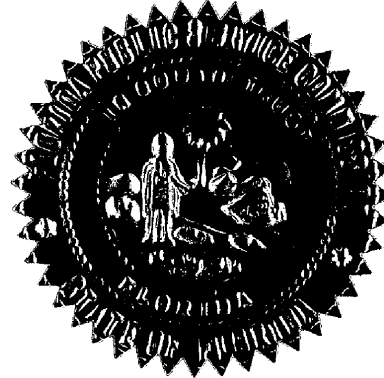


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 050004-GU

In the Matter of

NATURAL GAS CONSERVATION
COST RECOVERY.



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PROCEEDINGS: HEARING

BEFORE: CHAIRMAN BRAULIO L. BAEZ
COMMISSIONER J. TERRY DEASON
COMMISSIONER RUDOLPH "RUDY" BRADLEY
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER ISILIO ARRIAGA

DATE: Monday, November 7, 2005

TIME: Commenced at 9:30 a.m.

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

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

DOCUMENT NUMBER-DATE

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1 APPEARANCES:

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3 Akerman Senterfitt Law Firm, 106 East College Avenue, Suite
4 1200, Tallahassee, Florida 32301, appearing on behalf of
5 Florida City Gas.

6 WAYNE L. SCHIEFELBEIN, ESQUIRE, Rose, Sundstrom &
7 Bentley, LLP, 2548 Blairstone Pines Drive, Tallahassee, Florida
8 32301 appearing on behalf of Florida Division of Chesapeake
9 Utilities Corporation.

10 ANSLEY WATSON, JR., ESQUIRE, Macfarlane Ferguson &
11 McMullen, P.O. Box 1531, Tampa, Florida 33601-1531, and MATTHEW
12 COSTA, TECO Energy, Inc., P. O. Box 111, Tampa, Florida
13 33601-0111, appearing on behalf of Peoples Gas System.

14 NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello &
15 Self, P.A., P.O. Box 1876, Tallahassee, Florida 32302-1876,
16 appearing on behalf of Florida Public Utilities Company.

17 MARTHA BROWN, ESQUIRE, FPSC General Counsel's Office,
18 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850,
19 appearing on behalf of the Commission Staff.

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I N D E X

WITNESSES

NAME:	PAGE NO.
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RAMIRO SICRE	
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DEBBIE STITT	
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EXHIBITS

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1	Staff's Comprehensive List of Exhibits	37	37
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P R O C E E D I N G S

1
2 CHAIRMAN BAEZ: Good morning. Call the hearing to
3 order.

4 Please read the notice.

5 MS. FLEMING: Pursuant to notice issued by the
6 Commission clerk, this time and place has been set for a
7 hearing in following dockets: 050001-EI, 050002-EG, 050003-GU,
8 050004-GU and 050007-EI.

9 CHAIRMAN BAEZ: Thank you. We will take appearances,
10 and if you would kindly -- I know a lot of you are here on more
11 than one docket. If you just list for the record the dockets
12 that you are appearing on behalf of your clients, and we will
13 just start with my left, Mr. Butler.

14 MR. BUTLER: Good morning, Commissioners, I am John
15 Butler of Squire, Sanders and Dempsey, and I will be appearing
16 in Dockets 050001 and 050007 along with Wade Litchfield.
17 Mr. Litchfield and Natalie Smith will also be appearing in
18 Docket 050002.

19 MR. BEASLEY: Good morning, Commissioners. James D.
20 Beasley appearing with Lee L. Willis in Dockets 01, 02, and 07.
21 I would also like to enter an appearance for Ansley Watson, Jr.
22 and Matthew Costa in Docket Numbers 050003 and 0004.

23 MR. RANGE: Good morning. Thomas Range appearing for
24 myself and Bill Bryant on behalf of Florida City Gas in Dockets
25 03 and 04.

1 MR. HORTON: Good morning, Commissioners. Norman H.
2 Horton, Jr., appearing on behalf of Florida Public Utilities
3 Company in Dockets 01, 02, 03, and 04.

4 MR. PERKO: Good morning, Commissioners. Gary Perko,
5 Hopping Green & Sams law firm, appearing on behalf of Progress
6 Energy Florida in the 01, 02, and 07 dockets. And appearing
7 with me are Mr. Alex Glenn, Deputy General Counsel, Progress
8 Energy Services Company, and my law partner, Carolyn Raepple.

9 MS. WHITE: Good morning, Commissioners. I'm
10 Lieutenant Colonel Karen White, and I am appearing in Docket
11 050001.

12 MS. CHRISTENSEN: Good morning. I'm Patricia
13 Christensen with the Office of Public Counsel appearing with
14 Joe McGlothlin and Charlie Beck in the 01, 02, and 07 dockets,
15 and also putting in an appearance on behalf of John Marks who
16 is appearing in the 03 docket.

17 MR. McWHIRTER: My name is John McWhirter of the law
18 firm of McWhirter, Reeves and Davidson. I am here appearing
19 assisting Tim Perry in this case in Dockets 01, 02, and 07.

20 MR. SCHIEFELBEIN: Good morning. Wayne Schiefelbein
21 appearing on behalf of Chesapeake Utilities Corporation in the
22 04 docket.

23 MR. TWOMEY: Good morning, Commissioners. Mike
24 Twomey appearing on behalf of AARP and its approximately 2.7
25 million Florida members, appearing in the 01 docket.

1 MR. WRIGHT: Good morning, Mr. Chairman,
2 Commissioners. Robert Scheffel Wright and John T. Lavia, III,
3 Landers & Parsons, P.A., 310 West College Avenue, Tallahassee,
4 appearing on behalf of the Florida Retail Federation in Docket
5 050001 and 050007.

6 CHAIRMAN BAEZ: Is there anyone else that needs to
7 enter an appearance?

8 MS. BROWN: Mr. Chairman.

9 CHAIRMAN BAEZ: All right.

10 MS. BROWN: I'm Martha Carter Brown appearing on
11 behalf of the Commission in the 02 and 04 dockets.

12 CHAIRMAN BAEZ: Thank you.

13 MS. STERN: Marlene Stern appearing on behalf of the
14 Commission in the 07 docket.

15 MS. VINING: Adrienne Vining and Jennifer Rodan
16 appearing on behalf of the Commission in the 01 docket.

17 MS. FLEMING: Katherine Fleming appearing on behalf
18 of the Commission in the 03 docket.

19 CHAIRMAN BAEZ: Thank you all. Preliminary matters,
20 we have many of them. And I guess, staff, we can start off by
21 noting for the record that there are some parties that have
22 been excused from attending the hearing, and at this point I
23 have St. Joe and Gulf.

24 MS. VINING: That is correct.

25 CHAIRMAN BAEZ: Is that the balance?

1 MS. VINING: As far as I know, yes.

2 CHAIRMAN BAEZ: All right. Very well. Also, ladies
3 and gentlemen, since we are taking up five dockets on this day,
4 we have tried to set an order which will allow us to dispense
5 with the dockets. There are some dockets that have been fully
6 stipulated. The order will be we will take up 03, 04, 02, 07,
7 and 01 in that order. And I guess we can move on to the
8 separate dockets at this point.

9 MS. FLEMING: Yes, Chairman.

10 * * * * *

11 CHAIRMAN BAEZ: 04. Ms. Brown.

12 MS. BROWN: Yes. Mr. Chairman, there are no
13 preliminary matters in the 04 docket. There are proposed
14 stipulations on all issues and all witnesses have been excused.

15 CHAIRMAN BAEZ: Very well. We can go to prefiled
16 testimony.

17 MS. BROWN: Staff recommends that all prefiled
18 testimony filed in this docket be inserted into the record as
19 though read. The parties have waived cross-examination.

20 CHAIRMAN BAEZ: Without objection, show all the
21 prefiled testimony filed in Docket Number 050004 be entered
22 into the record as though read.

23

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 In Re: Conservation Cost Recovery Clause

3 DIRECT TESTIMONY OF BRIAN S. BILINSKI

4 On Behalf of5 Chesapeake Utilities Corporation

6 DOCKET NO. 050004-GU

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

9 A. My name is Brian S. Bilinski. My business address is 1015 6th Street N.W.,
10 Winter Haven, Florida, 33881. I am employed by Chesapeake Utilities
11 Corporation ("Chesapeake") as the Accounting and Rates Manager.

12 Q. Are you familiar with the energy conservation programs of Chesapeake and
13 the revenues and costs that are associated with these programs?

14 A. Yes.

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

16 A. The purpose of my testimony is to present data and summaries concerning the
17 planned and actual accomplishments of Chesapeake's energy conservation
18 programs during the period January 2004 through December 2004. Data
19 related to calculation of the true-up for this period is also included.

20 Q. Have you prepared summaries of Chesapeake's conservation programs and
21 the costs associated with them?

22 A. Yes. Summaries of the seven programs in connection with which Chesapeake
23 incurred recoverable costs during the period January 2004 through December

1 2004 are contained in Schedule CT-6 of Exhibit BSB-1. Included are our
2 Residential Home Builder Program, Residential Appliance Replacement
3 Program, Residential Propane Distribution Program, Residential Water Heater
4 Retention Program, Natural Gas Space Conditioning for Residential Homes
5 Program, Gas Space Conditioning Program, and the Conservation Education
6 Program.

7 Q. Have you prepared schedules which show the expenditures associated with
8 Chesapeake's energy conservation programs for the periods you have
9 mentioned?

10 A. Yes. Schedule CT-2 page 1, Exhibit BSB-1 shows actual expenses
11 for the period, and also shows a comparison of the actual program costs and
12 true-up with the estimated costs and true-up submitted at the November 2004
13 hearing in this docket.

14 Q. What was the total cost incurred by Chesapeake in connection with the seven
15 programs during the twelve months ending December 2004?

16 A. As shown in Exhibit BSB-1, Schedule CT-2, page 2, total program costs were
17 \$1,065,392. This total is \$10,304 more than our projection of the program
18 costs for the twelve month period.

19 Q. Have you prepared, for the twelve month period involved, a schedule which
20 shows the variance of actual from projected costs by categories of expenses.

21 A. Yes. Schedule CT-2, page 3, of Exhibit BSB-1 shows these variances.

22 Q. What is Chesapeake's adjusted net true-up for the twelve months ended
23 December 2004?

1 A. As shown on Schedule CT-2, page 1, we originally estimated an
2 underrecovery, including interest, of \$75,500. This projected true-up amount
3 was based on conservation revenues of \$980,298 for the period January 2004
4 through December 2004. However, the approved energy conservation rates
5 for transportation services during this period actually yielded conservation
6 revenues of \$897,925, or \$82,373 under projection. Expenses for the period
7 were \$10,304 more than projected. The total difference, including interest of
8 \$281, is \$92,958.

9 Q. Is this adjusted net true-up of \$92,958 an overrecovery or an underrecovery?

10 A. An underrecovery, as shown on Schedule CT-1 of Exhibit BSB-1.

11 Q. Does this conclude your testimony?

12 A. Yes, it does.

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 In Re: Natural Gas Conservation Cost Recovery

3 DIRECT TESTIMONY OF BRIAN S. BILINSKI

4 On behalf of5 The Florida Division of Chesapeake Utilities Corporation6 DOCKET NO. 050004-GU

7 Q. Please state your name, occupation, and business address.

8 A. My name is Brian S. Bilinski. I am the Senior Financial Analyst of the Florida Division of
9 Chesapeake Utilities Corporation. My business address is 1015 6th Street, N. W., Winter
10 Haven, Florida 33881.

11 Q. Describe briefly your educational background and relevant professional background.

12 A. I have a Bachelor's of Science degree in Accounting from St. Peter's College in Jersey City,
13 New Jersey and a Master's in Business Administration from Stetson University in Deland,
14 Florida. I have been employed in the water and wastewater industry in Florida for over twenty
15 years. I was first employed by the Florida Division of Chesapeake Utilities Corporation in June
16 2002 as the Accounting and Rates Manager.17 Q. Are you familiar with the energy conservation programs of the Company and costs which have
18 been, and are projected to be, incurred in their implementation?

19 A. Yes.

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

21 A. To describe generally the expenditures made and projected to be made in implementing,
22 promoting, and operating the Company's energy conservation programs. This will include
23 recoverable costs incurred in January through August 2005 and projections of program costs to
24 be incurred from September through December 2005. It will also include projected
25 conservation costs for the period January 2006 through December 2006, with a calculation of

1 the conservation adjustment factors to be applied to the customers' bills during the collection
2 period of January 1, 2006 through December 31, 2006.

3 Q. Have you prepared summaries of the Company's conservation programs and the costs
4 associated with these programs?

5 A. Yes. Summaries of the seven programs are contained in Schedule C-4 of Exhibit BSB-2.
6 Included are the Residential Home Builder Program, the Residential Appliance Replacement
7 Program, the Residential Propane Distribution Program, the Residential Water Heater Retention
8 Program, the Natural Gas Space Conditioning for Residential Homes Program, the Gas Space
9 Conditioning Program, and the Conservation Education Program.

10 Q. Have you prepared schedules that show the expenditures associated with the Company's energy
11 conservation programs for the periods you have mentioned?

12 A. Yes, Schedule C-3, Exhibit BSB-2 shows actual expenses for the months January through
13 August 2005. Projections for September through December 2005 are also shown on Schedule
14 C-3. Projected expenses for the January 2006 through December 2006 period are shown on
15 Schedule C-2 of Exhibit BSB-2.

16 Q. Have you prepared schedules that show revenues for the period January 2005 through
17 December 2005?

18 A. Yes. Schedule C-3 (Page 4 of 5) shows actual revenues for the months January through August
19 2005. Projections for September through December 2005 are also shown on Schedule C-3
20 (Page 4 of 5).

21 Q. Have you prepared a schedule that shows the calculation of the Company's proposed
22 conservation adjustment factors to be applied during billing periods from January 1, 2006
23 through December 31, 2006?

24 A. Yes. Schedule C-1 of Exhibit BSB-2 shows this calculation. Net program cost estimates for the
25 period January 1, 2006 through December 31, 2006 are used. The estimated true-up amount

1 from Schedule C-3 (Page 4 of 5, Line 12) of Exhibit BSB-2, being an underrecovery, was added
2 to the total of the projected costs for the twelve-month period. The total amount was then
3 divided among the Company's rate classes, excluding customers who are on market-based rates,
4 based on total projected contribution. The results were then divided by the projected gas
5 throughput for each rate class for the twelve-month period ending December 31, 2006. The
6 resulting factors are shown on Schedule C-1 of Exhibit BSB-2.

7 Q. Does this conclude your testimony?

8 A. Yes, it does.

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY OF

3 ROSIE ABREU

4 ON BEHALF OF FLORIDA CITY GAS

5 DOCKET NO. 050004-GU

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9

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

10

11

A. My name is Rosie Abreu and my business address is 955 East 25 Street, Hialeah, FL 33013. I am employed by Florida City Gas as a Regulatory and Business Analyst.

12

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15

Q. Please describe your educational and employment background.

16

17

A. I have a Bachelor of Science Degree in Computer Science from Florida International University and an Associates in Arts Degree in Business Data Processing from Miami-Dade Community College. In 2001, I joined Florida City Gas as a Regulatory and Business Analyst in the Regulatory Affairs Department. I have been employed in the gas utility industry in Florida for over ten years.

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Q. Are you familiar with the energy conservation programs of Florida City Gas?

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A. Yes, I am.

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Q. Are you familiar with the costs that have been incurred and that are projected to be incurred by Florida City Gas in implementing its energy conservation programs?

A. Yes, I am.

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

A. To submit the recoverable costs incurred during the period ending December 31, 2004, and to identify the final true-up amount related to that period.

Q. Has Florida City Gas prepared schedules which show the expenditures associated with its energy conservation programs for the period you have mentioned?

A. Yes. I have prepared and filed together with this testimony Exhibit RA-1 consisting of Schedules CT-1, CT-2 and CT-3.

Q. What amount did Florida City Gas spend on conservation programs during this period?

A. \$3,237,142.

Q. What is the final true-up amount associated with the period ending December 31, 2004?

A. An over-recovery of \$76,175.

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

2 **A. Yes, it does.**

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **DIRECT TESTIMONY OF RAMIRO SICRE**

3 **ON BEHALF OF**

4 **FLORIDA CITY GAS**

5 **DOCKET NO. 050004-GU**

6 **September 23, 2005**

7

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

10

11 A. My name is Ramiro Sicre and my business address is 955 East 25th Street,
12 Hialeah, Florida 33013-3498. I am employed by Florida City Gas as Manager of
13 Market Development.

14

15 **Q. Are you familiar with the energy conservation programs of Florida City Gas?**

16

17 A. Yes, I am.

18

19 **Q. Are you familiar with the costs that have been incurred and are projected to**
20 **be incurred by Florida City Gas in implementing its energy conservation**
21 **programs?**

22

23 A. Yes, I am.

24

25

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

2

3 A. To submit the conservation cost recovery true-up for the final true-up period
4 January 1, 2004 through December 31, 2004, and for the actual and estimated
5 period of January 1, 2005, through December 31, 2005. I will also present the total
6 level of costs Florida City Gas seeks to recover through its conservation factors
7 during the period January 1, 2006 through December 31, 2006, as well as the
8 conservation factors which, when applied to our customer's bills during the period
9 January 1, 2006 through December 31, 2006, will permit recovery of total ECCR
10 costs.

11

12 **Q. What is the Company's estimated true-up for the period January 1, 2005
13 through December 31, 2005?**

14

15 A. An over-recovery of \$1,199,807. This amount is calculated on page 4 of Schedule
16 C-3 and takes into account the final audited true-up for the year ended December
17 31, 2004, which was an over-recovery of \$38,881, including interest.

18

19 **Q. What is the total cost Florida City Gas seeks to recover during the period
20 January 1, 2006 through December 31, 2006?**

21 A. \$2,128,540. This represents the projected costs of \$3,328,347 to be incurred
22 during 2006, plus the estimated true-up of \$(1,199,807) for calendar year 2005.

23

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1 Q. What conservation factors does Florida City Gas need to permit recovery of
2 these costs?

3
4 A. GS-1, GS-100, GS-220 (Sales & Transportation) \$0.05701
5 GS-600 (Sales & Transportation) \$0.03065
6 GS-1200 (Sales & Transportation) \$0.01897
7 GS-6k (Sales & Transportation) \$0.01550
8 GS-25000 (Sales & Transportation) \$0.01527
9 GS-60000 (Sales & Transportation) \$0.01495
10 Gas Lights \$0.03054
11 GS-120000 (Sales & Transportation) \$0.01102
12 GS-250000 (Sales & Transportation) \$0.01088

13
14 Q. Has Florida City Gas prepared schedules to support its requested
15 Conservation Cost Recovery Factor?

16
17 A. Yes. I have prepared and filed together with this testimony Schedules C-1 through
18 C-3 as prescribed by Commission Staff.

19
20 Q. Does this conclude your testimony?

21
22 A. Yes, it does.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 040004-GU
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Direct Testimony of
MARC S. SEAGRAVE

On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY

- 1 Q. Please state your name and business address.
- 2 A. Marc S. Seagrave: my business address is 401 S. Dixie Highway,
3 West Palm Beach, Florida 33401.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities Company as Director of
6 Marketing and Sales.
- 7 Q. What is the purpose of your testimony at this time?
- 8 A. To advise the Commission of the actual over/under recovery of the
9 Conservation costs for the period January 1, 2004 through
10 December 31, 2004 as compared to the amount previously reported
11 for that period which was based on eight months actual and four
12 months estimated data.
- 13 Q. Please state the actual amount of over/under recovery of
14 Conservation Program costs for the gas divisions of Florida
15 Public Utilities Company for January 1, 2004 through December 31,
16 2004.

1 A. The Company under-recovered \$21,288 during that period. This
2 amount is substantiated on Schedule CT-3, page 2 of 3,
3 Calculation of True-up and Interest Provision.

4 Q. How does this amount compare with the estimated true-up amount
5 which was allowed by the Commission?

6 A. We had estimated that we would over-recover \$153,280 as of
7 December 31, 2004.

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

9 A. We have prepared and pre-filled Schedules CT-1, CT-2, CT-3, CT-4,
10 CT-5 and CT-6 (Composite Exhibit MSS-1).

11 Q. Does this conclude your testimony?

12 A. Yes.

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.

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**2 **PREPARED DIRECT TESTIMONY**3 **OF**4 **KANDI M. FLOYD**

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

8
9 A. My name is Kandi M. Floyd. My business address is Peoples Gas System, 702 North
10 Franklin Street, P.O. Box 2562, Tampa, Florida 33601-2562. I am employed by
11 Peoples Gas System ("Peoples" or "Company") and am the Manager of State
12 Regulatory.

13
14 Q. Please describe your educational and employment background.

15
16 A. I have a Bachelor of Arts Degree in Business Administration from Saint Leo College.
17 From 1995 to 1997, I was employed in a series of positions within the regulatory
18 affairs department of Tampa Electric Company. In 1998, I joined Peoples Gas System
19 as a Regulatory Coordinator in the Regulatory and Gas Supply Department. In 2001, I
20 became the Energy Conservation / Regulatory Administrator and in 2003 became the
21 Manager of State Regulatory for Peoples Gas System. In this role, I am responsible
22 for coordinating and overseeing all Energy Conservation Cost Recovery ("ECCR")
23 Clause activities along with various Regulatory activities for Peoples.

24
25 Q. What is the purpose of your testimony in this docket?

1
2 A. My testimony addresses Peoples' conservation programs, the expenses that Peoples
3 has incurred, the revenues recovered by Peoples through the ECCR clause from
4 January 2005 through August 2005, and the costs that Peoples seeks to recover
5 through the ECCR clause in 2006. My testimony supports the separate conservation
6 programs of both the former Peoples Gas System, Inc. and the former West Florida
7 Natural Gas Company. I will hereinafter refer to the former Peoples Gas System, Inc.
8 territory as Peoples' "non-West Florida Region," and to the former West Florida
9 Natural Gas Company territory as Peoples' "West Florida Region."

