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BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 050004-GU  
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Direct Testimony of  
MARC S. SEAGRAVE  
On Behalf of  
FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED NATURAL GAS DIVISION

12 Q. Please state your name and business address.

13 A. Marc S. Seagrave: my business address is P.O.  
14 Box 3395, West Palm Beach, Florida 33402-3395.

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

16 A. I am employed by Florida Public Utilities  
17 Company as Director of Marketing and Sales.

18 Q. What is the purpose of your testimony at this  
19 time?

20 A. To advise the Commission as to the Conservation  
21 Cost Recovery Clause Calculation for the period  
22 January 2006 through December 2006 and to  
23 clarify the use of "Good Cents" branding to  
24 support Florida Public Utilities conservation  
25 programs.

26 Q. What are the total projected costs for the  
27 period January 2006 through December 2006 in the  
28 Consolidated Natural Gas Division?

29 A. The total projected Conservation Program Costs  
30 are \$2,500,000. Please see Schedule C-2, page  
31 2, for the programmatic and functional breakdown

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1 of these total costs.

2 Q. What is the true-up for the period January, 2005  
3 through December, 2005?

4 A. As reflected in the respective "C" schedules,  
5 the True-up amount for the Consolidated Natural  
6 Gas Division is an under-recovery of \$90,858.

7 Q. What are the resulting net total projected  
8 conservation costs to be recovered during this  
9 period?

10 A. The total costs to be recovered are \$2,590,858.

11 Q. What is the Conservation Adjustment Factor  
12 necessary to recover these projected net total  
13 costs?

14 A. The Conservation Adjustment Factors per therm  
15 for the Consolidated Natural Gas Division are:

16 Residential	\$ .08645
17 General Service & GS Transportation	\$ .03987
18 Large Volume Service & LV Transportation <50,000	\$ .02831
19 Large Volume Transportation Service >50,000	\$ .02831

20  
21  
22 Q. Are there any exhibits that you wish to sponsor  
23 in this proceeding?

24 A. Yes. I wish to sponsor as Exhibits Schedules  
25 C1, C-2, C-3, and C-5 (Composite Prehearing  
26 Identification Number MSS-2), which have been  
27 filed with this testimony.

28

1 Q. How does Florida Public Utilities plan to  
2 promote the Commission approved conservation  
3 programs to customers?

4 A. These programs will be promoted through the  
5 implementation of the company's "Good Cents"  
6 branding.

7 Q. What is the "Good Cents" branding?

8 A. "Good Cents" is a nationally recognized,  
9 licensed energy conservation branding program.  
10 This program is fuel neutral by design and has  
11 been successfully utilized by approximately 300  
12 electric and natural gas utilities located  
13 across 38 states from Maine, to Florida to  
14 California and Washington. In the winter of  
15 2000, Florida Public Utilities expanded its 20  
16 year old branding license arrangement to include  
17 the Commission approved natural gas conservation  
18 programs.

19 Q. How does Florida Public Utilities utilize this  
20 branding?

21 A. The Company uses the "Good Cents" branding to  
22 create an awareness of its energy conservation  
23 and fuel neutral programs among consumers,  
24 businesses, builders and developers. Florida  
25 Public Utilities will leverage the high  
26 visibility brand, well established national  
27 image of quality, value and savings, established

1 public awareness (nearly 30% national average)  
2 and proven promotional lift (average 11%) to  
3 build participation in our residential and  
4 commercial energy conservation programs. We  
5 will apply the branding strategy to promotional  
6 activities via broadcast and print media,  
7 educational events and collateral materials.  
8 Through this branding, end users and specifiers  
9 can readily identify where to obtain energy  
10 expertise to assist them with their energy  
11 decisions.

12 Q. Does Florida Public Utilities Company expect to  
13 make any modifications to the manner in which it  
14 promotes the approved energy conservation  
15 programs during the period January 1, 2005  
16 through December 31, 2005?

17 A. Yes. In addition to continued participation in  
18 the statewide GetGasFL.com advertising campaign,  
19 Florida Public Utilities Company plans to  
20 strengthen the GoodCents branding and  
21 conservation message by including the  
22 conservation brand as a key component to our  
23 program name and consumer education message.  
24 The program titles will be updated as follows.

