 NOV 24 2003

FPSC-COMMISSION OFFICE

## 1 APPEARANCES:

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4 Biscayne Boulevard, Miami, Florida 33131-2398,  
5 appearing on behalf of Florida Power & Light  
6 Company.

7 LEE WILLIS, ESQUIRE, JAMES BEASLEY,  
8 ESQUIRE, and KEN HART, ESQUIRE, Ausley Law Firm,  
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10 on behalf of Tampa Electric Company.

11 JOHN W. MCWHIRTER, JR., Florida  
12 Industrial Power Users Group, McWhirter Reeves 400  
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14 33602, and VICKI KAUFMAN, ESQUIRE, McWhirter Law  
15 Firm, 117 S. Gadsden St., Tallahassee, Florida  
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17 Power Users Group.

18 NORMAN H. HORTON, JR., ESQUIRE, Messer Law  
19 Firm, P. O. Box 1876, Tallahassee, Florida  
20 32302-1876, appearing on behalf of Florida Public  
21 Utilities Company.

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1 APPEARANCES CONTINUED:

2 RUSSELL BADDERS, Beggs & Lane Law Firm, P.O. Box 12950,  
3 Pensacola, Florida 32591-2950, appearing on behalf of Gulf  
4 Power Company.

5 ROB VANDIVER, ESQUIRE, Office of Public  
6 Counsel, c/o The Florida Legislature, 111 W. Madison  
7 St., #812, Tallahassee, Florida 32399-1400,  
8 appearing on behalf of Office of Public Counsel.

9 BONNIE DAVIS, ESQUIRE, Progress Energy  
10 Florida, Inc., 106 East College Avenue, Suite 800,  
11 Tallahassee, Florida 32301-7740, and JAMES MCGEE,  
12 Progress Energy Florida, Inc. (St. Petersburg),  
13 P.O. Box 14042, St. Petersburg, Florida 33733-4042,  
14 appearing on behalf of Progress Energy Florida, Inc.

15 LORENA A. HOLLEY, ESQUIRE, FPSC General Counsel's  
16 Office, 2540 Shumard Oak Boulevard, Tallahassee, Florida  
17 32399-0850, appearing on behalf of Commission Staff.

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## I N D E X

## WITNESSES

1	NAME:	PAGE NO.
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## EXHIBITS

1	2		ID.	ADMTD.
3	1	KG-1 (without appendix) and KG-2	7	7
4	2	MAP-1, MAP-2 and MAP-3	7	7
5	3	ATC-1 and ATC-2	7	7
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## P R O C E E D I N G S

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CHAIRMAN JABER: 02.

MS. HOLLEY: Again, in 02, all witnesses have been excused and all issues are up for proposed stipulation.

CHAIRMAN JABER: All of the prefiled testimony in Docket 030002 shall be inserted into the record as though read. Exhibits.

MS. HOLLEY: Ken Getchell, KG-1 and KG-2. And staff wanted to note for the record that KG-1 does not include Appendix A.

CHAIRMAN JABER: Is it supposed to?

MS. HOLLEY: No, ma'am. And Michael A. Peacock, MAP-1 --

CHAIRMAN JABER: Hang on a second. KG-1 without Appendix A and KG-2 are identified as Composite Exhibit 1.

MS. HOLLEY: Michael A. Peacock, MAP-1, MAP-2, and MAP-3.

CHAIRMAN JABER: Shall be identified as Composite Exhibit 2.

MS. HOLLEY: Angela T. Carter, ATC-1 and ATC-2.

CHAIRMAN JABER: Identified as Composite Exhibit 3.

MS. HOLLEY: John A. Masiello, JAM-1 and JAM-2.

CHAIRMAN JABER: Identified as Composite Exhibit 4.

MS. HOLLEY: And Howard T. Bryant, HTB-1 and HTB-2.

CHAIRMAN JABER: Are identified as Composite Exhibit

1 5. Composite Exhibits 1 through 5 are admitted into the  
2 record.

3 (Exhibits 1 through 5 marked for identification and  
4 admitted into the record.)

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION****FLORIDA POWER & LIGHT COMPANY****TESTIMONY OF KEN GETCHELL****DOCKET NO. 030002-EG****September 26, 2003**

1 **Q. Please state your name and business address.**

2 A. My name is Ken Getchell, and my business address is: 9250 West Flagler Street,  
3 Miami, Florida 33174.

4

5 **Q. Who is your employer, and what position do you hold?**

6 A. I am employed by Florida Power & Light Company (FPL) as a Budget and  
7 Regulatory Support Supervisor.

8

9 **Q. Have you previously testified in this docket?**

10 Yes, I have.

11

12 **Q. What are your responsibilities and duties as a Budget and Regulatory  
13 Support Supervisor?**

14 A. I am responsible for supervising and assisting in the development of the Business  
15 Unit budget for all functional areas under Customer Service. I supervise and  
16 assist system support functions related to the Customer Service department,  
17 Demand Side Management (DSM), and Energy Conservation Cost Recovery  
18 (ECCR), including monthly accounting reviews. Also, I supervise and assist in



1 the preparation of regulatory filings and reports related to ECCR, prepare  
2 responses to regulatory inquiries and ensure timely responses. I am also  
3 responsible for the ECCR Forecast and True-Up.

4

5 **Q. What is the purpose of your testimony?**

6 A. The purpose is to submit for Commission review and approval the projected  
7 ECCR costs to be incurred by FPL during the months of January 2004 through  
8 December 2004, as well as the actual/estimated ECCR costs for January 2003  
9 through December 2003, for our DSM programs. I also present the total level of  
10 costs FPL seeks to recover through its Conservation Factors during the period  
11 January 2004 through December 2004, as well as the Conservation Factors  
12 which, when applied to our customers' bills during the period January 2004  
13 through December 2004, will permit the recovery of total ECCR costs.

14

15 **Q. Have you prepared or had prepared under your supervision and control an**  
16 **exhibit?**

17 A. Yes, I am sponsoring Exhibit KG-2, which is attached to my testimony and  
18 consists of Schedules C-1 through C-5. While I am sponsoring all of Exhibit  
19 KG-2, parts of the exhibit were prepared by Ms. Korel M. Dubin, Manager of  
20 Regulatory Issues, who is available to respond to any questions which the parties  
21 or the Commission may have regarding those parts. Exhibit KG-2, Table of  
22 Contents, Page 1 of 1, identifies the portion prepared by Ms. Dubin and me.

23

24 **Q. Are all the costs listed in these schedules reasonable, prudent and**

1           **attributable to programs approved by the Commission ?**

2    A.   Yes they are.

3

4    **Q.   Please describe the methods used to derive the program costs for which FPL**  
5           **seeks recovery.**

6    A.   The actual expenditures for the months January 2003 through July 2003 are taken  
7           from the books and records of FPL. Expenditures for the months of August 2003  
8           through December 2003, and January 2004 through December 2004 are  
9           projections based upon a detailed month-by-month analysis of the expenditures  
10          expected for each program at each location within FPL. These projections are  
11          developed by each FPL location where costs are incurred and take into  
12          consideration not only cost levels but also market penetrations. They have been  
13          subjected to FPL's budgeting process and an on-going cost-justification process.

14

15   **Q. Does that conclude your testimony?**

16   A.   Yes, it does.

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 030002-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 January 1, 2002 through December 31, 2002 as compared to  
11 the true-up amounts previously reported for that period  
12 which were based on eight months actual and four months  
13 estimated 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 January 1, 2002 through December  
17 31, 2002.

18 A. The Company over-recovered \$1,998.00 in the Marianna

1 Division during that period. In the Fernandina Beach  
2 Division we over-recovered \$42,657.00. 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 November 2002 hearing?

8 A. We had estimated that we would under-recover \$5,088.00 in  
9 Marianna. In Fernandina Beach we had estimated an over-  
10 recovery of \$22,933.00 as of December 31, 2002.

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

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

14 Q. Does this conclude your testimony?

15 A. Yes.

16

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18 Peacocktest.400

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 030002-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, Marianna, Florida  
3 32446.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities Company as Manager of Customer  
6 Development.
- 7 Q. What is the purpose of your testimony at this time?
- 8 A. To advise the Commission as to the Conservation Cost Recovery Clause  
9 Calculation for the period January, 2004 through December, 2004.
- 10 Q. What are the total projected costs for the period January, 2004 through  
11 December, 2004 in the Marianna Division and the Fernandina Beach  
12 Division?
- 13 A. For the Marianna Division, the total projected Conservation Program Costs  
14 are \$240,000. For the Fernandina Beach Division, the total projected  
15 Conservation Program Costs are \$269,000. For each Division, please see its  
16 respective Schedule C-2, page 2, for the programmatic and functional  
17 breakdown of these total costs.

- 1 Q. For each division, what is the true-up amount to be applied to determine the  
2 projected net total costs for the period January, 2003 through December, 2003.
- 3 A. As reflected in the respective "C" Schedules, the true-up amount for the  
4 Marianna Division is (\$31,246). In the Fernandina Beach Division the true-up  
5 is (\$60,587). These amounts are based upon eight months actual and four  
6 months estimated data.
- 7 Q. For each division, what are the resulting net total projected conservation costs  
8 to be recovered during this period?
- 9 A. For the Marianna Division the net total costs to be recovered are \$208,754.  
10 For the Fernandina Beach Division the net total costs to be recovered are  
11 \$208,413.
- 12 Q. For each division, what is the Conservation Adjustment Factor necessary to  
13 recover these projected net total costs.
- 14 A. For the Marianna Division, the Conservation Adjustment Factor is \$.00069  
15 per KWH. For the Fernandina Beach Division, the Factor is \$.00045 per  
16 KWH.
- 17 Q. Are there any exhibits that you wish to sponsor in this proceeding?
- 18 A. Yes. I wish to sponsor as exhibits for each division Schedules C-1, C-2, C-3,  
19 C-4, and C-5 (Composite Prehearing Identification Number MAP-2), which  
20 have been filed with this testimony.
- 21 Q. Mr. Peacock, has FPUC proposed to consolidate the Northwest and Northeast  
22 divisions?

1 A. Yes we have. In Docket No. 030348-EI which is a request for a rate increase  
2 filed by the company we have proposed to consolidate the divisions We  
3 believe there are benefits and advantages to the customers and the company if  
4 we do this. We think there are benefits to consolidating the conservation cost  
5 recovery at this time.

6 Q. Have you prepared schedules reflecting the factors and projections on a  
7 consolidated basis?

8 A. Yes. MAP-3 consists of Schedules C-1, C-2, C-3, and C-4 on a consolidated  
9 basis.

10 Q. Are you asking the Commission to approve the consolidated projection and  
11 factors at this time?

12 A. Yes. The programs are the same and it would be more efficient and cost  
13 effective to have a consolidated recovery factor. Therefore, we are asking that  
14 the consolidated factor be approved in this docket.

15 Q. Does this conclude your testimony?

16 A. Yes.

1 Gulf Power Company

2 Before the Florida Public Service Commission  
3 Prepared Direct Testimony and Exhibit of  
4 Angela T. Carter  
5 Docket No. 030002-EG  
6 May 15, 2003

7 Q. Will you please state your name, business address,  
8 employer and position?

9 A. My name is Angela T. Carter and my business address is  
10 One Energy Place, Pensacola, Florida 32520. I am  
11 employed by Gulf Power Company as the Economic  
12 Evaluation and Market Reporting Team Leader.

13 Q. Ms. Carter, please describe your educational background  
14 and business experience.

15 A. In 1983, I joined Gulf Power Company as a Customer  
16 Service Representative in the Customer Service  
17 Department. I graduated from Troy State University in  
18 Pensacola, Florida, in 1988 with a Bachelor of Science  
19 Degree having majored in Accounting and Business  
20 Administration. Since then, I have held various  
21 positions of increasing responsibility with Gulf Power  
22 in Tax Accounting, Auditing, Corporate Accounting and  
23 Customer Accounting. Currently, I am the Economic  
24 Evaluation and Market Reporting Team Leader.

25



1 Q. Ms. Carter, for what purpose are you appearing before  
2 this Commission today?

3 A. I am testifying before this Commission on behalf of Gulf  
4 Power Company regarding matters related to the Energy  
5 Conservation Cost Recovery Clause, specifically the  
6 approved programs and related expenses for  
7 January, 2002, through December, 2002.

8

9 Q. Are you familiar with the documents concerning the  
10 Energy Conservation Cost Recovery Clause and its related  
11 true-up and interest provisions?

12 A. Yes, I am.

13

14 Q. Have you verified, that to the best of your knowledge  
15 and belief, this information is correct?

16 A. Yes, I have.

17 Counsel: We ask that Ms. Carter's exhibit consisting of  
18 6 Schedules, CT-1 through CT-6, be marked for  
19 identification as:

20 Exhibit No. \_\_\_\_ (ATC-1)

21

22 Q. Would you summarize for this Commission the deviations  
23 resulting from the actual expenditures for this recovery  
24 period and the original estimates of expenses?

25 A. The estimated/actual true-up net expenses for the entire

1 recovery period January, 2002, through December, 2002,  
2 were \$5,392,222, while the actual costs were \$5,219,619  
3 resulting in a variance of \$172,603 or 3.2% under the  
4 estimated/actual true-up.

5

6 Q. Ms. Carter, would you explain the January, 2002, through  
7 December, 2002, variance?

8 A. Yes, the reasons for this variance are a decrease in  
9 expenses in Residential Energy Audits, under \$23,439;  
10 Gulf Express Loan Program, under \$4,000; Duct Leakage,  
11 under \$2,509; Geothermal Heat Pump Program, under  
12 \$89,640; GoodCents Commercial Buildings, under \$83,907;  
13 Commercial/Industrial Energy Audits and Technical  
14 Assistance Audits, under \$117,248; and Conservation  
15 Demonstration and Development, under \$127,482. These  
16 programs are off-set by Green Pricing being over \$6,522;  
17 **GoodCents Select**, over \$256,568; Commercial Mail-in  
18 Audit, over \$1,344; and Residential Mail-in Audit, over  
19 \$11,187 resulting in a net variance of \$172,603 under  
20 the estimated/actual program expenses reported in  
21 September, 2002. A more detailed description of the  
22 deviations is contained in Schedule CT-6.

23

24

25

1 Q. Ms. Carter, what was Gulf's adjusted net true-up for the  
2 period January, 2002 through December, 2002?

3 A. There was an over-recovery of \$351,971 as shown on  
4 Schedule CT-1, page 1.

5

6 Q. Would you describe the results of your programs during  
7 the recovery period?

8 A. A more detailed review of each of the programs is  
9 included in my Schedule CT-6. The following is a  
10 synopsis of the accomplishments during this recovery  
11 period.

12 (A) Residential Energy Audits - During this period, the  
13 Company projected to audit 1,350 structures. The  
14 Company actually completed 1,097.

15 (B) Residential Mail-In Audits - During this period,  
16 200 audits were projected and 244 audits were  
17 completed.

18 (C) Gulf Express Loan Program - No loans were completed  
19 during this period. The program stopped accepting  
20 new loans in June, 1997. This program will no  
21 longer be reported due to all the loans having  
22 matured and administrative services are no longer  
23 required.

24 (D) Duct Leakage Program - This program was available in  
25 2002 to any customer desiring it, but the company no

1 longer promotes it as a stand alone program. No units  
2 were completed during this recovery period.

3 (E) Geothermal Heat Pump - During this recovery period, a  
4 total of 256 geothermal heat pumps were installed  
5 compared to a projection of 50.

6 (F) **GoodCents Select** (Advanced Energy Management) - During  
7 this recovery period, 1,019 units were installed for a  
8 net total of 3,192 units program-to-date.

9  
10 When the original projection (2000 Demand Side  
11 Management Plan) was submitted for this period, Gulf  
12 expected 12,100 customers to be participating in this  
13 program by the end of 2002. However, the program-to-  
14 date projection for the year 2002 was revised in  
15 September, 2000, to be 7,500 units as a result of  
16 program delays. The details of this revision were  
17 submitted in Michael J. McCarthy's testimony, Docket  
18 No. 000002-EG, September 27, 2000.

19 Additional details of the issues related to the delay  
20 in the implementation of the program are found in  
21 M. D. Neyman testimony, Docket No. 980002-EG, January  
22 13, 1998. As development issues have been resolved,  
23 the rate of installations has increased and is  
24 expected to continue to increase to a rate of 3,000  
25 new installations per year.

1 (G) GoodCents Commercial Buildings - During this recovery  
2 period a total of 148 buildings were built or improved  
3 to GoodCents standards, compared to a projection of  
4 212.

5 (H) Commercial/Industrial Energy Audits and Technical  
6 Assistance Audits - During this recovery period, a  
7 total of 150 EA/TAA were completed compared to a  
8 projection of 127.

9 (I) Commercial Mail-in Audit - 1,050 mail-in audits were  
10 projected compared to 619 mail-in audits being  
11 completed.

12 (J) Green Pricing - This program is designed to  
13 encompass a variety of voluntary renewable and  
14 green energy programs. The current programs are  
15 Solar for Schools, Photovoltaic Optional Rate Rider  
16 (PV), Photovoltaic Solar Demonstration and  
17 Education Project (EarthCents), and GoodCents  
18 Environmental Home. A more detailed description of  
19 these programs is included in Schedule CT-6.

20 (K) Conservation Demonstration and Development - Twelve  
21 research or demonstration projects have been  
22 identified and are detailed in Schedule CT-6.

23

24

25

1 Q. Ms. Carter, are there any other programs on which you  
2 wish to report?

3 A. Yes. As part of the 2000 Demand Side Management Plan,  
4 Docket No. 991790-EG, Gulf was to offer as a pilot a  
5 low-income tailored GoodCents Energy Survey program.  
6 During the past two years, Gulf identified three  
7 agencies which qualified for governmental low-income  
8 weatherization funds. Each of the agencies was from a  
9 different district within Gulf's service area and each  
10 was asked to participate in the program. In 2001, none  
11 of the agencies was interested in participating in the  
12 pilot program giving economics as the reason. The same  
13 agencies were approached again in 2002 regarding their  
14 participation. Again, they declined to participate for  
15 economic reasons. This program will continue to be  
16 offered by Gulf and the Company will be receptive to  
17 agencies wishing to participate. However, due to the  
18 lack of interest from any agency, Gulf will no longer  
19 actively promote this pilot program.

20

21 Q. Ms. Carter, does this conclude your testimony?

22 A. Yes, it does.

23

24

25

1 Gulf Power Company

2 Before the Florida Public Service Commission  
3 Prepared Direct Testimony and Exhibit of

4 Angela T. Carter  
5 Docket No. 030002-EG  
6 September 26, 2003

7

8 Q. Will you please state your name, business address,  
9 employer and position?

10 A. My name is Angela T. Carter and my business address is  
11 One Energy Place, Pensacola, Florida 32520. I am  
12 employed by Gulf Power Company as the Economic  
13 Evaluation and Market Reporting Team Leader.

14

15 Q. Are you familiar with the schedules for the Energy  
16 Conservation Cost Recovery Clause?

17 A. Yes, I am.

18

19 Q. Have you verified, that to the best of your knowledge  
20 and belief, this information is correct?

21 A. Yes, I have.

22

23 Counsel: We ask that Ms. Carter's exhibit  
24 consisting of 5 Schedules be marked for  
25 identification as: Exhibit No. \_\_\_\_ (ATC-2).

26

27 Q. Ms. Carter, for what purpose are you appearing before

1 this Commission today?

2 A. I am testifying before this Commission on behalf of  
3 Gulf Power Company regarding matters related to the  
4 Energy Conservation Cost Recovery Clause and to answer  
5 any questions concerning the accounting treatment of  
6 recoverable conservation costs in this filing.  
7 Specifically, I will address projections for approved  
8 programs during the January, 2004, through December,  
9 2004, recovery period and the anticipated results of  
10 those programs during the current recovery period,  
11 January, 2003, through December, 2003, (8 months  
12 actual, 4 months estimated).

13

14 Q. Would you summarize for this Commission the deviations  
15 resulting from the actual costs for January through  
16 August of the current recovery period?

17 A. Projected expenses for the first eight months of the  
18 period were \$3,997,237 compared to actual expenses of  
19 \$3,951,325 for a difference of \$45,912 or 1.1% under  
20 budget. A detailed summary of all program expenses is  
21 contained in my Schedule C-3, pages 1 and 2 and my  
22 Schedule C-5, pages 1 through 15.

23

24 Q. Have you provided a description of the program results  
25 achieved during the period, January, 2003, through



1 August, 2003?

2 A. Yes. A detailed summary of year-to-date results for  
3 each program is contained in my Schedule C-5, pages 1  
4 through 15.

5

6 Q. Would you summarize the conservation program cost  
7 projections for the January, 2004 through December,  
8 2004 recovery period?

9 A. Program costs for the recovery period are projected to  
10 be \$7,762,984. These costs are broken down as follows:  
11 depreciation, return on investment and property taxes,  
12 \$1,973,439; payroll/benefits, \$2,293,112;  
13 materials/expenses, \$3,044,211; and advertising,  
14 \$1,038,638; all of which are partially offset by  
15 program revenues of \$586,416. More detail is contained  
16 in my Schedule C-2.

17

18 Q. Would you describe the expected results for your on-  
19 going programs during the January, 2004, through  
20 December, 2004, recovery period?

21 A. The following is a synopsis of each program goal:

22 (1) Residential Energy Audits - During the period,  
23 1,500 audits are projected to be completed. These  
24 audits encourage customers to make conservation  
25 improvements. In an attempt to target low-income

1 customers, Gulf Power contacted three area  
2 Weatherization Assistance Providers (WAPs) during  
3 2003 to solicit assistance with making home  
4 improvements for qualifying customers. Each of  
5 the WAPs chose not to participate based on either  
6 lack of weatherization funds, insurance concerns  
7 or reimbursement issues. The Company will  
8 continue to contact WAPs periodically in an effort  
9 to increase low-income households' participation  
10 in the energy audit program.

11 (2) Residential Mail-In Audit - This is a direct mail  
12 energy auditing program. This program builds on  
13 the success of Gulf Power's existing Residential  
14 Energy Audit program and will assist in the  
15 evaluation of the specific energy requirements of  
16 a residential dwelling. Gulf expects 600  
17 participants during the projection period.

18 (3) Duct Leakage Repair - The object of the program is  
19 to provide the customer with a means to identify  
20 house air duct leakage with a list of recommended  
21 repairs that can reduce customer kWh energy usage  
22 and kW demand. Gulf Power will continue to make  
23 this program available for customers during the  
24 projection period.

25 (4) Geothermal Heat Pump - The object of this program

1 is to reduce the demand and energy requirements of  
2 new and existing residential customers through the  
3 promotion and installation of geothermal systems.  
4 During the upcoming projection period, 200  
5 customers are expected to participate in the  
6 program.

- 7 (5) **GoodCents Select** - This program is designed to  
8 provide the customer with a means of conveniently and  
9 automatically controlling and monitoring energy  
10 purchases in response to prices that vary during the  
11 day and by season in relation to Gulf Power Company's  
12 cost of producing or purchasing energy. The **GoodCents**  
13 *Select* system includes field units utilizing a  
14 communication gateway, a radio frequency based Local  
15 Area Network, major appliance load control relays,  
16 and a programmable thermostat (Superstat), all  
17 operating at the customer's home.

18 As reported in this docket previously, the  
19 startup of the program was delayed because of  
20 several issues. As a result of the delays and  
21 current participation levels, the schedule for  
22 market implementation has been modified from the  
23 original projection in the Demand-side Management  
24 Plan. Gulf Power reviewed and revised its  
25 projection for program participation in 2000. A

1 more detailed summary of the revised participation  
2 rates is given in M. J. McCarthy's testimony in  
3 Docket No. 000002-EG dated September 27, 2000.

4 The Company projects 3,000 installations annually  
5 beginning in 2004 for the remainder of the plan.

6 (6) GoodCents Building - This program includes both  
7 new and existing commercial customers. For the  
8 projection period, 155 buildings are expected to  
9 meet the program standards. Implementation  
10 strategies will concentrate on architects,  
11 engineers, developers and other decision makers in  
12 the construction process.

13 (7) Energy Audits and Technical Assistance Audits -  
14 Gulf projects 125 audits for 2004. Emphasis will  
15 be placed on audits for large, complex commercial  
16 customers such as hospitals, hotels and office  
17 buildings. These audits will focus on the  
18 benefits of alternative technologies such as heat  
19 pump water heaters and geothermal technologies.

20 (8) Commercial/Industrial Mail-In Audit - This is a  
21 direct mail energy auditing program. This program  
22 builds on the success of Gulf Power Company's  
23 existing Commercial/Industrial Energy Audit  
24 program and will assist in the evaluation of the  
25 specific energy requirements of a given business

1 type. The Company expects 600 participants during  
2 the projection period.

3 (9) Green Pricing - Costs associated with the Green  
4 Pricing program are provided in Schedule C-2.  
5 Further description of these activities can be  
6 found in Schedule C-5.

7 (10) Conservation Demonstration and Development -  
8 Costs associated with the Conservation  
9 Demonstration and Development program are provided  
10 in Schedule C-2. Further description of these  
11 activities can be found in Schedule C-5.

12

13 Q. Ms. Carter, have there been any developments in any  
14 existing program that will have a significant affect on  
15 the amount being requested for recovery in 2003 or 2004?

16 A. Yes. In the **GoodCents** *Select* program, participation in  
17 2003 has been less than expected because installations  
18 were suspended from October, 2002 through March 2003.  
19 The suspension was a result of the installation  
20 contractor's inability to meet installation demands.  
21 Gulf has selected a new installation contractor.  
22 Additional expenses are necessary in 2004 to better  
23 align equipment deliveries with actual market demand,  
24 increase research and development and provide  
25 additional project maintenance and support.

1 Depreciation, return on investment and property tax  
2 expenses have been modified to reflect the increase in  
3 installation costs. Advertising expenses have also  
4 been adjusted in an effort to increase overall customer  
5 participation.

6 Expenses for the Green Pricing program were  
7 reduced in 2003. More time is needed to research  
8 renewable energy sources before additional expenses are  
9 necessary to further promote a green energy pilot  
10 program.

11

12 Q. How does the proposed Energy Conservation Cost Recovery  
13 factor for Rate Schedule RS compare with the factor  
14 applicable to December, 2003, and how would the change  
15 affect the cost of 1,000 kWh on Gulf Power Company's  
16 residential rate RS?

17 A. The current Energy Conservation Cost Recovery factor  
18 for Rate Schedule RS applicable through December, 2003,  
19 is 0.061¢/kWh compared with the proposed factor of  
20 0.076¢/kWh. For a residential customer who uses 1,000  
21 kWh in January, 2004, the conservation portion of the  
22 bill would increase from \$0.61 to \$0.76.

23

24 Q. When does Gulf Power Company propose to collect these  
25 Energy Conservation Cost Recovery charges?

1 A. The factors will be effective beginning with the first  
2 bill group for January, 2004, and continuing through  
3 the last bill group for December, 2004.

4

5 Q. Ms. Carter, does this conclude your testimony?

6 A. Yes, it does.

7

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**PROGRESS ENERGY FLORIDA  
DOCKET NO. 030002-EG**

**DIRECT TESTIMONY OF  
JOHN A. MASIELLO**

1 **Q. Please state your name and business address.**

2 A. My name is John A. Masiello. My business address is Progress Energy,  
3 3300 Exchange Place, Lake Mary, Florida 32746.

4

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Progress Energy Florida, Inc. (Progress Energy or the  
7 Company) as Manager of Program Development & Administration.

8

9 **Q. Have your duties and responsibilities remained the same since you**  
10 **last submitted testimony in this proceeding?**

11 A. Yes.

12

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to describe the components and costs of  
15 the Company's Demand-Side Management Plan, as approved by the  
16 Commission. I will detail the projected costs for implementing each program  
17 in that plan, explain how these costs are presented in my attached exhibit,  
18 and show the resulting Energy Conservation Cost Recovery (ECCR) factors  
19 for customer billings in 2004.



1 **Q. Do you have an exhibit to your testimony?**

2 A. Yes, my Exhibit No. (JAM-1) consists of Schedules C-1 through C-5, which  
3 support Progress Energy's ECCR calculations for the 2003 actual/estimated  
4 period and the 2004 projection period.

5

6 **Q. For what programs does Progress Energy seek cost recovery?**

7 A. Progress Energy seeks to recover those costs allowed pursuant to Rule 25-  
8 17.015, F.A.C., for each of the following Commission-approved  
9 conservation programs, as well as for Conservation Program Administration  
10 (those common administration expenses not specifically linked to an  
11 individual program).

- 12 • Home Energy Check
- 13 • Home Energy Improvement
- 14 • Residential New Construction
- 15 • Low-Income Weatherization Assistance
- 16 • Energy Management (Residential and Commercial Load Management)
- 17 • Business Energy Check
- 18 • Better Business
- 19 • Commercial/Industrial New Construction
- 20 • Innovation Incentive
- 21 • Standby Generation
- 22 • Interruptible Service
- 23 • Curtailable Service
- 24 • Technology Development
- 25 • Qualifying Facilities

1 **Q. What is included in your exhibit?**

2 A. My exhibit consists of Schedules C-1 through C-5. Schedule C-1 provides a  
3 summary of cost recovery clause calculations and information by retail rate  
4 schedule. Schedule C-2 provides annual and monthly cost estimates for the  
5 2004 projection period for each conservation program, as well as for  
6 common administration expenses. Additionally, Schedule C-2 presents  
7 program costs by specific category (i.e. payroll, materials, incentives, etc.)  
8 and includes a schedule of estimated capital investments, depreciation and  
9 return for the projection period.

10 Schedule C-3 contains a detailed breakdown of conservation program  
11 costs by specific category and by month for the actual/estimated period of  
12 January through August 2003 (actual) and September through December  
13 2003 (estimated). In addition, Schedule C-3 presents a schedule of capital  
14 investment, depreciation and return, an energy conservation adjustment  
15 calculation of true-up, and a calculation of interest provision for the 2003  
16 actual/estimated period.

17 Schedule C-4 projects ECCR revenues during the 2004 projection  
18 period. Schedule C-5 presents a brief description of each program, as well  
19 as a summary of progress and projected expenditures for each program for  
20 which Progress Energy seeks cost recovery through the ECCR clause.

21  
22 **Q. Would you please summarize the major results from your exhibit?**

23 A. Yes. Schedule C-2, Page 1 of 5, Line 20, shows total net program costs of  
24 \$68,454,341 for the 2004 projection period. The following table presents  
25 Progress Energy's proposed ECCR billing factors, expressed in dollars per

1 1,000 kilowatt-hours, by retail rate class and voltage level for calendar year  
2 2004, as contained in Schedule C-1, Page 1 of 4, Lines 16 – 19.

3 **2004 ECCR Billing Factors (\$/1,000 kWh)**

4 <b><u>Retail Rate Class</u></b>	<b><u>Secondary</u></b>	<b><u>Primary</u></b>	<b><u>Transmission</u></b>
5 Residential	\$1.74	N/A	N/A
6 General Service Non-Demand	\$1.62	\$1.60	\$1.59
7 General Service 100% Load Factor	\$1.17	N/A	N/A
8 General Service Demand	\$1.47	\$1.46	\$1.44
9 Curtailable	\$1.35	\$1.34	\$1.32
10 Interruptible	\$1.20	\$1.19	\$1.18
11 Lighting	\$0.63	N/A	N/A

12  
13 **Q. Does this conclude your testimony?**

14 **A. Yes.**

**PROGRESS ENERGY FLORIDA****DOCKET NO. 030002-EU****DIRECT TESTIMONY OF  
JOHN A. MASIELLO**

1 **Q. State your name and business address.**

2 A. My name is John A. Masiello. My business address is 3300 Exchange  
3 Place, Lake Mary, Florida 32746.

4

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Progress Energy Florida, Inc. (Progress Energy or the  
7 Company), as Manager of Program Development & Administration.

8

9 **Q. Have your duties and responsibilities remained the same since you**  
10 **last testified in this proceeding?**

11 A. Yes.

12

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to compare Progress Energy's actual costs  
15 of implementing conservation programs with the actual revenues collected  
16 through the Company's Energy Conservation Cost Recovery Clause  
17 (ECCR) during the period January 2002 through December 2002.

1 **Q. For what programs does Progress Energy seek recovery?**

2 A. Progress Energy seeks recovery through the ECCR for the following  
3 conservation programs approved by the Commission as part of the  
4 Company's DSM Plan, as well as for Conservation Program Administration  
5 (i.e., those common administration expenses not specifically linked to an  
6 individual program).

- 7 • Home Energy Check
- 8 • Home Energy Improvement
- 9 • Residential New Construction
- 10 • Low-Income Weatherization Assistance Program
- 11 • Energy Management (Residential and Commercial)
- 12 • Business Energy Check
- 13 • Better Business
- 14 • Commercial/Industrial New Construction
- 15 • Innovation Incentive
- 16 • Standby Generation
- 17 • Interruptible Service
- 18 • Curtailable Service
- 19 • Technology Development
- 20 • Qualifying Facilities

1 **Q. Do you have any exhibits to your testimony?**

2 A. Yes, Exhibit No. \_\_\_\_ (JAM-1) entitled, "Progress Energy Florida, Inc. Energy  
3 Conservation Adjusted Net True-Up for the Period January 2002 through  
4 December 2002." There are five (5) schedules to this exhibit.

5  
6 **Q. Will you please explain your exhibit**

7 A. Yes. Exhibit JAM-1 presents Schedules CT-1 through CT-5. These  
8 schedules set out the actual costs incurred for all programs during the period  
9 from January 2002 through December 2002. They also describe the variance  
10 between actual costs and previously projected values for the same time  
11 period. Schedule CT-5 provides a brief summary report for each program that  
12 includes a program description, annual program expenditures and program  
13 accomplishments over the twelve-month period ending December 2002.

14  
15 **Q. Would you please discuss Schedule CT-1?**

16 A. Yes. Schedule CT-1 shows that Progress Energy's actual net ECCR true-up  
17 for the twelve months ending December 31, 2002 was an over-recovery of  
18 \$8,743,330, including principal and interest. This amount is \$3,136,004 more  
19 than the previous estimate in the Company's October 4, 2002 ECCR  
20 projection filing.

21  
22 **Q. Does this conclude your direct testimony?**

23 A. Yes.

1                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2                               PREPARED DIRECT TESTIMONY

3   OF

4   HOWARD T. BRYANT

5  
6    Q.    Please state your name, address, occupation and employer.

7  
8    A.    My name is Howard T. Bryant. My business address is 702  
9           North Franklin Street, Tampa, Florida 33602. I am  
10           employed by Tampa Electric Company ("Tampa Electric" or  
11           "the company") as Manager, Rates in the Regulatory  
12           Affairs Department.

13  
14   Q.    Please provide a brief outline of your educational  
15           background and business experience.

16  
17   A.    I graduated from the University of Florida in June 1973  
18           with a Bachelor of Science degree in Business  
19           Administration. I have been employed at Tampa Electric  
20           since 1981. My work has included various positions in  
21           Customer Service, Energy Conservation Services, Demand  
22           Side Management ("DSM") Planning, Energy Management and  
23           Forecasting, and Regulatory Affairs. In my current  
24           position I am responsible for the company's Energy  
25           Conservation Cost Recovery ("ECCR") clause, the

1 Environmental Cost Recovery Clause ("ECRC"), and retail  
2 rate design.

3

4 Q. What is the purpose of your testimony in this proceeding?

5

6 A. The purpose of my testimony is to support the company's  
7 actual conservation costs incurred during the period  
8 January 2002 through December 2002, the actual and  
9 projected period of January 2003 to December 2003, and  
10 the projected period of January 2004 through December  
11 2004. Also, I will support the level of charges  
12 (benefits) for the interruptible customers allocated to  
13 the period January 2004 through December 2004. The  
14 balance of costs will be charged to the firm customers on  
15 a per kilowatt-hour ("kWh") basis in accordance with  
16 Docket No. 930759-EG, Order No. PSC-93-1845-FOF-EG, dated  
17 December 29, 1993. Finally, I will support the  
18 appropriate Contracted Credit Value ("CCV") for potential  
19 participants in the General Service Industrial Load  
20 Management Riders ("GSLM-2" and "GSLM-3") for the period  
21 January 2004 through December 2004.

22

23 Q. What is the basis of this request for expenses to be  
24 based on different charges for interruptible and firm  
25 customers?



1    **A.** Tampa Electric believes that its conservation and load  
2 management programs do not accrue capacity benefits to  
3 interruptible customers. This position has been  
4 supported by the Florida Public Service Commission  
5 ("Commission") in Docket Nos. 900002-EG through 020002-  
6 EG. The company estimates the cumulative effects of its  
7 conservation and load management programs will allow the  
8 interruptible customers to have lower fuel costs  
9 (\$0.28/MWH) due to the reductions in marginal fuel costs.

10

11   **Q.** How were those benefits calculated?

12

13   **A.** To determine fuel savings effects, we have calculated a  
14 "what if there had been no conservation programs"  
15 scenario. The results indicate that the avoided  
16 gigawatt-hours have actually reduced average fuel costs  
17 due to the fact that higher priced marginal fuels would  
18 have been burned if the gigawatt-hours had not been  
19 saved. The attached analysis, Exhibit No. \_\_\_\_ (HTB-2),  
20 Conservation Costs Projected, portrays the costs and  
21 benefits.

22

23   **Q.** Will charging different amounts for firm and  
24 interruptible customers conflict with the Florida Energy  
25 Efficiency and Conservation Act?

- 1     **A.**    No.  The act requires the utilities, through the guidance  
2           of the Commission, to cost effectively reduce peak  
3           demand, energy consumption and the use of scarce  
4           resources, particularly petroleum fuels.  It does not  
5           require all customers to pay the utilities' conservation  
6           costs whether they receive the same level of benefits or  
7           not.  The relationships between costs and benefits  
8           received are specifically the determination of the  
9           Commission.
- 10
- 11    **Q.**    Please describe the conservation program costs projected  
12           by Tampa Electric during the period January 2002 through  
13           December 2002.
- 14
- 15    **A.**    For the period January 2002 through December 2002, Tampa  
16           Electric projected conservation program costs to be  
17           \$18,379,940.  The Commission authorized collections to  
18           recover these expenses in Docket No. 010002-EG, Order No.  
19           PSC-01-2389-FOF-EG, issued December 11, 2001.
- 20
- 21    **Q.**    For the period January 2002 through December 2002, what  
22           were Tampa Electric's conservation costs and what was  
23           recovered through the ECCR Clause?
- 24
- 25

1   **A.**   For the period January 2002 through December 2002 Tampa  
2   Electric incurred actual net conservation costs of  
3   \$16,970,250, plus a beginning true-up over-recovery of  
4   \$872,842 for a total of \$16,097,408.   The amount  
5   collected in the ECCR Clause was \$17,220,173.

6  
7   **Q.**   What was the true-up amount?

8  
9   **A.**   The true-up amount for the period January 2002 through  
10   December 2002 was an over-recovery of \$1,138,692.   These  
11   calculations are detailed in Exhibit No. \_\_\_\_ (HTB-1),  
12   Conservation Cost Recovery True Up, Pages 1 through 11,  
13   filed May 15, 2003.

14  
15   **Q.**   Please describe the conservation program costs incurred  
16   and projected to be incurred by Tampa Electric during the  
17   period January 2003 through December 2003.

18  
19   **A.**   The actual costs incurred by Tampa Electric Company  
20   through August 2003 and estimated for September 2003  
21   through December 2003 are \$17,642,004.   For the period,  
22   Tampa Electric anticipates an over-recovery in the ECCR  
23   Clause of \$1,379,398 which includes the previous period  
24   true-up and interest.   A summary of these costs and  
25   estimates are fully detailed in Exhibit No. \_\_\_\_ (HTB-2),

1 Conservation Costs Projected, pages 10 through 24.

2  
3 **Q.** For the period January 2004 through December 2004, what  
4 are Tampa Electric's estimates of its conservation costs  
5 and cost recovery factors?

6  
7 **A.** The company has estimated that the total conservation  
8 costs (less program revenues) during the period will be  
9 \$19,071,707 plus true-up. Including true-up estimates  
10 and the interruptible sales contribution at 0.028  
11 cents/kWh, the cost recovery factors for firm retail rate  
12 classes will be 0.111 cents/kWh for Residential (RS),  
13 0.104 cents/kWh for General Service Non-Demand and  
14 Temporary Service (GS, TS), 0.093 cents/kWh General  
15 Service Demand (GSD) - Secondary, 0.092 cents/kWh for  
16 General Service Demand (GSD) - Primary, 0.085 cents/kWh  
17 for General Service Large Demand and Standby Firm (GSLD,  
18 SBF) - Secondary, 0.084 cents/kWh for General Service  
19 Large Demand and Standby Firm (GSLD, SBF) - Primary,  
20 0.083 cents/kWh for General Service Large Demand and  
21 Standby Firm (GSLD, SBF) - Subtransmission and 0.060  
22 cents/kWh for Lighting (SL, OL). Exhibit No. \_\_\_\_ (HTB-  
23 2), Conservation Costs Projected, pages 12 through 17  
24 contain the Commission prescribed forms which detail  
25 these estimates.

1 Q. Has Tampa Electric complied with the ECCR cost allocation  
2 methodology stated in Docket No. 930759-EG, Order No.  
3 PSC-93-1845-EG?

4  
5 A. Yes, it has.

6  
7 Q. Please explain why the incentive for GSLM-2 and GSLM-3  
8 rate riders is included in your testimony.

9  
10 A. In Docket No. 990037-EI, Tampa Electric petitioned the  
11 Commission to close its non-cost-effective interruptible  
12 service rate schedules while initiating the provision of  
13 a cost-effective non-firm service through a new load  
14 management program. This new program would be funded  
15 through the ECCR Clause and the appropriate annual CCV  
16 for customers would be submitted for Commission approval  
17 as part of the company's annual ECCR Projection Filing.  
18 Specifically, the level of the CCV would be determined by  
19 using the Rate Impact Measure ("RIM") Test contained in  
20 the Commission's cost-effectiveness methodology found in  
21 Rule 25-17.008, F.A.C. By using a Rim Test benefit-to-  
22 cost ratio of 1.2, the level of the CCV would be  
23 established on a per kilowatt ("kW") basis. This program  
24 and methodology for CCV determination was approved by the  
25 Commission in Docket No. 990037-EI, Order No. PSC-99-

1 1778-FOF-EI, issued September 10, 1999.

2

3 Q. What is the appropriate CCV for customers who elect to  
4 take service under the GSLM-2 and GSLM-3 rate riders  
5 during the January 2004 through December 2004 period?

6

7 A. For the January 2004 through December 2004 period, the  
8 CCV will be \$4.28 per kW. If the 2004 assessment for  
9 need determination indicates the availability of new non-  
10 firm load, the CCV will be applied to new subscriptions  
11 for service under those rate riders. The application of  
12 the cost-effectiveness methodology to establish the CCV  
13 is found in the attached analysis, Exhibit No. \_\_\_ (HTB-  
14 2), Conservation Costs Projected, beginning on page 41  
15 through 50.

16

17 Q. Does this conclude your testimony?

18

19 A. Yes it does.

20

21

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25

1 CHAIRMAN JABER: And, again, we have proposed  
2 stipulations that start at page --

3 MS. HOLLEY: 10 for Issues 1 through 4.

4 CHAIRMAN JABER: Commissioners.

5 COMMISSIONER DEASON: Move adoption of Stipulations 1  
6 through 4.

7 COMMISSIONER BAEZ: Second.

8 CHAIRMAN JABER: All those in favor say aye.

9 (Unanimous affirmative vote.)

10 CHAIRMAN JABER: The proposed stipulations resolving  
11 Issues 1 through 4 are approved unanimously. And, again,  
12 parties, if you are just here for that docket you may be  
13 excused.

14 \* \* \* \* \*

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STATE OF FLORIDA )  
:  
COUNTY OF LEON )

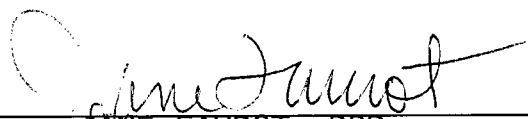
CERTIFICATE OF REPORTER

I, JANE FAUROT, RPR, Chief, Office of Hearing Reporter Services, FPSC Division of Commission Clerk and Administrative Services, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 24th day of November, 2003.



\_\_\_\_\_  
JANE FAUROT, RPR  
Chief, Office of Hearing Reporter Services  
FPSC, Division of Commission Clerk and  
Administrative Services  
(850) 413-6732



Docket No. 030002-EG  
Exhibit No. \_\_\_\_\_  
Florida Power & Light Co.  
(KG-1)  
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<u>Schedule</u>	<u>Prepared By</u>
CT-1, Page 1 of 1	Korel M. Dubin
CT-2, Page 1 of 5, Lines 1-11	Ken Getchell
CT-2, Page 1 of 5, Lines 12-19	Korel M. Dubin
CT-2, Pages 2 - 5 of 5	Ken Getchell
CT-3, Pages 1 of 3	Ken Getchell
CT-3, Pages 2 & 3 of 3	Korel M. Dubin
CT-4, Pages 1 - 5 of 5, Line 1	Ken Getchell
CT-4, Pages 1 - 5 of 5, Lines 2 - 10	Korel M. Dubin
CT-5, Page 1 of 1	Ken Getchell
CT-6, Pages 1 - 59 of 59	Ken Getchell
Appendix A	Ken Getchell

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 030002-EI EXHIBIT NO. Ex. 1  
COMPANY/ FPL  
WITNESS: Ken Getchell KG-1  
DATE: 11-12-17-03

**Florida Power & Light Company**  
**CONSERVATION PROGRAM COSTS**  
**JANUARY 2002 THROUGH DECEMBER 2002**

Program Title	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Sub-Total	Program Revenues	Total for Period
1 Residential Conservation Service Program	\$ 42,580	\$ 4,391,427	\$ 13,434	\$ 708,304	\$ 4,836,455		\$ 2,950	\$ 512,590	\$ 10,507,720		10,507,720
2 Residential Building Envelope Program		291,452	509	132,855		3,932,450	111	31,450	4,388,627		4,388,627
3 Residential Load Management ("On Call")	12,834,140	1,876,486	(2,797,151)	3,327,552		51,829,145	2,553	817,299	67,590,024		67,590,024
4 Duct System Testing & Repair Program		1,086,890	14,022	195,226		2,350,984	872	(283,094)	3,364,880		3,364,880
5 Residential Air Conditioning Program		751,523	1,479	340,780		16,858,756	222	95,437	18,048,197		18,048,197
6 Business On Call Program	792,151	118,295	18	135,552		1,247,864	823	20,203	2,312,907		2,312,907
7 Cogeneration & Small Power Production		295,177		44				(50,523)	244,698		244,698
8 Commercial/Industrial Efficient Lighting		142,244	477	103,591		534,234	854	24,804	806,204		806,204
9 Commercial/Industrial Load Control	10,436	276,598	370	5,255		29,359,767	932	77,821	29,932,177		29,932,177
10 C/I Demand Reduction		38,876		142		290,875	519	1,469	331,881		331,881
11 Business Energy Evaluation		1,292,393	2,162	430,228	2,216,299		9,202	142,935	4,093,217		4,093,217
12 C/I Heating, Ventilating & A/C Program	4,816	657,889	203	240,030		4,445,172	8,497	78,547	5,435,164		5,435,164
13 Business Custom Incentive Program		5,414		13,500		280,063	25	95	299,097		299,097
14 C/I Building Envelope Program		157,405		74,980		482,806	893	14,756	730,840		730,840
15 Conservation Research & Development Program		9,761	10,427	367,597				26,973	414,758		414,758
16 BuildSmart Program		431,129	5,055	9,642	9,950		932	40,749	497,457	(76,07)	421,382
17 Low Income Weatherization R&D		19,157		131,526			89	4,068	154,834		154,834
18 Photovoltaic R&D		20,836	480	72,367			108	5,904	99,797		99,797
19 Green Energy Project		161,770		6,836				274	168,880		168,880
20 Common Expenses	1,995,212	9,050,868	24,821	1,532,671			99,332	1,248,067	13,950,991		13,950,991
<b>21 Total All Programs</b>	<b>\$ 15,479,315</b>	<b>\$ 20,873,715</b>	<b>\$ (2,723,694)</b>	<b>\$ 7,829,476</b>	<b>\$ 7,062,704</b>	<b>\$ 111,911,896</b>	<b>\$ 128,914</b>	<b>\$ 2,809,824</b>	<b>\$ 163,372,148</b>	<b>\$ (76,07)</b>	<b>163,296,072</b>
<b>22 LESS Included in Base Rates</b>		1,309,494							1,309,494		1,309,494
<b>23 Recoverable Conservation Expenses</b>	<b>\$ 15,479,315</b>	<b>\$ 19,564,221</b>	<b>\$ (2,723,694)</b>	<b>\$ 7,829,476</b>	<b>\$ 7,062,704</b>	<b>\$ 111,911,896</b>	<b>\$ 128,914</b>	<b>\$ 2,809,824</b>	<b>\$ 162,062,654</b>	<b>\$ (76,07)</b>	<b>161,986,575</b>

Totals may not add due to rounding

Florida Power & Light Company  
**CONSERVATION PROGRAM VARIANCE**  
 JANUARY 2002 THROUGH DECEMBER 2002

Program Title	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Sub-Total	Program Revenues	Total for Period
1 Residential Conservation Service Program	\$ 23,150	\$(540,696)	1,346	\$(342,990)	30,987	-	1,085	\$(19,480)	\$(846,600)		\$(846,600)
2 Residential Building Envelope Program		(14,818)		5,847		(136,596)	28	(10,876)	(156,415)		(156,415)
3 Residential Load Management ("On Call")	(725,500)	(47,000)	(286,254)	1,231,088		(1,015,346)	(3,142)	(123,241)	(969,395)		(969,395)
4 Duct System Testing & Repair Program		(43,274)	(4,014)	(96,679)		48,029	373	144,561	47,096		47,096
5 Residential Air Conditioning Program		58,854	56	(102,296)		(133,695)	56	14,616	(164,399)		(164,399)
6 Business On Call Program	(45,488)	(13,185)	(1,995)	(101,352)		44,157	201	(74)	(117,716)		(117,716)
7 Cogeneration & Small Power Production		7,839		(214,543)		-	(49)	(15,000)	(221,753)		(221,753)
8 Commercial/Industrial Efficient Lighting		(5,930)	-	(14,245)		(76,368)	199	278	(96,064)		(96,064)
9 Commercial/Industrial Load Control	8,530	(28,679)	(9,848)	(19,021)		(117,257)	226	(6,295)	(172,344)		(172,344)
10 C/I Demand Reduction		(1,927)	(850)	-		(3,428)	111	(741)	(6,835)		(6,835)
11 Business Energy Evaluation		(68,998)	(15,000)	(178,021)	16,131		2,263	(10,747)	(274,372)		(274,372)
12 C/I Heating, Ventilating & A/C Program		(28,127)	60	(89,105)		910,713	4,011	(379)	819,173		819,173
13 Business Custom Incentive Program		(103)		(15,000)		(94,922)	6	(2)	(110,021)		(110,021)
14 C/I Building Envelope Program		14,718		(16,376)		492	208	(466)	(1,424)		(1,424)
15 Conservation Research & Development Program		1,785	(2,502)	133,132			782	(3,202)	129,213		129,213
16 BuildSmart Program		(31,475)	(3,399)	(89,009)	(2,499)		23	(2,751)	(106,351)	(13,925)	(122,276)
17 Low Income Weatherization R&D		(408)		(18,411)		(6,000)	30	(650)	(26,446)		(26,446)
18 Photovoltaic R&D		156	420	(1,979)				(13,057)	(14,430)		(14,430)
19 Green Energy Project		49,082		(27,167)				(1,231)	20,684		20,684
20 Common Expenses	(25,049)	(780,926)	9,078	(352,500)			23,751	(50,812)	(1,176,458)		(1,176,458)
21 Total All Programs	\$ (764,357)	\$ (1,493,094)	\$ (312,902)	\$ (269,617)	\$ 44,619	\$ (582,219)	\$ 30,162	\$ (99,449)	\$ (3,446,857)	\$ (13,925)	\$ (3,460,782)
22 LESS Included in Base Rates		(133,500)							(133,500)		(133,500)
23 Recoverable Conservation Expenses	\$ (764,357)	\$ (1,359,594)	\$ (312,902)	\$ (269,617)	\$ 44,619	\$ (582,219)	\$ 30,162	\$ (99,449)	\$ (3,313,357)	\$ (13,925)	\$ (3,327,282)

Totals may not add due to rounding

Conservation Account Numbers  
 January 2002 Through December 2002

Program No.	ACCOUNT NO.	PROGRAM TITLE
1	456.300	RESIDENTIAL CONSERVATION SERVICE PROGRAM
1	908.620	RESIDENTIAL CONSERVATION SERVICE PROGRAM
1	909.101	RESIDENTIAL CONSERVATION SERVICE PROGRAM
2	908.600	RESIDENTIAL BUILDING ENVELOPE PROGRAM
2	909.600	RESIDENTIAL BUILDING ENVELOPE PROGRAM
3	440.300	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	582.800	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	586.870	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	587.200	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	587.870	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	592.800	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	592.880	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	597.870	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	598.870	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	908.500	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	908.540	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
3	909.106	RESIDENTIAL LOAD MANAGEMENT ("ON CALL")
4	908.710	DUCT SYSTEM TESTING & REPAIR PROGRAM
4	909.710	DUCT SYSTEM TESTING & REPAIR PROGRAM
5	908.410	RESIDENTIAL AIR CONDITIONING PROGRAM
5	909.410	RESIDENTIAL AIR CONDITIONING PROGRAM
6	442.190	BUSINESS ON CALL
6	442.290	BUSINESS ON CALL
6	587.250	BUSINESS ON CALL
6	598.140	BUSINESS ON CALL
6	908.580	BUSINESS ON CALL
6	909.580	BUSINESS ON CALL
7	560.400	COGENERATION & SMALL POWER PRODUCTION
7	908.350	COGENERATION & SMALL POWER PRODUCTION
8	908.170	COMMERCIAL/INDUSTRIAL EFFICIENT LIGHTING
8	909.170	COMMERCIAL/INDUSTRIAL EFFICIENT LIGHTING
9	442.300	COMMERCIAL/INDUSTRIAL LOAD CONTROL
9	442.320	COMMERCIAL/INDUSTRIAL LOAD CONTROL
9	587.120	COMMERCIAL/INDUSTRIAL LOAD CONTROL
9	598.120	COMMERCIAL/INDUSTRIAL LOAD CONTROL
9	908.550	COMMERCIAL/INDUSTRIAL LOAD CONTROL
9	909.107	COMMERCIAL/INDUSTRIAL LOAD CONTROL
10	442.340	C/I DEMAND REDUCTION
10	908.490	C/I DEMAND REDUCTION

Conservation Account Numbers  
 January 2002 Through December 2002

Program No.	ACCOUNT NO.	PROGRAM TITLE
11	456.150	BUSINESS ENERGY EVALUATION
11	908.400	BUSINESS ENERGY EVALUATION
11	908.430	BUSINESS ENERGY EVALUATION
11	909.430	BUSINESS ENERGY EVALUATION
11	909.450	BUSINESS ENERGY EVALUATION
12	908.150	C/I HEATING, VENTILATING & A/C PROGRAM
12	908.420	C/I HEATING, VENTILATING & A/C PROGRAM
12	908.440	C/I HEATING, VENTILATING & A/C PROGRAM
12	908.590	C/I HEATING, VENTILATING & A/C PROGRAM
12	909.150	C/I HEATING, VENTILATING & A/C PROGRAM
12	909.420	C/I HEATING, VENTILATING & A/C PROGRAM
12	909.440	C/I HEATING, VENTILATING & A/C PROGRAM
12	909.590	C/I HEATING, VENTILATING & A/C PROGRAM
13	908.190	BUSINESS CUSTOM INCENTIVE PROGRAM
13	908.180	BUSINESS CUSTOM INCENTIVE PROGRAM
13	909.180	BUSINESS CUSTOM INCENTIVE PROGRAM
14	908.300	C/I BUILDING ENVELOPE PROGRAM
14	909.310	C/I BUILDING ENVELOPE PROGRAM
15	910.499	CONSERVATION RESEARCH & DEVELOPMENT PROGRAM
16	456.870	BUILDSMART PROGRAM
16	908.770	BUILDSMART PROGRAM
16	909.770	BUILDSMART PROGRAM
17	908.290	LOW INCOME WEATHERIZATION RETROFIT PROJECT
18	908.780	PHOTOVOLTAIC RESEARCH DEV. & EDUCATION PROJECT
19	908.790	GREEN ENERGY PROJECT
20	907.100	COMMON EXPENSES
20	908.130	COMMON EXPENSES
20	908.450	COMMON EXPENSES
20	908.460	COMMON EXPENSES
20	909.700	COMMON EXPENSES
20	910.100	COMMON EXPENSES
20	910.120	COMMON EXPENSES
20	910.176	COMMON EXPENSES
20	931.100	COMMON EXPENSES
**	926.211	PENSION & WELFARE BENEFITS

\*\* Pension & Welfare benefits are allocated to the specific program by means of work order allocation; Each work order translates to Ferc Account 926.211.

Florida Power & Light Company  
**CONSERVATION PROGRAM COSTS**  
 JANUARY 2002 THROUGH DECEMBER 2002

Program Title	January	February	March	April	May	June	July	August	September	October	November	December	Total For Period
1 Residential Conservation Service Program	\$ 314,014	\$ 1,472,539	\$ 637,700	\$ 445,080	\$ 1,530,508	\$ 563,461	\$ 1,212,863	\$ 974,751	\$ 989,045	\$ 1,210,129	\$ 360,228	\$ 789,523	\$ 10,507,720
2 Residential Building Envelope Program	520,104	581,312	616,573	524,142	433,658	373,500	321,455	558,561	178,859	181,506	56,790	42,167	4,388,627
3 Residential Load Management ("On Call")	4,452,983	4,059,317	4,186,276	8,390,134	6,962,082	6,894,872	6,482,845	6,596,160	6,381,102	6,681,977	4,470,189	4,232,087	67,560,024
4 Duct System Testing & Repair Program	281,181	308,132	422,230	404,357	378,149	485,407	289,012	243,955	172,882	130,954	130,595	120,027	3,364,680
5 Residential Air Conditioning Program	1,196,141	1,277,751	1,639,786	1,315,816	1,811,493	1,980,170	1,697,512	1,827,043	1,849,341	1,408,059	1,576,159	668,965	18,048,197
6 Business On Call Program	89,817	97,798	(13,168)	252,572	269,157	360,389	297,153	249,211	279,019	289,255	124,076	8,828	2,312,907
7 Cogeneration & Small Power Production	20,351	18,422	23,021	18,528	20,483	17,465	22,644	17,556	15,511	16,193	38,045	16,480	244,698
8 Commercial/Industrial Efficient Lighting	92,166	128,201	110,135	118,689	26,822	59,472	36,108	78,086	46,187	51,841	35,898	15,599	806,204
9 Commercial/Industrial Load Control	2,409,275	2,434,611	2,425,482	2,425,904	2,400,574	2,491,821	2,622,480	2,527,878	2,564,534	2,498,329	2,437,358	2,696,532	20,932,177
10 C/I Demand Reduction	17,509	19,799	22,816	25,349	25,939	28,400	28,061	29,199	29,266	31,097	26,899	47,346	331,681
11 Business Energy Evaluation	95,743	646,905	208,063	150,933	534,555	188,883	221,287	286,503	535,501	730,060	431,621	63,183	4,093,217
12 C/I Heating, Ventilating & A/C Program	112,901	239,333	404,471	1,439,302	279,189	485,682	115,048	217,176	246,161	140,515	569,459	1,205,916	5,435,164
13 Business Custom Incentive Program	758	2,743	510	51,161	225,398	13,915	527	430	398	382	415	2,462	299,097
14 C/I Building Envelope Program	38,581	34,213	42,038	48,478	50,228	171,059	40,732	107,482	81,826	57,588	48,655	31,971	730,840
15 Conservation Research & Development Program	27,414	27,259	30,852	30,874	(8,509)	17,492	14,987	87,368	46,885	48,995	88,082	3,481	414,758
16 BuildSmart Program	45,348	32,823	44,383	39,831	47,513	35,343	44,919	54,231	42,378	33,801	39,648	37,431	497,457
17 Low Income Weatherization R&D	14,279	4,602	8,205	3,618	3,960	42,300	2,234	3,140	2,936	4,886	14,202	51,575	154,834
18 Photovoltaic R&D	745	1,832	7,823	2,180	4,712	34,975	1,911	2,230	2,403	3,084	26,033	12,088	99,797
19 Green Energy Project	27,383	36,944	41,001	11,983	(1,310)	118	1,061	350	3,177	633	13,085	35,364	168,800
20 Common Expenses	871,137	744,134	1,796,117	1,189,823	970,058	1,055,798	1,029,574	966,311	1,273,600	909,065	1,053,163	2,092,214	13,950,981
<b>21 Total All Programs</b>	<b>\$ 10,827,618</b>	<b>\$ 12,165,569</b>	<b>\$ 12,663,122</b>	<b>\$ 14,888,111</b>	<b>\$ 15,772,881</b>	<b>\$ 15,089,320</b>	<b>\$ 14,482,215</b>	<b>\$ 14,825,628</b>	<b>\$ 14,719,908</b>	<b>\$ 14,426,148</b>	<b>\$ 11,538,591</b>	<b>\$ 12,173,237</b>	<b>\$ 163,372,148</b>
22 LESS Included in Base Rates	131,474	94,098	90,875	159,837	100,127	99,260	151,472	99,161	96,783	95,765	95,766	94,773	1,309,494
<b>23 Recoverable Conservation Expenses</b>	<b>\$ 10,496,145</b>	<b>\$ 12,071,471</b>	<b>\$ 12,572,248</b>	<b>\$ 14,728,174</b>	<b>\$ 15,672,554</b>	<b>\$ 14,990,060</b>	<b>\$ 14,330,743</b>	<b>\$ 14,726,467</b>	<b>\$ 14,623,125</b>	<b>\$ 14,330,383</b>	<b>\$ 11,442,822</b>	<b>\$ 12,078,463</b>	<b>\$ 162,062,654</b>

Totals may not add due to rounding

**Florida Power & Light Company  
CONSERVATION PROGRAM COSTS  
JANUARY 2002 THROUGH DECEMBER 2002**

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	ACTUALS JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
<b>B CONSERVATION PROGRAM REVENUES</b>													
1 a RESIDENTIAL LOAD CONTROL CREDIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b C/I - PENALTIES	0	0	0	0	0	0	0	0	0	0	0	0	0
c BUIDSMART PROGRAM REVENUES	5,175	5,550	5,050	4,550	2,400	6,325	3,425	6,900	6,275	9,450	10,875	10,100	76,075
2 CONSERVATION CLAUSE REVENUES (NET OF REVENUE TAXES)	12,811,099	11,492,900	10,951,192	12,264,077	13,813,616	14,587,507	14,298,079	15,652,417	15,858,816	15,414,799	13,743,403	12,107,311	163,015,216
<b>3 TOTAL REVENUES</b>	<b>12,816,274</b>	<b>11,498,450</b>	<b>10,956,242</b>	<b>12,268,627</b>	<b>13,816,016</b>	<b>14,593,832</b>	<b>14,301,504</b>	<b>15,659,317</b>	<b>15,865,091</b>	<b>15,444,249</b>	<b>13,754,278</b>	<b>12,117,411</b>	<b>163,091,311</b>
4 ADJUSTMENT NOT APPLICABLE TO PERIOD - PRIOR TRUE-UP	539,064	539,064	539,064	539,064	539,064	539,064	539,064	539,064	539,064	539,064	539,064	539,064	6,468,765
5 CONSERVATION REVENUES APPLICABLE TO PERIOD (Line B1 + B4)	(3,155,138)	12,017,514	11,495,306	12,807,691	14,355,080	15,132,896	14,840,568	16,198,401	16,404,155	15,983,313	14,293,342	12,656,475	169,560,076
6 CONSERVATION EXPENSES (From CT-3, Page 1, Line 33)	10,496,145	12,071,471	12,572,248	14,728,174	15,672,554	14,990,060	14,330,743	14,726,467	14,623,125	14,330,383	11,442,822	12,078,463	162,062,654
7 TRUE-UP THIS PERIOD (Line B5 - Line B6)	2,859,193	(33,957)	(1,076,942)	(1,920,483)	(1,317,475)	142,836	509,825	1,471,934	1,781,030	1,652,930	2,850,519	578,012	7,497,422
8 INTEREST PROVISION FOR THE MONTH (From CT-3, Page 3, Line C10)	11,679	12,878	11,356	8,367	5,167	3,522	3,179	3,795	5,405	6,993	8,364	8,444	88,949
9 TRUE-UP & INTEREST PROVISION BEGINNING OF MONTH	6,468,765	8,800,573	8,240,430	6,635,780	4,184,600	2,333,229	1,940,523	1,914,463	2,851,128	4,098,499	5,219,158	7,518,978	6,468,765
a DEFERRED TRUE-UP BEGINNING OF PERIOD	266,555	266,555	266,555	266,555	266,555	266,555	266,555	266,555	266,555	266,555	266,555	266,555	266,555
10 PRIOR TRUE-UP COLLECTED (REFUNDED)	(539,064)	(539,064)	(539,064)	(539,064)	(539,064)	(539,064)	(539,064)	(539,064)	(539,064)	(539,064)	(539,064)	(539,064)	(6,468,765)
11 END OF PERIOD TRUE-UP - OVER(Under) RECOVERY (Line B7 + B8 + B9 + B9a + B10)	\$9,067,128	\$8,506,985	\$6,902,335	\$4,451,155	\$2,599,784	\$2,207,078	\$2,181,018	\$3,117,683	\$4,365,054	\$5,485,913	\$7,805,533	\$7,852,926	\$7,832,926

NOTES ( ) Reflects Underrecovery

**Florida Power & Light Company  
CONSERVATION PROGRAM COSTS  
JANUARY 2002 THROUGH DECEMBER 2002**

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	ACTUALS JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
<b>C INTEREST PROVISION</b>													
1 BEGINNING TRUE-UP AMOUNT (Line B9+B9a)	\$6,735,320	\$9,067,128	\$8,506,985	\$6,902,335	\$4,451,155	\$2,599,784	\$2,207,078	\$2,181,018	\$1,117,683	\$4,165,054	\$5,485,913	\$7,805,533	\$63,424,986
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST (Line B7+B9+B9a+B10)	9,055,449	8,494,107	6,890,979	4,442,788	2,594,617	2,203,556	2,177,839	3,113,888	4,159,649	5,478,920	7,797,369	7,844,481	64,453,642
3 TOTAL OF BEGINNING & ENDING TRUE-UP (Line C1+C2)	\$15,790,769	\$17,561,235	\$15,397,964	\$11,345,123	\$7,045,772	\$4,803,340	\$4,384,917	\$5,294,906	\$7,477,332	\$9,643,974	\$13,283,282	\$15,650,014	\$127,878,628
4 AVERAGE TRUE-UP AMOUNT (50% of Line C3)	\$7,895,385	\$8,780,618	\$7,698,982	\$5,672,562	\$3,522,886	\$2,401,670	\$2,192,459	\$2,647,453	\$3,738,666	\$4,921,987	\$6,641,641	\$7,825,007	\$63,939,314
5 INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	1.78000%	1.77000%	1.75000%	1.79000%	1.75000%	1.77000%	1.75000%	1.73000%	1.71000%	1.76000%	1.65000%	1.30000%	N/A
6 INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	1.77000%	1.75000%	1.79000%	1.75000%	1.77000%	1.75000%	1.71000%	1.71000%	1.76000%	1.65000%	1.30000%	1.29000%	N/A
7 TOTAL (Line C5+C6)	3.55000%	3.52000%	3.54000%	3.54000%	3.52000%	3.52000%	3.48000%	3.44000%	3.47000%	3.41000%	2.95000%	2.59000%	N/A
8 AVERAGE INTEREST RATE (50% of Line C7)	1.77500%	1.76000%	1.77000%	1.77000%	1.76000%	1.76000%	1.74000%	1.72000%	1.71500%	1.70500%	1.47500%	1.29500%	N/A
9 MONTHLY AVERAGE INTEREST RATE (Line C8/12)	0.14792%	0.14667%	0.14750%	0.14750%	0.14667%	0.14667%	0.14500%	0.14333%	0.14458%	0.14208%	0.12792%	0.10792%	N/A
10 INTEREST PROVISION FOR THE MONTH (Line C4 x C9)	\$11,679	\$12,878	\$11,356	\$8,367	\$5,167	\$3,522	\$3,179	\$3,795	\$5,405	\$6,991	\$8,164	\$8,444	\$88,949

N/A ( ) Reflects Underrecovery  
N/A Not Applicable



**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Residential Conservation Service (Program No. 1)**  
**For The Period January 2002 through December 2002**

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line No.
1.	Investment (Net of Retirements)					(117,925)						117,925			(0)	1.
2.	Depreciation Base		117,925	117,925	117,925	0	0	0	0	0	0	117,925	117,925	117,925	n/a	2.
3.	Depreciation Expense (a)		3,276	3,276	3,276	1,699	(1,199)	(1,199)	(1,175)	(1,175)	(1,175)	49,458	2,101	(16,837)	40,325	3.
4.	Cumulative Investment (Line 2)	117,925	117,925	117,925	117,925	0	0	0	0	0	0	117,925	117,925	117,925	n/a	4.
5.	Less: Accumulated Depreciation (c)	19,654	22,930	26,205	29,481	31,180	29,980	28,781	27,607	26,432	25,257	91,234	93,335	76,497	n/a	5.
6.	Net Investment (Line 4 - 5)	98,271	94,995	91,720	88,444	(31,180)	(29,980)	(28,781)	(27,607)	(26,432)	(25,257)	26,691	24,590	41,428		6.
7.	Average Net Investment		96,633	93,357	90,082	28,632	(30,580)	(29,381)	(28,194)	(27,019)	(25,844)	717	25,641	33,009	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		368	356	344	109	(117)	(112)	(108)	(103)	(99)	3	98	126	866	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/.61425)		600	580	559	178	(190)	(182)	(175)	(168)	(160)	4	159	205	1,410	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		351	340	328	104	(111)	(107)	(103)	(98)	(94)	3	93	120	826	8c.
9.	Total Return Requirements (Line 8b + 8c)		951	919	887	282	(307)	(289)	(278)	(266)	(254)	7	252	325	2,235	9.
10.	Total Depreciation & Return (Line 3 + 9)		4,227	4,195	4,163	1,980	(1,500)	(1,488)	(1,452)	(1,441)	(1,429)	49,465	2,353	(16,512)	42,560	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Load Management (Program Nos. 3 & 6)**  
**For The Period January 2002 through December 2002**

Line No	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line No
1	Investments (Net of Retirements)		819	(21,945)	49,533	2,474,999	27,187	1,559,777	699,172	(15,111,845)	1,469,400	828,386	199,612	224,021	(8,852,923)	1
2	Depreciation Base		56,274,200	56,252,255	56,301,788	58,776,787	58,803,954	60,363,731	61,062,904	45,951,059	47,420,458	48,048,845	48,248,457	48,472,478	n/a	2
3	Depreciation Expense (a)		938,155	938,165	938,085	959,461	980,665	1,087,264	783,350	679,650	790,375	811,841	793,755	806,922	10,466,466	3
4	Cumulative Investment (Line 2)	56,273,382	56,274,200	56,252,255	56,301,788	58,776,787	58,803,954	60,363,731	61,062,904	45,951,059	47,420,458	48,048,845	48,248,457	48,472,478	n/a	4
5	Less: Accumulated Depreciation	29,699,795	30,637,949	31,553,760	32,492,826	33,452,285	34,432,951	35,500,234	36,283,585	21,305,983	22,096,358	22,907,999	23,701,753	24,508,675	n/a	5
6	Net Investment (Line 4 - 5)	26,573,587	25,636,251	24,698,495	23,808,962	25,324,502	24,371,003	24,863,497	24,779,319	24,645,075	25,324,100	25,140,846	24,546,704	23,963,802		6
7	Average Net Investment		28,104,919	25,167,373	24,253,729	24,566,733	24,847,753	24,617,250	24,821,408	24,712,197	24,984,588	25,232,473	24,843,775	24,255,253	n/a	7
8	Return on Average Net Investment															8
a	Equity Component (b)		99,547	95,972	92,488	93,681	94,753	93,874	94,652	94,238	95,275	96,220	94,738	92,493		
b	Equity Comp. grossed up for taxes		182,062	158,242	150,570	152,513	154,258	152,827	154,094	153,416	155,107	156,846	154,233	150,579	1,852,547	
c	Debt Component (Line 7 * 4.3642% /12)		94,939	91,530	88,207	89,345	90,367	89,529	90,271	89,874	90,865	91,766	90,353	88,212	1,085,258	
9	Total Return Requirements (Line 8b + 8c)		257,002	247,771	238,777	241,858	244,625	242,356	244,365	243,290	245,972	248,412	244,586	238,792	2,937,805	9
10	Total Depreciation & Return (Line 3 + 9)		1,185,156	1,185,937	1,177,841	1,201,319	1,225,290	1,309,639	1,027,716	922,940	1,036,346	1,060,053	1,038,340	1,045,714	13,426,291	10

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting

(b) The Equity Component is 4.5780% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI

ALLOCATION OF DEPRECIATION AND RETURN ON INVESTMENT BETWEEN PROGRAMS														
Residential On Call Program 3 (94.1%)	Depreciation	882,803	882,813	883,680	902,853	922,806	1,004,314	737,132	639,551	743,742	763,754	746,923	759,313	9,869,665
	Return	241,838	233,153	224,689	227,589	230,192	228,057	229,948	228,036	231,460	233,756	230,155	224,703	2,764,475
	<b>Total</b>	<b>1,124,642</b>	<b>1,115,966</b>	<b>1,108,369</b>	<b>1,130,441</b>	<b>1,152,998</b>	<b>1,232,370</b>	<b>967,080</b>	<b>868,487</b>	<b>975,202</b>	<b>997,510</b>	<b>977,078</b>	<b>984,016</b>	<b>12,634,140</b>
Business on Call Program 6 (5.9%)	Depreciation	55,351	55,352	55,405	58,608	57,859	62,970	46,218	40,099	46,832	47,887	48,832	47,608	618,821
	Return	15,163	14,619	14,088	14,270	14,433	14,299	14,418	14,354	14,512	14,656	14,431	14,089	173,331
	<b>Total</b>	<b>70,514</b>	<b>69,970</b>	<b>69,493</b>	<b>70,878</b>	<b>72,292</b>	<b>77,269</b>	<b>60,635</b>	<b>54,453</b>	<b>61,344</b>	<b>62,543</b>	<b>61,262</b>	<b>61,697</b>	<b>792,151</b>
Total	Depreciation	938,155	938,165	939,085	959,461	980,665	1,087,284	783,350	679,650	790,375	811,841	793,755	806,922	10,466,466
	Return	257,002	247,771	238,777	241,858	244,625	242,356	244,365	243,290	245,972	248,412	244,586	238,792	2,937,805
	<b>Total</b>	<b>1,195,156</b>	<b>1,185,937</b>	<b>1,177,841</b>	<b>1,201,319</b>	<b>1,225,290</b>	<b>1,309,639</b>	<b>1,027,716</b>	<b>922,940</b>	<b>1,036,346</b>	<b>1,060,053</b>	<b>1,038,340</b>	<b>1,045,714</b>	<b>13,426,291</b>

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Commercial/Industrial Load Control (Program No. 9)**  
**For The Period January 2002 through December 2002**

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line No.
1.	Investment (Net of Retirements)													776,352	776,352	1.
2.	Depreciation Base													776,352	n/a	2.
3.	Depreciation Expense (a)													6,648	6,648	3.
4.	Cumulative Investment (Line 2)		0	0	0	0	0	0	0	0	0	0	0	776,352	n/a	4.
5.	Less: Accumulated Depreciation (c)		0	0	0	0	0	0	0	0	0	0	0	6,648	n/a	5.
6.	Net Investment (Line 4 - 5)		0	0	0	0	0	0	0	0	0	0	0	769,704		6.
7.	Average Net Investment		0	0	0	0	0	0	0	0	0	0	0	384,852	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		0	0	0	0	0	0	0	0	0	0	0	1,468	1,468	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/.61425)		0	0	0	0	0	0	0	0	0	0	0	2,389	2,389	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		0	0	0	0	0	0	0	0	0	0	0	1,400	1,400	8c.
9.	<b>Total Return Requirements (Line 8b + 8c)</b>		0	0	0	0	0	0	0	0	0	0	0	3,789	3,789	9.
10.	<b>Total Depreciation &amp; Return (Line 3 + 9)</b>		0	0	0	0	0	0	0	0	0	0	0	10,436	10,436	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Commercial Industrial HVAC (Program 12)**  
**For The Period January 2002 through December 2002**

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line No.
1.	Investment (Net of Retirements)														\$0	1.
2.	Depreciation Base		\$16,408	\$16,408	\$16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	n/a	2.
3.	Depreciation Expense (a)		273	273	273	273	273	273	271	271	271	271	271	271	3,265	3.
4.	Cumulative Investment (Line 2)	\$16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	n/a	4.
5.	Less: Accumulated Depreciation (c)	1,641	1,914	2,188	2,461	2,735	3,008	3,282	3,552	3,823	4,094	4,364	4,635	4,905	n/a	5.
6.	Net Investment (Line 4 - 5)	\$14,767	\$14,494	\$14,220	\$13,947	\$13,673	\$13,400	\$13,128	\$12,856	\$12,585	\$12,314	\$12,044	\$11,773	\$11,502		6.
7.	Average Net Investment		\$14,630	\$14,357	\$14,083	\$13,810	\$13,537	\$13,263	\$12,991	\$12,720	\$12,450	\$12,179	\$11,908	\$11,638	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		56	55	54	53	52	51	50	49	47	46	45	44	601	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/.61425)		91	89	87	86	84	82	81	79	77	76	74	72	978	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		53	52	51	50	49	48	47	46	45	44	43	42	573	8c.
9.	Total Return Requirements (Line 8a + 8c)		144	141	139	136	133	131	128	125	123	120	117	115	1,551	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$417	\$415	\$412	\$409	\$407	\$404	\$399	\$396	\$393	\$391	\$388	\$385	\$4,816	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Common Expenses (Program No. 20)**  
**For The Period January 2002 through December 2002**

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total	Line No.
1.	Investment (Net of Retirements)		1,689,129	(6,223)	(30,180)	49,489	29,708	118,034	0	0	0	(117,925)	0	546,263	2,288,295	1.
2.	Depreciation Base		<u>7,567,810</u>	<u>7,561,587</u>	<u>7,531,407</u>	<u>7,580,896</u>	<u>7,610,804</u>	<u>7,728,638</u>	<u>7,728,638</u>	<u>7,728,638</u>	<u>7,728,638</u>	<u>7,610,713</u>	<u>7,610,713</u>	<u>8,156,976</u>	n/a	2.
3.	Depreciation Expense (a)		<u>112,287</u>	<u>126,634</u>	<u>121,268</u>	<u>128,305</u>	<u>127,598</u>	<u>130,108</u>	<u>79,268</u>	<u>119,773</u>	<u>128,793</u>	<u>126,289</u>	<u>126,289</u>	<u>130,841</u>	<u>1,457,455</u>	3.
4.	Cumulative Investment (Line 2)	5,868,681	7,567,810	7,561,587	7,531,407	7,580,896	7,610,804	7,728,638	7,728,638	7,728,638	7,728,638	7,610,713	7,610,713	8,156,976	n/a	4.
5.	Less: Accumulated Depreciation (c)	2,309,587	2,421,874	2,548,509	2,669,777	2,798,082	2,925,880	3,062,263	3,141,531	3,261,304	3,390,097	3,499,867	3,626,157	3,756,998	n/a	5.
6.	Net Investment (Line 4 - 5)	<u>3,559,094</u>	<u>5,145,936</u>	<u>5,013,078</u>	<u>4,861,631</u>	<u>4,782,813</u>	<u>4,684,923</u>	<u>4,666,375</u>	<u>4,587,107</u>	<u>4,467,334</u>	<u>4,338,541</u>	<u>4,110,845</u>	<u>3,984,556</u>	<u>4,399,978</u>	0	6.
7.	Average Net Investment		4,352,515	5,079,507	4,937,355	4,822,222	4,733,868	4,675,649	4,626,741	4,527,221	4,402,938	4,224,693	4,047,701	4,192,267	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		16,598	19,370	18,828	18,389	18,052	17,830	17,643	17,264	16,790	16,110	15,435	15,967	208,294	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/61425)		27,021	31,534	30,652	29,837	29,388	29,027	28,723	28,105	27,334	26,227	25,129	26,026	339,104	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		15,829	18,473	17,956	17,538	17,216	17,005	16,827	16,465	16,013	15,365	14,721	15,247	198,654	8c.
9.	<b>Total Return Requirements (Line 8b + 8c)</b>		<u>42,650</u>	<u>50,007</u>	<u>48,608</u>	<u>47,475</u>	<u>46,605</u>	<u>46,032</u>	<u>45,550</u>	<u>44,570</u>	<u>43,347</u>	<u>41,592</u>	<u>39,849</u>	<u>41,273</u>	<u>537,757</u>	9.
10.	Total Depreciation & Return (Line 3 + 9)		<u>155,138</u>	<u>176,641</u>	<u>169,876</u>	<u>175,780</u>	<u>174,203</u>	<u>176,140</u>	<u>124,818</u>	<u>164,343</u>	<u>172,140</u>	<u>167,881</u>	<u>166,139</u>	<u>172,114</u>	<u>1,995,212</u>	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-98-0519-AS-EI, Docket No. 990067-EI.

Docket No. 030002-EG  
Exhibit No. \_\_\_\_\_  
Florida Power & Light Co.  
(KG-1)  
Schedule CT-5  
Page 1 of 1

**Reconciliation and Explanation of  
Differences between Filing and FPSC Audit  
Report for Months: January 2002 through December 2002**

**The audit has not been completed as of the date of this filing.**

Docket No. 030002-EG  
Exhibit No. \_\_\_\_\_  
Florida Power & Light Co.  
(KG-1)  
Schedule CT-6  
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## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Residential Conservation Service**

**Program Description:** An energy audit program designed to assist residential customers in making their homes more energy efficient through the installation of conservation measures and the implementation of conservation practices.

**Program Accomplishments for January through December 2002:** During this period 96,879 energy audits were completed. The estimate for this period was 134,396 energy audits.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$10,507,720 or \$846,600 less than projected due to fewer audits than anticipated.

**Program Progress Summary:** Program inception to date, 1,763,314 energy audits have been completed.

Docket No. 030002-EG  
Exhibit No. \_\_\_\_\_  
Florida Power & Light Co.  
(KG-1)  
Schedule CT-6  
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## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Residential Building Envelope Program**

**Program Description:** A program designed to encourage qualified customers to install energy-efficient building envelope measures that cost-effectively reduce FPL's coincident peak air conditioning load and customer energy consumption.

**Program Accomplishments for January through December 2002:** During this period 25,588 installations were completed. The estimate for this period was 24,261 installations.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$4,388,627 or \$156,415 less than projected. This program is deemed on target with a three-percent variance.

**Program Progress Summary:** Program inception to date, 691,457 installations have been completed.



**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: Residential Load Management Program ("On Call")**

**Program Description:** A program designed to offer voluntary load control to residential customers.

**Program Accomplishments for January through December 2002:** Installation of equipment at fourteen additional substations and a total of 703,262 program participants with load control installed in their homes. The estimate for the period was a total of 699,926 program participants with load control installed in their homes

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$67,590,024 or \$969,395 less than projected. This program is deemed on target with a one-percent variance.

**Program Progress Summary:** Program inception to date, installation of equipment at 390 substations has been completed, and there are active 703,262 installations in customers' homes.

Docket No. 030002-EG  
Exhibit No. \_\_\_\_\_  
Florida Power & Light Co.  
(KG-1)  
Schedule CT-6  
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## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** Duct System Testing and Repair Program

**Program Description:** A program designed to identify air conditioning duct system leaks and have qualified contractors repair those leaks.

**Program Accomplishments for January through December 2002:** During this period 35,206 installations were completed. The estimate for this period was 34,628 installations.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$3,364,880 or \$47,096 more than projected. This program is deemed on target with a one-percent variance.

**Program Progress Summary:** Program inception to date, 326,313 installations have been completed.

Docket No. 030002-EG  
Exhibit No. \_\_\_\_\_  
Florida Power & Light Co.  
(KG-1)  
Schedule CT-6  
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## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** Residential Air Conditioning Program

**Program Description:** A program designed to provide financial incentives for residential customers to purchase a more efficient unit when replacing an existing air conditioning system.

**Program Accomplishments for January through December 2002:** During this period 65,056 installations were completed. The estimate for this period was 61,579 installations.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$18,048,197 or \$164,399 less than projected. This program is deemed on target with a one-percent variance.

**Program Progress Summary:** Program inception to date, 691,666 installations have been completed.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: Business On Call Program**

**Program Description:** This program is designed to offer voluntary load control of central air conditioning to GS and GSD customers.

**Program Accomplishments for January through December 2002:** During this period total reduction was 36.4 MW at the generator. The estimate for this period was 37.8 MW.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$2,312,907 or \$117,716 less than projected. This program is deemed on target with a five-percent variance.

**Program Progress Summary:** Program inception to date, total reduction is 36.4 MW at the generator.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: Cogeneration and Small Power Production**

**Program Description:** A program intended to facilitate the installation of cogeneration and small power production facilities.

**Program Accomplishments for January through December 2002:** FPL received 913 MW of firm capacity at time of system peak and 6,312 GWh of purchased power. Seven firm and five as-available power producers participated. The estimate for the period was expected to include 876.6 MW of firm capacity at time of system peak and 6,794 GWh of purchase power.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$244,698 or \$221,753 less than projected due to reduction in legal services.

**Program Progress Summary:** Total MW under contract (facility size) is 876.6 MW of which 876.6 MW is committed capacity.

Docket No. 030002-EG  
Exhibit No. \_\_\_\_\_  
Florida Power & Light Co.  
(KG-1)  
Schedule CT-6  
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**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: Commercial/Industrial Efficient Lighting**

**Program Description:** A program designed to encourage the installation of energy efficient lighting measures in commercial/industrial facilities.

**Program Accomplishments for January through December 2002:** During this period total reduction was 5,386 kW and 246 projects. The estimate for this period was 6,392 kW and 255 projects.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$806,204 or \$96,064 less than projected due to fewer installations than anticipated.

**Program Progress Summary:** Program to date, total reduction is 212,051 kW.

Docket No. 030002-EG  
Exhibit No. \_\_\_\_\_  
Florida Power & Light Co.  
(KG-1)  
Schedule CT-6  
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## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** Commercial/Industrial Load Control

**Program Description:** A program designed to reduce coincident peak demand by controlling customer loads of 200 kW or greater during periods of extreme demand or capacity shortages.

**Program accomplishments for January through December 2002:** During this period the demand reduction capability from program participants was a total of 441 MW at the generator. The target reduction for the period was 442 MW at the generator.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$29,932,177 or \$172,344 less than projected. This program is deemed on target with a one-percent variance.

**Program Progress Summary:** Program to date, participation in this program totals 441 MW at the generator. This program is closed to new participants.

**Customers that transferred from C/I Load Control Rate to a Firm Rate**

**During the Period: January through December 2002**

<u>Customer Name</u>	<u>Effective Date</u>	<u>Firm Rate</u>	<u>Remarks</u>
Customer No. 1	08/04/2002	GS-1	Plant is being de-commissioned. Electric usage has decreased below 200 kW, and customer is no longer eligible for the CILC rate.



**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** *Commercial/Industrial Demand Reduction*

**Program Description:** A program designed to reduce coincident peak demand by controlling customer loads of 200 kW or greater during periods of extreme demand or capacity shortages.

**Program accomplishments for January through December 2002:** *During this period the demand reduction capability from program participants was a total of 12.1 MW at the generator. The target reduction for the period was 11.8 MW at the generator.*

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$331,681 or \$6,835 less than projected. This program is deemed on target with a two-percent variance.

**Program Progress Summary:** Program to date, participation in this program total 12.1 MW at the generator.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: Business Energy Evaluation**

**Program Description:** This program is designed to provide a free evaluation of commercial and industrial customers' existing and proposed facilities and encourage energy efficiency by identifying DSM opportunities and providing recommendations to the customer.

**Program Accomplishments for January through December 2002:** During this period 6,728 energy evaluations were completed. The estimate for this period was 6,336 energy evaluations.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$4,093,217 or \$274,372 less than projected. This program is deemed on target with a six-percent variance.