10
11 First, my testimony describes generally the actual and projected expenditures made for
12 the purpose of implementing, promoting and operating Peoples' energy conservation
13 programs for the current period. This information includes the adjusted net true-up
14 amounts associated with those programs for the period January 2004 through
15 December 2004. Next, my testimony addresses the actual costs incurred from January
16 2005 through August 2005, and revised projections of program costs that Peoples
17 expects to incur from September 2005 through December 2005. In addition, my
18 testimony presents projected conservation program costs for the period January 2006
19 through December 2006.

20
21 Finally, my testimony presents the calculation of the conservation cost recovery
22 adjustment factors to be applied to customers' bills during the period beginning with
23 the first billing cycle for January 2006 and continuing through the last billing cycle for
24 December 2006.
25

1 Q. Are you sponsoring any exhibits with your testimony?

2
3 A. Yes. I am sponsoring four exhibits produced under my direction and supervision.
4 Exhibit ____ (KMF-1) contains the conservation cost recovery true-up data for the
5 period January 2004 through December 2004 for Peoples' non-West Florida Region,
6 and Exhibit ____ (KMF-2) contains similar information for the same period for the
7 West Florida Region. Exhibit ____ (KMF-3) contains the conservation cost recovery
8 true-up data for the period January 2005 through August 2005 as well as reprojected
9 expenses for the period September 2005 through December 2005 for Peoples' non-
10 West Florida Region, and Exhibit ____ (KMF-4) contains similar information for the
11 West Florida Region. In addition, Exhibit ____ (KMF-3) consists of Schedules C-1
12 through C-5, which contain information related to the calculation of the ECCR factors
13 to be applied to customers' bills during the period January 2006 through December
14 2006 in Peoples' non-West Florida Region. Exhibit ____ (KMF-4) contains the same
15 schedules and similar information for Peoples' West Florida Region.

16
17 Q. Have you prepared schedules showing the expenditures associated with Peoples'
18 energy conservation programs for the period January 2004 through December 2004?

19
20 A. Yes. Actual expenses for the period January 2004 through December 2004 for
21 Peoples' non-West Florida Region are shown on Schedule CT-2, page 2, of Exhibit
22 ____ (KMF-1). Actual expenses for that period for the West Florida Region are shown
23 on Schedule CT-2, page 2, of Exhibit ____ (KMF-2). In each of these exhibits,
24 Schedule CT-2, page 1 presents a comparison of the actual program costs and true-up
25 amount to the projected costs and true-up amount for the same period.

1
2 Q. What are the Company's true-up amounts for the period January 2004 through
3 December 2004?

4
5 A. With respect to Peoples' non-West Florida Region, as shown on Schedule CT-1 of
6 Exhibit ____ (KMF-1), the end-of-period net true-up for the period is an overrecovery
7 of \$1,573,605 including both principal and interest. The projected true-up for the
8 period, as approved by Commission Order No. PSC-04-1179-FOF-GU, was an
9 overrecovery of \$436,781 (including interest). Subtracting the projected true-up
10 overrecovery from the actual overrecovery yields the adjusted net true-up of
11 \$1,136,824 overrecovery (including interest).

12
13 With respect to Peoples' West Florida Region, as shown on Schedule CT-1 of Exhibit
14 ____ (KMF-2), the end-of-period net true-up for the period is an underrecovery of
15 \$2,114,460 including both principal and interest. The projected true-up for the period,
16 as approved by Commission Order No. PSC-04-11479-FOF-GU, was an
17 underrecovery of \$1,794,458 (including interest). Subtracting the projected true-up
18 underrecovery from the actual underrecovery yields the adjusted net true-up of
19 \$320,002 underrecovery (including interest).

20
21 Q. Have you prepared summaries of the Company's conservation programs and the
22 projected costs associated with these programs?

23
24 A. Yes. Summaries of the Company's programs in the non-West Florida Region are
25 presented in Exhibit ____ (KMF-3), Schedule C-5. Summaries of the programs in the

1 West Florida Region are presented in Exhibit ____ (KMF-4), Schedule C-5.
2

3 Q. Have you prepared schedules required for the calculation of Peoples' proposed
4 conservation adjustment factors to be applied during the billing periods from January
5 2006 through and including December 2006?
6

7 A. Yes. Schedule C-3 of Exhibit ____ (KMF-3) (for the non-West Florida Region) and
8 Exhibit ____ (KMF-4) (for the West Florida Region) show actual expenses for the
9 period January 2005 through August 2005 and projected expenses for the period
10 September 2005 through December 2005.
11

12 Projected expenses for the January 2006 through December 2006 period are shown on
13 Schedule C-2 of Exhibits ____ (KMF-3) and ____ (KMF-4). The total annual cost
14 projected represents a continuation of Peoples' active expansion of the availability of
15 natural gas throughout the state of Florida. Schedule C-1 of both exhibits shows the
16 calculation of the conservation adjustment factors. The estimated true-up amount
17 from Schedule C-3 (Page 4) of Exhibit ____ (KMF-3) being an overrecovery, and
18 Exhibit ____ (KMF-4) being an underrecovery, were incorporated into the totals of the
19 projected costs for the January 2006 through December 2006 period. The resulting
20 totals of \$5,782,968 (for the non-West Florida Region) and \$3,177,498 (for the West
21 Florida Region) are the total expenses to be recovered during calendar year 2006.
22 These total expenses were then allocated to the Company's affected rate classes
23 pursuant to the methodology approved by the Commission, divided by the expected
24 consumption of each rate class, and then adjusted for the regulatory assessment fee.
25

1 Schedule C-1 of Exhibit ____ (KMF-3) shows the resulting estimated ECCR revenues
2 and adjustment factors by rate class for Peoples' non-West Florida Region for the
3 period January 2006 through December 2006. Schedule C-1 of Exhibit ____ (KMF-4)
4 shows the resulting estimated ECCR revenues and adjustment factors by rate class for
5 Peoples' West Florida Region for the same period.

6
7 Q. Does this conclude your prefiled direct testimony?

8
9 A. Yes, it does.

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 In Re: Conservation Cost)
 Recovery Clause)
3 _____)
 Docket No. 050004-EG
 Submitted for Filing
 September 21, 2005

4

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

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

9 A. Debbie Stitt, 301 Long Avenue, Port St. Joe, Florida
10 32456, St Joe Natural Gas Company in the capacity of
11 Energy Conservation Analyst.

12 Q. What is the purpose of your testimony?

13 A. My purpose is to submit the known and projected
14 expenses and revenues associated with SJNG's
15 conservation programs incurred in January thru August
16 2005 and projection costs to be incurred from Sept.
17 2005 through December 2005. It will also include
18 projected conservation costs for the period January
19 1, 2006 through December 31, 2006 with a calculation
20 of the conservation adjustment factors to be applied
21 to the customers bills during the January 1, 2006
22 through December 31, 2006 period.

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

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

1 21st day of September 2005 Schedule C1:
2 prescribed by the Commission Staff which has
3 collectively been entitled "Energy Conservation
4 Adjustmnt Summary of Cost Recovery Clause Calculation
5 for months January 1, 2006 through December 31, 2006"
6 for identification.

7 Q. What Conservation Adjustment Factor does St. Joe
8 Natural Gas seek approval through its petition for
9 the twelve month period ending December 31, 2006.

10 A. \$0.00902 per therm for Residential, \$0.00737 per
11 therm for Small Commercial, and \$0.00348 for
12 Commercial.

13 Q. Does this conclude your testimony?

14 A. Yes.

15

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1 CHAIRMAN BAEZ: Ms. Brown, exhibits?

2 MS. BROWN: Yes. Mr. Chairman, all exhibits filed
3 with the prefiled testimony have been stipulated. We request
4 that you mark and move the comprehensive stipulated exhibit
5 list, identified as Exhibit 1, into the record, wherein all
6 other exhibits are identified.

7 CHAIRMAN BAEZ: Without objection, show marked as
8 Exhibit 1, the exhibit list, comprehensive stipulated exhibit
9 list marked as Hearing Exhibit 1 admitted into the record
10 without objection, and therein contained a sequential numbering
11 of the other prefiled exhibits in this docket which will all be
12 moved into the record as well without objection.

13 (Exhibits 1 through 11 marked for identification and
14 admitted into evidence.)

15 CHAIRMAN BAEZ: And we have proposed stipulations,
16 Ms. Brown?

17 MS. BROWN: Yes, Mr. Chairman. Staff recommends that
18 the proposed stipulations on Page 5 through 7 of the prehearing
19 order, those are Issues 1 through 3, be approved by the
20 Commission.

21 CHAIRMAN BAEZ: Commissioners, questions on the
22 proposed stipulations? And those start at Page 5 of your
23 prehearing order.

24 COMMISSIONER DEASON: Mr. Chairman, if there are no
25 questions, I can move the stipulations.

1 COMMISSIONER BRADLEY: Second.

2 CHAIRMAN BAEZ: Moved and seconded on all issues, 1
3 through 3. All those in favor say aye.

4 (Unanimous affirmative vote.)

5 CHAIRMAN BAEZ: Thank you, Ms. Brown.

6 (The hearing in Docket Number 050004-GU concluded.)

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1 STATE OF FLORIDA)

2 : CERTIFICATE OF REPORTER

3 COUNTY OF LEON)

4

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.

7

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.

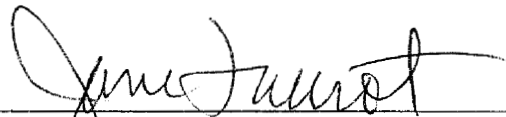
10

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.

13

DATED THIS 16th day of November, 2005.

14



15

JANE FAUROT, RPR

16

Official FPSC Hearings Reporter
FPSC Division of Commission Clerk and
Administrative Services
(850) 413-6732

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Comprehensive Exhibit List for Entry into Hearing Record			
Hearing I.D. #	Witness	I.D. # As Filed	Exhibit Description
<i>Staff</i>			
1		Exhibit List- Stip-1	Comprehensive Stipulated Exhibit List
<i>Testimony Exhibit List</i>			
<i>CUC</i>			
2	Brian S. Bilinski	(BSB-1)	True-up variance analysis Schedules CT1-CT6
3	Brian S. Bilinski	(BSB-2)	Projections Recovery Clause Calculation: Estimated ECCR charges by rate classification; Schedules C-1 – C-4
<i>FCG</i>			
4	Rosie Abreu	(RA-1)	Schedules CT-1, CT-2 and CT-3
5	Ramiro Sicre	(RS-1)	Schedules C-1, C-2, C-3 and C-5
<i>FPUC</i>			
6	Marc S. Seagrave	(MSS-1)	Schedules CT-1, CT-2, CT-3, CT-4, CT-5 and C-6
7	Marc S. Seagrave	(MSS-2)	Schedules C-1, C-2, C-3 and C-5
<i>PGS</i>			
8	Kandi M. Floyd	(KMF-1)	Schedules CT-1 through CT-6 (except PGS West Florida Region)
9	Kandi M. Floyd	(KMF-2)	Schedules CT-1 through CT-6 (PGS West Florida Region)
10	Kandi M. Floyd	(KMF -3)	Schedules C-1 through C-5 (except PGS West Florida Region)
11	Kandi M. Floyd	(KMF -4)	Schedules C-1 through C-5 (PGS West Florida Region)

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 050004-GU Exhibit No. 1
Company/ FPSC Staff Staff
Witness: Exhibit List- Stip-1
Date: 11/07-09/05

Docket No. 050004-GU

Exhibit _____ (BSB-1)

CHESAPEAKE UTILITIES CORPORATION
CONSERVATION COST RECOVERY TRUE-UP
January 1, 2004 through December 31, 2004

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 050004-GU Exhibit No. 2
Company/ CUC
Witness: Brian S. Bilinski (BSB-1)
Date: 11/07-09/05

CONTENTS

Schedule CT-1		
(1 of 1)	Adjusted Net True-up	1
Schedule CT-2		
(1 of 3)	Analysis of Energy Conservation Costs Actual vs. Estimated	2
(2 of 3)	Actual Conservation Program Costs per Program	3
(3 of 3)	Conservation Costs Per Program- Variance Actual vs. Projected	4
Schedule CT-3		
(1 of 3)	Energy Conservation Adjustment Calculation of True-Up and Interest Provision- Summary of Expenses by Program by Month	5
(2 of 3)	Energy Conservation Adjustment Calculation of True-Up and Interest Provision	6
(3 of 3)	Calculation of True-Up and Interest Provision	7
Schedule CT-4		
(1 of 1)	Schedule of Capital Investments, Depreciation and Return	8
Schedule CT-5		
(1 of 1)	Reconciliation and Explanation of Differences Between Filing and PSC Audit Report for 2004. Variance Actual vs. Projected	9
Schedule CT-6		
(1 of 8)	Program Description and Progress Residential Home Builder Program	10

(2 of 8)	Program Description and Progress Residential Appliance Replacement Program	11
(3 of 8)	Program Description and Progress Residential Propane Distribution Program	12
(4 of 8)	Program Description and Progress Residential Water Heater Retention Program	13
(5 of 8)	Program Description and Progress Natural Gas Space Conditioning for Residential Homes Program	14
(6 of 8)	Program Description and Progress Gas Space Conditioning Program	15
(7 of 8)	Program Description and Progress Conservation Education Program	16
(8 of 8)	Program Description and Progress Conservation Education Program (Continued)	17

SCHEDULE CT-1

COMPANY: Chesapeake Utilities Corporation
Docket No. 050004-GU
Exhibit BSB-1
Page 1 of 17

ADJUSTED NET TRUE-UP
FOR MONTH JANUARY 2004 THROUGH DECEMBER 2004

END OF PERIOD NET TRUE-UP

PRINCIPLE	167,467	
INTEREST	<u>991</u>	168,458

LESS PROJECTED TRUE-UP

PRINCIPLE	74,790	
INTEREST	<u>710</u>	<u>75,500</u>

ADJUSTED NET TRUE-UP		<u>92,958</u>
----------------------	--	---------------

() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED

JANUARY 2004 THROUGH DECEMBER 2004

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	413,369	415,206	(1,837)
MATERIALS & SUPPLIES	40,629	30,100	10,529
ADVERTISING	67,709	66,499	1,210
INCENTIVES	409,635	389,035	20,600
OUTSIDE SERVICES	98,613	102,836	(4,223)
VEHICLES	27,165	23,848	3,317
OTHER	<u>8,271</u>	<u>27,564</u>	<u>(19,293)</u>
SUB-TOTAL	1,065,392	1,055,088	10,304
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	1,065,392	1,055,088	10,304
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(897,925)	(980,298)	82,373
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	167,467	74,790	92,677
INTEREST PROVISION	<u>991</u>	<u>710</u>	<u>281</u>
END OF PERIOD TRUE-UP	<u>168,458</u>	<u>75,500</u>	<u>92,958</u>

() REFLECTS OVER-RECOVERY
* 8 MONTHS ACTUAL AND 4 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
FOR MONTHS: JANUARY 2004 THROUGH DECEMBER 2004

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HOME BUILDER	0	225,142	29,993	35,376	395,340	43,625	14,421	1,382	745,279
PROGRAM 2: RESIDENTIAL APPLIANCE REPLACEMENT	0	74,082	2,352	13,735	4,030	11,780	4,733	2,167	112,878
PROGRAM 3: RESIDENTIAL PROPANE DISTRIBUTION	0	9,697	185	977	0	25,848	226	406	37,339
PROGRAM 4: RESIDENTIAL WATER HEATER RETENTION	0	15,056	4,218	1,386	9,450	6,073	1,135	684	38,002
PROGRAM 5: NG SPACE CONDITIONING FOR RES HOMES	0	0	0	0	0	0	0	0	0
PROGRAM 6: GAS SPACE CONDITIONING	0	2,355	60	0	0	0	191	613	3,219
PROGRAM 7: CONSERVATION EDUCATION	0	87,038	3,822	16,235	815	11,287	6,459	3,019	128,675
PROGRAM 8:	0	0	0	0	0	0	0	0	0
PROGRAM 9:	0	0	0	0	0	0	0	0	0
PROGRAM 10:	0	0	0	0	0	0	0	0	0
PROGRAM 11:	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0
TOTAL	0	413,369	40,629	67,709	409,635	98,613	27,165	8,271	1,065,392

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
FOR MONTHS: JANUARY 2004 THROUGH DECEMBER 2004

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HOME BUILDER	0	4,538	22,893	3,075	24,655	3,827	1,806	(19,064)	41,730
PROGRAM 2: RESIDENTIAL APPLIANCE REPLACEMENT	0	(1,447)	(1,458)	(1,879)	(1,420)	1,205	415	(230)	(4,815)
PROGRAM 3: RESIDENTIAL PROPANE DISTRIBUTION	0	(927)	(4,247)	289	0	3,327	(93)	(400)	(2,050)
PROGRAM 4: RESIDENTIAL WATER HEATER RETENTION	0	(2,606)	2,574	(11)	(3,450)	(734)	29	(921)	(5,120)
PROGRAM 5: NG SPACE CONDITIONING FOR RES HOMES	0	0	0	0	0	0	0	0	0
PROGRAM 6: GAS SPACE CONDITIONING	0	1,482	(318)	0	0	(33)	140	613	1,884
PROGRAM 7: CONSERVATION EDUCATION	0	(2,876)	(8,914)	(264)	815	(11,815)	1,019	709	(21,326)
PROGRAM 8:	0	0	0	0	0	0	0	0	0
PROGRAM 9:	0	0	0	0	0	0	0	0	0
PROGRAM 10:	0	0	0	0	0	0	0	0	0
PROGRAM 11:	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0
TOTAL	0	(1,837)	10,529	1,210	20,600	(4,223)	3,317	(19,293)	10,304

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH
FOR MONTHS: JANUARY 2004 THROUGH DECEMBER 2004

EXPENSES:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
PROGRAM 1: RESIDENTIAL HOME BUILDER	41,526	17,697	104,795	77,941	72,434	95,536	68,770	55,329	37,625	57,251	47,596	68,780	745,280
PROGRAM 2: RESIDENTIAL APPLIANCE REPLACEMENT	13,347	6,944	11,278	12,504	12,092	11,006	10,195	7,008	5,945	6,593	7,827	8,137	112,878
PROGRAM 3: RESIDENTIAL PROPANE DISTRIBUTION	1,623	2,036	1,253	3,885	11,345	8,078	1,661	3,626	792	1,102	729	1,209	37,339
PROGRAM 4: RESIDENTIAL WATER HEATER RETENTION	3,645	3,095	3,799	3,321	2,102	4,214	3,399	2,667	2,628	4,112	983	4,038	38,002
PROGRAM 5: NG SPACE CONDITIONING FOR RES HOMES	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 6: GAS SPACE CONDITIONING	901	60	0	0	0	0	0	0	0	1,556	934	(233)	3,217
PROGRAM 7: CONSERVATION EDUCATION	13,094	12,119	10,647	10,916	9,746	9,273	10,403	10,290	10,795	6,978	8,763	15,651	128,675
PROGRAM 8:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 9:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 10:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	74,136	41,950	131,772	108,568	107,718	128,107	94,428	78,920	57,785	77,593	66,833	97,582	1,065,392
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	74,136	41,950	131,772	108,568	107,718	128,107	94,428	78,920	57,785	77,593	66,833	97,582	1,065,392

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
 JANUARY 2004 THROUGH DECEMBER 2004

CONSERVATION REVENUES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1. RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	(91,513)	(79,855)	(118,072)	(81,478)	(70,689)	(53,563)	(57,152)	(56,101)	(53,436)	(61,430)	(67,109)	(80,651)	(871,049)
4. TOTAL REVENUES	(91,513)	(79,855)	(118,072)	(81,478)	(70,689)	(53,563)	(57,152)	(56,101)	(53,436)	(61,430)	(67,109)	(80,651)	(871,049)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	(2,240)	(2,240)	(2,240)	(2,240)	(2,240)	(2,240)	(2,240)	(2,240)	(2,240)	(2,240)	(2,240)	(2,240)	(26,876)
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	(93,752)	(82,095)	(120,312)	(83,717)	(72,929)	(55,803)	(59,392)	(58,341)	(55,676)	(63,670)	(69,349)	(82,890)	(897,925)
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	74,136	41,950	131,772	108,568	107,718	128,107	94,428	78,920	57,785	77,593	66,833	97,582	1,065,392
8. TRUE-UP THIS PERIOD	(19,617)	(40,144)	11,460	24,850	34,789	72,305	35,037	20,579	2,109	13,923	(2,516)	14,692	167,467
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	(31)	(55)	(63)	(46)	(20)	32	103	146	174	211	248	290	991
10 TRUE-UP & INTER. PROV. BEGINNING OF MONTH	(26,876)	(44,284)	(82,244)	(68,606)	(41,562)	(4,553)	70,024	107,404	130,368	134,891	151,264	151,236	
11 PRIOR TRUE-UP COLLECTED/(REFUNDED)	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	
12 TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	(44,284)	(82,244)	(68,606)	(41,562)	(4,553)	70,024	107,404	130,368	134,891	151,264	151,236	168,458	168,458

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR MONTHS: JANUARY 2004 THROUGH DECEMBER 2004

INTEREST PROVISION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1. BEGINNING TRUE-UP	(26,876)	(44,284)	(82,244)	(68,606)	(41,562)	(4,553)	70,024	107,404	130,368	134,891	151,264	151,236	
2. ENDING TRUE-UP BEFORE INTEREST	(44,253)	(82,189)	(68,544)	(41,516)	(4,533)	69,992	107,301	130,223	134,717	151,054	150,988	168,167	
3. TOTAL BEGINNING & ENDING TRUE-UP	(71,129)	(126,473)	(150,787)	(110,123)	(46,095)	65,439	177,325	237,627	265,085	285,944	302,253	319,403	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	(35,564)	(63,237)	(75,394)	(55,061)	(23,047)	32,720	88,662	118,813	132,542	142,972	151,126	159,702	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	1.06%	1.06%	1.01%	0.98%	1.01%	1.04%	1.33%	1.47%	1.47%	1.69%	1.86%	2.08%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	1.06%	1.01%	0.98%	1.01%	1.04%	1.33%	1.47%	1.47%	1.69%	1.86%	2.08%	2.28%	
7. TOTAL (SUM LINES 5 & 6)	2.12%	2.07%	1.99%	1.99%	2.05%	2.37%	2.80%	2.94%	3.16%	3.54%	3.94%	4.36%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	1.06%	1.04%	1.00%	0.99%	1.02%	1.19%	1.40%	1.47%	1.58%	1.77%	1.97%	2.18%	
9. MONTHLY AVG INTEREST RATE	0.09%	0.09%	0.08%	0.08%	0.09%	0.10%	0.12%	0.12%	0.13%	0.15%	0.16%	0.18%	
10 INTEREST PROVISION (LINE 4 TIMES LINE 9)	(31)	(55)	(63)	(46)	(20)	32	103	146	174	211	248	290	991

Exhibit No. _____ (BSB-1)
Docket No. 050004-GU
CHESAPEAKE UTILITIES CORPORATION
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Schedule CT-5

CHESAPEAKE UTILITIES CORPORATION

Reconciliation and Explanation of Differences Between Filing and PSC Audit
Report for January 2004 through December 2004.