- 25 1. **GoodCents Home Program** (Residential New Construction)
- 26 2. **GoodCents Appliance Improvement Program** (Replacement,

1 Electric to Gas conversion)

2 3. **GoodCents Conservation Education Program** (Education and  
3 Seminars)

4 4. **GoodCents Space Conditioning Program** (Space Conditioning  
5 Systems)

6 5. **GoodCents Energy Survey** (Residential Conservation Service,  
7 Energy Survey)

8 6. **GoodCents Appliance Upgrade** (RETENTION, Gas to Gas  
9 Program)

10 7. **GoodCents Builder and Contractor Program**  
11 (Dealer/Contractor)

12 8. **GoodCents Commercial Energy Survey** (Commercial  
13 Conservation)

14 9. **GoodCents Natural Gas Service Reactivation** (Residential  
15 Service REACTIVATION Program)

16 The GetGasFL.com advertising campaign promotes the  
17 energy conservation benefits of gas through the  
18 use of multiple media outlets. The campaign  
19 directs consumers to common web site. The web  
20 site contains additional benefits on the  
21 utilization of gas, the availability of gas by  
22 region, and contact information, as well as  
23 specifics about the energy conservation programs  
24 offered.

25 The strengthened GoodCents branding will also direct

1 consumers to improved web site information  
2 services and will be supported in the field by  
3 expanded manpower resources and conservation  
4 services.

5 Q. Does the campaign meet the guidelines for  
6 recovery under Rule 25-17.015, Energy  
7 Conservation Cost Recovery?

8 A. Yes, the campaign meets the guidelines  
9 established by Rule 25-17.015, Energy  
10 Conservation Cost Recovery.

11 Q. Has Florida Public Utilities Company included  
12 the estimated cost of the campaign in the  
13 projected costs associated with the conservation  
14 programs?

15 A. Yes, the estimated cost of the campaign and  
16 services are included in the budget projections  
17 for 2005.

18 Q. Does this conclude your testimony?

19 A. Yes.

FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED NATURAL GAS DIVISION  
ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION  
JANUARY 2006 THROUGH DECEMBER 2006

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	2,500,000
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	90,858
3. TOTAL (LINE 1 AND LINE 2)	2,590,858

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERMS	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL	564,366	14,352,000	4,514,928	6,937,757	11,452,685	1,234,562	10.77968%	0.08602	1.00503	0.08645
COMMERCIAL SMALL (General Service & GS Transportation)	41,981	13,407,000	629,715	4,304,585	4,934,300	531,901	10.77968%	0.03967	1.00503	0.03987
COMM. LRG VOLUME (Large Vol & LV Transportation < 50,000 units)	15,105	29,266,000	679,725	6,967,942	7,647,667	824,393	10.77968%	0.02817	1.00503	0.02831
LARGE VOL TRANSPORT. (LG VOL TRANS. > 50,000 units)	0	0	0	0	0	0	10.77968%	0.02817	1.00503	0.02831
<b>TOTAL</b>	<b>621,452</b>	<b>57,025,000</b>	<b>5,824,368</b>	<b>18,210,284</b>	<b>24,034,652</b>	<b>2,590,855</b>				

FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED NATURAL GAS DIVISION  
ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH  
JANUARY 2006 THROUGH DECEMBER 2006