**Program Progress Summary:** Program inception to date, 68,840 energy evaluations have been completed.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** *C/I Heating, Ventilating and Air Conditioning Program*

**Program Description:** A program designed to reduce the current and future growth of coincident peak demand and energy consumption of commercial and industrial customers by increasing the use of high efficiency, ventilating and air conditioning (HVAC) systems.

**Program accomplishments for January through December 2002:** *During this period total demand reduction was 24,525 kW. The estimate for this period was 28,057 kW.*

**Program Fiscal Expenditures for January through December 2002:** *Total expenditures were \$5,435,164 or \$819,173 more than projected due to the average incentive amount higher than anticipated as a result of the mix of measures actually installed different from the anticipated mix.*

**Program Progress Summary:** *Program inception to date, total reduction is 202,971 kW.*

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: C/I Business Custom Incentive**

**Program Description:** A program designed to assist FPL's commercial and industrial customers to achieve electric demand and savings cost-effective to all FPL customers. FPL will provide incentives to qualifying commercial and industrial customers who purchase, install and successfully operate cost-effective energy efficiency measures not covered by other FPL programs, which reduce electric demand or shift electric demand from the summer peak.

**Program accomplishments for January through December 2002:** During this period program accomplishments included the completion of three projects for a total of 305 summer peak demand reduction. See pages 15 – 50 for cost-effectiveness results on each project.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$299,097 or \$110,021 less than projected due to projects finalized during this period resulting in lower incentives than anticipated.

**Program Progress Summary:** Program inception to date, 51 projects have been reviewed for eligibility and cost-effectiveness.

INPUT DATA - PART 1 CONTINUED  
PROGRAM METHOD SELECTED REV. REQ  
PROGRAM NAME XXXXXXXXXXXXXXXXXXXX - Business Custom Incentive

1-23

I PROGRAM DEMAND SAVINGS & LINE LOSSES

(1) CUSTOMER kW REDUCTION AT METER	35.75 kW
(2) GENERATOR kW REDUCTION PER CUSTOMER	48.28 kW
(3) kW LINE LOSS PERCENTAGE	9.67 %
(4) GENERATOR kWh REDUCTION PER CUSTOMER	0.0 kWh
(5) kWh LINE LOSS PERCENTAGE	7.54 %
(6) GROUP LINE LOSS MULTIPLIER	1.0000
(7) CUSTOMER kWh INCREASE AT METER	0.0 kWh

II ECONOMIC LIFE & K FACTORS

(1) STUDY PERIOD FOR THE CONSERVATION PROGRAM	24 YEARS
(2) GENERATOR ECONOMIC LIFE	25 YEARS
(3) T&D ECONOMIC LIFE	35 YEARS
(4) K FACTOR FOR GENERATION	1.73468
(5) K FACTOR FOR T & D	1.57859

III UTILITY & CUSTOMER COSTS

(1) UTILITY NON RECURRING COST PER CUSTOMER	*** \$/CUST
(2) UTILITY RECURRING COST PER CUSTOMER	*** \$/CUST
(3) UTILITY COST ESCALATION RATE	*** %**
(4) CUSTOMER EQUIPMENT COST	*** \$/CUST
(5) CUSTOMER EQUIPMENT ESCALATION RATE	*** %**
(6) CUSTOMER O & M COST	*** \$/CUST/YR
(7) CUSTOMER O & M COST ESCALATION RATE	*** %**
(8) INCREASED SUPPLY COSTS	*** \$/CUST/YR
(9) SUPPLY COSTS ESCALATION RATES	*** %**
(10) UTILITY DISCOUNT RATE	8.61 %
(11) UTILITY ADJDC RATE	9.93 %
(12) UTILITY NON RECURRING REBATE/INCENTIVE	*** \$/CUST
(13) UTILITY RECURRING REBATE/INCENTIVE	*** \$/CUST
(14) UTILITY REBATE/INCENTIVE ESCALATION RATE	*** %

IV AVOIDED GENERATOR AND T&D COSTS

(1) BASE YEAR	2001
(2) IN-SERVICE YEAR FOR AVOIDED GENERATING UNIT	2005
(3) IN-SERVICE YEAR FOR AVOIDED T&D	2004-2005
(4) BASE YEAR AVOIDED GENERATING COST	497 \$/kW
(5) BASE YEAR AVOIDED TRANSMISSION COST	56 \$/kW
(6) BASE YEAR DISTRIBUTION COST	37 \$/kW
(7) GEN TRAN & DIST COST ESCALATION RATE	2.07 %**
(8) GENERATOR FIXED O & M COST	46 \$/kW/YR
(9) GENERATOR FIXED O&M ESCALATION RATE	3.80 %**
(10) TRANSMISSION FIXED O & M COST	2.59 \$/kW
(11) DISTRIBUTION FIXED O & M COST	3.15 \$/kW
(12) T&D FIXED O&M ESCALATION RATE	3.80 %**
(13) AVOIDED GEN UNIT VARIABLE O & M COSTS	0.004 CENTS/kWh
(14) GENERATOR VARIABLE O&M COST ESCALATION RATE	2.50 %**
(15) GENERATOR CAPACITY FACTOR	81% ** (in-service year)
(16) AVOIDED GENERATING UNIT FUEL COST	2.87 CENTS PER kWh** (in-service year)
(17) AVOIDED GEN UNIT FUEL COST ESCALATION RATE	0.56 %**

V. NON-FUEL ENERGY AND DEMAND CHARGES

(1) NON FUEL COST IN CUSTOMER BILL	*** CENTS/kWh
(2) NON-FUEL COST ESCALATION RATE	*** %
(3) DEMAND CHARGE IN CUSTOMER BILL	*** \$/kW/MO
(4) DEMAND CHARGE ESCALATION RATE	*** %

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK  
 \*\* VALUE SHOWN IS FOR FIRST YEAR ONLY (VALUE VARIES OVER TIME)  
 \*\*\* PROGRAM COST CALCULATION VALUES ARE SHOWN ON PAGE 2

1  
2  
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\* INPUT DATA - PART 1 CONTINUED  
 PROGRAM METHOD SELECTED REV\_REG  
 PROGRAM NAME ██████████ - Business Custom Incentive

YEAR	(1) UTILITY PROGRAM COSTS WITHOUT INCENTIVES \$(000)	(2) UTILITY INCENTIVES \$(000)	(3) OTHER UTILITY COSTS \$(000)	(4) TOTAL UTILITY PROGRAM COSTS \$(000)	(5) ENERGY CHARGE REVENUE LOSSES \$(000)	(6) DEMAND CHARGE REVENUE LOSSES \$(000)	(7) PARTICIPANT EQUIPMENT COSTS \$(000)	(8) PARTICIPANT O&M COSTS \$(000)	(9) OTHER PARTICIPANT COSTS \$(000)	(10) TOTAL PARTICIPANT COSTS \$(000)
2001	1	2	0	3	0	2	10	0	10	
2002	0	0	0	0	0	4	0	0	0	
2003	0	0	0	0	0	4	0	0	0	
2004	0	0	0	0	0	4	0	0	0	
2005	0	0	0	0	0	3	0	0	0	
2006	0	0	0	0	0	3	0	0	0	
2007	0	0	0	0	0	3	0	0	0	
2008	0	0	0	0	0	3	0	0	0	
2009	0	0	0	0	0	3	0	0	0	
2010	0	0	0	0	0	3	0	0	0	
2011	0	0	0	0	0	3	0	0	0	
2012	0	0	0	0	0	3	0	0	0	
2013	0	0	0	0	0	3	0	0	0	
2014	0	0	0	0	0	3	0	0	0	
2015	0	0	0	0	0	3	0	0	0	
2016	0	0	0	0	0	3	0	0	0	
2017	0	0	0	0	0	3	0	0	0	
2018	0	0	0	0	0	3	0	0	0	
2019	0	0	0	0	0	3	0	0	17	
2020	0	0	0	4	0	3	17	0	0	
2021	2	0	0	2	0	3	0	0	0	
2022	0	0	0	0	0	3	0	0	0	
2023	0	0	0	0	0	3	0	0	0	
2024	0	0	0	0	0	3	0	0	0	

NOM	3	4	0	7	0	76	27	0	0	27
NPV	1	3	0	4	0	35	13	0	0	13

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK  
 - NEGATIVE COSTS WILL BE CALCULATED AS POSITIVE BENEFITS FOR TRC AND RIM TESTS

page 3

1  
24  
CALCULATION OF GEN K-FACTOR  
PROGRAM METHOD SELECTED REV\_REQ  
PROGRAM NAME ██████████ - Business Custom Incentive

YEAR	(2) MID-YEAR RATE BASE \$(000)	(3) DEBT \$(000)	(4) PREFERRED STOCK \$(000)	(5) COMMON EQUITY \$(000)	(6) INCOME TAXES \$(000)	(7) OTHER TAXES & INSURANCE \$(000)	(8) DEPREC \$(000)	(9) DEFERRED TAXES \$(000)	(10) TOTAL FIXED CHARGES \$(000)	(11) PRESENT WORTH FIXED CHARGES \$(000)	(12) CUMULATIVE PW FIXED CHARGES \$(000)
2005	31	1	0	2	1	1	1	0	6	6	6
2006	29	1	0	2	1	1	1	0	6	5	17
2007	26	1	0	2	1	1	1	0	6	4	22
2008	26	1	0	2	1	1	1	0	6	4	26
2009	25	1	0	2	1	1	1	0	5	4	29
2010	23	1	0	2	1	1	1	0	5	3	32
2011	22	1	0	1	1	1	1	0	5	3	35
2012	21	1	0	1	1	1	1	0	5	2	37
2013	19	1	0	1	1	1	1	0	5	2	40
2014	18	1	0	1	1	1	1	0	4	2	42
2015	17	1	0	1	1	1	1	0	4	2	43
2016	15	1	0	1	1	1	1	0	4	2	45
2017	14	0	0	1	1	1	1	0	4	1	46
2018	13	0	0	1	0	1	1	0	4	1	47
2019	12	0	0	1	0	1	1	0	3	1	48
2020	10	0	0	1	0	1	1	0	3	1	49
2021	9	0	0	0	0	1	1	0	3	1	50
2022	8	0	0	0	0	1	1	0	3	1	51
2023	8	0	0	0	0	1	1	0	3	1	51
2024	5	0	0	0	0	1	1	(9)	3	0	52
2025	4	0	0	0	0	1	1	(9)	2	0	52
2026	3	0	0	0	1	1	1	(9)	2	0	52
2027	2	0	0	0	1	1	1	(9)	2	0	53
2028	1	0	0	0	1	1	1	(9)	2	0	53
2029	0	0	0	0	1	1	1	(9)	2	0	53

IN SERVICE COST (\$000) 31  
IN SERVICE YEAR 2005  
BOOK LIFE (YRS) 25  
EFFEC TAX RATE 38.575  
DISCOUNT RATE 8.81%  
OTAX & INS RATE 2.46%

CAPITAL STRUCTURE

SOURCE	WEIGHT	COST	
DEBT	45%	7.60	%
P/S	0%	0.00	%
C/S	55%	11.70	%

K-FACTOR = CPWFC / IN-SVC COST \*

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DEFERRED TAX AND MID-YEAR RATE BASE CALCULATION  
 PROGRAM METHOD SELECTED REV\_REQ  
 PROGRAM NAME ██████████ - Business Co

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
YEAR	TAX DEPRECIATION SCHEDULE	TAX DEPRECIATION \$(000)	ACCUMULATED TAX DEPRECIATION \$(000)	BOOK DEPRECIATION \$(000)	ACCUMULATED BOOK DEPRECIATION \$(000)	BOOK DEPRECIATION FOR DEFERRED TAX \$(000)	ACCUMULATED BOOK DEPR FOR DEFERRED TAX \$(000)	DEFERRED TAX DUE TO DEPRECIATION \$(000)	TOTAL EQUITY AFUDC \$(000)	BOOK DEPR RATE MINUS 1/LIFE	(10)*(11) TAX RATE \$(000)	SALVAGE TAX RATE \$(000)	ANNUAL DEFERRED TAX (9)-(12)-(13) \$(000)	ACCUMULATED DEFERRED TAX \$(000)
2006	3.75%	1	1	1	1	1	1	0	4	0	0	0	0	(1)
2006	7.22%	2	3	1	2	1	2	0	4	0	0	0	0	(3)
2007	8.68%	2	5	1	4	1	3	0	4	0	0	0	0	(0)
2008	8.18%	2	7	1	5	1	4	0	4	0	0	0	0	0
2009	5.71%	2	9	1	6	1	5	0	4	0	0	0	0	0
2010	5.29%	2	10	1	7	1	6	0	4	0	0	0	0	1
2011	4.89%	1	12	1	9	1	7	0	4	0	0	0	0	1
2012	4.52%	1	13	1	10	1	9	0	4	0	0	0	0	1
2013	4.46%	1	14	1	11	1	10	0	4	0	0	0	0	1
2014	4.46%	1	15	1	12	1	11	0	4	0	0	0	0	1
2015	4.46%	1	17	1	13	1	12	0	4	0	0	0	0	1
2016	4.46%	1	18	1	15	1	13	0	4	0	0	0	0	1
2017	4.46%	1	19	1	15	1	14	0	4	0	0	0	0	1
2018	4.46%	1	21	1	17	1	15	0	4	0	0	0	0	1
2019	4.46%	1	22	1	18	1	16	0	4	0	0	0	0	1
2020	4.46%	1	23	1	20	1	17	0	4	0	0	0	0	1
2021	4.46%	1	25	1	21	1	18	0	4	0	0	0	0	2
2022	4.46%	1	26	1	22	1	19	0	4	0	0	0	0	2
2023	4.46%	1	27	1	23	1	20	0	4	0	0	0	0	2
2024	4.46%	1	28	1	24	1	21	0	4	0	0	0	0	2
2025	2.23%	1	29	1	26	1	22	(0)	4	0	0	0	(0)	2
2026	0.00%	0	29	1	27	1	24	(0)	4	0	0	0	(0)	1
2027	0.00%	0	29	1	28	1	25	(0)	4	0	0	0	(0)	1
2028	0.00%	0	29	1	29	1	26	(0)	4	0	0	0	(0)	0
2029	0.00%	0	29	1	31	1	27	(0)	4	0	0	0	(0)	0

SALVAGE / REMOVAL COST	0.00
YEAR SALVAGE / COST OF REMOVAL	2029
DEFERRED TAXES DURING CONSTRUCTION (SEE PAGE 5)	(1)
TOTAL EQUITY AFUDC CAPITALIZED (SEE PAGE 5)	4
BOOK DEPR RATE - USEFUL LIFE	4.00%



page 4b

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DEFERRED TAX AND MID-YEAR RATE BASE CALCULATION  
PROGRAM METHOD SELECTED REV\_REQ  
PROGRAM NAME ~~XXXXXXXXXXXX~~ Business Custom Incentive

(1)	(2)	(3)	(4)	(5) END OF YEAR NET PLANT IN SERVICE	(5a) <sup>*</sup> ACCUMULATED DEPRECIATION \$(000)	(5b) <sup>*</sup> ACCUMULATED DEF TAXES \$(000)	(6) BEGINNING YEAR RATE BASE \$(000)	(7) ENDING OF YEAR RATE BASE \$(000)	(8) MID-YEAR RATE BASE \$(000)
YEAR	TAX DEPRECIATION SCHEDULE	TAX DEPRECIATION \$(000)	DEFERRED TAX \$(000)						
2006	3.75%	1	0	29	1	(1)	32	30	31
2006	7.22%	2	0	28	2	(1)	30	29	29
2007	6.68%	2	0	27	4	(0)	29	27	28
2008	6.18%	2	0	26	5	0	27	26	26
2008	5.71%	2	0	24	6	0	26	24	25
2010	5.29%	2	0	23	7	1	24	23	23
2011	4.89%	1	0	22	7	1	23	21	22
2012	4.52%	1	0	21	9	1	21	20	21
2012	4.46%	1	0	20	10	1	20	19	19
2013	4.46%	1	0	20	11	1	19	17	18
2014	4.46%	1	0	18	12	1	17	16	17
2015	4.46%	1	0	17	13	1	16	15	15
2016	4.46%	1	0	16	15	1	15	14	14
2017	4.46%	1	0	15	16	1	14	12	13
2018	4.46%	1	0	13	17	1	14	11	12
2018	4.46%	1	0	12	18	1	12	10	10
2019	4.46%	1	0	11	20	1	11	10	10
2020	4.46%	1	0	10	21	2	10	8	9
2021	4.46%	1	0	10	22	2	8	7	8
2022	4.46%	1	0	9	22	2	7	6	6
2023	4.46%	1	0	7	23	2	6	4	5
2024	4.46%	1	0	6	24	2	4	3	4
2024	4.46%	1	(0)	5	26	2	4	3	3
2025	2.23%	1	(0)	4	27	1	3	2	2
2026	0.00%	0	(0)	2	28	1	2	2	2
2027	0.00%	0	(0)	1	29	0	2	1	1
2028	0.00%	0	(0)	1	29	0	1	0	0
2029	0.00%	0	(0)	(0)	31	0	1	0	0

\* Column not specified in workbook

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(1) YEAR	(2) NO YEARS BEFORE IN-SERVICE	(3) PLANT ESCALATION RATE	(4) CUMULATIVE ESCALATION FACTOR	(5) YEARLY EXPENDITURE (%)	(6) ANNUAL SPENDING (\$/KW)	(7) CUMULATIVE AVERAGE SPENDING (\$/KW)
2001	4	0.00%	1.000	18.08%	89.84	44.92
2002	3	2.07%	1.021	38.39%	184.71	187.19
2003	2	2.42%	1.045	42.19%	219.15	394.12
2004	1	1.82%	1.064	1.33%	7.03	507.21

YEAR	(8) NO YEARS BEFORE IN-SERVICE	(8) CUMULATIVE SPENDING WITH AFUDC (\$/KW)	(8a) DEBT AFUDC (\$/KW)	(8b) CUMULATIVE DEBT AFUDC (\$/KW)	(9) YEARLY TOTAL AFUDC (\$/KW)	(9a) TOTAL AFUDC (\$/KW)	(9b) CONSTRUCTION PERIOD INTEREST (\$/KW)	(9c) CUMULATIVE CPI (\$/KW)	(9d) DEFERRED TAXES (\$/KW)	(9e) CUMULATIVE DEFERRED TAXES (\$/KW)	(10) INCREMENTAL YEAR-END BOOK VALUE (\$/KW)	(11) CUMULATIVE YEAR-END BOOK VALUE (\$/KW)
2001	4	44.92	1.54	1.54	4.48	4.46	3.41	3.41	(0.72)	(0.72)	94.30	94.30
2002	3	191.65	8.56	8.12	19.10	23.56	14.49	17.90	(3.05)	(3.77)	213.81	308.11
2003	2	417.89	14.41	22.53	41.85	65.41	31.31	49.21	(8.52)	(10.29)	261.00	569.11
2004	1	572.63	19.94	42.47	57.88	123.30	42.29	91.50	(8.62)	(18.92)	64.92	634.03
				42.47	123.30		91.50	(18.92)		634.03		

IN SERVICE YEAR 2005  
PLANT COSTS 496.89  
AFUDC RATE 9.93%

	BOOK BASIS FOR DEBT	BOOK BASIS FOR DEFERRED TAX	BOOK BASIS FOR TAX
CONSTRUCTION CASH	25	25	25
EQUITY AFUDC	4		
DEBT AFUDC	2	2	
CPI			4
TOTAL	31	27	29

\* Column not specified in workbook

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INPUT DATA - PART 2  
PROGRAM METHOD SELECTED: REV\_REO  
PROGRAM NAME ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)*	(7)	(8)	(9)
YEAR	CUMULATIVE TOTAL PARTICIPATING CUSTOMERS	ADJUSTED CUMULATIVE PARTICIPATING CUSTOMERS	UTILITY AVERAGE SYSTEM FUEL COST (\$/MWh)	AVOIDED MARGINAL FUEL COST (\$/MWh)	INCREASED MARGINAL FUEL COST (\$/MWh)	REPLACEMENT FUEL COST (\$/MWh)	PROGRAM kW EFFECTIVENESS FACTOR	PROGRAM kWh EFFECTIVENESS FACTOR
2001	1	1	4.26	5.45	4.26	0.00	1.00	1.00
2002	1	1	3.77	4.83	3.77	0.00	1.00	1.00
2003	1	1	3.48	5.44	3.48	0.00	1.00	1.00
2004	1	1	3.47	5.01	3.47	0.00	1.00	1.00
2005	1	1	3.41	5.14	3.41	3.48	1.00	1.00
2006	1	1	3.44	6.17	3.44	3.48	1.00	1.00
2007	1	1	3.40	6.01	3.40	3.55	1.00	1.00
2008	1	1	3.57	6.52	3.57	3.60	1.00	1.00
2009	1	1	3.60	5.82	3.60	3.72	1.00	1.00
2010	1	1	3.62	5.04	3.62	3.70	1.00	1.00
2011	1	1	3.67	5.12	3.67	3.72	1.00	1.00
2012	1	1	3.69	5.14	3.69	3.83	1.00	1.00
2013	1	1	3.77	4.95	3.77	3.92	1.00	1.00
2014	1	1	3.80	5.03	3.80	3.94	1.00	1.00
2015	1	1	3.98	5.05	3.98	4.07	1.00	1.00
2016	1	1	4.12	5.17	4.12	4.16	1.00	1.00
2017	1	1	4.22	5.25	4.22	4.26	1.00	1.00
2018	1	1	4.32	5.35	4.32	4.43	1.00	1.00
2018	1	1	4.40	5.44	4.40	4.47	1.00	1.00
2020	1	1	4.52	5.51	4.52	4.68	1.00	1.00
2021	1	1	4.82	5.63	4.82	4.85	1.00	1.00
2022	1	1	4.69	5.51	4.69	4.93	1.00	1.00
2023	1	1	4.78	5.47	4.78	5.02	1.00	1.00
2024	1	1	4.87	5.51	4.87	5.11	1.00	1.00

\* THIS COLUMN IS USED ONLY FOR LOAD SHIFTING PROGRAMS WHICH SHIFT CONSUMPTION TO OFF-PEAK PERIODS  
THE VALUES REPRESENT THE OFF PEAK SYSTEM FUEL COSTS

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AVOIDED GENERATING BENEFITS  
PROGRAM METHOD SELECTED REV\_REQ  
PROGRAM NAME ██████████ Business Custom Incentive

YEAR	(2) AVOIDED GEN UNIT CAPACITY COST \$(000)	(3) AVOIDED GEN UNIT FIXED O&M \$(000)	(4) AVOIDED GEN UNIT VARIABLE O&M \$(000)	(5) AVOIDED GEN UNIT FUEL COST \$(000)	(6) REPLACEMENT FUEL COST \$(000)	(7) AVOIDED GEN UNIT BENEFITS \$(000)
2001	0	0	0	0	0	0
2002	0	0	0	0	0	0
2003	0	0	0	0	0	0
2004	0	0	0	0	0	0
2005	8	3	0	10	12	7
2006	8	3	0	10	12	7
2007	8	3	0	10	12	7
2008	6	3	0	11	13	6
2009	6	3	0	11	14	6
2010	5	3	0	12	14	7
2011	5	3	0	12	14	7
2012	5	3	0	12	14	7
2013	5	4	0	13	14	7
2014	5	4	0	13	14	7
2015	4	4	0	13	14	7
2016	4	4	0	13	14	7
2017	4	4	0	13	14	7
2018	4	4	0	13	15	7
2019	4	5	0	13	14	7
2020	3	5	0	14	15	7
2021	3	5	0	14	15	7
2022	3	5	0	14	16	7
2023	3	5	0	15	16	7
2024	3	6	0	15	16	8

MON	90	78	0	252	282	138
NPV	37	25	0	87	100	50

1  
2  
3

AVOIDED T&D AND PROGRAM FUEL SAVINGS  
PROGRAM METHOD SELECTED REV\_REQ  
PROGRAM NAME ██████████ - Business Custom Incentive

(1) YEAR	(2) AVOIDED TRANSMISSION CAP COST \$(000)	(3) AVOIDED TRANSMISSION O&M COST \$(000)	(4) TOTAL AVOIDED TRANSMISSION COST \$(000)	(5) AVOIDED DISTRIBUTION CAP COST \$(000)	(6) AVOIDED DISTRIBUTION O&M COST \$(000)	(7) TOTAL AVOIDED DISTRIBUTION COST \$(000)	(8) PROGRAM FUEL SAVINGS \$(000)	(8a)* PROGRAM OFF-PEAK PAYBACK \$(000)
2001	0	0	0	0	0	0	0	0
2002	1	0	1	0	0	0	0	0
2003	1	0	1	0	0	0	0	0
2004	0	0	1	0	0	0	0	0
2005	0	0	1	0	0	0	0	0
2006	0	0	1	0	0	0	0	0
2007	0	0	1	0	0	0	0	0
2008	0	0	1	0	0	0	0	0
2009	0	0	1	0	0	0	0	0
2010	0	0	1	0	0	0	0	0
2011	0	0	1	0	0	0	0	0
2012	0	0	1	0	0	0	0	0
2013	0	0	1	0	0	0	0	0
2014	0	0	1	0	0	0	0	0
2015	0	0	1	0	0	0	0	0
2016	0	0	1	0	0	0	0	0
2017	0	0	1	0	0	0	0	0
2018	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0

NOM	8	5	13	5	5	10	0	0
NPV	4	2	6	2	2	4	0	0

THESE VALUES REPRESENT THE COST OF THE INCREASED FUEL CONSUMPTION DUE TO GREATER OFF-PEAK ENERGY USAGE. USED FOR LOAD SHIFTING PROGRAMS ONLY

1  
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TOTAL RESOURCE COST TEST  
PROGRAM METHOD SELECTED: REV\_REO  
PROGRAM NAME ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
YEAR	INCREASED SUPPLY COSTS \$(000)	UTILITY PROGRAM COSTS \$(000)	PARTICIPANT PROGRAM COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	AVOIDED GEN UNIT BENEFITS \$(000)	AVOIDED T&D BENEFITS \$(000)	PROGRAM FUEL SAVINGS \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	0	1	10	0	11	0	0	0	0	0	(11)	(11)
2002	0	0	0	0	0	0	1	0	0	1	1	(10)
2003	0	0	0	0	0	0	1	0	0	1	1	(9)
2004	0	0	0	0	0	0	1	0	0	1	1	(8)
2005	0	0	0	0	0	7	1	0	0	8	8	(2)
2006	0	0	0	0	0	7	1	0	0	8	8	3
2007	0	0	0	0	0	7	1	0	0	8	8	7
2008	0	0	0	0	0	6	1	0	0	7	7	11
2009	0	0	0	0	0	6	1	0	0	7	7	15
2010	0	0	0	0	0	7	1	0	0	8	8	19
2011	0	0	0	0	0	7	1	0	0	8	8	22
2012	0	0	0	0	0	7	1	0	0	8	8	25
2013	0	0	0	0	0	7	1	0	0	8	8	28
2014	0	0	0	0	0	7	1	0	0	8	8	31
2015	0	0	0	0	0	7	1	0	0	8	8	33
2016	0	0	0	0	0	7	1	0	0	8	8	36
2017	0	0	0	0	0	7	1	0	0	8	8	38
2018	0	0	0	0	0	7	1	0	0	8	8	40
2019	0	0	0	0	0	7	1	0	0	8	8	42
2020	0	0	0	0	0	7	1	0	0	8	8	43
2021	0	2	17	0	18	7	1	0	0	8	(10)	41
2022	0	0	0	0	0	7	1	0	0	8	8	43
2023	0	0	0	0	0	7	1	0	0	8	8	44
2024	0	0	0	0	0	8	1	0	0	8	8	45

MCR	0	3	27	0	29	138	22	0	0	181	132
NPV	0	1	13	0	15	50	10	0	0	80	45

Discount Rate  
Benefit/Cost Ratio (Col(11) / Col(5))

8.61 %  
1.12

1  
2  
3

PARTICIPANT COSTS AND BENEFITS  
 PROGRAM METHOD SELECTED REV\_REQ  
 PROGRAM NAME ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
YEAR	SAVINGS IN PARTICIPANTS BILLS \$(000)	TAX CREDITS \$(000)	UTILITY REBATES \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	CUSTOMER EQUIPMENT COSTS \$(000)	CUSTOMER O&M COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	2	0	2	0	4	10	0	0	10	(6)	(6)
2002	4	0	0	0	4	0	0	0	0	4	(3)
2003	4	0	0	0	4	0	0	0	0	4	0
2004	4	0	0	0	4	0	0	0	0	4	3
2005	4	0	0	0	4	0	0	0	0	4	6
2006	3	0	0	0	3	0	0	0	0	3	8
2007	3	0	0	0	3	0	0	0	0	3	10
2008	3	0	0	0	3	0	0	0	0	3	12
2009	3	0	0	0	3	0	0	0	0	3	14
2010	3	0	0	0	3	0	0	0	0	3	15
2011	3	0	0	0	3	0	0	0	0	3	17
2012	3	0	0	0	3	0	0	0	0	3	18
2013	3	0	0	0	3	0	0	0	0	3	19
2014	3	0	0	0	3	0	0	0	0	3	20
2015	3	0	0	0	3	0	0	0	0	3	21
2016	3	0	0	0	3	0	0	0	0	3	22
2017	3	0	0	0	3	0	0	0	0	3	23
2018	3	0	0	0	3	0	0	0	0	3	24
2019	3	0	0	0	3	0	0	0	0	3	24
2020	3	0	0	0	3	0	0	0	0	3	25
2021	3	0	2	0	5	17	0	0	17	(11)	23
2022	3	0	0	0	3	0	0	0	0	3	23
2023	3	0	0	0	3	0	0	0	0	3	24
2024	3	0	0	0	3	0	0	0	0	3	24

NOM	78	0	4	0	80	27	0	0	27	54
NPV	35	0	3	0	37	13	0	0	13	24

In Service of Gen Unit  
 Discount Rate  
 Benefit/Cost Ratio (Col(6) / Col(10))

2005  
 8.01 %  
 100% Financing 2.83%

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1  
2  
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RATE IMPACT TEST  
PROGRAM METHOD SELECTED REV\_REO  
PROGRAM NAME ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
YEAR	INCREASED SUPPLY COSTS \$(000)	UTILITY PROGRAM COSTS \$(000)	INCENTIVES \$(000)	REVENUE LOSSES \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	AVOIDED GEN UNIT & FUEL BENEFITS \$(000)	AVOIDED T&D BENEFITS \$(000)	REVENUE GAINS \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	0	1	2	2	0	5	0	0	0	0	0	(5)	(5)
2002	0	0	0	4	0	4	0	1	0	0	1	(2)	(7)
2003	0	0	0	4	0	4	0	1	0	0	1	(2)	(9)
2004	0	0	0	4	0	4	0	1	0	0	1	(3)	(11)
2005	0	0	0	4	0	4	7	1	0	0	8	4	(8)
2006	0	0	0	3	0	3	7	1	0	0	8	4	(5)
2007	0	0	0	3	0	3	6	1	0	0	7	4	(3)
2008	0	0	0	3	0	3	6	1	0	0	7	4	(1)
2009	0	0	0	3	0	3	7	1	0	0	8	5	1
2010	0	0	0	3	0	3	7	1	0	0	8	4	3
2011	0	0	0	3	0	3	7	1	0	0	8	5	5
2012	0	0	0	3	0	3	7	1	0	0	8	5	7
2013	0	0	0	3	0	3	7	1	0	0	8	5	9
2014	0	0	0	3	0	3	7	1	0	0	8	5	11
2015	0	0	0	3	0	3	7	1	0	0	8	5	12
2016	0	0	0	3	0	3	7	1	0	0	8	5	14
2017	0	0	0	3	0	3	7	1	0	0	8	5	15
2018	0	0	0	3	0	3	7	1	0	0	8	5	16
2019	0	0	0	3	0	3	7	1	0	0	8	5	17
2020	0	0	0	3	0	3	7	1	0	0	8	5	18
2021	0	2	2	3	0	7	7	1	0	0	8	1	19
2022	0	0	0	3	0	3	7	1	0	0	8	5	19
2023	0	0	0	3	0	3	7	1	0	0	8	5	20
2024	0	0	0	3	0	3	8	1	0	0	8	6	21

NOM	0	3	4	76	0	83	138	22	0	0	161	78
NPV	0	1	3	35	0	39	50	10	0	0	60	21

Discount Rate 8.51 %  
Benefit/Cost Ratio (Col 12) / (Col 7)



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INPUT DATA - PART 1 CONTINUED  
PROGRAM METHOD SELECTED: REV\_REQ  
PROGRAM NAME: ██████████ - Business Custom Incentive

**I PROGRAM DEMAND SAVINGS & LINE LOSSES**

(1) CUSTOMER KW REDUCTION AT METER	180.15 KW
(2) GENERATOR KW REDUCTION PER CUSTOMER	251.41 KW
(3) KW LINE LOSS PERCENTAGE	9.67 %
(4) GENERATOR KWH REDUCTION PER CUSTOMER	179,085.5 KWh ----
(5) KWH LINE LOSS PERCENTAGE	7.54 %
(6) GROUP LINE LOSS MULTIPLIER	1.0000
(7) CUSTOMER KWH INCREASE AT METER	165584.0 KWh ----

**II ECONOMIC LIFE & K FACTORS**

(1) STUDY PERIOD FOR THE CONSERVATION PROGRAM	24 YEARS
(2) GENERATOR ECONOMIC LIFE	25 YEARS
(3) T&D ECONOMIC LIFE	35 YEARS
(4) K FACTOR FOR GENERATION	1.73468
(5) K FACTOR FOR T & D	1.57859

**III UTILITY & CUSTOMER COSTS**

(1) UTILITY NON RECURRING COST PER CUSTOMER	--- \$/CUST
(2) UTILITY RECURRING COST PER CUSTOMER	--- \$/CUST
(3) UTILITY COST ESCALATION RATE	--- %
(4) CUSTOMER EQUIPMENT COST	--- \$/CUST
(5) CUSTOMER EQUIPMENT ESCALATION RATE	--- %
(6) CUSTOMER O & M COST	--- \$/CUST/YR
(7) CUSTOMER O & M COST ESCALATION RATE	--- %
(8) INCREASED SUPPLY COSTS	--- \$/CUST/YR
(9) SUPPLY COSTS ESCALATION RATES	--- %
(10) UTILITY DISCOUNT RATE	8.61 %
(11) UTILITY AFUDC RATE	9.93 %
(12) UTILITY NON RECURRING REBATE/INCENTIVE	--- \$/CUST
(13) UTILITY RECURRING REBATE/INCENTIVE	--- \$/CUST
(14) UTILITY REBATE/INCENTIVE ESCALATION RATE	--- %

**IV AVOIDED GENERATOR AND T&D COSTS**

(1) BASE YEAR	2001
(2) IN-SERVICE YEAR FOR AVOIDED GENERATING UNIT	2005
(3) IN-SERVICE YEAR FOR AVOIDED T&D	2004-2005
(4) BASE YEAR AVOIDED GENERATING COST	497 \$/KW
(5) BASE YEAR AVOIDED TRANSMISSION COST	56 \$/KW
(6) BASE YEAR DISTRIBUTION COST	37 \$/KW
(7) GEN, TRAN & DIST COST ESCALATION RATE	2.07 %
(8) GENERATOR FIXED O & M COST	40 \$/KWYR
(9) GENERATOR FIXED O&M ESCALATION RATE	3.80 %
(10) TRANSMISSION FIXED O & M COST	2.58 \$/KW
(11) DISTRIBUTION FIXED O & M COST	3.15 \$/KW
(12) T&D FIXED O&M ESCALATION RATE	3.80 %
(13) AVOIDED GEN UNIT VARIABLE O & M COSTS	0.004 CENTS/SAWH
(14) GENERATOR VARIABLE O&M COST ESCALATION RATE	2.50 %
(15) GENERATOR CAPACITY FACTOR	81% (In-service year)
(16) AVOIDED GENERATING UNIT FUEL COST	2.87 CENTS PER KWH (In-service year)
(17) AVOIDED GEN UNIT FUEL COST ESCALATION RATE	0.56 %

**V NON-FUEL ENERGY AND DEMAND CHARGES**

(1) NON FUEL COST IN CUSTOMER BILL	--- CENTS/KWH
(2) NON-FUEL COST ESCALATION RATE	--- %
(3) DEMAND CHARGE IN CUSTOMER BILL	--- \$/W/MO
(4) DEMAND CHARGE ESCALATION RATE	--- %

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK  
 -- VALUE SHOWN IS FOR FIRST YEAR ONLY (VALUE VARIES OVER TIME)  
 -- PROGRAM COST CALCULATION VALUES ARE SHOWN ON PAGE 2  
 --- THIS IS A LOAD SHIFTING PROGRAM. VALUE SHOWN IN ITEM (4) IS ANNUAL KWH/CUST SHIFTED AWAY FROM PEAK HRS. VALUE SHOWN IN ITEM (7) IS ANNUAL KWH/CUST THAT IS PAID BACK DURING OFF-PEAK

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\* INPUT DATA - PART 1 CONTINUED  
 PROGRAM METHOD SELECTED: REV\_REQ  
 PROGRAM NAME: Business Custom Incentive

YEAR	(1) UTILITY PROGRAM COSTS WITHOUT INCENTIVES \$(000)	(2) UTILITY INCENTIVES \$(000)	(3) OTHER UTILITY COSTS \$(000)	(4) TOTAL UTILITY PROGRAM COSTS \$(000)	(5) ENERGY CHARGE REVENUE LOSSES \$(000)	(6) DEMAND CHARGE REVENUE LOSSES \$(000)	(7) PARTICIPANT EQUIPMENT COSTS \$(000)	(8) PARTICIPANT O&M COSTS \$(000)	(9) OTHER PARTICIPANT COSTS \$(000)	(10) TOTAL PARTICIPANT COSTS \$(000)
2001	3	51	0	53	2	7	131	0	131	
2002	0	0	0	0	3	12	0	0	0	
2003	0	0	0	0	3	12	0	0	0	
2004	0	0	0	0	3	12	0	0	0	
2005	0	0	0	0	3	12	0	0	0	
2006	0	0	0	0	3	12	0	0	0	
2007	0	0	0	0	3	12	0	0	0	
2008	0	0	0	0	3	12	0	0	0	
2009	0	0	0	0	3	12	0	0	0	
2010	0	0	0	0	3	11	0	0	0	
2011	0	0	0	0	3	11	0	0	0	
2012	0	0	0	0	3	11	0	0	0	
2013	0	0	0	0	3	11	0	0	0	
2014	0	0	0	0	3	11	0	0	0	
2015	0	0	0	0	3	11	0	0	0	
2016	0	0	0	0	3	10	0	0	0	
2017	0	0	0	0	3	10	0	0	0	
2018	0	0	0	0	3	10	0	0	0	
2019	0	0	0	0	3	10	0	0	0	
2020	0	0	0	0	3	10	0	0	0	
2021	4	51	0	55	3	10	217	0	217	
2022	0	0	0	0	3	10	0	0	0	
2023	0	0	0	0	3	10	0	0	0	
2024	0	0	0	0	3	10	0	0	0	

NOM	7	102	0	108	74	262	348	0	0	348
NPV	3	61	0	64	33	129	173	0	0	173

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK  
 \*\* NEGATIVE COSTS WILL BE CALCULATED AS POSITIVE BENEFITS FOR TRC AND RIM TESTS

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**CALCULATION OF GEN K-FACTOR**  
**PROGRAM METHOD SELECTED REV\_REQ**  
**PROGRAM NAME: Business Custom Incentive**

YEAR	(2) MID-YEAR RATE BASE \$(000)	(3) DEBT \$(000)	(4) PREFERRED STOCK \$(000)	(5) COMMON EQUITY \$(000)	(6) INCOME TAXES \$(000)	(7) OTHER TAXES & INSURANCE \$(000)	(8) DEPREC. \$(000)	(9) DEFERRED TAXES \$(000)	(10) TOTAL FIXED CHARGES \$(000)	(11) PRESENT WORTH FIXED CHARGES \$(000)	(12) CUMULATIVE PW FIXED CHARGES \$(000)
2006	181	0	0	10	7	4	0	0	33	33	33
2006	154	5	0	10	5	4	0	2	32	30	63
2007	145	5	0	9	5	4	0	2	31	26	89
2008	137	5	0	9	3	4	0	1	30	23	112
2009	130	4	0	8	5	4	0	1	29	21	133
2010	127	4	0	8	5	4	0	1	28	18	151
2011	115	4	0	7	4	4	0	1	27	16	168
2012	108	4	0	7	4	4	0	0	26	14	182
2013	101	3	0	7	4	4	0	0	25	13	195
2014	94	3	0	6	4	4	0	0	24	11	206
2015	87	3	0	6	4	4	0	0	23	10	216
2016	81	3	0	5	3	4	0	0	22	8	225
2017	74	3	0	5	3	4	0	0	21	6	233
2018	67	2	0	4	3	4	0	0	20	7	240
2018	60	2	0	4	2	4	0	0	19	6	246
2020	53	2	0	3	2	4	0	0	18	5	251
2021	46	2	0	3	2	4	0	0	17	5	256
2022	40	1	0	3	2	4	0	0	16	4	260
2023	33	1	0	2	1	4	0	0	15	3	263
2024	26	1	0	2	1	4	0	0	14	3	266
2025	20	1	0	1	2	4	0	(1)	14	3	269
2026	15	1	0	1	3	4	0	(2)	13	2	271
2027	11	0	0	1	3	4	0	(2)	12	2	273
2028	8	0	0	0	3	4	0	(2)	12	2	275
2029	2	0	0	0	3	4	0	(2)	11	2	277

IN SERVICE COST (\$000) 159  
 IN SERVICE YEAR 2005  
 BOOK LIFE (YRS) 25  
 EFFEC. TAX RATE 36.57%  
 DISCOUNT RATE 8.81%  
 OTAX & INS RATE 2.46%

**CAPITAL STRUCTURE**

SOURCE	WEIGHT	COST	%
DEBT	45%	7.00	%
P/S	0%	0.00	%
C/S	55%	11.70	%

K-FACTOR = CPWFC / IN-SVC COST = 1.73488

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DEFERRED TAX AND MID-YEAR RATE BASE CALCULATION  
PROGRAM METHOD SELECTED: REV\_REQ  
PROGRAM NAME: ██████████ - Business Custo

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
YEAR	TAX DEPRECIATION SCHEDULE	TAX DEPRECIATION \$(000)	ACCUMULATED TAX DEPRECIATION \$(000)	BOOK DEPRECIATION \$(000)	ACCUMULATED BOOK DEPRECIATION \$(000)	BOOK DEPRECIATION FOR DEFERRED TAX \$(000)	ACCUMULATED BOOK DEPR FOR DEFERRED TAX \$(000)	DEFERRED TAX DUE TO DEPRECIATION \$(000)	TOTAL EQUITY AFUDC \$(000)	BOOK DEPR RATE MINUS 1A/FE	(10)*(11) TAX RATE \$(000)	SALVAGE TAX RATE \$(000)	ANNUAL DEFERRED TAX (9)-(12)+(13) \$(000)	ACCUMULATED DEFERRED TAX \$(000)
2006	3.75%	6	6	6	6	6	6	0	20	0	0	0	0	(5)
2006	7.22%	11	17	6	13	6	11	2	20	0	0	0	2	(3)
2007	6.69%	10	27	6	19	6	17	2	20	0	0	0	2	(1)
2008	6.16%	9	36	6	26	6	22	1	20	0	0	0	1	1
2009	5.71%	9	45	6	32	6	28	1	20	0	0	0	1	2
2010	5.27%	8	53	6	38	6	33	1	20	0	0	0	1	3
2011	4.89%	7	60	6	45	6	39	1	20	0	0	0	0	4
2012	4.52%	7	67	6	51	6	45	0	20	0	0	0	0	4
2013	4.46%	7	74	6	57	6	50	0	20	0	0	0	0	5
2014	4.46%	7	80	6	64	6	56	0	20	0	0	0	0	5
2015	4.46%	7	87	6	70	6	61	0	20	0	0	0	0	6
2016	4.46%	7	94	6	77	6	67	0	20	0	0	0	0	6
2017	4.46%	7	101	6	83	6	72	0	20	0	0	0	0	7
2018	4.46%	7	108	6	89	6	76	0	20	0	0	0	0	7
2019	4.46%	7	114	6	96	6	83	0	20	0	0	0	0	8
2020	4.46%	7	121	6	102	6	89	0	20	0	0	0	0	8
2021	4.46%	7	128	6	108	6	95	0	20	0	0	0	0	9
2022	4.46%	7	135	6	115	6	100	0	20	0	0	0	0	9
2023	4.46%	7	141	6	121	6	106	0	20	0	0	0	0	9
2024	4.46%	7	148	6	128	6	111	0	20	0	0	0	(1)	9
2025	2.23%	3	151	6	134	6	117	(1)	20	0	0	0	(2)	6
2026	0.00%	0	151	6	140	6	122	(2)	20	0	0	0	(2)	4
2027	0.00%	0	151	6	147	6	128	(2)	20	0	0	0	(2)	2
2028	0.00%	0	151	6	153	6	134	(2)	20	0	0	0	(2)	0
2029	0.00%	0	151	6	159	6	139	(7)	20	0	0	0		

SALVAGE / REMOVAL COST	0.00
YEAR SALVAGE / COST OF REMOVAL	2029
DEFERRED TAXES DURING CONSTRUCTION (SEE PAGE 5)	(5)
TOTAL EQUITY AFUDC CAPITALIZED (SEE PAGE 5)	20
BOOK DEPR RATE - USEFUL LIFE	4.00%

1  
2  
3

DEFERRED TAX AND MID-YEAR RATE BASE CALCULATION  
 PROGRAM METHOD SELECTED: REV\_REQ  
 PROGRAM NAME: ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5) END OF YEAR NET PLANT IN SERVICE	(5a)* ACCUMULATED DEPRECIATION	(5b)* ACCUMULATED DEF TAXES	(6) BEGINNING YEAR RATE BASE	(7) ENDING OF YEAR RATE BASE	(8) MID-YEAR RATE BASE
YEAR	TAX DEPRECIATION SCHEDULE	TAX DEPRECIATION \$(000)	DEFERRED TAX \$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
2005	3.75%	8	0	153	8	(5)	164	156	161
2006	7.22%	11	2	147	13	(3)	158	149	154
2007	6.86%	10	2	140	19	(1)	149	141	145
2008	6.18%	9	1	134	26	1	141	132	137
2009	5.71%	9	1	128	32	2	133	126	130
2010	5.26%	8	1	121	38	3	126	118	122
2011	4.89%	7	1	115	45	3	118	111	115
2012	4.52%	7	0	108	51	4	111	104	108
2013	4.46%	7	0	102	57	4	104	98	101
2014	4.40%	7	0	96	64	5	98	91	94
2015	4.40%	7	0	89	70	5	91	84	87
2016	4.40%	7	0	83	77	6	84	77	81
2017	4.40%	7	0	77	83	6	77	70	74
2018	4.40%	7	0	70	89	7	70	63	67
2019	4.40%	7	0	64	96	7	63	57	60
2020	4.40%	7	0	57	102	8	57	50	53
2021	4.40%	7	0	51	108	8	50	43	46
2022	4.40%	7	0	45	115	9	43	36	40
2023	4.40%	7	0	38	121	9	36	29	33
2024	4.40%	7	0	32	128	9	29	22	26
2025	2.23%	3	(1)	26	134	9	22	17	20
2026	0.00%	0	(2)	19	140	6	17	13	15
2027	0.00%	0	(2)	13	147	4	13	8	11
2028	0.00%	0	(2)	6	153	2	8	4	6
2029	0.00%	0	(2)	0	159	0	4	0	2

\* Column not specified in workbook

page 5

(1) YEAR	(2) NO YEARS BEFORE IN-SERVICE	(3) PLANT ESCALATION RATE	(4) CUMULATIVE ESCALATION FACTOR	(5) YEARLY EXPENDITURE (%)	(6) ANNUAL SPENDING (\$/KW)	(7) CUMULATIVE AVERAGE SPENDING (\$/KW)
2001	-4	0.00%	1.000	18.08%	86.84	44.92
2002	-3	2.07%	1.021	38.39%	194.71	187.19
2003	-2	2.42%	1.045	42.19%	219.15	384.12
2004	-1	1.82%	1.064	1.33%	7.03	507.21

(1) YEAR	(2) NO YEARS BEFORE IN-SERVICE	(8) CUMULATIVE SPENDING WITH AFUDC (\$/KW)	(8a) DEBT AFUDC (\$/KW)	(8b) CUMULATIVE DEBT AFUDC (\$/KW)	(9) YEARLY TOTAL AFUDC (\$/KW)	(9a) CUMULATIVE TOTAL AFUDC (\$/KW)	(9b) CONSTRUCTION PERIOD INTEREST (\$/KW)	(9c) CUMULATIVE CPI (\$/KW)	(9d) DEFERRED TAXES (\$/KW)	(9e) CUMULATIVE DEFERRED TAXES (\$/KW)	(10)	(11)			
											INCREMENTAL YEAR-END BOOK VALUE (\$/KW)	CUMULATIVE YEAR-END BOOK VALUE (\$/KW)			
2001	-4	44.92	1.54	1.54	4.46	4.46	3.41	3.41	(0.72)	(0.72)	94.30	94.30			
2002	-3	191.65	6.58	8.12	18.10	23.58	14.49	17.90	(3.05)	(3.77)	213.81	308.11			
2003	-2	417.89	14.41	22.53	41.85	65.41	31.31	49.21	(6.52)	(10.29)	261.00	569.11			
2004	-1	572.83	19.94	42.47	57.88	123.30	42.29	91.50	(8.62)	(18.92)	64.92	634.03			
											42.47	123.30	91.50	(18.92)	634.03

IN SERVICE YEAR 2005  
PLANT COSTS 496.89  
AFUDC RATE 9.93%

	BOOK BASIS	BOOK BASIS FOR DEPT	TAX BASIS
CONSTRUCTION CASH	128	128	128
EQUITY AFUDC	20		
DEBT AFUDC	11	11	
CPI			23
TOTAL	159	139	151

\* Column not specified in workbook

1  
2  
3

INPUT DATA - PART 2  
PROGRAM METHOD SELECTED : REV\_REQ  
PROGRAM NAME: ██████████ Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)*	(7)	(8)	(9)
YEAR	CUMULATIVE TOTAL PARTICIPATING CUSTOMERS	ADJUSTED CUMULATIVE PARTICIPATING CUSTOMERS	UTILITY AVERAGE SYSTEM FUEL COST (C/MWh)	AVOIDED MARGINAL FUEL COST (C/MWh)	INCREASED MARGINAL FUEL COST (C/MWh)	REPLACEMENT FUEL COST (C/MWh)	PROGRAM KW EFFECTIVENESS FACTOR	PROGRAM KW EFFECTIVENESS FACTOR
2001	1	1	4.26	4.77	4.29	0.00	1.00	1.00
2002	1	1	3.77	4.46	3.81	0.00	1.00	1.00
2003	1	1	3.48	4.83	3.53	0.00	1.00	1.00
2004	1	1	3.47	4.61	3.51	0.00	1.00	1.00
2005	1	1	3.41	4.26	3.45	3.46	1.00	1.00
2006	1	1	3.44	4.67	3.48	3.48	1.00	1.00
2007	1	1	3.40	4.44	3.44	3.55	1.00	1.00
2008	1	1	3.57	5.10	3.62	3.60	1.00	1.00
2009	1	1	3.80	4.75	3.64	3.72	1.00	1.00
2010	1	1	3.62	4.50	3.67	3.70	1.00	1.00
2011	1	1	3.67	4.59	3.73	3.72	1.00	1.00
2012	1	1	3.69	4.58	3.74	3.83	1.00	1.00
2013	1	1	3.77	4.59	3.81	3.92	1.00	1.00
2014	1	1	3.80	4.70	3.85	3.94	1.00	1.00
2015	1	1	3.98	4.79	4.02	4.07	1.00	1.00
2016	1	1	4.12	4.90	4.15	4.16	1.00	1.00
2017	1	1	4.22	5.00	4.26	4.28	1.00	1.00
2018	1	1	4.32	5.08	4.35	4.43	1.00	1.00
2019	1	1	4.40	5.22	4.44	4.47	1.00	1.00
2020	1	1	4.52	5.29	4.55	4.68	1.00	1.00
2021	1	1	4.62	5.40	4.65	4.65	1.00	1.00
2022	1	1	4.69	5.39	4.72	4.93	1.00	1.00
2023	1	1	4.76	5.43	4.81	5.02	1.00	1.00
2024	1	1	4.67	5.51	4.90	5.11	1.00	1.00

\* THIS COLUMN IS USED ONLY FOR LOAD SHIFTING PROGRAMS WHICH SHIFT CONSUMPTION TO OFF-PEAK PERIODS  
THE VALUES REPRESENT THE OFF PEAK SYSTEM FUEL COSTS

1  
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AVOIDED GENERATING BENEFITS  
 PROGRAM METHOD SELECTED: REV\_REQ  
 PROGRAM NAME: ██████████ Business Custom Incentive

YEAR	(2) AVOIDED GEN UNIT CAPACITY COST \$(000)	(3) AVOIDED GEN UNIT FIXED O&M \$(000)	(4) AVOIDED GEN UNIT VARIABLE O&M \$(000)	(5) AVOIDED GEN UNIT FUEL COST \$(000)	(6) REPLACEMENT FUEL COST \$(000)	(7) AVOIDED GEN UNIT BENEFITS \$(000)
2001	0	0	0	0	0	0
2002	0	0	0	0	0	0
2003	0	0	0	0	0	0
2004	0	0	0	0	0	0
2005	33	13	0	51	62	36
2006	32	14	0	52	63	35
2007	31	14	0	53	64	34
2008	30	15	0	56	68	34
2009	29	15	0	59	71	32
2010	28	16	0	62	73	34
2011	27	17	0	64	73	35
2012	26	18	0	64	73	35
2013	25	18	0	66	75	35
2014	24	19	0	67	73	37
2015	23	20	0	66	73	38
2016	22	21	0	67	73	37
2017	21	22	0	67	73	37
2018	20	23	0	69	76	36
2019	19	24	0	69	74	38
2020	18	25	0	71	77	37
2021	17	26	0	73	80	37
2022	16	27	0	75	82	37
2023	15	28	0	77	83	38
2024	14	30	0	80	85	39

NON	471	408	2	1,312	1,470	720
MPV	191	132	1	455	520	260



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1  
2  
3

AVOIDED T&D AND PROGRAM FUEL SAVINGS  
PROGRAM METHOD SELECTED: REV\_REQ  
PROGRAM NAME: [REDACTED] - Business Custom Incentive

(1) YEAR	(2) AVOIDED TRANSMISSION CAP COST \$(000)	(3) AVOIDED TRANSMISSION O&M COST \$(000)	(4) TOTAL AVOIDED TRANSMISSION COST \$(000)	(5) AVOIDED DISTRIBUTION CAP COST \$(000)	(6) AVOIDED DISTRIBUTION O&M COST \$(000)	(7) TOTAL AVOIDED DISTRIBUTION COST \$(000)	(8) PROGRAM FUEL SAVINGS \$(000)	(8a)* PROGRAM OFF-PEAK PAYBACK \$(000)
2001	0	0	0	0	0	0	5	4
2002	3	1	3	2	1	2	9	7
2003	3	1	3	2	1	2	10	6
2004	3	1	3	1	1	2	10	6
2005	2	1	3	1	1	2	9	6
2006	2	1	3	1	1	2	10	6
2007	2	1	3	1	1	2	9	6
2008	2	1	3	1	1	2	11	6
2009	2	1	3	1	1	2	10	6
2010	2	1	3	1	1	2	9	6
2011	2	1	3	1	1	2	9	7
2012	2	1	3	1	1	2	9	7
2013	2	1	3	1	1	2	9	7
2014	2	1	3	1	1	2	9	7
2015	2	1	3	1	1	2	10	7
2016	1	1	3	1	1	2	10	8
2017	1	1	3	1	1	2	10	8
2018	1	1	3	1	1	2	10	8
2019	1	1	3	1	1	2	10	8
2020	1	1	3	1	2	2	11	8
2021	1	1	3	1	2	2	10	8
2022	1	2	3	1	2	2	10	9
2023	1	2	3	1	2	2	10	9
2024	1	2	3	1	2	2	11	9

NPV	40	25	65	24	28	51	229	187
NPV	20	9	29	12	10	22	99	70

\* THESE VALUES REPRESENT THE COST OF THE INCREASED FUEL CONSUMPTION DUE TO GREATER OFF-PEAK ENERGY USAGE. USED FOR LOAD SHIFTING PROGRAMS ONLY

1  
2  
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TOTAL RESOURCE COST TEST  
PROGRAM METHOD SELECTED REV\_REQ  
PROGRAM NAME: ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
YEAR	INCREASED SUPPLY COSTS \$(000)	UTILITY PROGRAM COSTS \$(000)	PARTICIPANT PROGRAM COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	AVOIDED GEN UNIT BENEFITS \$(000)	AVOIDED T&D BENEFITS \$(000)	PROGRAM FUEL SAVINGS \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	0	3	131	0	134	0	1	2	0	3	8	(133)
2002	0	0	0	0	0	0	8	3	0	11	8	(126)
2003	0	0	0	0	0	0	8	3	0	11	9	(118)
2004	0	0	0	0	0	0	8	3	0	11	9	(111)
2005	0	0	0	0	0	38	5	3	0	46	44	(79)
2006	0	0	0	0	0	35	5	4	0	44	44	(50)
2007	0	0	0	0	0	34	5	3	0	42	43	(24)
2008	0	0	0	0	0	34	5	4	0	43	43	0
2009	0	0	0	0	0	32	5	3	0	40	41	21
2010	0	0	0	0	0	34	5	3	0	42	42	41
2011	0	0	0	0	0	34	5	3	0	42	43	60
2012	0	0	0	0	0	35	5	3	0	43	43	77
2013	0	0	0	0	0	35	5	2	0	42	42	93
2014	0	0	0	0	0	37	5	3	0	44	44	108
2015	0	0	0	0	0	36	5	2	0	43	43	121
2016	0	0	0	0	0	37	5	2	0	44	44	134
2017	0	0	0	0	0	37	5	2	0	44	44	148
2018	0	0	0	0	0	37	5	2	0	44	43	157
2019	0	0	0	0	0	36	5	2	0	43	46	167
2020	0	0	0	0	0	38	5	2	0	45	44	176
2021	0	0	0	0	0	37	5	2	0	44	(177)	142
2022	0	4	217	0	221	37	5	2	0	44	44	150
2023	0	0	0	0	0	37	5	2	0	44	45	157
2024	0	0	0	0	0	38	5	2	0	45	46	164

NPV	0	7	348	0	355	720	117	62	0	899	544
NPV	0	3	173	0	176	260	52	29	0	340	164

Discount Rate 8.61 %  
Benefit/Cost Ratio (Col(11) / Col(6)) 0.83

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1  
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3  
PARTICIPANT COSTS AND BENEFITS  
PROGRAM METHOD SELECTED: REV\_REQ  
PROGRAM NAME: ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
YEAR	SAVINGS IN PARTICIPANTS BILLS \$(000)	TAX CREDITS \$(000)	UTILITY REBATES \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	CUSTOMER EQUIPMENT COSTS \$(000)	CUSTOMER O&M COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	8	0	51	0	59	131	0	0	131	18	(72)
2002	18	0	0	0	18	0	0	0	0	15	(57)
2003	15	0	0	0	15	0	0	0	0	15	(44)
2004	15	0	0	0	15	0	0	0	0	15	(32)
2005	15	0	0	0	15	0	0	0	0	15	(21)
2006	15	0	0	0	15	0	0	0	0	15	(11)
2007	15	0	0	0	15	0	0	0	0	15	(2)
2008	15	0	0	0	15	0	0	0	0	15	6
2009	15	0	0	0	15	0	0	0	0	15	14
2010	14	0	0	0	14	0	0	0	0	14	21
2011	14	0	0	0	14	0	0	0	0	14	27
2012	14	0	0	0	14	0	0	0	0	14	33
2013	14	0	0	0	14	0	0	0	0	14	38
2014	14	0	0	0	14	0	0	0	0	14	42
2015	14	0	0	0	14	0	0	0	0	14	47
2016	14	0	0	0	14	0	0	0	0	14	51
2017	14	0	0	0	14	0	0	0	0	14	54
2018	14	0	0	0	14	0	0	0	0	14	58
2019	14	0	0	0	14	0	0	0	0	14	61
2020	14	0	0	0	14	0	0	0	0	14	64
2021	14	0	0	0	14	217	0	0	217	(153)	34
2022	14	0	0	0	14	0	0	0	0	14	37
2023	13	0	0	0	13	0	0	0	0	13	39
2024	13	0	0	0	13	0	0	0	0	13	41

NOM	338	0	102	0	438	348	0	0	348	90
NPV	153	0	81	0	233	173	0	0	173	41

In Service of Gen Unit  
Discount Rate:  
Benefit/Cost Ratio ( Col(6) / Col(10) )

2005  
8.81 %  
Benefit/Cost Ratio = 1.24

1  
2  
3  
RATE IMPACT TEST  
PROGRAM METHOD SELECTED: REV\_REQ  
PROGRAM NAME: ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
YEAR	INCREASED SUPPLY COSTS \$(000)	UTILITY PROGRAM COSTS \$(000)	INCENTIVES \$(000)	REVENUE LOSSES \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	AVOIDED GEN UNIT & FUEL BENEFITS \$(000)	AVOIDED T&D BENEFITS \$(000)	REVENUE GAINS \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	0	3	51	8	0	62	1	0	0	0	1	(8)	(68)
2002	0	0	0	10	0	10	2	0	0	0	9	(6)	(74)
2003	0	0	0	15	0	15	3	0	0	0	9	(7)	(79)
2004	0	0	0	15	0	15	3	0	0	0	44	29	(50)
2005	0	0	0	15	0	15	39	5	0	0	44	29	(39)
2006	0	0	0	15	0	15	39	5	0	0	43	28	(22)
2007	0	0	0	15	0	15	37	5	0	0	43	28	(6)
2008	0	0	0	15	0	15	38	5	0	0	41	26	7
2009	0	0	0	15	0	15	36	5	0	0	42	27	20
2010	0	0	0	14	0	14	36	5	0	0	43	29	33
2011	0	0	0	14	0	14	38	5	0	0	43	28	44
2012	0	0	0	14	0	14	38	5	0	0	42	28	55
2013	0	0	0	14	0	14	37	5	0	0	44	30	65
2014	0	0	0	14	0	14	39	5	0	0	43	30	75
2015	0	0	0	14	0	14	39	5	0	0	44	31	83
2016	0	0	0	14	0	14	39	5	0	0	44	31	92
2017	0	0	0	14	0	14	39	5	0	0	43	30	99
2018	0	0	0	14	0	14	39	5	0	0	46	32	106
2019	0	0	0	14	0	14	41	5	0	0	44	31	113
2020	0	0	0	14	0	14	39	5	0	0	44	(25)	106
2021	0	4	51	14	0	66	39	5	0	0	44	31	113
2022	0	0	0	14	0	14	39	5	0	0	45	32	118
2023	0	0	0	13	0	13	40	5	0	0	46	32	123
2024	0	0	0	13	0	13	41	5	0	0			

NOAL	0	7	102	330	0	444	782	117	0	0	899	454
NPV	0	3	81	153	0	217	288	52	0	0	340	123

Discount Rate  
Benefit/Cost Ratio (Col(12) / Col(7))

2.81 %  
1.57%

2  
2

INPUT DATA - PART 1 CONTINUED  
PROGRAM METHOD SELECTED: REV\_REQ  
PROGRAM NAME ██████████ - Business Custom Incentive

I PROGRAM DEMAND SAVINGS & LINE LOSSES

(1) CUSTOMER kW REDUCTION AT METER	50.00 kW
(2) GENERATOR kW REDUCTION PER CUSTOMER	87.53 kW
(3) kW LINE LOSS PERCENTAGE	9.87 %
(4) GENERATOR kWh REDUCTION PER CUSTOMER	12,978.8 kWh ****
(5) kWh LINE LOSS PERCENTAGE	7.54 %
(6) GROUP LINE LOSS MULTIPLIER	1.0000
(7) CUSTOMER kWh INCREASE AT METER	12000.0 kWh ****

II ECONOMIC LIFE & K FACTORS

(1) STUDY PERIOD FOR THE CONSERVATION PROGRAM	24 YEARS
(2) GENERATOR ECONOMIC LIFE	25 YEARS
(3) T&D ECONOMIC LIFE	35 YEARS
(4) K FACTOR FOR GENERATION	1.74612
(5) K FACTOR FOR T & D	1.58912

III UTILITY & CUSTOMER COSTS

(1) UTILITY NON RECURRING COST PER CUSTOMER	*** \$/CUST
(2) UTILITY RECURRING COST PER CUSTOMER	*** \$/CUST
(3) UTILITY COST ESCALATION RATE	*** %**
(4) CUSTOMER EQUIPMENT COST	*** \$/CUST
(5) CUSTOMER EQUIPMENT ESCALATION RATE	*** %**
(6) CUSTOMER O & M COST	*** \$/CUST/YR
(7) CUSTOMER O & M COST ESCALATION RATE	*** %**
(8) INCREASED SUPPLY COSTS	*** \$/CUST/YR
(9) SUPPLY COSTS ESCALATION RATES	*** %**
(10) UTILITY DISCOUNT RATE	6.50 %
(11) UTILITY AFUDC RATE	9.93 %
(12) UTILITY NON RECURRING REBATE/INCENTIVE	*** \$/CUST
(13) UTILITY RECURRING REBATE/INCENTIVE	*** \$/CUST
(14) UTILITY REBATE/INCENTIVE ESCALATION RATE	*** %

IV AVOIDED GENERATOR AND T&D COSTS

(1) BASE YEAR	2001
(2) IN-SERVICE YEAR FOR AVOIDED GENERATING UNIT	2006
(3) IN-SERVICE YEAR FOR AVOIDED T&D	2004-2006
(4) BASE YEAR AVOIDED GENERATING COST	497 \$/kW
(5) BASE YEAR AVOIDED TRANSMISSION COST	58 \$/kW
(6) BASE YEAR DISTRIBUTION COST	37 \$/kW
(7) GEN. TRAN & DIST COST ESCALATION RATE	2.07 %**
(8) GENERATOR FIXED O & M COST	48 \$/kW/YR
(9) GENERATOR FIXED O&M ESCALATION RATE	3.80 %**
(10) TRANSMISSION FIXED O & M COST	2.58 \$/kW
(11) DISTRIBUTION FIXED O & M COST	3.15 \$/kW
(12) T&D FIXED O&M ESCALATION RATE	3.80 %**
(13) AVOIDED GEN UNIT VARIABLE O & M COSTS	0.004 CENTS/kWh
(14) GENERATOR VARIABLE O&M COST ESCALATION RATE	2.50 %**
(15) GENERATOR CAPACITY FACTOR	81% ** (In-service year)
(16) AVOIDED GENERATING UNIT FUEL COST	2.87 CENTS PER kWh** (In-service year)
(17) AVOIDED GEN UNIT FUEL COST ESCALATION RATE	0.56 %**

V NON-FUEL ENERGY AND DEMAND CHARGES

(1) NON FUEL COST IN CUSTOMER BILL	*** CENTS/kWh
(2) NON-FUEL COST ESCALATION RATE	*** %
(3) DEMAND CHARGE IN CUSTOMER BILL	*** \$/kW/MO
(4) DEMAND CHARGE ESCALATION RATE	*** %

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK  
 - VALUE SHOWN IS FOR FIRST YEAR ONLY (VALUE VARIES OVER TIME)  
 - PROGRAM COST CALCULATION VALUES ARE SHOWN ON PAGE 2  
 - THIS IS A LOAD SHIFTING PROGRAM. VALUE SHOWN IN ITEM (4) IS ANNUAL kWh/CUST SHIFTED AWAY FROM PEAK HRS. VALUE SHOWN IN ITEM (7) IS ANNUAL kWh/CUST THAT IS PAID BACK DURING OFF-PEAK.

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\* INPUT DATA - PART 1 CONTINUED  
PROGRAM METHOD SELECTED REV. REQ  
PROGRAM NAME ██████████ Business Custom Incentive

YEAR	(1) UTILITY PROGRAM COSTS WITHOUT INCENTIVES \$(000)	(2) UTILITY INCENTIVES \$(000)	(3) OTHER UTILITY COSTS \$(000)	(4) TOTAL UTILITY PROGRAM COSTS \$(000)	(5) ENERGY- CHARGE REVENUE LOSSES \$(000)	(6) DEMAND CHARGE REVENUE LOSSES \$(000)	(7) PARTICIPANT EQUIPMENT COSTS \$(000)	(8) PARTICIPANT O&M COSTS \$(000)	(9) OTHER PARTICIPANT COSTS \$(000)	(10) TOTAL PARTICIPANT COSTS \$(000)
2001	0	0	0	0	0	0	0	0	0	12
2002	1	2	0	3	0	2	12	0	0	0
2003	C	0	0	0	0	5	0	0	0	0
2004	0	0	0	0	0	5	0	0	0	0
2005	0	0	0	0	0	5	0	0	0	0
2006	0	0	0	0	0	5	0	0	0	0
2007	0	0	0	0	0	5	0	0	0	0
2008	C	0	0	0	0	5	0	0	0	0
2009	C	0	0	0	0	5	0	0	0	0
2010	0	0	0	0	0	4	0	0	0	0
2011	0	0	0	0	0	4	0	0	0	0
2012	0	0	0	0	0	4	0	0	0	0
2013	0	0	0	0	0	4	0	0	0	0
2014	0	0	0	0	0	4	0	0	0	0
2015	0	0	0	0	0	4	0	0	0	0
2016	0	0	0	0	0	4	0	0	0	0
2017	C	0	0	0	0	4	0	0	0	0
2018	C	0	0	0	0	4	0	0	0	0
2019	C	0	0	0	0	4	0	0	0	0
2020	C	0	0	0	0	4	0	0	0	0
2021	0	0	0	0	0	4	20	0	0	0
2022	2	2	0	4	0	4	0	0	0	0
2023	C	C	0	0	0	4	0	0	0	0
2024	C	C	C	0	0	4	0	0	0	0

NOM	3	4	0	7	0	97	37	0	0	32
NPV	1	2	0	4	0	43	15	0	0	15

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK  
 \*\* NEGATIVE COSTS WILL BE CALCULATED AS POSITIVE BENEFITS FOR ITC AND RIM TESTS

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CALCULATION OF GEN K-FACTOR  
PROGRAM METHOD SELECTED REV\_REQ  
PROGRAM NAME ██████████ - Business Custom Incentive

YEAR	(2) MID-YEAR RATE BASE \$(000)	(3) DEBT \$(000)	(4) PREFERRED STOCK \$(000)	(5) COMMON EQUITY \$(000)	(6) INCOME TAXES \$(000)	(7) OTHER TAXES & INSURANCE \$(000)	(8) DEPREC. \$(000)	(9) DEFERRED TAXES \$(000)	(10) TOTAL FIXED CHARGES \$(000)	(11) PRESENT WORTH FIXED CHARGES \$(000)	(12) CUMULATIVE PW FIXED CHARGES \$(000)
2005	43	1	0	3	2	1	2	0	9	9	9
2006	41	1	0	3	1	1	2	1	9	8	17
2007	39	1	0	3	1	1	2	0	8	7	24
2008	37	1	0	2	1	1	2	0	8	6	30
2009	35	1	0	2	1	1	2	0	8	6	36
2010	33	1	0	2	1	1	2	0	7	5	41
2011	31	1	0	2	1	1	2	0	7	4	45
2012	29	1	0	2	1	1	2	0	7	4	49
2013	27	1	0	2	1	1	2	0	7	3	53
2014	25	1	0	2	1	1	2	0	6	3	56
2015	23	1	0	2	1	1	2	0	6	3	58
2016	22	1	0	1	1	1	2	0	6	2	61
2017	20	1	0	1	1	1	2	0	6	2	63
2018	18	1	0	1	1	1	2	0	5	2	65
2019	16	1	0	1	1	1	2	0	5	2	66
2020	14	0	0	1	1	1	2	0	5	1	68
2021	12	0	0	1	1	1	2	0	5	1	69
2022	11	0	0	1	0	1	2	0	4	1	70
2023	9	0	0	1	0	1	2	0	4	1	71
2024	7	0	0	0	0	1	2	0	4	1	72
2025	5	0	0	0	1	1	2	(0)	4	1	73
2026	4	0	0	0	1	1	2	(1)	3	1	73
2027	3	0	0	0	1	1	2	(1)	3	1	74
2028	2	0	0	0	1	1	2	(1)	3	0	74
2029	1	0	0	0	1	1	2	(1)	3	0	75

IN SERVICE COST (\$000) 43  
 IN SERVICE YEAR 2005  
 BOOK LIFE (YRS) 25  
 EFFEC TAX RATE 38.575  
 DISCOUNT RATE 8.50%  
 OTAX & INS RATE 2.46%

CAPITAL STRUCTURE

SOURCE	PERCENT	WEIGHT	COST
DEBT	45%	7.00	%
P/S	0%	0.00	%
C/S	55%	11.70	%

K-FACTOR = CPWFC / IN-SVC COST = 1.74612

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DEFERRED TAX AND MID-YEAR RATE BASE CALCULATION  
 PROGRAM METHOD SELECTED: REV\_REQ  
 PROGRAM NAME ██████████ - Business Cu

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
YEAR	TAX DEPRECIATION SCHEDULE	TAX DEPRECIATION \$(000)	ACCUMULATED TAX DEPRECIATION \$(000)	BOOK DEPRECIATION \$(000)	ACCUMULATED BOOK DEPRECIATION \$(000)	BOOK DEPRECIATION FOR DEFERRED TAX \$(000)	ACCUMULATED BOOK DEPR FOR DEFERRED TAX \$(000)	DEFERRED TAX DUE TO DEPRECIATION \$(000)	TOTAL EQUITY AFUDC \$(000)	BOOK DEPR RATE MINUS 1/LIFE	(10)*(11) TAX RATE \$(000)	SALVAGE TAX RATE \$(000)	ANNUAL DEFERRED TAX (9)-(12)+(13) \$(000)	ACCUMULATED DEFERRED TAX \$(000)
2005	3.75%	2	2	2	2	1	1	0	5	0	0	0	0	(1)
2006	7.22%	3	4	2	3	1	3	1	5	0	0	0	0	(0)
2007	6.68%	3	7	2	5	1	4	0	5	0	0	0	0	0
2008	6.16%	3	10	2	7	1	6	0	5	0	0	0	0	0
2009	5.71%	2	12	2	9	1	7	0	5	0	0	0	0	1
2010	5.29%	2	14	2	10	1	9	0	5	0	0	0	0	1
2011	4.89%	2	16	2	12	1	10	0	5	0	0	0	0	1
2012	4.52%	2	18	2	14	1	12	0	5	0	0	0	0	1
2013	4.46%	2	20	2	15	1	13	0	5	0	0	0	0	1
2014	4.46%	2	22	2	17	1	15	0	5	0	0	0	0	1
2015	4.46%	2	23	2	19	1	16	0	5	0	0	0	0	2
2016	4.46%	2	25	2	21	1	18	0	5	0	0	0	0	2
2017	4.46%	2	27	2	22	1	19	0	5	0	0	0	0	2
2018	4.46%	2	29	2	24	1	21	0	5	0	0	0	0	2
2019	4.46%	2	31	2	26	1	22	0	5	0	0	0	0	2
2020	4.46%	2	33	2	27	1	24	0	5	0	0	0	0	2
2021	4.46%	2	34	2	29	1	25	0	5	0	0	0	0	2
2022	4.46%	2	36	2	31	1	27	0	5	0	0	0	0	2
2023	4.46%	2	38	2	33	1	28	0	5	0	0	0	0	3
2024	4.46%	2	40	2	34	1	30	0	5	0	0	0	(0)	2
2025	2.23%	1	41	2	36	1	31	(0)	5	0	0	0	(1)	2
2026	0.00%	0	41	2	38	1	33	(1)	5	0	0	0	(1)	1
2027	0.00%	0	41	2	39	1	34	(1)	5	0	0	0	(1)	0
2028	0.00%	0	41	2	41	1	36	(1)	5	0	0	0	(1)	0
2029	0.00%	0	41	2	43	1	37	(1)	5	0	0	0	(1)	0

SALVAGE / REMOVAL COST	0.00
YEAR SALVAGE / COST OF REMOVAL	2026
DEFERRED TAXES DURING CONSTRUCTION (SEE PAGE 5)	(1)
TOTAL EQUITY AFUDC CAPITALIZED (SEE PAGE 5)	5
BOOK DEPR RATE - USEFUL LIFE	4.00%



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DEFERRED TAX AND MID-YEAR RATE BASE CALCULATION  
 PROGRAM METHOD SELECTED REV\_REQ  
 PROGRAM NAME ██████████ Business Custom Incentive

(1)	(2)	(3)	(4)	(5) END OF YEAR NET PLANT IN SERVICE \$(000)	(5a)* ACCUMULATED DEPRECIATION \$(000)	(5b)* ACCUMULATED DEF TAXES \$(000)	(6) BEGINNING YEAR RATE BASE \$(000)	(7) ENDING OF YEAR RATE BASE \$(000)	(8) MID-YEAR RATE BASE \$(000)
2006	3.75%	2	0	41	2	(1)	44	42	43
2008	7.22%	3	1	39	3	(1)	42	40	41
2007	6.68%	3	0	38	5	(0)	40	38	39
2008	6.18%	3	0	36	7	0	38	36	37
2009	5.71%	2	0	34	9	0	38	34	35
2010	5.29%	2	0	33	10	1	34	32	33
2011	4.89%	2	0	31	12	1	32	30	31
2012	4.52%	2	0	29	14	1	30	28	29
2013	4.46%	2	0	27	15	1	28	26	27
2014	4.48%	2	0	26	17	1	26	24	25
2015	4.46%	2	0	24	19	1	24	23	23
2016	4.46%	2	0	22	21	2	23	21	22
2017	4.46%	2	0	21	22	2	21	19	20
2018	4.46%	2	0	19	24	2	19	17	18
2019	4.46%	2	0	17	26	2	17	15	16
2020	4.46%	2	0	15	27	2	15	13	14
2021	4.46%	2	0	14	28	2	13	12	12
2022	4.46%	2	0	12	31	2	12	10	11
2023	4.46%	2	0	10	33	2	10	8	9
2024	4.46%	2	0	9	34	3	8	6	7
2025	2.23%	1	(0)	7	36	2	6	5	5
2026	0.00%	0	(1)	5	38	2	5	3	4
2027	0.00%	0	(1)	3	39	1	3	2	3
2028	0.00%	0	(1)	2	41	1	2	1	2
2029	0.00%	0	(1)	(0)	43	0	1	0	1

\* Column not specified in workbook

(1) YEAR	(2) NO YEARS BEFORE IN-SERVICE	(3) PLANT ESCALATION RATE	(4) CUMULATIVE ESCALATION FACTOR	(5) YEARLY EXPENDITURE (%)	(6) ANNUAL SPENDING (\$/kW)	(7) CUMULATIVE AVERAGE SPENDING (\$/kW)
2001	-4	0.00%	1.000	18.08%	89.84	44.92
2002	-3	2.07%	1.021	38.39%	194.71	187.19
2003	-2	2.42%	1.045	42.19%	219.15	394.12
2004	-1	1.82%	1.064	1.33%	7.03	507.21

(11) YEAR	(10) NO YEARS BEFORE IN-SERVICE	(8) CUMULATIVE SPENDING WITH AFUDC (\$/kW)	(8a) DEBT AFUDC (\$/kW)	(8b) DEBT AFUDC (\$/kW)	(9) YEARLY TOTAL AFUDC (\$/kW)	(9a) CUMULATIVE TOTAL AFUDC (\$/kW)	(9b) CONSTRUCTION PERIOD INTEREST (\$/kW)	(9c) CUMULATIVE CPI (\$/kW)	(9d) DEFERRED TAXES (\$/kW)	(9e) CUMULATIVE DEFERRED TAXES (\$/kW)	(10) INCREMENTAL YEAR-END BOOK VALUE (\$/kW)	(11) CUMULATIVE YEAR-END BOOK VALUE (\$/kW)			
												(11) CUMULATIVE YEAR-END BOOK VALUE (\$/kW)			
2001	-4	44.92	1.54	1.54	4.48	4.46	3.41	3.41	(0.72)	(0.72)	94.30	94.30			
2002	-3	191.65	6.58	8.12	19.10	23.56	14.49	17.80	(3.05)	(3.77)	213.81	308.11			
2003	-2	417.69	14.41	22.53	41.85	65.41	31.31	49.21	(6.52)	(10.29)	261.00	569.11			
2004	-1	572.63	19.94	42.47	57.88	123.30	42.29	91.50	(8.62)	(18.92)	64.82	634.03			
											42.47	123.30	91.50	(18.92)	634.03

IN SERVICE YEAR 2005  
PLANT COSTS 456.89  
AFUDC RATE 9.93%

	BOOK BASIS	BOOK BASIS FOR DEBT	TAX BASIS
CONSTRUCTION CASH	34	34	34
EQUITY AFUDC	5		
DEBT AFUDC	3	3	
CPI			6
TOTAL	43	37	41

Column not specified in workbook

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INPUT DATA - PART 2  
PROGRAM METHOD SELECTED REV\_REQ  
PROGRAM NAME ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)*	(7)	(8)	(9)
YEAR	CUMULATIVE TOTAL PARTICIPATING CUSTOMERS	ADJUSTED CUMULATIVE PARTICIPATING CUSTOMERS	UTILITY AVERAGE SYSTEM FUEL COST (\$/MWh)	AVOIDED MARGINAL FUEL COST (\$/MWh)	INCREASED MARGINAL FUEL COST (\$/MWh)	REPLACEMENT FUEL COST (\$/MWh)	PROGRAM LW EFFECTIVENESS FACTOR	PROGRAM LW EFFECTIVENESS FACTOR
2001	0	0	4.26	5.07	4.27	0.00	1.00	1.00
2002	1	1	3.77	4.74	3.78	0.00	1.00	1.00
2003	1	1	3.48	5.18	3.50	0.00	1.00	1.00
2004	1	1	3.47	5.00	3.48	0.00	1.00	1.00
2005	1	1	3.41	4.73	3.42	3.48	1.00	1.00
2006	1	1	3.44	5.26	3.45	3.48	1.00	1.00
2007	1	1	3.40	5.10	3.41	3.55	1.00	1.00
2008	1	1	3.57	5.78	3.59	3.60	1.00	1.00
2009	1	1	3.60	5.26	3.61	3.72	1.00	1.00
2010	1	1	3.62	4.75	3.64	3.70	1.00	1.00
2011	1	1	3.67	4.84	3.69	3.72	1.00	1.00
2012	1	1	3.69	4.84	3.70	3.83	1.00	1.00
2013	1	1	3.77	4.75	3.78	3.92	1.00	1.00
2014	1	1	3.80	4.84	3.82	3.94	1.00	1.00
2015	1	1	3.98	4.92	3.99	4.07	1.00	1.00
2016	1	1	4.12	5.03	4.13	4.18	1.00	1.00
2017	1	1	4.22	5.11	4.23	4.28	1.00	1.00
2018	1	1	4.32	5.22	4.33	4.43	1.00	1.00
2019	1	1	4.40	5.34	4.42	4.47	1.00	1.00
2020	1	1	4.52	5.42	4.53	4.68	1.00	1.00
2021	1	1	4.82	5.56	4.83	4.85	1.00	1.00
2022	1	1	4.69	5.49	4.70	4.93	1.00	1.00
2023	1	1	4.78	5.46	4.79	5.02	1.00	1.00
2024	1	1	4.87	5.55	4.88	5.11	1.00	1.00

\* THIS COLUMN IS USED ONLY FOR LOAD SHIFTING PROGRAMS WHICH SHIFT CONSUMPTION TO OFF-PEAK PERIODS  
THE VALUES REPRESENT THE OFF PEAK SYSTEM FUEL COSTS

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AVOIDED GENERATING BENEFITS  
PROGRAM METHOD SELECTED REV. REQ  
PROGRAM NAME ██████████ - Business Custom Incentive

YEAR	(2) AVOIDED GEN UNIT CAPACITY COST \$(000)	(3) AVOIDED GEN UNIT FIXED O&M \$(000)	(4) AVOIDED GEN UNIT VARIABLE O&M \$(000)	(5) AVOIDED GEN UNIT FUEL COST \$(000)	(6) REPLACEMENT FUEL COST \$(000)	(7) AVOIDED GEN UNIT BENEFITS \$(000)
2001	0	0	0	0	0	0
2002	0	0	0	0	0	0
2003	0	0	0	0	0	0
2004	0	0	0	0	0	0
2005	9	4	0	14	17	10
2006	9	4	0	14	17	9
2007	8	4	0	14	17	9
2008	8	4	0	15	18	9
2009	8	4	0	16	19	9
2010	7	4	0	17	19	9
2011	7	5	0	17	20	9
2012	7	5	0	17	20	9
2013	7	5	0	18	20	9
2014	6	5	0	18	20	10
2015	6	5	0	18	20	10
2016	6	5	0	18	20	10
2017	6	5	0	18	20	10
2018	5	6	0	19	20	10
2019	5	6	0	19	20	10
2020	5	7	0	19	21	10
2021	5	7	0	20	22	10
2022	4	7	0	20	22	10
2023	4	8	0	21	22	10
2024	4	8	0	21	23	11

NOM	126	109	1	352	395	193
NPV	52	36	0	124	141	71

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AVOIDED T&O AND PROGRAM FUEL SAVINGS  
PROGRAM METHOD SELECTED REV\_REQ  
PROGRAM NAME ██████████ Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8a)*
YEAR	AVOIDED TRANSMISSION CAP COST \$(000)	AVOIDED TRANSMISSION O&M COST \$(000)	TOTAL AVOIDED TRANSMISSION COST \$(000)	AVOIDED DISTRIBUTION CAP COST \$(000)	AVOIDED DISTRIBUTION O&M COST \$(000)	TOTAL AVOIDED DISTRIBUTION COST \$(000)	PROGRAM FUEL SAVINGS \$(000)	PROGRAM OFF-PEAK PAYBACK \$(000)
2001	0	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	1	0
2003	1	0	1	0	0	1	1	0
2004	1	0	1	0	0	1	1	0
2005	1	0	1	0	0	1	1	0
2006	1	0	1	0	0	1	1	0
2007	1	0	1	0	0	1	1	0
2008	1	0	1	0	0	1	1	0
2009	1	0	1	0	0	1	1	0
2010	1	0	1	0	0	1	1	0
2011	1	0	1	0	0	1	1	0
2012	1	0	1	0	0	1	1	0
2013	0	0	1	0	0	1	1	0
2014	0	0	1	0	0	1	1	1
2015	0	0	1	0	0	1	1	1
2016	0	0	1	0	0	1	1	1
2017	0	0	1	0	0	1	1	1
2018	0	0	1	0	0	1	1	1
2019	0	0	1	0	0	1	1	1
2020	0	0	1	0	0	1	1	1
2021	0	0	1	0	0	1	1	1
2022	0	0	1	0	0	1	1	1
2023	0	0	1	0	0	1	1	1
2024	0	0	1	0	0	1	1	1

NQM	11	7	17	6	7	14	17	12
NPV	5	2	7	3	3	6	7	5

\* THESE VALUES REPRESENT THE COST OF THE INCREASED FUEL CONSUMPTION DUE TO GREATER OFF-PEAK ENERGY USAGE USED FOR LOAD SHIFTING PROGRAMS ONLY

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TOTAL RESOURCE COST TEST  
PROGRAM METHOD SELECTED: REV\_REQ  
PROGRAM NAME ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
YEAR	INCREASED SUPPLY COSTS \$(000)	UTILITY PROGRAM COSTS \$(000)	PARTICIPANT PROGRAM COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	AVOIDED GEN UNIT BENEFITS \$(000)	AVOIDED T&D BENEFITS \$(000)	PROGRAM FUEL SAVINGS \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	0	0	0	0	0	0	0	0	0	0	0	0
2002	0	1	12	0	13	0	0	0	0	0	(13)	(12)
2003	0	0	0	0	0	0	2	0	0	2	2	(10)
2004	0	0	0	0	0	0	2	0	0	2	2	(9)
2005	0	0	0	0	0	10	2	0	0	11	11	(1)
2006	0	0	0	0	0	9	1	0	0	11	11	7
2007	0	0	0	0	0	9	1	0	0	11	11	14
2008	0	0	0	0	0	9	1	0	0	11	11	20
2009	0	0	0	0	0	9	1	0	0	11	11	25
2010	0	0	0	0	0	9	1	0	0	11	11	30
2011	0	0	0	0	0	9	1	0	0	11	11	35
2012	0	0	0	0	0	9	1	0	0	11	11	40
2013	0	0	0	0	0	9	1	0	0	11	11	44
2014	0	0	0	0	0	10	1	0	0	11	11	48
2015	0	0	0	0	0	10	1	0	0	11	11	52
2016	0	0	0	0	0	10	1	0	0	11	11	55
2017	0	0	0	0	0	10	1	0	0	11	11	58
2018	0	0	0	0	0	10	1	0	0	12	12	61
2019	0	0	0	0	0	10	1	0	0	11	11	64
2020	0	0	0	0	0	10	1	0	0	11	11	66
2021	0	0	0	0	0	10	1	0	0	12	(10)	60
2022	0	2	20	0	22	10	1	0	0	12	12	68
2023	0	0	0	0	0	10	1	0	0	12	12	70
2024	0	0	0	0	0	-11	1	0	0	12	12	70

MOM	0	3	32	0	35	193	31	0	0	230	185
NPV	0	1	15	0	16	71	13	3	0	86	70

Discount Rate  
Benefit/Cost Ratio (Col(11) / Col(6))

8.50 %  
Benefit/Cost Ratio: 1.36

1  
2  
3

PARTICIPANT COSTS AND BENEFITS  
 PROGRAM METHOD SELECTED REV\_REQ  
 PROGRAM NAME ██████████ - Business Custom Incentive

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
YEAR	SAVINGS IN PARTICIPANTS BILLS \$(000)	TAX CREDITS \$(000)	UTILITY REBATES \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	CUSTOMER EQUIPMENT COSTS \$(000)	CUSTOMER O&M COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	0	0	0	0	0	0	0	0	0	0	0
2002	2	0	2	0	5	12	0	0	12	(8)	(7)
2003	5	0	0	0	5	0	0	0	0	5	(3)
2004	5	0	0	0	5	0	0	0	0	5	1
2005	5	0	0	0	5	0	0	0	0	5	4
2006	5	0	0	0	5	0	0	0	0	5	7
2007	5	0	0	0	5	0	0	0	0	5	10
2008	5	0	0	0	5	0	0	0	0	5	13
2009	5	0	0	0	5	0	0	0	0	5	15
2010	4	0	0	0	4	0	0	0	0	4	17
2011	4	0	0	0	4	0	0	0	0	4	19
2012	4	0	0	0	4	0	0	0	0	4	21
2013	4	0	0	0	4	0	0	0	0	4	23
2014	4	0	0	0	4	0	0	0	0	4	24
2015	4	0	0	0	4	0	0	0	0	4	25
2016	4	0	0	0	4	0	0	0	0	4	27
2017	4	0	0	0	4	0	0	0	0	4	28
2018	4	0	0	0	4	0	0	0	0	4	29
2019	4	0	0	0	4	0	0	0	0	4	30
2020	4	0	0	0	4	0	0	0	0	4	30
2021	4	0	0	0	4	0	0	0	0	4	31
2022	4	0	2	0	6	20	0	0	20	(14)	29
2023	4	0	0	0	4	0	0	0	0	4	29
2024	4	0	0	0	4	0	0	0	0	4	30

NOM	97	0	4	0	101	32	0	0	32	69
NPV	43	0	2	0	45	15	0	0	15	30

In Service of Gen Unit  
 Discount Rate  
 Benefit/Cost Ratio (Col(6) / Col(10))

2005  
 6.50 %  
 0.22

1  
2  
3

RATE IMPACT TEST  
PROGRAM METHOD SELECTED REV\_REO  
PROGRAM NAME ██████████ - Business Custom Incentive

(1) YEAR	(2) INCREASED SUPPLY COSTS \$(000)	(3) UTILITY PROGRAM COSTS \$(000)	(4) INCENTIVES \$(000)	(5) REVENUE LOSSES \$(000)	(6) OTHER COSTS \$(000)	(7) TOTAL COSTS \$(000)	(8) AVOIDED GEN UNIT & FUEL BENEFITS \$(000)	(9) AVOIDED T&D BENEFITS \$(000)	(10) REVENUE GAINS \$(000)	(11) OTHER BENEFITS \$(000)	(12) TOTAL BENEFITS \$(000)	(13) NET BENEFITS \$(000)	(14) CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2001	0	0	0	0	0	0	0	0	0	0	0	0	0
2002	0	1	2	2	0	6	0	0	0	0	0	(5)	(5)
2003	0	0	0	5	0	5	0	2	0	0	2	(3)	(7)
2004	0	0	0	5	0	5	0	2	0	0	2	(2)	(10)
2005	0	0	0	5	0	5	10	2	0	0	11	7	(5)
2006	0	0	0	5	0	5	10	1	0	0	11	7	(1)
2007	0	0	0	5	0	5	10	1	0	0	11	6	3
2008	0	0	0	5	0	5	10	1	0	0	11	6	7
2009	0	0	0	5	0	5	9	1	0	0	10	6	10
2010	0	0	0	4	0	4	9	1	0	0	10	6	13
2011	0	0	0	4	0	4	10	1	0	0	11	7	16
2012	0	0	0	4	0	4	10	1	0	0	11	7	19
2013	0	0	0	4	0	4	10	1	0	0	11	7	21
2014	0	0	0	4	0	4	10	1	0	0	11	7	24
2015	0	0	0	4	0	4	10	1	0	0	11	7	26
2016	0	0	0	4	0	4	10	1	0	0	11	7	28
2017	0	0	0	4	0	4	10	1	0	0	11	7	30
2018	0	0	0	4	0	4	10	1	0	0	11	7	32
2019	0	0	0	4	0	4	10	1	0	0	11	7	34
2020	0	0	0	4	0	4	10	1	0	0	11	7	36
2021	0	0	0	4	0	4	10	1	0	0	11	7	37
2022	0	2	2	4	0	8	10	1	0	0	12	4	38
2023	0	0	0	4	0	4	10	1	0	0	12	8	39
2024	0	0	0	4	0	4	11	1	0	0	12	8	40

NOM	0	3	4	97	0	104	199	31	0	0	230	126
NPV	0	1	2	43	0	48	73	13	0	0	86	40

Discount Rate  
Benefit/Cost Ratio (Col(12) / Col(7))

6.50 %  
- 1.87 -



**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** *Commercial/Industrial Building Envelope Program*

**Program Description:** A program designed to encourage eligible commercial and industrial customers to increase the efficiency of the qualifying portion of their building's envelope, in order to reduce HVAC energy consumption and demand.