NO DIFFERENCES AS OF THE DATE OF THIS FILING

Schedule CT-6
Page 1 of 8

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Home Builder Program

Program Description:

This program is designed to increase the overall energy efficiency in the residential new construction market by promoting energy efficient natural gas appliances in residences that would qualify for the Company's residential rates. Incentives are offered in the form of conservation allowances to assist builders with gas appliance installation.

Allowances:

Conservation allowances are currently:

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

Program Projections:

For the twelve-month period January 2004 through December 2004, we estimated that 950 homes would be connected to the system. During this period, allowances were actually paid for building 820 new homes equipped with natural gas appliances.

Program Fiscal Expenditures:

During the twelve-month period, expenditures for this program totaled \$745,279.

Program Progress Summary:

Since the program's inception, 7,339 new homes have been equipped with natural gas appliances. Company representatives continue to work closely with area builders to promote the installation of natural gas appliances in new homes.

Schedule CT-6
Page 2 of 8

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential 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. Incentives are offered in the form of allowances to assist in defraying the additional cost associated with the installation of piping, venting and purchase of natural gas appliances.

Program Projections:

For the twelve-month period January 2004 through December 2004, we estimated that 17 residences would qualify for incentives during this period. In actuality, 18 residences qualified for incentives.

Program Fiscal Expenditures:

For this twelve-month period, CUC incurred program costs of \$112,878.

Program Summary:

Since inception, 253 residences have qualified for this program.

Schedule CT-6
Page 3 of 8

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Propane Distribution Program

Program Description:

The program is designed to promote the use of "gas" within developments that are built beyond the economic extension of the Company's existing natural gas infrastructure. The concept of installing an underground propane system, which includes distribution mains, service laterals and meter sets that are capable of supplying either propane or natural gas, is a viable method of encouraging installation of "gas" appliances in the residential subdivision at the time of construction. This program is designed to provide Builders and Developers a cash incentive to encourage the installation of "gas" appliances in the newly constructed house.

Allowances:

Conservation allowances are currently:

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

Program Fiscal Expenditures:

Program cost totaled \$37,339 for this twelve-month period, incurred by staff in response to builder/developer inquiries.

Program Summary:

Two propane distribution sub-divisions have been added under this program since its inception.

Schedule CT-6
Page 4 of 8

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Water Heater Retention Program

Program Description:

The Company offers this program to existing customers and dealers to encourage the continued use of natural gas in the home and avoid costly abandonment activities. The water heater is not only the primary natural gas cost savings appliance within the homes, but it is also the anchor natural gas load within the home. As an incentive to continue to provide substantial benefits to the customer and utilize our resources effectively, this program offers cash payment to the customer and dealer.

Allowances:

Conservation allowances are currently:

- \$100 Energy efficient natural gas water heater installation.
- \$ 50 Dealer

Program Activity and Projections:

For the twelve-month period January 2004 through December 2004, we estimated that 129 natural gas water heaters would qualify for this program. In actuality, 51 rebates were paid for natural gas water heaters installed.

Program Fiscal Expenditures:

For this twelve-month period, CUC incurred program costs of \$38,002.

Program Summary:

Since inception, 692 natural gas water heaters have been changed out and natural gas water heaters reinstalled. CUC will continue to work closely with homeowners and dealers to promote the continued use of energy efficient natural gas.

Schedule CT-6
Page 5 of 8

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Natural Gas Space Conditioning for Residential Homes Program

Program Description:

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

Program Projections:

The projected expenses for this period were \$0.

Program Fiscal Expenditures:

There were no program costs for this twelve-month period, to promote residential cooling and natural gas dessicant systems.

Program Summary:

Five residential gas space conditioning units have been installed since the inception of this program.

Schedule CT-6
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CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Gas Space Conditioning Program

Program Description:
The program is intended to encourage the use of energy efficient natural gas air conditioning products to non-residential customers. The program provides an allowance of \$50 per ton of natural gas space conditioning up to a maximum of 500 tons per system, to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and installation.

Program Projections:
The expenses projected for this period were \$2,700.

Program Fiscal Expenditures:
Program cost totaled \$3,219 for this twelve-month period.

Program Summary:
Eight natural gas space conditioning units have been installed since the inception of this program.

Schedule CT-6
Page 7 of 8

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Conservation Education Program

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

Program Activity and Projections:
We continue to develop branded programs as well as expand community outreach programs designed to inform and educate the general public as well as business interest in the communities about the availability of our conservation programs, and the benefits and value of natural gas. Examples of these types of programs;

Energy Plus Home Program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. Often residential consumers only consider the higher installation costs, and not the operating savings, associated with natural gas appliances and therefore do not convert to energy efficient natural gas appliances. The brand supports several conservation programs - *Residential Appliance Replacement Program, Residential Water Heater Retention Program, and the Space Conditioning for Residential Applications.*

Energy Plus Home Builder Program promotes the *Residential Home Builder Program* which purpose is to promote energy efficient natural gas encouraging the selection of appliances most suitable in reducing the ultimate consumer's overall energy costs. Incentives are offered in the form of cash allowances on the installation of those chosen appliances. The program offers builders and developers incentives to assist in defraying the additional costs associated with the installation of natural gas appliances.

Energy Plus Partners Program is the new name of the Preferred Partners program that was launched in late 2001. The program works to remove market

Schedule CT-6

Page 8 of 8

barriers, expand consumer choice, and create synergy between the trades and businesses linked to natural gas. The program supports awareness of our conservation allowances programs. Examples of business entities that support the gas system and are potential partners for the gas company: builders, developers, retailers, HVAC providers, plumbers, and architects, to name but a few. The brand supports several conservation programs - *Residential Appliance Replacement Program, Residential Water Heater Retention Program, Space Conditioning for Residential Applications, Residential Home Builder Program, and the Residential Propane Distribution Program*

Energy Smart Kids Program educates and engages young minds in an in-school setting. The classroom-based program provides posters, classroom activities, gas education booklets, pencils and teaching plan. A "school board" approved curriculum offers teaches a balanced five day lesson plan ending with an in-classroom demonstration featuring "Effie" the power station – a small working power generating engine that converts gas into electric. Energy conservation is the main theme of the program.

Program Fiscal Expenditures:

Program costs totaled \$128,675 for this twelve-month period.

Docket No. 050004-GU

Exhibit _____ (BSB-2)

THE FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION
CONSERVATION COST RECOVERY PROJECTION
JANUARY 1, 2006 THROUGH DECEMBER 31, 2006

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 050004-GU Exhibit No. 3
Company/ CUC
Witness: Brian S. Bilinski (BSB-2)
Date: 11/07-09/05

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2006 THROUGH DECEMBER 2006

1. INCREMENTAL COSTS (SCHEDULE C-2)	1,127,551
2. TRUE-UP (SCHEDULE C-3)	<u>217,207</u>
3. TOTAL	<u>1,344,758</u>

RATE CLASS	BILLS	THERMS	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER EXPANSION THERM	ECCR ADJUSTMENT FACTOR	ECCR ADJUSTMENT FACTORS
FTS-A	41,872	399,700	\$418,720	\$176,160	\$594,880	\$86,885	14.6054%	0.2174	1.00503	0.21847
FTS-B	38,380	620,490	\$479,756	\$273,469	\$753,225	\$110,012	14.6054%	0.1773	1.00503	0.17819
FTS-1	60,934	1,618,648	\$914,010	\$713,387	\$1,627,397	\$237,688	14.6054%	0.1468	1.00503	0.14758
FTS-2	16,674	1,284,985	\$458,544	\$377,220	\$835,764	\$122,067	14.6054%	0.0950	1.00503	0.09547
FTS-3	4,660	1,912,250	\$419,400	\$378,262	\$797,662	\$116,502	14.6054%	0.0609	1.00503	0.06123
FTS-4	1,787	1,895,000	\$294,855	\$339,338	\$634,193	\$92,627	14.6054%	0.0489	1.00503	0.04913
FTS-5	408	1,095,000	\$112,200	\$182,066	\$294,266	\$42,979	14.6054%	0.0393	1.00503	0.03945
FTS-6	228	1,070,000	\$102,600	\$156,905	\$259,505	\$37,902	14.6054%	0.0354	1.00503	0.03560
FTS-7	252	3,255,000	\$119,700	\$361,110	\$480,810	\$70,224	14.6054%	0.0216	1.00503	0.02168
FTS-8	204	4,820,000	\$153,000	\$493,182	\$646,182	\$94,378	14.6054%	0.0196	1.00503	0.01968
FTS-9	168	7,845,000	\$151,200	\$702,677	\$853,877	\$124,712	14.6054%	0.0159	1.00503	0.01598
FTS-10	84	5,675,000	\$126,000	\$471,820	\$597,820	\$87,314	14.6054%	0.0154	1.00503	0.01546
FTS-11	60	6,230,000	\$180,000	\$427,876	\$607,876	\$88,783	14.6054%	0.0143	1.00503	0.01432
FTS-12	12	2,800,000	\$48,000	\$175,784	\$223,784	\$32,685	14.6054%	0.0117	1.00503	0.01173
TOTAL	165,723	40,521,073	\$3,977,985	\$5,229,254	\$9,207,239	\$1,344,758	14.6054%			

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: JANUARY 2006 THROUGH DECEMBER 2006

PROGRAM NAME

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL HOME BUILDER	0	327,823	0	42,989	425,000	5,130	23,968	0	824,910
2. RESIDENTIAL APPLIANCE REPLACEMENT (908C)	0	96,713	0	11,984	22,500	26	4,194	0	135,417
3. RESIDENTIAL PROPANE DISTRIBUTION	0	13,569	0	535	0	3,058	243	0	17,405
4. RESIDENTIAL WATER HEATER RETENTION (908G)	0	35,786	0	1,215	15,000	26	2,620	0	54,647
5. NG SPACE CONDITIONING	0	4,019	0	0	0	0	227	0	4,246
6. GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	0
7. EDUCATION	0	70,067	0	18,598	0	26	2,235	0	90,926
8. COMMON COSTS	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)	0	0	0	0	0	0	0	0	0
14. (INSERT NAME)	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	0	547,977	0	75,321	462,500	8,266	33,487	0	1,127,551
LESS: AMOUNT IN RATE BASE	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSER.	0	547,977	0	75,321	462,500	8,266	33,487	0	1,127,551

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL HOME BUILDER									
A. ACTUAL	0	164,597	1,188	56,129	328,175	8,160	6,529	5,452	570,231
B. ESTIMATED	0	112,376	0	10,304	110,075	8,811	6,461	0	248,027
C. TOTAL	0	276,973	1,188	66,433	438,250	16,971	12,990	5,452	818,258
2. RESIDENTIAL APPLIANCE REPLACEMENT (908C)									
A. ACTUAL	0	52,304	28	7,852	6,610	6,341	1,322	915	75,372
B. ESTIMATED	0	26,385	0	4,435	3,000	0	1,118	0	34,938
C. TOTAL	0	78,689	28	12,287	9,610	6,341	2,440	915	110,310
3. RESIDENTIAL PROPANE DISTRIBUTION (908F)									
A. ACTUAL	0	3,728	0	0	0	2,859	31	1,688	8,306
B. ESTIMATED	0	6,899	0	465	0	0	138	0	7,502
C. TOTAL	0	10,627	0	465	0	2,859	169	1,688	15,808
4. RESIDENTIAL WATER HEATER RETENTION (908G)									
A. ACTUAL	0	27,733	28	667	3,250	3,049	1,390	(212)	35,905
B. ESTIMATED	0	7,210	0	506	10,200	0	909	0	18,825
C. TOTAL	0	34,943	28	1,173	13,450	3,049	2,299	(212)	54,730
5. NG SPACE CONDITIONING FOR RESIDENTIAL HOMES (908D)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
6. GAS SPACE CONDITIONING (908B)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
7. EDUCATION (908A)									
A. ACTUAL	0	62,301	59	11,057	0	3,623	1,757	225	79,022
B. ESTIMATED	0	35,176	0	6,566	0	0	1,485	0	43,227
C. TOTAL	0	97,477	59	17,623	0	3,623	3,242	225	122,249
8 COMMON COST									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
TOTAL COSTS	0	498,709	1,303	97,980	461,310	32,844	21,141	8,069	1,121,355

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR PERIOD: JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS PROJECTED

DESCRIPTION	JAN 2005	FEB 2005	MAR 2005	APR 2005	MAY 2005	JUN 2005	JUL 2005	AUG 2005	SEP 2005	OCT 2005	NOV 2005	DEC 2005	TOTAL
1. HOME BUILDER PROGRAM	89,127	51,818	79,056	59,812	63,792	101,004	53,564	72,059	62,007	62,007	62,007	62,007	818,258
2. RES. APPLIANCE REPLACEMENT	6,792	7,845	8,768	4,743	13,049	12,531	9,875	11,769	8,735	8,735	8,735	8,735	110,310
3. RES PROPANE DISTRIBUTION	1,870	255	851	898	1,291	(84)	1,688	1,536	1,876	1,876	1,876	1,876	15,808
4. RES WATER HEATER RETENTION	3,347	1,752	5,762	3,876	2,029	6,071	7,143	5,924	4,706	4,706	4,706	4,706	54,730
5. NG SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	0	0	0	0
6. GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	0	0	0	0
7. EDUCATION	8,180	10,199	13,008	10,888	9,617	9,706	9,121	8,304	10,807	10,807	10,807	10,807	122,249
8. COMMON COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
14. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	109,315	71,869	107,445	80,217	89,778	129,228	81,391	99,592	88,130	88,130	88,130	88,130	1,121,355
LESS:													
BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RECOVERABLE	109,315	71,869	107,445	80,217	89,778	129,228	81,391	99,592	88,130	88,130	88,130	88,130	1,121,355

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR PERIOD: JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

	JAN 2005	FEB 2005	MAR 2005	APR 2005	MAY 2005	JUN 2005	JUL 2005	AUG 2005	SEP 2005	OCT 2005	NOV 2005	DEC 2005	TOTAL
CONSERVATION REVS													
1. RCS AUDIT FEE	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROG. REVS.	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS.	(131,686)	(107,522)	(115,185)	(102,379)	(83,917)	(78,116)	(65,326)	(62,107)	(55,193)	(75,000)	(80,000)	(120,000)	(1,076,431)
4. TOTAL REVENUES	(131,686)	(107,522)	(115,185)	(102,379)	(83,917)	(78,116)	(65,326)	(62,107)	(55,193)	(75,000)	(80,000)	(120,000)	(1,076,431)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	14,038	14,039	14,038	14,038	14,038	14,038	14,038	14,038	14,038	14,038	14,038	14,038	168,458
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(117,648)	(93,483)	(101,147)	(88,341)	(69,879)	(64,078)	(51,288)	(48,068)	(41,155)	(60,962)	(65,962)	(105,962)	(907,973)
7. CONSERV. EXPS.	109,315	71,869	107,445	80,217	89,778	129,228	81,391	99,592	88,130	88,130	88,130	88,130	1,121,355
8. TRUE-UP THIS PERIOD	(8,333)	(21,614)	6,298	(8,124)	19,900	65,150	30,103	51,523	46,975	27,168	22,168	(17,832)	213,382
9. INTER. PROVISION THIS PERIOD	308	268	237	216	208	292	400	500	450	311	326	310	3,825
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	168,458	146,395	111,010	103,507	81,561	87,630	139,034	155,498	193,484	226,870	240,311	248,767	168,458
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	(14,038)	(14,038)	(14,038)	(14,038)	(14,038)	(14,038)	(14,038)	(14,038)	(14,038)	(14,038)	(14,038)	(14,038)	(168,458)
12. TOTAL NET TRUE-UP	146,395	111,010	103,507	81,561	87,630	139,034	155,498	193,484	226,870	240,311	248,767	217,207	217,207

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR PERIOD: JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS PROJECTED

INTEREST PROVISION	JAN 2005	FEB 2005	MAR 2005	APR 2005	MAY 2005	JUN 2005	JUL 2005	AUG 2005	SEP 2005	OCT 2005	NOV 2005	DEC 2005	TOTAL
1. BEGINNING TRUE-UP	168,458	146,395	111,010	103,507	81,561	87,630	139,034	155,498	193,484	226,870	240,311	248,767	
2. ENDING TRUE-UP BEFORE INTEREST	146,087	110,742	103,271	81,345	87,422	138,742	155,099	192,983	226,420	240,000	248,441	216,896	
3. TOTAL BEGINNING & ENDING TRUE-UP	314,545	257,137	214,281	184,852	168,984	226,372	294,133	348,482	419,904	466,870	488,752	465,663	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	157,272	128,569	107,140	92,426	84,492	113,186	147,066	174,241	209,952	233,435	244,376	232,831	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	2.28%	2.42%	2.58%	2.72%	2.88%	3.02%	3.17%	3.35%	3.54%	1.60%	1.60%	1.60%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	2.42%	2.58%	2.72%	2.88%	3.02%	3.17%	3.35%	3.54%	1.60%	1.60%	1.60%	1.60%	
7. TOTAL (SUM LINES 5 & 6)	4.70%	5.00%	5.30%	5.60%	5.90%	6.19%	6.52%	6.89%	5.14%	3.20%	3.20%	3.20%	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	2.35%	2.50%	2.65%	2.80%	2.95%	3.10%	3.26%	3.45%	2.57%	1.60%	1.60%	1.60%	
9. MONTHLY AVG INTEREST RATE	0.20%	0.21%	0.22%	0.23%	0.25%	0.26%	0.27%	0.29%	0.21%	0.13%	0.13%	0.13%	
10. INTEREST PROVISION	308	268	237	216	208	292	400	500	450	311	326	310	3,825

Schedule C-4
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CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Residential Home Builder Program

Program Description:
This program is designed to increase the overall energy efficiency in the residential new construction market by promoting energy efficient natural gas appliances in residences that would qualify for the Company's residential rates. Incentives are offered in the form of gas piping and venting allowances to assist builders with gas appliance installation.

Allowances:
Conservation allowances are currently:
 \$275 Energy efficient natural gas water heater installation.
 \$275 Natural Gas home heating.
 \$75 Energy efficient natural gas range or dryer stub outlet.

Program Activity and Projections:
During the eight-month period January 2005 through August 2005, 518 residences qualified under the Residential Home Builder Program. We estimate 259 new homes will qualify during the period September 2005 through December 2005.

Program Fiscal Expenditures:
For the eight-month period January 2005 through August 2005, CUC incurred costs of \$570,231 for the Residential Home Builder Program. For September 2005 through December 2005, costs are estimated to be \$248,027.

Schedule C-4
Page 2 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential 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. Incentives are offered in the form of allowances to assist in defraying the additional costs associated with the piping and venting of natural gas equipment.

Allowance:

Conservation allowance is currently:

\$330.00 Energy Efficient Water Heater Installation

\$330.00 Natural Gas Home Heating System

\$ 50.00 Energy-efficient gas range

\$ 50.00 Natural Gas Clothes Dryer

Program Activity and Projections:

During the eight-month period January 2005 through August 2005, 20 residences qualified under the Residential Appliance Replacement Program. We estimate an additional 10 residences will qualify for incentives during the period September 2005 through December 2005.

Program Fiscal Expenditures:

For the eight-month period January 2005 through August 2005, CUC incurred costs of \$75,372 for the Residential Appliance Replacement Program. During September 2005 through December 2005 costs are estimated to be \$34,938.

Schedule C-4
Page 3 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Propane Distribution Program

Program Description:

The program is designed to promote the use of "gas" within developments that are built beyond the economic extension of the Company's existing natural gas infrastructure. The concept of installing an underground propane system, which includes distribution mains, service laterals and meter sets that are capable of supplying either propane or natural gas, is a viable method of encouraging installation of "gas" appliances in the residential subdivision at the time of construction. This program is designed to provide Builders and Developers a cash incentive to encourage the installation of "gas" appliances in the newly constructed house.

Allowances:

Conservation allowances are currently:

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

Program Activity and Projections:

During this year we intend to distribute promotional materials aimed at the builder market in order to educate and inform as to the values of a propane distribution system.

Program Fiscal Expenditures:

For the eight-month period January 2005 through August 2005, CUC incurred costs of \$8,306 for the Residential Propane Distribution Program. During September 2005 through December 2005 costs are estimated to be \$7,502.