PROGRAM	JAN 2006	FEB 2006	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	AUG 2006	SEP 2006	OCT 2006	NOV 2006	DEC 2006	TOTAL
1 GoodCents Home	77,083	77,083	77,083	77,083	77,083	77,083	77,083	77,083	77,083	77,083	77,083	77,087	925,000
2 Resid. Appliance Replacement	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	135,000
3 GoodCents Conservation Education	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	210,000
4 GoodCents Space Conditioning	1,663	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
5 GoodCents Energy Survey	2,583	2,583	2,583	2,583	2,583	2,583	2,583	2,583	2,583	2,583	2,583	2,587	31,000
6 GoodCents Appliance Upgrade	44,583	44,583	44,583	44,583	44,583	44,583	44,583	44,583	44,583	44,583	44,583	44,587	535,000
7 Dealer / Contractor	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
10 GoodCents Commercial Energy Survey	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,337	40,000
12 Commercial Equipment Repair	416	416	416	416	416	416	416	416	416	416	416	424	5,000
13 Res. Service Reactivation	100	100	50	100	100	50	100	100	50	100	50	100	1,000
14 Common	39,833	39,833	39,833	39,833	39,833	39,833	39,833	39,833	39,833	39,833	39,833	39,837	478,000
<b>TOTAL ALL PROGRAMS</b>	<b>208,344</b>	<b>208,348</b>	<b>208,298</b>	<b>208,348</b>	<b>208,348</b>	<b>208,298</b>	<b>208,348</b>	<b>208,348</b>	<b>208,298</b>	<b>208,348</b>	<b>208,298</b>	<b>208,376</b>	<b>2,500,000</b>



FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED NATURAL GAS DIVISION  
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2006 THROUGH DECEMBER 2006

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISE	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 GoodCents Home	0	40,000	7,000	70,000	775,000	20,000	10,000	3,000	925,000
2 Resid. Appliance Replacement	0	17,000	0	17,000	100,000	1,000	0	0	135,000
3 GoodCents Conservation Education	0	40,000	10,000	150,000	0	10,000	0	0	210,000
4 GoodCents Space Conditioning	0	8,000	0	2,000	0	10,000	0	0	20,000
5 GoodCents Energy Survey	0	14,000	12,000	1,000	0	4,000	0	0	31,000
6 GoodCents Appliance Upgrade	0	40,000	0	175,000	320,000	0	0	0	535,000
7 Dealer / Contractor	0	30,000	20,000	20,000	0	50,000	0	0	120,000
10 GoodCents Commercial Energy Survey	0	35,000	0	5,000	0	0	0	0	40,000
12 Commercial Equipment Repair	0	0	5,000	0	0	0	0	0	5,000
13 Res. Service Reactivation	0	0	0	1,000	0	0	0	0	1,000
14 Common	0	226,000	13,000	209,000	0	5,000	25,000	0	478,000
<b>PROGRAM COSTS</b>	<u>0</u>	<u>450,000</u>	<u>67,000</u>	<u>650,000</u>	<u>1,195,000</u>	<u>100,000</u>	<u>35,000</u>	<u>3,000</u>	<u>2,500,000</u>

EXHIBIT NO. \_\_\_\_\_  
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(MSS-2)  
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ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 GoodCents Home									
A. ACTUAL	0	20,114	3,519	44,795	499,184	13,837	1,261	0	582,710
B. ESTIMATED	0	8,680	10,110	15,019	219,800	5,410	2,360	50	261,429
C. TOTAL	0	28,794	13,629	59,814	718,984	19,247	3,621	50	844,139
2 Resid. Appliance Replacement									
A. ACTUAL	0	11,948	0	86,186	56,980	0	40	0	155,154
B. ESTIMATED	0	3,440	0	8,900	14,590	0	0	0	26,930
C. TOTAL	0	15,388	0	95,086	71,570	0	40	0	182,084
3 GoodCents Conservation Education									
A. ACTUAL	0	368	0	133,335	0	1,806	164	0	135,673
B. ESTIMATED	0	0	1,250	55,579	0	0	0	0	56,829
C. TOTAL	0	368	1,250	188,914	0	1,806	164	0	192,502
4 GoodCents Space Conditioning									
A. ACTUAL	0	4,732	0	1,018	0	5,441	137	0	11,328
B. ESTIMATED	0	1,780	0	290	3,580	8,850	0	0	14,500
C. TOTAL	0	6,512	0	1,308	3,580	14,291	137	0	25,828
5 GoodCents Energy Survey									
A. ACTUAL	0	8,809	7,712	2,222	63	2,954	907	0	22,667
B. ESTIMATED	0	2,550	3,330	1,326	180	2,180	0	0	9,566
C. TOTAL	0	11,359	11,042	3,548	243	5,134	907	0	32,233
6 GoodCents Appliance Upgrade									
A. ACTUAL	0	15,723	0	107,825	168,550	0	41	0	292,139
B. ESTIMATED	0	8,560	0	32,947	132,290	0	0	0	173,797
C. TOTAL	0	24,283	0	140,772	300,840	0	41	0	465,936
SUB-TOTAL	0	86,704	25,921	489,442	1,095,217	40,478	4,910	50	1,742,722