**Program accomplishments for January through December 2002:** During this period total reduction was 2,853 kW. The estimate for the period was 2,375 kW.

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$730,840 or \$1,424 less than projected. This program is deemed on target with a less than one-percent variance.

**Program Progress Summary:** Program inception to date, total reduction is 28,349 kW.

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Exhibit No. \_\_\_\_\_  
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## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** Conservation Research & Development Program

**Program Description:** A program designed to evaluate emerging conservation technologies to determine which are worthy of pursuing for program development and approval.

**Program Accomplishments for January through December 2002:** This period included the continuation of technology assessment of products/concepts for potential DSM opportunities. (See supplement for current concepts).

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$414,758 or \$129,213 more than projected due to pending receipt of credit from EPRI.

**Program Progress Summary:** The attached listing details FPL's activities during this period. A petition was filed and approved extending this program through December 2003.

**Supplement to Schedule CT-6**  
Conservation Research & Development (CRD) Activities

<b>Technology Assessment</b>	<b>Description</b>	<b>Status</b>
Desiccant-enhanced air conditioning	The Cromer Cycle project, which tested a new application for desiccant wheels as a retrofit in air handlers, was completed. Interior humidity was reduced, but energy consumption increased in this prototype test. In spring 2002 this project was extended to a test of an Energy Recovery Ventilator which recovers sensible and latent heat from building exhaust air. That project is continuing through 2003.	Application test has been completed, and a test of a membrane heat exchanger technology called an Energy Recovery Ventilator (ERV) is in progress. The ERV technology looks promising.
<b>HVAC technologies</b> <ul style="list-style-type: none"><li>• A/C System maintenance</li><li>• Enhanced filtration</li><li>• Other</li></ul>	The test of the Adsil a/c condenser coil cleaning & protective coating process has been completed. The technology began saving a significant amount of energy in the later years of coil life, but the payback was excessively long in applications with normal coil life expectancy. A test of keeping a/c evaporator coils clean using ultraviolet (UV) lights could not measure a significant savings in application with normal annual coil maintenance. The test of the Ion Collider refrigerant enhancer showed no significant savings.	Both the Adsil and UV Light maintenance/filtration tests are complete. The Ion Collider test is also complete with no savings observed. No follow-up is planned for these three technologies at this time.

**Supplement to Schedule CT-6**  
Conservation Research & Development (CRD) Activities

<b>Building envelope technologies</b>	No building envelope R&D projects were active during calendar year 2002.	No building envelope R&D projects were active during calendar year 2002.
<b>Renewable Energy</b>	Researching various renewable energy technologies to determine energy and economic impacts on customers and FPL.	Fuel Cell Demo Project: Installed a 5 kW residential fuel cell at Birch State Park. Unit was grid connected November 2002 and is being monitored for 1 year.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: BuildSmart Program**

**Program Description:** The objective of this program is to encourage the design and construction of energy-efficient homes that cost effectively reduce FPL's coincident peak load and customer energy consumption.

**Program Accomplishments for the period January through December 2002:** During this period program accomplishments included 1,303 homes. The estimate for this period was 1,475 homes

**Program Fiscal Expenditures for January through December 2002:** Total expenditures (net of revenues) were \$421,382 or \$122,276 less than projected due to lower than anticipated promotional expenses.

**Program Progress Summary:** Program inception to date, 3,781 homes have been completed.

**PROGRAM DESCRIPTION AND PROGRESS**

**Project Title: Low Income Weatherization Retrofit Project**

**Project Description:** The objective of this project is to investigate cost-effective methods of increasing the energy efficiency of FPL's low-income customers. The research project addresses the needs of low-income housing retrofits by providing monetary incentives to housing authorities, both Weatherization Agency Providers, (WAPs), and non-WAPs, for individual homes they are retrofitting. The pilot consists of 500 installations.

**Project Accomplishments for the period January through December 2002:** The 500 pilot homes have been retrofitted.

**Project Fiscal Expenditures for January through December 2002:** Total expenditures were \$154,834 or \$26,446 less than projected due to timing of expenditures.

**Project Progress Summary:** This project is in the evaluation stage. Recommendations on the future of the program will be made to the Florida Public Service Commission in 2003.

## PROGRAM DESCRIPTION AND PROGRESS

### **Project Title: Photovoltaic Research, Development and Education Project**

**Project Description:** The objective of this project is to work with customers to install five to ten photovoltaic roof systems. These installations will be monitored to provide data to determine the durability of this technology and its impact on FPL's electric system. Demand and energy data will be collected to better understand the coincidence between PV roof tile system output and FPL's system peaks as well as the energy capabilities of roof tile PV systems. The data collected will also be used to assess the customers' financial benefit of PV roof tile systems.

**Project Accomplishments for the period January through December 2002:** During this period five of seven sites have been installed and are being monitored. Of those five initial PV sites, one site was retired due to lack of monitoring data, meanwhile an additional PV site was recently activated bringing the total number of monitored sites back up to a total of five sites. Of the remaining two sites, one site is pending a Certificate of Occupancy to commence monitoring and on the seventh site, building construction was postponed thereby excluding that project.

**Project Fiscal Expenditures for January through December 2002:** Total expenditures were \$99,797 or \$14,430 less than expected due to overestimating customer related expenses.

**Project Progress Summary:** Five sites have been installed and are being monitored. FPL has also conducted three training sessions titled PV Training for Code Officials.

Docket No. 030002-EG  
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## PROGRAM DESCRIPTION AND PROGRESS

**Project Title: Green Energy Project**

**Project Description:** Under this project FPL will determine customer acceptance of green pricing rates, investigate, and if determined by FPL to be feasible, design and implement a Green Energy Program.

**Project Accomplishments for the period January through December 2002:** FPL has determined that there is customer acceptance and desire for a Green Power pricing program and has also received renewable bids. FPL is continuing its program and infrastructure development for a Green Power-pricing pilot.

**Project Fiscal Expenditures for January through December 2002:** Total expenditures were \$168,880 or \$20,684 more than projected due to underestimating payroll needs.

**Project Progress Summary:** A petition was submitted on May 3, 2002 for a declaratory statement (Docket No. 020397-EQ) asking whether FPL may pay higher than avoided costs for Green Pricing sources. A favorable order was received on August 6, 2002.



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Exhibit No. \_\_\_\_\_  
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**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** Common Expenses

**Program Description:** Expenses common to all programs.

**Program Accomplishments:** N/A

**Program Fiscal Expenditures for January through December 2002:** Total expenditures were \$13,950,991 or \$1,176,458 less than projected due to overestimating outside service and payroll expenses.

**Program Progress Summary:** N/A

APPENDIX A

# beber silverstein & partners

## Radio COPY

**CLIENT:** FPL

**PRODUCT:** Business Energy Evaluation-English

**DESCRIPT:** :60 Business Save For Radio

**Bob:** Hi, I am Bob from FPL.

**Theater Lady:** Hi Bob, Welcome to the Miracle Theater.

**Bob:** If FPL could save your business money, what would you do with the savings?

**Theater Manager:** We could spend our money on costumes, sound equipment.

**Store manager:** I would probably change my displays.

**Car dealer Manager:** Bonus for the employees.

**Bob:** How about here at the hotel?

**Hotel Manager:** Linens, pillows, bar supplies...

**Eyes Doctor:** I would like to invest more in the Laser technology that is coming in dentistry.

**Office man:** New Fax machine.

**Pet Store:** More inventory, lots more inventory.

**Accounting Lady:** I would like to reward my staff.

**Bob:** Oh you like that?

**Accounting Lady II:** Yeah, Oh yeah.

**Narrator:** FPL has lots of ways to help keep your electric bills down. Programs like bill analysis, cooling rebates and lighting incentives. No matter how small or large your business FPL can help you save energy. So call 1-800-FPL-5566 to schedule your free business

**Bob:** So, your business had an energy evaluation

**Stylist Lady:** They went around, they showed us in each place how we could save money. It cost me nothing to save me 20%, I like that.

**Bob:** You know how much I like savings

**Stylist Lady:** You go it!

**Bob:** Now, here at the beauty salon, what could you do to improve my looks?

**Stylist Lady:** You got all day?

**Laughs**

- 1 A Business Energy Evaluation (BEE) was conducted at [REDACTED] on November 9, 1999.
- 2 The [REDACTED] experienced a kWh reduction in all but two months of the twelve months following the
- 3 BEE. The [REDACTED] also reduced or maintained their kW demand in eleven of the twelve months
- 4 following the BEE.
- 5 The customer's unprompted testimonial of 20% savings as the result of the BEE was taped in
- 6 December 2000, following a month in which she'd experienced a 34% reduction in kWh usage
- 7 and a 20% reduction in kW demand over that month's figures during the prior year. Overall,
- 8 the changes made in the salon's energy consumption provided consistent energy use reductions
- 9 resulting in a 10% reduction in kWh usage and an 8% reduction in average kW demand in the
- 10 twelve months following the BEE.

The following table compares the twelve month usage before and after BEE:

A		B	C	D	E	F	G	H	I	J
Before Conducting BEE			After Conducting BEE			kWh	% kWh	kW	% kW	
Date	kWh	kW	Date	kWh	kW	Difference	Difference	Difference	Difference	
Dec-98	[REDACTED]	[REDACTED]	Dec-99	[REDACTED]	[REDACTED]	(1,294)	-12%	5	11%	
Jan-99	[REDACTED]	[REDACTED]	Jan-00	[REDACTED]	[REDACTED]	(234)	-2%	(1)	-2%	
Feb-99	[REDACTED]	[REDACTED]	Feb-00	[REDACTED]	[REDACTED]	(157)	-2%	(5)	-10%	
Mar-99	[REDACTED]	[REDACTED]	Mar-00	[REDACTED]	[REDACTED]	629	7%	0	0%	
Apr-99	[REDACTED]	[REDACTED]	Apr-00	[REDACTED]	[REDACTED]	(30)	0%	0	0%	
May-99	[REDACTED]	[REDACTED]	May-00	[REDACTED]	[REDACTED]	(2,791)	-25%	(5)	-10%	
Jun-99	[REDACTED]	[REDACTED]	Jun-00	[REDACTED]	[REDACTED]	(1,109)	-10%	0	0%	
Jul-99	[REDACTED]	[REDACTED]	Jul-00	[REDACTED]	[REDACTED]	(1,402)	-12%	(5)	-10%	
Aug-99	[REDACTED]	[REDACTED]	Aug-00	[REDACTED]	[REDACTED]	(1,918)	-16%	(10)	-20%	
Sep-99	[REDACTED]	[REDACTED]	Sep-00	[REDACTED]	[REDACTED]	(1,872)	-16%	(10)	-20%	
Oct-99	[REDACTED]	[REDACTED]	Oct-00	[REDACTED]	[REDACTED]	1,002	9%	(5)	-10%	
Nov-99	[REDACTED]	[REDACTED]	Nov-00	[REDACTED]	[REDACTED]	(3,906)	-34%	(10)	-20%	
Total kWh	[REDACTED]	[REDACTED]		[REDACTED]	[REDACTED]	(13,082)	-10%			
Avg. Monthly kW	[REDACTED]	[REDACTED]		[REDACTED]	[REDACTED]			(4)	-8%	

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Florida Power & Light Co.  
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C-2, Pages 4 - 8, of 8, Line 1	Ken Getchell
C-2, Pages 4 - 8, of 8, Lines 2 - 10	Korel M. Dubin
C-3, Pages 1a - 1c, of 10	Ken Getchell
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FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET  
NO. 030002-EI EXHIBIT NO. Comp. Ex #1  
COMPANY/ FPL  
WITNESS: Ken Getchell, KG2:  
DATE: 11/12-13/03

**Energy Conservation Cost Recovery  
 Summary of ECCR Calculation  
 for the Period:  
 January 2004 through December 2004**

	<u>TOTAL COSTS</u>
1. Projected Costs (Schedule C-2, pg. 3, line 23)	<b>158,171,640</b>
2. True-up Over/(Under) Recoveries (Schedule C-3, pg 9, line 11)	<b><u>20,719,771</u></b>
3. Subtotal (line 1 minus line 2)	137,451,869
4. Less Load Management Incentives Not Subject To Revenue Taxes	<b><u>79,962,615</u></b>
5. Project Costs Subject To Revenue Taxes (line 3 minus line 4)	57,489,254
6. Revenue Tax Multiplier	1.01597
7. Subtotal (line 5 * line 6)	<b><u>58,407,358</u></b>
8. Total Recoverable Costs (line 7+ line 4)	<b><u>138,369,973</u></b>

Costs are split in proportion to the current period split of demand-related (69.16%) and energy-related (30.84%) costs. The allocation of ECCR costs between demand and energy is shown on schedule C-2, page 2 of 8, and is consistent with the methodology set forth in Order No. PSC-93-1845-FOF-EG.

9. Total Cost	138,369,973
10. Energy Related Costs	42,673,300
11. Demand-Related Costs (total)	95,696,673
12. Demand costs allocated on 12 CP (Line 11/13 * 12)	88,335,390
13. Demand Costs allocated on 1/13 th (Line 11/13)	7,361,283

**FLORIDA POWER & LIGHT COMPANY  
CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS  
JANUARY 2004 THROUGH DECEMBER 2004**

Rate Class	(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 (%)
RS1	62.965%	53,694,499,279	9,734,788	1.094491480	1.07375594	57,654,787,546	10,654,642	53.28639%	58.10925%
GS1	64.280%	6,085,869,172	1,080,793	1.094491480	1.07375594	6,534,738,174	1,182,919	6.03961%	6.45151%
GSD1	74.244%	22,784,873,809	3,503,331	1.094385810	1.07367680	24,463,590,399	3,833,996	22.61003%	20.91019%
OS2	63.104%	22,034,093	3,986	1.058840950	1.04655264	23,059,838	4,221	0.02131%	0.02302%
GSLD1/CS1	79.544%	10,444,350,417	1,498,890	1.092873810	1.07253706	11,201,952,890	1,638,098	10.35320%	8.93401%
GSLD2/CS2	83.996%	1,721,709,924	233,990	1.085065690	1.06615414	1,835,608,163	253,895	1.69653%	1.38471%
GSLD3/CS3	84.848%	180,075,156	24,227	1.028960170	1.02363751	184,331,684	24,929	0.17037%	0.13596%
ISST1D	77.366%	0	0	1.094827488	1.05371640	0	0	0.00000%	0.00000%
SST1T	107.912%	146,444,940	15,492	1.028960170	1.02363751	149,906,534	15,940	0.13855%	0.08694%
SST1D	77.366%	58,882,752	8,688	1.064917780	1.05342951	62,028,828	9,252	0.05733%	0.05046%
CILC D/CILC G	90.386%	3,462,136,755	437,259	1.082677590	1.06493286	3,686,943,196	473,411	3.40759%	2.58193%
CILC T	96.508%	1,591,014,236	188,194	1.028960170	1.02363751	1,628,621,851	193,645	1.50522%	1.05612%
MET	65.506%	93,722,226	16,333	1.058840950	1.04655264	98,085,243	17,294	0.09065%	0.09432%
OL1/SL1/PL1	290.896%	551,019,353	21,623	1.094491480	1.07375594	591,660,303	23,667	0.54683%	0.12908%
SL2	99.875%	76,974,890	8,798	1.094491480	1.07375594	82,652,246	9,629	0.07639%	0.05252%
<b>TOTAL</b>		<b>100,913,607,000</b>	<b>16,776,394</b>			<b>108,197,966,894</b>	<b>18,335,537</b>	<b>100.00%</b>	<b>100.00%</b>

- (1) AVG 12 CP load factor based on actual calendar data
- (2) Projected kwh sales for the period January 2004 through December 2004
- (3) Calculated: Col (2)/(8760 hours \* Col (1)) , 8760 hours = annual hours
- (4) Based on 2002 demand losses
- (5) Based on 2002 energy losses
- (6) Col (2) \* Col (5)
- (7) Col (3) \* Col (4)
- (8) Col (6) / total for Col (6)
- (9) Col (7) / total for Col (7)

Note: Totals may not add due to rounding.

**FLORIDA POWER & LIGHT COMPANY  
CALCULATION OF ENERGY CONSERVATION FACTORS  
JANUARY 2004 THROUGH DECEMBER 2004**

Rate Class	(1) Percentage of Sales at Generation (%)	(2) Percentage of Demand at Generation (%)	(3) Demand Allocation 12CP (\$)	(4) 1/13 th (\$)	(5) Energy Allocation (\$)	(6) Total Conservation Costs (\$)	(7) Projected Sales at Meter (kwh)	(8) Conservation Recovery Factor (\$/kwh)
RS1	53.28639%	58.10925%	\$51,331,029	\$3,922,562	\$22,739,060	\$77,992,651	53,694,499,279	0.00145
GS1	6.03961%	6.45151%	\$5,698,967	\$444,593	\$2,577,302	\$8,720,862	6,085,869,172	0.00143
GSD1	22.61003%	20.91019%	\$18,471,098	\$1,664,388	\$9,648,445	\$29,783,931	22,784,873,809	0.00131
OS2	0.02131%	0.02302%	\$20,333	\$1,569	\$9,095	\$30,997	22,034,093	0.00141
GSLD1/CS1	10.35320%	8.93401%	\$7,891,890	\$762,128	\$4,418,052	\$13,072,070	10,444,350,417	0.00125
GSLD2/CS2	1.69653%	1.38471%	\$1,223,191	\$124,886	\$723,964	\$2,072,041	1,721,709,924	0.00120
GSLD3/CS3	0.17037%	0.13596%	\$120,101	\$12,541	\$72,700	\$205,342	180,075,156	0.00114
ISST1D	0.00000%	0.00000%	\$0	\$0	\$0	\$0	0	0.00000
SST1T	0.13855%	0.08694%	\$76,796	\$10,199	\$59,123	\$146,118	146,444,940	0.00100
SST1D	0.05733%	0.05046%	\$44,575	\$4,220	\$24,464	\$73,259	58,882,752	0.00124
CILC D/CILC G	3.40759%	2.58193%	\$2,280,758	\$250,842	\$1,454,131	\$3,985,731	3,462,136,755	0.00115
CILC T	1.50522%	1.05612%	\$932,924	\$110,804	\$642,329	\$1,686,057	1,591,014,236	0.00106
MET	0.09065%	0.09432%	\$83,316	\$6,673	\$38,685	\$128,674	93,722,226	0.00137
OL1/SL1/PL1	0.54683%	0.12908%	\$114,019	\$40,254	\$233,351	\$387,624	551,019,353	0.00070
SL2	0.07639%	0.05252%	\$46,392	\$5,623	\$32,598	\$84,613	76,974,890	0.00110
<b>TOTAL</b>			<b>\$88,335,390</b>	<b>\$7,361,283</b>	<b>\$42,673,300</b>	<b>\$138,369,973</b>	<b>100,913,607,000</b>	<b>0.00137</b>

(1) Obtained from Schedule C-1, page 2 of 3, Col (8)

(2) Obtained from Schedule C-1, page 2 of 3, Col (9)

(3) Total from C-1, page 1, line 12 X Col (2)

(4) Total from C-1, page 1, line 13 X Col (1)

(5) Total from C-1, page 1, line 10 X Col (1)

(6) Total Conservation Costs

(7) Projected kwh sales for the period January 2004 through December 2004, From C-1 Page 2, Total of Column 2

(8) Col (6) / (7)

Note: Totals may not add due to rounding.



**CONSERVATION PROGRAM COSTS**  
**January 2004 through June 2004 Projection**

Program Title	January	February	March	April	May	June	Sub-Total (6 Mo.)
1. Residential Conservation Service Program	\$ 934,843	\$ 898,747	\$ 1,038,248	\$ 943,141	\$ 973,546	1,068,804	\$ 5,857,329
2. Residential Building Envelope Program	247,431	271,844	263,128	279,931	258,633	220,364	1,541,331
3. Residential Load Management ("On Call")	4,532,108	4,287,811	4,288,041	6,417,525	6,711,593	6,650,902	32,887,980
4. Duct System Testing & Repair Program	147,872	185,599	202,847	208,816	216,838	161,337	1,123,309
5. Residential Air Conditioning Program	1,112,206	1,043,824	1,161,461	1,404,454	1,587,457	1,381,471	7,690,873
6. Business On Call Program	85,537	98,473	105,242	312,971	315,740	317,877	1,235,840
7. Cogeneration & Small Power Production	30,506	30,459	31,211	30,259	43,943	31,034	197,412
8. Commercial/Industrial Efficient Lighting	71,020	121,305	95,062	94,905	76,483	60,227	519,002
9. Commercial/Industrial Load Control	2,341,745	2,422,663	2,395,714	2,596,234	2,617,816	2,596,257	14,970,429
10. C/I Demand Reduction	46,086	46,111	46,959	57,800	62,876	65,000	324,832
11. Business Energy Evaluation	149,518	564,013	219,731	344,327	610,561	424,048	2,312,198
12. C/I Heating, Ventilating & A/C Program	513,878	517,625	473,978	267,396	236,896	447,500	2,457,273
13. Business Custom Incentive Program	98,547	11,547	14,897	20,047	18,141	17,047	180,226
14. C/I Building Envelope Program	72,119	60,705	62,059	58,392	74,022	85,688	412,985
15. Conservation Research & Dev Program							0
16. BuildSmart Program	86,592	91,591	115,278	92,308	118,867	106,308	610,944
17. Low Income Weatherization R&D							0
18. Photovoltaic R&D							0
19. Green Energy Project							0
20. Common Expenses	1,006,122	978,483	1,673,436	1,027,057	1,311,804	1,091,391	7,088,293
21. Total All Programs	<u>\$ 11,476,130</u>	<u>\$ 11,630,800</u>	<u>\$ 12,187,292</u>	<u>\$ 14,155,563</u>	<u>\$ 15,235,216</u>	<u>\$ 14,725,255</u>	<u>\$ 79,410,256</u>
22. LESS: Included in Base Rates	<u>93,606</u>	<u>93,112</u>	<u>126,070</u>	<u>94,557</u>	<u>140,751</u>	<u>96,262</u>	<u>644,359</u>
23. Recoverable Conservation Expenses	<u>\$ 11,382,524</u>	<u>\$ 11,537,688</u>	<u>\$ 12,061,222</u>	<u>\$ 14,061,006</u>	<u>\$ 15,094,465</u>	<u>\$ 14,628,993</u>	<u>\$ 78,765,897</u>
Totals may not add due to rounding							

**CONSERVATION PROGRAM COSTS**  
**July 2004 through December 2004 Projection**

Program Title	July	August	September	October	November	December	Sub-Total (6 Mo.)	Total (12 Mo.)	Demand Costs	Energy Costs
1. Residential Conservation Service Program	\$ 1,296,762	\$ 814,110	\$ 1,089,412	\$ 904,861	\$ 893,331	\$ 591,911	\$ 5,590,387	\$ 11,447,716		\$ 11,447,716
2. Residential Building Envelope Program	241,829	317,450	202,281	223,834	199,347	97,457	1,282,198	2,823,529		2,823,529
3. Residential Load Management ("On Call")	6,499,343	6,482,966	6,512,550	6,428,609	4,270,887	4,046,717	34,241,072	67,129,052	67,129,052	
4. Duct System Testing & Repair Program	187,157	162,911	146,094	152,115	183,241	162,478	993,996	2,117,305		2,117,305
5. Residential Air Conditioning Program	1,761,704	1,862,904	1,543,250	1,534,027	1,521,665	974,208	9,197,758	16,888,631		16,888,631
6. Business On Call Program	329,106	327,423	342,224	337,512	90,246	84,033	1,510,544	2,746,384	2,746,384	
7. Cogeneration & Small Power Production	30,267	30,478	30,280	30,478	43,700	30,522	195,725	393,137		393,137
8. Commercial/Industrial Efficient Lighting	86,179	83,813	47,962	48,829	66,150	44,388	377,321	896,323		896,323
9. Commercial/Industrial Load Control	2,599,430	2,603,916	2,557,473	2,553,169	2,375,363	2,357,562	15,046,913	30,017,342	30,017,342	
10. C/I Demand Reduction	66,650	66,650	74,600	70,767	62,265	60,226	401,158	725,990	725,990	
11. Business Energy Evaluation	174,827	472,322	483,598	250,377	260,561	196,210	1,837,895	4,150,093		4,150,093
12. C/I Heating, Ventilating & A/C Program	253,797	254,788	225,692	368,787	190,556	538,858	1,832,478	4,289,751		4,289,751
13. Business Custom Incentive Program	1,647	3,547	2,347	1,147	2,041	1,047	11,776	192,002		192,002
14. C/I Building Envelope Program	78,123	66,933	59,123	48,447	50,110	32,643	335,379	748,364		748,364
15. Conservation Research & Dev Program							0	0		0
16. (a) BuildSmart Program	108,308	91,108	93,108	86,808	120,456	88,414	588,202	1,199,146		1,131,916
17. Low Income Weatherization R&D							0	0		0
18. Photovoltaic R&D							0	0		0
19. Green Energy Project							0	0		0
20. Common Expenses	1,040,417	1,008,061	1,094,709	1,042,132	1,357,884	1,112,299	6,655,502	13,743,795	9,487,092	4,256,703
21. Total All Programs	\$ 14,755,546	\$ 14,649,380	\$ 14,504,703	\$ 14,081,899	\$ 11,687,803	\$ 10,418,973	\$ 80,098,304	\$ 159,508,560	\$ 110,105,860	\$ 49,335,469
22. LESS: Included in Base Rates	97,934	98,693	98,161	96,955	139,904	93,684	625,330	1,269,689	\$719,893	\$549,796
23. Recoverable Conservation Expenses	\$ 14,657,612	\$ 14,550,687	\$ 14,406,542	\$ 13,984,944	\$ 11,547,899	\$ 10,325,289	\$ 79,472,974	\$ 158,238,871	\$ 109,385,967	\$ 48,785,673
(a) Expenses in "Energy Cost" column are net of program revenues of \$ (67,230) Totals may not add due to rounding										

**CONSERVATION PROGRAM COSTS**  
January 2004 through December 2004 Projection

Program Title	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Sub-Total	Program Revenues	Total for Period
1. Residential Conservation Service Program	\$ 20,235	\$ 5,442,467	\$ 32,864	\$ 510,244	\$ 4,819,588		\$ 30,060	\$ 592,258	\$ 11,447,716		\$ 11,447,716
2. Residential Building Envelope Program		216,552	1,780	49,894		2,520,000	432	34,871	2,823,529		2,823,529
3. Residential Load Management ("On Call")	13,357,803	1,355,478	746,560	1,423,189		49,207,857	13,072	1,025,293	67,129,052		67,129,052
4. Duct System Testing & Repair Program		837,522	7,164	133,996		1,402,297	6,300	(269,974)	2,117,305		2,117,305
5. Residential Air Conditioning Program		751,063	5,992	322,000		15,695,987	4,620	108,969	16,888,631		16,888,631
6. Business On Call Program	837,512	163,907		78,816		1,633,972	1,272	30,905	2,746,384		2,746,384
7. Cogeneration & Small Power Production		354,136		24,000				15,001	393,137		393,137
8. Commercial/Industrial Efficient Lighting		121,446	300	204,995		532,224	240	37,118	896,323		896,323
9. Commercial/Industrial Load Control	228,845	456,634	337,320	35,000		28,462,604		496,939	30,017,342		30,017,342
10. C/I Demand Reduction		55,217		7,000		658,182	432	5,159	725,990		725,990
11. Business Energy Evaluation		1,364,782	19,992	620,024	2,008,600		6,156	130,539	4,150,093		4,150,093
12. C/I Heating, Ventilating & A/C Program	4,035	591,358	1,455	186,600		3,370,933	6,512	128,858	4,289,751		4,289,751
13. Business Custom Incentive Program		12,832		17,750		160,300		1,120	192,002		192,002
14. C/I Building Envelope Program		147,702	200	45,000		528,273	1,032	26,157	748,364		748,364
15. Conservation Research & Dev Program									0		0
16. BuildSmart Program		798,808	1,000	220,780	60,000		7,008	111,550	1,199,146	(67,230)	1,131,916
17. Low Income Weatherization R&D									0		0
18. Photovoltaic R&D									0		0
19. Green Energy Project									0		0
20. Common Expenses	2,053,238	8,708,833	50,182	1,117,887			29,643	1,784,012	13,743,795		13,743,795
<b>21. Total All Programs</b>	<b>\$ 16,501,468</b>	<b>\$ 21,378,737</b>	<b>\$ 1,204,809</b>	<b>\$ 4,997,175</b>	<b>\$ 6,888,188</b>	<b>\$ 104,172,629</b>	<b>\$ 106,779</b>	<b>\$ 4,258,775</b>	<b>\$ 159,508,560</b>	<b>\$ (67,230)</b>	<b>\$ 159,441,330</b>
<b>22. LESS: Included in Base Rates</b>		<b>1,269,689</b>							<b>1,269,689</b>		<b>1,269,689</b>
<b>23. Recoverable Conservation Expenses</b>	<b>\$ 16,501,468</b>	<b>\$ 20,109,048</b>	<b>\$ 1,204,809</b>	<b>\$ 4,997,175</b>	<b>\$ 6,888,188</b>	<b>\$ 104,172,629</b>	<b>\$ 106,779</b>	<b>\$ 4,258,775</b>	<b>\$ 158,238,871</b>	<b>\$ (67,230)</b>	<b>\$ 158,171,640</b>
Totals may not add due to rounding											

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Residential Conservation Services - (Program No. 1)**  
**For the Projected Period January through December 2004**

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	Total	Line No.
1.	Investment (Net of Retirements)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	1
2.	Depreciation Base		117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	n/a	2.
3.	Depreciation Expense (a)		3,276	3,276	3,276	3,276	3,276	3,276	0	0	0	0	0	0	19,654	3.
4.	Cumulative Investment (Line 2)	\$117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	n/a	4.
5.	Less: Accumulated Depreciation (c)	98,271	101,547	104,822	108,098	111,374	114,649	117,925	117,925	117,925	117,925	117,925	117,925	117,925	n/a	5.
6.	Net Investment (Line 4 - 5)	\$19,654	\$16,378	\$13,103	\$9,827	\$6,551	\$3,276	(0)	(0)	(0)	(0)	(0)	(0)	(0)		6.
7.	Average Net Investment		\$18,016	\$14,740	\$11,465	\$8,189	\$4,913	1,638	(0)	(0)	(0)	(0)	(0)	(0)	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		69	56	44	31	19	6	(0)	(0)	(0)	(0)	(0)	(0)	225	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/ 61425)		112	92	71	51	31	10	(0)	(0)	(0)	(0)	(0)	(0)	366	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		66	54	42	30	18	6	(0)	(0)	(0)	(0)	(0)	(0)	214	8c.
9.	Total Return Requirements (Line 8b + 8c)		177	145	113	81	48	16	(0)	(0)	(0)	(0)	(0)	(0)	580	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$3,453	\$3,421	\$3,389	\$3,356	\$3,324	3,292	(0)	(0)	(0)	(0)	(0)	(0)	\$20,235	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Load Management - (Programs Nos. 3 & 6)**  
**For the Projected Period January through December 2004**

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	Total	Line No.
1.	Investments (Net of Retirements)		\$193,415	\$193,415	\$199,415	\$193,415	\$200,415	\$199,415	\$420,736	\$438,736	\$426,736	\$426,736	\$445,736	\$448,736	\$3,786,901	1.
2.	Depreciation Base		58,449,739	58,643,153	58,842,568	59,035,982	59,236,397	59,435,812	59,856,547	60,295,283	60,722,018	61,148,754	61,594,489	62,043,225	n/a	2.
3.	Depreciation Expense (a)		974,162	977,386	980,709	983,933	987,273	990,597	997,609	1,004,921	1,012,034	1,019,146	1,026,575	1,034,054	11,988,399	3.
4.	Cumulative Investment (Line 2)	\$58,256,324	58,449,739	58,643,153	58,842,568	59,035,982	59,236,397	59,435,812	59,856,547	60,295,283	60,722,018	61,148,754	61,594,489	62,043,225	n/a	4.
5.	Less: Accumulated Depreciation	35,176,550	36,150,712	37,128,098	38,108,808	39,092,741	40,080,014	41,070,611	42,068,220	43,073,141	44,085,175	45,104,321	46,130,896	47,164,949	n/a	5.
6.	Net Investment (Line 4 - 5)	\$23,079,774	\$22,299,026	\$21,515,055	\$20,733,760	\$19,943,242	\$19,156,383	\$18,365,201	\$17,788,327	\$17,222,141	\$16,636,843	\$16,044,433	\$15,463,594	\$14,878,276		6.
7.	Average Net Investment		22,689,400	21,907,041	21,124,408	20,338,501	19,549,812	18,760,792	18,076,764	17,505,234	16,929,492	16,340,638	15,754,013	15,170,935	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		86,522	83,539	80,554	77,557	74,550	71,541	68,933	66,753	64,558	62,312	60,075	57,852		
b.	Equity Comp. grossed up for taxes		140,858	136,001	131,143	126,264	121,367	116,469	112,223	108,674	105,100	101,445	97,803	94,183	1,391,530	
c.	Debt Component (Line 7 * 4.3642% /12)		82,518	79,672	76,826	73,968	71,099	68,230	65,742	63,664	61,570	59,428	57,295	55,174	815,185	
9.	Total Return Requirements (Line 8b + 8c)		223,376	215,674	207,969	200,231	192,467	184,699	177,965	172,338	166,670	160,873	155,097	149,357	2,206,715	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$1,197,538	\$1,193,060	\$1,188,678	\$1,184,164	\$1,179,740	\$1,175,296	\$1,175,574	\$1,177,259	\$1,178,704	\$1,180,019	\$1,181,672	\$1,183,411	\$14,195,115	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**ALLOCATION OF DEPRECIATION AND RETURN ON INVESTMENT BETWEEN PROGRAMS**

Residential On Call Program 3 (94.1%)	Depreciation	916,687	919,720	922,848	925,881	929,024	932,152	938,750	945,631	952,324	959,016	966,007	973,045	11,281,084
	Return	210,197	202,949	195,699	188,418	181,111	173,802	167,465	162,170	156,836	151,381	145,947	140,545	2,076,519
	<b>Total</b>	<b>1,126,883</b>	<b>1,122,669</b>	<b>1,118,546</b>	<b>1,114,299</b>	<b>1,110,135</b>	<b>1,105,953</b>	<b>1,106,215</b>	<b>1,107,801</b>	<b>1,109,160</b>	<b>1,110,398</b>	<b>1,111,954</b>	<b>1,113,590</b>	<b>13,357,603</b>
Business on Call Program 6 (5.9%)	Depreciation	57,476	57,666	57,862	58,052	58,249	58,445	58,859	59,290	59,710	60,130	60,568	61,009	707,316
	Return	13,179	12,725	12,270	11,814	11,356	10,897	10,500	10,168	9,834	9,491	9,151	8,812	130,196
	<b>Total</b>	<b>70,655</b>	<b>70,391</b>	<b>70,132</b>	<b>69,866</b>	<b>69,605</b>	<b>69,342</b>	<b>69,359</b>	<b>69,458</b>	<b>69,544</b>	<b>69,621</b>	<b>69,719</b>	<b>69,821</b>	<b>837,512</b>
Total	Depreciation	974,162	977,386	980,709	983,933	987,273	990,597	997,609	1,004,921	1,012,034	1,019,146	1,026,575	1,034,054	11,988,399
	Return	223,376	215,674	207,969	200,231	192,467	184,699	177,965	172,338	166,670	160,873	155,097	149,357	2,206,715
	<b>Total</b>	<b>1,197,538</b>	<b>1,193,060</b>	<b>1,188,678</b>	<b>1,184,164</b>	<b>1,179,740</b>	<b>1,175,296</b>	<b>1,175,574</b>	<b>1,177,259</b>	<b>1,178,704</b>	<b>1,180,019</b>	<b>1,181,672</b>	<b>1,183,411</b>	<b>14,195,115</b>

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Commercial Industrial Load Control (Program 9)**  
**For the Projected Period January through December 2004**

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	Total	Line No.
1.	Investment (Net of Retirements)		\$0	\$0	\$0	\$15,000	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000	1.
2.	Depreciation Base		\$800,855	\$800,855	\$800,855	\$815,855	\$815,855	\$820,855	\$820,855	\$820,855	\$820,855	\$820,855	\$820,855	\$820,855	n/a	2.
3.	Depreciation Expense (a)		13,348	13,348	13,348	13,598	13,598	13,681	13,681	13,681	13,681	13,681	13,681	13,681	163,004	3.
4.	Cumulative Investment (Line 2)	\$800,855	800,855	800,855	800,855	815,855	815,855	820,855	820,855	820,855	820,855	820,855	820,855	820,855	n/a	4.
5.	Less: Accumulated Depreciation (c)	175,773	189,121	202,468	215,816	229,413	243,011	256,692	270,373	284,054	297,735	311,416	325,096	338,777	n/a	5.
6.	Net Investment (Line 4 - 5)	\$625,082	\$611,734	\$598,387	\$585,039	\$586,442	\$572,844	\$564,163	\$550,482	\$536,801	\$523,120	\$509,440	\$495,759	\$482,078		6.
7.	Average Net Investment		\$618,408	\$605,061	\$591,713	\$585,740	\$579,643	\$568,504	\$557,323	\$543,642	\$529,961	\$516,280	\$502,599	\$488,918	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		2,358	2,307	2,256	2,234	2,210	2,168	2,125	2,073	2,021	1,969	1,917	1,864	25,503	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/ 61425)		3,839	3,756	3,673	3,636	3,598	3,529	3,460	3,375	3,290	3,205	3,120	3,035	41,519	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		2,249	2,201	2,152	2,130	2,108	2,068	2,027	1,977	1,927	1,878	1,828	1,778	24,322	8c.
9.	<b>Total Return Requirements (Line 8b + 8c)</b>		<b>6,088</b>	<b>5,957</b>	<b>5,825</b>	<b>5,767</b>	<b>5,707</b>	<b>5,597</b>	<b>5,487</b>	<b>5,352</b>	<b>5,217</b>	<b>5,083</b>	<b>4,948</b>	<b>4,813</b>	<b>65,841</b>	9.
10.	<b>Total Depreciation &amp; Return (Line 3 + 9)</b>		<b>\$19,436</b>	<b>\$19,304</b>	<b>\$19,173</b>	<b>\$19,364</b>	<b>\$19,304</b>	<b>\$19,278</b>	<b>\$19,168</b>	<b>\$19,033</b>	<b>\$18,898</b>	<b>\$18,764</b>	<b>\$18,629</b>	<b>\$18,494</b>	<b>\$228,845</b>	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**C/I Heating, Ventilating & A/C Program - (Program 12)**  
**For the Projected Period January through December 2004**

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	Total	Line No.
1.	Investment (Net of Retirements)														\$0	1.
2.	Depreciation Base		\$16,408	\$16,408	\$16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	n/a	2.
3.	Depreciation Expense (a)		271	271	271	271	271	271	271	271	271	271	271	271	3,252	3.
4.	Cumulative Investment (Line 2)	\$16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	n/a	4.
5.	Less: Accumulated Depreciation (c)	8,153	8,424	8,695	8,966	9,237	9,508	9,779	10,050	10,321	10,592	10,863	11,134	11,405	n/a	5.
6.	Net Investment (Line 4 - 5)	\$8,255	\$7,984	\$7,713	\$7,442	\$7,171	\$6,900	\$6,629	\$6,358	\$6,087	\$5,816	\$5,545	\$5,274	\$5,003		6.
7.	Average Net Investment		\$8,119	\$7,848	\$7,577	\$7,306	\$7,035	\$6,764	\$6,493	\$6,222	\$5,951	\$5,680	\$5,409	\$5,138	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		31	30	29	28	27	26	25	24	23	22	21	20	303	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/.61425)		50	49	47	45	44	42	40	39	37	35	34	32	494	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		30	29	28	27	26	25	24	23	22	21	20	19	289	8c.
9.	<b>Total Return Requirements (Line 8b + 8c)</b>		80	77	75	72	69	67	64	61	59	56	53	51	783	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$351	\$348	\$346	\$343	\$340	\$338	\$335	\$332	\$330	\$327	\$324	\$322	\$4,035	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Common Expenses (Program No. 20)**  
**For the Projected Period January through December 2004**

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	Total	Line No.
1.	Investment (Net of Retirements)		\$21,654	\$21,654	\$21,654	\$21,654	\$32,481	\$21,654	\$21,654	\$21,654	\$21,654	\$39,654	\$32,481	\$21,652	\$299,500	1.
2.	Depreciation Base		8,651,925	8,673,579	8,695,233	8,716,887	8,749,368	8,771,022	8,792,676	8,814,330	8,835,984	8,875,638	8,908,119	8,929,771	n/a	2.
3.	Depreciation Expense (a)		144,354	144,715	145,075	145,436	145,978	146,339	146,700	147,060	147,421	148,082	148,624	148,984	1,758,768	3.
4.	Cumulative Investment (Line 2)	8,630,271	8,651,925	8,673,579	8,695,233	8,716,887	8,749,368	8,771,022	8,792,676	8,814,330	8,835,984	8,875,638	8,908,119	8,929,771	n/a	4.
5.	Less: Accumulated Depreciation	5,405,148	5,549,502	5,694,216	5,839,292	5,984,728	6,130,706	6,277,044	6,423,744	6,570,804	6,718,226	6,866,308	7,014,931	7,163,916	n/a	5.
6.	Net Investment (Line 4 - 5)	\$3,225,123	\$3,102,423	\$2,979,362	\$2,855,942	\$2,732,158	\$2,618,662	\$2,493,977	\$2,368,932	\$2,243,525	\$2,117,758	\$2,009,330	\$1,893,187	\$1,765,855		6.
7.	Average Net Investment		\$3,163,773	\$3,040,893	\$2,917,652	\$2,794,050	\$2,675,410	\$2,556,319	\$2,431,454	\$2,306,228	\$2,180,642	\$2,063,544	\$1,951,258	\$1,829,521	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		12,065	11,596	11,126	10,655	10,202	9,748	9,272	8,794	8,316	7,869	7,441	6,977	114,060	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/.61425)		19,641	18,878	18,113	17,346	16,609	15,870	15,095	14,317	13,538	12,811	12,114	11,358	185,689	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		11,506	11,059	10,611	10,161	9,730	9,297	8,843	8,387	7,931	7,505	7,096	6,654	108,780	8c.
9.	Total Return Requirements (Line 8b + 8c)		31,147	29,937	28,724	27,507	26,339	25,167	23,938	22,705	21,468	20,315	19,210	18,012	294,470	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$175,501	\$174,852	\$173,800	\$172,944	\$172,317	\$171,505	\$170,637	\$169,765	\$168,890	\$168,398	\$167,834	\$166,996	\$2,053,238	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.



**CONSERVATION PROGRAM COSTS**  
 January 2003 through July 2003: ACTUAL  
 August 2003 through December 2003: ESTIMATED

Program Title	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Sub-Total	Program Revenues	Total for Period
<b>1. Residential Conservation Service Program</b>											
Actual	\$ 24,918	\$ 2,263,435	\$ 8,276	\$ 243,118	\$ 2,497,186	\$	\$ 18,582	\$ 254,507	\$ 5,308,022	\$	\$ 5,308,022
Estimated	17,749	1,838,360	8,980	336,566	2,322,866		12,450	215,925	4,752,896		4,752,896
Total	42,667	4,101,795	15,256	579,684	4,820,052		31,032	470,432	10,060,918		10,060,918
<b>2. Residential Building Envelope Program</b>											
Actual		145,859	236	29,023		1,530,109	932	12,561	1,718,720		1,718,720
Estimated		59,511	1,180	35,060		978,000	580	13,535	1,087,866		1,087,866
Total		205,370	1,416	64,083		2,508,109	1,512	26,096	2,806,586		2,806,586
<b>3. Residential Load Management ("On Call")</b>											
Actual	7,037,937	888,000	(1,974,798)	920,745		30,093,517	2,922	192,535	37,160,858		37,160,858
Estimated	5,696,413	692,376	(334,023)	1,546,116		21,644,063	7,273	349,072	29,601,290		29,601,290
Total	12,734,350	1,580,376	(2,308,821)	2,466,861		51,737,580	10,195	541,607	66,762,148		66,762,148
<b>4. Duct System Testing &amp; Repair Program</b>											
Actual		585,473	6,442	145,089		749,378	5,623	(141,840)	1,350,165		1,350,165
Estimated		363,711	9,010	46,232		954,499	3,820	(76,834)	1,300,438		1,300,438
Total		949,184	15,452	191,321		1,703,877	9,443	(218,674)	2,650,603		2,650,603
<b>5. Residential Air Conditioning Program</b>											
Actual		555,519	473	182,661	90	7,712,921	4,430	59,398	8,515,492		8,515,492
Estimated		319,522	930	92,387		6,684,079	3,075	51,395	7,151,388		7,151,388
Total		875,041	1,403	275,048	90	14,397,000	7,505	110,793	15,666,880		15,666,880
<b>6. Business On Call Program</b>											
Actual	433,334	78,563		233,212	302	752,712	589	12,044	1,510,756		1,510,756
Estimated	350,736	52,566		40,251		642,638	330	50,680	1,137,201		1,137,201
Total	784,068	131,129		273,463	302	1,395,350	919	62,724	2,647,957		2,647,957
<b>7. Cogeneration &amp; Small Power Production</b>											
Actual		174,068		2,359			92	(31,232)	145,307		145,307
Estimated		123,371		28,000				(21,800)	129,571		129,571
Total		297,459		30,359			92	(53,032)	274,878		274,878
<b>8. Commercial/Industrial Efficient Lighting</b>											
Actual		78,375		18,571		355,584	275	24,300	477,105		477,105
Estimated		46,172		54,000		170,000	95	13,610	283,877		283,877
Total		124,547		72,571		525,584	370	37,910	760,982		760,982

**CONSERVATION PROGRAM COSTS**  
**January 2003 through July 2003: ACTUAL**  
**August 2003 through December 2003: ESTIMATED**

Program Title	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Sub-Total	Program Revenues	Total for Period
<b>9. Commercial/Industrial Load Control</b>											
Actual	\$ 147,030	\$ 198,279	\$ 50	\$ 11		\$ 16,862,984	\$ 895	\$ 80,518	\$ 17,289,767	\$	\$ 17,289,767
Estimated	105,561	195,444	2,500	105,260		11,871,097	360	174,363	12,454,585		12,454,585
Total	252,591	393,723	2,550	105,271		28,734,081	1,255	254,881	29,744,352		29,744,352
<b>10. CI Demand Reduciton</b>											
Actual		30,251	22			239,614	20	1,054	270,961		270,961
Estimated		21,655	1,000	6,925		217,980	165	3,660	251,385		251,385
Total		51,906	1,022	6,925		457,594	185	4,714	522,346		522,346
<b>11. Business Energy Evaluation</b>											
Actual		821,541	286	150,607	1,007,161		4,233	65,437	2,049,265		2,049,265
Estimated		577,397	40,000	260,954	804,824		5,270	69,347	1,757,792		1,757,792
Total		1,398,938	40,286	411,561	1,811,985		9,503	134,784	3,807,057		3,807,057
<b>12. CI Heating, Ventilating &amp; A/C Program</b>											
Actual	2,622	361,330		80,578		2,034,229	4,170	37,106	2,520,035		2,520,035
Estimated	1,793	254,832	10,490	137,129		1,301,072	2,522	39,100	1,746,938		1,746,938
Total	4,415	616,162	10,490	217,707		3,335,301	6,692	76,206	4,266,973		4,266,973
<b>13. Business Custom Incentive Program</b>											
Actual		4,574		5,250		243,580	25	611	254,040		254,040
Estimated		2,630		6,838		99,000		240	108,708		108,708
Total		7,204		12,088		342,580	25	851	362,748		362,748
<b>14. CI Building Envelope</b>											
Actual		96,330	20	22,001	355	314,587	550	13,244	447,087		447,087
Estimated		58,864	10	37,098		101,296	290	8,070	205,628		205,628
Total		155,194	30	59,099	355	415,883	840	21,314	652,715		652,715
<b>15. Conservation Research &amp; Dev. Program</b>											
Actual		446	3,196	(89,283)				(32,707)	(118,348)		(118,348)
Estimated			2,500	545,000				48,000	595,500		595,500
Total		446	5,696	455,717				15,293	477,152		477,152
<b>16. BuildSmart Program</b>											
Actual		287,185	155	13,647	18,260		2,621	28,022	349,890	(83,575)	266,315
Estimated		216,891	1,605	87,335	41,000		1,720	27,805	378,156	(48,475)	327,681
Total		503,876	1,760	100,982	59,260		4,341	55,827	726,046	(132,050)	593,996

**CONSERVATION PROGRAM COSTS**  
**January 2003 through July 2003: ACTUAL**  
**August 2003 through December 2003: ESTIMATED**

Program Title	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Sub-Total	Program Revenues	Total for Period											
17. Low Income Weatherization R&D	Actual	\$ 9,259	\$	\$ 1,265	\$	\$	44	7	10,575	\$	\$ 10,575											
	Estimated	4,284		15,000				4,035	28,319		28,319											
	Total	13,543	5,000	5,000	16,265		44	4,042	38,894		38,894											
18. Photovoltaic R&D Educ. Project	Actual		12,240		20,656		11	1,968	34,875		34,875											
	Estimated		14,070						14,070		14,070											
	Total		26,310		20,656		11	1,968	48,945		48,945											
19. Green Energy Project	Actual		135,447		29,310				164,757	\$	\$ 164,757											
	Estimated		86,294						86,294		86,294											
	Total		221,741		29,310				251,051		251,051											
20. Common Expenses	Actual	1,216,448	4,967,298	6,922	373,348	512	16,638	689,534	7,290,700		7,290,700											
	Estimated	869,064	3,294,272	3,030	402,776	425	29,331	596,303	5,195,221		5,195,221											
	Total	2,085,532	8,281,570	9,952	776,124	937	45,969	1,285,837	12,485,921		12,485,921											
21. TOTAL ACTUAL		8,862,289	11,713,492	(1,950,720)	2,382,168	3,523,866	62,652	1,267,067	86,750,027	(83,575)	\$ 86,666,454											
	TOTAL ESTIMATED	7,041,336	8,222,022	(247,788)	3,782,927	3,169,115	44,663,724	67,281	68,265,123	(48,475)	\$ 68,216,648											
	TOTAL FOR THE PERIOD	\$ 15,903,623	\$ 19,935,514	\$ (2,198,508)	\$ 6,165,095	\$ 6,692,981	\$ 105,552,939	\$ 129,933	\$ 2,833,573	\$ 155,015,150	\$ (132,050)	\$ 154,883,102										
22. LESS: Included in Base Rates	Actual		739,390						739,390		739,390											
	Estimated		486,954						486,954		486,954											
	Total		1,226,344						1,226,344		1,226,344											
23. Recoverable Conservation Expenses	\$	<u>15,903,623</u>	\$	<u>18,709,170</u>	\$	<u>(2,198,508)</u>	\$	<u>6,165,095</u>	\$	<u>6,692,981</u>	\$	<u>105,552,939</u>	\$	<u>129,933</u>	\$	<u>2,833,573</u>	\$	<u>153,788,806</u>	\$	<u>(132,050)</u>	\$	<u>153,656,758</u>
Totals may not add due to rounding																						

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Residential Conservation Services - (Program No. 1)**  
**For the Estimated/Actual Period January through December 2003**

Line No.	Description	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Total	Line No.
1.	Investment (Net of Retirements)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	1.
2.	Depreciation Base		117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	n/a	2.
3.	Depreciation Expense (a)		4,292	1,242	3,276	3,276	3,276	3,276	3,276	3,276	3,276	3,276	3,276	3,276	38,292	3.
4.	Cumulative Investment (Line 2)	\$117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	117,925	n/a	4.
5.	Less: Accumulated Depreciation (c)	76,497	80,790	65,514	68,790	72,065	75,341	78,617	81,892	85,168	88,444	91,719	94,995	98,271	n/a	5.
6.	Net Investment (Line 4 - 5)	\$41,428	\$37,135	\$52,411	\$49,135	\$45,860	\$42,584	\$39,308	\$36,033	\$32,757	\$29,481	\$26,206	\$22,930	\$19,654		6.
7.	Average Net Investment		\$39,282	\$44,773	\$50,773	\$47,498	\$44,222	\$40,946	\$37,671	\$34,395	\$31,119	\$27,843	\$24,568	\$21,292	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		150	171	194	181	169	156	144	131	119	106	94	81	1,695	8a
b.	Equity Comp. grossed up for taxes (Line 8a/ 61425)		244	278	315	295	275	254	234	214	193	173	153	132	2,759	8b
c.	Debt Component (Line 7 * 4.3642% /12)		143	163	185	173	161	149	137	125	113	101	89	77	1,616	8c
9.	<b>Total Return Requirements (Line 8b + 8c)</b>		<b>387</b>	<b>441</b>	<b>500</b>	<b>468</b>	<b>435</b>	<b>403</b>	<b>371</b>	<b>339</b>	<b>308</b>	<b>274</b>	<b>242</b>	<b>210</b>	<b>4,375</b>	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$4,679	\$1,683	\$3,776	\$3,743	\$3,711	\$3,679	\$3,647	\$3,614	\$3,582	\$3,550	\$3,518	\$3,485	\$42,667	10

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Load Management - (Programs Nos. 3 & 6)**  
**For the Estimated/Actual Period January through December 2003**

Line No.	Description	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Total	Line No.
1.	Investments (Net of Retirements)		\$439,156	\$732,344	\$945,277	\$1,333,554	\$1,399,178	\$1,264,411	\$2,438,900	\$1,323,499	\$672,337	\$523,401	\$22,193	\$27,004	\$9,783,846	1.
2.	Depreciation Base		48,911,634	49,643,978	50,589,255	50,585,401	51,984,579	53,248,990	55,687,890	57,011,389	57,683,726	58,207,127	58,229,320	58,256,324	n/a	2.
3.	Depreciation Expense (a)		807,813	816,033	830,151	837,543	851,347	883,427	818,429	950,190	961,395	970,119	970,489	970,939	10,667,874	3.
4.	Cumulative Investment (Line 2)	\$48,472,478	48,911,634	49,643,978	50,589,255	50,585,401	51,984,579	53,248,990	55,687,890	57,011,389	57,683,726	58,207,127	58,229,320	58,256,324	n/a	4.
5.	Less: Accumulated Depreciation	24,508,675	25,316,489	26,132,522	26,962,673	27,800,216	28,651,563	29,534,990	30,353,418	31,303,608	32,265,003	33,235,122	34,205,611	35,176,550	n/a	5.
6.	Net Investment (Line 4 - 5)	\$23,963,803	\$23,595,146	\$23,511,456	\$23,626,582	\$22,785,185	\$23,333,016	\$23,714,001	\$25,334,472	\$25,707,781	\$25,418,723	\$24,972,005	\$24,023,709	\$23,079,774		6.
7.	Average Net Investment		23,779,474	23,553,301	23,569,019	23,205,884	23,059,101	23,523,508	24,524,236	25,521,127	25,563,252	25,195,364	24,497,857	23,551,742	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		90,679	89,817	89,877	88,492	87,932	89,703	93,519	97,321	97,481	96,078	93,418	89,811		
b.	Equity Comp. grossed up for taxes		147,626	146,222	146,319	144,065	143,154	146,037	152,249	158,438	158,700	156,416	152,085	146,212	1,797,521	
c.	Debt Component (Line 7 * 4.3642% /12)		86,482	85,659	85,717	84,396	83,862	85,551	89,191	92,816	92,969	91,631	89,095	85,654	1,053,023	
9.	Total Return Requirements (Line 8b + 8c)		234,108	231,881	232,036	228,461	227,016	231,588	241,440	251,254	251,669	248,047	241,180	231,866	2,850,544	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$1,041,921	\$1,047,914	\$1,062,187	\$1,066,004	\$1,078,363	\$1,115,014	\$1,059,868	\$1,201,444	\$1,213,064	\$1,218,166	\$1,211,669	\$1,202,804	\$13,518,418	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**ALLOCATION OF DEPRECIATION AND RETURN ON INVESTMENT BETWEEN PROGRAMS**

Residential On Call Program 3 (94.2%)	Depreciation	760,960	768,703	782,002	788,965	801,969	832,188	770,960	895,079	905,635	913,852	914,200	914,624	10,049,138
	Return	220,529	218,432	218,578	215,210	213,849	218,156	227,436	236,681	237,072	233,660	227,192	218,417	2,685,212
	<b>Total</b>	<b>981,489</b>	<b>987,135</b>	<b>1,000,580</b>	<b>1,004,175</b>	<b>1,015,818</b>	<b>1,050,343</b>	<b>998,396</b>	<b>1,131,760</b>	<b>1,142,707</b>	<b>1,147,512</b>	<b>1,141,392</b>	<b>1,133,042</b>	<b>12,734,350</b>
Business on Call Program 6 (5.8%)	Depreciation	46,853	47,330	48,149	48,577	49,378	51,239	47,469	65,111	55,761	56,267	56,288	56,314	618,737
	Return	13,578	13,449	13,458	13,251	13,167	13,432	14,004	14,573	14,597	14,387	13,988	13,448	166,332
	<b>Total</b>	<b>60,431</b>	<b>60,779</b>	<b>61,607</b>	<b>61,828</b>	<b>62,545</b>	<b>64,671</b>	<b>61,472</b>	<b>79,684</b>	<b>70,358</b>	<b>70,654</b>	<b>70,277</b>	<b>69,763</b>	<b>784,068</b>
Total	Depreciation	807,813	816,033	830,151	837,543	851,347	883,427	818,429	950,190	961,395	970,119	970,489	970,939	10,667,874
	Return	234,108	231,881	232,036	228,461	227,016	231,588	241,440	251,254	251,669	248,047	241,180	231,866	2,850,544
	<b>Total</b>	<b>1,041,921</b>	<b>1,047,914</b>	<b>1,062,187</b>	<b>1,066,004</b>	<b>1,078,363</b>	<b>1,115,014</b>	<b>1,059,868</b>	<b>1,201,444</b>	<b>1,213,064</b>	<b>1,218,166</b>	<b>1,211,669</b>	<b>1,202,804</b>	<b>13,518,418</b>

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Commercial/Industrial Load Control - (Program No. 9)**  
**For the Estimated/Actual Period January through December 2003**

Line No.	Description	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Total	Line No.
1.	Investment (Net of Retirements)		\$898	\$15,428	\$2,214	\$1,995	\$1,995	\$933	\$1,040	\$0	\$0	\$0	\$0	\$0	\$24,503	1
2.	Depreciation Base		\$777,250	\$792,678	\$794,892	\$796,887	\$798,882	\$799,815	\$800,855	\$800,855	\$800,855	\$800,855	\$800,855	\$800,855	n/a	2.
3.	Depreciation Expense (a)		13,310	13,574	13,613	13,648	13,684	13,701	14,599	14,599	14,599	14,599	14,599	14,599	169,124	3.
4.	Cumulative Investment (Line 2)	\$776,352	777,250	792,678	794,892	796,887	798,882	799,815	800,855	800,855	800,855	800,855	800,855	800,855	n/a	4.
5.	Less: Accumulated Depreciation (c)	6,648	19,958	33,532	47,145	60,793	74,477	88,178	102,778	117,377	131,976	146,575	161,174	175,773	n/a	5.
6.	Net Investment (Line 4 - 5)	\$769,704	\$757,293	\$759,146	\$747,747	\$738,094	\$724,405	\$711,637	\$698,077	\$683,478	\$668,879	\$654,280	\$639,681	\$625,082		6.
7.	Average Net Investment		\$763,498	\$758,219	\$753,447	\$741,921	\$730,249	\$718,021	\$704,857	\$690,778	\$676,179	\$661,580	\$646,981	\$632,382	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		2,911	2,891	2,873	2,829	2,785	2,738	2,688	2,634	2,578	2,523	2,467	2,411	32,330	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/ 61425)		4,740	4,707	4,677	4,606	4,533	4,458	4,376	4,288	4,198	4,107	4,017	3,926	52,633	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		2,777	2,758	2,740	2,698	2,656	2,611	2,563	2,512	2,459	2,406	2,353	2,300	30,833	8c.
9.	<b>Total Return Requirements (Line 8b + 8c)</b>		<b>7,517</b>	<b>7,465</b>	<b>7,418</b>	<b>7,304</b>	<b>7,189</b>	<b>7,069</b>	<b>6,939</b>	<b>6,801</b>	<b>6,657</b>	<b>6,513</b>	<b>6,369</b>	<b>6,226</b>	<b>83,467</b>	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$20,827	\$21,039	\$21,030	\$20,952	\$20,873	\$20,770	\$21,539	\$21,400	\$21,256	\$21,112	\$20,968	\$20,825	\$252,591	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**C/I Heating, Ventilating & A/C Program - (Program 12)**  
**For the Estimated/Actual Period January through December 2003**

Line No.	Description	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Total	Line No.
1.	Investment (Net of Retirements)														\$0	1.
2.	Depreciation Base		\$16,408	\$16,408	\$16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	n/a	2.
3.	Depreciation Expense (a)		271	271	271	271	271	271	271	271	271	271	271	271	3,248	3.
4.	Cumulative Investment (Line 2)	\$16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	16,408	n/a	4.
5.	Less: Accumulated Depreciation (c)	4,905	5,176	5,446	5,717	5,988	6,258	6,529	6,800	7,070	7,341	7,612	7,882	8,153	n/a	5.
6.	Net Investment (Line 4 - 5)	\$11,503	\$11,232	\$10,962	\$10,691	\$10,420	\$10,150	\$9,879	\$9,608	\$9,338	\$9,067	\$8,796	\$8,526	\$8,255		6.
7.	Average Net Investment		\$11,368	\$11,097	\$10,826	\$10,556	\$10,285	\$10,014	\$9,744	\$9,473	\$9,202	\$8,932	\$8,661	\$8,390	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		43	42	41	40	39	38	37	36	35	34	33	32	452	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/ 61425)		71	69	67	66	64	62	60	59	57	55	54	52	736	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		41	40	39	38	37	36	35	34	33	32	31	31	431	8c.
9.	<b>Total Return Requirements (Line 8b + 8c)</b>		112	109	107	104	101	99	96	93	91	88	85	83	1,167	9.
10.	Total Depreciation & Return (Line 3 + 9)		\$383	\$380	\$377	\$375	\$372	\$369	\$367	\$364	\$361	\$359	\$356	\$353	\$4,415	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.

**FLORIDA POWER & LIGHT COMPANY**  
**Schedule of Capital Investment, Depreciation and Return**  
**Common Expenses - (Program No. 20)**  
**For the Estimated/Actual Period January through December 2003**

Line No.	Description	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Total	Line No.
1.	Investment (Net of Retirements)		\$15,614	\$15,614	\$15,614	\$15,614	\$15,614	\$15,614	\$15,614	\$15,614	\$15,614	\$15,614	\$15,614	\$15,614	\$187,364	1.
2.	Depreciation Base		8,172,589	8,179,955	8,193,767	8,204,552	8,208,997	8,190,528	8,191,801	8,263,926	8,339,817	8,427,651	8,548,038	8,630,270	n/a	2.
3.	Depreciation Expense (a)		135,656	135,782	136,022	136,213	136,293	135,954	127,962	137,887	139,152	140,815	142,622	143,992	1,648,151	3.
4.	Cumulative Investment (Line 2)	\$8,156,976	8,172,589	8,179,955	8,193,767	8,204,552	8,208,997	8,190,528	8,191,801	8,263,926	8,339,817	8,427,651	8,548,038	8,630,270	n/a	4.
5.	Less: Accumulated Depreciation	3,756,998	3,892,654	4,042,282	4,164,458	4,300,671	4,436,964	4,572,918	4,700,880	4,838,767	4,977,918	5,118,534	5,261,156	5,405,148	n/a	5.
6.	Net Investment (Line 4 - 5)	<u>\$4,399,978</u>	<u>\$4,279,935</u>	<u>\$4,137,674</u>	<u>\$4,029,309</u>	<u>\$3,903,881</u>	<u>\$3,772,033</u>	<u>\$3,617,610</u>	<u>\$3,490,921</u>	<u>\$3,425,159</u>	<u>\$3,361,899</u>	<u>\$3,309,117</u>	<u>\$3,286,882</u>	<u>\$3,225,122</u>		6.
7.	Average Net Investment		\$4,339,956	\$4,208,805	\$4,083,491	\$3,966,595	\$3,837,957	\$3,694,821	\$3,554,265	\$3,458,040	\$3,393,529	\$3,335,508	\$3,298,000	\$3,256,002	n/a	7.
8.	Return on Average Net Investment															8.
a.	Equity Component (b)		16,550	16,050	15,572	15,126	14,635	14,090	13,554	13,187	12,941	12,719	12,576	12,416	169,415	8a.
b.	Equity Comp. grossed up for taxes (Line 8a/61425)		26,943	26,129	25,351	24,625	23,826	22,938	22,065	21,468	21,067	20,707	20,474	20,214	275,808	8b.
c.	Debt Component (Line 7 * 4.3642% /12)		15,784	15,307	14,851	14,426	13,958	13,437	12,926	12,576	12,342	12,131	11,994	11,842	161,573	8c.
9.	Total Return Requirements (Line 8b + 8c)		<u>42,727</u>	<u>41,435</u>	<u>40,202</u>	<u>39,051</u>	<u>37,784</u>	<u>36,375</u>	<u>34,992</u>	<u>34,044</u>	<u>33,409</u>	<u>32,838</u>	<u>32,469</u>	<u>32,055</u>	<u>437,381</u>	9.
10.	Total Depreciation & Return (Line 3 + 9)		<u>\$178,383</u>	<u>\$177,217</u>	<u>\$176,224</u>	<u>\$175,264</u>	<u>\$174,078</u>	<u>\$172,330</u>	<u>\$162,953</u>	<u>\$171,931</u>	<u>\$172,561</u>	<u>\$173,453</u>	<u>\$175,091</u>	<u>\$176,048</u>	<u>\$2,085,532</u>	10.

(a) Depreciation expense is based on the "Cradle-to-Grave" method of accounting.

(b) The Equity Component is 4.5760% based on a ROE of 11.0% per FPSC Order No. PSC-99-0519-AS-EI, Docket No. 990067-EI.



**CONSERVATION PROGRAM COSTS**  
January 2003 through July 2003

Program Title	Actuals January	Actuals February	Actuals March	Actuals April	Actuals May	Actuals June	Actuals July	Sub-Total (7 Mo.)
1. Residential Conservation Service Prog	\$ 780,043	\$ 301,359	\$ 1,018,417	\$ 782,534	\$ 626,179	\$ 390,871	\$ 1,428,619	\$ 5,308,022
2. Residential Building Envelope Program	563,201	189,550	192,020	253,642	160,115	199,096	161,096	1,718,720
3. Residential Load Management ("On Call")	3,903,878	3,888,129	3,914,785	6,249,630	6,435,545	6,394,825	6,374,066	37,160,858
4. Duct System Testing & Repair Program	128,593	177,309	235,234	176,080	199,257	244,397	189,295	1,350,165
5. Residential Air Conditioning Program	963,359	939,094	1,077,198	1,189,079	1,273,218	1,503,191	1,570,353	8,515,492
6. Business On Call Program	72,709	84,921	194,450	264,311	267,638	340,064	286,663	1,510,756
7. Cogeneration & Small Power Production	17,554	20,251	25,912	19,783	21,938	19,579	20,290	145,307
8. Commercial/Industrial Efficient Lighting	26,157	147,432	70,708	85,861	25,445	67,373	54,129	477,105
9. Commercial/Industrial Load Control	2,248,111	2,287,585	2,421,471	2,396,883	2,504,886	2,636,278	2,796,553	17,289,767
10. C/I Demand Reduction	29,614	31,118	37,336	38,512	42,452	39,773	52,156	270,961
11. Business Energy Evaluation	103,672	131,376	644,655	221,632	546,146	194,582	207,202	2,049,265
12. C/I Heating, Ventilating & A/C Program	67,630	210,608	181,884	311,176	192,674	625,449	930,614	2,520,035
13. Business Custom Incentive Program	18,496	1,041	231,639	1,023	862	892	86	254,040
14. C/I Building Envelope Program	80,035	46,133	81,922	31,165	26,129	86,597	95,106	447,087
15. Conservation Research & Dev Program	(138,807)	457	6,678	1,881	554	20,514	(9,625)	(118,348)
16. BuildSmart Program	38,285	39,187	60,372	61,475	51,069	51,048	48,454	349,890
17. Low Income Weatherization R&D	1,701	1,387	1,611	2,754	1,551	706	865	10,575
18. Photovoltaic R&D	2,324	1,586	43	2,680	22,166	3,292	2,784	34,875
19. Green Energy Project	5,550	26,529	4,382	18,656	36,411	35,246	37,983	164,757
20. Common Expenses	918,470	838,530	1,494,564	1,086,521	1,093,174	951,540	907,902	7,290,701
21. Total All Programs	\$ 9,808,574	\$ 9,363,582	\$ 11,895,281	\$ 13,195,278	\$ 13,527,409	\$ 13,805,314	\$ 15,154,590	\$ 86,750,027
22. LESS: Included in Base Rates	137,378	79,921	80,014	137,174	85,676	87,704	131,322	739,390
23. Recoverable Conservation Expenses	\$ 9,671,196	\$ 9,283,661	\$ 11,815,267	\$ 13,058,104	\$ 13,441,532	\$ 13,717,610	\$ 15,023,268	\$ 86,010,637
Totals may no add to due rounding								

**CONSERVATION PROGRAM COSTS**  
August 2003 through December 2003

Program Title	Estimate August	Estimate September	Estimate October	Estimate November	Estimate December	Sub-Total (5 Mo.)	TOTAL (12 Mo.)
1. Residential Conservation Service Prog	\$ 665,782	\$ 1,157,477	\$ 965,006	\$ 1,047,175	\$ 917,456	\$ 4,752,896	\$ 10,060,918
2. Residential Building Envelope Program	260,847	255,027	228,427	173,849	169,716	1,087,866	2,806,586
3. Residential Load Management ("On Call")	6,685,802	7,006,775	7,119,417	4,545,229	4,244,067	29,601,290	66,762,148
4. Duct System Testing & Repair Program	245,414	265,460	268,724	286,718	234,122	1,300,438	2,650,603
5. Residential Air Conditioning Program	1,828,066	1,569,023	1,441,837	1,417,511	694,951	7,151,388	15,666,880
6. Business On Call Program	324,400	334,447	308,901	85,638	85,815	1,137,201	2,647,957
7. Cogeneration & Small Power Production	19,544	19,194	28,544	28,194	34,095	129,571	274,878
8. Commercial/Industrial Efficient Lighting	60,162	58,829	45,646	48,573	70,667	283,877	760,982
9. Commercial/Industrial Load Control	2,526,701	2,534,053	2,666,738	2,378,752	2,348,341	12,454,585	29,744,352
10. C/I Demand Reduction	43,457	49,097	64,062	48,093	46,676	251,385	522,346
11. Business Energy Evaluation	435,099	490,830	321,331	310,028	200,504	1,757,792	3,807,057
12. C/I Heating, Ventilating & A/C Program	367,407	569,038	379,284	250,323	180,886	1,746,938	4,266,973
13. Business Custom Incentive Program	88,504	3,612	3,054	12,039	1,499	108,708	362,748
14. C/I Building Envelope Program	52,899	49,339	34,015	35,638	33,737	205,628	652,715
15. Conservation Research & Dev Program	60,500	60,500	65,500	85,500	323,500	595,500	477,152
16. BuildSmart Program	49,261	57,546	87,211	90,614	91,524	376,156	726,046
17. Low Income Weatherization R&D	1,786	1,786	6,786	11,786	6,175	28,319	38,894
18. Photovoltaic R&D	2,558	2,558	2,558	2,558	3,838	14,070	48,945
19. Green Energy Project	13,718	13,718	13,718	13,718	31,422	86,294	251,051
20. Common Expenses	984,192	974,763	1,033,406	1,172,509	1,030,351	5,195,221	12,485,922
21. Total All Programs	<u>\$ 14,716,099</u>	<u>\$ 15,473,072</u>	<u>\$ 15,062,165</u>	<u>\$ 12,044,445</u>	<u>\$ 10,949,342</u>	<u>\$ 68,265,123</u>	<u>\$ 155,015,150</u>
22. LESS: Included in Base Rates	<u>92,205</u>	<u>91,594</u>	<u>91,606</u>	<u>114,025</u>	<u>97,523</u>	<u>486,954</u>	<u>1,226,344</u>
23. Recoverable Conservation Expenses	<u>\$ 14,623,894</u>	<u>\$ 15,381,478</u>	<u>\$ 14,990,559</u>	<u>\$ 11,930,420</u>	<u>\$ 10,851,819</u>	<u>\$ 67,778,169</u>	<u>\$ 153,788,806</u>
Totals may no add to due rounding							

FLORIDA POWER & LIGHT COMPANY  
ESTIMATED/ACTUAL CONSERVATION TRUE-UP & INTEREST CALCULATION  
JANUARY THROUGH DECEMBER 2003

	ACTUAL JANUARY	ACTUAL FEBRUARY	ACTUAL MARCH	ACTUAL APRIL	ACTUAL MAY	ACTUAL JUNE	ACTUAL JULY	ESTIMATED AUGUST	ESTIMATED SEPTEMBER	ESTIMATED OCTOBER	ESTIMATED NOVEMBER	ESTIMATED DECEMBER	TOTAL
<b>B. CONSERVATION REVENUES</b>													
1. a. RESIDENTIAL LOAD CONTROL CREDIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. CT - PENALTIES													
c. BUILDSMART PROGRAM REVENUES	13,075	11,225	9,700	5,575	23,000	9,825	11,175	7,150	10,400	9,750	10,050	11,125	132,050
2. CONSERVATION ADJUSTMENT REVENUE (NET OF REVENUE TAXES)	12,734,646	12,505,703	12,550,002	12,416,223	13,453,417	15,254,393	15,763,758	15,937,133	15,716,502	14,557,622	13,242,711	12,216,022	166,348,133
3. TOTAL REVENUES	12,747,721	12,516,928	12,559,702	12,421,798	13,476,417	15,264,218	15,774,933	15,944,283	15,726,902	14,567,372	13,252,761	12,227,147	166,480,183
4. ADJUSTMENT NOT APPLICABLE TO PERIOD - PRIOR TRUE-UP	300,819	300,819	300,819	300,819	300,819	300,819	300,819	300,819	300,819	300,819	300,819	300,819	3,609,830
5. CONSERVATION REVENUE APPLICABLE TO PERIOD (Line B3 + B4)	13,048,540	12,817,747	12,860,521	12,722,617	13,777,236	15,565,037	16,075,752	16,245,102	16,027,721	14,868,191	13,553,580	12,527,966	170,090,013
6. CONSERVATION EXPENSES	9,671,196	9,283,661	11,815,267	13,058,104	13,441,532	13,717,610	15,023,268	14,623,894	15,381,478	14,990,559	11,930,420	10,851,819	153,788,805
7. TRUE-UP THIS PERIOD (Line B5 - Line B6)	3,377,344	3,534,086	1,045,254	(335,487)	335,704	1,847,427	1,052,484	1,621,208	646,244	(122,367)	1,623,160	1,676,147	16,301,208
8. INTEREST PROVISION THIS PERIOD (From CT-3, Page 3, Line C10)	10,017	13,184	14,740	14,444	14,341	13,947	13,930	15,189	15,931	15,911	16,318	17,513	175,465
9. TRUE-UP & INTEREST PROVISION BEGINNING OF MONTH	3,609,830	6,696,372	9,942,823	10,701,998	10,080,136	10,129,362	11,689,917	12,455,512	13,791,090	14,152,445	13,745,169	15,083,828	3,609,829
a. DEFERRED TRUE-UP BEGINNING OF PERIOD (Final CT-3 less EST/ACT)	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101	4,243,101
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	(300,819)	(300,819)	(300,819)	(300,819)	(300,819)	(300,819)	(300,819)	(300,819)	(300,819)	(300,819)	(300,819)	(300,819)	(3,609,829)
11. END OF PERIOD -TOTAL NET TRUE-UP (Line B7+B8+B9+B9a+B10)	\$10,939,473	\$14,185,924	\$14,945,099	\$14,323,237	\$14,372,463	\$15,933,018	\$16,698,613	\$18,034,191	\$18,395,546	\$17,988,270	\$19,326,929	\$20,719,771	\$20,719,771

( ) REFLECTS UNDERRECOVERY

FLORIDA POWER & LIGHT COMPANY  
ESTIMATED/ACTUAL CONSERVATION TRUE-UP & INTEREST CALCULATION  
JANUARY THROUGH DECEMBER 2003

	ACTUAL JANUARY	ACTUAL FEBRUARY	ACTUAL MARCH	ACTUAL APRIL	ACTUAL MAY	ACTUAL JUNE	ACTUAL JULY	ESTIMATED AUGUST	ESTIMATED SEPTEMBER	ESTIMATED OCTOBER	ESTIMATED NOVEMBER	ESTIMATED DECEMBER	TOTAL
<b>C. INTEREST PROVISION</b>													
1. BEGINNING TRUE-UP AMOUNT (Line B9+B9a)	\$7,852,931	\$10,939,473	\$14,185,924	\$14,945,099	\$14,323,237	\$14,372,463	\$15,933,018	\$16,698,613	\$18,034,191	\$18,395,546	\$17,988,270	\$19,326,929	\$182,995,694
2. ENDING TRUE-UP AMOUNT BEFORE INT. (Line B7+B9+B9a+B10)	10,929,456	14,172,740	14,930,359	14,308,793	14,358,122	15,919,071	16,684,683	18,019,002	18,379,615	17,972,359	19,310,611	20,702,257	195,687,068
3. TOTAL OF BEGINNING & ENDING TRUE-UP (Line C1+C2)	\$18,782,387	\$25,112,213	\$29,116,283	\$29,253,892	\$28,681,359	\$30,291,534	\$32,617,701	\$34,717,615	\$36,413,806	\$36,367,905	\$37,298,881	\$40,029,186	\$378,682,762
4. AVERAGE TRUE-UP AMOUNT (50% of Line C3)	\$9,391,194	\$12,556,107	\$14,558,142	\$14,626,946	\$14,340,680	\$15,145,767	\$16,308,851	\$17,358,808	\$18,206,903	\$18,183,953	\$18,649,441	\$20,014,593	\$189,341,381
5. INT. RATE - FIRST DAY REPORTING BUSINESS MONTH	1.29000%	1.27000%	1.25000%	1.18000%	1.19000%	1.21000%	1.00000%	1.05000%	1.05000%	1.05000%	1.05000%	1.05000%	N/A
6. INTEREST RATE-FIRST DAY SUBSEQUENT BUSINESS MONTH	1.27000%	1.25000%	1.18000%	1.19000%	1.21000%	1.00000%	1.05000%	1.05000%	1.05000%	1.05000%	1.05000%	1.05000%	N/A
7. TOTAL (Line C5+C6)	2.56000%	2.52000%	2.43000%	2.37000%	2.40000%	2.21000%	2.05000%	2.10000%	2.10000%	2.10000%	2.10000%	2.10000%	N/A
8. AVERAGE INTEREST RATE (50% of Line C7)	1.28000%	1.26000%	1.21500%	1.18500%	1.20000%	1.10500%	1.02500%	1.05000%	1.05000%	1.05000%	1.05000%	1.05000%	N/A
9. MONTHLY AVERAGE INTEREST RATE (Line C8 / 12)	0.10667%	0.10500%	0.10125%	0.09875%	0.10000%	0.09208%	0.08542%	0.08750%	0.08750%	0.08750%	0.08750%	0.08750%	N/A
10. INTEREST PROVISION (Line C4 x C9)	\$10,017	\$13,184	\$14,740	\$14,444	\$14,341	\$13,947	\$13,930	\$15,189	\$15,931	\$15,911	\$16,318	\$17,513	\$175,465

( ) REFLECTS UNDERRECOVERY

**FLORIDA POWER & LIGHT COMPANY**  
**Calculation of Energy Conservation Cost Recovery (ECCR) Revenues**  
**For the Estimated/Actual Period January through December 2003**

	Month	Jurisdictional kWh Sales	Clause Revenues Net of Revenue Taxes (1)
(Actual)	January	7,569,038,419	\$12,734,646
(Actual)	February	7,463,818,224	\$12,505,703
(Actual)	March	7,510,229,964	\$12,550,002
(Actual)	April	7,396,486,620	\$12,416,223
(Actual)	May	7,999,797,862	\$13,453,417
(Actual)	June	9,047,332,704	\$15,254,393
(Actual)	July	9,332,603,999	\$15,763,758
(Estimated)	August	9,546,863,000	\$15,937,133
(Estimated)	September	9,414,698,000	\$15,716,502
(Estimated)	October	8,720,491,000	\$14,557,622
(Estimated)	November	7,932,816,000	\$13,242,711
(Estimated)	December	7,317,796,000	\$12,216,022
	<b>Total</b>	<b><u>99,251,971,792</u></b>	<b><u>\$166,348,133</u></b>

**( 1 ) Revenue taxes for the period are 1.5% Gross Receipts Tax and .072% Regulatory Assessment Fee.**

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Residential Conservation Service Program**

**Program Description:** An energy audit program designed to assist residential customers in making their homes more energy efficient through the installation of conservation measures and the implementation of conservation practices.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include 104,711 energy audits.

Program accomplishments for the period January through December 2004 are expected to include 117,998 energy audits.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$10,060,918.

Program fiscal expenditures for the period January through December 2004 are expected to be \$11,447,716.

**Program Progress Summary:** Program to date, through July 2003, 1,812,747 energy audits have been completed.

## **PROGRAM DESCRIPTION AND PROGRESS**

### **Program Title: Residential Building Envelope Program**

**Program Description:** A program designed to encourage qualified customers to install energy-efficient building envelope measures that cost-effectively reduce FPL's coincident peak air conditioning load and customer energy consumption.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include 18,254 installations.

Program accomplishments for the period January through December 2004 are expected to include 18,261 installations.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$2,806,586.

Program fiscal expenditures for the period January through December 2004 are expected to be \$2,823,529.

**Program Progress Summary:** Program to date, through July 2003, 703,191 installations have been completed.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** Residential Load Management Program ("On Call" )

**Program Description:** A program designed to offer voluntary load control to residential customers.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include the installation of substation equipment at fifteen additional substations and a total of 713,140 program participants with load control transponders installed in their homes.

Program accomplishments for the period January through December 2004 are expected to include the installation of substation equipment at seventeen additional substations, and a total of 717,340 program participants with load control transponders installed in their homes.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$66,762,148.