Schedule C-4
Page 4 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Water Heater Retention Program

Program Description:

The Company offers this program to existing customers and dealers to encourage the continued use of natural gas in the home and avoid costly abandonment activities. The water heater is not only the primary natural gas cost savings appliance within the homes, but it is also the anchor natural gas load within the home. As an incentive to continue to provide substantial benefits to the customer and utilize our resources effectively, this program offers cash payment to the customer and dealer.

Allowances:

Conservation allowances are currently:

\$100 Energy efficient natural gas water heater installation.
\$ 50 Dealer

Program Activity and Projections:

For the eight-month period January 2005 through August 2005, CUC paid allowances on 34 water heaters. We estimate we will pay allowances on 68 additional water heaters during the period of September 2005 through December 2005.

Program Fiscal Expenditures:

For the eight-month period January 2005 through August 2005, CUC incurred program costs of \$35,905 for this program. For September 2005 through December 2005, expenditures totaling \$18,825 are anticipated.

Exhibit No. _____

Docket No. 050004-GU

CHESAPEAKE UTILITIES CORPORATION

(BSB-2)

Page 13 of 15

Schedule C-4

Page 5 of 7

CHESAPEAKE UTILITIES CORPORATION

Program Description and Progress

Program Title:

Natural Gas Space Conditioning for Residential Homes Program

Program Description:

The program is intended to encourage the use of energy efficient natural gas air conditioning products in residential homes. The program is designed to offer a \$1,200 per unit allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation.

Program Activity and Projections:

For the eight-month period January 2005 through August 2005, CUC didn't pay any allowances on this program. Minimal activity is projected in this program for the remainder of 2005.

Program Fiscal Expenditures:

For the eight-month period January 2005 through August 2005, CUC did not incur any costs of for the Natural Gas Space Conditioning for Residential Homes Program.

Schedule C-4
Page 6 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Gas Space Conditioning Program

Program Description:
The program is intended to encourage the use of energy efficient natural gas air conditioning products to non-residential customers. The program provides an allowance of \$50 per ton of natural gas space conditioning up to a maximum of 500 tons per system, to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and installation.

Program Activity and Projections:
For the eight-month period January 2005 through August 2005, CUC didn't pay any allowances on this program.

Program Fiscal Expenditures:
For the eight-month period January 2005 through August 2005, CUC didn't incur any costs for the Gas Space Conditioning Program. No costs are estimated for September 2005 through December 2005.

Schedule C-4
Page 7 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Conservation Education Program

Program Description:
The objective of this program is to teach adults and young people conservation measures designed to reduce energy consumption and consequently reduce their family's overall energy cost.

Program Activity and Projections:
We have created community outreach programs designed to inform and educate the general public as well as business interest in the communities we serve as to the value of natural gas and the availability of our conservation allowance programs. Examples of these types of programs: energy plus home builders program, energy plus partners program, appliance retention programs, and energy smart kids.

Program Fiscal Expenditures:
During the eight-month period January 2005 through August 2005, CUC incurred program costs of \$79,022 for this program. For September 2005 through December 2005, expenditures are estimated to be \$43,227 for this program.

SCHEDULE CT-1

Florida City Gas
DOCKET NO. 050004-GU
Exhibit ___ (RA-1)
Page 1 of 10

ADJUSTED NET TRUE UP
JANUARY 2004 THROUGH DECEMBER 2004

END OF PERIOD NET TRUE-UP

PRINCIPLE	(34,669)	
INTEREST	(4,212)	(38,881)

LESS PROJECTED TRUE-UP

PRINCIPLE	41,218	
INTEREST	(3,924)	37,294

ADJUSTED NET TRUE-UP (76,175)

() REFLECTS OVER-RECOVERY

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 050004-GU Exhibit No. 4
Company/ FCG
Witness: Rosie Abreu (RA-1)
Date: 11/07-09/05

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
JANUARY 2004 THROUGH DECEMBER 2004

	<u>ACTUAL</u>	<u>PROJECTED ***</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	-		-
PAYROLL & BENEFITS	689,636	696,691	(7,055)
MATERIALS & SUPPLIES	-	-	-
ADVERTISING	353,814	296,052	57,762
INCENTIVES	2,131,779	2,390,729	(258,950)
OUTSIDE SERVICES	34,987	35,478	(491)
VEHICLES	26,925	26,385	540
OTHER	<u>-</u>	<u>-</u>	<u>-</u>
SUB-TOTAL	3,237,142	3,445,335	(208,193)
PROGRAM REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PROGRAM COSTS	3,237,142	3,445,335	(208,193)
LESS:			
PAYROLL ADJUSTMENTS	-	-	-
AMOUNTS INCLUDED IN RATE BASE	-	-	-
CONSERVATION ADJUSTMENT REVENUES	(3,271,811)	(3,404,117)	132,306
ROUNDING ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>
TRUE-UP BEFORE INTEREST	(34,669)	41,218	(75,887)
INTEREST PROVISION	(4,212)	(3,924)	(288)
END OF PERIOD TRUE-UP	<u>(38,881)</u>	<u>37,294</u>	<u>(76,175)</u>

() REFLECTS OVER-RECOVERY

*** Eight months actual and four months projected (Jan-Dec'2004)

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2004 THROUGH DECEMBER 2004

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: SINGLE FAMILY HOME BUILDER	-	229,131	-	45,116	1,865,416	-	8,075	-	2,147,739
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	11,020	-	-	33,600	-	608	-	45,228
PROGRAM 3: ELECTRIC REPLACEMENT	-	117,375	-	128,378	81,491	-	6,001	-	333,245
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 6: PROPANE CONVERSION	-	-	-	-	550	-	8	-	558
PROGRAM 7: WATER HEATER RETENTION	-	21,240	-	-	112,174	-	1,728	-	135,142
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	17,866	-	-	650	-	609	-	19,125
PROGRAM 9: COMM/IND CONVERSION	-	254,291	-	-	37,898	-	9,448	-	301,636
PROGRAM 10: ALTERNATIVE TECHNOLOGY	-	5,605	-	4,641	-	-	448	-	10,694
COMMON COSTS	-	33,108	-	175,679	-	34,987	-	-	243,775
TOTAL TOTAL OF ALL PROGRAMS	-	689,636	-	353,814	2,131,779	34,987	26,925	-	3,237,142

CITY GAS COMPANY OF FLORIDA
PROJECTED CONSERVATION COSTS PER PROGRAM
JANUARY 2004 THROUGH DECEMBER 2004
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: SINGLE FAMILY HOME BUILDING	-	214,246	-	32,607	2,085,766	-	7,917	-	2,340,536
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	12,102	-	-	45,600	-	506	-	58,208
PROGRAM 3: ELECTRIC REPLACEMENT	-	136,584	-	87,591	93,384	-	6,113	-	323,672
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 6: PROPANE CONVERSION	-	1,378	-	-	450	-	-	-	1,828
PROGRAM 7: WATER HEATER RETENTION	-	34,608	-	-	106,386	-	1,737	-	142,731
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	19,227	-	-	2,450	-	575	-	22,252
PROGRAM 9: COMM/IND CONVERSION	-	242,821	-	1,400	40,693	-	9,081	-	293,995
PROGRAM 10: ALTERNATIVE TECHNOLOGY	-	6,431	-	4,725	16,000	-	456	-	27,612
COMMON COSTS	-	29,294	-	169,729	-	35,478	-	-	234,501
TOTAL	TOTAL OF ALL PROGRAMS	696,691	-	296,052	2,390,729	35,478	26,385	-	3,445,335

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2004 THROUGH DECEMBER 2004

PROGRAM NAME	CAPITAL	PAYROLL & MATERIALS	OUTSIDE				TOTAL		
	INVESTMENT	BENEFITS & SUPPLIES	ADVERTISING	INCENTIVES	SERVICES	VEHICLE		OTHER	
PROGRAM 1: SINGLE FAMILY HOME BUILDER	-	14,885	-	12,509	(220,350)	-	158	-	(192,797)
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	(1,082)	-	-	(12,000)	-	102	-	(12,980)
PROGRAM 3: ELECTRIC REPLACEMENT	-	(19,209)	-	40,787	(11,893)	-	(112)	-	9,573
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 6: PROPANE CONVERSION	-	(1,378)	-	-	100	-	8	-	(1,270)
PROGRAM 7: WATER HEATER RETENTION	-	(13,368)	-	-	5,788	-	(9)	-	(7,589)
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	(1,361)	-	-	(1,800)	-	34	-	(3,127)
PROGRAM 9: COMM/IND CONVERSION	-	11,470	-	(1,400)	(2,795)	-	367	-	7,641
PROGRAM 10: ALTERNATIVE TECHNOLOGY	-	(826)	-	(84)	(16,000)	-	(8)	-	(16,918)
COMMON COSTS	-	3,814	-	5,950	-	(491)	-	-	9,274
TOTAL TOTAL OF ALL PROGRAMS	-	(7,055)	-	57,762	(258,950)	(491)	540	-	(208,193)

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY MONTH
JANUARY 2004 THROUGH DECEMBER 2004

EXPENSES:	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
PROGRAM 1:	134,127	182,380	273,123	155,547	148,828	223,716	153,010	319,753	136,137	128,598	147,764	144,756	2,147,739
PROGRAM 2:	22,003	12,637	969	1,037	1,032	975	1,818	487	1,461	572	1,146	1,094	45,228
PROGRAM 3:	41,000	20,167	23,512	19,580	22,402	16,251	23,319	24,136	43,421	12,667	21,211	65,581	333,245
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	225	925	-	14,500	4,150	-	-	(18,450)	(900)	2	1	106	558
PROGRAM 7:	14,485	10,782	11,248	12,293	8,758	10,809	9,930	13,438	11,091	9,914	11,355	11,038	135,142
PROGRAM 8:	1,171	1,111	1,536	1,492	1,830	1,847	1,828	1,728	2,165	1,488	1,568	1,360	19,125
PROGRAM 9:	18,152	28,597	16,660	24,579	24,803	25,147	24,134	21,495	45,492	22,056	25,758	24,762	301,636
PROGRAM 10:	204	2,486	(49)	640	552	444	672	225	1,386	2,971	577	586	10,694
COMMON COSTS	4,962	10,687	43,643	26,013	18,749	22,058	3,600	24,872	39,503	8,156	5,553	35,979	243,775
TOTAL	236,330	269,773	370,642	255,681	231,103	301,247	218,311	387,682	279,756	186,424	214,932	285,261	3,237,142
LESS AMOUNT INCLUDED IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	236,330	269,773	370,642	255,681	231,103	301,247	218,311	387,682	279,756	186,424	214,932	285,261	3,237,142

SCHEDULE CT-2
PROJECTED CONSERVATION COSTS PER MONTH
JANUARY 2004 THROUGH DECEMBER 2004
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

EXPENSES:

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
PROGRAM 1:	134,127	182,381	273,123	155,546	148,827	223,716	153,010	319,753	187,729	187,914	185,596	187,914	2,339,636
PROGRAM 2:	22,004	12,637	969	1,037	1,032	975	1,817	486	4,350	4,358	4,185	4,358	58,208
PROGRAM 3:	41,000	20,168	23,511	19,580	22,402	16,251	23,319	24,137	33,671	33,971	31,691	33,971	323,672
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	225	925	-	14,500	4,150	-	-	(18,450)	354	357	310	357	2,728
PROGRAM 7:	14,485	10,782	11,249	12,293	8,758	10,809	9,929	13,439	12,859	12,944	12,240	12,944	142,731
PROGRAM 8:	1,170	1,111	1,536	1,493	1,831	1,847	1,828	1,728	2,483	2,493	2,239	2,493	22,252
PROGRAM 9:	18,152	28,598	16,660	24,579	24,803	25,148	24,135	21,495	28,587	28,150	24,838	28,850	293,995
PROGRAM 10:	204	2,486	(49)	640	553	444	672	225	6,230	5,046	4,915	6,246	27,612
COMMON COSTS	4,962	10,688	43,642	26,013	18,748	22,059	3,600	24,871	20,045	20,056	19,761	20,056	234,501
TOTAL	236,329	269,776	370,641	255,681	231,104	301,249	218,310	387,684	296,308	295,289	285,775	297,189	3,445,335
LESS AMOUNT INCLUDED IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE													
CONSERVATION EXPENSES	236,329	269,776	370,641	255,681	231,104	301,249	218,310	387,684	296,308	295,289	285,775	297,189	3,445,335

SCHEDULE CT-2
SUMMARY OF EXPENSES BY PROGRAM
VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2004 THROUGH DECEMBER 2004

EXPENSES:	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
PROGRAM 1:	0	(1)	0	1	1	0	(0)	(0)	(51,592)	(59,316)	(37,832)	(43,158)	(191,897)
PROGRAM 2:	(1)	(0)	(0)	(0)	(0)	0	1	1	(2,889)	(3,786)	(3,039)	(3,264)	(12,980)
PROGRAM 3:	0	(1)	1	(0)	(0)	(0)	0	(1)	9,750	(21,304)	(10,480)	31,610	9,573
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	-	-	-	-	-	-	-	-	(1,254)	(355)	(309)	(251)	(2,170)
PROGRAM 7:	0	(0)	(1)	(0)	0	(0)	1	(1)	(1,768)	(3,030)	(885)	(1,906)	(7,589)
PROGRAM 8:	1	(0)	0	(1)	(1)	0	0	(0)	(318)	(1,005)	(671)	(1,133)	(3,127)
PROGRAM 9:	(0)	(1)	(0)	0	(0)	(1)	(1)	0	16,905	(6,094)	920	(4,088)	7,641
PROGRAM 10:	0	0	0	0	(1)	(0)	0	(0)	(4,844)	(2,075)	(4,338)	(5,660)	(16,918)
COMMON COSTS	0	(1)	1	0	1	(1)	0	1	19,458	(11,900)	(14,208)	15,923	9,274
TOTAL	1	(3)	1	(0)	(1)	(2)	1	(2)	(16,552)	(108,865)	(70,843)	(11,928)	(208,193)
LESS AMOUNT INCLUDED IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	1	(3)	1	(0)	(1)	(2)	1	(2)	(16,552)	(108,865)	(70,843)	(11,928)	(208,193)

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2004 THROUGH DECEMBER 2004

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
1 RCS AUDIT FEES	-	-	-	-	-	-	-	-	-	-	-	-	-
2 OTHER PROGRAM REVS	-	-	-	-	-	-	-	-	-	-	-	-	-
3 CONSERV. ADJ REVS	(297,283)	(280,887)	(281,232)	(245,384)	(210,948)	(194,121)	(192,763)	(185,214)	(188,212)	(189,404)	(210,639)	(242,898)	(2,718,985)
4 TOTAL REVENUES	(297,283)	(280,887)	(281,232)	(245,384)	(210,948)	(194,121)	(192,763)	(185,214)	(188,212)	(189,404)	(210,639)	(242,898)	(2,718,985)
5 PRIOR PERIOD TRUE UP NOT APPLICABLE TO THIS PERIOD CONSERVATION REVENUES	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,067)	(552,826)
6 APPLICABLE TO THE PERIOD	(343,352)	(326,956)	(327,301)	(291,453)	(257,017)	(240,190)	(238,832)	(231,283)	(234,281)	(235,473)	(256,708)	(288,965)	(3,271,811)
CONSERVATION EXPENSES													
7 (FROM CT-3, PAGE 1)	236,330	269,773	370,642	255,681	231,103	301,247	218,311	387,682	279,756	186,424	214,932	285,261	3,237,142
8 TRUE-UP THIS PERIOD	(107,022)	(57,183)	43,341	(35,772)	(25,914)	61,057	(20,521)	156,399	45,475	(49,049)	(41,776)	(3,704)	(34,669)
9 INTEREST PROVISION THIS PERIOD (FROM CT-3 PAGE 3)	(508)	(519)	(475)	(445)	(446)	(448)	(453)	(351)	(179)	(129)	(144)	(114)	(4,212)
10 TRUE-UP & INTER. PROV. BEGINNING OF MONTH	(552,826)	(614,287)	(625,920)	(536,985)	(527,134)	(507,425)	(400,747)	(375,651)	(173,534)	(82,169)	(85,279)	(81,130)	
11 PRIOR PERIOD TRUE UP													
COLLECTED/(REFUNDED)	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,069	46,067	
12 TOTAL NET TRUE UP (SUM LINES 8+9+10+11)	(614,287)	(625,920)	(536,985)	(527,134)	(507,425)	(400,747)	(375,651)	(173,534)	(82,169)	(85,279)	(81,130)	(38,881)	(38,881)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2004 THROUGH DECEMBER 2004

INTEREST PROVISION	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
1. BEGINNING TRUE-UP	(552,826)	(614,287)	(625,920)	(536,985)	(527,134)	(507,425)	(400,747)	(375,651)	(173,534)	(82,169)	(85,279)	(81,130)	
2. ENDING TRUE-UP BEFORE INTEREST	(613,779)	(625,401)	(536,511)	(526,688)	(506,979)	(400,299)	(375,198)	(173,183)	(81,990)	(85,149)	(80,986)	(38,767)	
3. TOTAL BEGINNING & ENDING TRUE-UP	(1,166,605)	(1,239,688)	(1,162,431)	(1,063,674)	(1,034,113)	(907,723)	(775,945)	(548,834)	(255,524)	(167,319)	(166,264)	(119,897)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	(583,303)	(619,844)	(581,215)	(531,837)	(517,056)	(453,862)	(387,973)	(274,417)	(127,762)	(83,659)	(83,132)	(59,948)	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	1.060%	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.770%	1.940%	2.220%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.770%	1.940%	2.220%	2.340%	
7. TOTAL (SUM LINES 5 & 6)	2.090%	2.010%	1.960%	2.010%	2.070%	2.370%	2.800%	3.070%	3.370%	3.710%	4.160%	4.560%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	1.045%	1.005%	0.980%	1.005%	1.035%	1.185%	1.400%	1.535%	1.685%	1.855%	2.080%	2.280%	
9. MONTHLY AVG INTEREST RATE	0.087%	0.084%	0.082%	0.084%	0.086%	0.099%	0.117%	0.128%	0.140%	0.155%	0.173%	0.190%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	(508)	(519)	(475)	(445)	(446)	(448)	(453)	(351)	(179)	(129)	(144)	(114)	(4,212)
10. a. INT. ADJ													

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2006 THROUGH DECEMBER 2006
 ACTUAL/ESTIMATED PERIOD: JANUARY 2005 THROUGH DECEMBER 2005
 FINAL TRUE-UP PERIOD: JANUARY 2004 THROUGH DECEMBER 2004
 COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2004 THROUGH DECEMBER 2004

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1) \$ 3,328,347
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12) \$ (1,199,807)
3. TOTAL (LINE 1 AND 2) \$ 2,128,540

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	DEMAND CHARGE	TOTAL CUST. & ENERGY CHG REVENUES	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PEF THERM	TAX FACTOR	CONSERVATION FACTOR
GS-1, GS-100, GS-220 (Sales & Transportation)	97,677	18,983,416	\$ 11,443,512	\$ 9,655,200	\$ -	\$ 21,098,712	\$ 1,076,849	5.1039%	\$ 0.05873	1.00503	\$ 0.05701
GS-600 (Sales & Transportation)	1,281	1,147,507	\$ 184,524	\$ 501,036	\$ -	\$ 685,560	\$ 34,990	5.1039%	\$ 0.03049	1.00503	\$ 0.03065
GS-1200 (Sales & Transportation)	2,464	8,425,001	\$ 443,460	\$ 2,671,989	\$ -	\$ 3,115,449	\$ 159,008	5.1039%	\$ 0.01887	1.00503	\$ 0.01897
GS-6k (Sales & Transportation)	1,734	22,927,153	\$ 624,072	\$ 6,301,987	\$ -	\$ 6,926,059	\$ 353,497	5.1039%	\$ 0.01542	1.00503	\$ 0.01550
GS-25000 (Sales & Transportation)	265	11,786,544	\$ 254,316	\$ 3,255,208	\$ -	\$ 3,509,524	\$ 179,121	5.1039%	\$ 0.01520	1.00503	\$ 0.01527
GS-60000 (Sales & Transportation)	59	6,338,860	\$ 106,200	\$ 1,741,729	\$ -	\$ 1,847,929	\$ 94,316	5.1039%	\$ 0.01488	1.00503	\$ 0.01495
Gas Lights	221	22,800	\$ -	\$ 13,574	\$ -	\$ 13,574	\$ 693	5.1039%	\$ 0.03039	1.00503	\$ 0.03054
GS-120000 (Sales & Transportation)	57	10,829,900	\$ 171,756	\$ 1,958,479	\$ 195,804	\$ 2,328,039	\$ 118,718	5.1039%	\$ 0.01096	1.00503	\$ 0.01102
GS-250000 (Sales & Transportation)	22	10,288,167	\$ 79,200	\$ 1,768,639	\$ 333,805	\$ 2,181,644	\$ 111,348	5.1039%	\$ 0.01082	1.00503	\$ 0.01088
TOTAL	<u>103,780</u>	<u>90,749,348</u>	<u>\$ 13,307,040</u>	<u>\$ 27,867,841</u>	<u>\$ 529,609</u>	<u>\$ 41,704,490</u>	<u>\$ 2,128,540</u>				

FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET NO. 050004-GU Exhibit No. 5
 Company/ EC G
 Witness: Ronald Sicre (RS-1)
 Date: 11/07-09/05

EXHIBIT NO. (RS-1)
 Florida City Gas
 A Division of Pivotal Utility Holdings, Inc.
 DOCKET NO. 050004-GU
 Page 1 of 18

PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
FOR THE PERIOD JANUARY 2006 THROUGH DECEMBER 2006