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	86,704	25,921	489,442	1,095,217	40,478	4,910	50	1,742,722
7 GoodCentsDealer / Contractor									
A. ACTUAL	0	0	0	572	0	0	0	0	572
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	572	0	0	0	0	572
10 GoodCents Commercial Energy Survey									
A. ACTUAL	0	19,139	90	449	63	3,613	164	0	23,518
B. ESTIMATED	0	10,530	2,590	3,786	560	0	0	0	17,466
C. TOTAL	0	29,669	2,680	4,235	623	3,613	164	0	40,984
12 Commercial Equipment Repair									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	1,160	0	0	0	0	0	1,160
C. TOTAL	0	0	1,160	0	0	0	0	0	1,160
13 Res. Service Reactivation									
A. ACTUAL	0	0	0	1,869	0	0	0	0	1,869
B. ESTIMATED	0	0	0	380	0	0	0	0	380
C. TOTAL	0	0	0	2,249	0	0	0	0	2,249
14 Common									
A. ACTUAL	0	133,837	9,126	147,811	0	12,083	2,106	4,546	309,509
B. ESTIMATED	0	51,670	9,990	149,997	0	8,210	8,020	270	228,157
C. TOTAL	0	185,507	19,116	297,808	0	20,293	10,126	4,816	537,666
TOTAL	0	301,880	48,877	794,306	1,095,840	64,384	15,200	4,866	2,325,353

CONSERVATION PROGRAM COSTS BY PROGRAM  
ACTUAL/ESTIMATED  
JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM NAME	ACTUAL								PROJECTION				TOTAL
	JAN 2005	FEB 2005	MAR 2005	APR 2005	MAY 2005	JUN 2005	JUL 2005	AUG 2005	SEP 2005	OCT 2005	NOV 2005	DEC 2005	
GoodCents Home	39,439	36,277	100,648	71,171	54,246	77,404	63,700	139,825	64,000	65,000	66,000	66,429	844,139
Resid. Appliance Replacement	11,611	10,692	16,255	18,647	9,767	19,898	11,389	56,895	6,000	6,500	7,000	7,430	182,084
GoodCents Conservation Education	11,604	8,093	8,590	16,321	6,455	19,789	10,091	54,730	14,000	14,000	14,000	14,829	192,502
GoodCents Space Conditioning	1,227	37	576	2,959	499	1,401	3,055	1,574	3,500	3,600	3,600	3,800	25,828
GoodCents Energy Survey	4,820	2,201	1,147	4,259	2,016	2,504	1,246	4,474	2,391	2,391	2,391	2,393	32,233
GoodCents Appliance Upgrade	35,524	32,640	30,900	34,327	24,167	34,928	21,417	78,236	42,000	43,000	44,000	44,797	465,936
GoodCents Dealer / Contractor	73	467	0	0	0	0	32	0	0	0	0	0	572
GoodCents Commercial Energy Survey	4,624	1,944	2,923	3,225	2,567	2,644	2,763	2,828	4,364	4,364	4,369	4,369	40,984
Commercial Equipment Repair	0	0	0	0	0	0	0	0	288	288	288	296	1,160
Res. Service Reactivation	0	1,100	0	268	501	0	0	0	95	95	95	95	2,249
Common	32,132	30,710	50,876	58,709	35,449	38,983	26,434	36,216	56,000	57,000	57,000	58,157	537,666
<b>TOTAL ALL PROGRAMS</b>	<b>141,054</b>	<b>124,161</b>	<b>211,915</b>	<b>209,886</b>	<b>135,667</b>	<b>197,551</b>	<b>140,127</b>	<b>374,778</b>	<b>192,638</b>	<b>196,238</b>	<b>198,743</b>	<b>202,595</b>	<b>2,325,353</b>