Program fiscal expenditures for the period January through December 2004 are expected to be \$67,129,052.

**Program Progress Summary:** Program to date, through July 2003, there are 708,792 customers with load control equipment installed in their homes.



**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: Duct System Testing and Repair Program**

**Program Description:** A program designed to identify air conditioning duct system leaks and have qualified contractors repair those leaks.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include 24,954 installations.

Program accomplishments for the period January through December 2004 are expected to include 20,000 installations.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$2,650,603.

Program fiscal expenditures for the period January through December 2004 are expected to be \$2,117,305.

**Program Progress Summary:** Program to date, through July 2003, 337,477 installations have been completed.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Residential Air Conditioning Program**

**Program Description:** A program designed to provide financial incentives for residential customers to purchase a more efficient unit when replacing an existing air conditioning system.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include 53,832 installations.

Program accomplishments for the period January through December 2004 are expected to include 62,244 installations.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$15,966,880.

Program fiscal expenditures for the period January through December 2004 are expected to be \$16,888,631.

**Program Progress Summary:** Program to date, through July 2003, 722,209 installations have been completed.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: Business On Call Program**

**Program Description:** This program is designed to offer voluntary load control of central air conditioning to GS and GSD customers.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to raise program participation to 42 MW.

Program accomplishments for the period January through December 2004 are expected to raise program participation to 46 MW.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$2,647,957.

Program fiscal expenditures for the period January through December 2004 are expected to be \$2,746,384.

**Program Progress Summary:** Program to date, through July 2003, total program participation is 40 MW.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Cogeneration and Small Power Production**

**Program Description:** A program intended to facilitate the installation of cogeneration and small power production facilities.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include the receipt of 876.6 MW of firm capacity at time of system peak and 6,865 GWh of purchase power. Seven firm and five as-available power producers are expected to be participating.

Program accomplishments for the period January through December 2004 are expected to include the receipt of 876.6 MW of firm capacity at time of system peak and 7,115 GWh of purchase power. Seven firm and five as-available power producers are expected to be participating.

**Program Fiscal Expenditures:** Program expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$274,878.

Program fiscal expenditures for the period January through December 2004 are expected to be \$393,137.

**Program Progress Summary:** Total MW under contract (facility size) is 876.6 MW of which 876.6 MW is committed capacity.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Commercial/Industrial Efficient Lighting**

**Program Description:** A program designed to encourage the installation of energy efficient lighting measures in commercial/industrial facilities.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include the reduction of 5,243 kW.

Program accomplishments for the period January through December 2004 are expected to include the reduction of 5,376 kW.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$760,682.

Program fiscal expenditures for the period January through December 2004 are expected to be \$896,323.

**Program Progress Summary:** Program to date, through July 2003, total reduction is 215,594 kW.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Commercial/Industrial Load Control**

**Program Description:** A program designed to reduce coincident peak demand by controlling customer loads of 200 kW or greater during periods of extreme demand or capacity shortages.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to result in program-to-date participation of 516 MW at the generator.

Program accomplishments for the period January through December 2004 are expected to result in program-to-date participation of 516 MW at the generator.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$29,744,352.

Program fiscal expenditures for the period January through December 2004 are expected to be \$30,017,342.

**Program Progress Summary:** Program to date, through July 2003, participation in this program totals 515 MW at the generator. This program is closed to new participants.

## PROGRAM DESCRIPTION AND PROGRESS

### **Program Title: Commercial/Industrial Demand Reduction**

**Program Description:** A program designed to reduce coincident peak demand by controlling customer loads of 200 kW or greater during periods of extreme demand or capacity shortages.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to raise program-to-date participation to 18 MW at the generator.

Program accomplishments for the period January through December 2004 are expected to raise program-to-date participation to 24 MW at the generator.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$522,346.

Program fiscal expenditures for the period January through December 2004 are expected to be \$725,990.

**Program Progress Summary:** Program to date, through July 2003, participation in this program totals 13 MW at the generator.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Business Energy Evaluation**

**Program Description:** This program is designed to provide evaluations of commercial and industrial customers' existing and proposed facilities and encourage energy efficiency by identifying DSM opportunities and providing recommendations to the customer.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include 7,048 energy evaluations.

Program accomplishments for the period January through December 2004 are expected to include 7,100 energy evaluations.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$3,807,057

Program fiscal expenditures for the period January through December 2004 are expected to be \$4,150,093.

**Program Progress Summary:** Program to date, through July 2003, 73,225 energy evaluations have been completed.



## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** C/I Heating, Ventilating and Air Conditioning Program

**Program Description:** A program designed to reduce the current and future growth of coincident peak demand and energy consumption of commercial and industrial customers by increasing the use of high efficiency heating, ventilating and air conditioning (HVAC) systems.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include the reduction of 19,428 kW.

Program accomplishments for the period January through December 2004 are expected to include the reduction of 17,609 kW.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$4,266,973.

Program fiscal expenditures for the period January through December 2004 are expected to be \$4,289,751.

**Program Progress Summary:** Program to date, through July 2003, total reduction is 214,260 kW.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** C/I Business Custom Incentive Program

**Program Description:** A program designed to assist FPL's commercial and industrial customers to achieve electric demand and savings cost-effective to all FPL customers. FPL will provide incentives to qualifying commercial and industrial customers who purchase, install and successfully operate cost-effective energy efficiency measures not covered by other FPL programs that reduce electric demand or shift electric demand from summer peak.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include the reduction of 7,498 kW and the screening of several projects.

Program accomplishments for the period January through December 2004 are expected to include continued screening of new projects.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$362,748.

Program fiscal expenditures for the period January through December 2004 are expected to be \$192,002.

**Program Progress Summary:** Program to date, through July 2003, 51 projects have been reviewed for eligibility and cost-effectiveness.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Commercial/Industrial Building Envelope Program**

**Program Description:** A program designed to encourage eligible commercial and industrial customers to increase the efficiency of the qualifying portions of their building's envelope, which will reduce HVAC energy consumption and demand.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include the reduction of 2,313 kW.

Program accomplishments for the period January through December 2004 are expected to include the reduction of 3,127 kW.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$652,715.

Program fiscal expenditures for the period January through December 2004 are expected to be \$748,364.

**Program Progress Summary:** Program to date, through July 2003, total reduction is 30,059 kW.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title: Conservation Research & Development Program**

**Program Description:** A program designed to evaluate emerging conservation technologies to determine which are worthy of pursuing for program development and approval.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include the continuation of Technology Assessment of products/concepts for potential DSM opportunities. See Supplement on Page 16 and 17 of 22 for description.

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$477,152.

There are no program fiscal expenditures anticipated for the period January through December 2004. Project terminates December 2003.

**Program Progress Summary:** The attached listing details FPL's activities during this period. FPL filed a petition in August 2002, and received approval in October 2002, extending this program until December 2003.

## Supplement to Conservation Research & Development (CRD) Activities

Technology Assessment	Description
Residential Duct Plenum Repair	FPL is performing a pre-post metered study of 40 customers who recently participated in FPL's Residential High Efficiency HVAC Program. These 40 homes were the research subjects for a duct plenum repair to evaluate the value of possibly adding a new option to our Residential HVAC Program which would involve repairing any leaks in the ductwork connection when a new central HVAC system is installed.
Two-speed Air Handlers	FPL is researching the demand and energy reduction benefits of two-speed air handlers. Single-speed and two-speed air handlers will be compared with both conventional thermostats and with humidistats. Savings will be quantified at both the original thermostat temperature set point and a higher temperature setting equivalent to a similar comfort level at lower indoor relative humidity.
ArticMaster subcooler	A passive subcooler device called the ArticMaster is being solicited to commercial customers in Florida. FPL chose to sponsor a laboratory test of the device to either verify or refute the savings claims documented in material from the manufacturer. When the ArticMaster was installed in a 5-ton a/c system operating under typical Florida climate conditions, scientific testing procedures showed a small reduction in electrical demand but an <i>increase</i> in overall energy use (i.e. worse energy efficiency ratio). The conclusion is the ArticMaster is not cost effective for either the utility or the customer.
Energy Recovery Ventilator (ERV)	In 2003, FPL continued monitoring and evaluating a membrane-type energy recovery ventilator installed in an office building setting. The ventilator being tested recovers about two-thirds of the energy from the building exhaust air stream to precool and dehumidify the required fresh air entering the building. Cooling load is significantly reduced, which provides peak demand reduction for the utility and bill savings for the customer from reductions in both demand and energy consumption. This has proven to be a very promising technology for the hot, humid climate of Florida.

**Supplement to Conservation Research & Development (CRD) Activities**

<b>Technology Assessment</b>	<b>Description</b>
CO2 Monitoring	FPL is modeling scenarios to examine possible benefits of controlling commercial building ventilation in conjunction with carbon dioxide (CO2) monitoring devices . The study will estimate the demand and energy reduction associated with utilizing CO2 monitoring technology in this way either as a stand-alone measure or in combination with an energy recovery ventilator like the one described above.
Fuel Cell Demonstration	FPL installed 2.5-kilowatt natural gas fuel cells at Birch State Park in Fort Lauderdale and Saint Thomas University in Miami as a demonstration project. The output and reliability of the units are being monitored by FPL in order to gain experience with the installation and operation of the technology. A small number of additional fuel cell research projects are being considered.

## PROGRAM DESCRIPTION AND PROGRESS

### **Program Title: BuildSmart Program**

**Program Description:** The objective of this program is to encourage the design and construction of energy-efficient homes that cost effectively reduce FPL's coincident peak and load and customer energy consumption.

**Program Projections:** Program accomplishments for the period January through December 2003 are expected to include 1,730 homes.

Program accomplishments for the period January through December 2004 are expected to include 2,241 homes.

**Program Fiscal Expenditures:** Program fiscal expenditures (net of program revenues) for the period January through December 2003 are expected to be an estimated/actual period total of \$593,996.

Program fiscal expenditures (net of program revenues) for the period January through December 2004 are expected to be \$1,131,916.

**Program Progress Summary:** Program to date, through July 2003, 4,748 homes have been completed.

## PROGRAM DESCRIPTION AND PROGRESS

### **Project Title: Low Income Weatherization Retrofit Project**

**Project Description:** The objective of this project is to investigate cost-effective methods of increasing the energy efficiency of FPL's low-income customers. The research project will address the needs of low income housing retrofits by providing monetary incentives to housing authorities, both Weatherization Agency Providers, (WAPs), and non-WAPs, for individual homes they are retrofitting. The pilot will consist of 500 installations.

**Project Projections:** Project accomplishments for the period January through December 2003 are expected to include completion of the research project and evaluation and recommendations regarding program expansion.

**Project Fiscal Expenditures:** Project fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$38,894.

There are no project fiscal expenditures anticipated for the period January through December 2004. Project terminates December 2003.

**Project Progress Summary:** FPL has met and concluded the pilot of 500 installations. The program has been evaluated for cost effective methods of increasing energy efficiency. A formal recommendation will be presented to the Florida Public Service Commission by the fourth quarter 2003.



## PROGRAM DESCRIPTION AND PROGRESS

**Project Title: Photovoltaic Research, Development and Education Project**

**Project Description:** The objective of this project is to work with homebuilders to install five to ten photovoltaic roof systems in new single family homes.

**Project Projections:** Project accomplishments for the period January through December 2003 are expected to include: (1) Demand Energy Data (PV vs. FPL System Loads); (2) PV Demo Site Homeowner Financial Benefit; (3) Impact on FPL Distribution System; (4) Feasibility of replacing existing roofing materials with PV materials.

**Project Fiscal Expenditures:** Project fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$48,945.

There are no project fiscal expenditures anticipated for the period January through December 2004. Project terminates December 2003.

**Project Progress Summary:** A report is being compiled covering the monitoring of the five selected photovoltaic (PV) systems on buildings. The report will include the status of the work performed, information on the performance, reliability, costs and cost effectiveness analysis. Winter 2002 PV System Load data was collected and summer 2003 PV System and FPL System Load data is presently being collected. Once the data acquisition is completed for summer 2003, it will be also be incorporated into the report. As soon as the report is finalized, it will be filed with the FPSC.

## PROGRAM DESCRIPTION AND PROGRESS

**Project Title: Green Energy Project**

**Project Description:** Under this project FPL will determine customer acceptance of green pricing rates, investigate, and if determined by FPL to be feasible, design and implement a Green Energy Program.

**Project Projections:** During this period FPL completed project feasibility and design.

**Project Fiscal Expenditures:** Project fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$251,051.

There are no project fiscal expenditures anticipated for the period January through December 2004. Current research project terminates December 2003.

**Project Progress Summary:** FPL closed its renewable RFP on July 22, 2003. A petition was submitted on August 4, 2003 (Docket No. 030752-EI) for approval of FPL's Green Power Pricing Research Project, consummating Order if No Protest is expected fourth quarter 2003. Project expected to be implemented and launched following this date.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title: Common Expenses**

**Program Description:** Expenses common to all programs.

**Program Projections:** N/A

**Program Fiscal Expenditures:** Program fiscal expenditures for the period January through December 2003 are expected to be an estimated/actual period total of \$12,485,922.

Program fiscal expenditures for the period January through December 2004 are expected to be \$13,743,795.

**Program Progress Summary:** N/A

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-1

CONSERVATION ADJUSTMENT TRUE-UP

PAGE 1 OF 1

FOR MONTHS January-02 THROUGH December-02

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS January-02 THROUGH December-02		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>(42,429)</u>	
5.	INTEREST	<u>(228)</u>	<u>(42,657)</u>
6.	LESS PROJECTED TRUE-UP		
7.	November-02 (DATE) HEARINGS		
8.	PRINCIPAL	<u>(22,738)</u>	
9.	INTEREST	<u>(195)</u>	<u>(22,933)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u>(19,724)</u>

EXHIBIT NO. \_\_\_\_\_  
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FLORIDA PUBLIC SERVICE COMMISSION *Comp*  
DOCKET  
NO. 030002-EG EXHIBIT NO. Ex. 2  
COMPANY/ F PUC  
WITNESS: Michael A. Peacock MAP/thu3  
DATE: 11-12-03

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS  
ACTUAL VS PROJECTED

	FOR MONTHS	January-02	THROUGH	December-02	
		<u>ACTUAL</u>		<u>PROJECTED*</u>	<u>DIFFERENCE</u>
1.	LABOR/PAYROLL	66,350		84,043	(17,693)
2.	ADVERTISING	51,450		57,180	(5,730)
3.	LEGAL	6,413		7,017	(604)
4.	OUTSIDE SERVICES/CONTRACT	6,472		8,189	(1,717)
5.	VEHICLE COST	10,897		9,848	1,049
6.	MATERIAL & SUPPLIES	8,431		4,618	3,813
7.	TRAVEL	3,477		7,613	(4,136)
8.	GENERAL & ADMIN	34,053		31,644	2,409
9.	INCENTIVES	0		0	0
10.	OTHER	0		0	0
11.	SUB-TOTAL	187,543		210,152	(22,609)
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	187,543		210,152	(22,609)
14.	LESS: PRIOR PERIOD TRUE-UP	(14,481)		(14,481)	0
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	244,453		247,371	(2,918)
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	(42,429)		(22,738)	(19,691)
19.	ADD INTEREST PROVISION	(228)		(195)	(33)
20.	END OF PERIOD TRUE-UP	(42,657)		(22,933)	(19,724)

() REFLECTS OVERRECOVERY

\* 8 MONTHS ACTUAL AND 4 MONTHS PROJECTED

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-2  
PAGE 2 OF 3

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-02 THROUGH December-02

PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1.											0		0
2.											0		0
3.											0		0
4.											0		0
5.											0		0
6.											0		0
7.											0		0
8.											0		0
9.											0		0
10. Common	27,796	2,653	737	125	10,404	4,826	3,477	24,622	0	0	74,640		74,640
11. Residential Geothermal Heat Pump	2,507	0	1,892	1,605	0	0	0	0	0	0	6,004		6,004
12. GoodCents Home/Energy Star	11,694	8,869	1,892	3,997	493	1,381	0	6,857	0	0	35,203		35,203
13. GoodCents Energy Survey Program	13,648	1,854	1,892	724	0	1,112	0	1,301	0	0	20,531		20,531
14. GoodCents Loan Program	262	0	0	0	0	0	0	0	0	0	262		262
15. GoodCents Commercial Building	4,019	0	0	0	0	0	0	0	0	0	4,019		4,019
16. GoodCents Commercial Tech. Assistance	6,045	38,054	0	21	0	1,112	0	1,273	0	0	46,505		46,505
17. Low Income	107	0	0	0	0	0	0	0	0	0	107		107
18. Affordable Housing/Builders Program	272	0	0	0	0	0	0	0	0	0	272		272
19.	0	0	0	0	0	0	0	0	0	0	0		0
20.													
TOTAL ALL PROGRAMS	66,350	51,450	6,413	6,472	10,897	8,431	3,477	34,053	0	0	187,543	0	187,543

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-2  
PAGE 3 OF 3

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

FOR MONTHS January-02 THROUGH December-02

PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1.													
2.													
3.													
4.													
5.													
6.													
7.													
8.													
9.													
10. Common	(14,555)	198	(603)	125	1,049	3,459	(226)	7,141	0	0	(3,412)	0	(3,412)
11. Residential Geothermal Heat Pump	303	(330)	0	1,605	0	(70)	(910)	(840)	0	0	(242)	0	(242)
12. GoodCents Home/Energy Star	1,320	(4,961)	(1)	572	0	(330)	(1,260)	(470)	0	0	(5,130)	0	(5,130)
13. GoodCents Energy Survey Program	2,652	(6,221)	0	0	0	782	(860)	(1,085)	0	0	(4,732)	0	(4,732)
14. GoodCents Loan Program	(3,000)	(6,950)	0	0	0	(330)	(670)	(840)	0	0	(11,790)	0	(11,790)
15. GoodCents Commercial Building	114	(1,670)	0	(1,010)	0	(330)	(100)	(840)	0	0	(3,836)	0	(3,836)
16. GoodCents Commercial Tech. Assistance	(3,857)	14,204	0	(3,009)	0	782	(110)	(457)	0	0	7,553	0	7,553
17. Low Income	(340)	0	0	0	0	(80)	0	(100)	0	0	(520)	0	(520)
18. Affordable Housing/Builders Program	(330)	0	0	0	0	(70)	0	(100)	0	0	(500)	0	(500)
19.	0	0	0	0	0	0	0	0	0	0	0	0	0
20.													
TOTAL ALL PROGRAMS	(17,693)	(5,730)	(604)	(1,717)	1,049	3,813	(4,136)	2,409	0	0	(22,609)	0	(22,609)

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

FOR MONTHS January-02 THROUGH December-02

A. CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.													0
2.													0
3.													0
4.													0
5.													0
6.													0
7.													0
8.													0
9.													0
10. Common	5,119	6,734	6,457	7,807	2,928	5,160	7,678	6,227	6,174	6,330	8,230	5,796	74,640
11. Residential Geothermal Heat Pump	(11)	0	0	0	169	156	115	2,697	979	281	22	1,596	6,004
12. GoodCents Home/Energy Star	4,182	6,819	6,632	1,818	1,484	1,736	1,847	3,350	1,533	2,048	1,901	1,853	35,203
13. GoodCents Energy Survey Program	1,761	1,819	830	1,120	1,681	978	1,249	3,105	1,405	2,537	2,845	1,201	20,531
14. GoodCents Loan Program	(35)	0	0	0	0	106	52	49	49	(2)	43	0	262
15. GoodCents Commercial Building	342	237	289	611	424	82	135	255	388	774	294	188	4,019
16. GoodCents Commercial Tech. Assistance	587	534	761	604	1,178	1,366	20,802	2,521	3,816	8,251	4,731	1,354	46,505
17. Low Income	(12)	0	0	0	169	(50)	0	0	0	0	0	0	107
18. Affordable Housing/Builders Program	0	0	0	0	169	(50)	0	153	0	0	0	0	272
19.	0	0	0	0	0	0	0	0	0	0	0	0	0
20.													
21. TOTAL ALL PROGRAMS	11,933	16,143	14,969	11,960	8,202	9,484	31,878	18,357	14,344	20,219	18,066	11,988	187,543
22. LESS AMOUNT INCLUDED IN RATE BASE													
23. RECOVERABLE CONSERVATION EXPENSES	11,933	16,143	14,969	11,960	8,202	9,484	31,878	18,357	14,344	20,219	18,066	11,988	187,543



COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-3  
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-02 THROUGH December-02

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	20,808	17,060	17,594	16,456	19,706	21,955	23,318	23,281	24,095	22,879	17,232	20,069	244,453
3. TOTAL REVENUES	20,808	17,060	17,594	16,456	19,706	21,955	23,318	23,281	24,095	22,879	17,232	20,069	244,453
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	(1,207)	(1,207)	(1,207)	(1,207)	(1,207)	(1,207)	(1,207)	(1,207)	(1,207)	(1,207)	(1,207)	(1,204)	(14,481)
5. CONSERVATION REVENUE APPLICABLE	19,601	15,853	16,387	15,249	18,499	20,748	22,111	22,074	22,888	21,672	16,025	18,865	229,972
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	11,933	16,143	14,969	11,960	8,202	9,484	31,878	18,357	14,344	20,219	18,056	11,988	187,543
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	7,668	(290)	1,418	3,289	10,297	11,264	(9,767)	3,717	8,544	1,453	(2,041)	6,877	42,429
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	(16)	(9)	(7)	(1)	9	26	31	28	39	47	43	38	228
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(14,481)	(5,622)	(4,714)	(2,096)	2,389	13,912	26,409	17,880	22,832	32,622	35,329	34,538	(14,481)
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,204	14,481
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	(5,622)	(4,714)	(2,096)	2,389	13,912	26,409	17,880	22,832	32,622	35,329	34,538	42,657	42,657

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-3  
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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-02 THROUGH December-02

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	(14,481)	(5,622)	(4,714)	(2,096)	2,399	13,912	26,409	17,880	22,832	32,622	35,329	34,538	(14,481)
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	(5,606)	(4,705)	(2,089)	2,400	13,903	26,383	17,849	22,804	32,583	35,282	34,495	42,619	42,429
3. TOTAL BEG. AND ENDING TRUE-UP	(20,087)	(10,327)	(6,803)	304	16,302	40,295	44,258	40,684	55,415	67,904	69,824	77,157	27,948
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	(10,044)	(5,164)	(3,402)	152	8,151	20,148	22,129	20,342	27,708	33,952	34,912	38,579	13,974
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	1.78%	1.77%	1.75%	1.80%	1.75%	1.77%	1.75%	1.73%	1.71%	1.71%	1.71%	1.71%	1.71%
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	1.77%	1.75%	1.80%	1.75%	1.77%	1.75%	1.73%	1.71%	1.71%	1.71%	1.71%	1.71%	1.71%
7. TOTAL (LINE C-5 + C-6)	3.55%	3.52%	3.55%	3.55%	3.52%	3.52%	3.48%	3.44%	3.42%	3.42%	3.42%	3.42%	3.42%
8. AVG. INTEREST RATE (C-7 X 50%)	1.78%	1.76%	1.78%	1.78%	1.76%	1.76%	1.74%	1.72%	1.71%	1.71%	1.71%	1.71%	1.71%
9. MONTHLY AVERAGE INTEREST RATE	0.148%	0.147%	0.148%	0.148%	0.147%	0.147%	0.145%	0.143%	0.143%	0.143%	0.143%	0.143%	0.143%
10. INTEREST PROVISION (LINE C-4 X C-9)	(16)	(9)	(7)	(1)	9	26	31	28	39	47	43	38	228

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE CT-4  
PAGE 1 OF 1

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS January-02 THROUGH December-02

PROGRAM NAME:	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	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. \_\_\_\_\_  
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FLORIDA PUBLIC UTILITIES COMPANY  
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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            January-02            THROUGH    December-02

AUDIT EXCEPTION:            TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

EXHIBIT NO. \_\_\_\_\_  
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FLORIDA PUBLIC UTILITIES COMPANY  
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FLORIDA PUBLIC UTILITIES COMPANY  
NORTHEAST DIVISION  
PROGRAM DESCRIPTION AND PROGRESS

SCHEDULE CT-6  
PAGE 1 OF 9

1. Residential Geothermal Heat Pump
2. GoodCents Home/Energy Star Program
3. GoodCents Energy Survey Program
4. GoodCents Commercial Building Program
5. GoodCents Commercial technical Assistance Program
6. Educational/Low Income
7. Educational/Affordable Housing Builders and Providers Program

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
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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: Even though there are no goals set for this program we continue to promote this technology to our customers and HVAC contractors. We have observed an increase in interest as our customers learn more about this technology. There were two Geo-Thermal installs in the Northeast Division in 2002.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2002 through December 31, 2002 were \$6,004.00.

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. We will educate contractors by offering Geothermal Certification classes and develop a network of installers in order to better promote this highly efficient heating and cooling source.

PROGRAM TITLE: GoodCents Home/Energy Star Program

PROGRAM DESCRIPTION: The GoodCents Home Program has long been the standard for energy efficient construction in Northeast Florida and throughout other parts of the country where the GoodCents Program has been utilized by as many as 270 different utilities. For FPUC and our customers, GoodCents homes provides guidance concerning energy efficiency in new construction by promoting energy efficient home construction techniques by evaluating components in the categories of design and construction practices.

In an effort to further enhance the GoodCents Home Program and market it more efficiently and effectively, GoodCents signed a Memorandum of Understanding with the Department of Energy (DOE) and the Environmental Protection Agency (EPA). Since FPUC is a member of GoodCents this agreement provides the opportunity to offer the Energy Star Home Program to builders and customers and correlates the performance of GoodCents homes to the nationally recognized Energy Star efficiency label. In many cases, a standard GoodCents home will also qualify as an Energy Star Home. The GoodCents Home standards continue to exceed the minimum efficiency standards for new construction as set forth by the Florida Model Energy Code.

PROGRAM ACCOMPLISHMENTS: The year's goal was 29. A total of 102 GoodCents Homes have been built during this reporting period.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$35,2003.00.

PROGRAM PROGRESS SUMMARY: We've enhanced our efforts in promoting contractor participation and customer benefits. We have conducted open house days to provide information to prospective home builders and information presentations have been made to educate area builders, realtors and suppliers. Through our increased efforts we have seen our participation numbers rise over the past years and we will continue to build on our success with even greater creative marketing efforts in order to reach our goal.

PROGRAM TITLE: GoodCents Energy Survey Program

PROGRAM DESCRIPTION: The objective of the GoodCents Energy Survey 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. Also during the survey process duct leakage will be addressed. If a problem is identified recommendations will be made for further analysis and repairs. Through follow-up audit work, FPUC monitors and tracks the installation of the cost-effective conservation features and/or duct leakage repairs.

The conservation measures, once implemented, also lower FPUC's energy requirements, as well as improve operating efficiencies. As a result, the increase in operating efficiencies provides for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

PROGRAM ACCOMPLISHMENTS: The goal for this program is 150 participants. This has been a very successful program to date. Audits have been conducted for 458 customers at the end of this reporting period.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$20,531.00.

PROGRAM PROGRESS SUMMARY: We feel confident that by our efforts to promote this program through newspaper, radio and cable TV that we will continue to exceed our participant goals in this program in the future.



PROGRAM TITLE: GoodCents Loan Program

PROGRAM DESCRIPTION: The objective of the GoodCents Loan Program was to provide FPUC's residential customers a vehicle to encourage installation of energy conservation features in their homes. The program was *designed to work in conjunction* with FPUC's approved GoodCents Energy Survey Program. During the survey process, the customer was provided with *specific whole-house recommendations*. An FPUC representative submitted a completed loan application once the customer decides to install the conservation features. After the application has been approved, the customer contacted a contractor to install the recommended conservation features. After the work was completed, an inspection was performed by FPUC to ensure all energy conservation features covered by the loan are installed. Confirmation of the installed features was provided to the participating bank. The increased operating efficiencies of the installed features provided a reduction in weather sensitive peak demand as well as a reduction in overall energy consumption.

PROGRAM ACCOMPLISHMENTS: *This year's goal is 15 program participants. During this reporting period we have completed 0 loans.*

PROGRAM FISCAL EXPENDITURES: Expenditures for the reporting period January 1, 2002 through December 31, 2002 were \$262.00.

PROGRAM PROGRESS SUMMARY: In 2002 this program was approved by the PSC for discontinuation due to the lack of participations and the cost of implementing the program. We continue to incur expenses due to past unsecured defaulted loans.

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PROGRAM TITLE: *GoodCents Commercial Building Program*

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.

The promotion of the GoodCents Building Program through the years has featured a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design continues to be 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 kW and kWh savings due to the GoodCents Building Program, the GoodCents 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 kW and kWh differences for the two types of structures. The AXCESS - Energy Analysis Computer Program (AXCESS) is used in calculating kW and kWh difference.

PROGRAM ACCOMPLISHMENTS: This year's goal is 5 and for this reporting period we have had 15 GoodCents Building qualifications in the NORTHEAST DIVISION service territory.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$4,019.00

PROGRAM PROGRESS SUMMARY: We feel that we will continue our success with this program as we further develop relations with architects and contractors to gain knowledge of possible projects. We have laid the foundation of customer trust in this area through our GoodCents Commercial Technical Assistance Program and with this relationship we feel we will continue to exceed our program goal.

PROGRAM TITLE: GoodCents Commercial Technical Audit Assistance Program

PROGRAM DESCRIPTION: The GoodCents Commercial Technical Assistance Audit Program is an interactive program that provides commercial customers assistance in identifying advanced energy conservation opportunities. It is customized to meet the individual needs of large customers as required; therefore, it is an evolving program.

The Technical Assistance Audit process consists of an on-site review by FPUC Conservation Consultant of the customer's facility operation, equipment and energy usage pattern. The consultant identifies areas of potential reduction in kW and kWh consumption as well as identifying end-use technology opportunities. A technical evaluation is then performed which often includes performing an AXCESS simulation in order to ascertain an economy payback or life cycle cost analysis for various improvements to the facility. When necessary FPUC will subcontract the evaluation process to an independent engineering firm and/or contracting consultant.

PROGRAM PROJECTION: This year's goal is 17 and a total of 48 GoodCents Commercial Technical Audits were completed during this reporting period.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$46,505.00.

PROGRAM PROGRESS SUMMARY: This program has been very successful and we are optimistic that our commercial/Industrial customers will involve us to a greater extent in future projects based upon the relationship of trust and knowledge.

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
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PROGRAM TITLE: Low Income Program

PROGRAM DESCRIPTION: FPUC presently has energy education programs that identify low cost and or no cost conservation measures. In order to better assist low-income customers in managing their energy purchases, the presentation and format of these energy education programs are tailored to the audience. These programs provide basic energy education, as well as inform the customers of other specific services, such as free energy survey, that FPUC currently offers.

PROGRAM ACCOMPLISHMENTS: For January 2002-- through December 2002: There are no goals set for this program.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$107.00.

PROGRAM PROGRESS SUMMARY: Several presentations were made this year to assist low-income house authorities renters on how to manage their energy consumption more wisely. This program will continue to benefit Florida Public Utilities by continuing to provide opportunities to educate low-income customers on the benefits of an energy efficient home and use.

FLORIDA PUBLIC UTILITIES COMPANY  
NORTHEAST DIVISION  
PROGRAM DESCRIPTION AND PROGRESS

SCHEDULE CT-6  
PAGE 9 OF 9

PROGRAM TITLE: Affordable Housing Builders and Providers Program

PROGRAM DESCRIPTION: FPUC will identify the affordable housing builders within the service area and will encourage them to attend education seminars and workshops related to energy efficient construction, retrofit programs, financing programs, etc., and to participate in the GoodCents Home Program. FPUC will work with the Florida Energy Extension Service and other seminar sponsors to offer seminars and/or workshops. FPUC will work with all sponsors to reduce or eliminate attendances fees for affordable housing providers.

PROGRAM PROJECTION: For January 2002 through December 2002: There is no goal for this program.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$272.00.

PROGRAM PROGRESS SUMMARY: This program will continue to provide FPUC the opportunity to educate contractors on the benefits of building a home to GoodCents standards as well as introduce new and innovative energy efficient building technology.

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
PAGE 36 OF 36

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA  
 CONSERVATION ADJUSTMENT TRUE-UP  
 FOR MONTHS January-02 THROUGH December-02

SCHEDULE CT-1  
 PAGE 1 OF 1

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS January-02 THROUGH December-02		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>(2,276)</u>	
5.	INTEREST	<u>278</u>	<u>(1,998)</u>
6.	LESS PROJECTED TRUE-UP		
7.	November-02 (DATE) HEARINGS		
8.	PRINCIPAL	<u>4,788</u>	
9.	INTEREST	<u>300</u>	<u>5,088</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>(7,086)</u></u>

EXHIBIT NO. \_\_\_\_\_  
 DOCKET NO. 030002-EG  
 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-1)  
 PAGE 1 OF 36

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS  
ACTUAL VS PROJECTED

	FOR MONTHS	January-02	THROUGH	December-02	
		<u>ACTUAL</u>		<u>PROJECTED*</u>	<u>DIFFERENCE</u>
1.	LABOR/PAYROLL	93,129		90,480	2,649
2.	ADVERTISING	62,214		66,145	(3,931)
3.	LEGAL	7,338		7,579	(241)
4.	OUTSIDE SERVICES/CONTRACT	3,720		3,807	(87)
5.	VEHICLE COST	9,463		8,517	946
6.	MATERIAL & SUPPLIES	10,783		4,523	6,260
7.	TRAVEL	7,910		10,497	(2,587)
8.	GENERAL & ADMIN	35,539		42,262	(6,723)
9.	INCENTIVES	0		0	0
10.	OTHER	859		731	128
11.	SUB-TOTAL	230,955		234,541	(3,586)
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	230,955		234,541	(3,586)
14.	LESS: PRIOR PERIOD TRUE-UP	(28,208)		(28,208)	0
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	261,439		257,961	3,478
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	(2,276)		4,788	(7,064)
19.	ADD INTEREST PROVISION	278		300	(22)
20.	END OF PERIOD TRUE-UP	(1,998)		5,088	(7,086)

() REFLECTS OVERRECOVERY

\* 8 MONTHS ACTUAL AND 4 MONTHS PROJECTED

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-1)  
PAGE 2 OF 36

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-02 THROUGH December-02

PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1.													0
2.													0
3.													0
4.													0
5.													0
6.													0
7.													0
8.													0
9.													0
10. Common	42,136	0	759	0	9,463	4,425	2,547	8,958	0	859	69,147		69,147
11. Residential Geothermal Heat Pump	(53)	0	1,892	0	0	0	0	0	0	0	1,839		1,839
12. GoodCents Home/Energy Star	17,715	12,164	2,580	2,945	0	3,265	2,816	2,701	0	0	44,186		44,186
13. GoodCents Energy Survey Program	17,349	9,182	1,976	648	0	1,311	1,861	1,447	0	0	33,774		33,774
14. GoodCents Loan Program	49	1,719	47	20	0	8	0	21,971	0	0	23,814		23,814
15. GoodCents Commercial Building	7,184	188	0	0	0	631	660	(578)	0	0	8,085		8,085
16. GoodCents Commercial Tech. Assistance	8,566	38,661	84	107	0	1,117	26	1,040	0	0	49,901		49,901
17. Low Income	183	0	0	0	0	26	0	0	0	0	209		209
18. Affordable Housing/Builders Program	0	0	0	0	0	0	0	0	0	0	0		0
	0	0	0	0	0	0	0	0	0	0	0		0
<b>TOTAL ALL PROGRAMS</b>	<b>93,129</b>	<b>62,214</b>	<b>7,338</b>	<b>3,720</b>	<b>9,463</b>	<b>10,783</b>	<b>7,910</b>	<b>35,539</b>	<b>0</b>	<b>859</b>	<b>230,955</b>	<b>0</b>	<b>230,955</b>



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 January-02 THROUGH December-02

PROGRAM NAME	LABOR & PAYROLL		ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES		TRAVEL	GENERAL & ADMIN.		INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL	
1.																	
2.																	
3.																	
4.																	
5.																	
6.																	
7.																	
8.																	
9.																	
10. Common	(4,466)	0	(241)	0	946	3,233	(566)	421	0	128	(545)	0	(545)	0	(545)		
11. Residential Geothermal Heat Pump	(660)	(330)	0	0	0	(30)	(70)	(70)	0	0	(1,160)	0	(1,160)	0	(1,160)		
12. GoodCents Home/Energy Star	3,396	(2,240)	0	573	0	1,050	(91)	109	0	0	2,797	0	2,797	0	2,797		
13. GoodCents Energy Survey Program	3,491	(3,232)	0	0	0	1,023	(470)	(255)	0	0	557	0	557	0	557		
14. GoodCents Loan Program	(2,130)	(4,911)	0	0	0	(230)	(470)	(5,910)	0	0	(13,851)	0	(13,851)	0	(13,851)		
15. GoodCents Commercial Building	1,059	(5,539)	0	(330)	0	401	(480)	(671)	0	0	(5,540)	0	(5,540)	0	(5,540)		
16. GoodCents Commercial Tech. Assistance	2,209	12,321	0	(330)	0	887	(460)	(287)	0	0	14,340	0	14,340	0	14,340		
17. Low Income	(90)	0	0	0	0	(24)	0	(30)	0	0	(144)	0	(144)	0	(144)		
18. Affordable Housing/Builders Program	(160)	0	0	0	0	(50)	0	(30)	0	0	(240)	0	(240)	0	(240)		
<b>TOTAL ALL PROGRAMS</b>	<b>2,649</b>	<b>(3,931)</b>	<b>(241)</b>	<b>(87)</b>	<b>946</b>	<b>6,260</b>	<b>(2,587)</b>	<b>(6,723)</b>	<b>0</b>	<b>128</b>	<b>(3,586)</b>	<b>0</b>	<b>(3,586)</b>	<b>0</b>	<b>(3,586)</b>		

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-1)  
PAGE 4 OF 36

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

FOR MONTHS January-02 THROUGH December-02

A. CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.													0
2.													0
3.													0
4.													0
5.													0
6.													0
7.													0
8.													0
9.													0
10. Common	6,848	5,436	5,607	4,856	4,378	5,456	6,190	6,363	4,589	6,071	8,231	5,122	69,147
11. Residential Geothermal Heat Pump	(53)	0	0	0	0	0	0	1,892	0	0	0	0	1,839
12. GoodCents Home/Energy Star	4,635	4,886	5,112	3,696	2,745	2,874	2,284	6,116	1,981	3,536	3,875	2,446	44,186
13. GoodCents Energy Survey Program	2,735	3,204	2,321	3,416	3,496	2,078	1,703	5,223	1,906	2,039	3,375	2,278	33,774
14. GoodCents Loan Program	16,020	732	143	78	0	37	6,650	(235)	(60)	(60)	(60)	569	23,614
15. GoodCents Commercial Building	718	898	190	378	450	391	551	690	869	590	1,264	1,096	8,085
16. GoodCents Commercial Tech, Assistance	400	732	1,017	644	1,562	881	15,327	5,638	3,572	7,557	8,399	4,172	49,901
17. Low Income	0	0	0	0	0	0	37	76	76	20	0	0	209
18. Affordable Housing/Builders Program	0	0	0	0	0	0	0	0	0	0	0	0	0
19.	0	0	0	0	0	0	0	0	0	0	0	0	0
20.													
21. TOTAL ALL PROGRAMS	31,303	15,888	14,390	13,068	12,631	11,717	32,742	25,783	12,933	19,753	25,084	15,683	230,955
22. LESS AMOUNT INCLUDED IN RATE BASE													
23. RECOVERABLE CONSERVATION EXPENSES	31,303	15,888	14,390	13,068	12,631	11,717	32,742	25,783	12,933	19,753	25,084	15,683	230,955

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE CT-3  
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-02 THROUGH December-02

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	24,619	17,812	19,474	17,132	21,251	22,451	23,964	25,659	25,373	22,732	18,523	22,449	261,439
3. TOTAL REVENUES	24,619	17,812	19,474	17,132	21,251	22,451	23,964	25,659	25,373	22,732	18,523	22,449	261,439
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	(2,351)	(2,351)	(2,351)	(2,351)	(2,351)	(2,351)	(2,351)	(2,351)	(2,351)	(2,351)	(2,351)	(2,347)	(28,208)
5. CONSERVATION REVENUE APPLICABLE	22,268	15,461	17,123	14,781	18,900	20,100	21,613	23,308	23,022	20,381	16,172	20,102	233,231
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	31,303	15,888	14,390	13,068	12,631	11,717	32,742	25,783	12,933	19,753	25,084	15,683	230,955
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	(9,035)	(427)	2,733	1,713	6,269	8,383	(11,129)	(2,455)	10,089	628	(8,912)	4,419	2,276
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	(48)	(51)	(46)	(39)	(29)	(16)	(13)	(20)	(12)	0	(2)	(2)	(278)
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(28,208)	(34,940)	(33,067)	(28,029)	(24,004)	(15,413)	(4,695)	(13,486)	(13,610)	(1,182)	1,797	(4,766)	(28,208)
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,347	28,208
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	(34,940)	(33,067)	(28,029)	(24,004)	(15,413)	(4,695)	(13,486)	(13,610)	(1,182)	1,797	(4,766)	1,998	1,998

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-1)  
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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-02 THROUGH December-02

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	(28,208)	(34,940)	(33,067)	(28,029)	(24,004)	(15,413)	(4,695)	(13,486)	(13,610)	(1,182)	1,797	(4,766)	(28,208)
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	(34,892)	(33,016)	(27,983)	(23,965)	(15,384)	(4,679)	(13,473)	(13,590)	(1,170)	1,797	(4,764)	2,000	2,276
3. TOTAL BEG. AND ENDING TRUE-UP	(63,100)	(67,956)	(61,050)	(51,994)	(39,388)	(20,092)	(18,168)	(27,076)	(14,780)	615	(2,967)	(2,766)	(25,932)
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	(31,550)	(33,978)	(30,525)	(25,997)	(19,694)	(10,046)	(9,084)	(13,538)	(7,390)	308	(1,484)	(1,383)	(12,966)
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	1.78%	1.77%	1.75%	1.80%	1.75%	1.77%	1.75%	1.73%	1.71%	1.71%	1.71%	1.71%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	1.77%	1.75%	1.80%	1.75%	1.77%	1.75%	1.73%	1.71%	1.71%	1.71%	1.71%	1.71%	
7. TOTAL (LINE C-5 + C-6)	3.55%	3.52%	3.55%	3.55%	3.52%	3.52%	3.48%	3.44%	3.42%	3.42%	3.42%	3.42%	
8. AVG. INTEREST RATE (C-7 X 50%)	1.78%	1.76%	1.78%	1.78%	1.76%	1.76%	1.74%	1.72%	1.71%	1.71%	1.71%	1.71%	
9. MONTHLY AVERAGE INTEREST RATE	0.148%	0.147%	0.148%	0.148%	0.147%	0.147%	0.145%	0.143%	0.143%	0.143%	0.143%	0.143%	
10. INTEREST PROVISION (LINE C-4 X C-9)	(48)	(51)	(46)	(39)	(29)	(16)	(13)	(20)	(12)	0	(2)	(2)	(278)

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
 FOR MONTHS January-02 THROUGH December-02

SCHEDULE CT-4  
 PAGE 1 OF 1

PROGRAM NAME:	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	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. 030002-EG  
 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-1)  
 PAGE 8 OF 36

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 January-02 THROUGH December-02

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-1)  
PAGE 9 OF 36

1. Residential Geothermal Heat Pump
2. GoodCents Home/Energy Star Program
3. GoodCents Energy Survey Program
4. GoodCents Commercial Building Program
5. GoodCents Commercial technical Assistance Program
6. Educational/Low Income
7. Educational/Affordable Housing Builders and Providers Program

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
PAGE 10 OF 36

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: Even though there are no goals set for this program we continue to promote this technology to our customers and HVAC contractors. We continue to see an increase in interest as our customers learn more about this technology.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2002 through December 31, 2002 were \$1,839.

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. We will educate contractors by offering Geothermal Certification classes and develop a network of installers in order to better promote this highly efficient heating and cooling source.



PROGRAM TITLE: GoodCents Home/Energy Star Program

PROGRAM DESCRIPTION: The GoodCents Home Program has long been the standard for energy efficient construction in Northwest Florida and throughout other parts of the country where the GoodCents Program has been utilized by as many as 270 different utilities. For FPUC and our customers, GoodCents homes provides guidance concerning energy efficiency in new construction by promoting energy efficient home construction techniques by evaluating components in the categories of design and construction practices.

In an effort to further enhance the GoodCents Home Program and market it more efficiently and effectively, GoodCents signed a Memorandum of Understanding with the Department of Energy (DOE) and the Environmental Protection Agency (EPA). Since FPUC is a member of GoodCents this agreement provides the opportunity to offer the Energy Star Home Program to builders and customers and correlates the performance of GoodCents homes to the nationally recognized Energy Star efficiency label. In many cases, a standard GoodCents home will also qualify as an Energy Star Home. The GoodCents Home standards continue to exceed the minimum efficiency standards for new construction as set forth by the Florida Model Energy Code.

PROGRAM ACCOMPLISHMENTS: The year's goal was 29. A total of 40 GoodCents Homes have been built during this reporting period.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$44,186.

PROGRAM PROGRESS SUMMARY: We've enhanced our efforts in promoting contractor participation and customer benefits. We have conducted open house days to provide information to prospective home builders and information presentations have been made to educate area builders, realtors and suppliers. Through our increased efforts we have seen our participation numbers rise over the past years and we will continue to build on our success with even greater creative marketing efforts in order to reach our goal.

PROGRAM TITLE: GoodCents Energy Survey Program

PROGRAM DESCRIPTION: The objective of the GoodCents Energy Survey 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. Also during the survey process duct leakage will be addressed. If a problem is identified recommendations will be made for further analysis and repairs. Through follow-up audit work, FPUC monitors and tracks the installation of the cost-effective conservation features and/or duct leakage repairs.

The conservation measures, once implemented, also lower FPUC's energy requirements, as well as improve operating efficiencies. As a result, the increase in operating efficiencies provides for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

PROGRAM ACCOMPLISHMENTS: The goal for this program is 150 participants. This has been a very successful program to date. Audits have been conducted for 312 customers at the end of this reporting period.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$33,774.

PROGRAM PROGRESS SUMMARY: We feel confident that by our efforts to promote this program through newspaper, radio and cable TV that we will continue to exceed our participant goals in this program in the future.

PROGRAM TITLE: GoodCents Loan Program

PROGRAM DESCRIPTION: The objective of the GoodCents Loan Program was to provide FPUC's residential customers a vehicle to encourage installation of energy conservation features in their homes. The program was designed to work in conjunction with FPUC's approved GoodCents Energy Survey Program. During the survey process, the customer was provided with specific whole-house recommendations. An FPUC representative submitted a completed loan application once the customer decides to install the conservation features. After the application has been approved, the customer contacted a contractor to install the recommended conservation features. After the work was completed, an inspection was performed by FPUC to ensure all energy conservation features covered by the loan are installed. Confirmation of the installed features was provided to the participating bank. The increased operating efficiencies of the installed features provided a reduction in weather sensitive peak demand as well as a reduction in overall energy consumption.

PROGRAM ACCOMPLISHMENTS: This year's goal is 15 program participants. During this reporting period we have completed 0 loans.

PROGRAM FISCAL EXPENDITURES: Expenditures for the reporting period January 1, 2002 through December 31, 2002 were \$23,814.

PROGRAM PROGRESS SUMMARY: In 2002 this program was approved by the PSC for discontinuation due to the lack of participations and the cost of implementing the program. We continue to incur expenses due to past unsecured defaulted loans.

EXHIBIT NO. \_\_\_\_\_  
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PROGRAM TITLE: GoodCents Commercial Building Program

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.

The promotion of the GoodCents Building Program through the years has featured a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design continues to be 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 kW and kWh savings due to the GoodCents Building Program, the GoodCents 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 kW and kWh differences for the two types of structures. The AXCESS - Energy Analysis Computer Program (AXCESS) is used in calculating kW and kWh difference.

PROGRAM ACCOMPLISHMENTS: This year's goal is 5 and for this reporting period we have had 16 GoodCents Building qualifications in the Marianna service territory.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$8,085.

PROGRAM PROGRESS SUMMARY: We feel that we will continue our success with this program as we further develop relations with architects and contractors to gain knowledge of possible projects. We have laid the foundation of customer trust in this area through our GoodCents Commercial Technical Assistance Program and with this relationship we feel we will continue to exceed our program goal.

PROGRAM TITLE: GoodCents Commercial Technical Audit Assistance Program

PROGRAM DESCRIPTION: The GoodCents Commercial Technical Assistance Audit Program is an interactive program that provides commercial customers assistance in identifying advanced energy conservation opportunities. It is customized to meet the individual needs of large customers as required; therefore, it is an evolving program.

The Technical Assistance Audit process consists of an on-site review by FPUC Conservation Consultant of the customer's facility operation, equipment and energy usage pattern. The consultant identifies areas of potential reduction in kW and kWh consumption as well as identifying end-use technology opportunities. A technical evaluation is then performed which often includes performing an AXCESS simulation in order to ascertain an economy payback or life cycle cost analysis for various improvements to the facility. When necessary FPUC will subcontract the evaluation process to an independent engineering firm and/or contracting consultant.

PROGRAM PROJECTION: This year's goal is 17 and a total of 42 GoodCents Commercial Technical Audits were completed during this reporting period.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$49,901.

PROGRAM PROGRESS SUMMARY: This program has been very successful and we are optimistic that our commercial/Industrial customers will involve us to a greater extent in future projects based upon the relationship of trust and knowledge.

PROGRAM TITLE: Low Income Program

PROGRAM DESCRIPTION: FPUC presently has energy education programs that identify low cost and or no cost conservation measures. In order to better assist low-income customers in managing their energy purchases, the presentation and format of these energy education programs are tailored to the audience. These programs provide basic energy education, as well as inform the customers of other specific services, such as free energy survey, that FPUC currently offers.

PROGRAM ACCOMPLISHMENTS: For January 2002- through December 2002: There are no goals set for this program.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$209.

PROGRAM PROGRESS SUMMARY: Several presentations were made this year to assist low-income house authorities renters on how to manage their energy consumption more wisely. This program will continue to benefit Florida Public Utilities by continuing to provide opportunities to educate low-income customers on the benefits of an energy efficient home and use.

PROGRAM TITLE: Affordable Housing Builders and Providers Program

PROGRAM DESCRIPTION: FPUC will identify the affordable housing builders within the service area and will encourage them to attend education seminars and workshops related to energy efficient construction, retrofit programs, financing programs, etc., and to participate in the GoodCents Home Program. FPUC will work with the Florida Energy Extension Service and other seminar sponsors to offer seminars and/or workshops. FPUC will work with all sponsors to reduce or eliminate attendance fees for affordable housing providers.

PROGRAM PROJECTION: For January 2002 through December 2002: There is no goal for this program.

PROGRAM FISCAL EXPENDITURES: Expenditures beginning January 1, 2002 through December 31, 2002 were \$0.

PROGRAM PROGRESS SUMMARY: This program will continue to provide FPUC the opportunity to educate contractors on the benefits of building a home to GoodCents standards as well as introduce new and innovative energy efficient building technology.

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE C-1  
PAGE 1 OF 1

ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION

FOR MONTHS      January-04      THROUGH      December-04

1.	TOTAL INCREMENTAL COSTS (SCHEDULE C-2,PAGE 1, LINE 33)	<u>240,000</u>
2.	TRUE-UP (SCHEDULE C-3,PAGE 4,LINE 11)	<u>(31,246)</u>
3.	TOTAL (LINE 1 AND LINE 2)	<u>208,754</u>
4.	RETAIL KWH/THERM SALES	<u>302,286,000</u>
5.	COST PER KWH/THERM	<u>0.00069100</u>
6.	REVENUE TAX MULTIPLIER	<u>1.00072</u>
7.	ADJUSTMENT FACTOR ADJUSTED FOR TAXES (LINE 5 X LINE 6)	<u>0.00069100</u>
8.	CONSERVATION ADJUSTMENT FACTOR- (ROUNDED TO THE NEAREST .001 CENTS PER KWH/THERM)	<u>0.00069</u>

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DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK



ESTIMATED CONSERVATION PROGRAM COSTS

FOR MONTHS January-04 THROUGH December-04

A. ESTIMATED EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
10. Common	5,450	5,450	5,450	5,450	5,450	5,450	5,450	5,450	5,450	5,450	5,450	5,450	65,400
11. Residential Geothermal Heat Pump	150	150	150	150	150	150	150	150	150	150	150	150	1,800
12. GoodCents Home/Energy Star Program	4,120	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	49,000
13. GoodCents Energy Survey Program	4,120	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	49,000
14. GoodCents Loan Program	500	500	500	500	500	500	500	500	500	500	500	500	6,000
15. GoodCents Commercial Building Program	2,670	2,630	2,630	2,630	2,630	2,630	2,630	2,630	2,630	2,630	2,630	2,630	31,600
16. GoodCents Commercial Tech. Assist. Program	3,020	2,980	2,980	2,980	2,980	2,980	2,980	2,980	2,980	2,980	2,980	2,980	35,800
17. Low Income	40	60	60	60	60	60	60	60	60	60	60	60	700
18. Affordable Housing Builders & Providers Program	40	60	60	60	60	60	60	60	60	60	60	60	700
19.	0	0	0	0	0	0	0	0	0	0	0	0	0
31. TOTAL ALL PROGRAMS	20,110	19,990	19,990	19,990	19,990	19,990	19,990	19,990	19,990	19,990	19,990	19,990	240,000
32. LESS AMOUNT INCLUDED IN RATE BASE													
33. RECOVERABLE CONSERVATION EXPENSES	20,110	19,990	19,990	19,990	19,990	19,990	19,990	19,990	19,990	19,990	19,990	19,990	240,000

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE C-2  
PAGE 2 OF 3

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-04 THROUGH December-04

PROGRAM NAME	LABOR	ADVERTISING	LEGAL	OUTSIDE	VEHICLE	MATERIALS	TRAVEL	GENERAL	INCENTIVES	OTHER	SUB	PROGRAM	TOTAL
	& PAYROLL												
10. Common	35,000	0	3,000	0	9,000	3,400	5,000	10,000	0	0	65,400		65,400
11. Residential Geothermal Heat Pump	1,000	0	0	500	0	300	0	0	0	0	1,800		1,800
12. GoodCents Home/Energy Star Program	15,000	25,000	0	500	0	5,000	1,500	2,000	0	0	49,000		49,000
13. GoodCents Energy Survey Program	15,000	25,000	0	1,000	0	5,000	1,000	2,000	0	0	49,000		49,000
14. GoodCents Loan Program	0	0	0	0	0	0	0	6,000	0	0	6,000		6,000
15. GoodCents Commercial Building Program	9,000	15,700	0	600	0	3,000	1,300	2,000	0	0	31,600		31,600
16. GoodCents Commercial Tech. Assist. Program	9,000	20,000	0	600	0	3,000	1,200	2,000	0	0	35,800		35,800
17. Low Income	500	0	0	0	0	100	0	100	0	0	700		700
18. Affordable Housing Builders & Providers Program	500	0	0	0	0	100	0	100	0	0	700		700
19.													
31. TOTAL ALL PROGRAMS	85,000	85,700	3,000	3,200	9,000	19,900	10,000	24,200	0	0	240,000	0	240,000
32. LESS: BASE RATE RECOVERY													
33. NET PROGRAM COSTS	85,000	85,700	3,000	3,200	9,000	19,900	10,000	24,200	0	0	240,000	0	240,000

EXHIBIT NO. \_\_\_\_\_  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA

SCHEDULE C-2  
PAGE 3 OF 3

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

ESTIMATED FOR MONTHS January-04 THROUGH December-04

PROGRAM NAME:	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	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. \_\_\_\_\_  
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FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-2)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA  
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
 PAGE 1 OF 6

ACTUAL FOR MONTHS ESTIMATED FOR MONTHS	January-03	THROUGH	August-03									SUB TOTAL	PROGRAM REVENUES	TOTAL
	September-03	THROUGH	December-03	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.			
PROGRAM NAME														
10. Common														
A. ACTUAL	25,966	380	0	11	5,285	4,354	2,172	6,689	0	842	45,689		45,689	
B. ESTIMATED	15,650	0	1,000	0	4,030	480	1,670	3,330	0	0	26,160		26,160	
C. TOTAL	41,606	380	1,000	11	9,315	4,834	3,842	10,019	0	842	71,849		71,849	
11. Residential Geothermal Heat Pump														
A. ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	
B. ESTIMATED	660	330	0	0	0	30	70	70	0	0	1,160		1,160	
C. TOTAL	660	330	0	0	0	30	70	70	0	0	1,160		1,160	
12. GoodCents Home/Energy Star Program														
A. ACTUAL	14,431	19,151	0	203	0	3,434	565	2,127	700	0	40,611		40,611	
B. ESTIMATED	2,870	7,210	0	0	0	380	590	670	0	0	11,720		11,720	
C. TOTAL	17,301	26,361	0	203	0	3,814	1,155	2,797	700	0	52,331		52,331	
13. GoodCents Energy Survey Program														
A. ACTUAL	12,026	11,868	0	0	0	0	541	826	0	0	25,261		25,261	
B. ESTIMATED	2,860	5,830	0	0	0	380	580	670	0	0	10,320		10,320	
C. TOTAL	14,886	17,698	0	0	0	380	1,121	1,496	0	0	35,581		35,581	
14. GoodCents Loan Program														
A. ACTUAL	227	0	46	2,798	0	10	0	(480)	0	0	2,601		2,601	
B. ESTIMATED	0	0	0	0	0	0	0	6,000	0	0	6,000		6,000	
C. TOTAL	227	0	46	2,798	0	10	0	5,520	0	0	8,601		8,601	
SUB-TOTAL ACTUAL	52,640	31,399	46	3,012	5,285	7,798	3,278	9,162	700	842	114,162		114,162	
SUB-TOTAL ESTIMATED	22,040	13,370	1,000	0	4,030	1,270	2,910	10,740	0	0	55,360		55,360	
LESS: INCLUDED IN RATE BASE														
ACTUAL														
ESTIMATED														
TOTAL														
NET PROGRAM COSTS	SEE PAGE 1A													

EXHIBIT NO. \_\_\_\_\_  
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 FLORIDA PUBLIC UTILITIES COMPANY  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA  
CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
PAGE 1A OF 5

PROGRAM NAME	ACTUAL FOR MONTHS	January-03	THROUGH	August-03								SUB	PROGRAM	TOTAL			
	ESTIMATED FOR MONTHS	September-03	THROUGH	December-03	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	TOTAL	REVENUES	TOTAL
15. GoodCents Commercial Building Program																	
A. ACTUAL		3,584	125	0	0	0	0	0	0	447	0	0	0	0	4,156	0	4,156
B. ESTIMATED		2,870	7,280	0	340	0	380	0	380	580	670	0	0	0	12,120	0	12,120
C. TOTAL		6,454	7,405	0	340	0	380	0	380	1,027	670	0	0	0	16,276	0	16,276
16. GoodCents Commercial Tech. Assist. Program																	
A. ACTUAL		5,582	5,549	0	1,344	0	0	0	0	473	761	0	0	0	13,709	0	13,709
B. ESTIMATED		2,860	6,420	0	330	0	380	0	380	580	670	0	0	0	11,240	0	11,240
C. TOTAL		8,442	11,969	0	1,674	0	380	0	380	1,053	1,431	0	0	0	24,949	0	24,949
17. Low Income																	
A. ACTUAL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B. ESTIMATED		160	0	0	0	0	50	0	50	0	30	0	0	0	240	0	240
C. TOTAL		160	0	0	0	0	50	0	50	0	30	0	0	0	240	0	240
18. Affordable Housing Builders & Providers Program																	
A. ACTUAL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B. ESTIMATED		170	0	0	0	0	50	0	50	0	20	0	0	0	240	0	240
C. TOTAL		170	0	0	0	0	50	0	50	0	20	0	0	0	240	0	240
19.																	
A. ACTUAL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B. ESTIMATED		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
C. TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ACTUAL		61,806	37,073	46	4,356	5,285	7,798	4,198	7,798	4,198	9,923	700	842	132,027	0	132,027	
TOTAL ESTIMATED		28,100	27,070	1,000	670	4,030	2,130	4,070	2,130	4,070	12,130	0	0	79,200	0	79,200	
LESS: INCLUDED IN RATE BASE																	
ACTUAL																	
ESTIMATED																	
TOTAL																	
NET PROGRAM COSTS		89,906	64,143	1,046	5,026	9,315	9,928	8,268	9,928	8,268	22,053	700	842	211,227	0	211,227	

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

SCHEDULE C-3  
 PAGE 2 OF 5

ACTUAL FOR MONTHS ESTIMATED FOR MONTHS  
 January-03 THROUGH August-03  
 September-03 THROUGH December-03

	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	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. \_\_\_\_\_  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA  
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
 PAGE 3 OF 5

ACTUAL FOR EIGHT MONTHS  
 ESTIMATED FOR FOUR MONTHS

January-03 THROUGH August-03  
 September-03 THROUGH December-03

A. ESTIMATED EXPENSE BY PROGRAM	ACTUAL								TOTAL	ESTIMATED				TOTAL	GRAND
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	ACTUAL	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	ESTIMATED	TOTAL
10 Common	5,434	7,514	5,554	5,244	4,861	5,478	5,551	6,055	45,689	8,540	6,540	6,540	6,540	26,160	71,849
11 Residential Geothermal Heat Pump	0	0	0	0	0	0	0	0	0	290	290	290	290	1,160	1,160
12 GoodCents Home/Energy Star Program	5,940	3,596	3,683	3,677	4,555	5,801	4,655	8,704	40,611	2,930	2,930	2,930	2,930	11,720	52,331
13 GoodCents Energy Survey Program	3,188	4,523	1,758	7,305	2,129	2,263	3,687	408	25,261	2,580	2,580	2,580	2,580	10,320	35,581
14 GoodCents Loan Program	(60)	2,718	7	97	19	(60)	(60)	(60)	2,601	1,500	1,500	1,500	1,500	6,000	8,601
15 GoodCents Commercial Building Program	187	402	257	715	295	998	1,017	285	4,158	3,030	3,030	3,030	3,030	12,120	16,276
16 GoodCents Commercial Tech. Assist. Program	1,571	1,325	983	5,244	682	1,437	1,589	869	13,709	2,810	2,810	2,810	2,810	11,240	24,949
17 Low Income	0	0	0	0	1,198	(1,198)	0	0	0	60	60	60	60	240	240
18 Affordable Housing Builders & Providers Progra Last Years Programs	0	0	0	0	0	0	0	0	0	60	60	60	60	240	240
	0	0	0	0	0	875	(495)	(380)	0	0	0	0	0	0	0
31. TOTAL ALL PROGRAMS	16,260	20,078	12,222	22,282	13,739	15,592	15,943	15,911	132,027	19,800	19,800	19,800	19,800	79,200	211,227
32. LESS AMOUNT INCLUDED IN RATE BASE															
33. RECOVERABLE CONSERVATION EXPENSES	16,260	20,078	12,222	22,282	13,739	15,592	15,943	15,911	132,027	19,800	19,800	19,800	19,800	79,200	211,227

EXHIBIT NO. \_\_\_\_\_  
 DOCKET NO. 030002-EG  
 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-2)  
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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	January-03	THROUGH	August-03													
	ESTIMATED FOR MONTHS	September-03	THROUGH	December-03	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
B. CONSERVATION REVENUES																	
1. RCS AUDIT FEES																	
a.																	
b.																	
c.																	
2. CONSERVATION ADJ REVENUE (NET OF REVENUE TAXES)		22,751	19,525	16,430	15,882	18,774	21,369	22,206	22,471	22,991	19,551	18,871	19,447	240,268			
3. TOTAL REVENUES		22,751	19,525	16,430	15,882	18,774	21,369	22,206	22,471	22,991	19,551	18,871	19,447	240,268			
4. PRIOR PERIOD TRUE-UP-ADJ NOT APPLICABLE TO PERIOD		167	167	167	167	167	167	167	167	167	167	167	167	161	1,998		
5. CONSERVATION REVENUES APPLICABLE TO PERIOD		22,918	19,692	16,597	16,049	18,941	21,536	22,373	22,638	23,158	19,718	19,038	19,608	242,266			
6. CONSERVATION EXPENSES (FORM C-3, PAGE 3)		16,260	20,078	12,222	22,282	13,739	15,592	15,943	15,911	19,800	19,800	19,800	19,800	211,227			
7. TRUE-UP THIS PERIOD		6,658	(386)	4,375	(6,233)	5,202	5,944	6,430	6,727	3,358	(82)	(762)	(192)	31,039			
8. INTEREST PROVISION THIS PERIOD (C-3, PAGE 5)		6	9	10	9	8	13	17	23	27	29	28	28	207			
9. TRUE-UP & INTEREST PROVISION		1,998	8,495	7,951	12,169	5,778	10,821	16,611	22,891	29,474	32,692	32,472	31,571	1,998			
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD																	
10. PRIOR TRUE-UP COLLECTED (REFUNDED)		(167)	(167)	(167)	(167)	(167)	(167)	(167)	(167)	(167)	(167)	(167)	(167)	(1,998)			
11. END OF PERIOD TOTAL NET TRUE- UP (SUM OF LINES 7,8,9,10)		8,495	7,951	12,169	5,778	10,821	16,611	22,891	29,474	32,692	32,472	31,571	31,246	31,246			

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FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-2)  
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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      January-03      THROUGH      August-03  
 ESTIMATED FOR MONTHS      September-03      THROUGH      December-03

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
C. INTEREST PROVISION													
1. BEGINNING TRUE-UP (LINE B-9)	1,998	8,495	7,951	12,169	5,778	10,821	16,611	22,891	29,474	32,692	32,472	31,571	31,246
2. ENDING TRUE-UP BEFORE INTEREST (LINE B7+B9+B10)	8,489	7,942	12,159	5,769	10,813	16,598	22,874	29,451	32,665	32,443	31,543	31,218	31,039
3. TOTAL BEG. AND ENDING TRUE-UP	10,487	16,437	20,110	17,938	16,591	27,419	39,485	52,342	62,139	65,135	64,015	62,789	62,285
4. AVERAGE TRUE-UP (LINE C-3 X 50 %)	5,244	8,219	10,055	8,969	8,296	13,710	19,743	26,171	31,070	32,568	32,008	31,395	31,143
5. INTEREST RATE-FIRST DAY OF REPORTING BUSINESS MONTH	1.29%	1.27%	1.25%	1.18%	1.19%	1.21%	1.00%	1.05%	1.06%	1.06%	1.06%	1.06%	1.06%
6. INTEREST RATE-FIRST DAY OF SUBSEQUENT BUSINESS MONTH	1.27%	1.25%	1.18%	1.19%	1.21%	1.00%	1.05%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
7. TOTAL (LINE C-5 + C-6)	2.56%	2.52%	2.43%	2.37%	2.40%	2.21%	2.05%	2.11%	2.12%	2.12%	2.12%	2.12%	2.12%
8. AVG INTEREST RATE (C-7 X 50%)	1.28%	1.26%	1.22%	1.19%	1.20%	1.11%	1.03%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
9. MONTHLY AVERAGE INTEREST RATE	0.107%	0.105%	0.101%	0.099%	0.100%	0.092%	0.085%	0.088%	0.088%	0.088%	0.088%	0.088%	0.088%
10. INTEREST PROVISION (LINE C-4 X C-9)	6	9	10	9	8	13	17	23	27	29	28	28	207

EXHIBIT NO. \_\_\_\_\_  
 DOCKET NO. 030002-EG  
 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-2)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - MARIANNA  
 CALCULATION OF CONSERVATION REVENUES

SCHEDULE C-4  
 PAGE 1 OF 1

FOR THE PERIOD January-03 THROUGH December-04

MONTH	KWH/THERM SALES (000) (NET OF 3RD PARTY)	CONSERVATION ADJUSTMENT REVENUE (NET OF REVENUE TAXES)	RATE
2002 JANUARY	28,828	22,751	ACTUAL
FEBRUARY	24,736	19,525	ACTUAL
MARCH	20,818	16,430	ACTUAL
APRIL	20,126	15,882	ACTUAL
MAY	23,786	18,774	ACTUAL
JUNE	27,074	21,369	ACTUAL
JULY	28,134	22,206	ACTUAL
AUGUST	28,471	22,471	ACTUAL
SEPTEMBER	29,213	22,991	0.07870
OCTOBER	24,843	19,551	0.07870
NOVEMBER	23,978	18,871	0.07870
DECEMBER	24,710	19,447	0.07870
SUB-TOTAL	304,717	240,268	
2003 JANUARY	28,309	19,562	0.06910
FEBRUARY	25,989	17,958	0.06910
MARCH	23,124	15,979	0.06910
APRIL	24,367	16,838	0.06910
MAY	23,367	16,147	0.06910
JUNE	25,750	17,793	0.06910
JULY	25,223	17,429	0.06910
AUGUST	25,207	17,418	0.06910
SEPTEMBER	25,234	17,437	0.06910
OCTOBER	25,239	17,440	0.06910
NOVEMBER	25,225	17,430	0.06910
DECEMBER	25,252	17,449	0.06910
SUB-TOTAL	302,286	208,880	
TOTALS	607,003	449,148	

EXHIBIT NO. \_\_\_\_\_  
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 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-2)  
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1. Residential Geothermal Heat Pump
2. GoodCents Home/Energy Star Program
3. GoodCents Energy Survey Program
4. GoodCents Loan Program
5. GoodCents Commercial Building Program
6. GoodCents Commercial Technical Assistance Program
7. Educational/Low Income
8. Educational/Affordable Housing Builders and Providers Program

EXHIBIT NO. \_\_\_\_\_

DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
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**PROGRAM TITLE:** Residential Geothermal Heat Pump Program

**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 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 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. According to the Department of Energy (DOE) geothermal technology is 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 January 2004 through December 2004: At this time no participation goals have been set.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004, projected expenses are \$1,800.

**PROGRAM SUMMARY:** Even though there is no particular goal for this program we continue our efforts to promote this technology and hope we will see a number of geothermal installations in the future. This program also receives the benefits from the advertising of the GoodCents Home/Energy Star Program, which promotes high efficient heating and cooling systems.

EXHIBIT NO. \_\_\_\_\_  
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FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
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**PROGRAM TITLE:** GoodCents Home/Energy Star Program

**PROGRAM DESCRIPTION:** The GoodCents Home Program has long been the standard for energy efficient construction in Northwest Florida and throughout other parts of the country where the GoodCents Program has been utilized by as many as 270 different utilities. For FPUC and our customers, GoodCents homes provides guidance concerning energy efficiency in new construction by promoting energy efficient home construction techniques by evaluating components in the categories of design and construction practices.

In an effort to further enhance the GoodCents Home Program and market it more efficiently and effectively, GoodCents signed a Memorandum of Understanding with the Department of Energy (DOE) and the Environmental Protection Agency (EPA). Since FPUC is a member of GoodCents this agreement provides the opportunity to offer the Energy Star Home Program to builders and customers and correlates the performance of GoodCents homes to the nationally recognized Energy Star efficiency label. In many cases, a standard GoodCents home will also qualify as an Energy Star Home. The GoodCents Home standards continue to exceed the minimum efficiency standards for new construction as set forth by the Florida Model Energy Code.

**PROGRAM PROJECTION:** For January 2004 through December 2004 the goal for the number of program participants is 29.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses are \$49,000.

**PROGRAM SUMMARY:** Through this program, participating customers will experience lower utility bills, increased comfort, and the eligibility to utilize energy efficient home mortgage products. We continue to see a positive participation in this program due to the continuous effort in educating and advertising the benefits of this program to our customers and builders. We will continue to build a good working relationship with our builders and customers to ensure the success of this program.

**PROGRAM TITLE:** GoodCents Energy Survey Program

**PROGRAM DESCRIPTION:** The objective of the GoodCents Energy Survey Program is to provide FPUC's residential customers with energy conservation advice that encourages 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 survey process, the customer is provided with specific whole-house recommendations. Also during the survey process duct leakage will be addressed. If a problem is identified recommendations will be made for further analysis and repairs. Through follow-up survey work, FPUC monitors and tracks the installation of the cost-effective conservation features and/or duct leakage repairs.

The conservation measures, once implemented, also lower FPUC's energy requirements, as well as improve operating efficiencies. As a result, the increase in operating efficiencies provides for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

**PROGRAM PROJECTIONS:** For January 2004 through December 2004 the goal for the number of program participants is 150.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses are \$49,000.

**PROGRAM SUMMARY:** This program provides participating customers with the information needed to determine which energy saving measures are best suited to their individual needs and requirements. We feel confident that by advertising the benefits of this program through bill stuffers, promotional materials, newspaper, and cable TV we will continue to see a high participation level in this program.

**PROGRAM TITLE:** GoodCents Loan Program

**PROGRAM DESCRIPTION:** The objective of the GoodCents Loan Program is to provide FPUC's residential customers a vehicle to encourage installation of energy conservation features in their homes. The GoodCents Loan Program provides financing for up to \$20,000 for a period of 12 years to customers that choose to install energy conservation features in their existing homes.

The program is designed to work in conjunction with FPUC's approved GoodCents Energy Survey Program. During the survey process, the customer is provided with specific whole-house recommendations. A 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 contractor from the approved list of participating contractors, which is approved by FPUC. 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:** This program was approved to be removed, so there are no goals.

**PROGRAM FISCAL EXPENDITURES:** For January 200 through December 2003 the projected expenses are \$6,000.

**PROGRAM SUMMARY:** FPUC requested the removal of this program due to the program no longer being competitive thus causing reduced participation. To have continued the program would not have been in the best interest of FPUC or its customers. Expenditures have still been assigned to this program to cover any possible loan defaults.

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
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**PROGRAM TITLE:** GoodCents Commercial Building Program

**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 GoodCents Building Program provides requirements for these areas that, if adhered to, will help reduce peak demand and energy consumption.

The promotion of the GoodCents Commercial Building Program through the years has featured a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design continues to be 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 kW and kWh savings due to the GoodCents Commercial Building Program, the GoodCents standards for average commercial buildings 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 kW and kWh differences for the two types of structures. The AXCESS - Energy Analysis Computer Program (AXCESS) is used to calculate the kW and kWh difference.

**PROGRAM PROJECTIONS:** For January 2004 through December 2004 the goal for the number of program participants is 5.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses are \$31,600.

**PROGRAM SUMMARY:** The GoodCents Building Program is designed to ensure that buildings are constructed with energy efficiency levels above the Florida Model Energy Code standards. These standards include both HVAC efficiency and thermal envelope requirements. This program will continue to be successful as FPUC builds on its efforts in working with builders and architects.



**PROGRAM TITLE:** GoodCents Commercial Technical Assistance Audit Program

**PROGRAM DESCRIPTION:** The GoodCents Commercial Technical Assistance Audit Program is an interactive program that provides commercial customers assistance in identifying advanced energy conservation opportunities. It is customized to meet the individual needs of large customers as required; therefore, it is an evolving program.

The Technical Assistance Audit process consists of an on-site review by FPUC Conservation Specialist of the customer's facility operation, equipment and energy usage pattern. The specialist identifies areas of potential reduction in kW demand and kWh consumption as well as identifying end-use technology opportunities. A technical evaluation is then performed which often includes performing an AXCESS simulation in order to ascertain an economic payback or life cycle cost analysis for various improvements to the facility. When necessary FPUC will subcontract the evaluation process to an independent engineering firm and/or contracting consultant.

**PROGRAM PROJECTION:** For January 2004 through December 2004 the goal for the number of program participants is 17.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses are \$35,800.

**PROGRAM SUMMARY:** In recent research of commercial/industrial customers, consistent response for areas of improvement from this class of customer include individualized attention and service in helping them improve their cost of operation and efficiency. We have built trusting relationships with many of these customers by educating them concerning new technologies and by offering expertise in energy conservation. The work we have done in this area will continue to benefit FPUC.

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

**SCHEDULE C-5  
PAGE 8 OF 9**

**PROGRAM TITLE:** Low Income Program

**PROGRAM DESCRIPTION:** FPUC presently has energy education programs that identify low cost and or no cost conservation measures. In order to better assist low-income customers in managing their energy purchases, the presentation and format of these energy education programs are tailored to the audience. These programs provide basic energy education, as well as inform the customers of other specific services, such as free energy surveys, that FPUC currently offers.

**PROGRAM PROJECTION:** For January 2004 through December 2004: There are no goals set for this program.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses for this period are \$700.

**PROGRAM SUMMARY:** This program will benefit Florida Public Utilities Company by providing opportunities to educate low-income customers on the benefits of an energy efficient home.

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FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
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**PROGRAM TITLE:** Affordable Housing Builders and Providers Program

**PROGRAM DESCRIPTION:** FPUC will identify the affordable housing builders within the service area and will encourage them to attend education seminars and workshops related to energy efficient construction, retrofit programs, financing programs, etc., and to participate in the GoodCents Home Program. FPUC will work with the Florida Energy Extension Service and other seminar sponsors to offer a minimum of two seminars and/or workshops per year. FPUC will work with all sponsors to reduce or eliminate attendances fees for affordable housing providers.

**PROGRAM PROJECTION:** For January 2004 through December 2004: There is no goal for this program.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses for this period are \$700.

**PROGRAM SUMMARY:** This program will provide FPUC the opportunity to educate contractors on the benefits of building a home to GoodCents standards as well as introduce new and innovative energy efficient building technology.

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE C-1  
PAGE 1 OF 1

ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION

FOR MONTHS      January-04      THROUGH      December-04

1.	TOTAL INCREMENTAL COSTS (SCHEDULE C-2,PAGE 1, LINE 33)	<u>269,000</u>
2.	TRUE-UP (SCHEDULE C-3,PAGE 4,LINE 11)	<u>(60,587)</u>
3.	TOTAL (LINE 1 AND LINE 2)	<u>208,413</u>
4.	RETAIL KWH/THERM SALES	<u>466,300,000</u>
5.	COST PER KWH/THERM	<u>0.00044695</u>
6.	REVENUE TAX MULTIPLIER	<u>1.01597</u>
7.	ADJUSTMENT FACTOR ADJUSTED FOR TAXES (LINE 5 X LINE 6)	<u>0.00045400</u>
8.	CONSERVATION ADJUSTMENT FACTOR- (ROUNDED TO THE NEAREST .001 CENTS PER KWH/THERM)	<u>0.00045</u>

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FLORIDA PUBLIC UTILITIES COMPANY  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE C-2  
PAGE 1 OF 3

ESTIMATED CONSERVATION PROGRAM COSTS

FOR MONTHS January-04 THROUGH December-04

A. ESTIMATED EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. In Concert with the Environment (program eliminated)													0
2. Direct Leakage Repair													0
3. Residential Geothermal Heat Pump													0
4. Residential Energy Audits													0
5. Low Income Customer Energy Audits													0
6. FPU Express													0
7. Enhanced Good Cents Home													0
8. Commercial/Industrial Good Cents Building													0
9. Commercial/Industrial Energy Audits & Tech. Assit.													0
10. Common	5,600	5,650	5,650	5,650	5,650	5,650	5,650	5,650	5,650	5,650	5,650	5,650	67,750
11. Residential Geothermal Heat Pump	250	250	250	250	250	250	250	250	250	250	250	250	3,000
12. GoodCents Home/Energy Star	4,370	4,430	4,430	4,430	4,430	4,430	4,430	4,430	4,430	4,430	4,430	4,430	53,100
13. GoodCents Energy Survey Program	4,450	4,450	4,450	4,450	4,450	4,450	4,450	4,450	4,450	4,450	4,450	4,450	53,400
14. GoodCents Loan Program	620	580	580	580	580	580	580	580	580	580	580	580	7,000
15. GoodCents Commercial Building	3,170	3,230	3,230	3,230	3,230	3,230	3,230	3,230	3,230	3,230	3,230	3,230	38,700
16. GoodCents Commercial Tech. Assistance	3,690	3,660	3,660	3,660	3,660	3,660	3,660	3,660	3,660	3,660	3,660	3,660	43,950
17. Low Income	60	90	90	90	90	90	90	90	90	90	90	90	1,050
18. Affordable Housing/Builders Program	82	88	88	88	88	88	88	88	88	88	88	88	1,050
19.													
31. TOTAL ALL PROGRAMS	22,292	22,428	22,428	22,428	22,428	22,428	22,428	22,428	22,428	22,428	22,428	22,428	269,000
32. LESS AMOUNT INCLUDED IN RATE BASE													
33. RECOVERABLE CONSERVATION EXPENSES	22,292	22,428	22,428	22,428	22,428	22,428	22,428	22,428	22,428	22,428	22,428	22,428	269,000

EXHIBIT NO. \_\_\_\_\_  
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FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-2)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE C-2  
PAGE 2 OF 3

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-04 THROUGH December-04

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 (program eliminated)													0
2. Direct Leakage Repair													0
3. Residential Geothermal Heat Pump													0
4. Residential Energy Audits													0
5. Low Income Customer Energy Audits													0
6. FPU Express													0
7. Enhanced Good Cents Home													0
8. Commercial/Industrial Good Cents Building													0
9. Commercial/Industrial Energy Audits & Tech. Assit.													0
10. Common	35,000	0	3,000	0	11,350	3,400	5,000	10,000	0	0	67,750	0	67,750
11. Residential Geothermal Heat Pump	2,000	0	0	500	0	500	0	0	0	0	3,000	0	3,000
12. GoodCents Home/Energy Star	20,000	23,000	0	500	0	5,100	1,500	3,000	0	0	53,100	0	53,100
13. GoodCents Energy Survey Program	20,000	23,000	0	1,300	0	5,100	1,000	3,000	0	0	53,400	0	53,400
14. GoodCents Loan Program	0	0	0	0	0	0	0	7,000	0	0	7,000	0	7,000
15. GoodCents Commercial Building	16,000	12,800	0	2,600	0	3,000	1,300	3,000	0	0	38,700	0	38,700
16. GoodCents Commercial Tech. Assistance	16,000	18,000	0	2,600	0	3,150	1,200	3,000	0	0	43,950	0	43,950
17. Low Income	500	0	0	0	0	100	0	450	0	0	1,050	0	1,050
18. Affordable Housing/Builders Program	500	0	0	0	0	100	0	450	0	0	1,050	0	1,050
19.													
20.													
31. TOTAL ALL PROGRAMS	110,000	76,800	3,000	7,500	11,350	20,450	10,000	29,900	0	0	269,000	0	269,000
32. LESS: BASE RATE RECOVERY													
33. NET PROGRAM COSTS	110,000	76,800	3,000	7,500	11,350	20,450	10,000	29,900	0	0	269,000	0	269,000

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-2)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA

SCHEDULE C-2  
PAGE 3 OF 3

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

ESTIMATED FOR MONTHS January-04 THROUGH December-04

PROGRAM NAME:

	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	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. 030002-EG  
FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-2)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA  
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
 PAGE 1 OF 6

PROGRAM NAME	ACTUAL FOR MONTHS	January-03	THROUGH	August-03									SUB	PROGRAM	TOTAL	
	ESTIMATED FOR MONTHS	September-03	THROUGH	December-03	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	TOTAL	REVENUES
10. Common		16,843	1,489	0	356	6,654	1,246	2,172	14,105	0	160	43,025		43,025		
A. ACTUAL		27,340	0	1,330	0	3,130	0	2,000	0	0	0	33,800		33,800		
B. ESTIMATED		44,183	1,489	1,330	356	9,784	1,246	4,172	14,105	0	160	76,825		76,825		
C. TOTAL																
11. Residential Geothermal Heat Pump		196	0	0	0	0	0	0	0	0	0	196		196		
A. ACTUAL		1,000	330	0	0	0	170	920	920	0	0	3,340		3,340		
B. ESTIMATED		1,196	330	0	0	0	170	920	920	0	0	3,536		3,536		
C. TOTAL																
12. GoodCents Home/Energy Star		5,196	25,671	0	(441)	600	2,588	0	2,603	0	0	36,217		36,217		
A. ACTUAL		3,250	6,830	0	0	0	420	1,250	1,510	0	0	13,260		13,260		
B. ESTIMATED		8,446	32,501	0	(441)	600	3,008	1,250	4,113	0	0	49,477		49,477		
C. TOTAL																
13. GoodCents Energy Survey Program		8,963	5,433	0	0	0	0	0	1,155	0	0	15,551		15,551		
A. ACTUAL		3,250	6,830	0	0	0	420	1,080	1,500	0	0	13,080		13,080		
B. ESTIMATED		12,213	12,263	0	0	0	420	1,080	2,655	0	0	28,631		28,631		
C. TOTAL																
14. GoodCents Loan Program		178	0	0	0	0	0	0	0	0	0	178		178		
A. ACTUAL		0	0	0	0	0	0	0	0	0	0	0		0		
B. ESTIMATED		178	0	0	0	0	0	0	0	0	0	178		178		
C. TOTAL																
SUB-TOTAL ACTUAL		31,376	32,593	0	(85)	7,254	3,834	2,172	17,863	0	160	95,167		95,167		
SUB-TOTAL ESTIMATED		34,840	13,990	1,330	0	3,130	1,010	5,250	3,930	0	0	63,480		63,480		
LESS: INCLUDED IN RATE BASE																
ACTUAL																
ESTIMATED																
TOTAL																
NET PROGRAM COSTS																

SEE PAGE 1A

EXHIBIT NO. \_\_\_\_\_  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA  
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
 PAGE 1A OF 6

PROGRAM NAME	ACTUAL FOR MONTHS ESTIMATED FOR MONTHS	January-03 September-03	THROUGH THROUGH	August-03 December-03	MATERIALS & SUPPLIES		GENERAL & ADMIN.		OTHER		SUB TOTAL	PROGRAM REVENUES	TOTAL
		LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	TRAVEL	INCENTIVES					
15. GoodCents Commercial Building													
A. ACTUAL	1,172	0	0	0	0	0	0	0	0	0	1,172	0	1,172
B. ESTIMATED	1,350	330	0	670	0	330	90	830	0	0	3,600	0	3,600
C. TOTAL	2,522	330	0	670	0	330	90	830	0	0	4,772	0	4,772
16. GoodCents Commercial Tech. Assistance													
A. ACTUAL	1,628	2,338	0	4,120	0	0	0	761	0	150	8,997	0	8,997
B. ESTIMATED	2,820	670	0	3,170	0	330	100	830	0	0	7,920	0	7,920
C. TOTAL	4,448	3,008	0	7,290	0	330	100	1,591	0	150	16,917	0	16,917
17. Low Income													
A. ACTUAL	145	0	0	0	0	0	0	0	0	0	145	0	145
B. ESTIMATED	330	0	0	0	0	70	0	100	0	0	500	0	500
C. TOTAL	475	0	0	0	0	70	0	100	0	0	645	0	645
18. Affordable Housing/Builders Program													
A. ACTUAL	44	0	0	0	0	0	0	0	0	0	44	0	44
B. ESTIMATED	330	0	0	0	0	70	0	100	0	0	500	0	500
C. TOTAL	374	0	0	0	0	70	0	100	0	0	544	0	544
19. 2000 Programs remaining Expenses													
A. ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ACTUAL	34,365	34,931	0	4,035	7,264	3,834	2,172	18,624	0	310	105,525	0	105,525
TOTAL ESTIMATED	39,670	14,990	1,330	3,840	3,130	1,810	5,440	5,790	0	0	76,000	0	76,000
LESS: INCLUDED IN RATE BASE													
ACTUAL													
ESTIMATED													
TOTAL													
NET PROGRAM COSTS	74,035	49,921	1,330	7,875	10,384	5,644	7,612	24,414	0	310	181,525	0	181,525

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 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-2)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN

SCHEDULE C-3  
 PAGE 2 OF 6

ACTUAL FOR MONTHS      January-03      THROUGH      August-03  
 ESTIMATED FOR MONTHS      September-03      THROUGH      December-03

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

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 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-2)  
 PAGE 27 OF 40

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA  
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
 PAGE 3 OF 5

ACTUAL FOR MONTHS  
 ESTIMATED FOR MONTHS

January-03  
 September-03

THROUGH  
 THROUGH

August-03  
 December-03

A. ESTIMATED EXPENSE BY PROGRAM	ACTUAL								TOTAL	ESTIMATED				TOTAL	GRAND
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	ACTUAL	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	ESTIMATED	TOTAL
10 Common	5,414	5,272	5,353	4,315	4,765	6,322	6,355	5,229	43,025	8,450	8,450	8,450	8,450	33,800	78,825
11 Residential Geothermal Heat Pump	0	0	48	47	31	14	56	0	196	835	835	835	835	3,340	3,536
12 GoodCents Home/Energy Star	668	1,022	8,299	2,977	5,881	1,277	8,522	7,571	36,217	3,315	3,315	3,315	3,315	13,260	49,477
13 GoodCents Energy Survey Program	1,647	1,214	1,380	2,059	941	1,054	3,873	3,283	15,551	3,270	3,270	3,270	3,270	13,080	28,631
14 GoodCents Loan Program	0	52	47	0	0	0	0	79	178	0	0	0	0	0	178
15 GoodCents Commercial Building	(2)	445	352	22	44	0	340	(29)	1,172	900	900	900	900	3,600	4,772
16 GoodCents Commercial Tech. Assistance	5,492	588	713	272	337	1,069	655	(107)	8,997	1,980	1,980	1,980	1,980	7,920	16,917
17 Low Income	0	0	96	(4)	0	0	0	53	145	125	125	125	125	500	645
18 Affordable Housing/Builders Program	0	0	48	(4)	0	0	0	0	44	125	125	125	125	500	544
19 2002 Programs Remaining Expenses	0	116	(116)	0	0	875	(414)	(461)	0	0	0	0	0	0	0
31. TOTAL ALL PROGRAMS	13,219	8,687	16,220	9,684	11,999	10,811	19,487	15,618	105,525	19,000	19,000	19,000	19,000	76,000	181,525
32. LESS AMOUNT INCLUDED IN RATE BASE															
33. RECOVERABLE CONSERVATION EXPENSES	13,219	8,687	16,220	9,684	11,999	10,811	19,487	15,618	105,525	19,000	19,000	19,000	19,000	76,000	181,525

EXHIBIT NO. \_\_\_\_\_  
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 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-2)  
 PAGE 28 OF 40

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	January-03	THROUGH	August-03													
	ESTIMATED FOR MONTHS	September-03	THROUGH	December-03	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
B. CONSERVATION REVENUES																	
1. RCS AUDIT FEES																	
a.																	
b.																	
c.																	
2. CONSERVATION ADJ REVENUE (NET OF REVENUE TAXES)		18,390	16,615	14,508	12,455	15,584	17,284	18,720	18,205	18,645	17,012	15,901	15,458	198,777			
3. TOTAL REVENUES		18,390	16,615	14,508	12,455	15,584	17,284	18,720	18,205	18,645	17,012	15,901	15,458	198,777			
4. PRIOR PERIOD TRUE-UP-ADJ NOT APPLICABLE TO PERIOD		3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,552	42,657			
5. CONSERVATION REVENUES APPLICABLE TO PERIOD		21,945	20,170	18,063	16,010	19,139	20,839	22,275	21,760	22,200	20,567	19,456	19,010	241,434			
6. CONSERVATION EXPENSES (FORM C-3, PAGE 3)		13,219	9,687	16,220	9,684	11,999	10,611	19,487	15,618	19,000	19,000	19,000	19,000	181,525			
7. TRUE-UP THIS PERIOD		8,726	11,483	1,843	6,326	7,140	10,228	2,788	6,142	3,200	1,567	456	10	59,909			
8. INTEREST PROVISION THIS PERIOD (C-3, PAGE 5)		47	53	55	54	59	59	57	60	61	60	58	55	678			
9. TRUE-UP & INTEREST PROVISION		42,657	47,875	55,856	54,199	57,024	60,668	67,400	66,690	69,337	69,043	67,115	64,074	42,657			
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD																	
10. PRIOR TRUE-UP COLLECTED (REFUNDED)		(3,555)	(3,555)	(3,555)	(3,555)	(3,555)	(3,555)	(3,555)	(3,555)	(3,555)	(3,555)	(3,555)	(3,552)	(42,657)			
11. END OF PERIOD TOTAL NET TRUE- UP (SUM OF LINES 7,8,9,10)		47,875	55,856	54,199	57,024	60,668	67,400	66,690	69,337	69,043	67,115	64,074	60,587	60,587			

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 FLORIDA PUBLIC UTILITIES COMPANY  
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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 ESTIMATED FOR MONTHS  
 January-03 THROUGH August-03  
 September-03 THROUGH December-03

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
C. INTEREST PROVISION													
1. BEGINNING TRUE-UP (LINE B-9)	42,657	47,875	55,856	54,199	57,024	60,668	67,400	66,690	69,337	69,043	67,115	64,074	60,587
2. ENDING TRUE-UP BEFORE INTEREST (LINE B7+B9+B10)	47,828	55,803	54,144	56,970	60,609	67,341	66,633	69,277	68,982	67,055	64,016	60,532	59,909
3. TOTAL BEG. AND ENDING TRUE-UP	90,485	103,678	110,000	111,169	117,633	128,009	134,033	135,967	138,319	136,098	131,131	124,606	120,496
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	45,243	51,839	55,000	55,585	58,817	64,005	67,017	67,984	69,160	68,049	65,566	62,303	60,248
5. INTEREST RATE-FIRST DAY OF REPORTING BUSINESS MONTH	1.29%	1.27%	1.25%	1.18%	1.19%	1.21%	1.00%	1.05%	1.06%	1.06%	1.06%	1.06%	1.06%
6. INTEREST RATE-FIRST DAY OF SUBSEQUENT BUSINESS MONTH	1.27%	1.25%	1.18%	1.19%	1.21%	1.00%	1.05%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
7. TOTAL (LINE C-5 + C-6)	2.56%	2.52%	2.43%	2.37%	2.40%	2.21%	2.05%	2.11%	2.12%	2.12%	2.12%	2.12%	2.12%
8. AVG INTEREST RATE (C-7 X 50%)	1.28%	1.26%	1.22%	1.19%	1.20%	1.11%	1.03%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
9. MONTHLY AVERAGE INTEREST RATE	0.107%	0.105%	0.101%	0.099%	0.100%	0.092%	0.085%	0.088%	0.088%	0.088%	0.088%	0.088%	0.088%
10. INTEREST PROVISION (LINE C-4 X C-9)	47	53	55	54	59	59	57	60	61	60	58	55	678

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 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-2)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - FERNANDINA  
 CALCULATION OF CONSERVATION REVENUES

SCHEDULE C-4  
 PAGE 1 OF 1

FOR THE PERIOD January-03 THROUGH December-04

MONTH	KWH/THERM SALES (000) (NET OF 3RD PARTY)	CONSERVATION ADJUSTMENT REVENUE (NET OF REVENUE TAXES)	RATE
2003 JANUARY	36,681	18,390	ACTUAL
FEBRUARY	35,883	16,615	ACTUAL
MARCH	30,079	14,508	ACTUAL
APRIL	25,824	12,455	ACTUAL
MAY	32,309	15,584	ACTUAL
JUNE	35,835	17,284	ACTUAL
JULY	38,815	18,720	ACTUAL
AUGUST	37,746	18,205	ACTUAL
SEPTEMBER	39,056	18,645	0.04774
OCTOBER	35,634	17,012	0.04774
NOVEMBER	33,308	15,901	0.04774
DECEMBER	32,379	15,458	0.04774
SUB-TOTAL	413,549	198,777	
2004 JANUARY	39,417	17,617	0.044695
FEBRUARY	39,053	17,455	0.044695
MARCH	39,233	17,535	0.044695
APRIL	39,287	17,559	0.044695
MAY	39,234	17,538	0.044695
JUNE	38,872	17,374	0.044695
JULY	37,427	16,728	0.044695
AUGUST	38,221	17,083	0.044695
SEPTEMBER	38,696	17,295	0.044695
OCTOBER	38,738	17,314	0.044695
NOVEMBER	38,780	17,333	0.044695
DECEMBER	39,342	17,584	0.044695
SUB-TOTAL	466,300	208,413	
TOTALS	879,849	407,190	

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 (MAP-2)  
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1. Residential Geothermal Heat Pump
2. GoodCents Home/Energy Star Program
3. GoodCents Energy Survey Program
4. GoodCents Loan Program
5. GoodCents Commercial Building Program
6. GoodCents Commercial Technical Assistance Program
7. Educational/Low Income
8. Educational/Affordable Housing Builders and Providers Program

EXHIBIT NO. \_\_\_\_\_

DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)

**PROGRAM TITLE:** Residential Geothermal Heat Pump Program

**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 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 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. According to the Department of Energy (DOE) geothermal technology is 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 January 2004 through December 2004: At this time no participation goals have been set.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004, projected expenses are \$3000.00.