PROGRAM NAME	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	TOTAL
1. RESIDENTIAL BUILDER	\$ 170,884	\$ 170,067	\$ 172,521	\$ 170,884	\$ 171,703	\$ 171,703	\$ 170,884	\$ 172,521	\$ 171,703	\$ 170,385	\$ 171,179	\$ 171,972	\$ 2,056,406
2. MULTI-FAMILY RESIDENTIAL BLDG	5,077	4,982	5,269	5,077	5,173	5,173	5,077	5,269	5,173	5,018	5,112	5,205	\$ 61,605
3. APPLIANCE REPLACEMENT	29,162	28,510	30,468	29,162	29,814	29,814	29,162	30,468	29,814	28,871	29,510	30,150	\$ 354,905
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	464	442	507	464	485	485	464	507	485	451	471	493	\$ 5,718
7. RES WATER HEATER RETENTION	14,544	14,288	15,056	14,544	14,800	14,800	14,544	15,056	14,800	14,407	14,657	14,906	\$ 176,402
8. RES CUT AND CAP ALTERNATIVE	2,376	2,294	2,540	2,376	2,458	2,458	2,376	2,540	2,458	2,325	2,405	2,485	\$ 28,091
9. COMMIND CONVERSION	27,246	26,111	30,217	27,246	28,381	29,081	27,246	29,517	29,081	26,630	27,736	29,543	\$ 338,035
10. COMMIND ALTERNATIVE TECH.	10,285	1,227	2,603	10,285	1,344	2,544	10,285	1,403	11,544	1,258	1,315	2,573	\$ 56,666
COMMON COSTS	20,731	20,624	20,942	20,731	20,837	20,837	20,731	20,942	20,838	20,865	20,769	20,872	\$ 249,519
TOTAL ALL PROGRAMS	\$ 280,769	\$ 268,545	\$ 280,123	\$ 280,769	\$ 274,995	\$ 276,895	\$ 280,769	\$ 278,223	\$ 285,896	\$ 270,010	\$ 273,154	\$ 278,199	\$ 3,328,347
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	\$ 280,769	\$ 268,545	\$ 280,123	\$ 280,769	\$ 274,995	\$ 276,895	\$ 280,769	\$ 278,223	\$ 285,896	\$ 270,010	\$ 273,154	\$ 278,199	\$ 3,328,347

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2006 THROUGH DECEMBER 2006

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER	\$ -	\$ 211,460	\$ -	\$ 36,000	\$ 1,800,000	\$ -	\$ 8,945	\$ -	\$ 2,056,405
2. MULTI-FAMILY RESIDENTIAL BLDR	-	24,836	-	-	36,000	-	769	-	61,605
3. APPLIANCE REPLACEMENT	-	169,473	-	84,000	96,000	-	5,431	-	354,904
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	-	5,567	-	-	-	-	153	-	5,720
7. RES WATER HEATER RETENTION	-	66,456	-	-	108,000	-	1,947	-	176,403
8. RES CUT AND CAP ALTERNATIVE	-	21,307	-	-	7,200	-	584	-	29,091
9. COMM/IND CONVERSION	-	294,315	-	2,800	31,200	-	9,721	-	338,036
10. COMM/IND ALTERNATIVE TECH. COMMON COSTS	-	15,252	-	4,800	36,000	-	616	-	56,668
	-	27,515	-	180,000	-	42,000	-	-	249,515
TOTAL ALL PROGRAMS	-	836,181	-	307,600	2,114,400	42,000	28,166	-	3,328,347
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 836,181	\$ -	\$ 307,600	\$ 2,114,400	\$ 42,000	\$ 28,166	\$ -	\$ 3,328,347

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER									
A. ACTUAL (8 months)	\$ -	\$ 43,969	\$ -	\$ 689	\$ 848,664	\$ -	\$ 1,327	\$ -	\$ 894,649
B. ESTIMATED (4 months)	-	10,616	-	-	409,964	-	2,980	-	423,560
C. TOTAL	-	54,585	-	689	1,258,628	-	4,307	-	1,318,209
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (8 months)	-	3,369	-	-	-	-	85	-	3,454
B. ESTIMATED (4 months)	-	-	-	-	-	-	256	-	256
C. TOTAL	-	3,369	-	-	-	-	341	-	3,710
3. APPLIANCE REPLACEMENT									
A. ACTUAL (8 months)	-	35,228	-	64,294	53,551	-	764	-	153,837
B. ESTIMATED (4 months)	-	17,584	-	28,000	32,000	-	1,812	-	79,396
C. TOTAL	-	52,812	-	92,294	85,551	-	2,576	-	233,233
4. DEALER PROGRAM									
A. ACTUAL (8 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (4 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS									
A. ACTUAL (8 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (4 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION									
A. ACTUAL (8 months)	-	-	-	-	14,958	-	3	-	14,961
B. ESTIMATED (4 months)	-	-	-	-	-	-	52	-	52
C. TOTAL	-	-	-	-	14,958	-	55	-	15,013
SUB-TOTAL	\$ -	\$ 110,766	\$ -	\$ 92,983	\$ 1,359,137	\$ -	\$ 7,279	\$ -	\$ 1,570,165

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 110,766	\$ -	\$ 92,983	\$ 1,359,137	\$ -	\$ 7,279	\$ -	\$ 1,570,165
7. RES WATER HEATER RETENTION									
A. ACTUAL (8 months)	-	7,601	-	-	47,606	-	237	-	55,444
B. ESTIMATED (4 months)	-	3,524	-	-	20,000	-	648	-	24,172
C. TOTAL	-	11,125	-	-	67,606	-	885	-	79,616
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (8 months)	-	32,808	-	-	-	-	47	-	32,855
B. ESTIMATED (4 months)	-	39,404	-	-	-	-	196	-	39,600
C. TOTAL	-	72,212	-	-	-	-	243	-	72,455
9. COMM/IND CONVERSION									
A. ACTUAL (8 months)	-	72,085	-	-	46,797	-	1,112	-	119,994
B. ESTIMATED (4 months)	-	18,508	-	2,800	10,400	-	3,240	-	34,948
C. TOTAL	-	90,593	-	2,800	57,197	-	4,352	-	154,942
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (8 months)	-	6,517	-	-	-	-	77	-	6,594
B. ESTIMATED (4 months)	-	5,172	-	-	-	-	204	-	5,376
C. TOTAL	-	11,689	-	-	-	-	281	-	11,970
COMMON COSTS									
A. ACTUAL (8 months)	-	27,963	-	115,699	-	7,625	-	-	151,287
B. ESTIMATED (4 months)	-	22,128	-	60,000	-	6,000	-	-	88,128
C. TOTAL	-	50,091	-	175,699	-	13,625	-	-	239,415
TOTAL	\$ -	\$ 346,476	\$ -	\$ 271,482	\$ 1,483,940	\$ 13,625	\$ 13,040	\$ -	\$ 2,128,563

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

DESCRIPTION	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	TOTAL
1. RESIDENTIAL BUILDER	\$ 154,210	\$ 86,016	\$ 142,852	\$ 94,236	\$ 127,601	\$ 126,875	\$ 153,949	\$ 8,910	\$ 105,890	\$ 105,890	\$ 105,890	\$ 105,890	1,318,209
2. MULTI-FAMILY RESIDENTIAL BLDG	3,504	(530)	650	(170)	-	-	-	-	64	64	64	64	3,710
3. APPLIANCE REPLACEMENT	11,356	9,601	21,868	8,316	12,843	5,669	26,829	57,355	19,849	19,849	19,849	19,849	233,233
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	14,802	26	-	-	-	133	-	-	13	13	13	13	15,013
7. RES WATER HEATER RETENTION	8,682	9,500	11,033	4,671	7,074	8,131	4,853	1,500	6,043	6,043	6,043	6,043	79,616
8. RES CUT AND CAP ALTERNATIVE	697	543	774	3,479	8,602	10,315	8,445	-	9,900	9,900	9,900	9,900	72,455
9. COMM/IND CONVERSION	18,767	16,548	25,214	2,517	12,748	34,439	9,761	-	8,737	8,737	8,737	8,737	154,942
10. COMM/IND ALTERNATIVE TECH.	438	635	1,428	458	1,475	1,106	1,054	-	1,344	1,344	1,344	1,344	11,970
COMMON COSTS	<u>4,156</u>	<u>2,769</u>	<u>1,573</u>	<u>73,789</u>	<u>30,694</u>	<u>5,112</u>	<u>31,444</u>	<u>1,750</u>	<u>22,032</u>	<u>22,032</u>	<u>22,032</u>	<u>22,032</u>	<u>239,415</u>
TOTAL ALL PROGRAMS	216,612	125,108	205,392	187,296	201,037	191,780	236,335	69,515	173,872	173,872	173,872	173,872	2,128,563
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	<u>\$ 216,612</u>	<u>\$ 125,108</u>	<u>\$ 205,392</u>	<u>\$ 187,296</u>	<u>\$ 201,037</u>	<u>\$ 191,780</u>	<u>\$ 236,335</u>	<u>\$ 69,515</u>	<u>\$ 173,872</u>	<u>\$ 173,872</u>	<u>\$ 173,872</u>	<u>\$ 173,872</u>	<u>\$ 2,128,563</u>

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.													
3. CONSERV. ADJ REVS.	(351,798)	(340,153)	(342,168)	(323,043)	(242,422)	(255,382)	(222,371)	(224,484)	(236,398)	(223,314)	(225,922)	(277,825)	(3,265,280)
4. TOTAL REVENUES	(351,798)	(340,153)	(342,168)	(323,043)	(242,422)	(255,382)	(222,371)	(224,484)	(236,398)	(223,314)	(225,922)	(277,825)	(3,265,280)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	(3,240)	(3,240)	(3,240)	(3,240)	(3,240)	(3,240)	(3,240)	(3,240)	(3,240)	(3,240)	(3,240)	(3,241)	(38,881)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(355,038)	(343,393)	(345,408)	(326,283)	(245,662)	(258,622)	(225,611)	(227,724)	(239,638)	(226,554)	(229,162)	(281,066)	(3,304,161)
7. CONSERV. EXPS.	216,612	125,108	205,392	187,296	201,037	191,780	236,335	69,515	173,872	173,872	173,872	173,872	2,128,563
8. TRUE-UP THIS PERIOD	(138,426)	(218,285)	(140,016)	(138,987)	(44,625)	(66,842)	10,724	(158,209)	(65,766)	(52,682)	(55,290)	(107,194)	(1,175,598)
9. INTEREST PROV. THIS PERIOD	(215)	(606)	(1,036)	(1,429)	(1,728)	(1,953)	(2,139)	(2,476)	(2,880)	(3,058)	(3,221)	(3,467)	(24,209)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(38,881)	(174,282)	(389,933)	(527,745)	(664,921)	(708,034)	(773,589)	(761,764)	(919,209)	(984,615)	(1,037,115)	(1,092,386)	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,241	38,881
12. TOTAL NET TRUE-UP	\$ (174,282)	\$ (389,933)	\$ (527,745)	\$ (664,921)	\$ (708,034)	\$ (773,589)	\$ (761,764)	\$ (919,209)	\$ (984,615)	\$ (1,037,115)	\$ (1,092,386)	\$ (1,199,807)	\$ (1,199,807)

EXHIBIT No. (RS-1)
Florida City Gas
A Division of Pivotal Utility Holdings, Inc.
DOCKET NO. 050004-GU
Page 7 of 18

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

INTEREST PROVISION	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	TOTAL
1. BEGINNING TRUE-UP	\$ (38,881)	\$ (174,282)	\$ (389,933)	\$ (527,745)	\$ (664,921)	\$ (708,034)	\$ (773,589)	\$ (761,764)	\$ (919,209)	\$ (984,615)	\$ (1,037,115)	\$ (1,092,386)	
2. ENDING TRUE-UP BEFORE INTEREST	(174,067)	(389,327)	(526,709)	(663,492)	(706,306)	(771,636)	(759,625)	(916,733)	(981,735)	(1,034,057)	(1,089,165)	(1,196,339)	
3. TOTAL BEGINNING & ENDING TRUE-UP	(212,948)	(563,609)	(916,642)	(1,191,237)	(1,371,227)	(1,479,670)	(1,533,214)	(1,678,497)	(1,900,944)	(2,018,671)	(2,126,280)	(2,288,726)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ (106,474)	\$ (281,805)	\$ (458,321)	\$ (595,618)	\$ (685,614)	\$ (739,835)	\$ (766,607)	\$ (839,248)	\$ (950,472)	\$ (1,009,336)	\$ (1,063,140)	\$ (1,144,363)	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	2.340%	2.500%	2.650%	2.780%	2.980%	3.060%	3.270%	3.430%	3.640%	3.640%	3.640%	3.640%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	2.500%	2.650%	2.780%	2.980%	3.060%	3.270%	3.430%	3.640%	3.640%	3.640%	3.640%	3.640%	
7. TOTAL (SUM LINES 5 & 6)	4.840%	5.150%	5.430%	5.760%	6.040%	6.330%	6.700%	7.070%	7.280%	7.280%	7.280%	7.280%	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	2.420%	2.575%	2.715%	2.880%	3.020%	3.165%	3.350%	3.535%	3.640%	3.640%	3.640%	3.640%	
9. MONTHLY AVG INTEREST RATE	0.202%	0.215%	0.226%	0.240%	0.252%	0.264%	0.279%	0.295%	0.303%	0.303%	0.303%	0.303%	
10. INTEREST PROVISION	\$ (215)	\$ (608)	\$ (1,036)	\$ (1,429)	\$ (1,728)	\$ (1,953)	\$ (2,139)	\$ (2,476)	\$ (2,880)	\$ (3,058)	\$ (3,221)	\$ (3,467)	\$ (24,209)

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL BUILDER - PROGRAM 1

DESCRIPTION: The Residential Builder Program is designed to increase the overall energy efficiency in the residential new construction market by promoting energy-efficient natural gas appliances in residences that would qualify for the RS rates. The program offers builders and developers incentives in the form of cash allowances to assist in defraying the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

PROGRAM ALLOWANCES:

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

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$894,649

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: MULTI-FAMILY RESIDENTIAL BUILDER - PROGRAM 2

DESCRIPTION: The Multi-Family Residential Builder Program is designed to increase overall energy efficiency in the multi-family new construction market by promoting energy-efficient natural gas in multi-unit residences qualifying for the Company's CS rates.

PROGRAM ALLOWANCES:

Per dwelling unit \$300

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$3,454

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM 3

DESCRIPTION: The Residential Appliance Replacement Program is designed to promote the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. The Program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances.

PROGRAM ALLOWANCES:

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

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$3,454

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: DEALER - PROGRAM 4

DESCRIPTION: The Dealer Program is designed to encourage the replacement of non-gas appliances with energy efficient natural gas appliances through appliance dealers and contractors. The program offers incentives to the dealers and contractors.

PROGRAM ALLOWANCES:

Furnace
Water Heater
Range
Dryer

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

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

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: GAS APPLIANCES IN SCHOOLS - PROGRAM 5

DESCRIPTION: The Gas Appliances in Schools Program is designed to promote natural gas appliances where cost-efficient, in Home Economic Departments in schools located in our Company's service area. The program provides teaching assistance on energy conservation and on the use, care, and safety of natural gas appliances through a Company-employed home economist.

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$0.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL PROPANE CONVERSION - PROGRAM 6

DESCRIPTION: The Residential Propane Conversion Program is designed to promote the conversion of existing residential propane appliances to utilize efficient natural gas. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the conversion of their existing propane appliances to utilize natural gas.

PROGRAM ALLOWANCES:

Furnace	\$200
Water Heater	100
Dryer	25
Dryer	50

REPORTING PERIOD: January 2004 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$14,961

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL WATER HEATER RETENTION - PROGRAM 7

DESCRIPTION: The Residential Water Heater Retention Program is designed to promote the retention of energy efficient natural gas water heaters in existing residential structures. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Water Heater \$50

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$55,444

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL CUT AND CAP - PROGRAM 8

DESCRIPTION: The Residential Cut and Cap Program is designed to encourage the re-activation of existing residential service lines that are scheduled to be cut off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and/or lease and the installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service re-activation..... \$200

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$32,855

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: COMMERCIAL/INDUSTRIAL CONVERSION - PROGRAM 9

DESCRIPTION: The Commercial/Industrial Conversion Program is designed to promote the conversion of commercial and industrial inefficient non-gas equipment to energy efficient natural gas. The program offers incentives in the form of cash allowances to existing commercial and industrial businesses located in existing structures, to assist in defraying the incremental first costs associated with the installation of natural gas supply lines, internal piping, venting and equipment.

PROGRAM ALLOWANCES:

Per 100,000 BTU input rating..... \$75

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$119,994

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: COMMERCIAL/INDUSTRIAL ALTERNATIVE TECHNOLOGY INCENTIVE - PROGRAM 10

DESCRIPTION: The Commercial/Industrial Alternative Technology Incentive Program (ATI) is designed to encourage commercial and industrial business owners to install alternate technologies that utilize natural gas that are not covered by one of the other City Gas Energy Conservation Programs, but which cost-effectively reduce the total utility expense of the business. The program offers incentives based on the cost-effectiveness under a life-cycle analysis utilizing a computerized energy consumption simulation model.

PROGRAM ALLOWANCES:

Payback period of three years subject to a maximum incentive of three times the projected incremental annualized margin.

REPORTING PERIOD: January 2005 through August 2005

PROGRAM SUMMARY:

Program costs for the period were \$6,594

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Prepared Direct Testimony and Exhibits of Ramiro Sicre has been furnished by U.S. Mail to the following parties of record this 23rd day of September, 2005:

Elizabeth Wade
AGL Resources Inc.
Ten Peachtree Place
Location 1470
Atlanta, GA 30309

Florida Division of Chesapeake Utilities
Corp.
Mr. Thomas A. Geoffroy
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Winter Haven, FL 33882-0960

Florida Public Utilities Company
Mr. Geoff Hartman
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West Palm Beach, FL 33402-3395

People Gas System
Ms. Angela L. Llewellyn
Regulatory Affairs
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MacFarlane Ferguson Law Firm
Ansley Watson, Jr.
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Tampa, FL 33601-1 531

St. Joe Natural Gas Company, Inc.
Mr. Stuart L. Shoaf
Post Office Box 549
Port St. Joe, FL 32457-0549

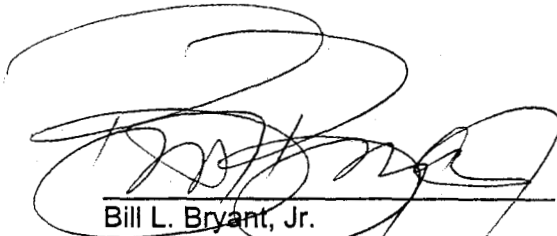
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-1

CONSERVATION ADJUSTMENT TRUE-UP

PAGE 1 OF 1

FOR MONTHS January-04 THROUGH December-04

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS January-04 THROUGH December-04		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>23,606</u>	
5.	INTEREST	<u>(2,318)</u>	<u>21,288</u>
6.	LESS PROJECTED TRUE-UP		
7.	November-04 (DATE) HEARINGS		
8.	PRINCIPAL	<u>(150,832)</u>	
9.	INTEREST	<u>(2,448)</u>	<u>(153,280)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u>174,568</u>

EXHIBIT NO. _____
DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-1)
PAGE 1 OF 18

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 050004-GU Exhibit No. 6
Company/ FPUC
Witness: Marc S. Seagrave (MSS-1)
Date: 11/07-09/05

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-2
PAGE 1 OF 3

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

	FOR MONTHS	January-04	THROUGH	December-04	
		<u>ACTUAL</u>		<u>PROJECTED</u>	<u>DIFFERENCE</u>
1.	Labor/Payroll	254,334		258,708	(4,374)
2.	Advertisement	629,919		504,169	125,750
3.	Legal	13		13	
4.	Outside Services	25,622		50,618	(24,996)
5.	Vehicle	5,316		20,134	(14,818)
6.	Materials & Supplies	22,800		47,850	(25,050)
7.	Travel	(1,509)		213	(1,722)
8.	General & Administrative	(4,688)		4,658	(9,346)
9.	Incentives	1,194,515		1,148,022	46,493
10.	Other	1,045		21,968	(20,923)
11.	SUB-TOTAL	2,127,367		2,056,353	71,014
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	2,127,367		2,056,353	71,014
14.	LESS: PRIOR PERIOD TRUE-UP	(29,466)		(29,466)	
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	2,133,227		2,236,651	(103,424)
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	23,606		(150,832)	174,438
19.	ADD INTEREST PROVISION	(2,318)		(2,448)	130
20.	END OF PERIOD TRUE-UP	21,288		(153,280)	174,568

() REFLECTS OVERRECOVERY

EXHIBIT NO. _____
DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-1)
PAGE 2 OF 18

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-2
PAGE 2 OF 3

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-04 THROUGH December-04

PROGRAM NAME	50 LABOR/PAY	51 ADVERTISE.	52 LEGAL	53 OUT.SERV.	54 VEHICLE	55 MAT.&SUPP.	56 TRAVEL	57 G & A	58 INCENTIVES	59 OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. Full House Res. New Construction	14,644	16,915		10,292		6,229	(1,872)	736	816,370	157	863,471		863,471
2. Residential Appliance Replacement	12,954	48,406							49,200		110,560		110,560
3. Conservation Education	9	118,633				621					119,263		119,263
4. Space Conditioning	4,903	574		7,320					10,650		23,447		23,447
5. Residential Conservation Service	9,987	3,959		5,310		450			887		20,593		20,593
6. Residential Appliance Retention	18,870	83,829							317,063		419,062		419,062
10. Commercial Conservation Service	28,703	728				1,432			345		31,208		31,208
12. Commercial Equipment Repair		2,170									2,170		2,170
13. Residential Service Reactivation													
14. Common	164,264	354,705	13	2,700	5,316	14,068	363	(5,424)		888	536,893		536,893
TOTAL ALL PROGRAMS	254,334	629,919	13	25,622	5,316	22,800	(1,509)	(4,688)	1,194,515	1,045	2,127,367		2,127,367

EXHIBIT NO. _____
DOCKET NO. 05004-GU
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-1)
PAGE 3 OF 18