ENERGY CONSERVATION ADJUSTMENT  
JANUARY 2005 THROUGH DECEMBER 2005

	ACTUAL								PROJECTION				TOTAL
	JAN 2005	FEB 2005	MAR 2005	APR 2005	MAY 2005	JUN 2005	JUL 2005	AUG 2005	SEP 2005	OCT 2005	NOV 2005	DEC 2005	
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(258,345)	(251,082)	(238,953)	(207,717)	(174,054)	(141,593)	(132,614)	(120,514)	(181,525)	(181,525)	(181,525)	(181,525)	(2,250,972)
TOTAL REVENUES	(258,345)	(251,082)	(238,953)	(207,717)	(174,054)	(141,593)	(132,614)	(120,514)	(181,525)	(181,525)	(181,525)	(181,525)	(2,250,972)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	1,637	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	19,699
CONSERVATION REVS. APPLIC. TO PERIOD	(256,708)	(249,440)	(237,311)	(206,075)	(172,412)	(139,951)	(130,972)	(118,872)	(179,883)	(179,883)	(179,883)	(179,883)	(2,231,273)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	141,054	124,161	211,915	209,886	135,667	197,551	140,127	374,778	192,638	196,238	198,743	202,595	2,325,353
TRUE-UP THIS PERIOD	(115,654)	(125,279)	(25,396)	3,811	(36,745)	57,600	9,155	255,906	12,755	16,355	18,860	22,712	94,080
INTEREST THIS PERIOD (C-3,PAGE 5)	(79)	(346)	(540)	(603)	(680)	(691)	(645)	(297)	96	135	184	243	(3,222)
TRUE-UP & INT. BEG. OF MONTH	19,699	(97,671)	(224,937)	(252,515)	(250,949)	(290,016)	(234,749)	(227,881)	26,086	37,295	52,143	69,545	19,699
PRIOR TRUE-UP COLLECT. (REFUND.)	(1,637)	(1,642)	(1,642)	(1,642)	(1,642)	(1,642)	(1,642)	(1,642)	(1,642)	(1,642)	(1,642)	(1,642)	(19,699)
Audit Adj - Prior period													0
END OF PERIOD TOTAL NET TRUE-UP	(97,671)	(224,937)	(252,515)	(250,949)	(290,016)	(234,749)	(227,881)	26,086	37,295	52,143	69,545	90,858	90,858

CALCULATION OF TRUE-UP AND INTEREST PROVISION  
JANUARY 2005 THROUGH DECEMBER 2005

	ACTUAL								PROJECTION				TOTAL
	JAN 2005	FEB 2005	MAR 2005	APR 2005	MAY 2005	JUN 2005	JUL 2005	AUG 2005	SEP 2005	OCT 2005	NOV 2005	DEC 2005	
INTEREST PROVISION													
BEGINNING TRUE-UP	19,699	(97,671)	(224,937)	(252,515)	(250,949)	(290,016)	(234,749)	(227,881)	26,086	37,295	52,143	69,545	
END. T-UP BEFORE INT.	(97,592)	(224,592)	(251,975)	(250,346)	(289,336)	(234,058)	(227,236)	26,383	37,199	52,008	69,361	90,615	
TOT. BEG. & END. T-UP	(77,893)	(322,262)	(476,913)	(502,861)	(540,285)	(524,074)	(461,985)	(201,498)	63,285	89,303	121,504	160,160	
AVERAGE TRUE-UP	(38,947)	(161,131)	(238,456)	(251,430)	(270,143)	(262,037)	(230,993)	(100,749)	31,642	44,651	60,752	80,080	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	2.34%	2.50%	2.65%	2.78%	2.98%	3.06%	3.27%	3.43%	3.64%	3.64%	3.64%	3.64%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	2.50%	2.65%	2.78%	2.98%	3.06%	3.27%	3.43%	3.64%	3.64%	3.64%	3.64%	3.64%	
TOTAL	4.84%	5.15%	5.43%	5.76%	6.04%	6.33%	6.70%	7.07%	7.28%	7.28%	7.28%	7.28%	
AVG INTEREST RATE	2.42%	2.58%	2.72%	2.88%	3.02%	3.17%	3.35%	3.54%	3.64%	3.64%	3.64%	3.64%	
MONTHLY AVG. RATE	0.20%	0.21%	0.23%	0.24%	0.25%	0.26%	0.28%	0.29%	0.30%	0.30%	0.30%	0.30%	
INTEREST PROVISION	(\$79)	(\$346)	(\$540)	(\$603)	(\$680)	(\$691)	(\$645)	(\$297)	\$96	\$135	\$184	\$243	(\$3,222)