**PROGRAM SUMMARY:** Even though there is no particular goal for this program we continue our efforts to promote this technology and hope we will see a number of geothermal installations in the future. This program also receives the benefits from the advertising of the GoodCents Home/Energy Star Program, which promotes high efficient heating and cooling systems.

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FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
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**PROGRAM TITLE:** GoodCents Home/Energy Star Program

**PROGRAM DESCRIPTION:** The GoodCents Home Program has long been the standard for energy efficient construction in Northwest Florida and throughout other parts of the country where the GoodCents Program has been utilized by as many as 270 different utilities. For FPUC and our customers, GoodCents homes provides guidance concerning energy efficiency in new construction by promoting energy efficient home construction techniques by evaluating components in the categories of design and construction practices.

In an effort to further enhance the GoodCents Home Program and market it more efficiently and effectively, GoodCents signed a Memorandum of Understanding with the Department of Energy (DOE) and the Environmental Protection Agency (EPA). Since FPUC is a member of GoodCents this agreement provides the opportunity to offer the Energy Star Home Program to builders and customers and correlates the performance of GoodCents homes to the nationally recognized Energy Star efficiency label. In many cases, a standard GoodCents home will also qualify as an Energy Star Home. The GoodCents Home standards continue to exceed the minimum efficiency standards for new construction as set forth by the Florida Model Energy Code.

**PROGRAM PROJECTION:** For January 2004 through December 2004 the goal for the number of program participants is 29.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses are \$53,100.

**PROGRAM SUMMARY:** Through this program, participating customers will experience lower utility bills, increased comfort, and the eligibility to utilize energy efficient home mortgage products. We continue to see a positive participation in this program due to the continuous effort in educating and advertising the benefits of this program to our customers and builders. We will continue to build a good working relationship with our builders and customers to ensure the success of this program.

**PROGRAM TITLE:** GoodCents Energy Survey Program

**PROGRAM DESCRIPTION:** The objective of the GoodCents Energy Survey Program is to provide FPUC's residential customers with energy conservation advice that encourages 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 survey process, the customer is provided with specific whole-house recommendations. Also during the survey process duct leakage will be addressed. If a problem is identified recommendations will be made for further analysis and repairs. Through follow-up survey work, FPUC monitors and tracks the installation of the cost-effective conservation features and/or duct leakage repairs.

The conservation measures, once implemented, also lower FPUC's energy requirements, as well as improve operating efficiencies. As a result, the increase in operating efficiencies provides for a reduction in weather-sensitive peak demand, as well as a reduction in energy consumption.

**PROGRAM PROJECTIONS:** For January 2004 through December 2004 the goal for the number of program participants is 150.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses are \$53,400.

**PROGRAM SUMMARY:** This program provides participating customers with the information needed to determine which energy saving measures are best suited to their individual needs and requirements. We feel confident that by advertising the benefits of this program through bill stuffers, promotional materials, newspaper, and cable TV we will continue to see a high participation level in this program.

**PROGRAM TITLE:** GoodCents Loan Program

**PROGRAM DESCRIPTION:** The objective of the GoodCents Loan Program is to provide FPUC's residential customers a vehicle to encourage installation of energy conservation features in their homes. The GoodCents Loan Program provides financing for up to \$20,000 for a period of 12 years to customers that choose to install energy conservation features in their existing homes. \*

The program is designed to work in conjunction with FPUC's approved GoodCents Energy Survey Program. During the survey process, the customer is provided with specific whole-house recommendations. A 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 contractor from the approved list of participating contractors, which is approved by FPUC. 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:** This program was approved to be removed, so there are no goals.

**PROGRAM FISCAL EXPENDITURES:** For January 200 through December 2003 the projected expenses are \$7,000.

**PROGRAM SUMMARY:** FPUC requested the removal of this program due to the program no longer being competitive thus causing reduced participation. To have continued the program would not have been in the best interest of FPUC or its customers. Expenditures have still been assigned to this program to cover any possible loan defaults.

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**PROGRAM TITLE:** GoodCents Commercial Building Program

**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 GoodCents Building Program provides requirements for these areas that, if adhered to, will help reduce peak demand and energy consumption.

The promotion of the GoodCents Commercial Building Program through the years has featured a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design continues to be 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 kW and kWh savings due to the GoodCents Commercial Building Program, the GoodCents standards for average commercial buildings 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 kW and kWh differences for the two types of structures. The AXCESS - Energy Analysis Computer Program (AXCESS) is used to calculate the kW and kWh difference.

**PROGRAM PROJECTIONS:** For January 2004 through December 2004 the goal for the number of program participants is 5.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses are \$38,700.

**PROGRAM SUMMARY:** The GoodCents Building Program is designed to ensure that buildings are constructed with energy efficiency levels above the Florida Model Energy Code standards. These standards include both HVAC efficiency and thermal envelope requirements. This program will continue to be successful as FPUC builds on its efforts in working with builders and architects.

**PROGRAM TITLE:** GoodCents Commercial Technical Assistance Audit Program

**PROGRAM DESCRIPTION:** The GoodCents Commercial Technical Assistance Audit Program is an interactive program that provides commercial customers assistance in identifying advanced energy conservation opportunities. It is customized to meet the individual needs of large customers as required; therefore, it is an evolving program.

The Technical Assistance Audit process consists of an on-site review by FPUC Conservation Specialist of the customer's facility operation, equipment and energy usage pattern. The specialist identifies areas of potential reduction in kW demand and kWh consumption as well as identifying end-use technology opportunities. A technical evaluation is then performed which often includes performing an AXCESS simulation in order to ascertain an economic payback or life cycle cost analysis for various improvements to the facility. When necessary FPUC will subcontract the evaluation process to an independent engineering firm and/or contracting consultant.

**PROGRAM PROJECTION:** For January 2004 through December 2004 the goal for the number of program participants is 18.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses are \$43,950.

**PROGRAM SUMMARY:** In recent research of commercial/industrial customers, consistent response for areas of improvement from this class of customer include individualized attention and service in helping them improve their cost of operation and efficiency. We have built trusting relationships with many of these customers by educating them concerning new technologies and by offering expertise in energy conservation. The work we have done in this area will continue to benefit FPUC.

**PROGRAM TITLE:** Low Income Program

**PROGRAM DESCRIPTION:** FPUC presently has energy education programs that identify low cost and or no cost conservation measures. In order to better assist low-income customers in managing their energy purchases, the presentation and format of these energy education programs are tailored to the audience. These programs provide basic energy education, as well as inform the customers of other specific services, such as free energy surveys, that FPUC currently offers.

**PROGRAM PROJECTION:** For January 2004 through December 2004: There are no goals set for this program.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses for this period are \$1050.

**PROGRAM SUMMARY:** This program will benefit Florida Public Utilities Company by providing opportunities to educate low-income customers on the benefits of an energy efficient home.

**PROGRAM TITLE:** Affordable Housing Builders and Providers Program

**PROGRAM DESCRIPTION:** FPUC will identify the affordable housing builders within the service area and will encourage them to attend education seminars and workshops related to energy efficient construction, retrofit programs, financing programs, etc., and to participate in the GoodCents Home Program. FPUC will work with the Florida Energy Extension Service and other seminar sponsors to offer a minimum of two seminars and/or workshops per year. FPUC will work with all sponsors to reduce or eliminate attendances fees for affordable housing providers.

**PROGRAM PROJECTION:** For January 2004 through December 2004: There is no goal for this program.

**PROGRAM FISCAL EXPENDITURES:** For January 2004 through December 2004 the projected expenses for this period are \$1050.

**PROGRAM SUMMARY:** This program will provide FPUC the opportunity to educate contractors on the benefits of building a home to GoodCents standards as well as introduce new and innovative energy efficient building technology.

EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
FLORIDA PUBLIC UTILITIES CO.  
(MAP-2)  
PAGE 40 OF 40

ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION

FOR MONTHS January-04 THROUGH December-04

1.	TOTAL INCREMENTAL COSTS (SCHEDULE C-2,PAGE 1, LINE 33)	<u>509,000</u>
2.	TRUE-UP (SCHEDULE C-3,PAGE 4,LINE 11)	<u>(91,834)</u>
3.	TOTAL (LINE 1 AND LINE 2)	<u>417,166</u>
4.	RETAIL KWH/THERM SALES	<u>768,586,000</u>
5.	COST PER KWH/THERM	<u>0.00054277</u>
6.	REVENUE TAX MULTIPLIER *	<u>1.00072</u>
7.	ADJUSTMENT FACTOR ADJUSTED FOR TAXES (LINE 5 X LINE 6)	<u>0.00054300</u>
8.	CONSERVATION ADJUSTMENT FACTOR- (ROUNDED TO THE NEAREST .001 CENTS PER KWH/THERM)	<u>0.00054</u>

FOR FERNANDINA BEACH ONLY (JANUARY 2004 UNTIL IMPLEMENTATION DATE OF APPROVED BASE RATES)

9.	COST PER KWH/THERM	<u>0.00054277</u>
10.	REVENUE TAX MULTIPLIER *	<u>1.01597</u>
11.	ADJUSTMENT FACTOR ADJUSTED FOR TAXES (LINE 9 X LINE 10)	<u>0.00055100</u>
12.	CONSERVATION ADJUSTMENT FACTOR- (ROUNDED TO THE NEAREST .001 CENTS PER KWH/THERM)	<u>0.00055</u>

\* Tax factor for Fernandina Beach will be 1.01597 until the base rates are approved in the rate proceeding for Docket No. 030438-EI. Effective on that date, Gross Receipts will no longer be part of base rates. The Conservation Adjustment Factor will change for Fernandina Beach in conjunction with the base rates effective date when the factor will then be 0.00054.

EXHIBIT NO. \_\_\_\_\_  
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DOCUMENT NUMBER-DATE  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION

SCHEDULE C-2

ESTIMATED CONSERVATION PROGRAM COSTS

PAGE 1 OF 3

FOR MONTHS January-04 THROUGH December-04

A. ESTIMATED EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. In Concert with the Environment (program eliminated)													0
2. Direct Leakage Repair													0
3. Residential Geothermal Heat Pump													0
4. Residential Energy Audits													0
5. Low Income Customer Energy Audits													0
6. FPU Express													0
7. Enhanced Good Cents Home													0
8. Commercial/Industrial Good Cents Building													0
9. Commercial/Industrial Energy Audits & Tech. Assit.													0
10. Common	11,050	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	11,100	133,150
11. Residential Geothermal Heat Pump	400	400	400	400	400	400	400	400	400	400	400	400	4,800
12. GoodCents Home/Energy Star	8,490	8,510	8,510	8,510	8,510	8,510	8,510	8,510	8,510	8,510	8,510	8,510	102,100
13. GoodCents Energy Survey Program	8,570	8,530	8,530	8,530	8,530	8,530	8,530	8,530	8,530	8,530	8,530	8,530	102,400
14. GoodCents Loan Program	1,120	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	13,000
15. GoodCents Commercial Building	5,840	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	5,860	70,300
16. GoodCents Commercial Tech. Assistance	6,600	6,650	6,650	6,650	6,650	6,650	6,650	6,650	6,650	6,650	6,650	6,650	79,750
17. Low Income	100	150	150	150	150	150	150	150	150	150	150	150	1,750
18. Affordable Housing/Builders Program	144	146	146	146	146	146	146	146	146	146	146	146	1,750
19.													
31. TOTAL ALL PROGRAMS	42,314	42,426	42,426	42,426	42,426	42,426	42,426	42,426	42,426	42,426	42,426	42,426	509,000
32. LESS AMOUNT INCLUDED IN RATE BASE													
33. RECOVERABLE CONSERVATION EXPENSES	42,314	42,426	42,426	42,426	42,426	42,426	42,426	42,426	42,426	42,426	42,426	42,426	509,000

EXHIBIT NO. \_\_\_\_\_  
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 FLORIDA PUBLIC UTILITIES COMPANY  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION

SCHEDULE C-2  
PAGE 2 OF 3

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

PROGRAM NAME	FOR MONTHS		THROUGH	December-04		VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
	January-04	ADVERTISING		LEGAL	OUTSIDE SERVICES									
1. In Concert with the Environment (program eliminated)														0
2. Direct Leakage Repair														0
3. Residential Geothermal Heat Pump														0
4. Residential Energy Audits														0
5. Low Income Customer Energy Audits														0
6. FPU Express														0
7. Enhanced Good Cents Home														0
8. Commercial/Industrial Good Cents Building														0
9. Commercial/Industrial Energy Audits & Tech. Assit.														0
10. Common	70,000	0	6,000	0	20,350	6,800	10,000	20,000	0	0	133,150	0	133,150	
11. Residential Geothermal Heat Pump	3,000	0	0	1,000	0	800	0	0	0	0	4,800	0	4,800	
12. GoodCents Home/Energy Star	35,000	48,000	0	1,000	0	10,100	3,000	5,000	0	0	102,100	0	102,100	
13. GoodCents Energy Survey Program	35,000	48,000	0	2,300	0	10,100	2,000	5,000	0	0	102,400	0	102,400	
14. GoodCents Loan Program	0	0	0	0	0	0	0	13,000	0	0	13,000	0	13,000	
15. GoodCents Commercial Building	25,000	28,500	0	3,200	0	6,000	2,600	5,000	0	0	70,300	0	70,300	
16. GoodCents Commercial Tech. Assistance	25,000	38,000	0	3,200	0	6,150	2,400	5,000	0	0	79,750	0	79,750	
17. Low Income	1,000	0	0	0	0	200	0	550	0	0	1,750	0	1,750	
18. Affordable Housing/Builders Program	1,000	0	0	0	0	200	0	550	0	0	1,750	0	1,750	
19.														
20.														
31. TOTAL ALL PROGRAMS	195,000	162,500	6,000	10,700	20,350	40,350	20,000	54,100	0	0	509,000	0	509,000	
32. LESS: BASE RATE RECOVERY														
33. NET PROGRAM COSTS	195,000	162,500	6,000	10,700	20,350	40,350	20,000	54,100	0	0	509,000	0	509,000	

EXHIBIT NO. \_\_\_\_\_  
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FLORIDA PUBLIC UTILITIES COMPANY  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION

SCHEDULE C-2  
PAGE 3 OF 3

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

ESTIMATED FOR MONTHS January-04 THROUGH December-04

PROGRAM NAME:

	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	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. 030002-EG  
FLORIDA PUBLIC UTILITIES COMPANY  
(MAP-3)  
PAGE 4 OF 11

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION  
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
 PAGE 1 OF 6

PROGRAM NAME	ACTUAL FOR MONTHS	January-03	THROUGH	August-03								SUB	PROGRAM	TOTAL			
	ESTIMATED FOR MONTHS	September-03	THROUGH	December-03	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES		OTHER	TOTAL	REVENUES
10. Common																	
A. ACTUAL		42,799	1,869	0	367	11,939	5,600	4,344	20,794	0	1,002	88,714					88,714
B. ESTIMATED		42,990	0	2,330	0	7,160	480	3,670	3,330	0	0	59,960					59,960
C. TOTAL		85,789	1,869	2,330	367	19,099	6,080	8,014	24,124	0	1,002	148,674					148,674
11. Residential Geothermal Heat Pump																	
A. ACTUAL		198	0	0	0	0	0	0	0	0	0	198					198
B. ESTIMATED		1,660	660	0	0	0	200	990	990	0	0	4,500					4,500
C. TOTAL		1,858	660	0	0	0	200	990	990	0	0	4,698					4,698
12. GoodCents Home/Energy Star																	
A. ACTUAL		19,827	44,822	0	(238)	600	6,022	565	4,730	700	0	76,828					76,828
B. ESTIMATED		6,120	14,040	0	0	0	800	1,840	2,180	0	0	24,980					24,980
C. TOTAL		25,747	58,862	0	(238)	600	6,822	2,405	6,910	700	0	101,808					101,808
13. GoodCents Energy Survey Program																	
A. ACTUAL		20,989	17,301	0	0	0	0	541	1,981	0	0	40,812					40,812
B. ESTIMATED		6,110	12,660	0	0	0	800	1,660	2,170	0	0	23,400					23,400
C. TOTAL		27,099	29,961	0	0	0	800	2,201	4,151	0	0	64,212					64,212
14. GoodCents Loan Program																	
A. ACTUAL		405	0	46	2,798	0	10	0	(480)	0	0	2,779					2,779
B. ESTIMATED		0	0	0	0	0	0	0	6,000	0	0	6,000					6,000
C. TOTAL		405	0	46	2,798	0	10	0	5,520	0	0	8,779					8,779
SUB-TOTAL ACTUAL		84,016	63,992	46	2,927	12,539	11,632	5,450	27,025	700	1,002	209,329					209,329
SUB-TOTAL ESTIMATED		56,880	27,360	2,330	0	7,160	2,280	8,160	14,670	0	0	118,840					118,840
LESS: INCLUDED IN RATE BASE																	
ACTUAL																	
ESTIMATED																	
TOTAL																	
NET PROGRAM COSTS																	

SEE PAGE 1A

EXHIBIT NO. \_\_\_\_\_  
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 FLORIDA PUBLIC UTILITIES COMPANY  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION  
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
 PAGE 1A OF 5

PROGRAM NAME	ACTUAL FOR MONTHS	January-03	THROUGH	August-03								SUB	PROGRAM	TOTAL			
	ESTIMATED FOR MONTHS	September-03	THROUGH	December-03	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	TOTAL	REVENUES	TOTAL
15. GoodCents Commercial Building		4,756	125	0	0	0	0	0	0	447	0	0	0	0	5,328		5,328
A. ACTUAL		4,220	7,610	0	1,010	0	710	670	1,500	0	0	0	0	0	15,720		15,720
B. ESTIMATED		8,976	7,735	0	1,010	0	710	1,117	1,500	0	0	0	0	0	21,048		21,048
C. TOTAL																	
16. GoodCents Commercial Tech. Assistance		7,210	7,887	0	5,464	0	0	473	1,522	0	150	22,706		22,706			22,706
A. ACTUAL		5,680	7,090	0	3,500	0	710	680	1,500	0	0	19,180		19,180			19,180
B. ESTIMATED		12,890	14,977	0	8,964	0	710	1,153	3,022	0	150	41,866		41,866			41,866
C. TOTAL																	
17. Low Income		145	0	0	0	0	0	0	0	0	0	145		145			145
A. ACTUAL		490	0	0	0	0	120	0	130	0	0	740		740			740
B. ESTIMATED		635	0	0	0	0	120	0	130	0	0	885		885			885
C. TOTAL																	
18. Affordable Housing/Builders Program		44	0	0	0	0	0	0	0	0	0	44		44			44
A. ACTUAL		500	0	0	0	0	120	0	120	0	0	740		740			740
B. ESTIMATED		544	0	0	0	0	120	0	120	0	0	784		784			784
C. TOTAL																	
19. 2000 Programs remaining Expenses		0	0	0	0	0	0	0	0	0	0	0		0			0
A. ACTUAL		0	0	0	0	0	0	0	0	0	0	0		0			0
B. ESTIMATED		0	0	0	0	0	0	0	0	0	0	0		0			0
C. TOTAL																	
TOTAL ACTUAL		96,171	72,004	46	8,391	12,539	11,632	6,370	28,547	700	1,152	237,552		237,552			237,552
TOTAL ESTIMATED		67,770	42,060	2,330	4,510	7,160	3,940	9,510	17,920	0	0	155,200		155,200			155,200
LESS: INCLUDED IN RATE BASE																	
ACTUAL																	
ESTIMATED																	
TOTAL																	
NET PROGRAM COSTS		163,941	114,064	2,376	12,901	19,699	15,572	15,880	46,467	700	1,152	392,752		392,752			392,752

EXHIBIT NO. \_\_\_\_\_  
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 FLORIDA PUBLIC UTILITIES COMPANY  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN

SCHEDULE C-3  
 PAGE 2 OF 5

ACTUAL FOR MONTHS ESTIMATED FOR MONTHS      January-03 THROUGH August-03  
 September-03 THROUGH December-03

	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	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. \_\_\_\_\_  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION  
 CONSERVATION PROGRAM COSTS

SCHEDULE C-3  
 PAGE 3 OF 5

ACTUAL FOR MONTHS  
 ESTIMATED FOR MONTHS

January-03  
 September-03

THROUGH  
 THROUGH

August-03  
 December-03

A. ESTIMATED EXPENSE BY PROGRAM	ACTUAL								TOTAL ACTUAL	ESTIMATED				TOTAL ESTIMATED	GRAND TOTAL
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST		SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER		
10 Common	10,848	12,786	10,907	9,559	9,626	11,798	11,906	11,284	88,714	14,990	14,990	14,990	14,990	59,960	148,674
11 Residential Geothermal Heat Pump	0	0	48	47	31	14	56	0	196	1,125	1,125	1,125	1,125	4,500	4,696
12 GoodCents Home/Energy Star	6,606	4,618	11,982	6,654	10,436	7,078	13,177	16,275	76,828	6,245	6,245	6,245	6,245	24,980	101,808
13 GoodCents Energy Survey Program	4,835	5,737	3,138	9,364	3,070	3,317	7,680	3,691	40,812	5,850	5,850	5,850	5,850	23,400	64,212
14 GoodCents Loan Program	(60)	2,770	54	97	19	(60)	(60)	19	2,779	1,500	1,500	1,500	1,500	6,000	8,779
15 GoodCents Commercial Building	185	647	609	737	339	996	1,357	256	5,328	3,930	3,930	3,930	3,930	15,720	21,048
16 GoodCents Commercial Tech. Assistance	7,063	1,891	1,676	5,516	1,019	2,506	2,243	792	22,706	4,790	4,790	4,790	4,790	19,160	41,866
17 Low Income	0	0	96	(4)	1,198	(1,198)	0	53	145	185	185	185	185	740	885
18 Affordable Housing/Builders Program	0	0	48	(4)	0	0	0	0	44	185	185	185	185	740	885
19 2002 Programs Remaining Expenses	0	116	(116)	0	0	1,750	(909)	(841)	0	0	0	0	0	0	0
31. TOTAL ALL PROGRAMS	29,479	28,765	28,442	31,966	25,738	26,203	35,430	31,529	237,552	38,800	38,800	38,800	38,800	155,200	392,752
32. LESS AMOUNT INCLUDED IN RATE BASE															
33. RECOVERABLE CONSERVATION EXPENSES	29,479	28,765	28,442	31,966	25,738	26,203	35,430	31,529	237,552	38,800	38,800	38,800	38,800	155,200	392,752

EXHIBIT NO. \_\_\_\_\_  
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 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-3)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION  
 ENERGY CONSERVATION ADJUSTMENT  
 CALCULATION OF TRUE UP AND INTEREST PROVISION

SCHEDULE C-3  
 PAGE 4 OF 5

	ACTUAL FOR MONTHS	January-03	THROUGH	August-03													
	ESTIMATED FOR MONTHS	September-03	THROUGH	December-03	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
B. CONSERVATION REVENUES																	
1. RCS AUDIT FEES																	
a.																	
b.																	
c.																	
2. CONSERVATION ADJ REVENUE (NET OF REVENUE TAXES)		41,141	36,140	30,938	28,337	34,358	38,653	40,928	40,876	41,636	36,563	34,772	34,905	439,045			
3. TOTAL REVENUES		41,141	36,140	30,938	28,337	34,358	38,653	40,928	40,876	41,636	36,563	34,772	34,905	439,045			
4. PRIOR PERIOD TRUE-UP-ADJ NOT APPLICABLE TO PERIOD		3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	3,721	44,655			
5. CONSERVATION REVENUES APPLICABLE TO PERIOD		44,862	39,861	34,659	32,058	38,079	42,374	44,647	44,397	45,357	40,284	38,493	38,829	483,700			
6. CONSERVATION EXPENSES (FORM C-3, PAGE 3)		29,479	28,765	28,442	31,966	25,738	26,203	35,430	31,529	38,800	38,800	38,800	38,800	392,752			
7. TRUE-UP THIS PERIOD		15,383	11,096	6,217	92	12,341	16,171	9,217	12,868	6,557	1,464	(307)	(171)	90,948			
8. INTEREST PROVISION THIS PERIOD (C-3, PAGE 5)		53	62	65	63	67	72	74	83	89	89	86	83	886			
9. TRUE-UP & INTEREST PROVISION		44,655	56,370	63,807	66,368	62,802	71,489	84,011	89,581	98,811	101,736	99,588	95,646	44,655			
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD																	
10. PRIOR TRUE-UP COLLECTED (REFUNDED)		(3,721)	(3,721)	(3,721)	(3,721)	(3,721)	(3,721)	(3,721)	(3,721)	(3,721)	(3,721)	(3,721)	(3,721)	(44,655)			
11. END OF PERIOD TOTAL NET TRUE- UP (SUM OF LINES 7, 8, 9, 10)		56,370	63,807	66,368	62,802	71,489	84,011	89,581	98,811	101,736	99,588	95,646	91,834	91,834			

EXHIBIT NO. \_\_\_\_\_  
 DOCKET NO. 030002-EG  
 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-3)  
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION  
 ENERGY CONSERVATION ADJUSTMENT  
 CALCULATION OF TRUE UP AND INTEREST PROVISION

SCHEDULE C-3  
 PAGE 5 OF 5

ACTUAL FOR MONTHS      January-03      THROUGH      August-03  
 ESTIMATED FOR MONTHS      September-03      THROUGH      December-03

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
C. INTEREST PROVISION													
1. BEGINNING TRUE-UP (LINE B-9)	44,655	56,370	63,807	66,368	62,802	71,489	84,011	89,581	98,811	101,736	99,588	95,646	91,834
2. ENDING TRUE-UP BEFORE INTEREST (LINE B7+B9+B10)	56,317	63,745	66,303	62,739	71,422	83,939	89,507	98,728	101,647	99,499	95,560	91,751	90,948
3. TOTAL BEG. AND ENDING TRUE-UP	100,972	120,115	130,110	129,107	134,224	155,428	173,518	188,309	200,458	201,235	195,148	187,397	182,782
4. AVERAGE TRUE-UP (LINE C-3 X 50 %)	50,486	60,058	65,055	64,554	67,112	77,714	86,759	94,155	100,229	100,618	97,574	93,699	91,391
5. INTEREST RATE-FIRST DAY OF REPORTING BUSINESS MONTH	1.29%	1.27%	1.25%	1.18%	1.19%	1.21%	1.00%	1.05%	1.06%	1.06%	1.06%	1.06%	1.06%
6. INTEREST RATE-FIRST DAY OF SUBSEQUENT BUSINESS MONTH	1.27%	1.25%	1.18%	1.19%	1.21%	1.00%	1.05%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
7. TOTAL (LINE C-5 + C-6)	2.56%	2.52%	2.43%	2.37%	2.40%	2.21%	2.05%	2.11%	2.12%	2.12%	2.12%	2.12%	2.12%
8. AVG INTEREST RATE (C-7 X 50%)	1.28%	1.26%	1.22%	1.19%	1.20%	1.11%	1.03%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
9. MONTHLY AVERAGE INTEREST RATE	0.107%	0.105%	0.101%	0.099%	0.100%	0.092%	0.085%	0.088%	0.088%	0.088%	0.088%	0.088%	0.088%
10. INTEREST PROVISION (LINE C-4 X C-9)	53	62	65	63	67	72	74	83	89	89	86	83	886

EXHIBIT NO. \_\_\_\_\_  
 DOCKET NO. 030002-EG  
 FLORIDA PUBLIC UTILITIES COMPANY  
 (MAP-3)  
 PAGE 10 OF 11

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - CONSOLIDATED ELECTRIC DIVISION  
 CALCULATION OF CONSERVATION REVENUES

SCHEDULE C-4  
 PAGE 1 OF 1

FOR THE PERIOD January-03 THROUGH December-04

MONTH	KWH/THERM SALES (000) (NET OF 3RD PARTY)	CONSERVATION ADJUSTMENT REVENUE (NET OF REVENUE TAXES)	RATE
2003 JANUARY	65,509	41,141	ACTUAL
FEBRUARY	60,619	36,140	ACTUAL
MARCH	50,897	30,938	ACTUAL
APRIL	45,950	28,337	ACTUAL
MAY	56,095	34,358	ACTUAL
JUNE	62,909	38,653	ACTUAL
JULY	66,949	40,926	ACTUAL
AUGUST	66,217	40,676	ACTUAL
SEPTEMBER	68,269	41,636	0.60988 *
OCTOBER	60,477	36,563	0.60458 *
NOVEMBER	57,286	34,772	0.60699 *
DECEMBER	57,089	34,905	0.61141 *
SUB-TOTAL	<u>718,266</u>	<u>439,045</u>	
2004 JANUARY	67,726	36,760	0.054277
FEBRUARY	65,042	35,303	0.054277
MARCH	62,357	33,846	0.054277
APRIL	63,654	34,550	0.054277
MAY	62,601	33,978	0.054277
JUNE	64,622	35,075	0.054277
JULY	62,650	34,005	0.054277
AUGUST	63,428	34,427	0.054277
SEPTEMBER	63,930	34,699	0.054277
OCTOBER	63,977	34,725	0.054277
NOVEMBER	64,005	34,740	0.054277
DECEMBER	64,594	35,060	0.054277
SUB-TOTAL	<u>768,586</u>	<u>417,168</u>	
TOTALS	<u>1,486,852</u>	<u>856,213</u>	

\* Weighted average rates based on a consolidation of the separate rates for the two electric divisions.

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Schedule Number	Title	Pages
CT-1	Adjusted net True-Up, January, 2002, through December, 2002	1
CT-2	Analysis of Energy Conservation Program Costs	2
CT-3	Energy Conservation Adjustment	3 - 7
CT-4	Schedule of Capital Investments, Depreciation and Return	8
CT-5	Reconciliation and Explanation of Differences Between Filing and Audit	9
CT-6	Program Descriptions and Progress Reports	10 - 23

FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 030002-EG EXHIBIT NO. 3 *Comp. Ex.*  
COMPANY/ Gulf Power  
WITNESS: Angela T. Carter ATC-1 + ATC-2  
DATE: 01-12-03

**GULF POWER COMPANY  
ENERGY CONSERVATION COST RECOVERY  
ADJUSTED NET TRUE-UP**  
For the Period: January, 2002 Through December, 2002

	<u>          \$          </u>	<u>          \$          </u>
Actual		
1. Principal	493,209	
2. Interest	<u>          372          </u>	
3. Actual Under Recovery Ending Balance		493,581
Estimated/Actual October 4, 2002		
4. Principal	142,439	
5. Interest	<u>          (829)          </u>	
6. Total Estimated/Actual Under Recovery		<u>          141,610          </u>
7. Adjusted Net True-up, Amount to be Refunded		<u>          351,971          </u>

**GULF POWER COMPANY**  
**ENERGY CONSERVATION COST RECOVERY**  
**ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS**  
**ACTUAL compared to ESTIMATED/ACTUAL**  
For the Period: January, 2002 Through December, 2002

	<u>Actual</u>	<u>Est/Actual</u>	<u>Difference</u>
	\$	\$	\$
1. Depreciation, Return & Property Tax	984,908.36	989,166.66	(4,258.30)
2. Payroll & Benefits	1,607,104.11	1,885,044.00	(277,939.89)
3. Materials & Supplies	2,245,347.25	2,131,061.00	114,286.25
5. Advertising	598,721.23	634,239.00	(35,517.77)
7. Adjustments	0.00	0.00	0.00
8. Other	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
9. SUBTOTAL	5,436,080.95	5,639,510.66	(203,429.71)
10. Program Revenues	<u>216,462.19</u>	<u>247,288.90</u>	<u>(30,826.71)</u>
11. TOTAL PROGRAM COSTS	<u>5,219,618.76</u>	<u>5,392,222.10</u>	<u>(172,603.00)</u>
12. Less: Payroll Adjustment	0.00	0.00	0.00
13. Amounts Inc. in Base Rate	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
14. Conservation Adjustment Revenues	<u>6,392,146.62</u>	<u>6,213,979.56</u>	<u>178,167.06</u>
15. Rounding Adjustment	<u>6,392,147.00</u>	<u>6,213,980.00</u>	<u>178,167.00</u>
16. True-up Before Adjustment	1,172,528	821,758	350,770
17. Interest Provision	372	(829)	1,201
18. Prior Period True-up	(679,319)	(679,319)	0
19. Other	<u>0</u>	<u>0</u>	<u>0</u>
20. End of Period True-up	<u>493,581</u>	<u>141,610</u>	<u>351,971</u>

GULF POWER COMPANY

CONSERVATION COSTS Per PROGRAM  
 VARIANCE ACTUAL Vs ESTIMATED/ACTUAL  
 For the Period: January, 2002 Through December, 2002

Program	Depr/Amort & Return	Payroll & Benefits	Materials & Expenses	Advertising	Other	Sub-Total	Program Revenues	Total
1. Residential Energy Audit	0.00	(21,960.04)	(26,588.18)	25,109.69	0.00	(23,438.53)	0.00	(23,438.53)
2. Gulf Express	0.00	0.00	(4,000.00)	0.00	0.00	(4,000.00)	0.00	(4,000.00)
3. Green Pricing								
a. GoodCents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Solar for Schools	0.00	(1,224.49)	(590.56)	0.00	0.00	(1,815.05)	0.00	(1,815.05)
c. Earth Cents	0.00	(427.30)	(3,051.89)	(0.80)	0.00	(3,479.79)	0.00	(3,479.79)
d. Green Pricing	0.00	0.00	11,816.82	0.00	0.00	11,816.82	0.00	11,816.82
Total	0.00	(1,651.79)	8,174.57	(0.80)	0.00	6,521.98	0.00	6,521.98
4. Duct Leakage	0.00	(472.46)	(2,036.44)	0.00	0.00	(2,508.90)	0.00	(2,508.90)
5. Geothermal Heat Pump	0.00	(49,909.26)	(25,977.90)	(13,752.92)	0.00	(89,640.08)	0.00	(89,640.08)
6. GoodCents Select	(4,258.30)	(16,416.83)	292,571.78	(46,155.26)	0.00	225,741.39	(30,826.71)	256,568.10
7. Comm/Ind GoodCents Building	0.00	(67,468.34)	(11,637.92)	(4,800.37)	0.00	(83,906.63)	0.00	(83,906.63)
8. Comm/Ind E.A. & T.A.A.	0.00	(115,154.02)	900.29	(2,994.34)	0.00	(117,248.07)	0.00	(117,248.07)
9. Commercial Mail In Audit	0.00	1,572.38	(228.75)	0.00	0.00	1,343.63	0.00	1,343.63
10. Research & Development	0.00	117.88	(127,599.60)	0.00	0.00	(127,481.92)	0.00	(127,481.92)
11. Residential Mail In Audit	0.00	(6,597.21)	10,708.40	7,076.23	0.00	11,187.42	0.00	11,187.42
12. Total	(4,258.30)	(277,939.89)	114,286.25	(35,517.77)	0.00	(203,429.71)	(30,826.71)	(172,603.00)

Florida Public Service Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: A. T. Carter  
 Exhibit No. \_\_\_\_\_ (ATC-1)  
 Schedule CT-3  
 Page 1 of 5

GULF POWER COMPANY

CONSERVATION COSTS Per PROGRAM  
ACTUAL EXPENSES  
For the Period: January, 2002 Through December, 2002

Program	Depreciation Property Taxes & Return on Equity	Payroll & Benefits	Materials & Expenses	Advertising	Other	Sub-Total	Program Revenues	Total
1. Residential Energy Audit	0.00	242,242.96	32,964.82	125,309.69	0.00	400,517.47	0.00	400,517.47
2. Gulf Express	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Green Pricing								
a. GoodCents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Solar for Schools	0.00	1,737.51	(290.58)	0.00	0.00	1,446.95	0.00	1,446.95
c. Earth Cents	0.00	10,416.70	3,110.31	3,805.20	0.00	17,332.21	0.00	17,332.21
d. Green Pricing	0.00	0.00	26,816.82	0.00	0.00	26,816.82	0.00	26,816.82
Total	0.00	12,154.21	29,636.57	3,805.20	0.00	45,595.98	0.00	45,595.98
4. Duct Leakage	0.00	727.54	363.56	0.00	0.00	1,091.10	0.00	1,091.10
5. Geothermal Heat Pump	0.00	91,341.74	11,744.10	56,454.08	0.00	159,539.92	0.00	159,539.92
6. GoodCents Select	984,908.36	524,015.17	2,019,821.78	353,844.74	0.00	3,882,580.05	216,462.19	3,666,127.86
7. Comm/Ind GoodCents Building	0.00	316,876.66	41,541.08	1,225.63	0.00	359,643.37	0.00	359,643.37
8. Comm/Ind E.A. & T.A.A.	0.00	378,057.98	46,921.29	1,005.66	0.00	425,984.93	0.00	425,984.93
9. Commercial/Industrial Mail In Audit	0.00	23,669.38	7,050.25	0.00	0.00	30,719.63	0.00	30,719.63
10. Research & Development								
a. Aquatic Pools	0.00	50.43	1,003.81	0.00	0.00	1,054.24	0.00	1,054.24
b. Mary Ester School	0.00	(84.06)	16,308.93	0.00	0.00	16,224.87	0.00	16,224.87
c. GCCC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Geothermal	0.00	0.00	15,200.11	0.00	0.00	15,200.11	0.00	15,200.11
e. Groovin Hwy 29	0.00	0.00	14.07	0.00	0.00	14.07	0.00	14.07
f. Hampton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g. OakRidge	0.00	0.00	702.92	0.00	0.00	702.92	0.00	702.92
h. Pine Forest	0.00	50.44	801.94	0.00	0.00	852.38	0.00	852.38
i. PJC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. Springhill Suites	0.00	0.00	6.48	0.00	0.00	6.48	0.00	6.48
k. Triggers	0.00	50.44	803.00	0.00	0.00	853.44	0.00	853.44
l. Water Furnace	0.00	50.43	838.68	0.00	0.00	889.11	0.00	889.11
m. Warner Solar	0.00	0.00	1,182.86	0.00	0.00	1,182.86	0.00	1,182.86
n. Other	0.00	0.00	1,337.60	0.00	0.00	1,337.60	0.00	1,337.60
o. Total	0.00	117.68	38,200.40	0.00	0.00	38,318.08	0.00	38,318.08
11. Residential Mail In Audit	0.00	17,900.79	17,103.40	57,076.23	0.00	92,080.42	0.00	92,080.42
12. Total	984,908.36	1,607,104.11	2,245,347.25	598,721.23	0.00	5,436,080.95	216,462.19	5,219,618.76

Florida Public Service  
Commission  
Docket No. 030002-EG  
GULF POWER COMPANY  
Witness: A. T. Carter  
Exhibit No. \_\_\_\_\_ (ATC-1)  
Schedule CT-3  
Page 2 of 5

GULF POWER COMPANY

CONSERVATION COSTS Per PROGRAM  
SUMMARY OF ACTUAL EXPENSES BY PROGRAM BY MONTH  
For the Period: January, 2002 Through December, 2002

PROGRAMS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. Residential Energy Audits	22,603.31	23,979.56	23,394.41	22,921.41	25,970.38	40,689.92	38,135.30	46,066.67	55,512.76	40,476.98	30,275.08	30,491.69	400,517.47
2. Gulf Express	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Green Pricing													
a. Good Cents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Solar for Schools	741.93	-139.46	104.95	83.17	109.80	116.67	187.71	191.46	148.75	154.15	78.70	-330.88	1,446.95
c. Earth Cents	4,930.58	6,783.32	4,831.25	5,098.55	9,424.42	5,119.83	4,989.35	5,376.12	-32,934.11	1,269.72	1,028.68	1,413.90	17,332.21
d. Green Pricing	0.00	0.00	0.00	0.00	0.00	216.05	863.88	0.00	0.00	0.00	467.44	25,269.45	26,816.82
Total	5,672.51	6,644.46	4,936.20	5,181.72	9,534.22	5,452.55	6,040.94	5,567.58	-32,785.36	1,423.87	1,574.82	26,352.47	45,595.98
4. Duct Leakage	17.80	101.44	-6.28	18.48	762.46	-62.50	27.24	252.10	-58.87	38.20	0.00	1.03	1,091.10
5. Geothermal Heat Pump	9,467.88	10,646.73	13,153.08	9,344.62	11,409.92	17,921.58	14,463.76	11,167.85	10,347.79	16,965.67	16,412.82	18,248.42	159,539.92
6. GoodCents Select Amortization & Return on Investment	125,165.56	57,166.04	388,638.08	343,547.71	149,203.09	299,554.09	322,295.24	185,003.01	240,281.61	318,844.50	113,804.14	354,178.62	2,897,681.69
7. Comm/nd Good Cents Bldg	26,048.53	27,144.56	28,320.27	35,095.33	26,173.90	27,880.50	30,691.09	34,104.27	27,672.89	32,623.26	30,627.15	33,261.62	359,643.37
8. Comm/nd E.A. & T.A.A.	36,080.68	31,340.99	36,409.63	36,823.77	35,664.71	36,357.51	34,552.05	36,665.60	34,946.05	38,003.34	32,532.71	36,617.89	425,984.93
9. Commercial Mail In Audit	2,561.45	2,273.28	2,416.48	2,337.32	2,439.97	2,851.79	2,562.47	2,432.56	2,703.00	2,573.66	2,715.27	2,852.38	30,719.63
10. Research & Development													
a. Aquatic Pools	61.38	0.00	103.82	0.00	115.22	44.07	0.00	101.21	49.30	489.12	45.06	45.06	1,054.24
b. Mary Ester School	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,895.43	8,329.44	0.00	16,224.87
c. GCCC	0.00	0.00	0.00	0.00	0.00	0.00	43.80	0.00	14,983.70	0.00	0.00	172.61	15,200.11
d. Geothermal	0.00	0.00	0.00	52.91	0.00	0.00	-12.88	-15.27	0.00	0.00	0.00	0.00	14.07
e. Groovin Hwy 29	-10.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f. Hampton	0.00	0.00	0.00	0.00	106.11	103.69	35.66	36.32	0.00	0.00	0.00	0.00	702.92
g. OakRidge	61.05	158.90	95.75	105.44	106.11	103.69	35.66	36.32	0.00	0.00	0.00	0.00	852.38
h. Pine Forest	0.00	77.57	48.06	52.91	27.68	0.00	-12.88	-15.27	197.52	444.03	32.76	0.00	0.00
i. PJC	0.00	0.00	0.00	0.00	0.00	6.48	0.00	0.00	0.00	0.00	0.00	0.00	6.48
j. Springhill Suites	0.00	0.00	0.00	0.00	0.00	20.25	-12.88	-15.27	197.52	444.03	32.75	0.00	853.44
k. Triggers	61.39	77.59	48.06	0.00	0.00	0.00	0.00	31.50	197.53	156.96	46.81	46.81	899.11
l. Water Furnace	56.38	75.82	46.02	47.24	-0.18	128.06	56.16	0.00	158.13	0.00	217.43	807.30	1,182.86
m. Warner Solar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,337.60	0.00	0.00	0.00	1,337.60
n. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o. Total	229.51	389.88	341.71	258.50	248.83	302.55	96.98	123.22	17,121.30	9,429.57	8,704.25	1,071.78	38,318.08
11. Residential Mail In Audit	1,040.53	3,280.73	3,350.27	2,361.72	4,829.69	7,572.66	8,375.07	14,386.84	25,303.33	15,103.33	2,825.65	3,550.60	92,060.42
12. Recoverable Conservation Expenses	291,435.51	225,260.49	568,380.65	532,245.86	344,429.92	521,218.94	544,083.97	416,392.88	474,756.59	572,755.40	338,070.09	607,040.65	5,436,060.95

Florida Public Service Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: A. T. Carter  
 Exhibit No. \_\_\_\_\_ (ATC-1)  
 Schedule CT-3  
 Page 3 of 5



GULF POWER COMPANY  
ENERGY CONSERVATION ADJUSTMENT  
For the Period: January, 2002 through December, 2002

Conservation Revenues	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. GoodCents Select RSVP Fees	12,404.30	12,175.17	12,625.63	11,681.20	15,539.86	23,301.12	21,124.29	21,245.33	23,507.17	22,493.66	19,795.96	20,568.50	216,462.19
2. Conservation Adjustment Revenues	509,001.58	439,635.90	463,738.03	474,839.36	559,273.61	603,394.70	665,664.42	640,336.97	602,943.21	536,005.93	434,145.87	463,167.04	6,392,146.62
3. Total Revenues	521,405.88	451,811.07	476,363.66	486,520.56	574,813.47	626,695.82	686,788.71	661,582.30	626,450.38	558,499.59	453,941.83	483,735.54	6,608,608.81
4. Adjustment not Applicable to Period - Prior True Up	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.17)	(87,076.13)	(1,044,914.00)
5. Conservation Revenues Applicable to Period	434,329.71	364,734.90	389,287.49	399,444.39	487,737.30	539,619.65	599,712.54	574,506.13	539,374.21	471,423.42	366,865.66	396,659.41	5,563,694.81
6. Conservation Expenses (Form CT-3 Page B)	291,435.51	225,260.49	568,380.65	532,245.86	344,429.92	521,218.94	544,093.97	416,392.88	474,756.59	572,755.40	338,070.09	607,040.65	5,436,080.95
7. True Up this Period (Line 5 minus Line 6)	142,894.20	139,474.41	(179,093.16)	(132,801.47)	143,307.38	18,400.71	55,618.57	158,113.25	64,617.62	(101,331.98)	28,795.57	(210,381.24)	127,613.86
8. Interest Provision this Period (Page 10, Line 10)	(834.74)	(494.13)	(399.58)	(502.04)	(363.12)	(117.35)	63.74	384.33	631.52	719.14	685.46	598.54	371.77
9. True Up & Interest Provision Beginning of Month	(679,318.96)	(450,183.33)	(224,126.88)	(316,543.45)	(362,770.79)	(132,750.36)	(27,390.83)	115,367.65	360,941.40	513,266.71	499,730.05	616,287.25	(679,318.96)
10. Prior True Up Collected or Refunded	87,076.17	87,076.17	87,076.17	87,076.17	87,076.17	87,076.17	87,076.17	87,076.17	87,076.17	87,076.17	87,076.17	87,076.13	1,044,914.00
11. End of Period- Net True Up	(450,183.33)	(224,126.88)	(316,543.45)	(362,770.79)	(132,750.36)	(27,390.83)	115,367.65	360,941.40	513,266.71	499,730.05	616,287.25	493,580.68	493,580.68

August Includes \$(11,901.87) of Audit Adjustment Expenses  
and \$51.14 of Audit Adjustment Interest

6

Commission  
Docket No. 030002-EG  
GULF POWER COMPANY  
Witness: A. T. Carter  
Exhibit No. \_\_\_\_\_ (ATC-  
1)  
Schedule CT-3  
Page 4 of 5

GULF POWER COMPANY  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN  
 GoodCents Select  
 For the Period January, 2002 Through December, 2002

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	Dec	Total
1.	Investments (Net of Retirements)	1,677,578.79	-41,128.80	145.38	1,055,067.86	7,601.41	3,978.47	643.86	967.07	1,844.35	446.96	2,575.02	44.30	971,739.27	
2.	Depreciable Base	1,636,447.99	1,636,593.37	2,691,661.23	2,699,262.64	2,703,241.11	2,703,884.97	2,704,852.04	2,706,696.39	2,707,143.35	2,709,718.37	2,709,762.67	3,681,501.94		
3.	Depreciation Expense (A)		3,148.32	3,109.39	4,111.84	5,121.38	5,132.38	5,136.77	5,138.30	5,140.97	5,143.15	5,145.02	5,146.01	6,074.19	57,548.72
4.	Cumulative Investment	1,677,578.79	1,636,447.99	1,636,593.37	2,691,661.23	2,699,262.64	2,703,241.11	2,703,884.97	2,704,852.04	2,706,696.39	2,707,143.35	2,709,718.37	2,709,762.67	3,681,501.94	
5.	Less: Accumulated Depreciation	84,935.06	88,083.38	91,192.77	95,304.60	100,425.97	105,558.35	110,695.12	115,833.42	120,974.39	126,117.54	131,263.56	136,406.56	142,483.75	
6.	Net Investment	1,592,643.73	1,548,364.61	1,545,400.60	2,596,356.63	2,598,836.67	2,597,682.76	2,593,189.85	2,589,018.62	2,585,722.00	2,581,025.81	2,578,454.81	2,573,353.11	3,539,018.19	
7.	Net Additions/Reductions to CWIP		0.00	0.00	-167,093.63	289,482.14	284,895.83	875.90	713,628.95	309,995.91	460,858.58	300,714.67	-6,433,099.81	-760,237.55	
8.	CWIP Balance + Inventory	5,001,730.71	5,001,730.71	5,001,730.71	4,834,637.08	5,124,119.22	5,409,015.05	5,408,139.15	6,121,768.10	6,431,764.01	6,892,622.69	7,193,337.36	790,237.55	0.00	
9.	Inventory												6,420,996.05	6,420,996.05	
10.	Net Investment	6,594,372.44	6,550,095.32	6,547,131.31	7,430,993.71	7,722,955.89	8,006,897.81	8,001,328.00	8,710,786.72	9,017,486.01	9,473,648.50	9,771,792.17	9,754,586.71	9,960,014.24	
11.	Average Net Investment	6,362,846.49	6,572,233.86	6,548,613.31	6,969,062.51	7,576,574.80	7,964,826.85	8,004,013.40	8,356,057.85	8,864,136.38	9,243,567.25	9,622,720.33	9,763,189.44	9,857,300.47	
12.	Rate of Return / 12 (Including Income Taxes) (B)		0.009684	0.009684	0.009684	0.008751	0.008906	0.009328	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	
13.	Return Requirement on Average Net Investment		57,073.28	56,866.16	60,693.02	66,306.12	70,044.15	74,681.44	78,831.05	83,624.26	87,222.68	90,780.74	92,105.92	92,993.78	911,204.57
14.	Property Tax		1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	16,155.06
15.	Other														0.00
16.	Total Amortization & Return (Line 3 + 9)		1,694.86	1,694.86	1,694.86	1,694.86	1,694.86	1,694.86	1,694.86	1,694.86	1,694.86	1,694.86	1,694.86	1,694.86	16,155.06

Notes:  
 (A) GoodCents Select Property Additions Depreciated at 2.3% per year  
 (B) Revenue Requirement Return is 10.4209  
 A weighted average factor of .8751 was used for April  
 The May Rate of Return was based on 1990 rate order: 8906  
 The June Rate of Return: .9326 was based on 1990 rate order for June 1 through June 6: 8906 and the new rate order for June 7 through June 30: 9434  
 Retrospectively Adjusted Depreciation Rate from 3.0% to 2.3% per year starting Jan 1, 2002

AS ORIGINALLY BOOKED SHOWN BELOW

GULF POWER COMPANY  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN  
 GoodCents Select  
 For the Period January, 2002 Through August, 2002

Line No.	2002 Jan	2002 Feb	2002 Mar	2002 Apr	2002 May	2002 June	2002 July	2002 Aug
1.	Investments Added to Plant in Service (Net of Retirements)	(41,128.80)	145.38	1,055,067.86	7,601.41	3,978.47	643.86	967.07
2.	Depreciable Base	1,636,447.99	1,636,593.37	2,691,661.23	2,699,262.64	2,703,241.11	2,703,884.97	2,704,852.04
3.	Depreciation Expense (A)	4,142.53	4,061.30	5,410.32	6,739.65	6,753.13	6,758.91	6,760.92
4.	Cumulative Plant in Service Additions	1,636,447.99	1,636,593.37	2,691,661.23	2,699,262.64	2,703,241.11	2,703,884.97	2,704,852.04
5.	Less: Accumulated Depreciation	89,077.59	93,168.89	98,579.21	105,317.86	112,070.99	118,829.90	125,590.82
6.	Net Plant in Service	1,547,370.40	1,543,424.48	2,593,082.02	2,593,944.78	2,591,170.12	2,585,055.07	2,579,261.22
7.	Net Additions/Reductions to CWIP			(167,093.63)	289,482.14	284,895.83	(875.90)	713,628.95
8.	CWIP Balance	5,001,730.71	5,001,730.71	4,834,637.08	5,124,119.22	5,409,015.05	5,408,139.15	6,121,768.10
9.	Net Investment	6,549,101.11	6,545,195.19	7,427,719.10	7,718,064.00	8,000,185.17	7,993,194.22	8,701,029.32
10.	Average Net Investment	6,571,736.78	6,547,128.15	6,986,437.15	7,572,891.55	7,859,124.58	7,996,689.69	8,347,111.77
11.	Rate of Return / 12 (Including Income Taxes) (B)	0.009684	0.009684	0.009684	0.008751	0.008906	0.009328	0.009434
12.	Return Requirement on Average Net Investment	57,068.96	56,855.26	60,670.22	66,270.37	69,993.36	74,593.12	78,748.65
13.	Property Tax	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26
14.	Total Depreciation & Return (Line 3 + 10 + 11)	62,557.75	62,252.82	67,426.80	74,365.28	78,082.75	82,896.29	88,853.83

Notes:  
 (A) GoodCents Select Property Additions Depreciated at 3% per year  
 (B) Revenue Requirement Return is 10.4209  
 A weighted average factor of .8751 was used for April  
 The May Rate of Return was based on 1990 rate order: 8906  
 The June Rate of Return: .9326 was based on 1990 rate order for June 1 through June 6: 8906 and the new rate order for June 7 through June 30: 9434

Florida Public Service  
 Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: A. T. Carter  
 Exhibit No. \_\_\_\_\_  
 Schedule CT-4  
 Page 1 of 1  
 (ATC-1)

GULF POWER COMPANY

Reconciliation and Explanation of  
Differences Between Filing and FPSC Audit  
Report for Months, January, 2001 through December, 2001

(If no differences exist, please state.)

NO DIFFERENCES

Program Description and Progress

Program Title: Residential Energy Audits

Program Description: This program consists of two types of audits: (1) Class A Energy Conservation Audits and (2) Centsable Energy Checks, a walk-through audit. Both of these audits are performed on-site and involve assisting the customer in upgrading the thermal and equipment efficiencies in their homes as well as lifestyle measures and low or no cost improvements.

Program Accomplishments: 1,350 residential energy audits were forecasted to be completed compared to 1,097 actual audits completed for a difference of 253 audits under projection.

Program Fiscal Expenditures: Forecasted expenses were \$423,956 compared to actual expenses of \$400,517 resulting in a deviation of \$23,439 under budget. The deviation is due to fewer audits being conducted than was anticipated. The lowered labor and material expenses were offset to some degree by additional advertising costs resulting in the deviation of \$23,439 under budget.

Program Progress Summary: Since the approval of this program, Gulf has performed 130,660 residential energy audits. This is a result of Gulf's promotional campaign to solicit energy audits as well as the overall rapport established with its customers as the "energy experts" in Northwest Florida.

Program Description and Progress

Program Title: Residential Mail-In Audits

Program Description: The Residential Mail-In Audit Program is a direct mail energy auditing program. This program is designed to supplement Gulf's existing Residential Energy Audit program and assists in the evaluation of the specific energy requirements of a residential dwelling. Homeowners complete an audit questionnaire on their own or may request the assistance of a Gulf Power representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, and other details regarding their lifestyles. The audit results package is returned to the customer and includes targeted, timely information about energy conservation opportunities specific to that dwelling.

Program Accomplishments: 244 audits were conducted using this process during the reporting period compared to a projection of 200. This program is over projection due to an increased request for the audits.

Program Fiscal Expenditures: The program had actual expenses of \$92,080 compared to a projection of \$80,893 for a difference of \$11,187 over budget. This deviation is due to more audits conducted and additional advertising for the period.

Program Progress Summary: This program was approved on August 5, 1997. There have been 1,100 mail-in audits completed program-to-date.

Program Description and Progress

Program Title: Gulf Express Loan Program

Program Description: The objective of this program has been to encourage and achieve energy conservation. The program provided below market interest rates by participating banks to customers as an incentive to install energy conservation features in their homes.

Program Accomplishments: New loans were discontinued as of second quarter, 1997.

Program Fiscal Expenditures: Forecasted expenses were \$4,000, however, no actual expenses were incurred. The program has been fully discontinued since all the outstanding loans have matured and administrative services are no longer required.

Program Progress Summary: Since the approval of the program, Gulf has completed 1,953 Gulf Express Loans.

Program Description and Progress

Program Title: Duct Leakage Repair

Program Description: The program provides the customer with a means to identify house air duct leakage and repairs are recommended that can reduce customer kWh energy usage and kW demand.

Program Accomplishments: During this recovery period, no Duct Leakage Repair units were completed. Gulf Power made the program available to its builders and customers and incurred minor expenses to answer customer inquires.

Program Fiscal Expenditures: Projected expenses for the period were \$3,600. Actual expenses of \$1,091 were incurred for administrative costs for customer inquires.

Program Progress Summary: Program-to-date, 32 Duct Leakage Repair units have been completed. Program activities have related to education, training, and program development.

Program Description and Progress

Program Title: Geothermal Heat Pump

Program Description: The objective of this 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.

Program Accomplishments: During this recovery period, 256 Geothermal Heat Pump units were installed compared to a goal of 50 units. This program is over projection due to a much greater than expected participation rate in the program.

Program Fiscal Expenditures: Projected expenses for the period were \$249,180 compared to actual expenses of \$159,540 for a deviation of \$89,640 under budget. These expenses are under budget due to less labor, materials and advertising needed per installation this recovery period.

Program Progress Summary: Education and training continue as vital components of this program. Since the inception, 1,844 geothermal systems have been installed.



Program Description and Progress

Program Title: **GoodCents Select** (Advanced Energy Management)

Program Description: This program was field tested through the Transtext Advanced Energy Management Pilot Program in Gulf Breeze, Florida. The program is designed to provide the customer with a means of conveniently and automatically controlling and monitoring his/her energy purchases in response to prices that vary during the day and by season in relation to the Company's cost of producing or purchasing energy.

Program Accomplishments: A total of 1,019 units have been installed during this period bringing the total installations to 3,192. Implementation of this program continues to progress. As development issues have been resolved, the rate of installations has increased and is expected to continue to increase to a rate of 3,000 new installations per year.

Program Fiscal Expenditures: Total recoverable costs for this program were projected to be \$3,409,560. However, actual costs of \$3,666,128 were incurred in 2002 for a deviation of \$256,568 over budget. This program includes capital expenditures as well as O&M expenses. This program is over budget due to installation and equipment delivery requirements being lower than actual installations anticipated.

Program Progress Summary: A total of 3,192 units have been installed program-to-date.

Program Description and Progress

Program Title: GoodCents Commercial Buildings

Program Description: This program is designed to educate non-residential customers on the most cost-effective methods of designing new and improving existing buildings. The program stresses efficient heating and cooling equipment, improved thermal envelope, operation and maintenance, lighting, cooking and water heating. Field representatives work with architects, engineers, consultants, contractors, equipment suppliers and building owners and occupants to encourage them to make the most efficient use of all energy sources and available technologies.

Program Accomplishments: The goal during the current period was 212 installations compared to actual installations of 148.

Program Fiscal Expenditures: Forecasted expenses were \$443,550 compared to actual expenses of \$359,643 for a deviation of \$83,907 under budget. The expenses are under budget due to fewer units being completed than originally projected.

Program Progress Summary: A total of 8,218 commercial/industrial buildings have qualified for the GoodCents designation since the program was developed in 1977.

Program Description and Progress

Program Title: Commercial/Industrial Energy Audits and Technical Assistance Audits

Program Description: This program is designed to provide professional advice to our existing commercial and industrial customers on how to reduce and make the most efficient use of energy. This program covers the smallest commercial customer, requiring only a walk-through survey, to the use of computer programs which will simulate several design options for very large energy intensive customers. The program is designed to include six month and annual follow-ups with the customer to verify any conservation measures installed and to reinforce the need to continue with more conservation efforts.

Program Accomplishments: During the period ending December, 2002, our goal was 127 audits while actual results were 150.

Program Fiscal Expenditures: Forecasted expenses were \$482,354 compared to actual expenses of \$425,985 for a deviation of \$117,248 under budget.

Program Progress Summary: A total of 11,414 EA/TAA's have been completed since the program started in January, 1981. These audits have ranged from basic walk-through type for some commercial customers to sophisticated technical assistance audits for other commercial and industrial customers.

Program Description and Progress

Program Title: Commercial Mail-In Audit Program

Program Description: The Commercial Mail-In Audit Program is a direct mail energy auditing program. This program is supplementing Gulf's existing Commercial/Industrial Energy Audit program and is assisting in the evaluation of the specific energy requirements of a given business type. Businesses complete an audit questionnaire on their own or may request the assistance of a Gulf Power representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, hours of operation and other details regarding their business operations. The audit results package is returned to the customer and includes targeted, timely information about energy conservation opportunities specific to each business type and geographic area.

Program Accomplishments: In this period, 619 mail-in audits have been completed compared to a projection of 1,050 audits.

Program Fiscal Expenditures: Projected expenses for the period were \$32,064 compared to actual expenses of \$30,720 resulting in a deviation of \$1,344 under budget.

Program Progress Summary: To-date, 5,482 mail-in audits have been completed.

Program Description and Progress

Program Title: Green Pricing Programs

Program Description: The Green Pricing Program is designed to encompass a variety of voluntary renewable and green energy programs under development by Gulf Power Company. The voluntary pricing options for customers include, but are not limited to Photovoltaic Rate Rider Tariff and Solar for Schools. Additionally, this program includes research and administrative costs to study the cost effectiveness of additional green pricing offerings utilizing wind or other renewable energy sources.

Program Accomplishments:

Solar for Schools

The principle objective of the Solar for Schools program is to implement cost-effective solar education and demonstration projects at local educational facilities by means of voluntary contributions. The program also seeks to increase renewable energy and energy awareness among students, parents and contributors. Solar for Schools is a program that uses voluntary contributions to fund materials for energy education, permanent demonstration displays, rewards for science contests, and teacher education. Voluntary contributions are solicited from customers interested in renewable energy and/or helping to improve the quality of schools in the Gulf Power Company service area. Funds are collected through a "check-off" mechanism on the utility bill or through a direct contribution and accumulated in an interest bearing account. When contributions reach an adequate level, they are directed to an educational facility for implementation of various solar educational programs and for the installation of solar equipment. Contributions are not used for administrative costs, program research or for promotion costs.

Photovoltaic Optional Rate Rider (EarthCents)

The PV Rate Rider is an optional rate for Gulf Power Company customers. Customers may purchase photovoltaic energy in 100-watt blocks. Multiple blocks may be purchased. Power purchased or produced from photovoltaic facilities may not be specifically delivered to the customer, but will displace power that would have otherwise been produced from traditional generating facilities. The construction of the photovoltaic facility or power purchased from photovoltaic facilities will begin upon the attainment of sufficient commitments from all participants across the Southern Company electric system where the option is available and,

as necessary, after obtaining FPSC approval. Customer billing will begin the second month following the date in which power is purchased from photovoltaic generating facilities or in which a photovoltaic generating facility of the Southern Company begins commercial operation.

Gulf Power Company has installed and is monitoring a 4 kW PV solar system at the Junior Museum of Bay County. This PV system operates computer equipment and other electrical items within the museum itself to demonstrate the capabilities of solar energy to the youth of Bay County and the surrounding counties.

GoodCents Environmental Home Program

This program provides residential customers with guidance concerning energy and environmental efficiency in new construction. The program promotes energy-efficient and environmentally sensitive home construction techniques by evaluating over 500 components in six categories of design construction practices.

During the recovery period, no GoodCents Environmental Homes were constructed. Gulf Power has maintained the availability of this program to our builders and customers; however, we have not advertised and promoted this program in an active manner during this recovery period.

Other Green Initiatives

The other green initiatives will encompass a variety of voluntary renewable and green energy programs under development by Gulf Power Company. Additionally, this program includes research and administrative costs to study the cost effectiveness of additional green pricing offerings utilizing wind or other renewable energy sources.

Program Fiscal Expenditures: Projected expenses for the program this period were \$52,118. Actual expenses were: Solar for Schools, \$1,447; Photovoltaic Optional Rate Rider, \$533; and EarthCents, \$17,332; Green Pricing Program, \$26,817 for a deviation of \$6,522 over budget.

Program Description and Progress

Program Title: Conservation Demonstration and Development

Program Description: A package of conservation programs was approved by the FPSC in Order No. 23561 for Gulf Power Company to explore the development of a program to pursue research, development, and demonstration projects designed to promote energy efficiency and conservation. This program serves as an umbrella program for the identification, development, demonstration and evaluation of new or emerging end-use technologies.

Completed Program Accomplishments:

Aquatic Pool - The project involves the installation of an air source heat pump water heater/dehumidification system. The system capacity is 22.5 tons. The pool is 75 X 42 square feet, holding 116,550 gallons and heated by a 400,000 btuh natural gas pool heater.

Eglin Geothermal Heat Pump - This project will have one geothermal system in the family housing unit at Eglin AFB. The company will monitor the geothermal system at various points to determine actual field efficiency of the system. Also, the company will install monitoring on an identical type unit with a conventional A/C system with a gas furnace. The study will be for a one-year period to gather data in both the cooling and heating operations of the systems.

Groovin' Noovin' - Gulf Power Company will be monitoring two pieces of cooking equipment at two different store locations. Energy usage will be monitored over the next year and a comparison report will be prepared at that time.

Hampton Inn - The Hampton Inn is being used to study geothermal heat pump water heaters for their laundry and pool heating requirements. The laundry room is cooled and the water heated with geo-thermal heat pump water heaters. The hotel pool is heated with a geo-thermal heat pump water heater. This project has been completed and the report has been submitted.

Mary Ester - The projects is to product and install a triple-function heat pump unit, along with the necessary hot water storage, pumping, piping and controls at Mary Ester School, Mary Ester, FL, Okaloosa County School District. It will provide a completely operational commercial triple-function heat pump application. The unit will test the

appropriate air source, triple function heat pump design for commercial applications demonstrating the commercial viability and optimal functionality. Metering and monitoring equipment will be installed and a final report will be prepared.

Oak Ridge - This project is a real life application of a new product to overcome market barriers to heat pump water heaters such as ease of installation and cost and performance. This new product has the refrigeration system built-in and a plumber can install the system just like any other electric water heater. All parts are standard reliable components that are proven in the refrigeration market.

Pine Forest - Gulf Power Company will be monitoring several pieces of equipment at the culinary arts department of a local high school. Energy usage will be monitored over the next year and a comparison report will be prepared at that time.

Solar Light - Gulf Power Company has tested a solar Photovoltaic light at our Pine Forest facility. The solar light was monitored for energy consumption and demand savings as well as the actual lumen for the security light. A successful test would result in using this light in our Solar for Schools program. This particular light did not use funding from the Solar for Schools Program, however, we did use funds from the Conservation Demonstration and Development program. The project has been completed, and the final report is being prepared.

Springhill Suites - This project will monitor various energy and water flows for the Springhill Suites Hotel. This hotel is the first hybrid geothermal commercial project in Gulf Power Company's service area. Monitoring the energy and water flows will enable Gulf Power Company to demonstrate and document the energy savings and conservation benefits of geothermal applications to building owners, architects, and energy managers.

Triggers - Triggers is a research site designed to study the effectiveness of a heat pump water heater. This project will be monitored for the next year and a report will be prepared at that time.

Water Furnace - This research project is designed to study the experimental refrigerant R410A. A comparative study will be done between this new refrigerant and present



refrigerants that are due to be phased out of production due to EPA mandates.

Warner Solar - Gulf Power will be monitoring the electrical output of a 2.4 kW photovoltaic solar array. The study will measure the efficiency of the unit, and to ensure accurate and timely billing of this customer. The array will be monitored for two years and a report will be completed at that time.

Program Fiscal Expenditures: Program expenses were forecasted at \$165,800 compared to actual expenses of \$38,318.08 for a deviation of \$127,481.92 under budget. Project expenses were as follows: Aquatic Pools, \$1,054.24; Eglin Geothermal, \$15,200.11; Groovin' Noovin', \$14.07; Mary Ester School, \$16,224.87; Oak Ridge, \$702.92; Pine Forest, \$852.38; Springhill Suites, \$6.48; Triggers, \$853.44; Water Furnace, \$889.11; Warner Solar, \$1,182.86; Other, \$1,337.60.

Program Fiscal Expenditures: There were expenses of \$133,414 projected for the period January through August, 2003. Actual expenses for this period are: Solar for Schools, \$2,033; Green Pricing, \$34,317; and **EarthCents** Solar, \$15,568.

### Program Description and Progress

Program Title: Conservation Demonstration and Development

Program Description: A package of conservation programs was approved by the FPSC in Order No. 23561 for Gulf Power Company to explore and to pursue research, development, and demonstration projects designed to promote energy efficiency and conservation. This program serves as an umbrella program for the identification, development, demonstration and evaluation of new or emerging end-use technologies.

Program Accomplishments:

Aquatic Pool - The project involves the installation of an air source heat pump water heater/dehumidification system. The system capacity is 22.5 tons. The pool is 75 X 42 square feet, 116,550 gallons and heated by a 400,000 btuh natural gas pool heater.

Eglin Geothermal - Installation of one geothermal system in family housing unit at Eglin AFB. Monitor geothermal system at various points to determine actual field efficiency of geothermal system. Also, install monitoring on identical type unit with conventional A/C system with gas furnace. Study will be for a one-year period to gather data in both cooling and heating operation of systems.

Groovin'Noovin' - Gulf Power Company is monitoring two pieces of cooking equipment at two different store locations. Energy usage is monitored over the next year and a comparison report will be prepared at that time.

Hampton Inn - The Hampton Inn is being used to study geothermal heat pump water heaters for their laundry and pool heating requirements. The laundry room is cooled and the water heated with geothermal heat pump water heaters. The hotel pool is heated with a geothermal heat pump water heater. This project has been completed and a final report submitted.

Mary Esther School - In 2003, Gulf produced and installed a triple-function heat pump unit, along with the necessary hot water storage, pumping, piping and controls at Mary Esther School (Mary Esther, Fl - Okaloosa County School District),

to provide a completely operational commercial triple-function heat pump application. Gulf also provided appropriate air source, triple function heat pump design for commercial applications demonstrating commercial viability and optimal functionality. Metering and monitoring equipment will be installed and a final report will be prepared.

Oak Ridge - This project is an application of a new product to overcome market barriers to heat pump water heaters such as ease of installations, cost and performance. This new product has the refrigeration system built-in and a plumber can install the system just like any other electric water heater. All parts are standard reliable components that are proven in the refrigeration market. This project has been completed and a final report submitted.

Pine Forest High School - Gulf Power Company is monitoring several pieces of equipment at the culinary arts department of a local high school. Energy usage is being monitored over the next year and a comparison report will be prepared at that time.

Sealed Semi-Conditioned Attic - The semi-conditioned attic as well as the living space of a home will be conditioned/de-humidified utilizing the enhanced de-humidification capabilities of a closed-loop geothermal heat pump with zone control. The attic will be monitored and sealed using a vapor barrier and spray foam insulation combination that should significantly reduce the infiltration of hot humid air into the attic space. A report will be submitted once the research is complete.

Solar Light - Gulf Power Company is presently testing a solar Photovoltaic light at our Pine Forest facility. The solar light is being monitored for energy consumption and demand savings as well as the actual lumen for the security light. A successful test would result in using this light in our Solar for Schools program. This particular light did not use funding from the Solar for Schools Program; however, the Company did use funds from the Conservation Demonstration and Development program.

Springhill Suites - This project will monitor various energy and water flows for the Springhill Suites Hotel. This hotel is the first hybrid geothermal commercial project in Gulf

Power Company's service area. Monitoring the energy and water flows will enable Gulf to demonstrate and document the energy savings and conservation benefits of geothermal applications to building owners, architects, and energy managers.

Triggers - Triggers is a research site designed to study the effectiveness of a heat pump water heater for commercial use. This project has been completed and a final report submitted.

Warner Solar - This project will study the electrical output of a 2.4 kW photovoltaic solar array installed at a small business. This is the first small pv interconnection agreement with Gulf Power. A report will be submitted once the study is complete.

Water Furnace - This research project is designed to study the experimental refrigerant R410A. A comparative study is being done between this new refrigerant and present refrigerants that are to be phased out of production due to EPA mandates.

Program Fiscal Expenditures: Program expenses were forecasted at \$41,032 compared to actual expenses of \$52,628 for a deviation of \$11,596 over budget. Expenses are over budget due to under-estimating project costs. Project expenses were as follows: Aquatic Pool, \$1,118; Eglin Geothermal, \$758; Mary Esther School, \$32,969; Oak Ridge, \$692; Springhill Suites, \$14,310; Pine Forest High School, \$630; Triggers, \$630 Warner Solar, \$713; Water Furnace, \$808.

GULF POWER COMPANY  
ENERGY CONSERVATION COST RECOVERY  
INDEX OF SCHEDULES

Schedule Number	Title	Pages
C-1	Summary of Cost Recovery Clause Calculation	1-3
C-2	Projected Program Costs for January, 2004 - December, 2004	4-6
C-3	Conservation Program Costs for January, 2003 - August, 2003 Actual September, 2003 - December, 2003 Estimated	7-11
C-4	Calculation of Conservation Revenues	12
C-5	Program Descriptions and Progress Reports	13-27

**GULF POWER COMPANY**

**ENERGY CONSERVATION CLAUSE  
SUMMARY OF PROJECTED COST RECOVERY CLAUSE CALCULATION**

For the Period: January, 2004 Through December, 2004

	<u>\$</u>
1. Net Program Costs: Projected for 2004 (Schedule C-2 Page 1 of 3, Line 16)	7,762,984
2. True Up: Estimated 2003 (Jan-Aug Actual; Sep-Dec Est.) (Schedule C-3, Page 3 of 5)	<u>(204,938)</u>
3. Total (Line 1 + Line 2)	<u><u>7,558,046</u></u>
4. Cost Subject to Revenue Taxes	7,558,046
5. Revenue Tax	<u>1,00072</u>
6. Total Recoverable Cost	<u><u>7,563,488</u></u>

Program costs are split in proportion to the current period split of demand-related and energy-related costs, see below. The allocation of projected ECCR costs between demand and energy is shown on schedule C-2, page 2 of 3, and is consistent with the methodology set forth in Order No. PSC-93-1845-FOF-EG.