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-2
PAGE 3 OF 3

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

FOR MONTHS January-04 THROUGH December-04

PROGRAM NAME	LABOR/PAY	ADVERTISE.	LEGAL	OUT.SERV.	VEHICLE	MAT.&SUPP.	TRAVEL	G & A	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. Full House Res. New Construction	(14,448)	(29,770)		(7,850)		(6,468)	(1,872)		69,392	(2,330)	6,654		6,654
2. Residential Appliance Replacement	(8,904)	36,627		(600)		(2,570)			(1,424)	(1,670)	21,459		21,459
3. Conservation Education	(3,330)	38,951		(1,470)		(5,330)				(1,670)	27,151		27,151
4. Space Conditioning	(2,516)	(800)		(1,170)		(800)			1,170	(1,000)	(5,116)		(5,116)
5. Residential Conservation Service	1,578	(3,770)		1,430		(1,550)			(53)	(1,670)	(4,035)		(4,035)
6. Residential Appliance Retention	(6,715)	40,261		(1,200)		(2,870)			(21,267)	(2,000)	6,209		6,209
10. Commercial Conservation Service	8,422	(3,500)		(1,830)		(1,200)			345	(1,330)	907		907
12. Commercial Equipment Repair													
13. Residential Service Reactivation	(3,200)	(1,035)				(870)			(1,670)		(6,775)		(6,775)
14. Common	24,739	48,786		(12,306)	(14,818)	(3,392)	150	(9,346)		(9,253)	24,560		24,560
TOTAL ALL PROGRAMS	(4,374)	125,750		(24,996)	(14,818)	(25,050)	(1,722)	(9,346)	46,493	(20,923)	71,014		71,014

EXHIBIT NO. _____
DOCKET NO. 60004-GU
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-1)
PAGE 4 OF 18

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE (T-3)

PAGE 1 OF 1

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

FOR MONTHS January-04 THROUGH December-04

A. CONSERVATION EXPENSE BY PROGRAM		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.	Full House Res. New Construction	34,498	30,030	98,256	73,195	40,908	63,324	94,441	126,976	33,495	22,820	17,794	227,734	863,471
2.	Residential Appliance Replacement	6,866	3,200	5,927	7,952	4,994	4,334	4,728	7,660	23,716	4,251	13,695	23,237	110,560
3.	Conservation Education	8,335	12,842	10,110	7,162	9,641	9,252	12,989	6,581	(60,723)	54,435	23,970	24,469	119,263
4.	Space Conditioning	948	10,135	4,226	465	423	331	470	465	466	5,012	480	26	23,447
5.	Residential Conservation Service	722	944	928	2,200	5,130	1,416	920	858	1,114	3,975	1,348	1,038	20,593
6.	Residential Appliance Retention	34,365	37,685	49,809	33,845	26,436	28,491	30,354	24,238	53,682	23,227	43,285	34,145	419,762
10.	Commercial Conservation Service	2,059	1,827	2,349	2,000	1,843	4,290	4,057	1,216	2,993	3,206	3,358	2,010	31,208
12.	Commercial Equipment Repair					288	(288)							
13.	Residential Service Reactivation	1,135											1,035	2,170
14.	Common	59,413	57,384	33,400	62,348	21,184	21,968	36,606	36,770	84,831	5,549	40,920	76,520	536,893
15.														
16.														
17.														
18.														
19.														
20.														
21.	TOTAL ALL PROGRAMS	148,341	154,247	205,005	189,167	111,047	133,118	184,565	204,764	139,574	122,475	144,850	390,214	2,127,367
22.	LESS AMOUNT INCLUDED IN RATE BASE													
23.	RECOVERABLE CONSERVATION EXPENSES	148,341	154,247	205,005	189,167	111,047	133,118	184,565	204,764	139,574	122,475	144,850	390,214	2,127,367

EXHIBIT NO. _____
DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES COMPANY
(MSS-1)
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-04 THROUGH December-04

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
B. CONSERVATION REVENUES													
1. RESIDENTIAL CONSERVATION													
2. CONSERVATION ADJ. REVENUES	272,369	241,096	237,457	210,065	163,939	138,433	123,859	123,333	114,504	128,763	155,146	224,263	2,133,227
3. TOTAL REVENUES	272,369	241,096	237,457	210,065	163,939	138,433	123,859	123,333	114,504	128,763	155,146	224,263	2,133,227
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	(2,450)	(2,456)	(2,456)	(2,456)	(2,456)	(2,456)	(2,456)	(2,456)	(2,456)	(2,456)	(2,456)	(2,456)	(29,466)
5. CONSERVATION REVENUE APPLICABLE	269,919	238,640	235,001	207,609	161,483	135,977	121,403	120,877	112,048	126,307	152,690	221,807	2,103,761
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	148,341	154,247	205,005	189,167	111,047	133,118	184,565	204,764	139,574	122,475	144,850	390,214	2,127,367
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	121,578	84,393	29,996	18,442	50,436	2,859	(63,162)	(63,887)	(27,526)	3,832	7,840	(168,407)	(23,606)
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	28	116	162	188	226	287	308	247	196	202	241	117	2,318
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(29,466)	94,590	181,555	214,169	235,255	288,373	293,975	233,577	152,393	127,519	134,009	144,546	(29,466)
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	2,450	2,456	2,456	2,456	2,456	2,456	2,456	2,456	2,456	2,456	2,456	2,456	29,466
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	94,590	181,555	214,169	235,255	288,373	293,975	233,577	152,393	127,519	134,009	144,546	(21,288)	(21,288)

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

PAGE 3 OF 3

FOR MONTHS January-04 THROUGH December-04

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	(29,466)	94,590	181,555	214,169	235,255	288,373	293,975	233,577	152,393	127,519	134,009	144,546	(29,466)
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	94,562	181,439	214,007	235,067	288,147	293,688	233,269	152,146	127,323	133,807	144,305	(21,405)	(23,606)
3. TOTAL BEG. AND ENDING TRUE-UP	65,096	276,029	395,562	449,236	523,402	582,061	527,244	385,723	279,716	261,326	278,314	123,141	(53,072)
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	32,548	138,015	197,781	224,618	261,701	291,031	263,622	192,862	139,858	130,663	139,157	61,571	(26,536)
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	1.06%	1.03%	0.98%	0.98%	1.03%	1.04%	1.33%	1.47%	1.60%	1.77%	1.94%	2.22%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	1.03%	0.98%	0.98%	1.03%	1.04%	1.33%	1.47%	1.60%	1.77%	1.94%	2.22%	2.34%	
7. TOTAL (LINE C-5 + C-6)	2.09%	2.01%	1.96%	2.01%	2.07%	2.37%	2.80%	3.07%	3.37%	3.71%	4.16%	4.56%	
8. AVG. INTEREST RATE (C-7 X 50%)	1.05%	1.01%	0.98%	1.01%	1.04%	1.19%	1.40%	1.54%	1.69%	1.86%	2.08%	2.28%	
9. MONTHLY AVERAGE INTEREST RATE	0.087%	0.084%	0.082%	0.084%	0.086%	0.099%	0.117%	0.128%	0.140%	0.155%	0.173%	0.190%	
10. INTEREST PROVISION (LINE C-4 X C-9)	28	116	162	188	226	287	308	247	196	202	241	117	2,318

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-4
PAGE 1 OF 1

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

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 INVESTMENT														
8. RETURN ON AVERAGE INVESTMENT														
9. RETURN REQUIREMENTS														
10. TOTAL DEPRECIATION AND RETURN														NONE

EXHIBIT NO. _____
DOCKET NO. 09004-GU
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-5
PAGE 1 OF 1

RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

FOR MONTHS January-04 THROUGH December-04

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

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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

PROGRAM TITLE: **FULL HOUSE RESIDENTIAL NEW CONSTRUCTION PROGRAM**

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 ACCOMPLISHMENTS:

The goal for 2004 was 1,000 single- and multi-family home would be connected to FPU's natural gas lines.

A total of 1,470 homes were connected during this reporting period.

PROGRAM FISCAL EXPENDITURES:

Expenditures beginning January 1, 2004 through December 31, 2004 were \$ 863,471.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. From the inception of this program on September 1, 2000 through December 31, 2004, FPUC has connected 4,451 single- and multi-family homes to its natural gas system.

Beginning in the 2005 calendar year, Energy Conservation Representatives will be hired to specialize in supporting FPU's natural gas conservation programs. These energy experts will actively market and provide support to FPU's developers, builders and home buyers to promote the benefits of natural gas as an energy efficient fuel of choice.

PROGRAM TITLE: **RESIDENTIAL 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 supply lines, house piping, venting and appliances.

PROGRAM ALLOWANCES:

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

PROGRAM ACCOMPLISHMENTS:

The goal for 2004 was 200 natural gas appliances (limited to furnaces or hydro heaters, water heaters, ranges and dryers) would be connected to FPU's natural gas lines.

A total of 172 appliances (limited to furnaces or hydro heaters, water heaters, ranges and dryers) were connected during this reporting period.

PROGRAM EXPENDITURES:

Expenditures beginning January 1, 2004 through December 31, 2004 were \$ 110,560.

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 December 31, 2004, FPUC has connected 737 appliances (only furnaces and hydro heaters, water heaters, ranges and dryers) to its natural gas system.

Beginning in the 2005 calendar year, Energy Conservation Representatives will be hired to specialize in supporting FPU's natural gas conservation programs. These energy experts will provide consumer and dealer education and marketing support to promote the replacement of non-natural gas residential appliances, specifically furnace or hydro heater, water heater, range and dryer, with energy-efficient natural gas appliances.

PROGRAM TITLE: **RESIDENTIAL 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 natural gas appliances.

PROGRAM ALLOWANCES:

Water Heater \$ 350

PROGRAM ACCOMPLISHMENTS:

The goal for 2004 was 1,125 natural gas water heaters would be retained on FPU's natural gas lines.

A total of 881 natural gas water heaters were retained during this reporting period.

PROGRAM FISCAL EXPENDITURES:

Expenditures beginning January 1, 2004 through December 31, 2004 were \$ 419,762.

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 December 31, 2004, FPUC has retained 3,329 natural gas water heaters connected to its distributions system.

Beginning in the 2005 calendar year, Energy Conservation Representatives will be hired to specialize in supporting FPU's natural gas conservation programs. These energy experts will actively promote the retention of energy efficient natural gas water heaters connected to its distribution system.

PROGRAM TITLE: **RESIDENTIAL 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 \$ 350*

* The installation of a water heater is required.

PROGRAM ACCOMPLISHMENTS:

The goal for 2004 was 10 services would be reactivated with water heaters on FPU's natural gas lines.

There were no (0) services reactivated during this reporting period.

PROGRAM FISCAL EXPENDITURES:

Expenditures beginning January 1, 2004 through December 31, 2004 were \$ 2,170.

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 December 31, 2004, FPUC has not reactivated any services with water heaters as a result of this program.

Beginning in the 2005 calendar year, Energy Conservation Representatives will be hired to specialize in supporting FPU's natural gas conservation programs. These energy experts will investigate marketing and promotional activities that might be useful in actively targeting the reactivation of natural gas services before they are scheduled to be cut off or capped.

PROGRAM TITLE: **RESIDENTIAL CONSERVATION SERVICE 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 ACCOMPLISHMENTS:

The goal for 2004 was 20 residential energy surveys would be conducted for customers on FPU's natural gas lines.

There were no (0) residential energy surveys conducted during this reporting period.

PROGRAM FISCAL EXPENDITURES:

Expenditures beginning January 1, 2004 through December 31, 2004 were \$ 20,593.

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 December 31, 2004, a total of 18 residential customers have participated.

Changes and turn over in FPUC's Marketing Department staff and the training of personnel have also affected the active marketing of this program to its customers.

Beginning in the 2005 calendar year, Energy Conservation Representatives will be hired to specialize in supporting FPU's natural gas conservation programs. These energy experts will actively promote and provide energy surveys for FPU's residential natural gas customers.

PROGRAM TITLE: **COMMERCIAL CONSERVATION SERVICE 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 ACCOMPLISHMENTS:

The goal for 2004 was 50 commercial energy surveys would be conducted for customers on FPU's natural gas lines.

There were no (0) commercial energy surveys reported during this reporting period.

PROGRAM FISCAL EXPENDITURES:

Expenditures beginning January 1, 2004 through December 31, 2004 were \$ 31,208.

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 December 31, 2004, 135 commercial customers have participated.

Changes and turn over in FPUC's Marketing Department staff and the training of personnel have also affected the active marketing of this program to its customers.

Beginning in the 2005 calendar year, Energy Conservation Representatives will be hired to specialize in supporting FPU's natural gas conservation programs. These energy experts will actively promote and provide energy surveys for FPU's commercial natural gas customers.

PROGRAM TITLE: **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 ACCOMPLISHMENTS:

The goal for 2004 was that 45 adult and youth presentations, with 450 participants would result from this program.

There were no (0) conservation presentations reported during this reporting period.

PROGRAM FISCAL EXPENDITURES:

Expenditures beginning January 1, 2004 through December 31, 2004 were \$ 119,263.

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 December 31, 2004, FPUC has given 67 adult and youth presentations.

Changes and turn over in FPUC's Marketing Department staff and the training of personnel have also affected the active marketing of this program to its customers.

Beginning in the 2005 calendar year, Energy Conservation Representatives will be hired to specialize in supporting FPU's natural gas conservation programs. These energy experts will actively solicit opportunities to present the benefits of natural gas, and to promote energy conservation in all areas, to help reduce energy use for all of FPU's residential and commercial natural gas customers.

PROGRAM TITLE: 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 energy consumption and kW peak demand.

PROGRAM ALLOWANCES:

Residential	\$1200 (For Robur model or equivalent unit)
Water Heater	\$ 50 per ton

PROGRAM ACCOMPLISHMENTS:

The goal for 2004 was that 2 customer projects would utilize this program.
There were 4 space conditioning installations reported during this reporting period.

PROGRAM FISCAL EXPENDITURES:

Expenditures beginning January 1, 2004 through December 31, 2004 were \$ 23,447.

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 December 31, 2004, FPUC has connected 16 space conditioning projects to its natural gas system.

Changes and turn over in FPUC's Marketing Department staff and the training of personnel have also affected the active marketing of this program to its customers.

Beginning in the 2005 calendar year, Energy Conservation Representatives will be hired to specialize in supporting FPU's natural gas conservation programs. These energy experts will actively promote the use of natural gas space conditioning for cooling and dehumidification. The benefits of comfort, energy savings, improved indoor air quality and financial impacts for commercial applications will be stressed.

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 & 3S 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
TOTAL	621,452	57,025,000	5,824,368	18,210,284	24,034,652	2,590,855				

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FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 050004-GU Exhibit No. 7
Company/ FPU
Witness: Marc S. Seagrave
Date: 11-07-09-05 (MSS-2)

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 Replzement	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 Conservatin 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 Conlitioning	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 Surey	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 lprgrade	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 Commercia 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 Reactivatbn	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
TOTAL ALL PROGRAMS	208,344	208,348	208,298	208,348	208,348	208,298	208,348	208,348	208,298	208,348	208,298	208,376	2,500,000

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 GoodCnts 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 GoodCnts Conservation Education	0	40,000	10,000	150,000	0	10,000	0	0	210,000
4 GoodCnts Space Conditioning	0	8,000	0	2,000	0	10,000	0	0	20,000
5 GoodCnts Energy Survey	0	14,000	12,000	1,000	0	4,000	0	0	31,000
6 GoodCnts 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 GoodCnts Commercial Energy Survey	0	35,000	0	5,000	0	0	0	0	40,000
12 Commrcial 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 Commn	0	226,000	13,000	209,000	0	5,000	25,000	0	478,000
PROGRAM COSTS	0	450,000	67,000	650,000	1,195,000	100,000	35,000	3,000	2,500,000

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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
TOTAL ALL PROGRAMS:	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

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 REV:													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. RE/	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 REV. 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 EXP. (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
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 1 OF 9**

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

**EXHIBIT NO. _____
DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 9 OF 17**

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

**SCHEDULE C-5
PAGE 2 OF 9**

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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DOCKET NO. 050004-GU
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 3 OF 9**

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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DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES CO.
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PAGE 11 OF 17**

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

**SCHEDULE C-5
PAGE 4 OF 9**

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.

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DOCKET NO. 050004-GU
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(MSS-2)
PAGE 12 OF 17**

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

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

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.

**EXHIBIT NO. _____
DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES CO.
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PAGE 13 OF 17**

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

**SCHEDULE C-5
PAGE 6 OF 9**

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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DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES CO.
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PAGE 14 OF 17**

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

**SCHEDULE C-5
PAGE 7 OF 9**

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.

**EXHIBIT NO. _____
DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 15 OF 17**

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

**SCHEDULE C-5
PAGE 8 OF 9**

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.

**EXHIBIT NO. _____
DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 16 OF 17**

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

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

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.

**EXHIBIT NO. _____
DOCKET NO. 050004-GU
FLORIDA PUBLIC UTILITIES CO.
(MSS-2)
PAGE 17 OF 17**

SCHEDULE CT-1

COMPANY: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-1

ADJUSTED NET TRUE-UP
JANUARY 2004 THROUGH DECEMBER 2004

END OF PERIOD NET TRUE-UP

PRINCIPAL	-1,559,710	
INTEREST	<u>-13,895</u>	-1,573,605

LESS PROJECTED TRUE-UP

PRINCIPAL	-426,654	
INTEREST	<u>-10,127</u>	<u>-436,781</u>

ADJUSTED NET TRUE-UP		<u>-1,136,824</u>
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() REFLECTS OVER-RECOVERY

1

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 050004-GU Exhibit No. 8
Company/ PGS
Witness: Kandi M. Floyd (KMF-1)
Date: 11-07+hrca 09-05

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
JANUARY 2004 THROUGH DECEMBER 2004

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	383,832	404,659	-20,827
MATERIALS & SUPPLIES	771	1,654	-883
ADVERTISING	885,088	728,628	156,460
INCENTIVES	6,152,860	6,935,624	-782,764
OUTSIDE SERVICES	3,731	25,213	-21,482
VEHICLES	0	0	0
OTHER	<u>458</u>	<u>333</u>	<u>125</u>
SUB-TOTAL	7,426,740	8,096,111	-669,371
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	7,426,740	8,096,111	-669,371
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	-8,986,450	0	-8,986,450
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	-1,559,710	8,096,111	-9,655,821
INTEREST PROVISION	<u>-13,895</u>	<u>0</u>	<u>-13,895</u>
END OF PERIOD TRUE-UP	<u>-1,573,605</u>	<u>8,096,111</u>	<u>-9,669,716</u>

(I) REFLECTS OVER-RECOVERY
*8 MONTHS ACTUAL AND 4 MONTHS PROJECTED

COMPANY: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-1

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2004 THROUGH DECEMBER 2004

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	5,534,310	0	0	0	5,534,310
PROGRAM 2: OIL HEAT REPLACEMENT	0	0	0	660	0	0	0	660
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	218,000	0	0	0	218,000
PROGRAM 4: COMM ELECTRIC REPLACEMENT	0	0	0	93,385	0	0	0	93,385
PROGRAM 5: RES ELECTRIC REPLACEMENT	0	0	0	256,065	0	0	0	256,065
PROGRAM 6: COMMON COSTS	383,832	771	885,088	0	3,731	0	458	1,273,880
PROGRAM 7: GAS SPACE COND.	0	0	0	50,440	0	0	0	50,440
PROGRAM 8: SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	383,832	771	885,088	6,152,860	3,731	0	458	7,426,740

3

COMPANY: Peoples Gas System
 Except West Florida Region
 Exhibit No. _____
 Docket No. 050004-GU
 KMF-1

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
 JANUARY 2004 THROUGH DECEMBER 2004

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	-736,496	0	0	0	-736,496
PROGRAM 2: OIL HEAT REPLACEMENT	0	0	0	-1,322	0	0	0	-1,322
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	500	0	0	0	500
PROGRAM 4: COMM ELECTRIC REPLACEMENT	0	0	0	19,016	0	0	0	19,016
PROGRAM 5: RES ELECTRIC REPLACEMENT	0	0	0	-19,894	0	0	0	-19,894
PROGRAM 6: COMMON COSTS	-20,827	-883	156,460	0	-21,482	0	125	113,393
PROGRAM 7: GAS SPACE COND.	0	0	0	-37,900	0	0	0	-37,900
PROGRAM 8: SMALL PACKAGE COGEN	0	0	0	-6,668	0	0	0	-6,668
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	-20,827	-883	156,460	-782,764	-21,482	0	125	-669,371

() REFELCTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

4

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
 SUMMARY OF EXPENSES BY PROGRAM BY MONTH
 JANUARY 2004 THROUGH DECEMBER 2004

EXPENSES:	JAN 2004	FEB 2004	MAR 2004	APR 2004	MAY 2004	JUN 2004	JUL 2004	AUG 2004	SEPT 2004	OCT 2004	NOV 2004	DEC 2004	TOTAL
PROGRAM 1:	763,550	395,870	593,610	619,685	332,480	445,045	547,990	399,000	342,380	427,910	425,935	240,855	5,534,310
PROGRAM 2:	330	0	0	0	0	0	0	0	0	0	0	330	660
PROGRAM 3:	19,000	21,000	15,800	21,900	15,500	15,800	16,800	17,000	14,800	16,800	24,100	19,500	218,000
PROGRAM 4:	1,320	7,516	2,160	16,765	9,840	13,440	6,840	360	14,184	5,720	4,000	11,240	93,385
PROGRAM 5:	20,190	21,037	21,570	25,870	22,820	21,430	19,015	18,515	14,675	16,360	27,175	27,408	256,065
PROGRAM 6:	66,575	58,029	102,268	142,899	71,465	53,683	90,424	83,945	110,853	87,963	127,939	277,838	1,273,880
PROGRAM 7:	11,290	0	24,000	0	13,650	0	0	0	0	1,500	0	0	50,440
PROGRAM 8:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 9:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 10:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	882,255	503,452	759,408	827,119	465,755	549,398	681,069	518,820	496,892	556,253	609,149	577,171	7,426,740
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	882,255	503,452	759,408	827,119	465,755	549,398	681,069	518,820	496,892	556,253	609,149	577,171	7,426,740