**FLORIDA PUBLIC UTILITIES COMPANY  
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PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5  
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1. Full House Residential New Construction Program
2. Residential Appliance Replacement Program
3. Residential Appliance Retention Program
4. Residential Service Reactivation Program
5. Residential Conservation Service Program
6. Commercial Conservation Service Program
7. Conservation Education Program
8. Space Conditioning Program

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**FLORIDA PUBLIC UTILITIES COMPANY  
CONSOLIDATED NATURAL GAS DIVISION  
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5  
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**PROGRAM TITLE:**

Full House Residential New Construction Program

**BRANDING:**

Marketing and promotional title will be **GoodCents Natural Gas Home**

**PROGRAM DESCRIPTION:**

This program is designed to increase the overall energy efficiency in the residential single- and multi-family new construction market by promoting energy-efficient natural gas appliances. The program offers builders and developers incentives in the form of cash allowances to defray the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

**PROGRAM ALLOWANCES:**

Furnace or Hydro heater	\$300
Water Heater	\$300
Range	\$ 85
Dryer	\$ 85

**PROGRAM PROJECTIONS:**

For the twelve-month period of January to December 2006, FPUC estimates that 1,000 single- and multi-family homes will be connected to its natural gas system.

**PROGRAM FISCAL EXPENDITURES:**

During the twelve-month period of January to December 2006, FPUC estimates expenses of \$925,000.

**PROGRAM PROGRESS SUMMARY:**

FPSC approval of this program occurred on August 29, 2000. From the inception of this program on September 1, 2000 through August 31, 2005, FPUC has connected 5,322 single- and multi-family homes to its natural gas system.

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**PROGRAM TITLE:**

Residential Appliance Replacement Program

**BRANDING:**

Marketing and promotional title will be **GoodCents Appliance Replacement Program**

**PROGRAM DESCRIPTION:**

This program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy-efficient natural gas appliances. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances.

**PROGRAM ALLOWANCES:**

Furnace or Hydro heater	\$330
Water Heater	\$330
Range	\$ 50
Dryer	\$ 50

**PROGRAM PROJECTIONS:**

For the twelve-month period of January to December 2006, FPUC estimates that 200 natural gas appliances will be connected (limited to furnaces or hydro heaters, water heaters, ranges and dryers) to its natural gas system.

**PROGRAM EXPENDITURES:**

During the twelve-month period of January to December 2006, FPUC estimates expenses of \$135,000.

**PROGRAM PROGRESS SUMMARY:**

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of the program through August 2005, FPUC has connected 1,406 appliances (only furnaces and hydro heaters, water heaters, ranges and dryers) to its natural gas system.

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**PROGRAM TITLE:**

Residential Appliance Retention Program

**BRANDING:**

Marketing and promotional title will be **GoodCents Appliance Retention Program**

**PROGRAM DESCRIPTION:**

This program is designed to promote the retention of energy-efficient appliances for current natural gas customers. The program offers allowances to customers to assist in defraying the cost of purchasing and installing more expensive energy-efficient appliances.

**PROGRAM ALLOWANCES:**

Water Heater                      \$350

**PROGRAM PROJECTIONS:**

For the twelve-month period of January to December 2006, FPUC estimates that 1,125 water heaters will be connected to its system.

**PROGRAM FISCAL EXPENDITURES:**

During the twelve-month period of January to December 2006, FPUC estimates expenses of \$535,000.

**PROGRAM PROGRESS SUMMARY:**

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2005, FPUC has retained 4,080 natural gas water heaters connected to its distributions system.

**PROGRAM TITLE:**

Residential Service Reactivation Program

**BRANDING:**

Marketing and promotional title will be **GoodCents Service Reactivation Program**

**PROGRAM DESCRIPTION:**

This program is designed to encourage the reactivation of existing residential service lines that are scheduled to be cut-off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and the installation of energy-efficient natural gas appliances.