7. Total Cost	7,563,488
8. Energy Related Costs	5,059,210
9. Demand Related Costs (total)	2,504,278
10. Demand Costs Allocated on 12 CP	2,311,641
11. Demand Costs Allocated on 1/13 th	192,637

	Energy \$	Demand \$ Half of GCS	Total	Energy	Demand	Total Recoverable Costs Including Revenue Taxes
	\$	\$	\$	\$	\$	\$
12. Est/Actual 2003	4,579,312	2,152,084	6,731,396	(139,519)	(65,566)	(205,085)
13. Percentage	68.03%	31.97%	100.00%			
14. Projected 2004	5,194,936	2,568,048	7,762,984	5,198,729	2,569,844	7,768,573
15. Percentage	66.92%	33.08%	100.00%			
16. Total				<u>5,059,210</u>	<u>2,504,278</u>	<u>7,563,488</u>

GULF POWER COMPANY  
 CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS  
 January, 2004 Through December, 2004

Rate Class	A	B	C	D	E	F	G	H	I
	Average 12 CP Load Factor at Meter	Jan 2004 - Dec 2004 Projected KWH Sales at Meter	Jan 2004 - Dec 2004 Projected Avg 12 CP KW at Meter	Demand Loss Expansion Factor	Energy Loss Expansion Factor	Jan 2004 - Dec 2004 Projected KWH Sales at Generation	Jan 2004 - Dec 2004 Projected Avg 12 CP KW at Generation	Percentage of KWH Sales at Generation	Percentage of 12 CP KW Demand at Generation
RS, RSVP	59.521838%	4,903,598,000	940,447.20	1.00486476	1.00530097	4,929,591,826	945,022.25	46.64256%	54.67725%
GS	61.623894%	294,062,000	54,473.55	1.00485887	1.00529775	295,619,867	54,738.23	2.79708%	3.16705%
GSD, GSDT, GSTOU	74.923957%	2,366,440,000	360,554.31	1.00470565	1.00516604	2,378,665,124	362,250.95	22.50634%	20.95917%
LP, LPT	86.403429%	2,055,355,000	271,551.22	0.98422595	0.98911989	2,032,992,512	267,267.76	19.23567%	15.46362%
PX, PXT, RTP, CSA, SBS	99.499138%	817,083,000	93,743.84	0.97443817	0.98057253	801,209,145	91,347.58	7.58084%	5.28520%
OS - I / II	247.068649%	101,916,000	4,708.91	1.00468934	1.00529485	102,455,630	4,730.99	0.96941%	0.27373%
OS-III	98.528325%	24,279,000	2,812.97	1.00511513	1.00526827	24,406,908	2,827.36	0.23093%	0.16359%
OS-IV	248.927520%	3,907,000	179.17	1.00240521	1.00541301	3,928,149	179.60	0.03717%	0.01039%
<b>TOTAL</b>		<u>10,566,640,000</u>	<u>1,728,471.17</u>			<u>10,568,869,161</u>	<u>1,728,364.72</u>	<u>100.00000%</u>	<u>100.00000%</u>

**Notes:**

Col A : Average 12 CP load factor based on actual 2001 load research data.  
 Col C = Col B / (8760 hours x Col A), 8,760 is the number of hours in 12 months.  
 Col F = Col B x Col E  
 Col G = Col C x Col D  
 Col H = Col F / Total Col F  
 Col I = Col G / Total Col G

Florida Public Service Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: Angela T. Carter  
 Exhibit No. \_\_\_\_\_ (ATC-2)  
 Schedule C-1  
 Page 2 of 3



GULF POWER COMPANY  
 CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS  
 January, 2004 Through December, 2004

<u>Rate Class</u>	A	B	C	D	E	F	G	H
	<u>Percentage of KWH Sales at Generation</u>	<u>Percentage of 12 CP KW Demand at Generation</u>	<u>Demand Allocation 12CP</u>	<u>1/13 th</u>	<u>Energy Allocation</u>	<u>Total Conservation Costs</u>	<u>Projected KWH Sales at Meter</u>	<u>Conservation Recovery Factor cents per KWH</u>
RS, RSVP	46.64256%	54.67725%	\$1,263,941	\$89,851	\$2,359,745	\$3,713,537	4,903,598,000	0.076
GS	2.79708%	3.16705%	73,211	5,387	141,510	220,108	294,062,000	0.075
GSD, GSDT, GSTOU	22.50634%	20.95917%	484,501	43,356	1,138,643	1,666,500	2,366,440,000	0.070
LP, LPT	19.23567%	15.46362%	357,463	37,055	973,173	1,367,691	2,055,355,000	0.067
PX, PXT, RTP, CSA, SBS	7.58084%	5.28520%	122,175	14,604	383,531	520,310	817,083,000	0.064
OS - I / II	0.96941%	0.27373%	6,328	1,867	49,044	57,239	101,916,000	0.056
OS-III	0.23093%	0.16359%	3,782	445	11,683	15,910	24,279,000	0.066
OS-IV	0.03717%	0.01039%	240	72	1,881	2,193	3,907,000	0.056
<b>TOTAL</b>	<b>100.00000%</b>	<b>100.00000%</b>	<b>\$2,311,641</b>	<b>\$192,637</b>	<b>\$5,059,210</b>	<b>\$7,563,488</b>	<b>10,566,640,000</b>	

A Obtained from Schedule C-1, page 2 of 3, col H  
 B Obtained from Schedule C-1, page 2 of 3, col I  
 C Total from C-1, page 1, line 10 \* col B  
 D Total from C-1, page 1, line 11 \* col A  
 E Total from C-1, page 1, line 8 \* col A  
 F Total Conservation Costs  
 G Projected kwh sales for the period January 2004 through December 2004  
 H Col F / G

Florida Public Service Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: Angela T. Carter  
 Exhibit No. \_\_\_\_\_ (ATC-2)  
 Schedule C-1  
 Page 3 of 3

GULF POWER COMPANY

PROJECTED CONSERVATION PROGRAM NET COSTS  
For the Period January, 2004 Through December, 2004

Programs	Depreciation, Return & Property Taxes	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Revenues	Net Costs
1. Residential Energy Audits	0	344,752	80,349	0	127,270	0	552,371	0	552,371
2. Residential Mail In Audit	0	22,518	1,747	0	76,181	0	100,446	0	100,446
3. Gulf Express	0	0	0	0	0	0	0	0	0
4. In Concert with the Environment	0	0	0	0	0	0	0	0	0
5. Environmental Good Cents Home	0	0	0	0	0	0	0	0	0
6. Duct Leakage Repair	0	0	0	0	0	0	0	0	0
7. Geothermal Heat Pump	0	118,779	106,369	0	114,455	0	339,603	0	339,603
8. Good Cents Select	1,973,439	748,763	2,450,310	0	550,000	0	5,722,512	586,416	5,136,096
9. Comm/Ind Good Cents Bldg	0	447,751	67,098	0	16,660	0	531,509	0	531,509
10. E.A. & T.A.A.	0	504,520	99,616	0	4,072	0	608,208	0	608,208
11. Comm/Ind Mail In Audit	0	37,319	10,843	0	0	0	48,162	0	48,162
12. Green Pricing									
a. Solar for Schools	0	3,295	656	0	0	0	3,951	0	3,951
b. EarthCents Solar	0	9,437	7,830	0	0	0	17,267	0	17,267
c. Green Pricing	0	40,007	55,339	0	150,000	0	245,346	0	245,346
13. Cons. Demonstration & Development	0	15,971	164,054	0	0	0	180,025	0	180,025
14. Total All Programs	1,973,439	2,293,112	3,044,211	0	1,038,638	0	8,349,400	586,416	7,762,984
15. Less: Base Rate Recovery	0	0	0	0	0	0	0	0	0
16. Net Program Costs	1,973,439	2,293,112	3,044,211	0	1,038,638	0	8,349,400	586,416	7,762,984

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GULF POWER COMPANY  
 PROJECTED CONSERVATION PROGRAM NET COSTS  
 For the Period January, 2004 Through December, 2004

Programs

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	12 MONTH TOTAL	DEMAND COSTS	ENERGY COSTS
1. Residential Energy Audits	40,530	40,645	42,179	55,969	43,814	43,508	43,951	45,974	58,008	46,048	46,005	45,740	552,371	0	552,371
2. Residential Mail In Audit	8,066	8,063	8,135	9,015	8,156	8,165	8,875	8,366	8,786	8,484	8,206	8,129	100,446	0	100,446
3. Gulf Express	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. In Concert with the Environment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Environmental Good Cents Home	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Duct Leakage Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Geothermal Heat Pump	22,295	23,104	24,412	29,949	26,484	27,215	28,157	29,140	34,373	31,355	31,252	31,867	339,603	0	339,603
8. Good Cents Select	427,519	422,839	425,159	452,571	432,750	421,375	420,107	421,192	448,186	421,498	429,576	413,324	5,136,096	2,568,048	2,568,048
9. Comm/Ind Good Cents Bldg	38,877	38,702	40,433	58,055	41,712	41,296	41,581	42,024	59,670	42,743	43,468	42,948	531,509	0	531,509
10. E.A. & T.A.A.	45,030	44,756	46,605	66,387	47,908	47,308	47,571	48,003	67,791	48,633	49,471	48,745	608,208	0	608,208
11. Comm/Ind Mail In Audit	3,160	3,246	3,457	5,001	3,659	3,756	3,856	3,957	5,501	4,157	4,159	4,253	48,182	0	48,182
12. Green Pricing															
a. Solar for Schools	301	301	310	437	310	310	310	310	437	310	310	305	3,951	0	3,951
b. EarthCents Solar	1,314	1,311	1,348	1,723	1,368	1,378	1,388	1,398	1,773	1,418	1,418	1,430	17,267	0	17,267
c. Green Pricing	17,465	17,938	18,553	20,599	19,553	20,053	20,553	21,053	22,812	22,339	22,053	22,375	245,346	0	245,346
13. Cons. Demonstration & Development	7,013	7,544	8,202	9,404	9,535	13,558	14,148	18,361	19,211	20,645	21,514	30,890	180,025	0	180,025
14. Total All Programs	611,570	608,449	618,793	709,110	635,249	627,922	630,497	639,778	726,548	647,630	657,432	650,006	7,762,984	2,568,048	5,194,936
15. Less: Base Rate Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16. Recoverable Conservation Expenses	611,570	608,449	618,793	709,110	635,249	627,922	630,497	639,778	726,548	647,630	657,432	650,006	7,762,984	2,568,048	5,194,936

GULF POWER COMPANY

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES  
 Good Cents Select  
 For the Period January, 2004 Through December, 2004

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Total
1.	Additions to Plant In Service (Net of Retirements)		238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	238,000	
2.	Depreciation Base	4,975,399	5,213,399	5,451,399	5,689,399	5,927,399	6,165,399	6,403,399	6,641,399	6,879,399	7,117,399	7,355,399	7,593,399	7,831,399	
3.	Depreciation Expense (A)		9,679	10,132	10,584	11,036	11,488	11,940	12,393	12,845	13,297	13,749	14,201	14,654	145,998
4.	Cumulative Plant in Service Additions	4,975,399	5,213,399	5,451,399	5,689,399	5,927,399	6,165,399	6,403,399	6,641,399	6,879,399	7,117,399	7,355,399	7,593,399	7,831,399	
5.	Less: Accumulated Depreciation	235,909	245,588	255,720	266,304	277,340	288,828	300,768	313,161	326,006	339,303	353,052	367,253	381,907	
6.	Net Plant in Service	4,739,489	4,967,810	5,195,678	5,423,094	5,650,058	5,876,570	6,102,630	6,328,237	6,553,392	6,778,095	7,002,346	7,226,145	7,449,491	
7.	Net Additions/Reductions to CWIP		0	0	0	0	0	0	0	0	0	0	0	0	
8.	CWIP Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	
9.	Inventory	8,981,484	8,826,984	8,672,484	8,517,984	8,363,484	8,208,984	8,054,484	7,899,984	7,745,484	7,590,984	7,436,484	7,281,984	7,127,484	
10.	Net Investment (Line 6 + 8 + 9)	13,720,973	13,794,794	13,868,162	13,941,078	14,013,542	14,085,554	14,157,114	14,228,221	14,298,876	14,369,079	14,438,830	14,508,129	14,576,975	
11.	Average Net Investment		13,757,884	13,831,478	13,904,620	13,977,310	14,049,548	14,121,334	14,192,668	14,263,549	14,333,978	14,403,955	14,473,480	14,542,552	
12.	Rate of Return / 12 (Including Income Taxes) (B)		0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	
13.	Return Requirement on Average Net Investment		129,792	130,486	131,176	131,862	132,543	133,221	133,894	134,562	135,227	135,887	136,543	137,194	1,602,387
14.	Property Taxes		18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,754	18,760	225,054
15.	Total Depreciation, Return and Property Taxes (Line 3+13+14)		158,225	159,372	160,514	161,652	162,785	163,915	165,041	166,161	167,278	168,390	169,498	170,608	1,973,439

Notes:

- (A) Good Cents Select Property Additions Depreciated at 2.3% per year
- (B) Revenue Requirement Return is 11.321%

GULF POWER COMPANY  
**CONSERVATION PROGRAM NET COST**  
January, 2003 Through August, 2003, Actual  
September, 2003 Through December, 2003, Estimated

Actual	Capital Return, Property Taxes & Depreciation	Payroll & Benefits	Materials Vehicles & Expenses	Advertising	Total Costs	Program Revenues (Credits)	Net Costs
1. Residential Energy Audits							
a. Actual	0.00	191,410.94	25,487.56	80,491.62	297,390.12	0.00	297,390.12
b. Estimated	0.00	150,905.06	42,558.44	120,308.38	313,771.88	0.00	313,771.88
c. Total	0.00	342,316.00	68,046.00	200,800.00	611,162.00	0.00	611,162.00
2. Residential Mail In Audit							
a. Actual	0.00	17,581.63	188.77	39,628.90	57,399.30	0.00	57,399.30
b. Estimated	0.00	12,897.37	5,867.23	60,671.10	79,235.70	0.00	79,235.70
c. Total	0.00	30,479.00	5,856.00	100,300.00	136,635.00	0.00	136,635.00
3. Gulf Express							
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. In Concert with the Environment							
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Environmental Good Cents Home							
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Duct Leakage Repair							
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7. Geothermal Heat Pump							
a. Actual	0.00	56,618.03	8,369.98	35,995.90	100,983.91	0.00	100,983.91
b. Estimated	0.00	65,717.97	95,375.02	77,164.10	238,257.09	0.00	238,257.09
c. Total	0.00	122,336.00	103,745.00	113,160.00	339,241.00	0.00	339,241.00
8. Good Cents Select							
a. Actual	1,056,552.60	424,837.60	1,225,625.34	261,538.92	2,968,554.46	189,284.41	2,779,270.05
b. Estimated	601,889.78	245,597.40	297,864.66	190,261.08	1,335,612.92	135,091.00	1,200,521.92
c. Total	1,658,442.38	670,435.00	1,523,490.00	451,800.00	4,304,167.38	324,375.41	3,979,791.97
9. Comm/Ind Good Cents Bldg							
a. Actual	0.00	240,996.05	34,053.92	1,053.08	276,103.05	0.00	276,103.05
b. Estimated	0.00	198,138.95	12,861.08	15,582.92	226,582.95	0.00	226,582.95
c. Total	0.00	439,135.00	46,915.00	16,636.00	502,686.00	0.00	502,686.00
10. E.A. & T.A.A.							
a. Actual	0.00	264,860.47	43,927.43	0.00	308,787.90	0.00	308,787.90
b. Estimated	0.00	231,443.53	44,173.57	4,025.00	279,642.10	0.00	279,642.10
c. Total	0.00	496,304.00	88,101.00	4,025.00	588,430.00	0.00	588,430.00
11. Comm/Ind Mail In Audit							
a. Actual	0.00	24,277.36	2,565.93	0.00	26,843.29	0.00	26,843.29
b. Estimated	0.00	11,861.64	12,290.07	0.00	24,151.71	0.00	24,151.71
c. Total	0.00	36,139.00	14,856.00	0.00	50,995.00	0.00	50,995.00
12. Green Pricing							
12a. Solar for Schools							
a. Actual	0.00	518.53	1,514.91	0.00	2,033.44	0.00	2,033.44
b. Estimated	0.00	2,632.47	(958.91)	0.00	1,773.56	0.00	1,773.56
c. Total	0.00	3,151.00	656.00	0.00	3,807.00	0.00	3,807.00
12b. EarthCents Solar							
a. Actual	0.00	8,506.40	270.51	6,791.00	15,567.91	0.00	15,567.91
b. Estimated	0.00	8,046.60	5,484.49	6,227.00	19,758.09	0.00	19,758.09
c. Total	0.00	16,553.00	5,755.00	13,018.00	35,326.00	0.00	35,326.00
12c. Green Pricing							
a. Actual	0.00	21,466.83	12,850.44	0.00	34,317.27	0.00	34,317.27
b. Estimated	0.00	10,506.17	39,149.56	0.00	49,655.73	0.00	49,655.73
c. Total	0.00	31,973.00	52,000.00	0.00	83,973.00	0.00	83,973.00
13. Conservation Demonstration and Development							
a. Aquatic Pool	0.00	787.63	330.27	0.00	1,117.90	0.00	1,117.90
b. Egin Geothermal	0.00	222.72	535.63	0.00	758.35	0.00	758.35
c. Mary Esther School	0.00	4,801.17	28,167.68	0.00	32,968.85	0.00	32,968.85
d. Warner Solar	0.00	462.95	250.31	0.00	713.26	0.00	713.26
e. Oak Ridge	0.00	198.43	494.04	0.00	692.47	0.00	692.47
f. Springhill Suites	0.00	600.50	13,709.82	0.00	14,310.32	0.00	14,310.32
g. Pine Forest	0.00	411.04	218.36	0.00	629.40	0.00	629.40
h. Triggers	0.00	411.04	218.36	0.00	629.40	0.00	629.40
i. Water Furnace	0.00	479.53	328.91	0.00	808.44	0.00	808.44
j. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k. Total Actual	0.00	8,375.01	44,253.38	0.00	52,628.39	0.00	52,628.39
l. Estimated	0.00	4,098.99	18,246.62	0.00	22,345.61	0.00	22,345.61
m. Total	0.00	12,474.00	62,500.00	0.00	74,974.00	0.00	74,974.00
14. a. Actual	1,056,552.60	1,259,448.85	1,399,108.17	425,499.42	4,140,609.04	189,284.41	3,951,324.63
b. Estimated	601,889.78	941,846.15	572,811.83	474,239.58	2,590,787.34	135,091.00	2,455,696.34
15. Total All Programs	1,658,442.38	2,201,295.00	1,971,920.00	899,739.00	6,731,396.38	324,375.41	6,407,020.97

GULF POWER COMPANY

CONSERVATION PROGRAM COSTS (Not Net of Revenues)  
For the Period January, 2003 Through August, 2003, Actual  
September, 2003 Through December, 2003, Estimated

	ACTUAL								ESTIMATED					TOTAL ACTUAL & ESTIMATED COSTS	
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	TOTAL ACT	SEP	OCT	NOV	DEC		TOTAL EST
1. Residential Energy Audits	26,627.42	34,262.95	33,756.96	41,764.70	43,989.00	43,423.94	29,830.81	43,734.34	297,390.12	78,443.00	78,443.00	78,443.00	78,442.88	313,771.88	611,162.00
2. Residential Mail In Audit	1,725.34	1,819.65	4,075.09	13,381.77	8,744.52	12,400.26	3,724.17	11,528.50	57,399.30	19,809.00	19,809.00	19,809.00	19,808.70	79,235.70	136,635.00
3. Gulf Express	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. In Concert with the Environment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Environmental Good Cents Home	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Duct Leakage Repair	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7. Geothermal Heat Pump	9,144.01	5,759.76	11,263.43	10,905.39	12,441.72	9,497.26	22,026.21	19,946.13	100,983.91	59,564.00	59,564.00	59,564.00	59,565.09	238,257.09	339,241.00
8. Good Cents Select	280,569.92	220,245.94	463,841.16	334,766.57	392,711.94	430,566.00	351,314.79	494,548.14	2,968,554.46	333,903.00	333,903.00	333,903.00	333,903.92	1,335,612.92	4,304,167.38
9. Comm/Ind Good Cents Bldg	33,738.42	31,055.60	34,759.42	41,929.04	36,221.33	34,900.44	34,197.29	29,301.51	276,103.05	56,646.00	56,646.00	56,646.00	56,644.95	226,582.95	502,686.00
10. E.A. & T.A.A.	38,804.27	32,592.92	38,877.84	40,768.30	38,397.84	44,326.48	37,317.43	37,102.82	308,787.90	69,911.00	69,911.00	69,911.00	69,909.10	279,642.10	588,430.00
11. Comm/Ind Mail In Audit	2,601.45	2,966.13	3,800.49	3,239.22	3,208.27	3,528.07	3,896.50	3,603.16	26,843.29	6,038.00	6,038.00	6,038.00	6,037.71	24,151.71	50,995.00
12. Green Pricing															
12a. Solar for Schools	5,346.37	126.31	85.61	(1,528.17)	(2,845.92)	135.78	205.84	507.62	2,033.44	443.00	443.00	443.00	444.56	1,773.56	3,807.00
12b. EarthCents Solar	910.52	692.54	2,289.40	1,542.37	3,487.57	2,289.57	2,178.61	2,177.33	15,567.91	4,940.00	4,940.00	4,940.00	4,938.09	19,758.09	35,326.00
12c. Green Pricing	10,499.30	3,550.36	(14,722.13)	3,120.67	(17,315.07)	8,306.58	37,856.20	5,021.36	34,317.27	12,414.00	12,414.00	12,414.00	12,413.73	49,655.73	83,973.00
13. Conservation Demonstration and Development										5,586.00	5,586.00	5,586.00	5,587.61	22,345.61	74,974.00
a. Aquatic Pool	111.86	54.82	0.00	647.06	60.08	59.56	122.34	62.18	1,117.90						
b. Eglin Geothermal	0.00	55.11	215.86	0.00	257.78	107.26	122.34	0.00	758.35						
c. Mary Esther School	0.00	6,195.30	13,799.62	0.00	4,216.80	4,226.05	122.34	4,408.74	32,968.85						
d. Warner Solar	0.00	59.34	50.78	354.41	61.63	64.74	122.36	0.00	713.26						
e. Oak Ridge	0.00	417.91	152.22	0.00	0.00	0.00	122.34	0.00	692.47						
f. Springhill Suites	0.00	0.00	14,187.98	0.00	0.00	0.00	122.34	0.00	14,310.32						
g. Pine Forest	507.06	0.00	0.00	0.00	0.00	0.00	122.34	0.00	629.40						
h. Triggers	507.06	0.00	0.00	0.00	0.00	0.00	122.34	0.00	629.40						
i. Water Furnace	116.24	56.92	48.55	274.80	61.32	62.04	123.99	64.58	808.44						
j. Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
14. Total All Programs	411,209.24	339,911.56	606,482.28	491,166.13	524,298.81	591,884.03	523,650.58	652,008.41	4,140,609.04	647,697.00	647,697.00	647,697.00	647,696.34	2,590,787.34	6,731,398.38
15. Less: Base Rate Recovery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16. Net Recoverable Expenses	411,209.24	339,911.56	606,482.28	491,166.13	524,298.81	591,884.03	523,650.58	652,008.41	4,140,609.04	647,697.00	647,697.00	647,697.00	647,696.34	2,590,787.34	6,731,398.38

GULF POWER COMPANY

ESTIMATED TRUE-UP ENERGY CONSERVATION CLAUSE  
For the Period: January, 2003 through December, 2003

<u>Conservation Revenues</u>	<u>ACTUAL JAN</u>	<u>ACTUAL FEB</u>	<u>ACTUAL MARCH</u>	<u>ACTUAL APRIL</u>	<u>ACTUAL MAY</u>	<u>ACTUAL JUNE</u>	<u>ACTUAL JULY</u>	<u>ACTUAL AUGUST</u>	<u>ESTIMATED SEPTEMBER</u>	<u>ESTIMATED OCTOBER</u>	<u>ESTIMATED NOVEMBER</u>	<u>ESTIMATED DECEMBER</u>	<u>TOTAL</u>
1. Good Cents Select Program Revenues	21,934.80	21,150.30	19,599.90	19,432.76	22,469.91	26,521.02	28,950.78	29,224.94	31,158.00	32,901.00	34,644.00	36,388.00	324,375.41
2. Conservation Revenues	540,204.23	418,349.09	435,941.96	458,470.02	574,711.16	602,998.99	634,597.38	640,768.19	525,922.01	429,021.02	385,474.92	464,726.14	6,111,185.11
3. Total Revenues	562,139.03	439,499.39	455,541.86	477,902.78	597,181.07	629,520.01	663,548.16	669,993.13	557,080.01	461,922.02	420,118.92	501,114.14	6,435,560.52
4. Adjustment not Applicable to Period - Prior True Up	11,800.83	11,800.83	11,800.83	11,800.83	11,800.83	11,800.83	11,800.83	11,800.83	11,800.83	11,800.83	11,800.83	(87,076.13)	42,733.00
5. Conservation Revenues Applicable to Period	573,939.86	451,300.22	467,342.69	489,703.61	608,981.90	641,320.84	675,348.99	681,793.96	568,880.84	473,722.85	431,919.75	414,038.01	6,478,293.52
6. Conservation Expenses (Form C-3 Page 2 of 5)	411,209.24	339,911.55	606,482.28	491,166.13	524,298.81	591,884.03	523,650.58	652,006.41	647,697.00	647,697.00	647,697.00	647,696.34	6,731,396.37
7. True Up this Period (Line 5 minus Line 6)	162,730.62	111,388.67	(139,139.59)	(1,462.52)	84,683.09	49,436.81	151,698.41	29,787.55	(78,816.16)	(173,974.15)	(215,777.25)	(233,658.33)	(253,102.85)
8. Interest Provision this Period (C-3 Pg 4 of 5, Ln 10)	606.98	729.66	678.34	581.18	618.93	621.39	652.75	741.83	713.93	592.48	410.44	245.55	7,193.46
9. True Up & Interest Provision Beginning of Month	493,580.68	645,117.45	745,434.94	595,172.86	582,490.69	655,991.89	694,249.25	834,799.59	853,528.14	763,625.08	578,442.58	351,274.94	493,580.68
10. Prior True Up Collected or Refunded	(11,800.83)	(11,800.83)	(11,800.83)	(11,800.83)	(11,800.83)	(11,800.83)	(11,800.83)	(11,800.83)	(11,800.83)	(11,800.83)	(11,800.83)	87,076.13	(42,733.00)
11. End of Period- Net True Up	645,117.45	745,434.94	595,172.86	582,490.69	655,991.89	694,249.25	834,799.59	853,528.14	763,625.08	578,442.58	351,274.94	204,938.29	204,938.28

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GULF POWER COMPANY  
INTEREST CALCULATION  
ENERGY CONSERVATION CLAUSE  
For the Period: January, 2003 through December, 2003

<u>Interest Provision</u>	<u>ACTUAL JAN</u>	<u>ACTUAL FEB</u>	<u>ACTUAL MARCH</u>	<u>ACTUAL APRIL</u>	<u>ACTUAL MAY</u>	<u>ACTUAL JUNE</u>	<u>ACTUAL JULY</u>	<u>ACTUAL AUGUST</u>	<u>ESTIMATED SEPTEMBER</u>	<u>ESTIMATED OCTOBER</u>	<u>ESTIMATED NOVEMBER</u>	<u>ESTIMATED DECEMBER</u>	<u>TOTAL</u>
1. Beginning True up Amount	493,580.68	645,117.45	745,434.94	595,172.86	582,490.69	655,991.89	694,249.25	834,799.59	853,528.14	763,625.08	578,442.58	351,274.94	
2. Ending True up before Interest	844,510.47	744,705.28	594,494.52	581,909.51	655,372.96	693,627.86	834,146.84	852,786.31	762,911.15	577,850.10	350,864.50	204,692.74	
3. Total beginning & ending	1,338,091.14	1,389,822.73	1,339,929.46	1,177,082.37	1,237,863.65	1,349,619.75	1,528,396.09	1,687,585.89	1,616,439.28	1,341,475.17	929,307.07	555,967.67	
4. Average True up Amount	569,045.57	694,911.36	669,964.73	588,541.18	618,931.82	674,809.87	764,198.04	843,792.95	808,219.64	670,737.59	464,653.54	277,983.84	
5. Interest Rate First Day Reporting Business Month	1.29	1.27	1.25	1.18	1.19	1.21	1.00	1.05	1.06	1.06	1.06	1.06	
6. Interest Rate First Day Subsequent Business Month	1.27	1.25	1.18	1.19	1.21	1.00	1.05	1.06	1.06	1.06	1.06	1.06	
7. Total of Lines 5 and 6	2.56	2.52	2.43	2.37	2.40	2.21	2.05	2.11	2.12	2.12	2.12	2.12	
8. Average Interest rate (50% of Line 7)	1.2800	1.2600	1.2150	1.1850	1.2000	1.1050	1.0250	1.0550	1.0600	1.0600	1.0600	1.0600	
9. Monthly Average Interest Rate Line 8 / 12 months	0.001067	0.001050	0.001013	0.000988	0.001000	0.000921	0.000854	0.000879	0.000883	0.000883	0.000883	0.000883	
10. Interest Provision (line 4 X 9)	606.98	729.66	678.34	581.18	618.93	621.39	652.75	741.83	713.93	592.48	410.44	245.55	7,193.46

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Florida Public Service Commission  
Docket No. 030002-EG  
GULF POWER COMPANY  
Witness: Angela T. Carter  
Exhibit No. \_\_\_\_\_ (ATC-2)  
Schedule C-3  
Page 4 of 5



GULF POWER COMPANY

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES  
 GOOD CENTS SELECT  
 For the Period January, 2003 Through December, 2003

Line No.	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Projected September	Projected October	Projected November	Projected December	Total
1. Additions to Plant In Service (Net of Retirements)		164,049.88	(164,886.58)	9,799.42	152,773.84	80,511.66	62,536.39	82,562.15	67,558.02	209,748.00	209,748.00	209,748.00	209,748.00	
2. Depreciation Base	3,681,501.94	3,845,551.82	3,680,665.24	3,690,464.66	3,843,238.50	3,923,750.16	3,986,286.55	4,068,848.70	4,136,406.72	4,346,154.72	4,555,902.72	4,765,650.72	4,975,398.72	
3. Depreciation Expense (A)		7,150.70	7,149.91	7,002.57	7,157.02	7,378.84	7,514.53	7,652.38	7,794.99	8,058.43	8,456.95	8,855.48	9,254.00	93,425.60
4. Cumulative Investment	3,681,501.94	3,845,551.82	3,680,665.24	3,690,464.66	3,843,238.50	3,923,750.16	3,986,286.55	4,068,848.70	4,136,406.72	4,346,154.72	4,555,902.72	4,765,650.72	4,975,398.72	
5. Less: Accumulated Depreciation	142,483.78	149,634.48	158,784.39	163,786.96	170,943.98	178,322.62	185,837.15	193,489.54	201,284.53	209,342.96	217,799.91	226,655.39	235,909.39	
6. Net Plant in Service (Line 4 - 5)	3,539,018.16	3,695,917.34	3,523,880.85	3,526,677.70	3,672,294.52	3,745,427.54	3,800,449.39	3,875,359.16	3,935,122.19	4,136,811.76	4,338,102.81	4,538,995.33	4,739,489.33	
7. Net Additions/Reductions to CWIP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8. CWIP Balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Inventory	6,420,996.05	6,420,996.05	7,052,196.24	7,725,542.39	7,975,102.25	8,793,750.06	9,231,380.17	9,542,627.65	9,542,627.65	9,402,341.65	9,262,055.65	9,121,769.65	8,981,483.65	
10. Net Investment (Line 6 + 8)	9,960,014.21	10,116,913.39	10,576,077.09	11,252,220.09	11,647,396.77	12,539,177.60	13,031,809.56	13,417,986.81	13,477,749.84	13,539,153.41	13,800,158.46	13,660,764.98	13,720,972.98	
11. Average Net Investment		10,038,463.80	10,346,495.24	10,914,148.59	11,449,808.43	12,093,287.19	12,785,493.58	13,224,898.19	13,447,868.33	13,508,451.63	13,569,655.94	13,630,461.72	13,690,868.98	
12. Rate of Return / 12 (Including Income Taxes) (B)		0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	
13. Return Requirement on Average Net Investment		94,702.87	97,608.84	102,964.08	108,017.49	114,088.07	120,618.35	124,763.69	126,867.19	127,438.73	128,016.13	128,589.78	129,159.66	1,402,834.88
14. Property Taxes		13,515.16	13,515.16	13,515.16	13,515.16	13,515.16	13,515.16	13,515.16	13,515.16	13,515.16	13,515.16	13,515.16	13,515.14	162,181.90
15. Rounding Adjustment														
16. Total Depreciation, Return and Prop Taxes (Line 3 + 13 + 14 + 15)		115,368.73	118,273.90	123,481.81	128,689.67	134,981.87	141,648.04	145,931.23	148,177.34	149,012.32	149,988.24	150,960.42	151,928.80	1,658,442.38

Notes:  
 (A) Good Cents Select Property Additions Depreciated at 2.3% per year schedule for revision.  
 (B) Revenue Requirement Return is 11.3210

Florida Public Service Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: Angela T. Carter  
 Exhibit No. \_\_\_\_\_ (ATC-2)  
 Schedule C-3  
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GULF POWER COMPANY  
CALCULATION OF CONSERVATION REVENUES  
For the Period: September, 2003 Through December, 2003

	<u>Month</u>	<u>Projected MWH Sales</u>	<u>Rate (Avg Cents/KWH)</u>	<u>Clause Revenue Net of Revenue Taxes ( \$ )</u>
1.	09/2003	919,955	0.057	525,922.01
2.	10/2003	755,146	0.057	429,021.02
3.	11/2003	680,394	0.057	385,474.92
4.	12/2003	812,110	0.057	464,726.14

Program Description and Progress

Program Title: Residential Energy Audits

Program Description: This program consists of two types of audits: (1) Class A Energy Conservation Audits and (2) centsable Energy checks, a walk-through audit. Both of these audits are performed on-site and involve assisting the customer in upgrading the thermal and equipment efficiencies in their homes as well as lifestyle measures and other low or no cost improvements.

Program Projections: For the period January, 2004, through December, 2004, we expect to achieve 1,500 audits and incur expenses totaling \$552,371.

Program Accomplishments: 1,253 audits have been conducted during the first eight months of 2003. The total projection for 2003 is 1,350.

Program Fiscal Expenditures: Actual expenses for January through August, 2003, were \$297,390 compared to a budget of \$395,622 for the same period. This results in a difference of \$98,232 or 24.8% below budget.

Program Progress Summary: Since the approval of this program Gulf Power Company has performed 131,518 residential energy audits. This is a result of Gulf Power's promotional campaign to solicit energy audits as well as the overall rapport established with its customers as the "energy experts" in Northwest Florida.

Program Description and Progress

Program Title: Residential Mail-In Audits

Program Description: The Residential Mail-In Audit Program is a direct mail energy auditing program. This program supplements Gulf Power Company's existing Residential Energy Audit program and assists in the evaluation of the specific energy requirements of a residential dwelling. Homeowners complete an audit questionnaire on their own or may request the assistance of a Gulf Power representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, and other details regarding their lifestyles. The audit results are returned to the customer and include targeted, timely information about energy conservation opportunities specific to each dwelling.

Program Projections: For the period January, 2004, through December, 2004, we expect 600 audits to be completed and to incur expenses totaling \$100,446.

Program Accomplishments: 901 audits were conducted using this process so far during the current reporting period which exceeds the total projection of 250 for this period.

Program Fiscal Expenditures: Forecasted expenses were \$90,585 for January through August, 2003, compared to actual expenses of \$57,399 for the same months, resulting in a variance of \$33,186 or 36.6% below budget.

Program Progress Summary: This program was approved on August 5, 1997. Since then, 1,967 mail-in audits have been conducted.

Program Description and Progress

Program Title: **GoodCents** Environmental Home

Program Description: **GoodCents** Environmental Home Program provides residential customers with guidance concerning energy and environmental efficiency in new construction. The program promotes energy-efficient and environmentally sensitive home construction techniques by evaluating over 500 components in six categories of design construction practices.

Program Projections: Gulf Power projects no **GoodCents** Environmental Homes to be completed in 2004. Gulf Power Company is no longer promoting this as a stand alone program.

Program Accomplishments: During 2003, no **GoodCents** Environmental Homes were constructed. This program was approved in October, 1996, as part of the conservation programs in Gulf's Demand-Side Management Plan, Docket 941172-EI. However, there has been little acceptance with builders because of the added cost of materials, availability problems with materials, and current public attitudes toward environmental issues. The Company will maintain the availability of this program to builders and customers; however, Gulf no longer actively advertises and promotes this program.

Program Fiscal Expenditures: For the period January, 2003, through August, 2003, there were no expenses projected and no expenses incurred for this program.

Program Progress Summary: Ten homes have been certified to meet the **GoodCents** Environmental Home standards.

Program Description and Progress

Program Title: Duct Leakage Repair

Program Description: This program developed as a result of Gulf Power Company's 1992 HVAC Duct and Infiltration (Blower Door) Pilot Program. The object of the program is to provide the customer with a means to identify house air duct leakage and to recommend repairs that can reduce customer kWh energy usage and kW demand.

Program Projections: Gulf projects no participants in this program for January through December 2004. The program continues to be available should a customer request it.

Program Accomplishments: The Company has provided demonstrations and training to builders, dealers and homeowners regarding duct leakage and duct testing methods and procedures during this period. No customers participated in the Duct Leakage Repair program during 2003.

Program Fiscal Expenditures: There were no expenses projected and none incurred during this period.

Program Progress Summary: Since the program's beginning, 32 customers have participated.

Program Description and Progress

Program Title: Geothermal Heat Pump

Program Description: The objective of this program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of geothermal systems.

Program Projections: Gulf estimates the installation of 200 units during the 2004 period and expenses of \$339,603. Gulf Power Company's program includes promotion, education, training, and estimated heating and cooling savings for new and existing home customers.

Program Accomplishments: During the current recovery period, 30 Geothermal Heat Pump units have been installed thus far.

Program Fiscal Expenditures: For the first eight months of the recovery period, expenses were projected to be \$210,485 compared to actual expenses of \$100,984 for a deviation of \$109,501 or 52.0% below budget.

Program Progress Summary: To date, 1,862 units have been installed.

Program Description and Progress

Program Title: **GoodCents Select**

Program Description: The program is designed to provide the customer with a means of conveniently and automatically controlling and monitoring his/her energy purchases in response to prices that vary during the day and by season in relation to the Company's cost of producing or purchasing energy.

Program Projections: During the 2004 projection period, Gulf Power plans to have 3,000 installations. The program expenses are projected to be \$1,973,439 in depreciation, return on investment and property taxes; \$748,763, payroll; \$2,450,310, materials; and \$550,000, advertising. These expenses will be partially offset by projected program revenues of \$586,416.

Program Accomplishments: A total of 842 units have been installed during the first eight months of 2003. It is anticipated that the total systems installed for the year will be approximately 1,750.

Program Fiscal Expenditures: This program projected expenses of \$2,389,434 for the period January through August, 2003 with actual expenses of \$2,968,554. This results in a deviation of \$579,120 or 24.2% over budget. The program is over budget due to the fact that there are expenses associated with the program that have not been offset by planned installations and subsequent revenues from the program.

Program Progress Summary: As of August, 2003, there are 3,830 participating customers.



Program Description and Progress

Program Title: **GoodCents** Building

Program Description: This program is designed to educate non-residential customers on the most cost-effective methods of designing new and improving existing buildings. The program stresses efficient heating and cooling equipment, improved thermal envelope, operation and maintenance, lighting, cooking and water heating. Field representatives work with architects, engineers, consultants, contractors, equipment suppliers and building owners and occupants to encourage them to make the most efficient use of all energy sources and available technologies.

Program Projections: For the 2004 recovery period, we expect to certify 155 **GoodCents** Buildings and incur expenses totaling \$531,509.

Program Accomplishments: Certification of 120 buildings has been achieved during January through August, 2003. The annual projection for 2003 is 117 buildings.

Program Fiscal Expenditures: Forecasted expenses for January through August, 2003, were \$323,803 compared to actual expenses of \$276,103 for a deviation of \$47,700 or 14.7% under budget.

Program Progress Summary: A total of 8,267 commercial buildings have qualified for the **GoodCents** certification since the program was developed in 1977.

Program Description and Progress

Program Title: Energy Audits and Technical Assistance Audits (E.A./T.A.A)

Program Description: This program is designed to provide professional advice to our existing commercial and industrial customers on how to reduce and make the most efficient use of energy. This program covers from the smallest commercial customer, requiring only a walk-through survey, to the use of computer programs which will simulate several design options for very large energy intensive customers. The program is designed to include semi-annual and annual follow-ups with the customer to verify any conservation measures installed and to reinforce the need to continue with more conservation efforts.

Program Projections: For the period, January, 2004 through December, 2004, the Company expects to conduct 125 audits and incur expenses totaling \$608,208.

Program Accomplishments: During the January through August, 2003, period actual results were 112 audits.

Program Fiscal Expenditures: Forecasted expenses were \$380,822 for the first eight months of 2003 compared to actual expenses of \$308,788 for a deviation of \$72,034 or 18.9% under the budget.

Program Progress Summary: A total of 11,454 EA/TAA's have been completed since the program started in January, 1981. These audits have ranged from the basic walk-through type for some commercial customers to sophisticated technical assistance audits for other commercial and industrial customers.

Program Description and Progress

Program Title: Commercial/Industrial Mail-In Audit Program

Program Description: The Commercial Mail-In Audit Program is a direct mail energy auditing program. This program supplements Gulf Power's existing Commercial/Industrial Energy Audit program and assists in the evaluation of the specific energy requirements of a given business type. Businesses complete an audit questionnaire on their own or may request the assistance of a Gulf Power Company representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, hours of operation and other details regarding their business operations. The audit results package is returned to the customer and includes targeted, timely information about energy conservation opportunities specific to each business type and geographic area.

Program Projections: Gulf expects to have 600 customers participate in the Commercial Mail-in Audit during the 2004 projection period and incur expenses of \$48,162.

Program Accomplishments: In 2003 to date, 585 mail-in audits have been completed. The annual projection for 2003 is to complete 624 mail-in audits.

Program Fiscal Expenditures: This program incurred actual expenses year-to-date of \$26,843 compared to a budget of \$32,040 for a deviation of \$5,197 or 16.2% under goal.

Program Progress Summary: Since 1997, 5,453 mail-in audits have been completed.

Program Description and Progress

Program Title: Green Pricing

Program Description: The Green Pricing Program is designed to encompass a variety of voluntary renewable and green energy programs under development by Gulf Power Company. The voluntary pricing options for customers will include, but not be limited to **EarthCents** Solar (Photovoltaic Rate Rider) and the Solar for Schools program. Additionally, this program will include expenses necessary to prepare and implement a green energy pilot program utilizing landfill gas, wind, solar or other renewable energy sources.

Program Accomplishments:

Solar for Schools: The principle objective of the Solar for Schools program is to implement cost-effective solar education and demonstration projects at local educational facilities by means of voluntary contributions. The program also seeks to increase renewable energy and energy awareness among students, parents and contributors. Solar for Schools is a program that uses voluntary contributions to fund materials for energy education, permanent demonstration displays, rewards for science contests, and teacher education. Voluntary contributions are solicited from customers interested in renewable energy and/or helping to improve the quality of schools in the Gulf Power Company service area. Funds are collected through a "check-off" mechanism on the utility bill or through a direct contribution and accumulated in an interest bearing account. When contributions reach an adequate level, they are directed to an educational facility for implementation of various solar educational programs and for the installation of solar equipment. Contributions are not used for administrative costs, program research or for promotion costs.

Gulf Power Company continues to monitor a 4 kW PV solar system installed in 2000 at the Junior Museum of Bay County. This PV system operates computer equipment and other electrical items within the museum itself to demonstrate the capabilities of solar energy to the youth of Bay County and the surrounding areas.

Gulf Power Company has implemented two Solar for Schools projects during the 2003 calendar year at Meigs Middle School in Shalimar and West Florida High School of Advanced Technology in Pensacola.

A workshop was conducted to increase each teacher's content knowledge of solar energy (photovoltaics), energy efficiency, and renewable energy and to enhance their ability to provide relevant hands-on learning experiences to their students. At the workshop, teachers performed various experiments using equipment provided by the Florida Solar Energy Center. Additionally, each school received a curriculum for their class. A total of nine teachers participated in the workshop from both schools.

Meigs Middle School and West Florida High School of Advanced Technology also each received a 4 kW photovoltaic solar array and data acquisition system whose energy output and other data are relayed to the teachers via the internet. The real time data can also be viewed from Gulf Power's external web site. The solar arrays were purchased in part through a grant from the Florida Solar Energy Center and funds from the Solar for Schools contribution program. Moreover, the energy provided from the solar array has been donated to the schools in order to reduce their reliance on energy provided from Gulf Power.

**EarthCents Solar** (Photovoltaic Optional Rate Rider): The PV Rate Rider is an optional rate rider for Gulf Power Company's customers. Customers may purchase photovoltaic energy in 100-watt blocks. Multiple blocks may be purchased. Power purchased or produced from photovoltaic facilities may not be specifically delivered to the customer, but will displace power that would have otherwise been produced from traditional generating facilities. The construction of the photovoltaic facility or the purchase of power from photovoltaic facilities will begin upon the attainment of sufficient commitments from all participants across the Southern Company electric system where the option is available and, as necessary, after obtaining PSC approval. Customer billing will begin the second month following the date in which power is purchased from photovoltaic generating facilities or in which a photovoltaic generating facility of the Southern Company begins commercial operation. As of August, 2003, 77 customers have signed up for 99 100-watt blocks of energy.

Program Fiscal Expenditures: There were expenses of \$133,414 projected for the period January through August, 2003. Actual expenses for this period are: Solar for Schools, \$2,033; Green Pricing, \$34,317; and **EarthCents** Solar, \$15,568.

### Program Description and Progress

Program Title: Conservation Demonstration and Development

Program Description: A package of conservation programs was approved by the FPSC in Order No. 23561 for Gulf Power Company to explore and to pursue research, development, and demonstration projects designed to promote energy efficiency and conservation. This program serves as an umbrella program for the identification, development, demonstration and evaluation of new or emerging end-use technologies.

Program Accomplishments:

Aquatic Pool - The project involves the installation of an air source heat pump water heater/dehumidification system. The system capacity is 22.5 tons. The pool is 75 X 42 square feet, 116,550 gallons and heated by a 400,000 btuh natural gas pool heater.

Eglin Geothermal - Installation of one geothermal system in family housing unit at Eglin AFB. Monitor geothermal system at various points to determine actual field efficiency of geothermal system. Also, install monitoring on identical type unit with conventional A/C system with gas furnace. Study will be for a one-year period to gather data in both cooling and heating operation of systems.

Groovin'Noovin' - Gulf Power Company is monitoring two pieces of cooking equipment at two different store locations. Energy usage is monitored over the next year and a comparison report will be prepared at that time.

Hampton Inn - The Hampton Inn is being used to study geothermal heat pump water heaters for their laundry and pool heating requirements. The laundry room is cooled and the water heated with geothermal heat pump water heaters. The hotel pool is heated with a geothermal heat pump water heater. This project has been completed and a final report submitted.

Mary Esther School - In 2003, Gulf produced and installed a triple-function heat pump unit, along with the necessary hot water storage, pumping, piping and controls at Mary Esther School (Mary Esther, Fl - Okaloosa County School District),

to provide a completely operational commercial triple-function heat pump application. Gulf also provided appropriate air source, triple function heat pump design for commercial applications demonstrating commercial viability and optimal functionality. Metering and monitoring equipment will be installed and a final report will be prepared.

Oak Ridge - This project is an application of a new product to overcome market barriers to heat pump water heaters such as ease of installations, cost and performance. This new product has the refrigeration system built-in and a plumber can install the system just like any other electric water heater. All parts are standard reliable components that are proven in the refrigeration market. This project has been completed and a final report submitted.

Pine Forest High School - Gulf Power Company is monitoring several pieces of equipment at the culinary arts department of a local high school. Energy usage is being monitored over the next year and a comparison report will be prepared at that time.

Sealed Semi-Conditioned Attic - The semi-conditioned attic as well as the living space of a home will be conditioned/de-humidified utilizing the enhanced de-humidification capabilities of a closed-loop geothermal heat pump with zone control. The attic will be monitored and sealed using a vapor barrier and spray foam insulation combination that should significantly reduce the infiltration of hot humid air into the attic space. A report will be submitted once the research is complete.

Solar Light - Gulf Power Company is presently testing a solar Photovoltaic light at our Pine Forest facility. The solar light is being monitored for energy consumption and demand savings as well as the actual lumen for the security light. A successful test would result in using this light in our Solar for Schools program. This particular light did not use funding from the Solar for Schools Program; however, the Company did use funds from the Conservation Demonstration and Development program.

Springhill Suites - This project will monitor various energy and water flows for the Springhill Suites Hotel. This hotel is the first hybrid geothermal commercial project in Gulf



Power Company's service area. Monitoring the energy and water flows will enable Gulf to demonstrate and document the energy savings and conservation benefits of geothermal applications to building owners, architects, and energy managers.

Triggers - Triggers is a research site designed to study the effectiveness of a heat pump water heater for commercial use. This project has been completed and a final report submitted.

Warner Solar - This project will study the electrical output of a 2.4 kW photovoltaic solar array installed at a small business. This is the first small pv interconnection agreement with Gulf Power. A report will be submitted once the study is complete.

Water Furnace - This research project is designed to study the experimental refrigerant R410A. A comparative study is being done between this new refrigerant and present refrigerants that are to be phased out of production due to EPA mandates.

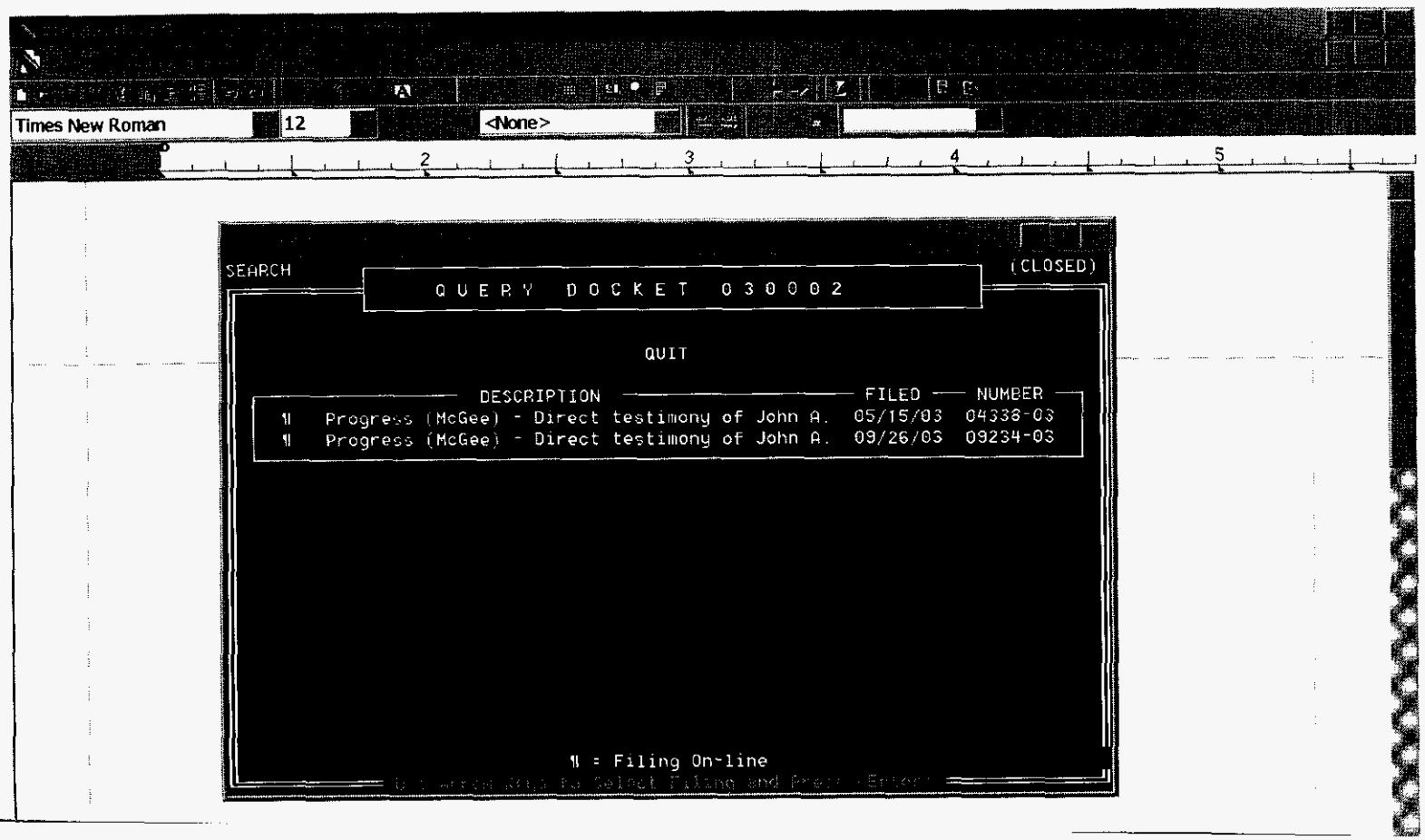
Program Fiscal Expenditures: Program expenses were forecasted at \$41,032 compared to actual expenses of \$52,628 for a deviation of \$11,596 over budget. Expenses are over budget due to under-estimating project costs. Project expenses were as follows: Aquatic Pool, \$1,118; Eglin Geothermal, \$758; Mary Esther School, \$32,969; Oak Ridge, \$692; Springhill Suites, \$14,310; Pine Forest High School, \$630; Triggers, \$630 Warner Solar, \$713; Water Furnace, \$808.

1-30-04

Note to the file.

This list is being included to note that on JAM-1 & JAM-2 - (according to the Exhibit list ) are two separate numbers. However, I talked with Lorena Holley this morning and told her that both of the attached documents have JAM-1. She suggested using the older one as JAM-1 which is document 04338-03 and JAM-2 is the second document on the list 09234-03.

RLM



PROGRESS ENERGY FLORIDA

ENERGY CONSERVATION ADJUSTED NET TRUE-UP  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE  
 NO.

1	ACTUAL END OF PERIOD TRUE-UP (OVER) / UNDER RECOVERY		
2	BEGINNING BALANCE	(\$6,787,137)	
3	PRINCIPAL (CT 3, PAGE 2 of 3)	(8,639,974)	
4	INTEREST (CT 3, PAGE 2 of 3)	(118,104)	
5	PRIOR TRUE-UP REFUND	6,787,137	
6	ADJUSTMENTS	<u>14,748</u>	(\$8,743,330)
7	LESS: ESTIMATED TRUE-UP FROM SEPTEMBER 2002		
8	PROJECTION FILING (OVER) / UNDER RECOVERY		
9	BEGINNING BALANCE	(\$6,787,137)	
10	PRINCIPAL	(5,500,298)	
11	INTEREST	(107,031)	
12	PRIOR TRUE-UP REFUND	6,772,411	
13	ADJUSTMENTS	<u>14,728</u>	<u>(\$5,607,327)</u>
14	VARIANCE TO PROJECTION		<u><u>(\$3,136,004)</u></u>

FLORIDA PUBLIC SERVICE COMMISSION  
 DOCKET  
 NO. 030002-EG EXHIBIT NO. Camp Ex 4  
 COMPANY/ Progress Energy FL  
 WITNESS: John A. Masiello - JAM / JAM  
 DATE: 11-12-03

PROGRESS ENERGY FLORIDA  
 ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS  
 ACTUAL VS. ESTIMATED  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	PROGRAM	ACTUAL	ESTIMATED	DIFFERENCE
1	DEPRECIATION AMORT. & RETURN	1,449,590	1,439,241	10,349
2	PAYROLL AND BENEFITS	7,638,578	7,945,117	(306,539)
3	MATERIALS AND SUPPLIES	573,950	501,318	72,632
4	OUTSIDE SERVICES	4,027,130	4,612,205	(585,075)
5	ADVERTISING	1,073,800	892,522	181,278
6	INCENTIVES	47,546,360	48,665,940	(1,119,580)
7	VEHICLES	17,466	202,213	(184,747)
8	OTHER	800,279	928,726	(128,447)
9	PROGRAM REVENUES	<u>(4,125)</u>	<u>0</u>	<u>(4,125)</u>
10	TOTAL PROGRAM COSTS	63,123,028	65,187,282	(2,064,255)
11	LESS:			
12	CONSERVATION CLAUSE REVENUES	64,975,865	63,915,169	1,060,696
13	PRIOR TRUE-UP	<u>6,787,137</u>	<u>6,787,137</u>	<u>0</u>
14	TRUE-UP BEFORE INTEREST	(8,639,974)	(5,515,024)	(3,124,951)
15	AUDIT ADJUSTMENT	14,748	14,728	20
16	INTEREST PROVISION	<u>(118,104)</u>	<u>(107,031)</u>	<u>(11,073)</u>
17	END OF PERIOD TRUE-UP	<u>(8,743,330)</u>	<u>(5,607,327)</u>	<u>(3,136,004)</u>

( ) REFLECTS OVERRECOVERY

PROGRESS ENERGY FLORIDA

ACTUAL ENERGY CONSERVATION PROGRAM COSTS PER PROGRAM  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1	BETTER BUSINESS	0	14,604	3,552	0	640	145,127	0	254	164,177	0	164,177
2	RESIDENTIAL NEW CONSTRUCTION	0	473,956	7,595	23,312	121,560	389,670	0	98,195	1,114,288	0	1,114,288
3	HOME ENERGY IMPROVEMENT	0	454,615	7,619	3,169	87,085	2,510,846	0	116,037	3,179,171	(4,125)	3,175,046
4	COMM / IND NEW CONSTRUCTION	0	4,126	164	0	89	76,436	60	108	80,983	0	80,983
5	HOME ENERGY CHECK	744	1,820,043	179,353	113,580	574,335	0	16,202	314,323	3,018,580	0	3,018,580
6	LOW INCOME	0	36,225	616	1,175	0	13,945	124	16,805	68,890	0	68,890
7	BUSINESS ENERGY CHECK	0	417,614	9,405	115	6,354	0	96	18,269	451,853	0	451,853
8	QUALIFYING FACILITY	575	213,442	1,613	5,225	0	0	0	287,647	508,502	0	508,502
9	INNOVATION INCENTIVE	0	1,600	0	0	0	0	0	0	1,600	0	1,600
10	TECHNOLOGY DEVELOPMENT	0	35,344	495	33,480	0	6,050	58	61,421	136,848	0	136,848
11	STANDBY GENERATION	0	22,999	9,016	26,276	1,907	624,633	206	6,454	691,491	0	691,491
12	INTERRUPT LOAD MANAGEMENT	0	80,370	3,438	926	0	17,445,363	675	9,221	17,539,993	0	17,539,993
13	CURTAIL LOAD MANAGEMENT	0	2,343	192	0	0	641,237	0	0	643,772	0	643,772
14	RESIDENTIAL LOAD MANAGEMENT	1,434,829	1,812,197	166,552	3,034,937	225,859	24,993,399	0	169,868	31,837,641	0	31,837,641
15	COMMERCIAL LOAD MANAGEMENT	0	15,668	334	4,371	0	683,479	43	526	704,421	0	704,421
16	CONSERVATION PROGRAM ADMIN	13,442	2,233,432	184,006	780,564	55,971	16,375	2	(298,849)	2,984,943	0	2,984,943
17	TOTAL ALL PROGRAMS	1,449,590	7,838,578	573,950	4,027,130	1,073,800	47,546,360	17,466	800,279	63,127,153	(4,125)	63,123,028

PROGRESS ENERGY FLORIDA

VARIANCE IN ENERGY CONSERVATION PROGRAM COSTS  
 12 MONTHS ACTUAL VERSUS 12 MONTHS ESTIMATED

FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1	BETTER BUSINESS	0	(6,481)	3,538	0	285	(93,935)	(395)	684	(96,354)	0	(96,354)
2	RESIDENTIAL NEW CONSTRUCTION	0	59,721	(5,337)	(6,221)	(59,752)	174,967	(14,797)	10,033	158,614	0	158,614
3	HOME ENERGY IMPROVEMENT	0	(110,858)	1,940	1,081	8,994	(4,531)	(16,206)	9,977	(109,703)	(4,125)	(113,828)
4	COMM / IND NEW CONSTRUCTION	0	(644)	0	0	89	38,836	(38)	455	38,800	0	38,800
5	HOME ENERGY CHECK	0	(206,528)	48,906	39,548	130,739	0	(71,300)	119,167	60,532	0	60,532
6	LOW INCOME	0	1,074	0	(904)	0	(17,498)	(270)	1,252	(16,346)	0	(16,346)
7	BUSINESS ENERGY CHECK	0	(23,257)	4,586	50	6,226	0	(12,001)	16,576	(7,820)	0	(7,820)
8	QUALIFYING FACILITY	0	(11,298)	(189)	(1,750)	0	0	(530)	14,237	470	0	470
9	INNOVATION INCENTIVE	0	(7,051)	0	0	0	(20,838)	(366)	(266)	(28,521)	0	(28,521)
10	TECHNOLOGY DEVELOPMENT	0	(6,301)	0	(32,749)	0	0	(463)	50,798	11,285	0	11,285
11	STANDBY GENERATION	0	7,330	8,824	15,857	1,907	56,784	(318)	2,224	92,610	0	92,610
12	INTERRUPT LOAD MANAGEMENT	0	32,877	405	0	0	(1,415,710)	546	6,231	(1,375,851)	0	(1,375,851)
13	CURTAIL LOAD MANAGEMENT	0	997	0	0	0	(381)	0	88	704	0	704
14	RESIDENTIAL LOAD MANAGEMENT	10,365	(204,764)	9,391	(501,656)	50,742	158,108	(51,427)	239,276	(289,965)	0	(289,965)
15	COMMERCIAL LOAD MANAGEMENT	0	(3,560)	0	1,378	0	303	(316)	(229)	(2,424)	0	(2,424)
16	CONSERVATION PROGRAM ADMIN	(16)	172,514	568	(99,709)	42,068	4,215	(16,870)	(598,930)	(496,180)	0	(496,180)
17	TOTAL ALL PROGRAMS	10,349	(306,539)	72,632	(585,075)	181,278	(1,119,580)	(184,747)	(128,447)	(2,060,130)	(4,125)	(2,064,255)

PROGRESS ENERGY FLORIDA

PROJECTED ENERGY CONSERVATION PROGRAM COSTS PER PROGRAM  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1	BETTER BUSINESS (E)	0	21,095	14	0	375	239,062	395	(410)	260,531	0	260,531
2	RESIDENTIAL NEW CONSTRUCT (E)	0	414,235	12,932	29,533	181,312	214,703	14,797	88,162	955,674	0	955,674
3	HOME ENERGY IMPROVEMENT (E)	0	565,573	5,679	2,088	78,091	2,515,177	16,206	106,060	3,288,874	0	3,288,874
4	CM NEW CONSTRUCTION (E)	0	4,770	164	0	0	37,500	96	(347)	42,183	0	42,183
5	HOME ENERGY CHECK (E)	744	2,026,571	130,447	74,032	443,596	0	87,502	195,156	2,958,048	0	2,958,048
6	LOW INCOME (E)	0	35,151	616	2,079	0	31,443	394	15,553	85,236	0	85,236
7	BUSINESS ENERGY CHECK (E)	0	440,871	4,819	65	128	0	12,097	1,693	459,873	0	459,873
8	CONSERVATION PROGRAM ADMIN (E)	13,458	2,060,918	183,438	880,273	13,903	12,160	16,872	300,081	3,481,103	0	3,481,103
9	CONSERVATION PROGRAM ADMIN (D)										0	0
10	QUALIFYING FACILITY (E)	575	224,740	1,802	6,975	0	0	530	273,410	508,032	0	508,032
11	INNOVATION INCENTIVE (E)	0	8,651	0	0	0	20,838	366	266	30,121	0	30,121
12	TECHNOLOGY DEVELOPMENT (E)	0	41,645	495	66,229	0	6,050	521	10,823	125,563	0	125,563
13	STANDBY GENERATION (D)	0	15,669	192	10,419	0	567,849	522	4,230	598,861	0	598,861
14	INTERRUPTIBLE SERVICE (D)	0	47,693	3,033	926	0	18,861,073	129	2,990	18,915,844	0	18,915,844
15	CURTAILABLE SERVICE (D)	0	1,346	192	0	0	641,618	0	(88)	643,068	0	643,068
16	RES ENERGY MANGMNT-ADMIN (D)	1,424,464	2,016,961	157,161	3,536,593	175,117	24,835,281	51,427	(69,408)	32,127,606	0	32,127,606
17	RES ENERGY MANGMNT-EQUIP SVC (D)										0	0
18	LOAD MANAGEMENT SWITCHES (D)		0	0	0	0	0	0	0	0	0	0
19	COM ENERGY MANGMNT-ADMIN (D)	0	19,228	334	2,993	0	683,176	359	755	706,845	0	706,845
20	COM ENERGY MANGMNT-EQUIP SVC (D)									0	0	0
TOTAL ALL PROGRAMS		1,439,241	7,945,117	501,318	4,612,205	892,522	48,665,940	202,213	928,726	65,187,282	0	65,187,282

PROGRESS ENERGY FLORIDA

ACTUAL CONSERVATION PROGRAM COSTS BY MONTH  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	PROGRAM TITLE	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL
1	BETTER BUSINESS	2,311	98,833	11,035	1,257	10,608	632	8,015	27,188	3,851	21,885	18,669	(40,107)	164,177
2	RESIDENTIAL NEW CONSTRUCTION	27,684	81,287	97,222	71,868	58,500	66,522	60,384	139,061	56,529	78,958	90,367	285,906	1,114,288
3	HOME ENERGY IMPROVEMENT	160,764	168,144	328,128	272,258	435,953	50,200	300,531	385,230	299,111	292,933	246,604	259,315	3,179,171
4	COMM / IND NEW CONSTRUCTION	2,559	808	722	0	0	0	25	74	270	0	0	76,525	80,983
5	HOME ENERGY CHECK	141,263	156,040	156,058	226,926	202,056	209,588	279,132	269,241	192,360	296,198	193,794	695,924	3,018,580
6	LOW INCOME	4,270	8,289	4,711	4,183	6,776	3,199	3,610	8,085	9,537	5,003	4,819	6,408	68,890
7	BUSINESS ENERGY CHECK	35,796	41,502	36,977	39,789	42,526	36,919	9,100	66,925	31,259	31,120	34,803	45,137	451,853
8	QUALIFYING FACILITY	99	93	266,881	20,127	21,446	23,458	27,336	49,239	26,213	23,865	21,874	27,871	508,502
9	INNOVATION INCENTIVE	732	848	20	0	0	0	0	0	0	0	0	0	1,600
10	TECHNOLOGY DEVELOPMENT	2,203	5,061	10,551	9,925	2,768	4,223	2,190	3,990	5,115	2,762	2,264	85,806	136,848
11	STANDBY GENERATION	31,389	60,757	52,784	59,147	57,369	50,625	55,336	68,316	61,471	61,348	61,154	71,795	691,491
12	INTERRUPT LOAD MANAGEMENT	1,344,540	1,597,745	1,539,735	1,570,969	1,582,030	1,259,515	1,472,840	1,375,884	1,403,232	1,329,001	1,514,304	1,550,198	17,539,993
13	CURTAIL LOAD MANAGEMENT	40,357	46,406	48,134	13,550	98,572	27,067	91,985	57,326	56,856	51,476	13,891	98,152	643,772
14	RESIDENTIAL LOAD MANAGEMENT	3,198,317	2,346,459	2,751,283	2,139,787	3,159,451	2,396,513	2,567,539	2,560,650	2,485,871	2,456,655	2,776,497	2,998,619	31,837,641
15	COMMERCIAL LOAD MANAGEMENT	60,086	59,372	607,315	40,808	(465,005)	36,321	69,474	68,515	59,247	51,049	69,362	47,877	704,421
16	CONSERVATION PROGRAM ADMIN	414,673	433,347	205,055	(568,788)	211,145	451,390	557,679	110,513	273,687	194,310	264,838	437,094	2,984,943
17	TOTAL ALL PROGRAMS	5,467,043	5,104,981	6,116,611	3,901,806	5,424,195	4,616,172	5,505,176	5,170,237	4,964,609	4,896,563	5,313,240	6,646,520	63,127,153
18														
19	LESS: BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0	0	0	0	0
20														
21	NET RECOVERABLE (CT-3,PAGE 2)	5,467,043	5,104,981	6,116,611	3,901,806	5,424,195	4,616,172	5,505,176	5,170,237	4,964,609	4,896,563	5,313,240	6,646,520	63,127,153

\* GROSS EXPENDITURES ONLY. AUDIT PROGRAM REVENUES ARE ACCOUNTED FOR IN CALCULATION OF TRUE-UP SCHEDULE CT-3, PAGE 2 OF 3.



PROGRESS ENERGY FLORIDA  
 ENERGY CONSERVATION ADJUSTMENT  
 CALCULATION OF TRUE-UP  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL FOR THE PERIOD
1A BETTER BUSINESS	0	0	0	0	0	0	0	0	0	0	0	0	0
1B HOME ENERGY IMPROVEMENT	0	90	75	90	90	150	110	120	150	0	320	2,930	4,125
1C HOME ENERGY CHECK	0	0	0	0	0	0	0	0	0	0	0	0	0
1D SUBTOTAL - FEES	0	90	75	90	90	150	110	120	150	0	320	2,930	4,125
2 CONSERVATION CLAUSE REVENUES	5,280,289	4,346,171	4,468,271	4,592,297	5,855,509	5,514,133	6,092,227	6,124,452	6,334,878	5,856,489	5,526,359	4,984,790	64,975,865
2A CURRENT PERIOD GRT REFUND	0.00	0	0	0	0	0	0	0	0	0	0	0	0
3 TOTAL REVENUES	5,280,289	4,346,261	4,468,346	4,592,387	5,855,599	5,514,283	6,092,337	6,124,572	6,335,028	5,856,489	5,526,679	4,987,720	64,978,990
4 PRIOR PERIOD TRUE-UP OVER/(UNDER)	8,787,137	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,592	6,787,137
5 CONSERVATION REVENUES APPLICABLE TO PERIOD	5,845,884	4,911,856	5,033,941	5,157,982	6,421,194	6,078,878	6,657,932	6,890,167	6,900,623	6,422,084	6,092,274	5,553,312	71,767,127
6 CONSERVATION EXPENSES (CT-3,PAGE 1, LINE 73)	5,467,043	5,104,981	6,116,611	3,901,806	5,424,195	4,616,172	5,505,176	5,170,237	4,964,809	4,896,563	5,313,240	6,646,520	63,127,153
7 TRUE-UP THIS PERIOD (O)/U	(378,841)	193,125	1,082,670	(1,256,176)	(996,999)	(1,463,706)	(1,152,756)	(1,519,930)	(1,936,014)	(1,525,521)	(779,034)	1,093,208	(8,639,974)
8 CURRENT PERIOD INTEREST	(9,879)	(9,117)	(7,428)	(6,731)	(7,507)	(8,493)	(9,485)	(10,494)	(12,282)	(13,742)	(12,627)	(10,319)	(118,104)
9 ADJUSTMENTS PER AUDIT \ RDC Order	14,748	0	0	0	0	0	0	0	0	0	0	0	14,748
10 TRUE-UP & INTEREST PROVISIONS BEGINNING OF PERIOD (O)/U	(6,787,137)	(6,595,514)	(5,845,911)	(4,205,074)	(4,902,386)	(5,341,297)	(6,247,901)	(6,844,547)	(7,809,376)	(9,192,077)	(10,165,745)	(10,391,811)	(6,787,137)
10 A CURRENT PERIOD GRT REFUNDED	0	0	0	0	0	0	0	0	0	0	0	0	0
11 PRIOR TRUE-UP REFUNDED/ (COLLECTED)	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,592	6,787,137
12 END OF PERIOD NET TRUE-UP	(6,595,514)	(5,845,911)	(4,205,074)	(4,902,386)	(5,341,297)	(6,247,901)	(6,844,547)	(7,809,376)	(9,192,077)	(10,165,745)	(10,391,811)	(8,743,330)	(8,743,330)

PROGRESS ENERGY FLORIDA  
 CALCULATION OF INTEREST PROVISION  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL FOR THE PERIOD
1 BEGINNING TRUE-UP AMOUNT (CT-3, PAGE 2, LINE 9 & 10)	(6,772,389)	(6,595,514)	(5,845,911)	(4,205,074)	(4,902,386)	(5,341,297)	(6,247,901)	(6,844,547)	(7,809,376)	(9,192,077)	(10,165,745)	(10,391,811)	
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST	(6,585,635)	(5,836,794)	(4,197,646)	(4,895,655)	(5,333,790)	(6,239,408)	(6,835,062)	(7,798,882)	(9,179,795)	(10,152,003)	(10,379,184)	(8,733,011)	
3 TOTAL BEGINNING & ENDING TRUE-UP	(13,358,024)	(12,432,308)	(10,043,557)	(9,100,729)	(10,236,176)	(11,580,705)	(13,082,963)	(14,643,429)	(16,989,171)	(19,344,080)	(20,544,929)	(19,124,822)	
4 AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	(6,679,012)	(6,216,154)	(5,021,779)	(4,550,365)	(5,118,088)	(5,790,353)	(6,541,482)	(7,321,715)	(8,494,586)	(9,672,040)	(10,272,465)	(9,562,411)	
5 INTEREST RATE: FIRST DAY REPORTING BUSINESS MONTH	1.78%	1.77%	1.75%	1.80%	1.75%	1.77%	1.75%	1.73%	1.71%	1.76%	1.65%	1.30%	
6 INTEREST RATE: FIRST DAY SUBSEQUENT BUSINESS MONTH	1.77%	1.75%	1.80%	1.75%	1.77%	1.75%	1.73%	1.71%	1.76%	1.65%	1.30%	1.29%	
7 TOTAL (LINE 5 AND LINE 6)	3.55%	3.52%	3.55%	3.55%	3.52%	3.52%	3.48%	3.44%	3.47%	3.41%	2.95%	2.59%	
8 AVERAGE INTEREST RATE (50% OF LINE 7)	1.775%	1.760%	1.775%	1.775%	1.760%	1.760%	1.740%	1.720%	1.735%	1.705%	1.475%	1.295%	
9 INTEREST PROVISION (LINE 4 * LINE 8) / 12	(9,879)	(9,117)	(7,428)	(6,731)	(7,507)	(8,493)	(9,485)	(10,494)	(12,282)	(13,742)	(12,627)	(10,319)	(118,104)

PROGRESS ENERGY FLORIDA

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	BEGINNING BALANCE	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL
1 QUALIFYING FACILITY														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	687	0	0	0	0	0	0	0	0	0	0	687
4 DEPRECIATION BASE		5,897	5,354	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	
5														
6 DEPRECIATION EXPENSE		95	89	84	84	84	84	39	0	0	0	0	0	559
7														
8 CUMM. NET INVEST	5,897	5,897	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010	5,010
9 LESS: ACC. NET DEPR	5,138	5,233	4,635	4,719	4,803	4,887	4,971	5,010	5,010	5,010	5,010	5,010	5,010	5,010
10 NET INVESTMENT	559	464	375	291	207	123	39	0	0	0	0	0	0	0
11 AVERAGE INVESTMENT		512	420	333	249	165	81	20	0	0	0	0	0	
12 RETURN ON AVG INVEST		3	3	2	2	1	0	0	0	0	0	0	0	11
13														
14 RETURN REQUIREMENTS		4	4	3	3	2	0	0	0	0	0	0	0	16
15														
16 PROGRAM TOTAL		99	93	87	87	86	84	39	0	0	0	0	0	575
17														
34														
35 LOAD MANAGEMENT ASSETS														
36 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
37 RETIREMENTS		0	0	0	0	0	0	0	0	0	27,295	0	0	27,295
38 DEPRECIATION BASE		508,036	508,036	508,036	508,036	508,036	508,036	508,036	508,036	508,036	484,389	480,741	480,741	
39														
40 DEPRECIATION EXPENSE		8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,240	8,012	8,012	100,467
41														
42 CUMM. NET INVEST	508,036	508,036	508,036	508,036	508,036	508,036	508,036	508,036	508,036	508,036	480,741	480,741	480,741	480,741
43 LESS: ACC. NET DEPR	80,944	89,411	97,878	106,345	114,812	123,279	131,746	140,213	148,680	157,147	138,092	146,104	154,116	154,116
44 NET INVESTMENT	427,092	418,625	410,158	401,691	393,224	384,757	376,290	367,823	359,356	350,889	342,649	334,637	326,625	326,625
45 AVERAGE INVESTMENT		422,859	414,392	405,925	397,458	388,991	380,524	372,057	363,590	355,123	346,769	338,643	330,631	
46 RETURN ON AVG INVEST		2,949	2,890	2,831	2,772	2,714	2,655	2,595	2,536	2,477	2,419	2,362	2,306	31,506
47														
48 RETURN REQUIREMENTS		4,082	4,000	3,919	3,837	3,756	3,675	3,592	3,510	3,428	3,348	3,269	3,192	43,808
49														
50 PROGRAM TOTAL		12,549	12,467	12,386	12,304	12,223	12,142	12,059	11,977	11,895	11,568	11,281	11,204	144,075

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .008975 (8.37% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 910890-EI). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

PROGRESS ENERGY FLORIDA  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	BEGINNING BALANCE	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL
1 HOME ENERGY CHECK														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
4 DEPRECIATION BASE		2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	
5														
6 DEPRECIATION EXPENSE		41	41	41	41	41	41	41	41	41	41	41	41	492
7														
8 CUMM. NET INVEST	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435
9 LESS: ACC. NET DEPR	52	93	134	175	216	257	298	339	380	421	462	503	544	544
10 NET INVESTMENT	2,938	2,342	2,301	2,260	2,219	2,178	2,137	2,096	2,055	2,014	1,973	1,932	1,891	1,891
11 AVERAGE INVESTMENT		2,840	2,322	2,281	2,240	2,199	2,158	2,117	2,076	2,035	1,994	1,953	1,912	
12 RETURN ON AVG INVEST		18	16	16	16	15	15	15	15	15	14	13	13	181
13														
14 RETURN REQUIREMENTS		25	22	22	22	21	21	21	21	21	20	18	18	252
15														
16 PROGRAM TOTAL		66	63	63	63	62	62	62	62	62	61	59	59	744
17														
18 CONSERV. PROGRAM ADMIN														
19 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
20 RETIREMENTS		0	0	0	0	0	0	0	0	0	671	0	0	671
21 DEPRECIATION BASE		63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	62,672	62,336	62,336	
22														
23 DEPRECIATION EXPENSE		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,045	1,039	1,039	12,573
24														
25 CUMM. NET INVEST	63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	62,336	62,336	62,336	62,336
26 LESS: ACC. NET DEPR	49,200	50,250	51,300	52,350	53,400	54,450	55,500	56,550	57,600	58,650	59,024	60,063	61,102	61,102
27 NET INVESTMENT	13,807	12,757	11,707	10,657	9,607	8,557	7,507	6,457	5,407	4,357	3,312	2,273	1,234	1,234
28 AVERAGE INVESTMENT		13,282	12,232	11,182	10,132	9,082	8,032	6,982	5,932	4,882	3,835	2,793	1,754	
29 RETURN ON AVG INVEST		93	85	78	70	64	56	49	41	34	28	20	12	628
30														
31 RETURN REQUIREMENTS		129	118	108	97	88	77	68	57	47	36	28	16	869
32														
33 PROGRAM TOTAL		1,179	1,168	1,158	1,147	1,138	1,127	1,118	1,107	1,087	1,081	1,067	1,055	13,442
34														
35 LOAD MANAGEMENT SWITCHES														
36 INVESTMENTS		41,549	18,296	17,149	13,784	18,900	12,908	23,799	22,713	19,118	44,781	54,021	70,621	355,620
37 RETIREMENTS		152,553	131,967	88,044	455,964	398,994	415,856	371,948	97,663	95,824	404,360	133,578	439,366	3,185,817
38 DEPRECIATION BASE		6,701,574	6,589,287	6,497,054	6,240,506	5,828,359	5,435,938	5,060,490	4,848,940	4,773,112	4,554,970	4,335,402	4,111,251	
39														
40 AMORTIZATION EXPENSE		111,893	109,822	108,284	104,009	97,140	90,599	84,342	80,816	79,552	75,916	72,257	68,521	1,082,951
41														
42 CUMM. NET INVEST	6,757,076	6,846,072	6,532,501	6,461,606	6,019,406	5,837,312	5,234,564	4,886,415	4,811,466	4,734,759	4,375,180	4,295,624	3,926,879	3,926,879
43 LESS: ACC. NET DEPR	4,511,952	4,471,092	4,449,047	4,469,287	4,117,332	3,815,478	3,490,421	3,202,815	3,185,968	3,169,896	2,841,252	2,779,931	2,409,086	2,409,086
44 NET INVESTMENT	2,245,124	2,174,980	2,083,454	1,992,319	1,902,074	1,821,834	1,744,143	1,683,600	1,625,498	1,565,063	1,533,928	1,515,693	1,517,793	1,517,793
45 AVERAGE INVESTMENT		2,210,052	2,129,217	2,037,887	1,947,197	1,861,954	1,782,989	1,713,872	1,654,549	1,595,280	1,549,498	1,524,811	1,516,743	
46 RETURN ON AVG INVEST		15,415	14,852	14,214	13,582	12,987	12,436	11,955	11,540	11,127	10,807	10,836	10,579	150,130
47														
48 RETURN REQUIREMENTS		21,337	20,557	19,674	18,799	17,978	17,213	16,548	15,973	15,402	14,959	14,722	14,643	207,803
49														
50 PROGRAM TOTAL		133,030	130,379	127,958	122,808	115,116	107,812	100,890	96,789	94,954	90,875	86,979	83,164	1,280,754

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .006975 (8.37% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 910890-EI). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

## Program Description and Progress

**Program Title:** Home Energy Check

**Program Description:** The Home Energy Check program is a comprehensive residential energy evaluation (audit) program. The program provides PEF residential customers with an analysis of energy consumption and recommendations on energy efficiency improvements. It acts as a motivational tool to identify, evaluate, and inform consumers on cost-effective energy saving measures. The Program serves as the foundation of the residential Home Energy Improvement program and is a program requirement for participation. There are six types of this audit: the free walk-thru, the paid walk-thru (\$15 charge), the energy rating (Energy Gauge), the mail-in audit, an internet option and a phone assisted audit

**Program Accomplishments for January, 2002 through December, 2002:** There were 29,920 customers that participated in this program.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$3,018,580

**Program Progress Summary:** The Home Energy Check will continue to inform and motivate consumers on cost effective energy efficiency improvements that result in implementation of energy efficiency measures.

Program Description and Progress

**Program Title:** Home Energy Improvement

**Program Description:** This umbrella efficiency program provides existing residential customers incentives for energy efficient heating, air conditioning, water heating, ceiling insulation upgrade and duct leakage repair.

**Program Accomplishments January, 2002 through December, 2002:** There were 20,687 customers that participated in this program.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$3,175,046.

**Program Progress Summary:** Completions met projections in 2002.

### Program Description and Progress

**Program Title:** Residential New Construction

**Program Description:** This program is designed to encourage builders to construct more energy efficient homes by choosing from a menu of energy saving measures such as duct sealing, duct layout, attic insulation, high efficiency heat pump, heat recovery water heating or dedicated heat pump. This is also an educational program that strives to teach builders, Realtors, HVAC dealers, and homebuyers the importance of energy efficiency. Incentives are awarded to the builder based on the level of efficiency they choose.

**Program Accomplishments January, 2002 through December, 2002:** There were 13,322 measures implemented in the program.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$1,114,288

**Program Progress Summary:** This program is tied to the building industry. Economic forces will dictate the number of homes built. Participation has increased each year since program inception.

Program Description and Progress

**Program Title:** Low-Income Weatherization Assistance Program

**Program Description:** The program goal is to integrate PEF's DSM program measures with the Department of Community Affairs (DCA) and local weatherization providers to deliver energy efficiency measures to low-income families. Through this partnership, PEF assists local weatherization agencies by providing energy education materials and financial incentives to weatherize the homes of low-income families.

**Program Accomplishments January, 2002 through December, 2002:** There were 143 families that participated in the program in 2002.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$68,890.

**Program Progress Summary.** Projections were met in the Weatherization Program in 2002.



### Program Description and Progress

**Program Title:** Energy Management (Residential & Commercial)

**Program Description:** The Energy Management Program (sometimes referred to as the Load Management Program) incorporates direct radio control of selected customer equipment to reduce system demand during peak capacity periods and/or emergency conditions by temporarily interrupting selected customer appliances for specified periods of time. Customers have a choice of options and receive a credit on their monthly electric bills depending on the options selected and their monthly kWh usage. As of April 1, 2001 customers entering the program receive credits for interruption of central electric heating systems and electric water heaters November through March.

**Program Accomplishments for January, 2002 through December, 2002:** During this period we added 5,765 customers to the program.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Program expenditures during this period were. \$32,542,062

**Program Progress Summary:** As of December 31, 2002 there were 427,519 customers participating in the Energy Management Program.

### Program Description and Progress

**Program Title:** Business Energy Check

**Program Description:** The Business Energy Check is an audit for non-residential customers, and has three options. The free audit provides a no-cost energy audit for non-residential facilities. The paid audit provides a more thorough energy analysis for non-residential facilities. For each, a qualified energy auditor determines which energy-reducing actions apply to a customer's facility and operation. An internet option is an interactive web audit for small/medium business facilities. The cost of implementing recommended measures and the resulting savings are estimated in writing based on industry averages. The auditor also explains other PEF programs and incentives available to encourage implementation of the conservation recommendations.

**Program Accomplishments January, 2002 through December, 2002:** There were 1478 customers that participated in this program.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$451,853.

**Program Progress Summary:** The program is required for participation in most of the Company's other DSM incentive programs.

Program Description and Progress

**Program Title:** Better Business

**Program Description:** This umbrella efficiency program provides incentives to existing commercial and industrial customers for heating, air conditioning, motors, water heating, roof insulation upgrade, duct leakage and repair, and window film.

**Program Accomplishments January, 2002 through December, 2002:** There were 172 customers that participated in the program.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$164,177.

**Program Progress Summary:** There were 172 Better Business program completions in 2002.

Program Description and Progress

**Program Title:** Commercial/Industrial New Construction

**Program Description:** This umbrella efficiency program provides incentives for the design and construction of energy efficient commercial and industrial facilities. Incentives are provided for energy efficient heating, air conditioning, motors, water heating, window film, insulation and leak free ducts.

**Program Accomplishments January, 2002 through December, 2002:** There were 2 participants during this period.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$80,983

**Program Progress Summary:** There were 2 Commercial/Industrial New Construction program completions in 2002.

### Program Description and Progress

**Program Title:** Innovation Incentive

**Program Description:** Significant conservation efforts that are not supported by other PEF programs can be encouraged through Innovation Incentive. Major equipment replacement or other actions that substantially reduce PEF peak demand requirements are evaluated to determine their impact on PEF's system. If cost effective, these actions may qualify for an economic incentive in order to shorten the "payback" time of the project.

**Program Accomplishments January, 2002 through December, 2002:** There were no participants during this period.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$1600

**Program Progress Summary:** This program continues to target specialized, customer specific energy efficiency measures not covered through the Company's other DSM programs.

**Program Description and Progress**

**Program Title:** Standby Generation

**Program Description:** Progress Energy Florida, Inc. provides an incentive for customers to voluntarily operate their on-site generation during times of system peak.

**Program Accomplishments January, 2002 through December, 2002:** There were 8 new customers added to the program during this period.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$691,491

**Program Progress Summary:** The program met projections in 2002.

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Program Description and Progress

**Program Title:** Interruptible Service Program

**Program Description:** The Interruptible Service program is a rate tariff which allows Florida Power to switch off electrical service to customers during times of capacity shortages. The signal to operate the automatic switch on the customer's service is activated by the Energy Control Center. In return for this, the customers receive a monthly rebate on their kW demand charge.

**Program Accomplishments January, 2002 through December, 2002:** There were 3 new participants added to the program under the IS-2 tariff during this period.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$ \$17,539,993

**Program Progress Summary:** The original program filed as the IS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. The 3 new participants in 2002 were placed on the newer IS-2 tariff.

**Program Description and Progress**

**Program Title:** Curtailable Service Program

**Program Description:** The Curtailable Service is a dispatchable DSM program in which customers contract to curtail or shut down a portion of their load during times of capacity shortages. The curtailment is done voluntarily by the customer when notified by PEF. In return for this cooperation, the customer receives a monthly rebate for the curtailable portion of their load.

**Program Accomplishments January, 2002 through December, 2002:** One new participant was added during the period.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$643,772

**Program Progress Summary:** To date the program has 9 participants. The original program filed as the CS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the newer CS-2 tariff.



Program Description and Progress

**Program Title:** Technology Development

**Program Description:** This program allows Progress Energy Florida, Inc. to undertake certain development and demonstration projects which have promise to become cost-effective conservation and energy efficiency programs.

**Program Accomplishments January, 2002 through December, 2002:** Summary of the residential monitoring and field evaluation of the HVAC proper airflow and refrigerant charge was completed. Also completed in 2002 was the summary report on dual compressor heat pumps. Monitoring of six photovoltaic systems on manufactured homes that were installed in 2001 continued

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$ \$136,848.

**Program Progress Summary:** The results from the proper refrigerant charging and airflow and the dual compressor heat pumps projects have been documented in a final report. The energy/demand impacts from the manufactured housing project were analyzed and presented to the full commission on August 28th 2002. We will continue to monitor the photovoltaic production to evaluate long term potential of this technology.

Program Description and Progress

**Program Title:** Qualifying Facilities

**Program Description:** Power is purchased from qualifying cogeneration and small power production facilities.

**Program Accomplishments for January, 2002 through December, 2002:** Contracts for new facilities will continue to be negotiated when opportune.

**Program Fiscal Expenditures for January, 2002 through December, 2002:** Expenses for this program were \$508,502

**Program Progress Summary:** The total MW of qualifying facility capacity is approximately 830 MW, excluding the Tiger Bay capacity that is now owned by PEF. As approved in Order No. PSC-97-0652-S-EQ Order Approving Stipulation and Supplemental Stipulation, the Tiger Bay QF payments will continue to be recovered as if the contracts are still in place.