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ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2004 THROUGH DECEMBER 2004

CONSERVATION REVENUES	JAN 2004	FEB 2004	MAR 2004	APR 2004	MAY 2004	JUN 2004	JUL 2004	AUG 2004	SEP 2004	OCT 2004	NOV 2004	DEC 2004	TOTAL
1. RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	-1,172,541	-1,143,435	-1,004,528	-867,431	-784,348	-643,709	-569,175	-580,482	-577,152	-580,660	-660,154	-867,647	-9,451,261
4. TOTAL REVENUES	-1,172,541	-1,143,435	-1,004,528	-867,431	-784,348	-643,709	-569,175	-580,482	-577,152	-580,660	-660,154	-867,647	-9,451,261
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	38,734	38,734	38,734	38,734	38,734	38,734	38,734	38,734	38,734	38,734	38,734	38,734	464,811
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	-1,133,807	-1,104,700	-965,794	-828,697	-745,614	-604,974	-530,440	-541,748	-538,418	-541,926	-621,420	-828,913	-8,986,450
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	882,255	503,452	759,408	827,119	465,755	549,398	681,069	518,820	496,892	556,253	609,149	577,171	7,426,740
8. TRUE-UP THIS PERIOD	-251,552	-601,249	-206,386	-1,578	-279,859	-55,577	150,629	-22,928	-41,525	14,328	-12,271	-251,742	-1,559,710
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	278	-122	-480	-612	-786	-1,104	-1,296	-1,390	-1,628	-1,875	-2,171	-2,709	-13,895
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	464,811	174,803	-465,302	-710,902	-751,826	-1,071,205	-1,166,621	-1,056,022	-1,119,074	-1,200,962	-1,227,243	-1,280,420	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	-38,734	-38,734	-38,734	-38,734	-38,734	-38,734	-38,734	-38,734	-38,734	-38,734	-38,734	-38,734	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	174,803	-465,302	-710,902	-751,826	-1,071,205	-1,166,621	-1,056,022	-1,119,074	-1,200,962	-1,227,243	-1,280,420	-1,573,605	-1,573,605

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2004 THROUGH DECEMBER 2004

	JAN 2004	FEB 2004	MAR 2004	APR 2004	MAY 2004	JUN 2004	JUL 2004	AUG 2004	SEPT 2004	OCT 2004	NOV 2004	DEC 2004	TOTAL
INTEREST PROVISION													
1. BEGINNING TRUE-UP	464,811	174,803	-465,302	-710,902	-751,826	-1,071,205	-1,166,621	-1,056,022	-1,119,074	-1,200,962	-1,227,243	-1,280,420	
2. ENDING TRUE-UP BEFORE INTEREST	174,525	-465,180	-710,422	-751,214	-1,070,419	-1,165,516	-1,054,726	-1,117,684	-1,199,334	-1,225,368	-1,278,249	-1,570,897	
3. TOTAL BEGINNING & ENDING TRUE-UP	639,336	-290,377	-1,175,723	-1,462,116	-1,822,246	-2,236,722	-2,221,347	-2,173,706	-2,318,408	-2,426,330	-2,505,492	-2,851,317	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	319,668	-145,189	-587,862	-731,058	-911,123	-1,118,361	-1,110,674	-1,086,853	-1,159,204	-1,213,165	-1,252,746	-1,425,658	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	1.060%	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.770%	1.940%	2.220%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.770%	1.940%	2.220%	2.340%	
7. TOTAL (SUM LINES 5 & 6)	2.090%	2.010%	1.960%	2.010%	2.070%	2.370%	2.800%	3.070%	3.370%	3.710%	4.160%	4.560%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	1.045%	1.005%	0.980%	1.005%	1.035%	1.185%	1.400%	1.535%	1.685%	1.855%	2.080%	2.280%	
9. MONTHLY AVG INTEREST RATE	0.087%	0.084%	0.082%	0.084%	0.086%	0.099%	0.117%	0.128%	0.140%	0.155%	0.173%	0.190%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	278	-122	-480	-612	-786	-1,104	-1,296	-1,390	-1,628	-1,875	-2,171	-2,709	-13,895

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: RESIDENTIAL HM BUILDER

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

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

Program Summary

New Home Goal:	9,359
New Homes Connected:	<u>8,912</u>
Variance:	447
Percent of Goal:	95.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$6,270,806
Actual Cost:	\$5,534,310
Variance:	\$736,496

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: OIL HEAT REPLACEMENT

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

Program Allowance: Energy Efficient Gas Furnaces \$330

Program Summary

Goals:	6
Actual:	2
Variance:	4
Percent of Goal:	33.3%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$1,982
Actual Cost:	\$660
Variance:	\$1,322

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COMPANY: Peoples Gas System
 Except West Florida Region
 Exhibit No. _____
 Docket No. 050004-GU
 KMF-1

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: Water Heater Load Retention

Description: This program is designed to encourage current natural gas customers to retain their natural gas water heating.
 The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances: Water Heater \$100

Program Summary

Goals:	2,175
Actual:	2,180
Variance:	-5
Percent of Goal:	100.2%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$217,500
Actual Cost:	\$218,000
Variance:	-\$500

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: COMM ELECTRIC REPLACEMENT

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

Program Allowances: For each kW Displaced \$40

Program Summary

Goals:	(Projected kW Displaced)	1859
Actual:		2,335
Variance:		-475
Percent of Goal:		125.6%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$74,369
Actual Cost:	\$93,385
Variance:	-\$19,016

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: RES ELECTRIC REPLACEMENT

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

Water Heater	\$440
Furnace	\$440
Range	\$75
Dryer	\$75
Space Heating	\$65

Program Summary

Goals:	481
Actual:	446
Variance:	35
Percent of Goal:	92.8%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$275,959
Actual Cost:	\$256,065
Variance:	\$19,894

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COMPANY: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-1

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: COMMON COSTS

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$1,160,487
Actual Cost:	\$1,273,880
Variance:	-\$113,393

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: GAS SPACE COND.

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

Program Allowance: \$150 / ton

Program Summary

Program Goal:	589
Program Accomplishments:	336
Variance:	253
Percent of Goal:	57.1%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$88,340
Actual Cost:	\$50,440
Variance:	\$37,900

COMPANY: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-1

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: SMALL PACKAGE COGEN

Description: This program is designed to promote the direct use of natural gas to generate on-site power and utilize the waste heat for on-site heating, cooling and water heating requirements for commercial and industrial applications.

Program Summary:	kW Deferred	\$150 / kW
	Feasibility Study	\$5,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$6,668
Actual Cost:	\$0
Variance:	\$6,668

SCHEDULE CT-1

COMPANY: PEOPLES GAS SYSTEM
WEST FLORIDA REGION
Exhibit No. _____
Docket No. 050004-GU
KMF-2

ADJUSTED NET TRUE-UP
JANUARY 2004 THROUGH DECEMBER 2004

END OF PERIOD NET TRUE-UP

PRINCIPAL	2,093,237	
INTEREST	<u>21,223</u>	2,114,460

LESS PROJECTED TRUE-UP

PRINCIPAL	1,776,634	
INTEREST	<u>17,824</u>	<u>1,794,458</u>

ADJUSTED NET TRUE-UP 320,002

() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
JANUARY 2004 THROUGH DECEMBER 2004

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	58,189	65,392	-7,203
MATERIALS & SUPPLIES	0	0	0
ADVERTISING	168,687	122,211	46,476
INCENTIVES	3,502,630	3,116,216	386,414
OUTSIDE SERVICES	450	72	378
VEHICLES	0	0	0
OTHER	0	0	0
SUB-TOTAL	3,729,956	3,303,891	426,065
PROGRAM REVENUES	0	0	0
TOTAL PROGRAM COSTS	3,729,956	3,303,891	426,065
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	-1,636,720	0	-1,636,720
ROUNDING ADJUSTMENT	0	0	0
TRUE-UP BEFORE INTEREST	2,093,237	3,303,891	-1,210,654
INTEREST PROVISION	21,223	0	21,223
END OF PERIOD TRUE-UP	2,114,460	3,303,891	-1,189,431

() REFLECTS OVER-RECOVERY
*8 MONTHS ACTUAL AND 4 MONTHS PROJECTED

COMPANY: PEOPLES GAS SYSTEM
WEST FLORIDA REGION
Exhibit No. _____
Docket No. 050004-GU
KMF-2

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2004 THROUGH DECEMBER 2004

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	3,430,350	0	0	0	3,430,350
PROGRAM 2: ENERGY SAVINGS PAYBACK	0	0	0	8,150	0	0	0	8,150
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	30,400	0	0	0	30,400
PROGRAM 4: COMM ELECTRIC REPLACEMENT	0	0	0	3,030	0	0	0	3,030
PROGRAM 5: RES ELECTRIC REPLACEMENT	0	0	0	30,700	0	0	0	30,700
PROGRAM 6: COMMON COSTS	58,189	0	168,687	0	450	0	0	227,326
PROGRAM 7: GAS SPACE COND.	0	0	0	0	0	0	0	0
PROGRAM 8: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 10 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 11 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 12 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 13 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 14 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 15 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 16 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 17 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 18 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 19 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 20 (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	58,189	0	168,687	3,502,630	450	0	0	3,729,956

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CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2004 THROUGH DECEMBER 2004

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	391,968	0	0	0	391,968
PROGRAM 2: ENERGY SAVINGS PAYBACK	0	0	0	200	0	0	0	200
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	-1,168	0	0	0	-1,168
PROGRAM 4: COMM ELECTRIC REPLACEMENT	0	0	0	-2,652	0	0	0	-2,652
PROGRAM 5: RES ELECTRIC REPLACEMENT	0	0	0	1,398	0	0	0	1,398
PROGRAM 6: COMMON COSTS	-7,203	0	46,476	0	378	0	0	39,651
PROGRAM 7: GAS SPACE COND.	0	0	0	-3,332	0	0	0	-3,332
PROGRAM 8: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	-7,203	0	46,476	386,414	378	0	0	426,065

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH
JANUARY 2004 THROUGH DECEMBER 2004

EXPENSES:	JAN 2004	FEB 2004	MAR 2004	APR 2004	MAY 2004	JUN 2004	JUL 2004	AUG 2004	SEPT 2004	OCT 2004	NOV 2004	DEC 2004	TOTAL
PROGRAM 1:	140,800	239,600	614,150	322,750	204,750	353,170	254,640	324,890	253,250	246,600	190,550	285,200	3,430,350
PROGRAM 2:	900	1,050	600	750	500	700	750	200	600	550	750	800	8,150
PROGRAM 3:	1,800	5,000	2,200	3,500	2,600	3,300	900	1,200	3,600	3,200	1,800	1,300	30,400
PROGRAM 4:	0	0	0	1,080	1,950	0	0	0	0	0	0	0	3,030
PROGRAM 5:	3,950	2,300	4,200	2,250	1,000	1,300	2,200	1,450	1,700	3,550	3,300	3,500	30,700
PROGRAM 6:	20,037	11,618	25,867	27,436	16,045	5,096	11,972	13,173	13,215	13,784	23,274	45,810	227,326
PROGRAM 7:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 8:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 9:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 10:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	167,487	259,568	647,017	357,766	226,845	363,566	270,462	340,913	272,365	267,684	219,674	336,610	3,729,956
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	167,487	259,568	647,017	357,766	226,845	363,566	270,462	340,913	272,365	267,684	219,674	336,610	3,729,956

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2004 THROUGH DECEMBER 2004

CONSERVATION REVENUES	JAN 2004	FEB 2004	MAR 2004	APR 2004	MAY 2004	JUN 2004	JUL 2004	AUG 2004	SEP 2004	OCT 2004	NOV 2004	DEC 2004	TOTAL
1. RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	<u>-407,183</u>	<u>-400,350</u>	<u>-300,856</u>	<u>-223,794</u>	<u>-178,234</u>	<u>-145,287</u>	<u>-136,149</u>	<u>-140,783</u>	<u>-149,199</u>	<u>-147,199</u>	<u>-137,476</u>	<u>-238,718</u>	<u>-2,605,231</u>
4. TOTAL REVENUES	<u>-407,183</u>	<u>-400,350</u>	<u>-300,856</u>	<u>-223,794</u>	<u>-178,234</u>	<u>-145,287</u>	<u>-136,149</u>	<u>-140,783</u>	<u>-149,199</u>	<u>-147,199</u>	<u>-137,476</u>	<u>-238,718</u>	<u>-2,605,231</u>
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>80,709</u>	<u>968,511</u>
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	<u>-326,474</u>	<u>-319,641</u>	<u>-220,147</u>	<u>-143,085</u>	<u>-97,525</u>	<u>-64,578</u>	<u>-55,440</u>	<u>-60,074</u>	<u>-68,490</u>	<u>-66,490</u>	<u>-56,767</u>	<u>-158,009</u>	<u>-1,636,720</u>
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	167,487	259,568	647,017	357,766	226,845	363,566	270,462	340,913	272,365	267,684	219,674	336,610	3,729,956
8. TRUE-UP THIS PERIOD	-158,986	-60,073	426,870	214,681	129,320	298,988	215,022	280,839	203,874	201,194	162,907	178,602	2,093,237
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	739	552	623	840	945	1,214	1,642	2,016	2,443	2,881	3,411	3,917	21,223
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	968,511	729,554	589,324	936,107	1,070,919	1,120,474	1,339,967	1,475,921	1,678,067	1,803,674	1,927,041	2,012,650	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	<u>-80,709</u>	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	<u>729,554</u>	<u>589,324</u>	<u>936,107</u>	<u>1,070,919</u>	<u>1,120,474</u>	<u>1,339,967</u>	<u>1,475,921</u>	<u>1,678,067</u>	<u>1,803,674</u>	<u>1,927,041</u>	<u>2,012,650</u>	<u>2,114,460</u>	<u>2,114,460</u>

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CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2004 THROUGH DECEMBER 2004

	JAN 2004	FEB 2004	MAR 2004	APR 2004	MAY 2004	JUN 2004	JUL 2004	AUG 2004	SEPT 2004	OCT 2004	NOV 2004	DEC 2004	TOTAL
1. BEGINNING TRUE-UP	968,511	729,554	589,324	936,107	1,070,919	1,120,474	1,339,967	1,475,921	1,678,067	1,803,674	1,927,041	2,012,650	
2. ENDING TRUE-UP BEFORE INTEREST	<u>728,815</u>	<u>588,772</u>	<u>935,485</u>	<u>1,070,079</u>	<u>1,119,529</u>	<u>1,338,753</u>	<u>1,474,280</u>	<u>1,676,051</u>	<u>1,801,232</u>	<u>1,924,159</u>	<u>2,009,239</u>	<u>2,110,543</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	1,697,326	1,318,326	1,524,809	2,006,186	2,190,448	2,459,227	2,814,247	3,151,972	3,479,298	3,727,834	3,936,279	4,123,192	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>848,663</u>	<u>659,163</u>	<u>762,404</u>	<u>1,003,093</u>	<u>1,095,224</u>	<u>1,229,613</u>	<u>1,407,123</u>	<u>1,575,986</u>	<u>1,739,649</u>	<u>1,863,917</u>	<u>1,968,140</u>	<u>2,061,596</u>	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	1.060%	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.770%	1.940%	2.220%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	<u>1.030%</u>	<u>0.980%</u>	<u>0.980%</u>	<u>1.030%</u>	<u>1.040%</u>	<u>1.330%</u>	<u>1.470%</u>	<u>1.600%</u>	<u>1.770%</u>	<u>1.940%</u>	<u>2.220%</u>	<u>2.340%</u>	
7. TOTAL (SUM LINES 5 & 6)	2.090%	2.010%	1.960%	2.010%	2.070%	2.370%	2.800%	3.070%	3.370%	3.710%	4.160%	4.560%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	1.045%	1.005%	0.980%	1.005%	1.035%	1.185%	1.400%	1.535%	1.685%	1.855%	2.080%	2.280%	
9. MONTHLY AVG INTEREST RATE	0.087%	0.084%	0.082%	0.084%	0.086%	0.099%	0.117%	0.128%	0.140%	0.155%	0.173%	0.190%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	<u>739</u>	<u>552</u>	<u>623</u>	<u>840</u>	<u>945</u>	<u>1,214</u>	<u>1,642</u>	<u>2,016</u>	<u>2,443</u>	<u>2,881</u>	<u>3,411</u>	<u>3,917</u>	<u>21,223</u>

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Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: RESIDENTIAL HM BUILDER

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

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

Program Summary

New Home Goal:	5,426
New Homes Connected:	<u>6,126</u>
Variance:	-700
Percent of Goal:	112.9%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$3,038,382
Actual Cost:	\$3,430,350
Variance:	-\$391,968

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COMPANY: PEOPLES GAS SYSTEM
WEST FLORIDA REGION
Exhibit No. _____
Docket No. 050004-GU
KMF-2

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: ENERGY SAVINGS PAYBACK

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

Installation allowance is \$50.00 per appliance

Conservation Cost Variance - Actual vs. Projected	
Projected Cost:	\$7,950
Actual Cost:	\$8,150
Variance:	-\$200

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: COMM ELECTRIC REPLACEMENT

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

Program Allowances: kW Displaced \$30

Program Summary

Goals: kW Displaced 189

Actual: 101

Variance: 88

Percent of Goal: 53.3%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$5,682
Actual Cost:	\$3,030
Variance:	\$2,652

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Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: RES ELECTRIC REPLACEMENT

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

Water Heater	\$250
Furnace	\$500
Range	\$150
Dryer	\$150
Space Heat	\$150

Program Summary

Goals:	24
Actual:	26
Variance:	-1
Percent of Goal:	104.8%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$29,302
Actual Cost:	\$30,700
Variance:	-\$1,398

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Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: COMMON COSTS

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$187,675
Actual Cost:	\$227,326
Variance:	-\$39,651

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: GAS SPACE COND.

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

Program Allowance: \$100 / ton

Program Summary

Program Goal:	33
Program Accomplishments:	0
Variance:	33
Percent of Goal:	0.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$3,332
Actual Cost:	\$0
Variance:	\$3,332

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COMPANY: PEOPLES GAS SYSTEM
WEST FLORIDA REGION
Exhibit No. _____
Docket No. 050004-GU
KMF-2

Program Progress Report

Reporting Period: JANUARY 2004 THROUGH DECEMBER 2004

Name: MONITORING & RESEARCH

Program Summary:

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$0

Actual Cost: \$0

Variance: \$0

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET

NO. 05004-64 Exhibit No. 10

Company/ PGS

Witness: Kandi M. Floyd (KMF-3)

Date: 11/07-09/05

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: January 2006 Through December 2006

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	7,500,943
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	-1,717,975
3. TOTAL (LINE 1 AND LINE 2)	5,782,968

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RS	3,004,594	62,778,239	30,045,940	23,646,679	53,692,619	2,382,653	4.43758%	0.03795	1.00503	0.03814
SGS	57,064	2,473,569	1,141,280	666,751	1,808,031	80,233	4.43758%	0.03244	1.00503	0.03260
GS-1	211,755	100,442,801	6,352,650	23,147,043	29,499,693	1,309,072	4.43758%	0.01303	1.00503	0.01310
GS-2	34,346	70,983,036	1,202,110	15,805,793	17,007,903	754,739	4.43758%	0.01063	1.00503	0.01069
GS-3	8,738	68,955,232	393,210	13,469,025	13,862,235	615,148	4.43758%	0.00892	1.00503	0.00897
GS-4	1,452	43,370,813	123,420	7,732,149.00	7,855,569	348,597	4.43758%	0.00804	1.00503	0.00808
GS-5	1,092	62,129,659	163,800	6,238,439	6,402,239	284,104	4.43758%	0.00457	1.00503	0.00460
NGVS	216	490,560	7,560	68,742	76,302	3,386	4.43758%	0.00690	1.00503	0.00694
CSLS	772	884,440	0	113,465	113,465	5,035	4.43758%	0.00569	1.00503	0.00572
TOTAL	3,320,029	412,508,349	39,429,970	90,888,086	130,318,056	5,782,968				

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
January 2006 Through December 2006

PROGRAM	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
1 HOME BUILDER PROGRAM	460,452	460,452	460,452	460,452	460,452	460,452	460,452	460,452	460,452	460,452	460,452	460,452	\$5,525,420
2 WATER HEATER LOAD RET	17,946	17,946	17,946	17,946	17,946	17,946	17,946	17,946	17,946	17,946	17,946	17,946	\$215,350
3 OIL HEAT REPLACEMENT	189	189	189	189	189	189	189	189	189	189	189	189	\$2,263
4 SMALL PKG COGEN	1,667	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 COM ELECTRIC REPLACEMENT	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	\$50,000
6 RES ELECTRIC REPLACEMENT	27,576	27,576	27,576	27,576	27,576	27,576	27,576	27,576	27,576	27,576	27,576	27,576	\$330,910
7 COMMON COSTS	102,667	102,667	102,667	102,667	102,667	102,667	102,667	102,667	102,667	102,667	102,667	102,667	\$1,232,000
8 GAS SPACE CONDITIONING	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	\$90,000
9 MONITORING AND RESEARCH	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	\$35,000
10 N/A	0	0	0	0	0	0	0	0	0	0	0	0	\$0
TOTAL ALL PROGRAMS	\$625,079	\$625,079	\$625,079	\$625,079	\$625,079	\$625,079	\$625,079	\$625,079	\$625,079	\$625,079	\$625,079	\$625,079	\$7,500,943

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Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-3

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
January 2006 Through December 2006