**PROGRAM ALLOWANCES:**

Service Reactivation (the installation of a water heater is required) \$350

**PROGRAM PROJECTIONS:**

For the twelve-month period of January to December 2006, FPUC estimates that 10 services will be reactivated with water heaters on its natural gas system.

**PROGRAM FISCAL EXPENDITURES:**

During the twelve-month period of January to December 2006, FPUC estimates expenses of \$1,000.

**PROGRAM PROGRESS SUMMARY:**

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2005, FPUC has not reactivated any services with water heaters as a result of this program.

**FLORIDA PUBLIC UTILITIES COMPANY  
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**PROGRAM TITLE:**

Residential Conservation Service Program

**BRANDING:**

Marketing and promotional title will be **GoodCents Home Energy Survey Program**

**PROGRAM DESCRIPTION:**

This program is designed to assist residential customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

**PROGRAM ALLOWANCES:**

Not applicable.

**PROGRAM PROJECTIONS:**

For the twelve-month period of January to December 2006, FPUC estimates that 20 residential customers will participate in this program.

**PROGRAM FISCAL EXPENDITURES:**

During the twelve-month period of January to December 2006, FPUC estimates expenses of \$31,000.

**PROGRAM PROGRESS SUMMARY:**

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. Since the inception of this program through August 31, 2005, 22 residential customers have participated. Changes in FPUC's Marketing Department staff and the training of personnel will improve future marketing of this program to its customers.

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PROGRAM DESCRIPTION AND PROGRESS**

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**PROGRAM TITLE:**

Commercial Conservation Service Program

**BRANDING:**

Marketing and promotional title will be **GoodCents Commercial Energy Survey Program**

**PROGRAM DESCRIPTION:**

This program is designed to assist commercial customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

**PROGRAM ALLOWANCES:**

Not applicable.

**PROGRAM PROJECTIONS:**

For the twelve-month period of January to December 2006, FPUC estimates that 50 commercial customers will participate in this program.

**PROGRAM FISCAL EXPENDITURES:**

During the twelve-month period of January to December 2006, FPUC estimates expenses of \$40,000.

**PROGRAM PROGRESS SUMMARY:**

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2005, 111 commercial customers have participated. Changes in FPUC's Marketing Department staff and the training of personnel will improve future marketing of this program to its customers.

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**PROGRAM TITLE:**

Conservation Education Program

**BRANDING:**

Marketing and promotional title will be **GoodCents Conservation Education Program**

**PROGRAM DESCRIPTION:**

The purpose of this program is to teach adult and young people about conservation measures designed to reduce energy consumption and consequently reduce their utility bills.

**PROGRAM ALLOWANCES:**

Not applicable.

**PROGRAM PROJECTONS:**

For the twelve-month period of January to December 2006, FPUC estimates that 45 adult and youth presentations with 450 participants will result from this program.

**PROGRAM FISCAL EXPENDITURES:**

During this twelve-month period of January to December 2006, FPUC estimates expenses of \$210,000.

**PROGRAM PROGRESS SUMMARY:**

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2005, FPUC has given 69 adult and youth presentations.

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**PROGRAM TITLE:**

Space Conditioning Program

**BRANDING:**

Marketing and promotional title will be **GoodCents Space Conditioning Program**

**PROGRAM DESCRIPTION:**

This program is designed to convert on-main customers from electric space conditioning equipment to energy-efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for higher initial costs of natural gas space conditioning equipment and the associated installation costs. This program also reduces summer as well as winter peak demand and contributes to the conservation of kwh/kwd consumption.

**PROGRAM ALLOWANCES:**

Residential	\$1200 (For Robur model or equivalent unit)
Non-Residential	\$ 50 per ton

**PROGRAM PROJECTIONS:**

For the twelve-month period of January to December 2006, FPUC estimates that 2 customer projects will utilize this program.

**PROGRAM FISCAL EXPENDITURES:**

During the twelve-month period of January to December 2006, FPUC estimates expenses of \$20,000.

**PROGRAM PROGRESS SUMMARY:**

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2005, FPUC has connected 10 space conditioning projects to its natural gas system.