PROGRESS ENERGY FLORIDA  
 ENERGY CONSERVATION ADJUSTMENT  
 SUMMARY OF COST RECOVERY CLAUSE CALCULATIONS  
 FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004

DOCKET NO. 030002-EG  
 PROGRESS ENERGY FLORIDA  
 WITNESS: MASIELLO  
 EXHIBIT NO. \_\_\_\_\_ (JAM-1)  
 SCHEDULE C - 1  
 PAGE 1 OF 4

RETAIL RATE SCHEDULES

LINE NO.	RESIDENTIAL	GENERAL SER. NON-DEMAND	GENERAL SER. 100% L.F.	GENERAL SER. DEMAND	CURTAILABLE	INTERRUPTIBLE	LIGHTING	TOTAL
1 DEMAND ALLOCATION PERCENTAGE	56.859%	3.510%	0.138%	34.700%	0.375%	4.259%	0.159%	100.000%
2 DEMAND RELATED INCREMENTAL COSTS	\$29,483,856	\$1,820,087	\$71,559	\$17,993,454	\$194,454	\$2,208,476	\$82,448	\$51,854,334
3 DEMAND PORTION OF PERIOD END TRUE UP (O)U RECOVERY	(\$3,090,129)	(\$190,759)	(\$7,500)	(\$1,885,849)	(\$20,380)	(\$231,465)	(\$8,641)	(\$5,434,723)
4 TOTAL DEMAND RELATED INCREMENTAL COSTS	\$26,393,727	\$1,629,328	\$64,059	\$16,107,605	\$174,074	\$1,977,011	\$73,807	\$46,419,611
5 ENERGY ALLOCATION PERCENTAGE	50.450%	3.435%	0.212%	38.520%	0.455%	6.141%	0.787%	100.000%
6 ENERGY RELATED INCREMENTAL COSTS	\$8,374,703	\$570,210	\$35,192	\$6,394,322	\$75,530	\$1,019,406	\$130,642	\$16,600,006
7 ENERGY PORTION OF PERIOD END TRUE UP (O)U RECOVERY	(\$701,812)	(\$47,784)	(\$2,949)	(\$535,853)	(\$6,330)	(\$85,428)	(\$10,948)	(\$1,391,104)
8 TOTAL ENERGY RELATED INCREMENTAL COSTS	\$7,672,891	\$522,426	\$32,243	\$5,858,469	\$69,200	\$933,978	\$119,694	\$15,208,902
9 TOTAL INCREMENTAL COSTS (LINE 2 + 6)	\$37,858,559	\$2,390,297	\$106,751	\$24,387,776	\$269,984	\$3,227,882	\$213,090	\$68,454,340
10 ECCR TRUE UP (O)U RECOVERY (LINE 3+7)	(\$3,791,941)	(\$238,543)	(\$10,449)	(\$2,421,702)	(\$26,710)	(\$316,893)	(\$19,589)	(\$6,825,827)
11 TOTAL (LINE 9+10)	\$34,066,618	\$2,151,754	\$96,302	\$21,966,074	\$243,274	\$2,910,989	\$193,501	\$61,628,513
12 RETAIL SALES MWH (@ EFFECTIVE VOLTAGE LEVEL SEE P. 4)	19,556,652	1,331,731	82,245	14,988,391	180,252	2,428,626	305,074	38,872,971
13 COST PER 1,000 KWH - ENERGY & DEMAND (LINE 12/13)	\$1.7419	\$1.6158	\$1.1709	\$1.4655	\$1.3496	\$1.1986	\$0.6343	
14 REGULATORY ASSESSMENT TAX EXPANSION FACTOR (IN ACCORDANCE WITH ORDER NO. PSC 95-0398-FOF-EG)	1.000238	1.000238	1.000238	1.000238	1.000238	1.000238	1.000238	
15 ADJUSTMENT FACTOR ADJUSTED FOR TAXES	1.7423	1.6162	1.1712	1.4658	1.3499	1.1989	0.6345	
16 CONSERVATION ADJUSTMENT FACTOR \$/1,000 KWH								
17 Ⓢ SECONDARY VOLTAGE	\$1.74	\$1.62	\$1.17	\$1.47	\$1.35	\$1.20	\$0.63	
18 Ⓢ PRIMARY VOLTAGE (1% REDUCTION FACTOR)	N/A	\$1.60	N/A	\$1.46	\$1.34	\$1.19	N/A	
19 Ⓢ TRANSMISSION VOLTAGE (2% REDUCTION FACTOR)	N/A	\$1.59	N/A	\$1.44	\$1.32	\$1.18	N/A	

FLORIDA PUBLIC SERVICE COMMISSION  
 DOCKET NO. 030002-EG EXHIBIT NO. Exh 4  
 COMPANY/ Progress Energy FL  
 WITNESS: John A. Masiello - JAM-1 + JAM-2

CALCULATION OF AVERAGE 12 CP AND ANNUAL AVERAGE DEMAND

FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004

DOCKET NO. 030002-EG  
 PROGRESS ENERGY FLORIDA  
 WITNESS: MASIELLO  
 EXHIBIT NO. \_\_\_\_\_ (JAM-1)  
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RATE CLASS	(1) MWH SALES ⊙ METER LEVEL	(2) 12 CP LOAD FACTOR	(3) 12 CP MW ⊙ METER LEVEL (1)/8760hrs/(2)	(4) DELIVERY EFFICIENCY FACTOR	(5) AVERAGE CP MW ⊙ SOURCE LEVEL (3)/(4)	(6) MWH SALES ⊙ METER LEVEL	(7) DELIVERY EFFICIENCY FACTOR	(8) SOURCE LEVEL MWH (6)/(7)	(9) ANNUAL AVERAGE DEMAND (6)/8760hrs
I. RESIDENTIAL SERVICE	19,556,652	0.548	4,073.90	0.9358295	4,353.25	19,556,652	0.9358295	20,897,666	2,385.58
II. GENERAL SERVICE NON-DEMAND									
TRANSMISSION	2,531	0.609	0.47	0.9754000	0.48	2,531	0.9754000	2,595	0.30
PRIMARY	8,178	0.609	1.53	0.9654000	1.58	8,178	0.9654000	8,471	0.97
SECONDARY	1,321,155	0.609	247.65	0.9358295	264.63	1,321,155	0.9358295	1,411,748	161.16
TOTAL	1,331,864		249.65		266.69	1,331,864		1,422,814	162.43
III. GS - 100% L.F.	82,245	1.000	9.39	0.9358295	10.03	82,245	0.9358295	87,885	10.03
IV. GENERAL SERVICE DEMAND									
GSD-1 - TRANSMISSION	1,650	0.698	0.27						
SS-1 - TRANSMISSION	10,888	3.733	0.33						
SUBTOTAL - TRANSMISSION	12,338		0.60	0.9754000	0.62	12,338	0.9754000	12,649	1.44
GSD - PRIMARY	2,708,093	0.698	442.90						
SS-1 - PRIMARY	1,762	3.733	0.05						
SUBTOTAL - PRIMARY	2,709,855		442.95	0.9654000	458.83	2,709,855	0.9654000	2,806,976	320.43
GSD - SECONDARY	12,293,545	0.698	2,010.56	0.9358295	2,148.43	12,293,545	0.9358295	13,136,522	1,499.60
TOTAL	15,015,738		2,454.11		2,607.88	15,015,738		15,956,147	1,821.47
V. CURTAILABLE SERVICE									
CS - PRIMARY	178,873	0.779	26.21						
SS3 - PRIMARY	2,618	0.480	0.62						
SUBTOTAL - PRIMARY	181,491		26.83	0.9654000	27.79	181,491	0.9654000	187,996	21.46
CS - SECONDARY	576	0.779	0.08	0.9358295	0.09	576	0.9358295	615	0.07
TOTAL	182,067		26.91		27.88	182,067		188,611	21.53
VI. INTERRUPTIBLE SERVICE									
IS - TRANSMISSION	489,311	0.940	59.42			489,311			
SS-2 - TRANSMISSION	3,617	0.748	0.55			3,617			
SUBTOTAL - TRANSMISSION	492,928		59.97	0.9754000	61.48	492,928	0.9754000	505,360	57.69
IS - PRIMARY	1,766,528	0.940	214.53			1,766,528			
SS-2 - PRIMARY	67,490	0.748	10.30			67,490			
SUBTOTAL - PRIMARY	1,834,018		224.83	0.9654000	232.89	1,834,018	0.9654000	1,899,749	216.87
SECONDARY	129,878	0.940	15.77	0.9358295	16.85	129,878	0.9358295	138,784	15.84
TOTAL	2,456,824		300.57		311.22	2,456,824		2,543,893	290.40
VII. LIGHTING SERVICE	305,074	4.650	7.49	0.9358295	8.00	305,074	0.9358295	325,993	37.21
TOTAL RETAIL	38,930,464				7,584.95	38,930,464		41,423,009	4,728.65

CALCULATION OF DEMAND AND ENERGY ALLOCATORS

FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004

RATE CLASS	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	AVERAGE 12 CP DEMAND MW	%	ANNUAL AVERAGE DEMAND MW	%	12/13 OF 12 CP 12/13*(2)	1/13 OF AVG. DEMAND 1/13 * (4)	DEMAND ALLOCATOR (5)+(6)
I. RESIDENTIAL SERVICE	4,353.25	57.393%	2,385.58	50.450%	52.978%	3.881%	56.859%
II. GENERAL SERVICE NON-DEMAND							
TRANSMISSION	0.48	0.006%	0.30	0.006%	0.006%	0.000%	0.006%
PRIMARY	1.58	0.021%	0.97	0.021%	0.019%	0.002%	0.021%
SECONDARY	264.63	3.489%	161.16	3.408%	3.221%	0.262%	3.483%
TOTAL	266.69	3.516%	162.43	3.435%	3.246%	0.264%	3.510%
III. GS - 100% L.F.	10.03	0.132%	10.03	0.212%	0.122%	0.016%	0.138%
IV. GENERAL SERVICE DEMAND							
TRANSMISSION	0.62	0.008%	1.44	0.030%	0.007%	0.002%	0.009%
PRIMARY	458.83	6.049%	320.43	6.776%	5.584%	0.521%	6.105%
SECONDARY	2,148.43	28.325%	1,499.60	31.713%	26.146%	2.439%	28.585%
TOTAL	2,607.88	34.382%	1,821.47	38.520%	31.737%	2.963%	34.700%
V. CURTAILABLE SERVICE							
PRIMARY	27.79	0.366%	21.46	0.454%	0.338%	0.035%	0.373%
SECONDARY	0.09	0.001%	0.07	0.001%	0.001%	0.000%	0.001%
TOTAL	27.88	0.368%	21.53	0.455%	0.340%	0.035%	0.375%
VI. INTERRUPTIBLE SERVICE							
TRANSMISSION	61.48	0.811%	57.69	1.220%	0.749%	0.094%	0.843%
PRIMARY	232.89	3.070%	216.87	4.586%	2.834%	0.353%	3.187%
SECONDARY	16.85	0.222%	15.84	0.335%	0.205%	0.026%	0.231%
TOTAL	311.22	4.103%	290.40	6.141%	3.787%	0.472%	4.259%
VII. LIGHTING SERVICE	8.00	0.106%	37.21	0.787%	0.098%	0.061%	0.159%
TOTAL RETAIL	7,584.95	100.000%	4,728.65	100.000%	92.308%	7.692%	100.000%

PROJECTED MWH SALES  
 AT EFFECTIVE VOLTAGE LEVEL  
 FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004

RATE CLASS	(1) MWH SALES @ METER LEVEL	(2) VOLTAGE ADJUSTMENT	(3) MWH SALES @ EFFECTIVE LEVEL
I. RESIDENTIAL SERVICE	19,556,652	100%	19,556,652
II. GENERAL SERVICE NON-DEMAND			
TRANSMISSION	2,531	98%	2,480
PRIMARY	8,178	99%	8,096
SECONDARY	1,321,155	100%	1,321,155
TOTAL	1,331,864		1,331,731
III. GS - 100% L.F.	82,245	100%	82,245
IV. GENERAL SERVICE DEMAND			
SS-1/GSD - TRANSMISSION	12,338	98%	12,091
GSD - PRIMARY	2,708,093	99%	2,681,011
SS-1 - PRIMARY	1,762	99%	1,744
SUBTOTAL - PRIMARY	2,709,855		2,682,755
GSD - SECONDARY	12,293,545	100%	12,293,545
TOTAL	15,015,738		14,988,391
V. CURTAILABLE SERVICE			
PRIMARY	181,491	99%	179,676
SECONDARY	576	100%	576
TOTAL	182,067		180,252
VI. INTERRUPTIBLE SERVICE			
IS - TRANSMISSION	489,311	98%	479,525
SS-2 - TRANSMISSION	3,617	98%	3,545
SUBTOTAL - TRANSMISSION	492,928		483,070
IS - PRIMARY	1,766,528	99%	1,748,863
SS-2 - PRIMARY	67,490	99%	66,815
SUBTOTAL - PRIMARY	1,834,018		1,815,678
IS-1 - SECONDARY	129,878	100%	129,878
TOTAL	2,456,824		2,428,626
VII. LIGHTING SERVICE	305,074	100%	305,074
TOTAL RETAIL	38,930,464		38,872,971

PROGRESS ENERGY FLORIDA

ESTIMATED CONSERVATION PROGRAM COSTS  
FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004

DOCKET NO. 030002-EG  
PROGRESS ENERGY FLORIDA  
WITNESS: MASIELLO  
EXHIBIT NO: (JAM -1)  
SCHEDULE C - 2  
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LINE NO.	PROGRAM TITLE Demand (D) or Energy (E)	12 MONTH TOTAL		
1	BETTER BUSINESS (20015937) (E)	\$ 256,675		
2	RESIDENTIAL NEW CONSTRUCT (20015933) (E)	1,921,031		
3	HOME ENERGY IMPROVEMENT (20015934) (E)	4,701,987		
4	C/I NEW CONSTRUCTION (20015938) (E)	99,735		
5	HOME ENERGY CHECK (20015932) (E)	3,890,376		
6	LOW INCOME (20021329) (E)	104,896		
7	BUSINESS ENERGY CHECK (20015936) (E)	921,458		
8	CONSERVATION PROGRAM ADMIN (20015935) (E)	3,880,789		
9	CONSERVATION PROGRAM ADMIN (20015935) (D)	431,192		
10	QUALIFYING FACILITY (20025062) (E)	541,448		
11	INNOVATION INCENTIVE (20015940) (E)	58,025		
12	TECHNOLOGY DEVELOPMENT (20015939) (E)	223,587		
13	STANDBY GENERATION (20021332) (D)	971,369		
14	INTERRUPTIBLE SERVICE (20015941) (D)	19,847,220		
15	CURTAILABLE SERVICE (20015942) (D)	1,262,014		
16	RES ENERGY MANGMNT-ADMIN (20015943) (D)	27,778,034		
17	LOAD MANAGEMENT SWITCHES (9080120) (D)	926,313		
18	COM ENERGY MANGMNT-ADMIN (20015944) (D)	638,193		
19				
20	NET PROGRAM COSTS	<u>\$ 68,454,341</u>		
21				
22	<u>SUMMARY OF DEMAND &amp; ENERGY</u>			
23				
24				
25				
26	ENERGY	\$ 16,600,006	\$ (1,391,104)	\$ 15,208,902
27				
28	DEMAND	51,854,334	(5,434,723)	46,419,611
29				
30	TOTAL	<u>\$ 68,454,341</u>	<u>\$ (6,825,827)</u>	<u>\$ 61,628,514</u>

PROGRESS ENERGY FLORIDA  
 ESTIMATED CONSERVATION PROGRAM COSTS  
 FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004

DOCKET NO. 030002-EG  
 PROGRESS ENERGY FLORIDA  
 WITNESS: MASIELLO  
 EXHIBIT NO: (JAM-1)  
 SCHEDULE C - 2  
 PAGE 2 OF 5

LINE NO.	PROGRAM TITLE Demand (D) or Energy (E)	ESTIMATED												TOTAL	
		Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04		
1	BETTER BUSINESS (20015937) (E)	\$ 28,968	\$ 25,866	\$ 17,466	\$ 17,503	\$ 22,303	\$ 27,406	\$ 26,450	\$ 24,366	\$ 17,466	\$ 17,466	\$ 17,466	\$ 17,466	\$ 13,952	\$ 256,675
2	RESIDENTIAL NEW CONSTRUCT (20015933) (E)	149,587	138,230	147,793	124,026	188,614	172,032	199,449	178,591	181,718	153,618	141,106	146,265	146,265	1,921,031
3	HOME ENERGY IMPROVEMENT (20015934) (E)	593,094	299,340	391,010	242,771	349,371	452,521	790,136	436,971	335,049	275,109	274,735	261,879	261,879	4,701,987
4	C/I NEW CONSTRUCTION (20015938) (E)	8,269	8,269	8,269	8,281	8,281	8,281	8,464	8,281	8,281	8,281	8,281	8,281	8,497	99,735
5	HOME ENERGY CHECK (20015932) (E)	493,412	397,750	326,338	210,964	232,819	232,888	685,261	383,317	271,710	191,040	209,360	255,515	255,515	3,890,376
6	LOW INCOME (20021329) (E)	6,084	6,084	6,084	6,178	6,178	12,778	7,535	11,178	20,178	6,178	6,178	6,178	6,178	104,896
7	BUSINESS ENERGY CHECK (20015936) (E)	67,887	72,165	76,690	76,404	73,209	77,871	105,973	70,984	73,824	67,484	65,819	93,149	93,149	921,458
8	CONSERVATION PROGRAM ADMIN (20015935) (E)	240,780	279,804	633,464	264,664	266,251	350,402	312,231	302,262	307,199	259,971	278,326	30,925	42,826	431,192
9	CONSERVATION PROGRAM ADMIN (20015935) (D)	26,752	31,089	70,384	29,406	29,583	38,934	34,691	33,585	34,134	28,885	42,202	42,202	42,202	541,448
10	QUALIFYING FACILITY (20025062) (E)	41,184	41,477	41,238	42,355	42,402	42,452	59,905	42,355	42,902	42,703	42,202	42,202	42,202	58,025
11	INNOVATION INCENTIVE (20015940) (E)	4,770	4,770	4,770	4,789	4,789	4,789	5,085	4,789	4,789	4,789	4,789	4,789	4,789	58,025
12	TECHNOLOGY DEVELOPMENT (20015838) (E)	16,458	16,909	17,246	17,772	17,995	18,220	21,984	18,662	18,766	18,753	18,740	22,078	22,078	223,587
13	STANDBY GENERATION (20021332) (D)	77,468	77,618	77,568	77,822	77,729	86,465	88,812	86,272	86,122	77,679	77,679	77,679	77,679	971,369
14	INTERRUPTIBLE SERVICE (20015941) (D)	1,587,490	1,784,085	1,784,450	1,587,646	1,587,796	1,588,181	1,592,336	1,588,181	1,587,596	1,587,396	1,783,796	1,783,796	1,788,269	19,847,220
15	CURTAINABLE SERVICE (20015942) (D)	100,806	100,806	88,460	138,210	150,450	150,496	126,599	88,515	88,515	76,119	76,069	76,069	76,069	1,262,014
16	RES ENERGY MANGMNT-ADMIN (20015943) (D)	3,169,802	2,926,007	2,132,985	2,046,029	1,965,289	2,195,750	2,271,341	2,199,944	1,964,125	1,960,785	2,433,264	2,512,713	2,512,713	27,778,034
17	LOAD MANAGEMENT SWITCHES (9080120) (D)	68,554	73,372	73,680	73,840	74,092	74,393	74,488	79,066	83,736	83,791	83,720	83,581	83,581	926,313
18	COM ENERGY MANGMNT-ADMIN (20015944) (D)	44,714	44,714	44,714	51,055	57,390	57,390	57,497	57,390	57,390	57,390	57,390	57,390	57,390	638,193
19															
20	NET PROGRAM COSTS	\$ 6,726,078	\$ 6,328,357	\$ 5,942,610	\$ 5,019,715	\$ 5,154,541	\$ 5,591,249	\$ 6,468,337	\$ 5,614,710	\$ 5,183,500	\$ 4,917,437	\$ 5,612,346	\$ 5,895,459	\$ 68,454,341	
21															
22															
23	SUMMARY OF DEMAND & ENERGY														
24															
25	ENERGY	\$ 1,650,491	\$ 1,290,665	\$ 1,670,368	\$ 1,015,709	\$ 1,212,213	\$ 1,399,642	\$ 2,222,573	\$ 1,481,757	\$ 1,281,882	\$ 1,045,392	\$ 1,069,503	\$ 1,259,812	\$ 16,600,006	
26															
27	DEMAND	5,075,587	5,037,692	4,272,242	4,004,007	3,942,328	4,191,608	4,245,764	4,132,953	3,901,618	3,872,045	4,542,843	4,635,647	51,854,334	
28															
29	TOTAL	\$ 6,726,078	\$ 6,328,357	\$ 5,942,610	\$ 5,019,715	\$ 5,154,541	\$ 5,591,249	\$ 6,468,337	\$ 5,614,710	\$ 5,183,500	\$ 4,917,437	\$ 5,612,346	\$ 5,895,459	\$ 68,454,341	



PROGRESS ENERGY FLORIDA  
ESTIMATED CONSERVATION PROGRAM COSTS  
FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004

DOCKET NO. 030002-EG  
PROGRESS ENERGY FLORIDA  
WITNESS: MASIELLO  
EXHIBIT NO: (JAM -1)  
SCHEDULE C - 2  
PAGE 3 OF 5

LINE NO.	PROGRAM TITLE Demand (D) or Energy (E)	DEPRECIATION, AMORTIZATION & RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	PROGRAM REVENUES (CREDITS)	TOTAL
1	BETTER BUSINESS (20015937) (E)	\$ -	\$ 14,958	\$ 550	\$ -	\$ 10,289	\$ 230,000	\$ -	\$ 898	\$ -	\$ 256,675
2	RESIDENTIAL NEW CONSTRUCT (20015933) (E)	-	743,524	3,080	27,650	304,951	787,300	-	54,527	-	1,921,031
3	HOME ENERGY IMPROVEMENT (20015934) (E)	-	710,715	12,320	-	1,106,109	2,800,000	-	72,844	-	4,701,987
4	CAI NEW CONSTRUCTION (20015938) (E)	-	4,735	-	-	-	95,000	-	-	-	99,735
5	HOME ENERGY CHECK (20015932) (E)	2,140	1,954,734	171,457	39,000	1,455,223	-	-	267,821	-	3,890,376
6	LOW INCOME (20021329) (E)	-	37,640	-	-	28,100	31,500	-	7,656	-	104,896
7	BUSINESS ENERGY CHECK (20015936) (E)	-	755,795	6,490	10,000	72,423	-	-	76,750	-	921,458
8	CONSERVATION PROGRAM ADMIN (20015935) (E)	-	2,414,723	258,916	217,133	32,104	-	-	957,913	-	3,880,789
9	CONSERVATION PROGRAM ADMIN (20015935) (D)	-	268,302	28,767	24,123	3,566	-	-	106,434	-	431,192
10	QUALIFYING FACILITY (20025062) (E)	-	445,357	4,486	-	-	-	504	91,101	-	541,448
11	INNOVATION INCENTIVE (20015940) (E)	-	7,647	-	-	-	50,000	-	378	-	58,025
12	TECHNOLOGY DEVELOPMENT (20015939) (E)	14,509	91,491	4,290	4,000	2,000	70,000	-	37,297	-	223,587
13	STANDBY GENERATION (20021332) (D)	-	64,344	15,138	18,048	-	849,256	-	24,583	-	971,369
14	INTERRUPTIBLE SERVICE (20015941) (D)	-	112,145	12,186	3,600	-	19,650,000	-	69,289	-	19,847,220
15	CURTAILABLE SERVICE (20015942) (D)	-	21,832	110	-	-	1,239,618	-	454	-	1,262,014
16	RES ENERGY MANGMNT-ADMIN (20015943) (D)	121,457	2,096,127	160,371	1,356,834	358,670	23,434,990	-	249,586	-	27,778,034
17	LOAD MANAGEMENT SWITCHES (9080120) (D)	926,313	-	-	-	-	-	-	-	-	926,313
18	COM ENERGY MANGMNT-ADMIN (20015944) (D)	-	2,762	-	2,000	-	633,431	-	-	-	638,193
19											
20	NET PROGRAM COSTS	\$ 1,064,419	\$ 9,746,829	\$ 678,161	\$ 1,702,388	\$ 3,373,414	\$ 49,871,095	\$ 504	\$ 2,017,531	\$ -	\$ 68,454,341
21											
22											
23	SUMMARY OF DEMAND & ENERGY										
24											
25	ENERGY	\$ 16,649	\$ 7,181,318	\$ 461,589	\$ 297,783	\$ 3,011,178	\$ 4,063,800	\$ 504	\$ 1,567,185	\$ -	\$ 16,600,006
26											
27	DEMAND	1,047,770	2,565,511	216,572	1,404,605	362,236	45,807,295	-	450,346	-	51,854,334
28											
29	TOTAL	\$ 1,064,419	\$ 9,746,829	\$ 678,161	\$ 1,702,388	\$ 3,373,414	\$ 49,871,095	\$ 504	\$ 2,017,531	\$ -	\$ 68,454,341



PROGRESS ENERGY FLORIDA  
 SCHEDULE OF ESTIMATED INVESTMENT, AMORTIZATION & RETURN  
 ON LOAD CONTROL EQUIPMENT  
 FOR THE PERIOD JANUARY 2004 THROUGH DECEMBER 2004

DOCKET NO. 030002-EG  
 PROGRESS ENERGY FLORIDA  
 WITNESS: MASIELLO  
 EXHIBIT NO. (JAM-1)  
 SCHEDULE C - 2  
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LINE NO.	PROGRAM TITLE	BEGINNING BALANCE	ESTIMATED										TOTAL		
			Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04		Nov-04	Dec-04
1	LOAD MANAGEMENT SWITCHES (0080120) (D)														
2	LOAD CONTROL RECEIVERS, SWITCHES,														
3	AND HARDWARE - INVESTMENT		\$ 382,488	\$ 41,357	\$ 41,357	\$ 41,357	\$ 41,357	\$ 41,357	\$ 41,357	\$ 382,488	\$ 41,357	\$ 41,357	\$ 41,357	\$ 41,368	\$1,138,556
4	RETIREMENTS		15,560	10,954	19,012	28,618	7,350	22,098	31,805	18,917	17,131	32,945	32,044	41,225	275,659
5	AMORTIZATION BASE		2,880,081	3,168,747	3,195,121	3,212,863	3,236,036	3,262,669	3,277,074	3,454,636	3,639,536	3,655,856	3,664,717	3,669,444	
6															
7	AMORTIZATION EXPENSE		49,668	52,813	53,252	53,544	53,934	54,378	54,618	57,577	60,659	60,931	61,079	61,158	673,811
8															
9	CUMULATIVE INVESTMENT	2,806,617	3,153,545	3,183,948	3,208,293	3,219,032	3,253,039	3,272,298	3,281,850	3,627,423	3,651,949	3,660,061	3,669,374	3,669,515	3,669,515
10	LESS: ACC. AMORTIZATION	1,283,133	1,297,241	1,339,100	1,373,340	1,398,266	1,444,850	1,477,130	1,499,943	1,540,603	1,584,131	1,612,117	1,641,152	1,661,085	1,661,085
11	NET INVESTMENT	1,543,484	1,856,304	1,844,848	1,832,953	1,820,768	1,808,189	1,795,168	1,781,907	2,086,820	2,067,518	2,047,944	2,028,222	2,008,430	2,008,430
12	AVERAGE INVESTMENT		1,699,894	1,850,576	1,838,901	1,826,860	1,814,478	1,801,679	1,788,538	1,934,363	2,077,169	2,057,731	2,038,083	2,016,328	174,015
13	RETURN ON AVERAGE INVESTMENT		13,005	14,167	14,067	13,976	13,881	13,783	13,683	14,798	15,891	15,742	15,591	15,441	
14															
15	RETURN REQUIREMENTS		18,886	20,559	20,428	20,296	20,158	20,015	19,870	21,489	23,077	22,860	22,641	22,423	252,702
16															
17	TOTAL AMORTIZATION AND RETURN		\$ 88,554	\$ 73,372	\$ 73,680	\$ 73,840	\$ 74,082	\$ 74,393	\$ 74,488	\$ 79,068	\$ 83,736	\$ 83,791	\$ 83,720	\$ 83,581	\$928,313
18															
19															
20	SUMMARY OF DEMAND & ENERGY:														
21															
22	ENERGY		\$ 107	\$ 304	\$ 583	\$ 884	\$ 1,185	\$ 1,478	\$ 1,701	\$ 1,918	\$ 2,090	\$ 2,144	\$ 2,129	\$ 2,115	\$ 18,649
23															
24	DEMAND		78,691	83,424	83,648	83,724	84,259	84,639	84,846	89,334	93,914	93,880	93,720	93,491	1,047,770
25															
26	TOTAL DEPRECIATION AND RETURN		\$ 78,798	\$ 83,729	\$ 84,231	\$ 84,618	\$ 85,444	\$ 86,318	\$ 86,547	\$ 91,252	\$ 96,004	\$ 96,024	\$ 95,849	\$ 95,006	\$ 1,064,418

NOTES:  
 - DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY  
 - RETURN ON AVERAGE INVESTMENT IS CALCULATED USING AN ANNUAL RATE OF 9.18% PER THE 2002 RATE CASE SETTLEMENT AGREEMENT, ORDER#PSC-02-0655-AS-EI  
 - RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY RATE OF 88.575%

PROGRESS ENERGY FLORIDA  
 CONSERVATION PROGRAM COSTS  
 JANUARY through AUGUST, 2003 ACTUAL  
 SEPTEMBER through DECEMBER, 2003 ESTIMATED

DOCKET NO. 030002-EG  
 PROGRESS ENERGY FLORIDA  
 WITNESS: MASIELLO  
 EXHIBIT NO: (JAM - 1)  
 SCHEDULE C - 3  
 PAGE 1 OF 6

LINE NO.	PROGRAM TITLE	DEPRECIATION AMORTIZATION & RETURN	OPERATING AND MAINTENANCE COSTS						PROGRAM REVENUES (CREDITS)	TOTAL	
			PAYROLL & BENEFITS	VEHICLES	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES			OTHER
1	BETTER BUSINESS										
2	A. ACTUAL	\$ -	\$ 18,224	\$ -	\$ -	\$ -	\$ 3,832	\$ 134,676	\$ -	\$ -	\$ 156,732
3	B. ESTIMATED	-	5,719	456	-	138	37,724	55,324	1,056	-	100,417
4											
5	C. TOTAL	-	23,943	456	-	138	41,556	190,000	1,056	-	257,149
6											
7	RESIDENTIAL NEW CONSTRUCTION										
8	A. ACTUAL	-	294,915	-	1,369	561	133,444	487,976	50,469	-	968,734
9	B. ESTIMATED	-	189,517	11,708	24,000	3,330	285,820	745,944	55,572	-	1,315,891
10											
11	C. TOTAL	-	484,432	11,708	25,369	3,891	419,264	1,233,920	106,041	-	2,284,625
12											
13	HOME ENERGY IMPROVEMENT										
14	A. ACTUAL	-	316,652	-	4,450	223	66,152	1,638,562	28,488	-	2,054,527
15	B. ESTIMATED	-	237,998	11,393	-	1,528	275,000	830,115	12,472	-	1,368,506
16											
17	C. TOTAL	-	554,650	11,393	4,450	1,751	341,152	2,468,677	40,960	-	3,423,033
18											
19	COMM / IND NEW CONSTRUCTION										
20	A. ACTUAL	-	-	-	-	-	2,535	30,800	4	-	33,339
21	B. ESTIMATED	-	3,248	328	-	-	-	29,200	-	-	32,776
22											
23	C. TOTAL	-	3,248	328	-	-	2,535	60,000	4	-	66,115
24											
25	HOME ENERGY CHECK										
26	A. ACTUAL	328	1,312,105	-	31,170	114,949	611,937	-	197,870	-	2,268,359
27	B. ESTIMATED	164	672,765	48,674	47,800	36,692	870,421	-	96,293	-	1,772,809
28											
29	C. TOTAL	492	1,984,870	48,674	78,970	151,641	1,482,358	-	294,163	-	4,041,168
30											
31	LOW INCOME										
32	A. ACTUAL	-	23,249	-	-	-	38	10,430	23,942	-	57,659
33	B. ESTIMATED	-	16,542	1,700	-	-	10,703	31,850	3,000	-	63,795
34											
35	C. TOTAL	-	39,791	1,700	-	-	10,741	42,280	26,942	-	121,454

PROGRESS ENERGY FLORIDA  
 CONSERVATION PROGRAM COSTS  
 JANUARY through AUGUST, 2003 ACTUAL  
 SEPTEMBER through DECEMBER, 2003 ESTIMATED

DOCKET NO. 030002-EG  
 PROGRESS ENERGY FLORIDA  
 WITNESS: MASIELLO  
 EXHIBIT NO: (JAM - 1)  
 SCHEDULE C - 3  
 PAGE 2 OF 6

LINE NO.	PROGRAM TITLE	DEPRECIATION AMORTIZATION & RETURN	OPERATING AND MAINTENANCE COSTS							PROGRAM REVENUES (CREDITS)	TOTAL
			PAYROLL & BENEFITS	VEHICLES	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OTHER		
1	BUSINESS ENERGY CHECK										
2	A. ACTUAL	-	319,732	-	42	2,022	16,423	-	26,740	-	364,959
3	B. ESTIMATED	-	163,899	12,324	-	914	25,134	-	15,527	-	217,798
4											
5	C. TOTAL	-	483,631	12,324	42	2,936	41,557	-	42,267	-	582,757
6											
7	QUALIFYING FACILITY										
8	A. ACTUAL	-	194,939	-	-	756	-	-	16,763	-	212,458
9	B. ESTIMATED	-	134,712	8,132	-	2,328	-	-	3,624	-	148,796
10											
11	C. TOTAL	-	329,651	8,132	-	3,084	-	-	20,387	-	361,254
12											
13	INNOVATION INCENTIVE										
14	A. ACTUAL	-	-	-	-	-	-	-	-	-	-
15	B. ESTIMATED	-	5,787	584	-	-	-	40,500	-	-	46,871
16											
17	C. TOTAL	-	5,787	584	-	-	-	40,500	-	-	46,871
18											
19	TECHNOLOGY DEVELOPMENT										
20	A. ACTUAL	-	27,322	-	2,185	2,612	-	400	4,439	-	36,958
21	B. ESTIMATED	-	20,120	2,800	40,000	982	1,000	4,000	650	-	69,552
22											
23	C. TOTAL	-	47,442	2,800	42,185	3,594	1,000	4,400	5,089	-	106,510
24											
25	STANDBY GENERATION										
26	A. ACTUAL	-	26,138	-	3,344	4,292	-	486,003	8,115	-	527,892
27	B. ESTIMATED	-	5,714	660	9,332	4,586	-	280,172	3,591	-	304,055
28											
29	C. TOTAL	-	31,852	660	12,676	8,878	-	766,175	11,706	-	831,947
30											
31	INTERRUPT LOAD MANAGEMENT										
32	A. ACTUAL	-	58,089	-	-	5,019	-	11,351,605	6,215	-	11,420,928
33	B. ESTIMATED	-	55,498	1,064	3,280	1,748	-	5,593,399	9,752	-	5,664,741
34											
35	C. TOTAL	-	113,587	1,064	3,280	6,767	-	16,945,004	15,967	-	17,085,669



PROGRESS ENERGY FLORIDA

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
 FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

LINE NO.	BEGINNING BALANCE	JAN 03	FEB 03	MAR 03	APR 03	MAY 03	JUN 03	JUL 03	AUG 03	SEP 03	OCT 03	NOV 03	DEC 03	TOTAL
1														
2	RESIDENTIAL ENERGY MGMT													0
3	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
4	RETIREMENTS	0	0	0	0	0	0	19,852	0	0	0	0	4,868	24,851
5	DEPRECIATION BASE	480,741	480,741	480,741	480,741	480,741	480,741	470,765	460,789	460,789	460,789	460,789	458,340	
6	DEPRECIATION EXPENSE	8,012	8,012	8,012	8,012	8,012	8,012	7,846	7,680	7,680	7,680	7,680	7,639	94,277
7	CUMM. NET INVEST	480,741	480,741	480,741	480,741	480,741	480,741	460,789	460,789	460,789	460,789	460,789	455,890	455,890
8	LESS: ACC. NET DEPR	154,116	162,128	170,140	178,152	186,164	194,176	202,188	190,082	197,782	205,442	213,122	220,802	223,542
9	NET INVESTMENT	326,625	318,613	310,601	302,589	294,577	286,565	278,553	270,707	263,027	255,347	247,667	239,987	232,348
10	AVERAGE INVESTMENT		322,619	314,607	306,595	298,583	290,571	282,559	274,630	266,867	259,187	251,507	243,827	236,168
11	RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0
12	RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0
13	PROGRAM TOTAL		8,012	8,012	8,012	8,012	8,012	7,846	7,680	7,680	7,680	7,680	7,639	94,277
14														
15	HOME ENERGY CHECK													
16	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
17	RETIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
18	DEPRECIATION BASE		2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435
19	DEPRECIATION EXPENSE		41	41	41	41	41	41	41	41	41	41	41	492
20	CUMM. NET INVEST	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435
21	LESS: ACC. NET DEPR	544	585	626	667	708	749	790	831	872	913	954	995	1,036
22	NET INVESTMENT	1,891	1,850	1,809	1,768	1,727	1,686	1,645	1,604	1,563	1,522	1,481	1,440	1,399
23	AVERAGE INVESTMENT		1,871	1,830	1,789	1,748	1,707	1,666	1,625	1,584	1,543	1,502	1,461	1,420
24	RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0
25	RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0
26	PROGRAM TOTAL		41	41	41	41	41	41	41	41	41	41	41	492
27														
28	CONSERV. PROGRAM ADMIN													
29	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
30	RETIREMENTS	0	0	0	8,922	24	0	781	54	0	0	0	0	9,781
31	DEPRECIATION BASE		62,336	62,336	62,336	57,875	53,402	53,390	53,000	52,582	52,555	52,555	52,555	52,555
32	DEPRECIATION EXPENSE		1,039	195	0	0	0	0	0	0	0	0	0	1,234
33	CUMM. NET INVEST	62,336	62,336	62,336	53,414	53,390	53,390	52,908	52,555	52,555	52,555	52,555	52,555	52,555
34	LESS: ACC. NET DEPR	61,102	62,141	62,336	62,336	53,414	53,390	52,809	52,555	52,555	52,555	52,555	52,555	52,555
35	NET INVESTMENT	1,234	195	0	0	0	0	0	0	0	0	0	0	0
36	AVERAGE INVESTMENT		715	99	0	0	0	0	0	0	0	0	0	0
37	RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0
38	RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0
39	PROGRAM TOTAL		1,039	195	0	0	0	0	0	0	0	0	0	1,234
40														
41	LOAD MANAGEMENT													
42	LOAD CONTROL RECEIVERS, SWITCHES													
43	& HARDWARE - INVESTMENTS		24,850	24,412	101,073	165,023	25,247	17,388	95,453	212,941	0	0	0	686,186
44	RETIREMENTS		150,008	174,817	345,522	226,031	194,588	124,316	254,370	135,402	28,612	69,562	27,444	55,676
45	AMORTIZATION BASE		3,864,200	3,726,419	3,529,092	3,376,364	3,261,200	3,123,074	2,990,151	2,848,482	2,673,925	2,824,828	2,876,315	2,834,605
46	AMORTIZATION EXPENSE		64,403	62,107	58,818	56,273	54,353	52,051	49,836	49,158	49,568	48,747	47,939	640,495
47	CUMULATIVE INVEST.	3,926,879	3,901,522	3,851,316	3,408,868	3,345,860	3,178,539	3,069,609	2,910,692	2,988,231	2,959,619	2,890,037	2,862,583	2,806,617
48	LESS: ACC. AMORT.	2,409,086	2,323,481	2,210,971	1,924,287	1,754,608	1,614,294	1,542,029	1,337,495	1,251,251	1,272,205	1,251,370	1,271,895	1,263,133
49	NET INVESTMENT	1,517,793	1,478,041	1,440,345	1,482,801	1,591,351	1,562,245	1,527,580	1,573,197	1,736,980	1,687,414	1,638,667	1,590,728	1,543,484
50	AVERAGE INVESTMENT		1,497,917	1,459,193	1,461,473	1,538,978	1,576,798	1,544,913	1,550,389	1,655,089	1,712,197	1,663,041	1,614,898	1,567,106
51	RETURN ON AVG. INVEST.		0	0	0	0	0	0	0	0	0	0	0	0
52	RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0
53	PROGRAM TOTAL		64,403	62,107	58,818	56,273	54,353	52,051	49,836	49,158	49,568	48,747	47,939	640,495

NOTES:

- DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY
- RETURN ON AVERAGE INVESTMENT IS CALCULATED USING AN ANNUAL RATE OF 9.18% PER THE 2002 RATE CASE SETTLEMENT AGREEMENT, ORDER#PSC-02-0655-AS-E
- RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY RATE OF 38.575%

PROGRESS ENERGY FLORIDA  
 ENERGY CONSERVATION ADJUSTMENT  
 CALCULATION OF TRUE-UP  
 FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

LINE NO.	JAN 03	FEB 03	MAR 03	APR 03	MAY 03	JUN 03	JUL 03	AUG 03	SEP 03	OCT 03	NOV 03	DEC 03	TOTAL FOR THE PERIOD
1A													
1B BETTER BUSINESS	0	0	0	0	0	0	0	0	0	0	0	0	0
1C HOME ENERGY IMPROVEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
HOME ENERGY CHECK	0	0	0	0	0	0	0	0	0	0	0	0	0
1D													
SUBTOTAL - FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2													
CONSERVATION CLAUSE REVENUES	5,097,901	4,748,004	3,999,123	4,320,462	4,950,651	5,697,120	5,796,974	5,677,995	6,269,390	5,368,350	4,345,017	4,584,481	60,855,468
2A													
CURRENT PERIOD GRT REFUND	0.00	0	0	0	0	0	0	0	0	0	0	0	0
3													
TOTAL REVENUES	5,097,901	4,748,004	3,999,123	4,320,462	4,950,651	5,697,120	5,796,974	5,677,995	6,269,390	5,368,350	4,345,017	4,584,481	60,855,468
4													
PRIOR PERIOD TRUE-UP OVER/(UNDER)	8,743,330	713,883	728,611	728,611	728,611	728,611	728,611	728,611	728,611	728,611	728,611	728,610	8,728,603
5													
CONSERVATION REVENUES APPLICABLE TO PERIOD	5,811,784	5,476,615	4,727,734	5,049,073	5,679,262	6,425,731	6,525,585	6,406,606	6,998,001	6,098,961	5,073,628	5,313,091	69,584,071
6													
CONSERVATION EXPENSES (CT-3,PAGE 1, LINE 73)	5,475,582	5,676,073	4,671,745	4,071,929	4,535,469	5,185,575	5,178,526	5,111,705	6,169,248	5,477,545	5,620,970	5,689,729	62,864,096
7													
TRUE-UP THIS PERIOD (O)U	(336,202)	199,458	(55,989)	(977,144)	(1,143,793)	(1,240,156)	(1,347,059)	(1,294,901)	(828,753)	(619,416)	547,342	376,638	(6,719,975)
8													
CURRENT PERIOD INTEREST	(9,125)	(8,306)	(7,208)	(6,827)	(7,253)	(7,112)	(7,086)	(7,820)	(8,158)	(8,161)	(7,557)	(6,512)	(91,125)
9													
ADJUSTMENTS PER AUDIT \ RDC Order	0	0	0	0	0	0	0	0	0	0	0	0	0
10													
TRUE-UP & INTEREST PROVISIONS BEGINNING OF PERIOD (O)U	(8,743,330)	(8,374,774)	(7,455,011)	(6,789,597)	(7,044,957)	(7,467,392)	(7,986,049)	(8,611,583)	(9,185,693)	(9,293,993)	(9,192,959)	(7,924,563)	(8,743,330)
10 A													
CURRENT PERIOD GRT REFUNDED	0	0	0	0	0	0	0	0	0	0	0	0	0
11													
PRIOR TRUE-UP REFUNDED/ (COLLECTED)	713,883	728,611	728,611	728,611	728,611	728,611	728,611	728,611	728,611	728,611	728,611	728,610	8,728,603
12													
END OF PERIOD NET TRUE-UP	(8,374,774)	(7,455,011)	(6,789,597)	(7,044,957)	(7,467,392)	(7,986,049)	(8,611,583)	(9,185,693)	(9,293,993)	(9,192,959)	(7,924,563)	(6,825,827)	(6,825,827)



PROGRESS ENERGY FLORIDA  
 CALCULATION OF INTEREST PROVISION  
 FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

LINE NO.	JAN 03	FEB 03	MAR 03	APR 03	MAY 03	JUN 03	JUL 03	AUG 03	SEP 03	OCT 03	NOV 03	DEC 03	TOTAL FOR THE PERIOD
1													
BEGINNING TRUE-UP AMOUNT (CT-3,PAGE 2, LINE 9 & 10)	(8,743,330)	(8,374,774)	(7,455,011)	(6,789,597)	(7,044,957)	(7,467,392)	(7,986,049)	(8,611,583)	(9,185,693)	(9,293,993)	(9,192,959)	(7,924,563)	
2													
ENDING TRUE-UP AMOUNT BEFORE INTEREST	(8,365,649)	(7,446,705)	(6,782,389)	(7,038,130)	(7,460,139)	(7,978,937)	(8,604,497)	(9,177,873)	(9,285,835)	(9,184,798)	(7,917,006)	(6,819,315)	
3													
TOTAL BEGINNING & ENDING TRUE-UP	(17,108,979)	(15,821,479)	(14,237,400)	(13,827,727)	(14,505,096)	(15,446,329)	(16,590,546)	(17,789,456)	(18,471,528)	(18,478,791)	(17,109,965)	(14,743,878)	
4													
AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	(8,554,490)	(7,910,740)	(7,118,700)	(6,913,864)	(7,252,548)	(7,723,165)	(8,295,273)	(8,894,728)	(9,235,764)	(9,239,396)	(8,554,983)	(7,371,939)	
5													
INTEREST RATE: FIRST DAY REPORTING BUSINESS MONTH	1.29%	1.27%	1.25%	1.18%	1.19%	1.21%	1.00%	1.05%	1.06%	1.06%	1.06%	1.06%	1.06%
6													
INTEREST RATE: FIRST DAY SUBSEQUENT BUSINESS MONTH	1.27%	1.25%	1.18%	1.19%	1.21%	1.00%	1.05%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
7													
TOTAL (LINE 5 AND LINE 6)	2.56%	2.52%	2.43%	2.37%	2.40%	2.21%	2.05%	2.11%	2.12%	2.12%	2.12%	2.12%	2.12%
8													
AVERAGE INTEREST RATE (50% OF LINE 7)	1.280%	1.260%	1.215%	1.185%	1.200%	1.105%	1.025%	1.055%	1.060%	1.060%	1.060%	1.060%	1.060%
9													
INTEREST PROVISION (LINE 4 * LINE 8) / 12	(9,125)	(8,306)	(7,208)	(6,827)	(7,253)	(7,112)	(7,086)	(7,820)	(8,158)	(8,161)	(7,557)	(6,512)	(91,125)

CALCULATION OF ENERGY CONSERVATION COST RECOVERY (ECCR) REVENUES  
 FOR THE PERIOD: JANUARY 2004 THROUGH DECEMBER 2004

MONTH	JURISDICTIONAL MWH SALES	BASE REVENUES	CLAUSE REVENUE NET OF REVENUE TAXES
JANUARY	2,997,203	\$0	\$4,757,859
FEBRUARY	2,887,620	\$0	\$4,582,688
MARCH	2,773,082	\$0	\$4,377,709
APRIL	2,856,572	\$0	\$4,494,442
MAY	2,977,092	\$0	\$4,680,801
JUNE	3,508,898	\$0	\$5,565,586
JULY	3,825,394	\$0	\$6,097,175
AUGUST	3,805,787	\$0	\$6,073,198
SEPTEMBER	3,862,436	\$0	\$6,158,658
OCTOBER	3,507,260	\$0	\$5,567,332
NOVEMBER	2,948,135	\$0	\$4,634,363
DECEMBER	<u>2,980,985</u>	<u>\$0</u>	<u>\$4,694,181</u>
TOTAL	<u>38,930,464</u>	<u>\$0</u>	<u>\$61,683,992</u>

## Program Description and Progress

**Program Title:** Home Energy Check

**Program Description:** The Home Energy Check program is a comprehensive residential energy evaluation (audit) program. The program provides Progress Energy Florida, Inc.'s (PEF) residential customers with an analysis of energy consumption and recommendations on energy efficiency improvements. It acts as a motivational tool to identify, evaluate, and inform consumers on cost effective energy saving measures. It serves as the foundation of the residential Home Energy Improvement program and is a program requirement for participation. There are six types of the energy audit: the free walk-thru, the paid walk-thru (\$15 charge), the energy rating (Energy Gauge), the mail-in audit, an internet option and a phone assisted audit.

**Program Projections for January 2004 through December 2004:** It is estimated that 30,000 customers will participate in this program during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$3,890,376.

**Program Progress Summary:** The Home Energy Check will continue to inform and motivate consumers on cost effective energy efficiency improvements which result in implementation of energy efficiency measures.

Program Description and Progress

**Program Title:** Home Energy Improvement

**Program Description:** This umbrella efficiency program provides existing residential customers incentives for energy efficient heating, air conditioning, water heating, ceiling insulation upgrade and duct leakage repair.

**Program Projections for January 2004 through December 2004:** It is estimated that 15,000 completions will be performed in this program during the projected period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$4,701,987.

**Program Progress Summary:** This program will continue to be offered to residential customers through the Home Energy Check to provide opportunities for improving the energy efficiency of existing homes.

---

### Program Description and Progress

**Program Title:** Residential New Construction

**Program Description:** This program is designed to encourage single, multi, and manufactured home builders to construct more energy efficient homes by choosing from a menu of energy saving measures such as duct sealing, duct layout, attic insulation, high efficiency heat pump, heat recovery water heating or dedicated heat pump. This is also an educational program that strives to teach builders, realtors, HVAC dealers, and homebuyers the importance of energy efficiency. Incentives are awarded to the builder based on the level of efficiency they choose.

**Program Projections for January 2004 through December 2004:** It is estimated that 10,500 homes representing 300 builders will participate in this program during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$1,921,031.

**Program Progress Summary:** This program is tied to the building industry. Economic forces will dictate the number of homes built during this period. Participation has increased each year since its inception.

---

### Program Description and Progress

**Program Title:** Low-Income Weatherization Assistance Program

**Program Description:** The program goal is to integrate PEF's DSM program measures with the Department of Community Affairs (DCA) and local weatherization providers to deliver energy efficiency measures to low-income families. Through this partnership Florida Power Progress Energy will assist local weatherization agencies by providing energy education materials and financial incentives to weatherize the homes of low-income families.

**Program Projections for January 2004 through December 2004:** It is estimated that 90 participants representing 12 agencies will receive services during 2004.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$104,896.

**Program Progress Summary:** To promote the delivery of efficiency programs to low-income families, a statewide agency meeting will be held in 2004 to all participating agencies. Individual meetings with weatherization providers are conducted throughout PEF territory to encourage participation.

### Program Description and Progress

**Program Title:** Energy Management (Residential & Commercial)

**Program Description:** The Load Management Program incorporates direct radio control of selected customer equipment to reduce system demand during peak capacity periods and/or emergency conditions by temporarily interrupting selected customer appliances for specified periods of time. Customers have a choice of options and receive a credit on their monthly electric bills depending on the options selected and their monthly kWh usage.

**Program Projections for January 2004 through December 2004:** During this period we anticipate installing 5,500 new participants to the program.

**Program Fiscal Expenditures for January 2004 through December 2004:** Program expenditures during this period are projected to be \$28,416,227.

**Program Progress Summary:** As of August 1, 2003 there are 390,029 customers participating in the Load Management program.

---

### Program Description and Progress

**Program Title:** Business Energy Check

**Program Description:** The Business Energy Check is an audit for non-residential customers, and has two parts. The free audit provides a no-cost energy audit for non-residential facilities and can be completed at the facility by an auditor or online by the business customer. The paid audit provides a more thorough energy analysis for non-residential facilities. This program acts as a motivational tool to identify, evaluate, and inform consumers on cost effective energy saving measures for their facility. It serves as the foundation of the Better Business Program and is a requirement for participation.

**Program Projections for January 2004 through December 2004:** It is estimated that 2,000 customers will participate in this program during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$921,458.

**Program Progress Summary:** The program is required for participation in most of the company's other DSM Business incentive programs.



Program Description and Progress

**Program Title:** Better Business

**Program Description:** This umbrella efficiency program provides incentives to existing commercial and industrial customers for heating, air conditioning, motors, water heating, roof insulation upgrade, duct leakage and repair, and window film.

**Program Projections for January 2004 through December 2004:** It is estimated that 100 customers will participate during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$256,675.

**Program Progress Summary:** This program will continue to be offered to commercial customers through the Business Energy Check to provide opportunities for improving the energy efficiency of existing facilities.

### Program Description and Progress

**Program Title:** Commercial/Industrial New Construction

**Program Description:** This umbrella efficiency program provides incentives for the design and construction of energy efficient commercial and industrial facilities. Incentives are provided for energy efficient heating, air conditioning, motors, water heating, window film, insulation and leak free ducts.

**Program Projections for January 2004 through December 2004:** It is estimated that 5 customers will participate in the program during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$99,735.

**Program Progress Summary:** This program is tied to the building industry. Economic forces will dictate the number of commercial facilities built during this period.

### Program Description and Progress

**Program Title:** Innovation Incentive

**Program Description:** Significant conservation efforts that are not supported by other Florida Power programs can be encouraged through Innovation Incentive. Major equipment replacement or other actions that substantially reduce PEF peak demand requirements are evaluated to determine their impact on Progress Energy's system. If cost effective, these actions may qualify for an economic incentive in order to shorten the "payback" time of the project.

**Program Projections for January 2004 through December 2004:** It is estimated that 1 customer will participate in the program during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$58,025.

**Program Progress Summary:** This program continues to attract specialized, customer specific energy efficiency measures not covered through the company's other DSM programs.

**Program Description and Progress**

**Program Title:** Standby Generation

**Program Description:** Progress Energy Florida, Inc. provides an incentive for customers to voluntarily operate their on-site generation during times of system peak.

**Program Projections for January 2004 through December 2004:** It is estimated that 5 new customers will participate in the program during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$971,369.

**Program Progress Summary:** A total of 33 customers are currently on this program.

---

Program Description and Progress

**Program Title:** Interruptible Service Program

**Program Description:** The Interruptible Service program is a rate tariff which allows Florida Power to switch off electrical service to customers during times of capacity shortages. The signal to operate the automatic switch on the customer's service is activated by the Energy Control Center. In return for this, the customers receive a monthly rebate on their kW demand charge.

**Program Projections for January 2004 through December 2004:** No new participants are expected during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$19,847,220.

**Program Progress Summary:** The program currently has 156 active accounts with 143 IS-1 participants and 13 IS-2 participants. The original program filed, as the IS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the IS-2 tariff.

**Program Description and Progress**

**Program Title:** Curtailable Service Program

**Program Description:** The Curtailable Service is a dispatchable DSM program in which customers contract to curtail or shut down a portion of their load during times of capacity shortages. The curtailment is done voluntarily by the customer when notified by PEF. In return for this cooperation, the customer receives a monthly rebate for the curtailable portion of their load.

**Program Projections for January 2004 through December 2004:** One new participant is expected during the projection period.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$1,262,014.

**Program Progress Summary:** This program has 7 CS-1 participants. The original program filed, as the CS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the newer CS-2 tariff.

---

### Program Description and Progress

**Program Title:** Technology Development

**Program Description:** This program allows Progress Energy Florida, Inc. to undertake certain development and demonstration projects which have promise to become cost-effective conservation and energy efficiency programs.

**Program Projections for January 2004 through December 2004:**

Several research and development projects will continue in 2004. Photovoltaic projects include the monitoring of photovoltaic systems at five schools with a related curriculum, continued monitoring of six photovoltaic systems on manufactured homes and a study of selected British Petroleum sites. Evaluation of new cost-effective energy measurement and monitoring technologies will be conducted. Research and analysis of a demand response pilot will continue in 2004 along with a potential research project on fuel cell technologies.

**Program Fiscal Expenditures for January 2004 through December 2004:** Expenses for this program are projected to be \$223,587.

**Program Progress Summary:**

Determination of eligible customers for the Demand Response Pilot has been completed; currently six customers have agreed to participate in the pilot. During the pilot, these customers will have an opportunity to receive monetary compensation for reducing electrical demand during specific times of day. We are actively pursuing five schools in our service territory to participate in a demonstration project consisting of the installation and monitoring of 4 kW photovoltaic systems. Monitoring and evaluation of the photovoltaic system on manufactured homes has continued.

---

Program Description and Progress

**Program Title:** Qualifying Facility

**Program Description:** Power is purchased from qualifying cogeneration and small power production facilities.

**Program Projections for January, 2004 through December, 2004:** Contracts for new facilities will continue to be negotiated when opportune.

**Program Fiscal Expenditures for January, 2004 through December, 2004:** Expenses for this program are projected to be \$541,448.

**Program Progress Summary:** The total MW of qualifying facility capacity is approximately 839 MW.

---



# AUSLEY & MCMULLEN

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TALLAHASSEE, FLORIDA 32301  
(850) 224-9115 FAX (850) 222-7560

May 15, 2003

HAND DELIVERED

Ms. Blanca S. Bayo, Director  
Division of Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Conservation Cost Recovery Clause  
FPSC Docket No. 030002-EG


Dear Ms. Bayo:

Enclosed for filing in the above docket are ten (10) copies of Tampa Electric Company's Exhibit (HTB-1) entitled Schedules Supporting Conservation Cost Recovery Factor, Actual, for the period January 2002 – December 2002.

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 RECEIVED  
04363 MAY 15 3  
FPSC-COMMISSION CLERK

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Schedules Supporting Conservation Cost Recovery Factor, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (\*) on this 15<sup>th</sup> day of May 2003 to the following:

Ms. Lorena Holley\*  
Senior Attorney  
Division of Legal Services  
Florida Public Service Commission  
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Macfarlane Ferguson & McMullen  
Post Office Box 1531  
Tampa, FL 33601

  
\_\_\_\_\_  
ATTORNEY

**EXHIBIT NO. \_\_\_\_\_**  
**DOCKET NO. 030002-EG**  
**TAMPA ELECTRIC COMPANY**  
**(HTB-1)**  
**SUBMITTED FOR FILING 05/15/03**

**TAMPA ELECTRIC COMPANY**  
**SCHEDULES SUPPORTING CONSERVATION**  
**COST RECOVERY FACTOR**  
**ACTUAL**  
**January 2002 - December 2002**

CONSERVATION COST RECOVERY

INDEX

SCHEDULE	TITLE	PAGE
CT-1	Adjusted Net True-up	1
CT-2	Program Costs - Actual vs. Projected	2
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CT-4	Schedule of Capital Investments, Depreciation and Return	9
CT-5	Reconciliation and Explanation of Difference between Filing and FPSC Audit	11
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TAMPA ELECTRIC COMPANY  
Energy Conservation  
Adjusted Net True-up  
For Months January 2002 through December 2002

End of Period True-up

Principal	\$1,122,765	
Interest	\$15,927	\$1,138,692

Less: Projected True-up

(Last Projected Hearing Conservation)

Principal	\$922,984	
Interest	\$17,329	\$940,313

Adjusted Net True-up		\$198,379
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**TAMPA ELECTRIC COMPANY**  
**Analysis of Energy Conservation Program Costs**  
**Actual vs. Projected**  
**For Months January 2002 through December 2002**

Description	Actual	Projected	Difference
1 Capital Investment	\$1,679,859	\$1,677,601	\$2,258
2 Payroll	\$2,410,893	\$2,558,776	(\$147,883)
3 Materials and Supplies	\$176,608	\$217,414	(\$40,806)
4 Outside Services	\$473,582	\$586,334	(\$112,752)
5 Advertising	\$501,778	\$470,441	\$31,337
6 Incentives	\$11,502,626	\$11,367,828	\$134,798
7 Vehicles	\$118,168	\$114,152	\$4,016
8 Other	\$107,761	\$122,851	(\$15,090)
9 Subtotal	\$16,971,275	\$17,115,397	(\$144,122)
10 Less: Program Revenues	(\$1,025)	\$0	(\$1,025)
11 Total Program Costs	\$16,970,250	\$17,115,397	(\$145,147)
12 Adjustments	\$0	\$0	\$0
13 Beginning of Period True-up Overrecovery	(\$872,842)	(\$872,842)	\$0
14 Amounts included in Base Rates	\$0	\$0	\$0
15 Conservation Adjustment Revenues	(\$17,220,173)	(\$17,165,539)	(\$54,634)
16 True-up Before Interest	\$1,122,765	\$922,984	\$199,781
17 Interest Provision	\$15,927	\$17,329	(\$1,402)
18 End of Period True-up	\$1,138,692	\$940,313	\$198,379

TAMPA ELECTRIC COMPANY  
Actual Conservation Program Costs per Program  
Actual for Months January 2002 through December 2002

Program Name	Capital Investment	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Program Revenues	Total
1 Heating and Cooling	0	79,859	1,710	26,886	30,611	632,025	228	3,020	0	774,339
2 Prime Time	1,679,859	749,581	141,564	105,372	27,669	8,875,897	42,042	54,401	0	11,676,385
3 Energy Audits	0	775,740	3,767	324,878	295,354	0	52,344	32,453	(1,025)	1,483,511
4 Cogeneration	0	253,110	0	0	0	0	1,040	0	0	254,150
5 Ceiling Insulation	0	142,220	2,611	8,345	6,536	469,800	7,604	1,226	0	638,342
6 Commercial Load Management	0	4,590	792	0	0	7,720	458	0	0	13,560
7 Commercial Indoor Lighting	0	7,516	382	0	4,748	89,862	320	233	0	103,061
8 Standby Generator	0	30,816	4,414	(67)	0	612,020	1,569	0	0	648,752
9 Conservation Value	0	2,739	0	0	0	65,381	74	0	0	68,194
10 Duct Repair	0	183,613	11,171	3,462	128,644	731,294	12,481	15,099	0	1,085,764
11 Green Pricing Initiative	0	20,713	8,184	3,086	0	0	1	1,095	0	33,079
12 Industrial Load Management	0	0	0	0	0	0	0	0	0	0
13 DSM R&D	0	0	1,891	0	0	0	0	0	0	1,891
14 Common Expenses	0	157,893	(245)	1,200	0	0	7	0	0	158,855
15 Commercial Cooling	0	615	0	420	2,435	15,527	0	234	0	19,231
16 Energy Plus Homes	0	1,888	367	0	5,781	3,100	0	0	0	11,136
17 Total All Programs	1,679,859	2,410,893	176,608	473,582	501,778	11,502,626	118,168	107,761	(1,025)	16,970,250

TAMPA ELECTRIC COMPANY  
Conservation Program Costs per Program  
Variance - Actual vs. Projected  
For Months January 2002 through December 2002

Program Name	Capital Investment	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicles	Other	Program Revenues	Total
1 Heating and Cooling	0	(1,182)	300	2,026	6,320	(36,475)	24	(200)	0	(29,167)
2 Prime Time	2,258	(50,437)	(19,104)	8,978	10,782	66,876	(1,607)	(4,819)	0	12,927
3 Energy Audits	0	(20,090)	1,218	(119,396)	(1,903)	0	4,747	(8,173)	(1,025)	(144,622)
4 Cogeneration	0	(25,629)	0	0	0	0	56	0	0	(25,573)
5 Ceiling Insulation	0	(17,068)	300	4,703	1,505	49,824	584	(81)	0	39,747
6 Commercial Load Management	0	(3,381)	0	0	0	(90)	(53)	0	0	(3,524)
7 Commercial Indoor Lighting	0	(3,144)	170	0	368	4,450	(315)	0	0	1,529
8 Standby Generator	0	(2,546)	(133)	0	0	(30,067)	49	0	0	(32,717)
9 Conservation Value	0	(111)	0	0	0	0	14	0	0	(97)
10 Duct Repair	0	(6,890)	2,043	79	12,704	75,277	663	(1,817)	0	82,059
11 Green Pricing Initiative	0	887	(4,291)	(3,071)	0	0	0	0	0	(6,475)
12 Industrial Load Management	0	0	0	0	0	0	0	0	0	0
13 DSM R&D	0	(5,842)	(21,309)	(6,000)	0	0	(150)	0	0	(33,301)
14 Common Expenses	0	(10,021)	0	0	0	0	4	0	0	(10,017)
15 Commercial Cooling	0	(373)	0	(71)	253	4,323	0	0	0	4,132
16 Energy Plus Homes	0	(2,036)	0	0	1,308	700	0	0	0	(28)
<b>Total All Programs</b>	<b>2,258</b>	<b>(147,883)</b>	<b>(40,806)</b>	<b>(112,752)</b>	<b>31,337</b>	<b>134,798</b>	<b>4,016</b>	<b>(15,090)</b>	<b>(1,025)</b>	<b>(145,147)</b>



TAMPA ELECTRIC COMPANY  
 Description for Account  
 For Months January 2002 through December 2002

18251	RESIDENTIAL LOAD MANAGEMENT	90872	GREEN ENERGY INITIATIVES
18252	COMMERCIAL-INDUSTRIAL LOAD MGT	90877	DEFERRED CONSERVATION EXPENSE
45608	OTHER ELEC REV ENERGY ANALYSIS	90878	DEFERRED CONSERVATION INTEREST
45609	OTHER REVENUE COMM & IND AUDIT	90879	AMORT DEFERRED CONSERVATION EXPENSE
45612	OTHER REVENUE-BERS-BLDG ENERGY EFF	90885	DSM R&D LANDFILL GAS MICROTURBINE
90849	COMMON RECOVERABLE CONS COSTS	90890	DSM COMMERCIAL R&D
90850	HEATING & COOLING PROGRAM	90891	DSM COMMERCIAL COOLING
90851	PRIME TIME EXPENSES	90892	ENERGY PLUS HOMES
90852	RESIDENTIAL CUSTOMER ASSISTED AUDIT	90950	HEATING & COOLING PROG ADVERTISING
90854	COMPREHENSIVE HOME SURVEY	90951	PRIME TIME ADVERTISING
90855	FREE HOME ENERGY CHECK	90952	RESIDENTIAL CUSTOMER ASSISTED - ADVERTISING
90856	COMPREHENSIVE C/I AUDIT	90954	COMPREHENSIVE HOME SURVEY ADVERTISING
90857	FREE C/I AUDIT	90955	FREE HOME ENERGY CHECK ADVERTISING
90860	RESIDENTIAL BERS AUDIT	90957	FREE C/I AUDIT ADVERTISING
90861	COGENERATION	90965	INDUSTRIAL LOAD MANAGMENT ADVERTISING
90865	INDUSTRIAL LOAD MANAGEMENT	90966	CEILING INSULATION ADVERTISING
90866	CEILING INSULATION	90968	COMMERCIAL INDOOR LIGHTING PROGRAM ADVERTISING
90867	COMMERCIAL LOAD MGMT	90969	STANDBY GENERATOR PROGRAM ADVERTISING
90868	COMMERCIAL INDOOR LIGHTING PROGRAM	90970	CONSERVATION VALUE PROGRAM ADVERTISING
90869	STANDBY GENERATOR PROGRAM	90971	RESIDENTIAL DUCT EFFICIENCY ADVERTISING
90870	CONSERVATION VALUE PROGRAM	90991	COMMERCIAL COOLING ADVERTISING
90871	RESIDENTIAL DUCT EFFICIENCY	90992	ENERGY PLUS HOMES ADVERTISING

TAMPA ELECTRIC COMPANY  
Energy Conservation Adjustment  
Summary of Expenses by Program by Month  
Actual for Months January 2002 through December 2002

Program Name	January	February	March	April	May	June	July	August	September	October	November	December	Total
1 Heating and Cooling	40,201	35,166	59,967	53,631	57,698	103,101	104,457	74,721	63,163	66,753	57,048	58,433	774,339
2 Prime Time	1,103,979	1,070,024	1,049,042	868,487	949,127	866,326	882,173	900,720	907,880	976,671	1,048,836	1,053,120	11,676,385
3 Energy Audits	59,685	113,533	67,368	228,281	169,639	106,236	91,109	82,108	105,101	202,023	83,790	174,638	1,483,511
4 Cogeneration	17,626	23,050	24,140	18,524	34,586	20,650	18,607	21,439	18,048	25,924	16,748	14,808	254,150
5 Ceiling Insulation	20,806	82,143	25,874	26,983	76,177	73,163	63,102	56,755	40,019	74,133	57,018	42,169	638,342
6 Commercial Load Management	676	907	946	1,250	2,017	1,440	815	2,360	1,182	1,052	524	391	13,560
7 Commercial Indoor Lighting	857	1,132	28	10,176	598	738	10,195	5,436	3,014	2,261	7,902	60,724	103,061
8 Standby Generator	52,616	53,566	51,583	52,805	57,425	54,949	55,292	54,332	55,677	60,577	41,675	58,255	648,752
9 Conservation Value	0	10,585	207	0	228	44	55,888	396	364	168	112	202	68,194
10 Duct Repair	54,337	45,855	42,488	75,124	78,465	106,023	77,973	102,851	109,061	158,638	117,729	117,220	1,085,764
11 Green Pricing Initiative	1,481	1,689	2,563	8,105	520	5,125	1,647	8,136	1,272	1,096	1,180	265	33,079
12 Industrial Load Management	0	0	0	0	0	0	0	0	0	0	0	0	0
13 DSM R&D	0	0	0	0	0	0	0	0	0	1,422	469	0	1,891
14 Common Expenses	11,318	11,723	11,556	12,410	19,075	12,795	12,080	15,043	10,531	20,482	13,099	8,743	158,855
15 Commercial Cooling	294	3,269	2,086	234	48	338	2,645	0	414	1,060	123	8,720	19,231
16 Energy Plus Homes	316	1,011	187	366	83	1,628	897	708	606	2,006	1,399	1,929	11,136
17 Total	1,364,192	1,453,653	1,338,035	1,356,376	1,445,686	1,352,556	1,376,880	1,325,005	1,316,332	1,594,266	1,447,652	1,599,617	16,970,250
18 Less: Included in Base Rates	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Recoverable Conservation Expenses	1,364,192	1,453,653	1,338,035	1,356,376	1,445,686	1,352,556	1,376,880	1,325,005	1,316,332	1,594,266	1,447,652	1,599,617	16,970,250

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EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
TAMPA ELECTRIC COMPANY  
(HTB-4)  
SCHEDULE CT-3  
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TAMPA ELECTRIC COMPANY  
Energy Conservation Adjustment  
Calculation of True-up and Interest Provision  
For Months January 2002 through December 2002

Description	January	February	March	April	May	June	July	August	September	October	November	December	Total
1 Residential Conservation Audit Fees (A)	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Conservation Adjustment Revenues *	1,390,062	1,183,942	1,167,253	1,329,394	1,542,171	1,575,677	1,564,035	1,619,552	1,631,973	1,627,784	1,331,436	1,256,894	17,220,173
3 Total Revenues	1,390,062	1,183,942	1,167,253	1,329,394	1,542,171	1,575,677	1,564,035	1,619,552	1,631,973	1,627,784	1,331,436	1,256,894	17,220,173
4 Prior Period True-up	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,737</u>	<u>72,735</u>	<u>872,842</u>
5 Conservation Revenue Applicable to Period	1,462,799	1,256,679	1,239,990	1,402,131	1,614,908	1,648,414	1,636,772	1,692,289	1,704,710	1,700,521	1,404,173	1,329,629	18,093,015
6 Conservation Expenses	<u>1,364,192</u>	<u>1,453,653</u>	<u>1,338,035</u>	<u>1,356,376</u>	<u>1,445,686</u>	<u>1,352,556</u>	<u>1,376,880</u>	<u>1,325,005</u>	<u>1,316,332</u>	<u>1,594,266</u>	<u>1,447,652</u>	<u>1,599,617</u>	<u>16,970,250</u>
7 True-up This Period (Line 5 - Line 6)	98,607	(196,974)	(98,045)	45,755	169,222	295,858	259,892	367,284	388,378	106,255	(43,479)	(269,988)	1,122,765
8 Interest Provision This Period	1,311	1,125	808	663	711	947	1,232	1,562	2,028	2,237	1,890	1,413	15,927
9 True-up & Interest Provision Beginning of Period	872,842	900,023	631,437	461,463	435,144	532,340	756,408	944,795	1,240,904	1,558,573	1,594,328	1,480,002	872,842
10 Prior Period True-up Collected (Refunded)	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,737)</u>	<u>(72,735)</u>	<u>(872,842)</u>
11 End of Period Total Net True-up	<u>900,023</u>	<u>631,437</u>	<u>461,463</u>	<u>435,144</u>	<u>532,340</u>	<u>756,408</u>	<u>944,795</u>	<u>1,240,904</u>	<u>1,558,573</u>	<u>1,594,328</u>	<u>1,480,002</u>	<u>1,138,692</u>	<u>1,138,692</u>

\* Net of Revenue Taxes

(A) Included in Line 6

TAMPA ELECTRIC COMPANY  
Energy Conservation Adjustment  
Calculation of True-up and Interest Provision  
For Months January 2002 through December 2002

Interest Provision	January	February	March	April	May	June	July	August	September	October	November	December	Total
1 Beginning True-up Amount	872,842	900,023	631,437	461,463	435,144	532,340	756,408	944,795	1,240,904	1,558,573	1,594,328	1,480,002	
2 Ending True-up Amount Before Interest	898,712	630,312	460,655	434,481	531,629	755,461	943,563	1,239,342	1,556,545	1,592,091	1,478,112	1,137,279	
3 Total Beginning & Ending True-up	<u>1,771,554</u>	<u>1,530,335</u>	<u>1,092,092</u>	<u>895,944</u>	<u>966,773</u>	<u>1,287,801</u>	<u>1,699,971</u>	<u>2,184,137</u>	<u>2,797,449</u>	<u>3,150,664</u>	<u>3,072,440</u>	<u>2,617,281</u>	
4 Average True-up Amount (50% of Line 3)	<u>885,777</u>	<u>765,168</u>	<u>546,046</u>	<u>447,972</u>	<u>483,387</u>	<u>643,901</u>	<u>849,986</u>	<u>1,092,069</u>	<u>1,398,725</u>	<u>1,575,332</u>	<u>1,536,220</u>	<u>1,308,641</u>	
5 Interest Rate - First Day of Month	1.780%	1.770%	1.750%	1.800%	1.750%	1.770%	1.750%	1.730%	1.710%	1.760%	1.650%	1.300%	
6 Interest Rate - First Day of Next Month	1.770%	1.750%	1.800%	1.750%	1.770%	1.750%	1.730%	1.710%	1.760%	1.650%	1.300%	1.290%	
7 Total (Line 5 + Line 6)	3.550%	3.520%	3.550%	3.550%	3.520%	3.520%	3.480%	3.440%	3.470%	3.410%	2.950%	2.590%	
8 Average Interest Rate (50% of Line 7)	1.775%	1.760%	1.775%	1.775%	1.760%	1.760%	1.740%	1.720%	1.735%	1.705%	1.475%	1.295%	
9 Monthly Average Interest Rate (Line 8/12)	0.148%	0.147%	0.148%	0.148%	0.147%	0.147%	0.145%	0.143%	0.145%	0.142%	0.123%	0.108%	
10 Interest Provision (Line 4 x Line 9)	\$1,311	\$1,125	\$808	\$663	\$711	\$947	\$1,232	\$1,562	\$2,028	\$2,237	\$1,890	\$1,413	\$15,927

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TAMPA ELECTRIC COMPANY  
Schedule of Capital Investment, Depreciation and Return  
For Months January 2002 through December 2002

PRIME TIME

Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total
1 Investment		94,855	66,638	103,991	159,729	180,205	112,726	167,749	195,214	143,095	179,446	128,356	86,197	1,618,201
2 Retirements		92,794	64,638	59,396	62,906	79,940	51,528	63,225	56,415	79,129	56,880	67,160	59,366	793,377
3 Depreciation Base		5,934,221	5,936,221	5,980,816	6,077,639	6,177,904	6,239,102	6,343,626	6,482,425	6,546,391	6,668,957	6,730,153	6,756,984	
4 Depreciation Expense		98,887	98,920	99,309	100,487	102,130	103,475	104,856	106,884	108,573	110,128	111,659	112,393	1,257,701
5 Cumulative Investment	5,932,160	5,934,221	5,936,221	5,980,816	6,077,639	6,177,904	6,239,102	6,343,626	6,482,425	6,546,391	6,668,957	6,730,153	6,756,984	6,756,984
6 Less: Accumulated Depreciation	2,455,165	2,461,258	2,495,540	2,535,453	2,573,034	2,595,224	2,647,171	2,688,802	2,739,271	2,768,715	2,821,963	2,866,462	2,919,489	2,919,489
7 Net Investment	3,476,995	3,472,963	3,440,681	3,445,363	3,504,605	3,582,680	3,591,931	3,654,824	3,743,154	3,777,676	3,846,994	3,863,691	3,837,495	3,837,495
8 Average Investment		3,474,979	3,456,822	3,443,022	3,474,984	3,543,643	3,587,306	3,623,378	3,698,989	3,760,415	3,812,335	3,855,343	3,850,593	
9 Return on Average Investment		20,676	20,568	20,486	20,676	21,085	21,344	21,559	22,009	22,374	22,683	22,939	22,911	259,310
10 Return Requirements		33,661	33,485	33,351	33,661	34,326	34,748	35,098	35,831	36,425	36,928	37,345	37,299	422,158
11 Total Depreciation and Return		132,548	132,405	132,660	134,148	136,456	138,223	139,954	142,715	144,998	147,056	149,004	149,692	1,679,859

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.

TAMPA ELECTRIC COMPANY  
Schedule of Capital Investment, Depreciation and Return  
For Months January 2002 through December 2002

COMMERCIAL LOAD MANAGEMENT

Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December	Total
1 Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
2 Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
3 Depreciation Base		0	0	0	0	0	0	0	0	0	0	0	0	
4 Depreciation Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
5 Cumulative Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Less: Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Net Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Average Investment		0	0	0	0	0	0	0	0	0	0	0	0	
9 Return on Average Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
10 Return Requirements		0	0	0	0	0	0	0	0	0	0	0	0	0
11 Total Depreciation and Return		0	0	0	0	0	0	0	0	0	0	0	0	0

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.

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TAMPA ELECTRIC COMPANY  
Reconciliation and Explanation of  
Difference Between Filing and FPSC Audit  
For Months January 2002 through December 2002

The audit has not been completed as of the date of this filing.

**Program Description and Progress**

Program Title: Heating and Cooling Program

Program Description: This is a residential conservation program designed to reduce weather-sensitive peaks by providing incentives for the installation of high efficiency heating and air conditioning equipment at existing residences.

Program Accomplishments: January 1, 2002 to December 31, 2002  
In this reporting period 3,466 units were installed.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$774,339.

Program Progress Summary: Through this reporting period 148,866 approved units have been installed.



**Program Description and Progress**

Program Title: Prime Time

Program Description: This is a residential load management program designed to directly control the larger loads in customers' homes such as air conditioning, water heating, electric space heating and pool pumps. Participating customers receive monthly credits on their electric bills.

Program Accomplishments: January 1, 2002 to December 31, 2002  
There were 270 net customers that discontinued participation during this reporting period.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$11,676,385.

Program Progress Summary: Through this reporting period there are 74,911 participating customers.

**Program Description and Progress**

**Program Title:** Energy Audits

**Program Description:** These are on-site and customer assisted audits (consisting of mail-in and on-line surveys) of residential, commercial and industrial premises that instruct customers on how to use conservation measures and practices to reduce their energy usage.

**Program Accomplishments:** January 1, 2002 to December 31, 2002  
Number of audits completed:  
Residential on-site - 8,649  
Residential customer assisted - 11,885  
Commercial on-site - 510

**Program Fiscal Expenditures:** January 1, 2002 to December 31, 2002  
Actual expenses were \$1,483,511.

**Program Progress Summary:** Through this reporting period 220,733 on-site audits have been performed. Additionally, the company has processed 80,542 residential and commercial mail-in audits.

On June 19, 2002, the Commission approved revised Program Participation Standards for Docket No. 99179-EG, Order No. PSC-00-0754-PAA-EG to include on-line audits. Mail-in and on-line audits have been combined and are now included in Tampa Electric's Customer-Assisted Residential Energy Audit Program.

### Program Description and Progress

Program Title: Cogeneration

Program Description: This program encourages the development of cost-effective commercial and industrial cogeneration facilities through the evaluation and administration of standard offers and the negotiation of contracts for the purchase of firm capacity and energy.

Program Accomplishments: January 1, 2002 to December 31, 2002  
The company will continue communication and interaction with all present and potential customers.

Tampa Electric completed the development and publication of the 20-Year Cogeneration Forecast, reviewed proposed cogeneration opportunities for cost-effectiveness and answered data requests from existing cogenerators. The company also attended meetings and tours as scheduled with cogeneration customer personnel at selected facilities.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$254,150.

Program Progress Summary: The projected total maximum generation by electrically interconnected cogeneration during 2003 will be approximately 571 MW and 3,788 GWH.

The company continues interaction with current and potential cogeneration developers regarding on-going and future cogeneration activities. Currently there are 14 Qualifying Facilities with generation on-line in Tampa Electric's service area.

**Program Description and Progress**

Program Title: Ceiling Insulation

Program Description: This is a residential conservation program designed to reduce weather-sensitive peaks by providing incentives to encourage the installation of efficient levels of ceiling insulation.

Program Accomplishments: January 1, 2002 to December 31, 2002  
In this reporting period 4,698 incentives were paid.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$638,342.

Program Progress Summary: Through this reporting period 68,746 incentives have been paid.

**Program Description and Progress**

Program Title: Commercial Load Management

Program Description: This is a load management program that achieves weather-sensitive demand reductions through load control of equipment at the facilities of firm commercial customers.

Program Accomplishments: January 1, 2002 to December 31, 2002  
Two (2) net customers discontinued participation during this reporting period.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$13,560.

Program Progress Summary: Through this reporting period there are 11 participating customers.

**Program Description and Progress**

Program Title: Commercial Indoor Lighting

Program Description: This is a conservation program designed to reduce weather-sensitive peaks by encouraging investment in more efficient lighting technology in commercial facilities.

Program Accomplishments: January 1, 2002 to December 31, 2002  
In this reporting period 51 customers received an incentive.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual program expenses were \$103,061.

Program Progress Summary: Through this reporting period 916 customers have received an incentive.

**Program Description and Progress**

Program Title: Standby Generator

Program Description: This is a program designed to utilize the emergency generation capacity at firm commercial/industrial facilities in order to reduce weather-sensitive peak demand.

Program Accomplishments: January 1, 2002 to December 31, 2002  
Three (3) net customers were added during this reporting period.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$648,752.

Program Progress Summary: Through this reporting period there are 44 participating customers.

**Program Description and Progress**

Program Title: Conservation Value

Program Description: This is an incentive program for firm commercial/industrial customers that encourages additional investments in substantial demand shifting or demand reduction measures.

Program Accomplishments: January 1, 2002 to December 31, 2002  
Two (2) new customers qualified for an incentive during this reporting period.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$68,194.

Program Progress Summary: Through this reporting period 19 customers have qualified and received the appropriate incentive.



**EXHIBIT NO. \_\_\_\_\_**  
**DOCKET NO. 030002-EG**  
**TAMPA ELECTRIC COMPANY**  
**(HTB-1)**  
**SCHEDULE CT-6**  
**PAGE 10 OF 20**

Pursuant to Docket No. 900885-EG, Order No. 24276, 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 as well as other program costs incurred during the January 2002 through December 2002 period. The table format was filed with the Commission on April 23, 1991 in response to the aforementioned order requesting the program participation standards.

TAMPA ELECTRIC COMPANY  
 CONSERVATION VALUE PROGRAM  
 CUSTOMER INCENTIVE PAYMENT SCHEDULE  
 JANUARY 2002 - DECEMBER 2002

CUSTOMER DATA	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01
MARRIOTT HOTEL (AIRPORT)		\$9,527										
AVG. SUM DEMAND SAVING: 95.27 kW												
AVG. WIN DEMAND SAVING: 12.53 kW												
ANNUAL ENERGY SAVING: 441,867 kWh												
CENTRO YBOR <sup>(1)</sup>							\$12,350					
AVG. SUM DEMAND SAVING: 109.78 kW												
AVG. WIN DEMAND SAVING: 24.99 kW												
ANNUAL ENERGY SAVING: 441,330 kWh												
YBOR CENTRAL CHILLER PLANT <sup>(1)</sup>							\$19,418					
AVG. SUM DEMAND SAVING: 172.60 kW												
AVG. WIN DEMAND SAVING: 24.83 kW												
ANNUAL ENERGY SAVING: 629,588 kWh												
UNIVERSITY OF SOUTH FLORIDA							\$24,086					
AVG. SUM DEMAND SAVING: 240.86 kW												
AVG. WIN DEMAND SAVING: 0.00 kW												
ANNUAL ENERGY SAVING: 1,129,333 kWh												
MONTHLY TOTALS:	\$0	\$9,527	\$0	\$0	\$0	\$0	\$55,854	\$0	\$0	\$0	\$0	\$0

TOTAL INCENTIVES PAID FOR PERIOD: \$65,381  
 TOTAL OTHER EXPENSES FOR PERIOD: \$2,813  
 GRAND TOTAL EXPENSES FOR PERIOD: \$68,194

(1) Represents final incentive payment. Initial incentive paid in 2001.

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I. PROGRAM DEMAND SAVINGS AND LINE LOSSES

(1) CUSTOMER KW REDUCTION AT THE METER .....	240.86 KW /CUST
(2) GENERATOR KW REDUCTION PER CUSTOMER .....	186.67 KW GEN/CUST
(3) KW LINE LOSS PERCENTAGE .....	6.5 %
(4) GENERATION KWH REDUCTION PER CUSTOMER .....	1,198,867 KWH/CUST/YR
(5) KWH LINE LOSS PERCENTAGE .....	5.8 %
(6) GROUP LINE LOSS MULTIPLIER .....	1.0000
(7) CUSTOMER KWH PROGRAM INCREASE AT METER ....	0.0 KWH/CUST/YR
(8)* CUSTOMER KWH REDUCTION AT METER .....	1,129,333 KWH/CUST/YR

II. ECONOMIC LIFE & K FACTORS

(1) STUDY PERIOD FOR CONSERVATION PROGRAM .....	23 YEARS
(2) GENERATOR ECONOMIC LIFE .....	30 YEARS
(3) T & D ECONOMIC LIFE .....	30 YEARS
(4) K FACTOR FOR GENERATION .....	1.6043
(5) K FACTOR FOR T & D .....	1.6043
(6)* SWITCH REV REQ(0) OR VAL-OF-DEF (1) .....	1

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III. UTILITY & CUSTOMER COSTS

(1) UTILITY NONRECURRING COST PER CUSTOMER ....	500.00 \$/CUST
(2) UTILITY RECURRING COST PER CUSTOMER .....	0.00 \$/CUST/YR
(3) UTILITY COST ESCALATION RATE .....	2.3 %
(4) CUSTOMER EQUIPMENT COST .....	227,500.00 \$/CUST
(5) CUSTOMER EQUIPMENT ESCALATION RATE .....	2.3 %
(6) CUSTOMER O & M COST .....	0.00 \$/CUST/YR
(7) CUSTOMER O & M ESCALATION RATE .....	2.3 %
(8)* CUSTOMER TAX CREDIT PER INSTALLATION .....	0.00 \$/CUST
(9)* CUSTOMER TAX CREDIT ESCALATION RATE .....	0.0 %
(10)* INCREASED SUPPLY COSTS .....	0.00 \$/CUST/YR
(11)* SUPPLY COSTS ESCALATION RATE .....	0.0 %
(12)* UTILITY DISCOUNT RATE .....	9.51%
(13)* UTILITY AFUDC RATE .....	7.79%
(14)* UTILITY NON RECURRING REBATE/INCENTIVE .....	48,171.19 \$/CUST
(15)* UTILITY RECURRING REBATE/INCENTIVE .....	0.00 \$/CUST/YR
(16)* UTILITY REBATE/INCENTIVE ESCAL RATE .....	0.0 %

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK

IV. AVOIDED GENERATOR, TRANS. AND DIST. COSTS

(1) BASE YEAR .....	2000
(2) IN-SERVICE YEAR FOR AVOIDED GENERATING UNIT .....	2003
(3) IN-SERVICE YEAR FOR AVOIDED T & D .....	2003
(4) BASE YEAR AVOIDED GENERATING UNIT COST .....	286.97 \$/KW
(5) BASE YEAR AVOIDED TRANSMISSION COST .....	5.23 \$/KW
(6) BASE YEAR DISTRIBUTION COST .....	0.00 \$/KW
(7) GEN, TRAN, & DIST COST ESCALATION RATE .....	2.4 %
(8) GENERATOR FIXED O & M COST .....	2.09 \$/KW/YR
(9) GENERATOR FIXED O&M ESCALATION RATE .....	2.3 %
(10) TRANSMISSION FIXED O & M COST .....	0.00 \$/KW/YR
(11) DISTRIBUTION FIXED O & M COST .....	0.01 \$/KW/YR
(12) T&D FIXED O&M ESCALATION RATE .....	2.3 %
(13) AVOIDED GEN UNIT VARIABLE O & M COSTS .....	0.287 CENTS/KWH
(14) GENERATOR VARIABLE O&M COST ESCALATION RATE .....	2.3 %
(15) GENERATOR CAPACITY FACTOR .....	11.6 %
(16) AVOIDED GENERATING UNIT FUEL COST .....	2.677 CENTS/KWH
(17) AVOIDED GEN UNIT FUEL ESCALATION RATE .....	3.808 %
(18)* AVOIDED PURCHASE CAPACITY COST PER KW .....	0.00 \$/KW/YR
(19)* CAPACITY COST ESCALATION RATE .....	0.0 %

V. NON-FUEL ENERGY AND DEMAND CHARGES

(1) NON-FUEL COST IN CUSTOMER BILL .....	1.370 CENTS/KWH
(2) NON-FUEL ESCALATION RATE .....	1.0 %
(3) CUSTOMER DEMAND CHARGE PER KW .....	7.25 \$/KW/MO
(4) DEMAND CHARGE ESCALATION RATE .....	1.0 %
(5)* DIVERSITY and ANNUAL DEMAND ADJUSTMENT FACTOR FOR CUSTOMER BILL .....	1.0

\*\*\* CALCULATED BENEFITS AND COSTS \*\*\*

(1)* TRC TEST - BENEFIT/COST RATIO .....	2.03
(2)* PARTICIPANT NET BENEFITS (NPV) .....	468
(3)* RIM TEST - BENEFIT/COST RATIO .....	1.07

I. PROGRAM DEMAND SAVINGS AND LINE LOSSES

(1) CUSTOMER KW REDUCTION AT THE METER .....	95.27 KW /CUST
(2) GENERATOR KW REDUCTION PER CUSTOMER .....	85.33 KW GEN/CUST
(3) KW LINE LOSS PERCENTAGE .....	6.5 %
(4) GENERATION KWH REDUCTION PER CUSTOMER .....	469,073 KWH/CUST/YR
(5) KWH LINE LOSS PERCENTAGE .....	5.8 %
(6) GROUP LINE LOSS MULTIPLIER .....	1.0000
(7) CUSTOMER KWH PROGRAM INCREASE AT METER .....	0.0 KWH/CUST/YR
(8)* CUSTOMER KWH REDUCTION AT METER .....	441,867 KWH/CUST/YR

II. ECONOMIC LIFE & K FACTORS

(1) STUDY PERIOD FOR CONSERVATION PROGRAM .....	23 YEARS
(2) GENERATOR ECONOMIC LIFE .....	30 YEARS
(3) T & D ECONOMIC LIFE .....	30 YEARS
(4) K FACTOR FOR GENERATION .....	1.7164
(5) K FACTOR FOR T & D .....	1.7164
(6)* SWITCH REV REQ(0) OR VAL-OF-DEF (1) .....	1

III. UTILITY & CUSTOMER COSTS

(1) UTILITY NONRECURRING COST PER CUSTOMER .....	1,200.00 \$/CUST
(2) UTILITY RECURRING COST PER CUSTOMER .....	0.00 \$/CUST/YR
(3) UTILITY COST ESCALATION RATE .....	2.5 %
(4) CUSTOMER EQUIPMENT COST .....	98,223.00 \$/CUST
(5) CUSTOMER EQUIPMENT ESCALATION RATE .....	2.5 %
(6) CUSTOMER O & M COST .....	0.00 \$/CUST/YR
(7) CUSTOMER O & M ESCALATION RATE .....	2.5 %
(8)* CUSTOMER TAX CREDIT PER INSTALLATION .....	0.00 \$/CUST
(9)* CUSTOMER TAX CREDIT ESCALATION RATE .....	0.0 %
(10)* INCREASED SUPPLY COSTS .....	0.00 \$/CUST/YR
(11)* SUPPLY COSTS ESCALATION RATE .....	0.0 %
(12)* UTILITY DISCOUNT RATE .....	9.51%
(13)* UTILITY AFUDC RATE .....	7.79%
(14)* UTILITY NON RECURRING REBATE/INCENTIVE .....	19,054.00 \$/CUST
(15)* UTILITY RECURRING REBATE/INCENTIVE .....	0.00 \$/CUST/YR
(16)* UTILITY REBATE/INCENTIVE ESCAL RATE .....	0.0 %

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK

IV. AVOIDED GENERATOR, TRANS. AND DIST. COSTS

(1) BASE YEAR .....	2001
(2) IN-SERVICE YEAR FOR AVOIDED GENERATING UNIT .....	2004
(3) IN-SERVICE YEAR FOR AVOIDED T & D .....	2004
(4) BASE YEAR AVOIDED GENERATING UNIT COST .....	280.46 \$/KW
(5) BASE YEAR AVOIDED TRANSMISSION COST .....	0.00 \$/KW
(6) BASE YEAR DISTRIBUTION COST .....	0.00 \$/KW
(7) GEN, TRAN, & DIST COST ESCALATION RATE .....	2.6 %
(8) GENERATOR FIXED O & M COST .....	2.13 \$/KW/YR
(9) GENERATOR FIXED O&M ESCALATION RATE .....	2.5 %
(10) TRANSMISSION FIXED O & M COST .....	0.00 \$/KW/YR
(11) DISTRIBUTION FIXED O & M COST .....	0.00 \$/KW/YR
(12) T&D FIXED O&M ESCALATION RATE .....	2.5 %
(13) AVOIDED GEN UNIT VARIABLE O & M COSTS .....	0.298 CENTS/KWH
(14) GENERATOR VARIABLE O&M COST ESCALATION RATE .....	2.5 %
(15) GENERATOR CAPACITY FACTOR .....	19.3 %
(16) AVOIDED GENERATING UNIT FUEL COST .....	4.182 CENTS/KWH
(17) AVOIDED GEN UNIT FUEL ESCALATION RATE .....	3.68 %
(18)* AVOIDED PURCHASE CAPACITY COST PER KW .....	0.00 \$/KW/YR
(19)* CAPACITY COST ESCALATION RATE .....	0.0 %

V. NON-FUEL ENERGY AND DEMAND CHARGES

(1) NON-FUEL COST IN CUSTOMER BILL .....	1,370 CENTS/KWH
(2) NON-FUEL ESCALATION RATE .....	1.0 %
(3) CUSTOMER DEMAND CHARGE PER KW .....	7.25 \$/KW/IMO
(4) DEMAND CHARGE ESCALATION RATE .....	1.0 %
(5)* DIVERSITY and ANNUAL DEMAND ADJUSTMENT FACTOR FOR CUSTOMER BILL .....	1.4

\*\*\* CALCULATED BENEFITS AND COSTS \*\*\*

(1)* TRC TEST - BENEFIT/COST RATIO .....	3.98
(2)* PARTICIPANT NET BENEFITS (NPV) .....	247
(3)* RIM TEST - BENEFIT/COST RATIO .....	1.59

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**Program Description and Progress**

Program Title: Duct Repair

Program Description: This is a residential conservation program designed to reduce weather-sensitive peaks by offering incentives to encourage the repair of the air distribution system in a residence.