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	5,525,420	0	0	0	\$5,525,420
2 WATER HEATER LOAD RET	0	0	0	0	215,350	0	0	0	\$215,350
3 OIL HEAT REPLACEMENT	0	0	0	0	2,263	0	0	0	\$2,263
4 SMALL PKG COGEN	0	0	0	0	20,000	0	0	0	\$20,000
5 COM ELECTRIC REPLACEMENT	0	0	0	0	50,000	0	0	0	\$50,000
6 RES ELECTRIC REPLACEMENT	0	0	0	0	330,910	0	0	0	\$330,910
7 COMMON COSTS	0	410,000	3,000	810,000	0	18,000	0	1,000	\$1,232,000
8 GAS SPACE CONDITIONING	0	0	0	0	90,000	0	0	0	\$90,000
9 MONITORING AND RESEARCH	0	0	0	0	35,000	0	0	0	\$35,000
10 N/A	0	0	0	0	0	0	0	0	\$0
PROGRAM COSTS	\$0	\$410,000	\$3,000	\$810,000	\$6,268,943	\$18,000	\$0	\$1,000	\$7,500,943

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2005 Through December 2005
 8 Months of Actuals

PROGRAM	CAPITAL INVEST	PAYROLL BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	3,341,012	0	0	0	3,341,012
B. ESTIMATED	0	0	0	0	1,976,364	0	0	0	1,976,364
C. TOTAL	0	0	0	0	5,317,376	0	0	0	5,317,376
2 WATER HEATER LOAD RET									
A. ACTUAL	0	0	0	0	139,275	0	0	0	139,275
B. ESTIMATED	0	0	0	0	72,768	0	0	0	72,768
C. TOTAL	0	0	0	0	212,043	0	0	0	212,043
3 OIL HEAT REPLACEMENT									
A. ACTUAL	0	0	0	0	990	0	0	0	990
B. ESTIMATED	0	0	0	0	220	0	0	0	220
C. TOTAL	0	0	0	0	1,210	0	0	0	1,210
4 SMALL PKG COGEN									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	6,668	0	0	0	6,668
C. TOTAL	0	0	0	0	6,668	0	0	0	6,668
5 COM ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	31,623	0	0	0	31,623
B. ESTIMATED	0	0	0	0	26,848	0	0	0	26,848
C. TOTAL	0	0	0	0	58,471	0	0	0	58,471
6 RES ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	214,565	0	0	0	214,565
B. ESTIMATED	0	0	0	0	85,448	0	0	0	85,448
C. TOTAL	0	0	0	0	<u>300,013</u>	0	0	0	<u>300,013</u>
SUB-TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,895,781</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,895,781</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2005 Through December 2005
 8 Months of Actuals

PROGRAM NAME	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	5,895,781	0	0	0	5,895,781
7. COMMON COSTS									
A. ACTUAL	0	237,013	3,603	431,123	0	1,395	0	0	673,134
B. ESTIMATED	0	118,510	1,800	275,000	0	700	0	396,310	396,310
C. TOTAL	0	355,523	5,403	706,123	0	2,095	0	300	1,069,444
8. GAS SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	4,425	0	0	0	4,425
B. ESTIMATED	0	0	0	0	31,940	0	0	0	31,940
C. TOTAL	0	0	0	0	36,365	0	0	0	36,365
9. MONITORING AND RESEARCH									
A. ACTUAL	0	0	0	0	10,000	0	0	0	10,000
B. ESTIMATED	0	0	0	0	1,200	0	0	0	1,200
C. TOTAL	0	0	0	0	11,200	0	0	0	11,200
10. N/A									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
11. N/A									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
TOTAL	0	355,523	5,403	706,123	5,943,346	2,095	0	300	7,012,790

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
January 2005 Through December 2005
8 Months of Actuals

PROGRAM NAME	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
HOME BUILDER PROGRAM	492,865	299,040	284,172	421,735	459,510	530,255	362,720	490,715	494,081	494,091	494,091	494,091	\$5,317,376
WATER HEATER LOAD RET	22,400	20,075	15,800	19,000	16,000	16,200	17,100	12,700	18,192	18,192	18,192	18,192	\$212,043
OIL HEAT REPLACEMENT	0	330	0	660	0	0	0	0	55	55	55	55	\$1,210
SMALL PKG COGEN	0	0	0	0	0	0	0	0	1,667	1,667	1,667	1,667	\$6,668
COM ELECTRIC REPLACEMEN	5,960	4,840	5,800	336	2,892	9,130	720	1,945	6,712	6,712	6,712	6,712	\$58,471
RES ELECTRIC REPLACEMEN	29,225	35,600	28,700	21,500	27,875	24,045	24,090	23,530	21,362	21,362	21,362	21,362	\$300,013
COMMON COSTS	91,185	113,039	108,210	57,134	76,356	38,454	109,144	79,612	99,078	99,078	99,078	99,078	\$1,069,444
GAS SPACE CONDITIONING	4,425	0	0	0	0	0	0	0	7,985	7,985	7,985	7,985	\$36,365
MONITORING AND RESEARCH	0	6,000	2,000	0	2,000	0	0	0	1,200	0	0	0	\$11,200
N/A	0	0	0	0	0	0	0	0	0	0	0	0	\$0
TOTAL ALL PROGRAMS	\$646,060	\$478,924	\$444,682	\$520,365	\$584,633	\$618,084	\$513,774	\$608,502	\$650,342	\$649,142	\$649,142	\$649,142	\$7,012,790

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ENERGY CONSERVATION ADJUSTMENT
January 2005 Through December 2005

CONSERVATION REVS.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	-884,535	-869,007	-799,249	-723,890	-594,920	-514,117	-468,491	-445,697	-445,697	-445,697	-445,697	-445,697	-7,082,693
b. CONSERV. ADJ. REV.	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)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	-884,535	-869,007	-799,249	-723,890	-594,920	-514,117	-468,491	-445,697	-445,697	-445,697	-445,697	-445,697	-7,082,693
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	-131,134	-131,134	-131,134	-131,134	-131,134	-131,134	-131,134	-131,134	-131,134	-131,134	-131,134	-131,134	-1,573,605
CONSERVATION REVS. APPLIC. TO PERIOD	-1,015,669	-1,000,141	-930,382	-855,024	-726,053	-645,251	-599,625	-576,831	-576,831	-576,831	-576,831	-576,831	-8,656,298
CONSERVATION EXPS. (FORM C-3, PAGE 3)	646,060	478,924	444,682	520,365	584,633	618,084	513,774	608,502	650,342	649,142	649,142	649,142	7,012,790
TRUE-UP THIS PERIOD	-369,609	-521,217	-485,701	-334,658	-141,421	-27,166	-85,851	31,672	73,511	72,311	72,311	72,311	-1,643,508
INTEREST THIS PERIOD (C-3,PAGE 5)	-3,414	-4,314	-5,401	-6,412	-7,009	-7,240	-7,475	-7,604	-7,295	-6,698	-6,102	-5,503	-74,467
TRUE-UP & INT. BEG. OF MONTH	-1,573,605	-1,815,494	-2,209,891	-2,569,859	-2,779,796	-2,797,092	-2,700,364	-2,662,557	-2,507,355	-2,310,006	-2,113,260	-1,915,917	-1,717,975
PRIOR TRUE-UP COLLECT.(REFUND.)	131,134	131,134	131,134	131,134	131,134	131,134	131,134	131,134	131,134	131,134	131,134	131,134	1,573,605
END OF PERIOD TOTAL NET TRUE-UP	-1,815,494	-2,209,891	-2,569,859	-2,779,796	-2,797,092	-2,700,364	-2,662,557	-2,507,355	-2,310,006	-2,113,260	-1,915,917	-1,717,975	-1,717,975

CALCULATION OF TRUE-UP AND INTEREST PROVISION
January 2005 Through December 2005

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	-1,573,605	-1,815,494	-2,209,891	-2,569,859	-2,779,796	-2,797,092	-2,700,364	-2,662,557	-2,507,355	-2,310,006	-2,113,260	-1,915,917	-1,717,975
END. T-UP BEFORE INT.	-1,812,080	-2,205,577	-2,564,458	-2,773,384	-2,790,083	-2,693,124	-2,655,082	-2,499,752	-2,302,711	-2,106,561	-1,909,815	-1,712,472	-1,787,878
TOT. BEG. & END. T-UP	-3,385,685	-4,021,072	-4,774,350	-5,343,243	-5,569,878	-5,490,216	-5,355,446	-5,162,309	-4,810,066	-4,416,567	-4,023,075	-3,628,389	-3,505,853
AVERAGE TRUE-UP	-1,692,843	-2,010,536	-2,387,175	-2,671,621	-2,784,939	-2,745,108	-2,677,723	-2,581,154	-2,405,033	-2,208,284	-2,011,537	-1,814,194	-1,752,926
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	2.3400%	2.5000%	2.6500%	2.7800%	2.9800%	3.0600%	3.2700%	3.4300%	3.6400%	3.6400%	3.6400%	3.6400%	3.6400%
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MT	2.5000%	2.6500%	2.7800%	2.9800%	3.0600%	3.2700%	3.4300%	3.6400%	3.6400%	3.6400%	3.6400%	3.6400%	3.6400%
TOTAL	4.8400%	5.1500%	5.4300%	5.7600%	6.0400%	6.3300%	6.7000%	7.0700%	7.2800%	7.2800%	7.2800%	7.2800%	7.2800%
AVG INTEREST RATE	2.4200%	2.5750%	2.7150%	2.8800%	3.0200%	3.1650%	3.3500%	3.5350%	3.6400%	3.6400%	3.6400%	3.6400%	3.6400%
MONTHLY AVG. RATE	0.2017%	0.2146%	0.2263%	0.2400%	0.2517%	0.2638%	0.2792%	0.2946%	0.3033%	0.3033%	0.3033%	0.3033%	0.3033%
INTEREST PROVISION	-\$3,414	-\$4,314	-\$5,401	-\$6,412	-\$7,009	-\$7,240	-\$7,475	-\$7,604	-\$7,295	-\$6,698	-\$6,102	-\$5,503	-\$74,467

Company: Peoples Gas System
 Except West Florida Region
 Exhibit No. _____
 Docket No. 050004-GU
 KMF-3

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: HOME BUILDER PROGRAM

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

Program Allowances:	Gas Water Heater	\$250.00
	Gas Furnace	\$250.00
	Gas Range	\$85.00
	Gas Dryer	\$85.00

Program Goals: Projected new home connections for this period:	12,660
Actual connections to date this period:	7,955
Percent of goal:	62.8%
8 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$5,317,376
	Actual to date:	\$3,341,012

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-3

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: WATER HEATER LOAD RET

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

Program Allowances: Energy Efficient Gas Water Heater \$100.00

Program Goals: Projected connections for this period: 2,120
Actual connections to date this period: 1,393
Percent of goal: 65.7%
8 Months of Actuals

Program Fiscal Expenditures: Estimated for period: \$212,043
Actual to date: \$139,275

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-3

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: OIL HEAT REPLACEMENT

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

Program Allowance:	Energy Efficient Gas Furnaces	\$330.00
Program Go	Projected new connections for this period:	4
	Actual connections to date this period:	3
	Percent of goal:	81.8%
	8 Months of Actuals	
Program Fiscal Expenditures:	Estimated for period:	\$1,210
	Actual to date:	\$990

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
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Peoples Gas System

Reporting: January 2005 Through December 2005

Name: SMALL PKG COGEN

Description: This Program was designed to promote the direct use of natural gas to generate on-site power and utilize the waste heat for on-site heating, cooling and water heating requirements for commercial and industrial applications. For commercial and industrial customers that are interested, workshops and a feasibility audit will be made available upon request.

Program Fiscal Expenditures:	Estimated for period:	\$6,668
	Actual to date:	\$0

Company: Peoples Gas System
 Except West Florida Region
 Exhibit No. _____
 Docket No. 050004-GU
 KMF-3

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: COM ELECTRIC REPLACEMENT

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

Program Allowances: For every KW Displaced \$40.00
 Each customer allowed a maximum of 100 KWD deferred

Program Goals: Projected KWD displaced this period: 1,462
 Actual KWD displaced this period: 791
 Percent of goal: 54.1%
 8 Months of Actuals

Program Fiscal Expenditures: Estimated for period: \$58,471
 Actual to date: \$31,623

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-3

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: RES ELECTRIC REPLACEMENT

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

Program Allowances:	Natural Gas Water Heater	\$440.00
	Natural Gas Furnace	\$440.00
	Natural Gas Range	\$75.00
	Natural Gas Dryer	\$75.00
	Natural Gas Space Heater	\$65.00

Program Goals:	Projected new connections for this period	508
	Actual connections to date this period:	364
	Percent of goal:	71.5%
	8 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$300,013
	Actual to date:	\$214,565

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-3

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: COMMON COSTS

Program Fiscal Expenditures:

Estimated for period:	\$1,069,444
Actual to date:	\$673,134
Percent of goal:	62.9%
8 Months of Actuals	

Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-3

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: GAS SPACE CONDITIONING

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

Program Allowance: Each customer allowed 100 tons maximum paid allowance / installatic \$150 per ton

Program Goals:	Projected connections this period: (tons)	242
	Actual connections this period: (tons)	30
	Percent of goal:	12.2%
	8 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$36,365
	Actual to date:	\$4,425

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 05000464 Exhibit No. 11
Company/ PG&S
Witness: Kandi M. Floyd (GMS-4)
Date: 11/07-09/05

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: January 2006 Through December 2006

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	2,263,630
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	913,868
3. TOTAL (LINE 1 AND LINE 2)	3,177,498

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RS	626,936	12,612,006	6,269,360	4,750,564	11,019,924	2,124,691	19.28045%	0.16847	1.00503	0.16931
SGS	13,021	340,801	260,420	91,863	352,283	67,922	19.28045%	0.19930	1.00503	0.20030
GS-1	16,665	7,132,813	499,950	1,643,757	2,143,707	413,316	19.28045%	0.05795	1.00503	0.05824
GS-2	2,321	4,361,617	81,235	971,201	1,052,436	202,914	19.28045%	0.04652	1.00503	0.04676
GS-3	500	3,616,217	22,500	706,356	728,856	140,527	19.28045%	0.03886	1.00503	0.03906
GS-4	132	2,277,401	11,220	406,015.00	417,235	80,445	19.28045%	0.03532	1.00503	0.03550
GS-5	84	7,420,946	12,600	745,137	757,737	146,095	19.28045%	0.01969	1.00503	0.01979
NGVS	0	0	0.00	0.00	0	0	19.28045%	0.02473	1.00503	0.02486
CSLS	96	64,200	0.00	8,236	8,236	1,588	19.28045%	0.02473	1.00503	0.02486
TOTAL	659,755	37,826,001	7,157,285	9,323,129	16,480,414	3,177,498				

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
January 2006 Through December 2006

PROGRAM	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
1 HOME BUILDER PROGRAM	163,123	163,123	163,123	163,123	163,123	163,123	163,123	163,123	163,123	163,123	163,123	163,123	\$1,957,480
2 ENERGY SAVINGS PAYBACK	604	604	604	604	604	604	604	604	604	604	604	604	\$7,250
3 WATER HEATER LOAD RETENTIC	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	\$34,800
4 RES ELECTRIC REPLACEMENT	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	\$39,000
5 COM ELECTRIC REPLACEMENT	425	425	425	425	425	425	425	425	425	425	425	425	\$5,100
6 GAS SPACE CONDITIONING	833	833	833	833	833	833	833	833	833	833	833	833	\$10,000
7 COMMON COSTS	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
8 N/A	0	0	0	0	0	0	0	0	0	0	0	0	\$0
9 N/A	0	0	0	0	0	0	0	0	0	0	0	0	\$0
10 N/A	0	0	0	0	0	0	0	0	0	0	0	0	\$0
TOTAL ALL PROGRAMS	\$188,636	\$188,636	\$188,636	\$188,636	\$188,636	\$188,636	\$188,636	\$188,636	\$188,636	\$188,636	\$188,636	\$188,636	\$2,263,630

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ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
January 2006 Through December 2006

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	1,957,480	0	0	0	\$1,957,480
2 ENERGY SAVINGS PAYBACK	0	0	0	0	7,250	0	0	0	\$7,250
3 WATER HEATER LOAD RETENTIOI	0	0	0	0	34,800	0	0	0	\$34,800
4 RES ELECTRIC REPLACEMENT	0	0	0	0	39,000	0	0	0	\$39,000
5 COM ELECTRIC REPLACEMENT	0	0	0	0	5,100	0	0	0	\$5,100
6 GAS SPACE CONDITIONING	0	0	0	0	10,000	0	0	0	\$10,000
7 COMMON COSTS	0	40,000	500	160,000	0	9,000	0	500	\$210,000
8 N/A	0	0	0	0	0	0	0	0	\$0
9 N/A	0	0	0	0	0	0	0	0	\$0
10 N/A	0	0	0	0	0	0	0	0	\$0
PROGRAM COSTS	\$0	\$40,000	\$500	\$160,000	\$2,053,630	\$9,000	\$0	\$500	\$2,263,630

Company: Peoples Gas System
 West Florida Region
 Exhibit No. _____
 Docket No. 050004-GU
 KMF-4

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2005 Through December 2005
 8 Months of Actuals

PROGRAM	CAPITAL INVEST	PAYROLL BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	1,315,550	0	0	0	1,315,550
B. ESTIMATED	0	0	0	0	662,400	0	0	0	662,400
C. TOTAL	0	0	0	0	1,977,950	0	0	0	1,977,950
2 ENERGY SAVINGS PAYBACK									
A. ACTUAL	0	0	0	0	4,650	0	0	0	4,650
B. ESTIMATED	0	0	0	0	2,232	0	0	0	2,232
C. TOTAL	0	0	0	0	6,882	0	0	0	6,882
3 WATER HEATER LOAD RETENTION									
A. ACTUAL	0	0	0	0	21,900	0	0	0	21,900
B. ESTIMATED	0	0	0	0	10,600	0	0	0	10,600
C. TOTAL	0	0	0	0	32,500	0	0	0	32,500
4 RES ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	25,800	0	0	0	25,800
B. ESTIMATED	0	0	0	0	8,000	0	0	0	8,000
C. TOTAL	0	0	0	0	33,800	0	0	0	33,800
5 COM ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	3,570	0	0	0	3,570
B. ESTIMATED	0	0	0	0	1,700	0	0	0	1,700
C. TOTAL	0	0	0	0	5,270	0	0	0	5,270
6 GAS SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	3,332	0	0	0	3,332
C. TOTAL	0	0	0	0	3,332	0	0	0	3,332
SUB-TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,059,734</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,059,734</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

January 2005 Through December 2005

8 Months of Actuals

PROGRAM NAME	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	2,059,734	0	0	0	2,059,734
7. COMMON COSTS									
A. ACTUAL	0	7,738	9	92,792	0	87	0	0	100,626
B. ESTIMATED	0	5,000	0	39,000	0	500	0	44,500	44,500
C. TOTAL	0	12,738	9	131,792	0	587	0	0	145,126
8. N/A									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
9. N/A									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
10. N/A									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
11. N/A									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
TOTAL	0	12,738	9	131,792	2,059,734	587	0	0	2,204,860

Company: Peoples Gas System
West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-4

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: HOME BUILDER PROGRAM

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

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

Program Goals:	Projected new home connections for this period:	3,297
	Actual connections to date this period:	2,193
	Percent of goal:	66.5%
	8 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$1,977,950
	Actual to date:	\$1,315,550

Company: Peoples Gas System
West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-4

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: ENERGY SAVINGS PAYBACK

Description: This program is designed to promote the replacement of standard gas appliances with energy efficient natural gas appliances and ensure that new installation comply with the energy efficiency standards set forth in the Florida Energy Code.

Program Allowances: \$50.00

Program Goals: Projected connections for this period: 138

Actual connections to date this period: 93

Percent of goal: 67.6%
8 Months of Actuals

Program Fiscal Expenditures: Estimated for period: \$6,882

Actual to date: \$4,650

Company: Peoples Gas System
West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-4

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: WATER HEATER LOAD RETENTION

Description: This Program is designed to encourage current natural gas customers to retain their natural gas water heating. The program offers allowances to customers to assist in defraying the cost of more energy efficient appliances.

Program Allowance: Energy Efficient Water Heater \$100.00

Program Go Projected new connections for this period: 325

Actual connections to date this period: 219

Percent of goal: 67.4%
8 Months of Actuals

Program Fiscal Expenditures: Estimated for period: \$32,500

Actual to date: \$21,900

Company: Peoples Gas System
West Florida Region
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Docket No. 050004-GU
KMF-4

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: RES ELECTRIC REPLACEMENT

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

Water Heater	\$250
Furnace	\$500
Range	\$150
Dryer	\$150
Space Heat	\$150

Program Fiscal Expenditures:	Estimated for period:	\$33,800
	Actual to date:	\$25,800

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: COM ELECTRIC REPLACEMENT

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

Program Allowances:	For every KW Displaced	\$30.00
	Each customer allowed a maximum of 100 KWD deferred	
Program Goals:	Projected KWD displaced this period:	176
	Actual KWD displaced this period:	119
	Percent of goal:	67.7%
	8 Months of Actuals	
Program Fiscal Expenditures:	Estimated for period:	\$5,270
	Actual to date:	\$3,570

Company: Peoples Gas System
West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-4

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: GAS SPACE CONDITIONING

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

Program Allowances: \$100.00

Program Goals:	Projected new connections for this period:	33
	Actual connections to date this period:	0
	Percent of goal:	0.0%
	8 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$3,332
	Actual to date:	\$0

Company: Peoples Gas System
West Florida Region
Exhibit No. _____
Docket No. 050004-GU
KMF-4

Peoples Gas System

Reporting: January 2005 Through December 2005

Name: COMMON COSTS

Program Fiscal Expenditures:

Estimated for period:	\$145,126
Actual to date:	\$100,626
Percent of goal:	69.3%
8 Months of Actuals	