Program Accomplishments: January 1, 2002 to December 31, 2002  
In this reporting period 4,274 customers have participated.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$1,085,764.

Program Progress Summary: Through this reporting period 33,846 customers have participated.

On June 19, 2002, the Commission approved revised Program Participation Standards for Docket No. 99179-EG, Order No. PSC-00-0754-PAA-EG. This revision eliminated the program participation standard that excludes homes covered under warranty.

**Program Description and Progress**

Program Title: Green Pricing Initiative

Program Description: This is a three-year pilot initiative designed to assist in the delivery of renewable energy for the company's Pilot Green Energy Program. This specific effort provides funding for program administration, evaluation and market research.

Program Accomplishments: January 1, 2002 to December 31, 2002  
In this reporting period 65 customers have participated.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$33,079.

Program Progress Summary: Through this reporting period 211 customers have participated.

**Program Description and Progress**

Program Title: Industrial Load Management

Program Description: This is a load management program for large industrial customers with interruptible loads of 500 kW or greater.

Program Accomplishments: January 1, 2002 to December 31, 2002  
See Program Progress Summary below.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
There were no expenses in 2002.

Program Progress Summary: This program was approved by the Commission in Docket No. 990037-EI, Order No. PSC-99-1778-FOF-EI, issued September 10, 1999. Based on the need assessment for non-firm load, no participation occurred in 2002. Recent assessments indicate an opportunity for customer participation during 2003, therefore, the associated GSLM 2 & 3 tariffs will be opened.

**Program Description and Progress**

Program Title: DSM Research and Development (R&D)

Program Description: This is a five-year R&D program directed at end-use technologies (both residential and commercial) not yet commercially available or where insufficient data exists for measure evaluations specific to central Florida climate.

Program Accomplishments: January 1, 2002 to December 31, 2002  
See Program Progress Summary below.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$1,891.

Program Progress Summary: For 2002, Tampa Electric began a project to evaluate a 30 kW microturbine powered by landfill gas. The project will measure the generating system's emissions and operational performance to determine the feasibility of this type of generation to be included under the company's Conservation Value program.



**Program Description and Progress**

Program Title: Common Expenses

Program Description: These are expenses common to all programs.

Program Accomplishments: January 1, 2002 to December 31, 2002  
N/A

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$158,855.

Program Progress Summary: N/A

**Program Description and Progress**

Program Title: Commercial Cooling

Program Description: This is an incentive program to encourage the installation of high efficiency direct expansion (DX) commercial air conditioning equipment.

Program Accomplishments: January 1, 2002 to December 31, 2002  
In this reporting period 57 units were installed.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$19,231.

Program Progress Summary: Through this reporting period 128 approved units have been installed.

**Program Description and Progress**

Program Title: Energy Plus Homes

Program Description: This is a program that encourages the construction of new homes to be above the minimum energy efficiency levels required by the State of Florida Energy Efficiency Code for New Construction through the installation of high efficiency equipment and building envelope options.

Program Accomplishments: January 1, 2002 to December 31, 2002  
In this reporting period 12 homes qualified.

Program Fiscal Expenditures: January 1, 2002 to December 31, 2002  
Actual expenses were \$11,136.

Program Progress Summary: Through this reporting period 16 approved homes have participated.

# 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

September 26, 2003

HAND DELIVERED

Ms. Blanca S. Bayo, Director  
Division of Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Energy Conservation Cost Recovery Clause  
FPSC Docket No. 030002-EG

Dear Ms. Bayo:

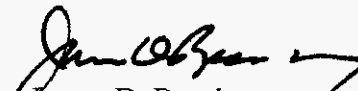
Enclosed for filing in the above docket, on behalf of Tampa Electric Company, are the original and ten (10) copies of each of the following:

1. Petition of Tampa Electric Company.
2. Prepared Direct Testimony and Exhibit (HTB-2) of Howard T. Bryant.

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/encls.)

DOCUMENT NUMBER-DATE

09270 SEP 26 03

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy Conservation Cost     )  
Recovery Clause.                     )  
\_\_\_\_\_ )

DOCKET NO. 030002-EG  
FILED: September 26, 2003

**PETITION OF TAMPA ELECTRIC COMPANY**

Tampa Electric Company ("Tampa Electric" or "the company"), hereby petitions the Commission for approval of the company's conservation cost recovery true-up and the cost recovery factors proposed for use during the period January 2004 – December 2004. In support thereof, the company says:

**Conservation Cost Recovery**

1. During the period January 2002 – December 2002, Tampa Electric incurred actual net conservation costs of \$16,970,250, plus a beginning true-up overrecovery of \$872,842, for a total of \$16,097,408. The amount collected through the Conservation Cost Recovery Clause was \$17,220,173. The true-up amount for January 2002 – December 2002 was an overrecovery of \$1,138,692, including interest. (See Exhibit (HTB-1); Schedule CT-1 and CT-3, page 2 of 3).

2. During the period January 2003 – December 2003, the company anticipates incurring expenses of \$17,642,004. For the period the total net true-up overrecovery is estimated to be \$1,379,398, including interest. (See Exhibit (HTB-2); Schedule C-3, page 5 of 6).

3. For the forthcoming cost recovery period, January 2004 – December 2004, Tampa Electric projects its total incremental conservation costs to be \$19,071,707. Tampa Electric's total true-up and projected expenditures for the projection period are estimated to be \$17,692,309, including true-up estimates for January 2003 through December 2003. When the required true-up

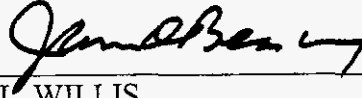
and projected expenditures are appropriately spread over the projected KWH sales for interruptible customers and firm retail customers pursuant to Docket No. 930759-EG, Order No. PSC-93-1845-FOF-EG dated December 29, 1993, the required conservation cost recovery factors for the period January 2004 – December 2004 are as follows: 0.028 cents per KWH for Interruptible, 0.111 cents per KWH for Residential, 0.104 cents per KWH for General Service Non-Demand and Temporary Service, 0.093 cents per KWH for General Service Demand - Secondary, 0.092 cents per KWH for General Service Demand - Primary, 0.085 cents per KWH for General Service Large Demand and Firm Standby - Secondary, 0.084 cents per KWH for General Service Large Demand and Firm Standby - Primary, 0.083 cents per KWH for General Service Large Demand and Firm Standby - Subtransmission, and 0.060 cents per KWH for Lighting. (See Exhibit (HTB-2); Schedule C-1, page 1 of 2.)

4. For the forthcoming cost recovery period, January 2004 – December 2004, the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders will be \$4.28 per KWH. (See Exhibit (HTB-2); page 41.)

WHEREFORE, Tampa Electric Company requests the Commission's approval of the company's prior period conservation cost recovery true-up calculations and projected conservation cost recovery charges to be collected during the period January 1, 2004 through December 31, 2004.

DATED this 26<sup>th</sup> day of September, 2003.

Respectfully submitted,



---

LEE L. WILLIS  
JAMES D. BEASLEY  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, Florida 32302  
(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition, filed on behalf of Tampa Electric Company, has been furnished by hand delivery (\*) or U. S. Mail on this 26<sup>th</sup> day of September 2003 to the following:

Ms. Lorena Holley\*  
Senior Attorney  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

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Mr. Russell A. Badders  
Beggs & Lane  
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Pensacola, FL 32591-2950

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Steel Hector & Davis  
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Tallahassee, FL 32301

Mr. Joseph A. McGlothlin  
Ms. Vicki Gordon Kaufman  
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Davidson, Kaufman & Arnold, P.A.  
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Ms. Susan D. Ritenour  
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Mr. John W. McWhirter, Jr.  
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Tampa, FL 33601-3350

Mr. Stuart L. Shoaf  
St. Joe Natural Gas Company  
Post Office Box 549  
Port St. Joe, FL 32456-0549

Mr. Norman H. Horton, Jr.  
Messer, Caparello & Self, P.A.  
Post Office Box 1876  
Tallahassee, FL 32302-1876

  
\_\_\_\_\_  
ATTORNEY



CONSERVATION COSTS  
PROJECTED

INDEX

<u>SCHEDULE</u>	<u>TITLE</u>	<u>PAGE</u>
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—	Calculation Of Energy & Demand Allocation % By Rate Class	11
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**Fuel Cost Impact of Conservation and Load Management Programs  
On Interruptible Customers  
January 1, 2004 through December 31, 2004**

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)
January	43,905	1,541.1	28.49	46,264	1,595.6	29.00	2,360	54	0.51
February	40,832	1,386.3	29.45	42,974	1,435.0	29.95	2,142	49	0.50
March	44,575	1,486.8	29.98	45,891	1,516.2	30.27	1,316	29	0.29
April	41,936	1,507.6	27.82	42,695	1,526.5	27.97	758	19	0.15
May	50,582	1,756.3	28.80	51,610	1,779.4	29.00	1,028	23	0.20
June	56,697	1,867.4	30.36	57,919	1,893.1	30.59	1,222	26	0.23
July	61,425	1,973.3	31.13	62,871	2,001.5	31.41	1,446	28	0.28
August	61,947	1,986.8	31.18	63,522	2,016.7	31.50	1,574	30	0.32
September	56,458	1,872.0	30.16	57,737	1,898.2	30.42	1,280	26	0.26
October	54,236	1,769.3	30.65	55,038	1,786.5	30.81	801	17	0.16
November	41,525	1,486.7	27.93	42,653	1,515.5	28.14	1,128	29	0.21
December	45,671	1,624.6	28.11	47,549	1,669.2	28.49	1,879	45	0.38
Jan 2004 - Dec 2004	599,788	20,258	29.61	616,722	20,633	29.89	16,934	375	0.28

TAMPA ELECTRIC COMPANY  
 CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS  
 JANUARY 2004 THROUGH DECEMBER 2004

	(1) AVG 12CP Load Factor at Meter (%)	(2) Projected Sales at Meter (MwH)	(3) Projected AVG 12 CP at Meter (Mw)	(4) Demand Loss Expansion Factor	(5) Energy Loss Expansion Factor	(6) Projected Sales at Generation (MwH)	(7) Projected AVG 12 CP at Generation (Mw)	(8) Percentage of Sales at Generation (%)	(9) Percentage of Demand at Generation (%)	(10) 12 CP & 1/13 Allocation Factor (%)
RS	57.72%	8,393,405	1660	1.0603	1.0492	8,806,067	1,760	49.10%	56.07%	55.53%
GS,TS	63.59%	1,070,071	192	1.0603	1.0492	1,122,681	204	6.26%	6.50%	6.48%
GSD	74.67%	5,221,207	798	1.0588	1.0485	5,474,352	845	30.53%	26.92%	27.20%
GSLD,SBF	84.60%	2,233,911	301	1.0462	1.0374	2,317,466	315	12.92%	10.03%	10.26%
SL/OL	163.91%	202,731	14	1.0603	1.0492	212,698	15	1.19%	0.48%	0.53%
TOTAL		17,121,325	2,965			17,933,264	3,139	100.00%	100.00%	100.00%

- (1) AVG 12 CP load factor based on actual 2001 calendar data.
- (2) Projected MwH sales for the period January 2004 through December 2004.
- (3) Calculated: Col (2) / (8760 x Col (1)), 8760 hours = hours in twelve months.
- (4) Based on 2001 demand losses.
- (5) Based on 2001 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

NOTE: Interruptible rates not included in demand allocation of capacity payments

TAMPA ELECTRIC COMPANY  
Energy Conservation Adjustment  
Summary of Cost Recovery Clause Calculation  
For Months January 2004 through December 2004

1. Total Incremental Cost (C-2, Page 1, Line 17)	<u>19,071,707</u>
2. Demand Related Incremental Costs	<u>13,555,484</u>
3. Energy Related Incremental Costs	5,516,223
4. Interruptible Sales (@\$.28 per MWH)	<u>(460,985)</u>
5. Net Energy Related Incremental Costs (Line 3 + Line 4)	<u>5,055,238</u>

RETAIL BY RATE CLASS

	<u>RS</u>	<u>GS,TS</u>	<u>GSD</u>	<u>GSLD,SBF</u>	<u>SL,OL</u>	<u>Total</u>
6. Demand Allocation Percentage	55.53%	6.48%	27.20%	10.26%	0.53%	100.00%
7. Demand Related Incremental Costs (Total cost prorated based on demand allocation % above)	7,527,360	878,395	3,687,092	1,390,793	71,844	13,555,484
8. Demand Portion of End of Period True Up (O)U Recovery Shown on Schedule C-3, Pg 5, Line 12 (Allocation of D & E is based on the forecast period cost.)	<u>(543,846)</u>	<u>(63,463)</u>	<u>(266,389)</u>	<u>(100,484)</u>	<u>(5,191)</u>	<u>(979,373)</u>
9. Total Demand Related Incremental Costs	<u>6,983,514</u>	<u>814,932</u>	<u>3,420,703</u>	<u>1,290,309</u>	<u>66,653</u>	<u>12,576,111</u>
10. Net Energy Related Incremental Costs	2,482,121	316,458	1,543,364	653,137	60,157	5,055,237
11. Energy Portion of End of Period True Up (O)U Recovery Shown on Schedule C-3, Pg 5, Line 13 (Allocation of D & E is based on the forecast period cost.)	<u>(196,412)</u>	<u>(25,042)</u>	<u>(122,128)</u>	<u>(51,683)</u>	<u>(4,760)</u>	<u>(400,025)</u>
12. Total Net Energy Related Incremental Costs	<u>2,285,709</u>	<u>291,416</u>	<u>1,421,236</u>	<u>601,454</u>	<u>55,397</u>	<u>4,655,212</u>
<hr/>						
13. Total Incremental Costs (Line 7 + 10)	10,009,481	1,194,853	5,230,456	2,043,930	132,001	18,610,721
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.)	<u>(740,258)</u>	<u>(88,505)</u>	<u>(388,517)</u>	<u>(152,167)</u>	<u>(9,951)</u>	<u>(1,379,398)</u>
15. Total (Line 13 + 14)	<u>9,269,223</u>	<u>1,106,348</u>	<u>4,841,939</u>	<u>1,891,763</u>	<u>122,050</u>	<u>17,231,323</u>
16. Firm Retail MWH Sales	8,393,405	1,070,071	5,221,207	2,233,911	202,731	17,121,325
17. Cost per KWH - Demand (Line 9/Line 16)	0.08320	0.07616	*	*	0.03288	
18. Cost per KWH - Energy (Line 12/Line 16)	0.02723	0.02723	*	*	0.02733	
19. Cost per KWH - Demand & Energy (Line 17 + Line 18)	0.11043	0.10339	*	*	0.06021	
20. Revenue Tax Expansion Factor	1.00072	1.00072	*	*	1.00072	
21. Adjustment Factor Adjusted for Taxes	0.1105	0.1035	*	*	0.0603	
22. Conservation Adjustment Factor (cents/KWH) - Secondary	0.111	0.104	0.093	0.085	0.060	
- Primary			0.092	0.084		
- Subtransmission			N/A	0.083		
(ROUNDED TO NEAREST .001 PER KWH)						

\* See attached Schedule C-1, page 2 of 2.

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Calculation of ECCR Factors for Customers Served at  
Levels Other than Secondary Distribution

	<u>GSD</u>	<u>GSLD, SBF</u>
<b>Line 15 Total (Projected Costs &amp; T/U)</b> (Schedule C-1, pg 1, Line 15)		
-Secondary	4,718,097	950,707
- Primary	123,842	941,022
- Subtransmission	N/A	34
- Total	4,841,939	1,891,763
<b>Total Firm MWH Sales</b> (Schedule C-1, pg 1, Line 16)		
-Secondary	5,086,351	1,117,041
- Primary	134,856	1,116,830
- Subtransmission	N/A	41
- Total	5,221,207	2,233,911
<b>Cost per KWH - Demand &amp; Energy</b>		
-Secondary	0.09276	0.08511
- Primary	0.09183	0.08426
- Subtransmission	N/A	0.08337
Revenue Tax Expansion Factor	1.00072	1.00072
<b>Adjustment Factor Adjusted for Taxes</b>		
-Secondary	0.09283	0.08517
- Primary	0.09190	0.08432
- Subtransmission	N/A	0.08343
<b>Conservation Adjustment Factor (cents/KWH)</b>		
-Secondary	<u>0.093</u>	<u>0.085</u>
- Primary	<u>0.092</u>	<u>0.084</u>
- Subtransmission	N/A	<u>0.083</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 (\$0.28 per MWH).

TAMPA ELECTRIC COMPANY  
Conservation Program Costs

Estimated for Months January 2004 through December 2004

ESTIMATED

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1 Heating and Cooling (E)	69,992	69,273	69,992	69,752	69,991	69,753	69,991	69,991	69,754	69,994	69,754	69,991	838,228
2 Prime Time (D)	1,153,158	1,148,661	1,081,357	924,788	933,765	931,588	935,908	931,540	932,961	938,653	1,109,468	1,119,190	12,141,037
3 Energy Audits (E)	260,074	131,783	139,426	137,271	139,174	137,296	139,774	138,949	136,670	140,197	137,396	139,880	1,777,890
4 Cogeneration (E)	20,989	17,823	19,552	18,976	23,171	18,976	21,597	19,552	22,594	19,552	18,976	19,552	241,310
5 Ceiling Insulation (E)	43,653	42,374	43,659	43,231	43,660	43,231	43,660	43,660	43,233	43,661	43,234	43,669	520,925
6 Commercial Load Mgmt (D)	1,332	1,312	1,341	1,562	1,590	1,571	1,599	1,580	1,609	1,589	1,379	1,385	17,849
7 Commercial Lighting (E)	8,942	8,799	8,942	8,894	8,943	8,894	8,943	8,943	8,895	8,944	8,895	8,942	106,976
8 Standby Generator (D)	72,192	72,081	72,192	72,081	72,193	72,069	72,187	72,069	72,155	72,070	72,155	72,092	865,536
9 Conservation Value (E)	9,186	9,043	9,186	9,088	9,186	9,088	9,186	9,110	9,164	9,110	9,164	9,114	109,625
10 Duct Repair (E)	139,045	137,135	139,044	138,410	139,044	138,409	139,045	139,044	138,410	139,044	138,410	139,045	1,664,085
11 Green Energy Initiative (E)	3,651	6,651	4,651	4,651	3,652	6,652	3,652	4,653	3,653	6,653	3,653	4,816	56,988
12 Industrial Load Management (D)	34,050	34,050	34,051	34,050	34,051	34,050	34,051	34,050	34,050	34,051	34,050	34,050	408,604
13 DSM R&D (D&E) (50% D, 50% E)	3,040	2,240	7,471	37,823	2,228	3,417	2,310	970	970	1,496	1,496	1,233	64,694
14 Commercial Cooling (E)	2,761	2,737	2,761	2,752	2,762	2,753	2,762	2,763	2,752	2,763	2,754	2,766	33,086
15 Residential New Construction (E)	3,749	3,671	3,731	3,711	3,731	3,711	3,732	3,731	3,712	3,731	3,711	3,733	44,654
16 Common Expenses (D&E) (50% D, 50% E)	15,035	15,035	14,985	15,035	15,035	14,985	15,035	15,035	14,985	15,035	15,035	14,985	180,220
17 Total	1,840,849	1,702,668	1,652,341	1,522,075	1,502,176	1,496,443	1,503,432	1,495,640	1,495,567	1,506,543	1,669,530	1,684,443	19,071,707
18 Less: Included in Base Rates	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Recoverable Conserv. Expenses	<u>1,840,849</u>	<u>1,702,668</u>	<u>1,652,341</u>	<u>1,522,075</u>	<u>1,502,176</u>	<u>1,496,443</u>	<u>1,503,432</u>	<u>1,495,640</u>	<u>1,495,567</u>	<u>1,506,543</u>	<u>1,669,530</u>	<u>1,684,443</u>	<u>19,071,707</u>
<b>Summary of Demand &amp; Energy</b>													
Energy	571,079	437,926	452,172	463,165	451,945	447,964	451,014	448,398	446,814	451,914	444,212	449,617	5,516,223
Demand	1,269,770	1,264,742	1,200,169	1,058,910	1,050,231	1,048,479	1,052,418	1,047,242	1,046,753	1,054,629	1,225,318	1,234,826	13,555,484
Total Recoverable Conserv. Expenses	<u>1,840,849</u>	<u>1,702,668</u>	<u>1,652,341</u>	<u>1,522,075</u>	<u>1,502,176</u>	<u>1,496,443</u>	<u>1,503,432</u>	<u>1,495,640</u>	<u>1,495,567</u>	<u>1,506,543</u>	<u>1,669,530</u>	<u>1,684,443</u>	<u>19,071,707</u>

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TAMPA ELECTRIC COMPANY  
Conservation Program Costs

Estimated for Months January 2004 through December 2004

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	101,762	0	20,400	25,000	685,000	1,800	4,266	0	838,228
2. Prime Time (D)	2,031,653	931,220	156,063	100,000	35,000	8,781,012	48,176	57,913	0	12,141,037
3. Energy Audits (E)	0	962,462	8,400	376,140	335,000	0	44,384	51,504	0	1,777,890
4. Cogeneration (E)	0	239,110	0	0	0	0	2,200	0	0	241,310
5. Ceiling Insulation (E)	0	159,055	0	0	12,500	340,000	7,000	2,370	0	520,925
6. Commercial Load Mgmt (D)	352	8,473	500	1,000	0	6,756	768	0	0	17,849
7. Commerical Lighting (E)	0	18,276	0	0	12,500	75,000	1,200	0	0	106,976
8. Standby Generator (D)	0	27,268	500	0	0	836,580	1,188	0	0	865,536
9. Conservation Value (E)	0	9,265	0	0	0	100,000	360	0	0	109,625
10. Duct Repair (E)	0	266,415	3,000	0	250,000	1,108,896	19,824	15,950	0	1,664,085
11 Green Energy Initiative (E)	0	42,351	1,000	6,437	0	0	1,200	6,000	0	56,988
12 Industrial Load Management (D)	0	8,004	0	0	0	400,000	600	0	0	408,604
13 DSM R&D (D&E) (50% D, 50% E)	0	19,719	30,800	13,100	0	0	1,075	0	0	64,694
14 Commercial Cooling (E)	0	3,786	0	0	5,000	24,000	300	0	0	33,086
15 Residential New Construction (E)	0	7,354	0	0	25,000	12,000	0	300	0	44,654
16 Common Expenses (D&E) (50% D, 50% E)	0	179,820	0	0	0	0	400	0	0	180,220
17 Total All Programs	<u>2,032,005</u>	<u>2,984,340</u>	<u>200,263</u>	<u>517,077</u>	<u>700,000</u>	<u>12,369,244</u>	<u>130,475</u>	<u>138,303</u>	<u>0</u>	<u>19,071,707</u>
<u>Summary of Demand &amp; Energy</u>										
Energy	0	1,909,605	27,800	409,527	665,000	2,344,896	79,005	80,390	0	5,516,223
Demand	<u>2,032,005</u>	<u>1,074,735</u>	<u>172,463</u>	<u>107,550</u>	<u>35,000</u>	<u>10,024,348</u>	<u>51,470</u>	<u>57,913</u>	<u>0</u>	<u>13,555,484</u>
Total All Programs	<u>2,032,005</u>	<u>2,984,340</u>	<u>200,263</u>	<u>517,077</u>	<u>700,000</u>	<u>12,369,244</u>	<u>130,475</u>	<u>138,303</u>	<u>0</u>	<u>19,071,707</u>

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TAMPA ELECTRIC COMPANY  
Schedule of Capital Investment, Depreciation and Return  
Estimated for Months January 2004 through December 2004

PRIME TIME

	Beginning of Period	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1. Investment		142,146	142,146	142,146	142,146	142,146	142,146	142,146	142,146	142,146	142,146	142,146	142,154	1,705,760
2. Retirements		33,854	71,653	92,754	67,137	66,199	111,724	115,443	130,853	64,132	53,315	100,210	138,233	1,045,507
3. Depreciation Base		7,584,275	7,654,768	7,704,160	7,779,169	7,855,116	7,885,538	7,912,241	7,923,534	8,001,548	8,090,379	8,132,315	8,136,236	
4. Depreciation Expense		<u>125,502</u>	<u>126,992</u>	<u>127,991</u>	<u>129,028</u>	<u>130,286</u>	<u>131,172</u>	<u>131,648</u>	<u>131,965</u>	<u>132,709</u>	<u>134,099</u>	<u>135,189</u>	<u>135,571</u>	<u>1,572,152</u>
5. Cumulative Investment	7,475,983	7,584,275	7,654,768	7,704,160	7,779,169	7,855,116	7,885,538	7,912,241	7,923,534	8,001,548	8,090,379	8,132,315	8,136,236	8,136,236
6. Less: Accumulated Depr	<u>3,600,179</u>	<u>3,691,827</u>	<u>3,747,166</u>	<u>3,782,403</u>	<u>3,844,294</u>	<u>3,908,381</u>	<u>3,927,829</u>	<u>3,944,034</u>	<u>3,945,146</u>	<u>4,013,723</u>	<u>4,094,507</u>	<u>4,129,486</u>	<u>4,126,824</u>	<u>4,126,824</u>
7. Net Investment	<u>3,875,804</u>	<u>3,892,448</u>	<u>3,907,602</u>	<u>3,921,757</u>	<u>3,934,875</u>	<u>3,946,735</u>	<u>3,957,709</u>	<u>3,968,207</u>	<u>3,978,388</u>	<u>3,987,825</u>	<u>3,995,872</u>	<u>4,002,829</u>	<u>4,009,412</u>	<u>4,009,412</u>
8. Average Investment		3,884,126	3,900,025	3,914,680	3,928,316	3,940,805	3,952,222	3,962,958	3,973,298	3,983,107	3,991,849	3,999,351	4,006,121	
9. Return on Average Investment		23,111	23,205	23,292	23,373	23,448	23,516	23,580	23,641	23,699	23,752	23,796	23,836	282,249
10. Return Requirements		<u>37,625</u>	<u>37,778</u>	<u>37,919</u>	<u>38,051</u>	<u>38,173</u>	<u>38,284</u>	<u>38,388</u>	<u>38,488</u>	<u>38,582</u>	<u>38,668</u>	<u>38,740</u>	<u>38,805</u>	<u>459,501</u>
11. Total Depreciation and Return		<u>163,127</u>	<u>164,770</u>	<u>165,910</u>	<u>167,079</u>	<u>168,459</u>	<u>169,456</u>	<u>170,036</u>	<u>170,453</u>	<u>171,291</u>	<u>172,767</u>	<u>173,929</u>	<u>174,376</u>	<u>2,031,653</u>

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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  
Estimated for Months January 2004 through December 2004

COMMERCIAL LOAD MANAGEMENT

	Beginning of Period	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1. Investment		186	186	186	186	186	186	186	186	186	186	186	204	2,250
2. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
3. Depreciation Base		186	372	558	744	930	1,116	1,302	1,488	1,674	1,860	2,046	2,250	
4. Depreciation Expense		2	5	8	11	14	17	20	23	26	29	33	36	224
5. Cumulative Investment	0	186	372	558	744	930	1,116	1,302	1,488	1,674	1,860	2,046	2,250	2,250
6. Less: Accumulated Depreciation	0	2	7	15	26	40	57	77	100	126	155	188	224	224
7. Net Investment	0	184	365	543	718	890	1,059	1,225	1,388	1,548	1,705	1,858	2,026	2,026
8. Average Investment		92	275	454	631	804	975	1,142	1,307	1,468	1,627	1,782	1,942	
9. Return on Average Investment		1	2	3	4	5	6	7	8	9	10	11	12	78
10. Return Requirements		2	3	5	7	8	10	11	13	15	16	18	20	128
Total Depreciation and Return		4	8	13	18	22	27	31	36	41	45	51	56	352

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.

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TAMPA ELECTRIC COMPANY  
Conservation Program Costs

Actual for Months January 2003 through August 2003  
Projected for Months September 2003 through December 2003

Program Name	Capital Investment	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Incentives	Vehicle	Other	Program Revenues	Total
1. Heating & Cooling										
2. Actual	0	52,080	13	26,177	3,180	447,902	130	4,337	0	534,779
3. Projected	0	30,504	8	7,300	14,904	224,456	60	444	0	277,676
4. Total	0	83,484	21	33,477	18,084	672,418	190	4,781	0	812,455
5. Prime Time										
6. Actual	1,230,187	459,625	100,927	101,982	10,161	5,862,236	30,855	33,281	0	7,829,254
7. Projected	639,558	304,727	23,918	49,580	17,884	2,946,817	19,952	14,761	0	4,011,193
8. Total	1,869,743	764,352	124,843	148,562	28,045	8,809,053	47,807	48,042	0	11,840,447
9. Energy Audits										
10. Actual	0	488,400	602	350,349	105,595	0	26,085	26,888	(2,235)	995,462
11. Projected	0	318,019	200	85,492	202,680	0	12,768	10,114	0	609,273
12. Total	0	806,419	802	415,841	308,275	0	38,833	36,900	(2,235)	1,604,735
13. Cogeneration										
14. Actual	0	144,955	0	0	0	0	915	1,312	0	147,182
15. Projected	0	83,533	0	0	0	0	517	0	0	84,050
16. Total	0	228,488	0	0	0	0	1,432	1,312	0	231,232
17. Ceiling Insulation										
18. Actual	0	101,314	0	4,154	2,227	190,281	2,558	2,877	0	303,411
19. Projected	0	48,048	0	0	7,452	100,676	1,300	5,440	0	163,518
20. Total	0	149,962	0	4,154	9,679	290,957	3,858	8,317	0	466,927
21. Commercial Load Management										
22. Actual	0	4,155	0	1,344	0	4,900	304	0	0	10,703
23. Projected	0	3,952	0	0	0	2,172	203	0	0	6,027
24. Total	0	7,807	0	1,344	0	7,072	507	0	0	16,730
25. Commercial Lighting										
26. Actual	0	4,372	0	0	1,757	33,529	138	0	0	39,796
27. Projected	0	2,142	0	0	7,452	13,200	68	0	0	22,892
28. Total	0	6,514	0	0	9,209	46,729	206	0	0	62,658
29. Standby Generator										
30. Actual	0	18,942	1,341	0	0	470,690	1,365	0	0	482,338
31. Projected	0	7,186	0	0	0	248,698	238	0	0	254,129
32. Total	0	26,137	1,341	0	0	717,388	1,603	0	0	746,467
33. Conservation Value										
34. Actual	0	4,163	27	0	0	13,507	9	0	0	17,706
35. Projected	0	2,040	0	0	0	33,400	20	0	0	35,480
36. Total	0	6,203	27	0	0	46,907	29	0	0	53,186
37. Duct Repair										
38. Actual	0	110,907	299	4,655	40,645	743,151	6,506	9,710	0	915,873
39. Projected	0	89,688	172	0	149,028	349,459	2,108	6,332	0	575,785
40. Total	0	180,593	471	4,655	189,673	1,091,510	8,614	16,042	0	1,491,658
45. Green Energy Initiative										
46. Actual	0	3,824	449	1,874	0	0	0	0	0	5,947
47. Projected	0	11,094	3,000	20,397	0	0	400	1,400	0	36,291
48. Total	0	14,918	3,449	22,071	0	0	400	1,400	0	42,238
49. Industrial Load Management										
50. Actual	0	1,035	0	0	0	0	0	0	0	1,035
51. Projected	0	524	0	0	0	0	100	0	0	624
52. Total	0	1,559	0	0	0	0	100	0	0	1,659
53. DSM R&D (D&E)										
54. Actual	0	3,898	9,109	14,725	0	0	143	0	0	27,875
55. Projected	0	5,257	15,500	200	0	0	400	0	0	21,357
56. Total	0	9,155	24,609	14,925	0	0	543	0	0	49,232
57. Commercial Cooling										
58. Actual	0	544	0	(11)	715	17,188	0	0	0	18,434
59. Projected	0	484	0	0	2,891	7,898	0	0	0	11,341
60. Total	0	1,008	0	(11)	3,606	25,082	0	0	0	29,775
61. Residential New Construction										
62. Actual	0	489	0	11	3,705	1,100	1	0	0	5,306
63. Projected	0	92	0	0	14,902	458	0	0	0	15,450
64. Total	0	581	0	11	18,607	1,558	1	0	0	20,756
65. Common Expenses										
66. Actual	0	97,503	0	0	0	0	8	0	0	97,509
67. Projected	0	74,280	0	0	0	0	100	0	0	74,380
68. Total	0	171,783	0	0	0	0	108	0	0	171,899
69. Total All Programs	1,869,743	2,458,943	155,563	845,029	585,288	11,708,770	104,229	118,694	(2,235)	17,842,004

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TAMPA ELECTRIC COMPANY  
Schedule of Capital Investment, Depreciation and Return  
Actual for Months January 2003 through August 2003  
Projected for Months September 2003 through December 2003

PRIME TIME

	Beginning of Period	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Projected	October Projected	November Projected	December Projected	Total
1. Investment		125,225	128,974	128,063	86,363	101,744	134,353	142,885	122,086	122,342	122,342	122,342	122,342	1,459,061
2. Retirements		22,431	56,218	92,018	76,163	86,849	88,418	43,139	71,762	46,458	46,923	43,232	66,453	740,062
3. Depreciation Base		6,859,778	6,932,534	6,968,581	6,978,781	6,993,676	7,039,611	7,139,357	7,189,681	7,265,565	7,340,984	7,420,094	7,475,983	
4. Depreciation Expense		<u>113,473</u>	<u>114,936</u>	<u>115,843</u>	<u>116,228</u>	<u>116,437</u>	<u>116,944</u>	<u>118,158</u>	<u>119,409</u>	<u>120,460</u>	<u>121,721</u>	<u>123,009</u>	<u>124,134</u>	<u>1,420,752</u>
5. Cumulative Investment	<u>6,756,984</u>	6,859,778	6,932,534	6,968,581	6,978,781	6,993,676	7,039,611	7,139,357	7,189,681	7,265,565	7,340,984	7,420,094	7,475,983	7,475,983
6. Less: Accumulated Depreciation	<u>2,919,489</u>	<u>3,010,531</u>	<u>3,069,249</u>	<u>3,093,076</u>	<u>3,133,141</u>	<u>3,162,729</u>	<u>3,191,255</u>	<u>3,266,274</u>	<u>3,313,921</u>	<u>3,387,923</u>	<u>3,462,721</u>	<u>3,542,498</u>	<u>3,600,179</u>	<u>3,600,179</u>
7. Net Investment	<u>3,837,495</u>	<u>3,849,247</u>	<u>3,863,285</u>	<u>3,875,505</u>	<u>3,845,640</u>	<u>3,830,947</u>	<u>3,848,356</u>	<u>3,873,083</u>	<u>3,875,760</u>	<u>3,877,642</u>	<u>3,878,263</u>	<u>3,877,596</u>	<u>3,875,804</u>	<u>3,875,804</u>
8. Average Investment		3,843,371	3,856,266	3,869,395	3,860,573	3,838,294	3,839,652	3,860,720	3,874,422	3,876,701	3,877,953	3,877,930	3,876,700	
9. Return on Average Investment		22,868	22,945	23,023	22,970	22,838	22,846	22,971	23,053	23,066	23,074	23,074	23,066	275,794
10. Return Requirements		<u>37,229</u>	<u>37,354</u>	<u>37,481</u>	<u>37,395</u>	<u>37,180</u>	<u>37,193</u>	<u>37,397</u>	<u>37,530</u>	<u>37,551</u>	<u>37,565</u>	<u>37,565</u>	<u>37,551</u>	<u>448,991</u>
11. Total Depreciation and Return		<u>150,702</u>	<u>152,290</u>	<u>153,324</u>	<u>153,623</u>	<u>153,617</u>	<u>154,137</u>	<u>155,555</u>	<u>156,939</u>	<u>158,011</u>	<u>159,286</u>	<u>160,574</u>	<u>161,685</u>	<u>1,869,743</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.

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TAMPA ELECTRIC COMPANY  
Schedule of Capital Investment, Depreciation and Return  
Actual for Months January 2003 through August 2003  
Projected for Months September 2003 through December 2003

COMMERCIAL LOAD MANAGEMENT

	Beginning of Period	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Projected	October Projected	November Projected	December Projected	Total
1. Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
2. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
3. Depreciation Base		0	0	0	0	0	0	0	0	0	0	0	0	
4. Depreciation Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
5. Cumulative Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Less: Accumulated Deprec	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Net Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Average Investment		0	0	0	0	0	0	0	0	0	0	0	0	
9. Return on Average Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
10. Return Requirements		0	0	0	0	0	0	0	0	0	0	0	0	0
11. Total Depreciation and Return		0	0	0	0	0	0	0	0	0	0	0	0	0

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.

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TAMPA ELECTRIC COMPANY  
Conservation Program Costs

Actual for Months January 2003 through August 2003  
Projected for Months September 2003 through December 2003

Program Name	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Projected	October Projected	November Projected	December Projected	Grand Total
1 Heating and Cooling	56,951	59,649	55,721	62,263	79,371	80,649	72,276	67,899	69,794	69,294	69,294	69,294	812,455
2 Prime Time	1,111,129	1,133,735	1,041,376	886,288	928,097	904,850	912,067	911,712	910,068	917,507	1,085,768	1,097,850	11,840,447
3 Energy Audits	55,731	76,187	88,197	74,515	102,633	245,921	217,897	134,381	154,153	154,098	151,260	149,762	1,604,735
4 Cogeneration	12,927	18,692	17,589	16,835	27,508	17,395	18,512	17,724	21,224	21,221	21,256	20,349	231,232
5 Ceiling Insulation	21,046	29,255	47,302	30,272	60,772	43,903	42,242	28,619	40,879	40,879	40,879	40,879	466,927
6 Commercial Load Management	504	1,283	1,695	1,589	1,768	1,106	1,693	1,065	1,898	1,555	1,579	995	16,730
7 Commercial Lighting	262	1,595	22,295	947	526	3,955	384	9,832	5,716	5,715	5,716	5,715	62,658
8 Standby Generator	77,873	57,685	56,564	59,282	63,419	60,037	58,424	59,054	60,380	60,989	66,380	66,380	746,467
9 Conservation Value	85	333	10,062	308	995	630	4,566	727	4,477	5,953	477	24,553	53,166
10 Duct Repair	84,744	166,306	109,161	106,891	125,946	87,147	134,145	101,533	155,204	140,050	140,051	140,480	1,491,658
11 Green Energy Initiative	113	3,139	901	460	(1,206)	659	415	1,466	26,556	3,855	3,640	2,240	42,238
12 Industrial Load Management	0	944	0	0	91	0	0	0	0	312	0	312	1,659
13 DSM R&D (D&E)	0	8,847	1,023	14,300	460	459	460	2,326	1,190	1,856	1,887	16,424	49,232
14 Commercial Cooling	0	2,881	6,473	69	481	3,776	563	4,191	2,836	2,835	2,835	2,835	29,775
15 Residential New Construction	300	0	39	486	175	1,419	0	2,887	3,886	3,839	3,885	3,840	20,756
16 Common Expenses	<u>7,276</u>	<u>11,800</u>	<u>10,842</u>	<u>11,370</u>	<u>19,077</u>	<u>11,824</u>	<u>14,592</u>	<u>10,728</u>	<u>18,565</u>	<u>18,615</u>	<u>18,565</u>	<u>18,615</u>	<u>171,869</u>
17 Total	1,428,941	1,572,331	1,469,240	1,265,875	1,410,113	1,463,730	1,478,236	1,354,144	1,476,826	1,448,573	1,613,472	1,660,523	17,642,004
18 Less: Included in Base Rates	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Recoverable Conservation Expenses	<u>1,428,941</u>	<u>1,572,331</u>	<u>1,469,240</u>	<u>1,265,875</u>	<u>1,410,113</u>	<u>1,463,730</u>	<u>1,478,236</u>	<u>1,354,144</u>	<u>1,476,826</u>	<u>1,448,573</u>	<u>1,613,472</u>	<u>1,660,523</u>	<u>17,642,004</u>

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TAMPA ELECTRIC COMPANY  
Energy Conservation Adjustment  
Calculation of True-up

Actual for Months January 2003 through August 2003  
Projected for Months September 2003 through December 2003

B. CONSERVATION REVENUES	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Projected	October Projected	November Projected	December 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)	<u>1,445,659</u>	<u>1,331,012</u>	<u>1,197,345</u>	<u>1,286,775</u>	<u>1,526,619</u>	<u>1,639,169</u>	<u>1,687,282</u>	<u>1,694,868</u>	<u>1,742,460</u>	<u>1,572,603</u>	<u>1,366,490</u>	<u>1,374,366</u>	<u>17,864,648</u>
3. Total Revenues	1,445,659	1,331,012	1,197,345	1,286,775	1,526,619	1,639,169	1,687,282	1,694,868	1,742,460	1,572,603	1,366,490	1,374,366	17,864,648
4. Prior Period True-up	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>94,891</u>	<u>1,138,692</u>
5. Conservation Revenue Applicable to Period	1,540,550	1,425,903	1,292,236	1,381,666	1,621,510	1,734,060	1,782,173	1,789,759	1,837,351	1,667,494	1,461,381	1,469,257	19,003,340
6. Conservation Expenses (C-3, Page 4, Line 14)	<u>1,428,841</u>	<u>1,572,331</u>	<u>1,469,240</u>	<u>1,265,875</u>	<u>1,410,113</u>	<u>1,463,730</u>	<u>1,478,236</u>	<u>1,354,144</u>	<u>1,476,826</u>	<u>1,448,573</u>	<u>1,613,472</u>	<u>1,660,523</u>	<u>17,642,004</u>
7. True-up This Period (Line 5 - Line 6)	111,609	(146,428)	(177,004)	115,791	211,397	270,330	303,937	435,615	360,525	218,921	(152,091)	(191,266)	1,361,336
8. Interest Provision This Period (C-3, Page 6, Line 10)	1,227	1,088	788	649	725	802	905	1,180	2,106	3,076	2,978	2,538	18,062
9. True-up & Interest Provision Beginning of Period	1,138,692	1,156,637	916,406	645,299	666,848	784,079	960,320	1,170,271	1,512,175	1,779,915	1,907,021	1,663,017	1,138,692
10. Prior Period True-up Collected (Refunded)	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(94,891)</u>	<u>(1,138,692)</u>
11. End of Period Total Net True-up	<u>1,156,637</u>	<u>916,406</u>	<u>645,299</u>	<u>666,848</u>	<u>784,079</u>	<u>960,320</u>	<u>1,170,271</u>	<u>1,512,175</u>	<u>1,779,915</u>	<u>1,907,021</u>	<u>1,663,017</u>	<u>1,379,398</u>	<u>1,379,398</u>

\* Net of Revenue Taxes

(A) Included in Line 6

	Summary of Allocation	Forecast	Ratio	True Up
12.	Demand	13,555,484	0.71	979,373
13.	Energy	<u>5,516,223</u>	<u>0.29</u>	<u>400,025</u>
	Total	<u>19,071,707</u>	<u>1.00</u>	<u>1,379,398</u>

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TAMPA ELECTRIC COMPANY  
Energy Conservation Adjustment  
Calculation of Interest Provision

Actual for Months January 2003 through August 2003  
Projected for Months September 2003 through December 2003

C. INTEREST PROVISION	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Projected	October Projected	November Projected	December Projected	Grand Total
1. Beginning True-up Amount (C-3, Page 5, Line 9)	\$1,138,692	\$1,156,637	\$916,406	\$645,299	\$666,848	\$784,079	\$960,320	\$1,170,271	\$1,512,175	\$1,779,915	\$1,907,021	\$1,663,017	
2. Ending True-up Amount Before Interest (C-3, Page 5, Lines 7 + 9 + 10)	<u>1,155,410</u>	<u>915,318</u>	<u>644,511</u>	<u>666,199</u>	<u>783,354</u>	<u>959,518</u>	<u>1,169,366</u>	<u>1,510,995</u>	<u>1,777,809</u>	<u>1,903,945</u>	<u>1,660,039</u>	<u>1,376,860</u>	
3. Total Beginning & Ending True-up	<u>\$2,294,102</u>	<u>\$2,071,955</u>	<u>\$1,560,917</u>	<u>\$1,311,498</u>	<u>\$1,450,202</u>	<u>\$1,743,597</u>	<u>\$2,129,686</u>	<u>\$2,681,266</u>	<u>\$3,289,984</u>	<u>\$3,683,860</u>	<u>\$3,567,060</u>	<u>\$3,039,877</u>	
4. Average True-up Amount (50% of Line 3)	<u>\$1,147,051</u>	<u>\$1,035,978</u>	<u>\$780,459</u>	<u>\$655,749</u>	<u>\$725,101</u>	<u>\$871,799</u>	<u>\$1,064,843</u>	<u>\$1,340,633</u>	<u>\$1,644,992</u>	<u>\$1,841,930</u>	<u>\$1,783,530</u>	<u>\$1,519,939</u>	
5. Interest Rate - First Day of Month	<u>1.290%</u>	1.270%	1.250%	1.180%	1.190%	1.210%	1.000%	1.050%	1.060%	2.000%	2.000%	2.000%	
6. Interest Rate - First Day of Next Month	<u>1.270%</u>	<u>1.250%</u>	<u>1.180%</u>	<u>1.190%</u>	<u>1.210%</u>	<u>1.000%</u>	<u>1.050%</u>	<u>1.060%</u>	<u>2.000%</u>	<u>2.000%</u>	<u>2.000%</u>	<u>2.000%</u>	
7. Total (Line 5 + Line 6)	<u>2.560%</u>	<u>2.520%</u>	<u>2.430%</u>	<u>2.370%</u>	<u>2.400%</u>	<u>2.210%</u>	<u>2.050%</u>	<u>2.110%</u>	<u>3.060%</u>	<u>4.000%</u>	<u>4.000%</u>	<u>4.000%</u>	
8. Average Interest Rate (50% of Line 7)	<u>1.280%</u>	<u>1.260%</u>	<u>1.215%</u>	<u>1.185%</u>	<u>1.200%</u>	<u>1.105%</u>	<u>1.025%</u>	<u>1.055%</u>	<u>1.530%</u>	<u>2.000%</u>	<u>2.000%</u>	<u>2.000%</u>	
9. Monthly Average Interest Rate (Line 8/12)	<u>0.107%</u>	<u>0.105%</u>	<u>0.101%</u>	<u>0.099%</u>	<u>0.100%</u>	<u>0.092%</u>	<u>0.085%</u>	<u>0.088%</u>	<u>0.128%</u>	<u>0.167%</u>	<u>0.167%</u>	<u>0.167%</u>	
10. Interest Provision (Line 4 x Line 9)	<u>\$1,227</u>	<u>\$1,088</u>	<u>\$788</u>	<u>\$649</u>	<u>\$725</u>	<u>\$802</u>	<u>\$905</u>	<u>\$1,180</u>	<u>\$2,106</u>	<u>\$3,078</u>	<u>\$2,978</u>	<u>\$2,538</u>	<u>\$18,062</u>

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TAMPA ELECTRIC COMPANY  
Energy Conservation  
Calculation of Conservation Revenues

Actual for Months January 2003 through August 2003  
Projected for Months September 2003 through December 2003

(1) Months	(2) Firm MWH Sales	(3) Interruptible MWH Sales	(4) Clause Revenue Net of Revenue Taxes
January	1,329,698	149,791	1,445,659
February	1,227,475	143,167	1,331,012
March	1,120,274	138,123	1,197,345
April	1,201,940	139,532	1,286,775
May	1,418,551	154,983	1,526,619
June	1,519,709	143,934	1,639,169
July	1,566,346	130,471	1,687,282
August	1,576,636	128,487	1,694,868
September	1,624,677	120,951	1,742,460
October	1,467,999	129,544	1,572,603
November	1,280,306	137,237	1,366,490
December	1,287,304	140,808	1,374,366
Total	<u>16,620,915</u>	<u>1,657,028</u>	<u>17,864,648</u>

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**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** HEATING AND COOLING

**Program Description:** This is a residential conservation program designed to reduce weather-sensitive peaks by providing incentives for the installation of high efficiency heating and air conditioning equipment at existing residences.

**Program Projections:** January 1, 2003 to December 31, 2003

There are 3,913 units projected to be installed and approved.

January 1, 2004 to December 31, 2004

There are 3,950 units projected to be installed and approved.

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures estimated for the period are \$812,455.

January 1, 2004 to December 31, 2004

Expenditures estimated for the period are \$838,228.

**Program Progress  
Summary:**

Through December 31, 2002, there were 148,866 units installed and approved.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** PRIME TIME

**Program Description:** This is a residential load management program designed to directly control the larger loads in customers' homes such as air conditioning, water heating, electric space heating and pool pumps. Participating customers receive monthly credits on their electric bills.

**Program Projections:** January 1, 2003 to December 31, 2003

There are 73,815 projected customers for this program on a cumulative basis.

January 1, 2004 to December 31, 2004

There are 74,340 projected customers for this program on a cumulative basis.

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Estimated expenditures are \$11,840,447.

January 1, 2004 to December 31, 2004

Estimated expenditures are \$12,141,037.

**Program Progress  
Summary:**

There were 74,911 cumulative customers participating through December 31, 2002.

Breakdown is as follows:

Water Heating	69,235
Air Conditioning	50,785
Heating	53,279
Pool Pump	13,994

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** ENERGY AUDITS

**Program Description:** These are on-site and mail-in audits of residential, commercial and industrial premises that instruct customers on how to use conservation measures and practices to reduce their energy usage.

**Program Projections:** January 1, 2003 to December 31, 2003

Residential - 21,698 (RCS - 0; Free - 9,200; Mail-in - 10,295; On-line - 2,203)

Comm/Ind - 435 (Paid - 0; Free - 435)

January 1, 2004 to December 31, 2004

Residential - 23,150 (RCS - 0; Alt - 9,400; Mail-in - 11,250; On-line - 2,400)

Comm/Ind - 450 (Paid - 0; Free - 450)

**Program Fiscal**

**Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures are expected to be \$1,604,735.

January 1, 2004 to December 31, 2004

Expenditures are expected to be \$1,777,890.

**Program Progress**

**Summary:**

Through December 31, 2002 the following audit totals are:

Residential RCS (Fee)	3,890
Residential Alt (Free)	202,251
Residential Mail-in	79,095
Commercial-Ind (Fee)	226
Commercial-Ind (Free)	14,362
Commercial Mail-in	1,477

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COGENERATION

**Program Description:** This program encourages the development of cost-effective commercial and industrial cogeneration facilities through standard offers and negotiation of contracts for the purchase of firm capacity and energy.

**Program Projections:** January 1, 2003 to December 31, 2003

Communication and interaction will continue with all present and potential cogeneration customers.

January 1, 2004 to December 31, 2004

The development and publication of the 20-Year Cogeneration Forecast will occur.

**Program Fiscal Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures are estimated to be \$231,232.

January 1, 2004 to December 31, 2004

Expenditures are estimated to be \$241,310.

**Program Progress Summary:**

The projected total maximum generation by electrically interconnected cogeneration during 2003 will be approximately 447 MW.

Continuing interaction with current and potential cogeneration developers for discussion regarding current cogeneration activities and future cogeneration construction activities. Currently there are 14 Qualifying Facilities with generation on-line in our service area.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** CEILING INSULATION

**Program Description:** This is a residential conservation program designed to reduce weather-sensitive peaks by providing incentives to encourage the installation of efficient levels of ceiling insulation.

**Program Projections:** January 1, 2003 to December 31, 2003

Approximately 3,089 participants are expected during this period.

January 1, 2004 to December 31, 2004

Approximately 3,400 participants are expected during this period.

**Program Fiscal Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures are estimated to be \$466,927.

January 1, 2004 to December 31, 2004

Expenditures are estimated to be \$520,925.

**Program Progress Summary:**

Through December 31, 2002, there were 68,746 installations certified and paid.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COMMERCIAL LOAD MANAGEMENT

**Program Description:** This is a load management program that achieves weather-sensitive demand reductions through load control of equipment at the facilities of firm commercial customers.

**Program Projections:** January 1, 2003 to December 31, 2003

No installations expected.

January 1, 2004 to December 31, 2004

Two installations expected.

**Program Fiscal Expenditures:** January 1, 2003 to December 31, 2003

Expenses of \$16,730 are estimated.

January 1, 2004 to December 31, 2004

Expenses of \$17,849 are estimated.

**Program Progress Summary:** Through December 31, 2002, there are 11 commercial installations in service.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COMMERCIAL INDOOR LIGHTING

**Program Description:** This is a conservation program designed to reduce weather-sensitive peaks by encouraging investment in more efficient lighting technology in commercial facilities.

**Program Projections:** January 1, 2003 to December 31, 2003

During this period, 26 customers are expected to participate.

January 1, 2004 to December 31, 2004

During this period, 35 customers are expected to participate.

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures estimated for the period are \$62,658.

January 1, 2004 to December 31, 2004

Expenditures estimated for this period are \$106,976

**Program Progress  
Summary:**

Through December 31, 2002, there were 916 customers that participated.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** STANDBY GENERATOR

**Program Description:** This is a program designed to utilize the emergency generation capacity at firm commercial/industrial facilities in order to reduce weather-sensitive peak demand.

**Program Projections:** January 1, 2003 to December 31, 2003

Two installations are expected.

January 1, 2004 to December 31, 2004

Two installations are expected.

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures estimated for the period are \$746,467.

January 1, 2004 to December 31, 2004

Expenditures estimated for the period are \$865,536.

**Program Progress  
Summary:**

Through December 31, 2002, there are 44 customers participating.



**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** CONSERVATION VALUE

**Program Description:** This is an incentive program for firm commercial/industrial customers that encourages additional investments in substantial demand shifting or demand reduction measures.

**Program Projections:** January 1, 2003 to December 31, 2003

Two customers are expected to participate during this period.

January 1, 2004 to December 31, 2004

Two customers are expected to participate during this period.

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Estimated expenses are \$53,166.

January 1, 2004 to December 31, 2004

Estimated expenses are \$109,625.

**Program Progress  
Summary:**

Through December 31, 2002, there were 19 customers that 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:** This is a residential conservation program designed to reduce weather-sensitive peaks by offering incentives to encourage the repair of the air distribution system in a residence.

**Program Projections:** January 1, 2003 to December 31, 2003

There are 5,702 repairs projected to be made.

January 1, 2004 to December 31, 2004

There are 5,800 repairs projected to be made.

**Program Fiscal Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures estimated for the period are \$1,491,658.

January 1, 2004 to December 31, 2004

Expenditures estimated for the period are \$1,664,085.

**Program Progress Summary:**

Through December 31, 2002, there are 33,846 customers that have participated.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** GREEN PRICING INITIATIVE

**Program Description:** This is a three-year pilot initiative designed to assist in the delivery of renewable energy for the company's Green Energy Pilot Program. This specific effort provides funding for program administration, evaluation and market research.

**Program Projections:** January 1, 2003 to December 31, 2003

There are 233 customers with 325 subscribed blocks estimated for this period on a cumulative basis.

January 1, 2004 to December 31, 2004

There are 353 customers with 493 subscribed blocks estimated for this period on a cumulative basis.

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures estimated for the period are \$42,238.

January 1, 2004 to December 31, 2004

Expenditures estimated for the period are \$56,988.

**Program Progress  
Summary:**

Through December 31, 2002, there are 211 customers with 294 blocks subscribed.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** INDUSTRIAL LOAD MANAGEMENT

**Program Description:** This is a load management program for large industrial customers with interruptible loads of 500 kW or greater.

**Program Projections:** January 1, 2003 to December 31, 2003

No customers are expected to participate.

January 1, 2004 to December 31, 2004

See Program Progress Summary below.

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures estimated for the period are \$1,659.

January 1, 2004 to December 31, 2004

Expenditures estimated for the period are \$408,604.

**Program Progress  
Summary:**

Program approved by FPSC in Docket No. 990037-EI, Order No. PSC-99-1778-FOF-EI, issued September 10, 1999. For 2003, current assessment for participation has program open for customers and one customer showed interest, however, no participation is expected. Should the assessment indicate an opportunity for customer participation during 2004, the projected expenditures above have been based on the current interruptible class load average per customer with the additional assumption that each incremental customer would replicate that average.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** DSM RESEARCH AND DEVELOPMENT (R&D)

**Program Description:** This is a five-year R&D program directed at end-use technologies (both residential and commercial) not yet commercially available or where insufficient data exists for measure evaluations specific to central Florida climate.

**Program Projections:** See Program Progress Summary.

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures are estimated at \$49,232.

January 1, 2004 to December 31, 2004

Expenditures are estimated at \$64,694.

**Program Progress  
Summary:**

Tampa Electric's current activities for R&D include the following: 1) the evaluation of a new type of energy recovery ventilation system designed to reduce the amount of moisture in commercial fresh air HVAC intakes; 2) the evaluation and monitoring of a 30kW microturbine fueled by landfill gas; and 3) the evaluation and monitoring of a photovoltaic (PV) system installed at a local school also used as a storm center.

Testing is designed to evaluate the demand and energy consumption and operating characteristics of these products. This information will be used to determine potential DSM opportunities as directed in Order No. PSC-00-0754-PAA-EG, Docket No. 991791-EG.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COMMERCIAL COOLING

**Program Description:** This is an incentive program to encourage the installation of high efficiency direct expansion (DX) commercial air conditioning equipment.

**Program Projections:** January 1, 2003 to December 31, 2003

There are 64 customers expected to participate.

January 1, 2004 to December 31, 2004

There are 71 customers expected to participate.

**Program Fiscal Expenditures:** January 1, 2003 to December 31, 2003

Expenditures are estimated at \$29,775.

January 1, 2004 to December 31, 2004

Expenditures are estimated at \$33,086.

**Program Progress Summary:** Through December 31, 2002, there were 128 units installed and approved.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** ENERGY PLUS HOMES

**Program Description:** This is a program that encourages the construction of new homes to be above the minimum energy efficiency levels required by the State of Florida Energy Efficiency Code for New Construction through the installation of high efficiency equipment and building envelope options.

**Program Projections:** January 1, 2003 to December 31, 2003

There are 7 customers expected to participate

January 1, 2004 to December 31, 2004

There are 55 customers expected to participate

**Program Fiscal  
Expenditures:**

January 1, 2003 to December 31, 2003

Expenditures are estimated at \$20,756.

January 1, 2004 to December 31, 2004

Expenditures are estimated at \$44,654.

**Program Progress  
Summary:**

Through December 31, 2002, 16 approved homes have participated.

**PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COMMON EXPENSES

**Program Description:** These are expenses common to all programs.

**Program Projections:** N/A

**Program Fiscal Expenditures:** January 1, 2003 to December 31, 2003

Expenditures are estimated to be \$171,869.

January 1, 2004 to December 31, 2004

Expenditures are estimated at \$180,220.

**Program Progress Summary:** N/A



**INPUT DATA - PART 1**  
**PROGRAM TITLE: Industrial Load Management (GSLM 2 & 3)**

PSC FORM CE 1.1  
 PAGE 1 OF 1  
 RUN DATE: September 22, 2003

**PROGRAM DEMAND SAVINGS & LINE LOSSES**

I. (1) CUSTOMER KW REDUCTION AT THE METER	2,600.00	KW /CUST
I. (2) GENERATOR KW REDUCTION PER CUSTOMER	2,815.24	KW GEN/CUST
I. (3) KW LINE LOSS PERCENTAGE	6.5	%
I. (4) GENERATION KWH REDUCTION PER CUSTOMER	638,156	KWH/CUST/YR
I. (5) KWH LINE LOSS PERCENTAGE	5.8	%
I. (6) GROUP LINE LOSS MULTIPLIER	1	
I. (7) CUSTOMER KWH PROGRAM INCREASE AT METER	0	KWH/CUST/YR
I. (8)* CUSTOMER KWH REDUCTION AT METER	601,143	KWH/CUST/YR

**ECONOMIC LIFE & K FACTORS**

II. (1) STUDY PERIOD FOR CONSERVATION PROGRAM	30	YEARS
II. (2) GENERATOR ECONOMIC LIFE	30	YEARS
II. (3) T & D ECONOMIC LIFE	30	YEARS
II. (4) K FACTOR FOR GENERATION	1.6815	
II. (5) K FACTOR FOR T & D	1.6815	
II. (6)* SWITCH REV REQ(0) OR VAL-OF-DEF (1)	0	

**UTILITY & CUSTOMER COSTS**

III. (1) UTILITY NONRECURRING COST PER CUSTOMER	1,500.00	\$/CUST
III. (2) UTILITY RECURRING COST PER CUSTOMER	1,200.00	\$/CUST/YR
III. (3) UTILITY COST ESCALATION RATE	2.5	%
III. (4) CUSTOMER EQUIPMENT COST	10,000.00	\$/CUST
III. (5) CUSTOMER EQUIPMENT ESCALATION RATE	2.5	%
III. (6) CUSTOMER O & M COST	0	\$/CUST/YR
III. (7) CUSTOMER O & M ESCALATION RATE	2.5	%
III. (8)* CUSTOMER TAX CREDIT PER INSTALLATION	0	\$/CUST
III. (9)* CUSTOMER TAX CREDIT ESCALATION RATE	0	%
III. (10)* INCREASED SUPPLY COSTS	0	\$/CUST/YR
III. (11)* SUPPLY COSTS ESCALATION RATE	0	%
III. (12)* UTILITY DISCOUNT RATE	0.0939	
III. (13)* UTILITY AFUDC RATE	0.0779	
III. (14)* UTILITY NON RECURRING REBATE/INCENTIVE	0.00	\$/CUST
III. (15)* UTILITY RECURRING REBATE/INCENTIVE	128,550.00	\$/CUST/YR
III. (16)* UTILITY REBATE/INCENTIVE ESCAL RATE	0	%

**AVOIDED GENERATOR, TRANS. & DIST COSTS**

IV. (1) BASE YEAR	2003
IV. (2) IN-SERVICE YEAR FOR AVOIDED GENERATING UNIT	2006
IV. (3) IN-SERVICE YEAR FOR AVOIDED T & D	2006
IV. (4) BASE YEAR AVOIDED GENERATING UNIT COST	227.07 \$/KW
IV. (5) BASE YEAR AVOIDED TRANSMISSION COST	0 \$/KW
IV. (6) BASE YEAR DISTRIBUTION COST	0 \$/KW
IV. (7) GEN, TRAN, & DIST COST ESCALATION RATE	2.3 %
IV. (8) GENERATOR FIXED O & M COST	2,544 \$/KW/YR
IV. (9) GENERATOR FIXED O&M ESCALATION RATE	2.5 %
IV. (10) TRANSMISSION FIXED O & M COST	0 \$/KW/YR
IV. (11) DISTRIBUTION FIXED O & M COST	0 \$/KW/YR
IV. (12) T&D FIXED O&M ESCALATION RATE	2.5 %
IV. (13) AVOIDED GEN UNIT VARIABLE O & M COSTS	0.8135 CENTS/KWH
IV. (14) GENERATOR VARIABLE O&M COST ESCALATION RATE	2.5 %
IV. (15) GENERATOR CAPACITY FACTOR	2.7 %
IV. (16) AVOIDED GENERATING UNIT FUEL COST	5,462 CENTS/KWH
IV. (17) AVOIDED GEN UNIT FUEL ESCALATION RATE	2.25 %
IV. (18)* AVOIDED PURCHASE CAPACITY COST PER KW	0 \$/KW/YR
IV. (19)* CAPACITY COST ESCALATION RATE	0 %

**NON-FUEL ENERGY AND DEMAND CHARGES**

V. (1) NON-FUEL COST IN CUSTOMER BILL	1,370 CENTS/KWH
V. (2) NON-FUEL ESCALATION RATE	1 %
V. (3) CUSTOMER DEMAND CHARGE PER KW	7.25 \$/KW/MO
V. (4) DEMAND CHARGE ESCALATION RATE	1 %
V. (5)* DIVERSITY and ANNUAL DEMAND ADJUSTMENT FACTOR FOR CUSTOMER BILL	0

**CALCULATED BENEFITS AND COSTS**

(1)* TRC TEST - BENEFIT/COST RATIO	63.55
(2)* PARTICIPANT NET BENEFITS (NPV)	1,608
(3)* RIM TEST - BENEFIT/COST RATIO	1.20

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EXHIBIT NO. \_\_\_\_\_  
 DOCKET NO. 03002-EG  
 TAMPA ELECTRIC COMPANY  
 (MTB-2)

CALCULATION OF AFUDC AND IN-SERVICE COST OF PLANT  
 PLANT: 2006 Avoided Unit

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 PAGE 1 OF 1  
 September 22, 2003

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
YEAR	NO. YEARS BEFORE INSERVICE	PLANT ESCALATION RATE (%)	CUMULATIVE ESCALATION FACTOR	YEARLY EXPENDITURE (%)	ANNUAL SPENDING (\$/KW)	CUMULATIVE AVERAGE SPENDING (\$/KW)	CUMULATIVE SPENDING WITH AFUDC (\$/KW)	YEARLY TOTAL AFUDC (\$/KW)	INCREMENTAL YEAR-END BOOK VALUE (\$/KW)	CUMULATIVE YEAR-END BOOK VALUE (\$/KW)
1997	-9	0	1	0	0	0	0	0	0	0
1998	-8	0	1	0	0	0	0	0	0	0
1999	-7	0	1	0	0	0	0	0	0	0
2000	-6	0	1	0	0	0	0	0	0	0
2001	-5	0	1	0	0	0	0	0	0	0
2002	-4	0	1	0	0	0	0	0	0	0
2003	-3	0.023	1.023	0	0	0.00	0.00	0.00	0.00	0.00
2004	-2	0.023	1.046529	0	0	0.00	0.00	0.00	0.00	0.00
2005	-1	0.023	1.070599167	0.59	144.52	72.26	72.26	5.62	150.14	150.14
2006	0	0	1.070599167	0.41	98.58	193.81	199.43	5.19	103.77	253.91
				1.000	243.1			10.81	253.91	

IN-SERVICE YEAR = 2006

PLANT COSTS (2002 \$) 227.07  
 AFUDC RATE: 7.79%

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INPUT DATA -- PART 2  
PROGRAM: Industrial Load Management (GSLM 2 & 3)

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September 22, 2003

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
YEAR	CUMULATIVE TOTAL PARTICIPATING CUSTOMERS	ADJUSTED CUMULATIVE PARTICIPATING CUSTOMERS	UTILITY AVERAGE SYSTEM FUEL COSTS (C/KWH)	AVOIDED MARGINAL FUEL COST (C/KWH)	INCREASED MARGINAL FUEL COST (C/KWH)	REPLACEMENT FUEL COST (C/KWH)	PROGRAM KW EFFECTIVENESS FACTOR	PROGRAM KWH EFFECTIVENESS FACTOR	OTHER COSTS (\$000)	OTHER BENEFITS (\$000)
2003	1	1	3.10	3.91	0	0	1	1	0	0
2004	1	1	2.99	3.45	0	0	1	1	0	0
2005	1	1	2.95	3.50	0	0	1	1	0	0
2006	1	1	3.04	3.69	0	0	1	1	0	0
2007	1	1	3.19	3.90	0	0	1	1	0	0
2008	1	1	3.30	4.10	0	0	1	1	0	0
2009	1	1	3.42	4.42	0	0	1	1	0	0
2010	1	1	3.56	4.57	0	0	1	1	0	0
2011	1	1	3.70	4.77	0	0	1	1	0	0
2012	1	1	3.89	5.09	0	0	1	1	0	0
2013	1	1	4.04	5.29	0	0	1	1	0	0
2014	1	1	4.19	5.50	0	0	1	1	0	0
2015	1	1	4.37	5.78	0	0	1	1	0	0
2016	1	1	4.56	6.13	0	0	1	1	0	0
2017	1	1	4.79	6.51	0	0	1	1	0	0
2018	1	1	4.99	6.75	0	0	1	1	0	0
2019	1	1	5.13	6.96	0	0	1	1	0	0
2020	1	1	5.37	7.33	0	0	1	1	0	0
2021	1	1	5.53	7.58	0	0	1	1	0	0
2022	1	1	5.72	7.86	0	0	1	1	0	0
2023	1	1	6.10	8.20	0	0	1	1	0	0
2024	1	1	6.26	8.33	0	0	1	1	0	0
2025	1	1	6.43	8.62	0	0	1	1	0	0
2026	1	1	6.63	8.92	0	0	1	1	0	0
2027	1	1	6.89	9.20	0	0	1	1	0	0
2028	1	1	7.07	9.68	0	0	1	1	0	0
2029	1	1	7.21	9.84	0	0	1	1	0	0
2030	1	1	7.44	10.16	0	0	1	1	0	0
2031	1	1	7.60	10.39	0	0	1	1	0	0
2032	1	1	7.77	10.64	0	0	1	1	0	0

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EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
TAMPA ELECTRIC COMPANY  
(HTB-2)

AVOIDED GENERATION UNIT BENEFITS  
PROGRAM: Industrial Load Management (GSLM 2 & 3)

PSC FORM CE 2.1  
Page 1 of 1  
September 22, 2003

\* UNIT SIZE OF AVOIDED GENERATION UNIT = 2,815 KW  
\* INSERVICE COSTS OF AVOIDED GEN. UNIT (000) = \$715

(1)	(1A)*	(2)	(2A)*	(3)	(4)	(5)	(6)	(6A)*	(7)
YEAR	REVENUE REQUIREMENT FACTOR	AVOIDED GEN UNIT CAPACITY COST \$(000)	AVOIDED ANNUAL UNIT KWH GEN (000)	AVOIDED UNIT FIXED O&M COST \$(000)	AVOIDED GEN UNIT VARIABLE O&M COST \$(000)	AVOIDED GEN UNIT FUEL COST \$(000)	REPLACEMENT FUEL COST \$(000)	AVOIDED PURCHASED CAPACITY COSTS \$(000)	AVOIDED GEN UNIT BENEFITS \$(000)
2003	0.000	0	0	0	0	0	0	0	0
2004	0.000	0	0	0	0	0	0	0	0
2005	0.000	0	0	0	0	0	0	0	0
2006	0.199	143	666	8	6	39	0	0	195
2007	0.193	138	666	8	6	40	0	0	191
2008	0.185	132	666	8	6	41	0	0	187
2009	0.177	127	666	8	6	42	0	0	183
2010	0.170	122	666	9	6	42	0	0	179
2011	0.164	117	666	9	7	43	0	0	176
2012	0.158	113	666	9	7	44	0	0	173
2013	0.151	108	666	9	7	45	0	0	170
2014	0.145	104	666	9	7	46	0	0	167
2015	0.139	100	666	10	7	48	0	0	164
2016	0.133	95	666	10	7	49	0	0	161
2017	0.127	91	666	10	8	50	0	0	158
2018	0.121	87	666	10	8	51	0	0	156
2019	0.115	82	666	11	8	52	0	0	153
2020	0.109	78	666	11	8	53	0	0	150
2021	0.104	74	666	11	8	54	0	0	148
2022	0.101	72	666	11	9	56	0	0	148
2023	0.099	70	666	12	9	57	0	0	148
2024	0.096	69	666	12	9	58	0	0	148
2025	0.094	67	666	12	9	59	0	0	148
2026	0.091	65	666	13	10	61	0	0	148
2027	0.089	64	666	13	10	62	0	0	148
2028	0.087	62	666	13	10	63	0	0	149
2029	0.084	60	666	14	10	65	0	0	149
2030	0.082	59	666	14	11	66	0	0	149
2031	0.080	57	666	14	11	68	0	0	150
2032	0.077	55	666	15	11	69	0	0	150
NOMINAL		2410	17978	293	221	1423	0	0	4346
NPV		868		77	59	382	0	0	1,386

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK

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EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
TAMPA ELECTRIC COMPANY  
(HTB-2)

AVOIDED T & D AND PROGRAM FUEL SAVINGS  
PROGRAM: Industrial Load Management (GSLM 2 & 3)

PSC FORM CE 2.2  
Page 1 of 1  
September 22, 2003

\* INSERVICE COSTS OF AVOIDED TRANS. (000) = \$0  
\* INSERVICE COSTS OF AVOIDED DIST. (000) = \$0

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
YEAR	AVOIDED TRANSMISSION CAPACITY COST \$(000)	AVOIDED TRANSMISSION O&M COST \$(000)	TOTAL AVOIDED TRANSMISSION COST \$(000)	AVOIDED DISTRIBUTION CAPACITY COST \$(000)	AVOIDED DISTRIBUTION O&M COST \$(000)	TOTAL AVOIDED DISTRIBUTION COST \$(000)	PROGRAM FUEL SAVINGS \$(000)
2003	0	0	0	0	0	0	12
2004	0	0	0	0	0	0	22
2005	0	0	0	0	0	0	22
2006	0	0	0	0	0	0	24
2007	0	0	0	0	0	0	25
2008	0	0	0	0	0	0	26
2009	0	0	0	0	0	0	28
2010	0	0	0	0	0	0	29
2011	0	0	0	0	0	0	30
2012	0	0	0	0	0	0	33
2013	0	0	0	0	0	0	34
2014	0	0	0	0	0	0	35
2015	0	0	0	0	0	0	37
2016	0	0	0	0	0	0	39
2017	0	0	0	0	0	0	42
2018	0	0	0	0	0	0	43
2019	0	0	0	0	0	0	44
2020	0	0	0	0	0	0	47
2021	0	0	0	0	0	0	48
2022	0	0	0	0	0	0	50
2023	0	0	0	0	0	0	52
2024	0	0	0	0	0	0	53
2025	0	0	0	0	0	0	55
2026	0	0	0	0	0	0	57
2027	0	0	0	0	0	0	59
2028	0	0	0	0	0	0	62
2029	0	0	0	0	0	0	63
2030	0	0	0	0	0	0	65
2031	0	0	0	0	0	0	66
2032	0	0	0	0	0	0	68
NOMINAL	0	0	0	0	0	0	1,271
NPV:	0	0	0	0	0	0	346

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK

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EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
TAMPA ELECTRIC COMPANY  
(HTR-2)

(1)	(2)	(3)	(4)	(5)	(6)	(7)
YEAR	REDUCTION IN KWH GENERATION NET NEW CUST KWH (000)	AVOIDED MARGINAL FUEL COST - REDUCED KWH \$(000)	INCREASE IN KWH GENERATION NET NEW CUST KWH (000)	INCREASED MARGINAL FUEL COST - INCREASE KWH \$(000)	NET AVOIDED PROGRAM FUEL SAVINGS \$(000)	EFFECTIVE PROGRAM FUEL SAVINGS \$(000)
2003	319	12	0	0	12	12
2004	638	22	0	0	22	22
2005	638	22	0	0	22	22
2006	638	24	0	0	24	24
2007	638	25	0	0	25	25
2008	638	26	0	0	26	26
2009	638	28	0	0	28	28
2010	638	29	0	0	29	29
2011	638	30	0	0	30	30
2012	638	33	0	0	33	33
2013	638	34	0	0	34	34
2014	638	35	0	0	35	35
2015	638	37	0	0	37	37
2016	638	39	0	0	39	39
2017	638	42	0	0	42	42
2018	638	43	0	0	43	43
2019	638	44	0	0	44	44
2020	638	47	0	0	47	47
2021	638	48	0	0	48	48
2022	638	50	0	0	50	50
2023	638	52	0	0	52	52
2024	638	53	0	0	53	53
2025	638	55	0	0	55	55
2026	638	57	0	0	57	57
2027	638	59	0	0	59	59
2028	638	62	0	0	62	62
2029	638	63	0	0	63	63
2030	638	65	0	0	65	65
2031	638	66	0	0	66	66
2032	638	68	0	0	68	68
NOMINAL	18,826	1,271	0	0	1,271	1,271
NPV:		346		0	346	346

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK

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\* WORKSHEET: UTILITY COSTS AND PARTICIPANT COSTS AND REV LOSS/GAIN  
 PROGRAM: Industrial Load Management (GSLM 2 & 3)

WORKSHEET FOR FORM CE 2.2  
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 September 22, 2003

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
UTILITY PROGRAM COSTS & REBATES						PARTICIPATING CUSTOMER COSTS & BENEFITS											
YEAR	UTIL NONREC. COSTS \$(000)	UTIL RECUR COSTS \$(000)	TOTAL UTIL PGM COSTS \$(000)	UTIL NONREC. REBATES \$(000)	UTIL RECUR. REBATES \$(000)	TOTAL REBATE/ INCENT. COSTS \$(000)	PARTIC. CUST EQUIP COSTS \$(000)	PARTIC. CUST O & M COSTS \$(000)	TOTAL COSTS PARTIC. CUST \$(000)	REDUCT. IN CUST. KWH (000)	RED. REV. - FUEL PORTION \$(000)	RED. REV. NONFUEL PORTION \$(000)	EFFECT. REV. REDUCT. TO CUST \$(000)	INC. IN CUST. KWH (000)	INC. REV. - FUEL PORTION \$(000)	INC. REV. NONFUEL PORTION \$(000)	EFFECT. REVENUE INC. IN BILL \$(000)
2003	2	1	2	0	64	64	10	0	10	301	8	4	12	0	0	0	0
2004	0	1	1	0	129	129	0	0	0	601	14	8	23	0	0	0	0
2005	0	1	1	0	129	129	0	0	0	601	14	8	22	0	0	0	0
2006	0	1	1	0	129	129	0	0	0	601	13	8	22	0	0	0	0
2007	0	1	1	0	129	129	0	0	0	601	14	9	23	0	0	0	0
2008	0	1	1	0	129	129	0	0	0	601	15	9	24	0	0	0	0
2009	0	1	1	0	129	129	0	0	0	601	16	9	25	0	0	0	0
2010	0	1	1	0	129	129	0	0	0	601	17	9	25	0	0	0	0
2011	0	1	1	0	129	129	0	0	0	601	17	9	26	0	0	0	0
2012	0	1	1	0	129	129	0	0	0	601	18	9	27	0	0	0	0
2013	0	2	2	0	129	129	0	0	0	601	19	9	28	0	0	0	0
2014	0	2	2	0	129	129	0	0	0	601	19	9	29	0	0	0	0
2015	0	2	2	0	129	129	0	0	0	601	20	9	29	0	0	0	0
2016	0	2	2	0	129	129	0	0	0	601	21	9	30	0	0	0	0
2017	0	2	2	0	129	129	0	0	0	601	22	9	31	0	0	0	0
2018	0	2	2	0	129	129	0	0	0	601	23	10	32	0	0	0	0
2019	0	2	2	0	129	129	0	0	0	601	23	10	33	0	0	0	0
2020	0	2	2	0	129	129	0	0	0	601	24	10	34	0	0	0	0
2021	0	2	2	0	129	129	0	0	0	601	25	10	35	0	0	0	0
2022	0	2	2	0	129	129	0	0	0	601	27	10	36	0	0	0	0
2023	0	2	2	0	129	129	0	0	0	601	27	10	37	0	0	0	0
2024	0	2	2	0	129	129	0	0	0	601	28	10	38	0	0	0	0
2025	0	2	2	0	129	129	0	0	0	601	29	10	39	0	0	0	0
2026	0	2	2	0	129	129	0	0	0	601	30	10	40	0	0	0	0
2027	0	2	2	0	129	129	0	0	0	601	31	10	41	0	0	0	0
2028	0	2	2	0	129	129	0	0	0	601	32	11	42	0	0	0	0
2029	0	2	2	0	129	129	0	0	0	601	33	11	43	0	0	0	0
2030	0	2	2	0	129	129	0	0	0	601	34	11	45	0	0	0	0
2031	0	2	2	0	129	129	0	0	0	601	35	11	46	0	0	0	0
2032	0	2	2	0	129	129	0	0	0	601	36	11	47	0	0	0	0
NOMINAL	2	52	54	0	3,792	3,792	10	0	10	17,734	683	282	965	0	0	0	0
NPV	2	16	17	0	1,332	1,332	10	0	10		193	93	287		0	0	0

\* SUPPLEMENTAL INFORMATION NOT SPECIFIED IN WORKBOOK

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EXHIBIT NO. \_\_\_\_\_  
 DOCKET NO. 030002-EG  
 TAMPA ELECTRIC COMPANY  
 (HTB-2)

TOTAL RESOURCE COST TESTS  
PROGRAM: Industrial Load Management (GSLM 2 & 3)

PSC FORM CE 2.3  
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September 22, 2003

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
YEAR	INCREASED SUPPLY COSTS \$(000)	UTILITY PROGRAM COSTS \$(000)	PARTICIPANT PROGRAM COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	AVOIDED GEN UNIT BENEFITS \$(000)	AVOIDED T & D BENEFITS \$(000)	PROGRAM FUEL SAVINGS \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)	
2003	0	2	10	0	12	0	0	12	0	12	0	0	
2004	0	1	0	0	1	0	0	22	0	22	21	19	
2005	0	1	0	0	1	0	0	22	0	22	21	37	
2006	0	1	0	0	1	195	0	24	0	219	217	203	
2007	0	1	0	0	1	191	0	25	0	216	215	353	
2008	0	1	0	0	1	187	0	26	0	213	212	488	
2009	0	1	0	0	1	183	0	28	0	211	210	610	
2010	0	1	0	0	1	179	0	29	0	208	207	721	
2011	0	1	0	0	1	176	0	30	0	206	205	821	
2012	0	1	0	0	1	173	0	33	0	205	204	911	
2013	0	2	0	0	2	170	0	34	0	204	202	994	
2014	0	2	0	0	2	167	0	35	0	202	200	1,068	
2015	0	2	0	0	2	164	0	37	0	201	199	1,136	
2016	0	2	0	0	2	161	0	39	0	200	199	1,198	
2017	0	2	0	0	2	158	0	42	0	200	198	1,255	
2018	0	2	0	0	2	156	0	43	0	199	197	1,306	
2019	0	2	0	0	2	153	0	44	0	197	196	1,352	
2020	0	2	0	0	2	150	0	47	0	197	195	1,395	
2021	0	2	0	0	2	148	0	48	0	197	195	1,434	
2022	0	2	0	0	2	148	0	50	0	198	196	1,469	
2023	0	2	0	0	2	148	0	52	0	200	198	1,502	
2024	0	2	0	0	2	148	0	53	0	201	199	1,532	
2025	0	2	0	0	2	148	0	55	0	203	201	1,560	
2026	0	2	0	0	2	148	0	57	0	205	203	1,586	
2027	0	2	0	0	2	148	0	59	0	207	205	1,610	
2028	0	2	0	0	2	149	0	62	0	210	208	1,632	
2029	0	2	0	0	2	149	0	63	0	212	210	1,652	
2030	0	2	0	0	2	149	0	65	0	214	212	1,671	
2031	0	2	0	0	2	150	0	66	0	216	214	1,688	
2032	0	2	0	0	2	150	0	68	0	218	216	1,704	
NOMINAL	0	54	10	0	64	4,346	0	1,271	0	5,617	5,554		
NPV:	0	17	10	0	27	1,386	0	346	0	1,732	1,704		
Discount Rate		0.0939	Benefit/Cost Ratio - [col (11)/col (6)]:					63.55					

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EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
TAMPA ELECTRIC COMPANY  
(HTB-2)



PARTICIPANT COSTS AND BENEFITS  
PROGRAM: Industrial Load Management (GSLM 2 & 3)

PSC FORM CE 2.4  
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September 22, 2003

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
YEAR	SAVINGS IN PARTICIPANTS BILL \$(000)	TAX CREDITS \$(000)	UTILITY REBATES \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	CUSTOMER EQUIPMENT COSTS \$(000)	CUSTOMER O & M COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2003	12	0	64	0	76	10	0	0	10	66	66
2004	23	0	129	0	151	0	0	0	0	151	204
2005	22	0	129	0	151	0	0	0	0	151	330
2006	22	0	129	0	150	0	0	0	0	150	445
2007	23	0	129	0	151	0	0	0	0	151	551
2008	24	0	129	0	152	0	0	0	0	152	648
2009	25	0	129	0	153	0	0	0	0	153	738
2010	25	0	129	0	154	0	0	0	0	154	820
2011	26	0	129	0	155	0	0	0	0	155	895
2012	27	0	129	0	156	0	0	0	0	156	965
2013	28	0	129	0	157	0	0	0	0	157	1,029
2014	29	0	129	0	157	0	0	0	0	157	1,087
2015	29	0	129	0	158	0	0	0	0	158	1,141
2016	30	0	129	0	159	0	0	0	0	159	1,190
2017	31	0	129	0	160	0	0	0	0	160	1,236
2018	32	0	129	0	161	0	0	0	0	161	1,278
2019	33	0	129	0	162	0	0	0	0	162	1,316
2020	34	0	129	0	163	0	0	0	0	163	1,351
2021	35	0	129	0	164	0	0	0	0	164	1,384
2022	36	0	129	0	165	0	0	0	0	165	1,414
2023	37	0	129	0	166	0	0	0	0	166	1,442
2024	38	0	129	0	167	0	0	0	0	167	1,467
2025	39	0	129	0	168	0	0	0	0	168	1,490
2026	40	0	129	0	169	0	0	0	0	169	1,512
2027	41	0	129	0	170	0	0	0	0	170	1,531
2028	42	0	129	0	171	0	0	0	0	171	1,549
2029	43	0	129	0	172	0	0	0	0	172	1,566
2030	45	0	129	0	173	0	0	0	0	173	1,581
2031	46	0	129	0	174	0	0	0	0	174	1,595
2032	47	0	129	0	175	0	0	0	0	175	1,608
NOMINAL	965	0	3,792	0	4,758	10	0	0	10	4,748	
NPV:	287	0	1,332	0	1,618	10	0	0	10	1,608	
In service year of gen unit:			2004								
Discount rate:			0.0939								

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EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 030002-EG  
TAMPA ELECTRIC COMPANY  
(HTB-2)

