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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost  
Recovery Clause

Docket No. 060004-EG  
Filing Date: May 2, 2006

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

Q. Please state your name, business address, by whom you are employed and in what capacity.  
A. Debbie Stitt, 301 Long Avenue, Port St. Joe, Florida 32456 St. Joe Natural Gas Company in the capacity of Energy Conservation Analyst.  
Q. What is the purpose of your testimony?  
A. My purpose is to submit the expenses and revenues associated with the Company's conservation programs during the twelve month period ending December 31, 2005 and to identify the final true-up amount related to that period.  
Q. Have you prepared any exhibits in conjunction with your testimony?  
A. Yes, I have prepared and filed together with this testimony this 2nd day of May, 2006 Schedules CT-1 through CT-5 prescribed by the Commission Staff which have collectively been entitled "Adjusted Net True-up for twelve months ending December 31, 2005" for identification.

1. Q. What amount did St. Joe Natural Gas spend on conser-  
2. vation programs during the period?

3. A. \$10,975.00

4. Q. What is the final true-up amount associated with this  
5. twelve month period ending December 31, 2005?

6. A. An under-recovery of \$1,418.00?

7. Q. Does this conclude your testimony?

9. A. Yes

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FOR MONTHS: ADJUSTED NET TRUE-UP  
 JANUARY 2005 THROUGH DECEMBER 2005

END OF PERIOD NET TRUE-UP

PRINCIPLE	(5,119)	
INTEREST	<u>(229)</u>	(5,348)

LESS PROJECTED TRUE-UP

PRINCIPLE	(6,534)	
INTEREST	<u>(232)</u>	<u>(6,766)</u>

ADJUSTED NET TRUE-UP		<u><u>1,418</u></u>
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( ) REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS  
ACTUAL VERSUS ESTIMATED

FOR MONTHS: JANUARY 2005 THROUGH DECEMBER 2005

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	0	0	0
MATERIALS & SUPPLIES	0	0	0
ADVERTISING	0	0	0
INCENTIVES	10,975	7,625	3,350
OUTSIDE SERVICES	0	0	0
VEHICLES	0	0	0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>
SUB-TOTAL	10,975	7,625	3,350
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	10,975	7,625	3,350
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION ADJUSTMENT REVENUES	(16,094)	(14,159)	(1,935)
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	(5,119)	(6,534)	1,415
INTEREST PROVISION	<u>(229)</u>	<u>(232)</u>	<u>3</u>
END OF PERIOD TRUE-UP	<u>(5,348)</u>	<u>(6,766)</u>	<u>1,418</u>

( ) REFLECTS OVER-RECOVERY

\* 2 MONTHS ACTUAL AND 10 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM  
FOR MONTHS: JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: BUILDER PROGRAM	0	0	0	0	7,825	0	0	0	7,825
PROGRAM 2: ELECTRIC REPLACEMENT	0	0	0	0	3,150	0	0	0	3,150
PROGRAM 3: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 4: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 5: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 6: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,975</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,975</b>

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED  
FOR MONTHS: JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: BUILDER PROGRAM	0	0	0	0	2,675	0	0	0	2,675
PROGRAM 2: ELECTRIC REPLACEMENT	0	0	0	0	675	0	0	0	675
PROGRAM 3: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 4: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 5: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 6: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,350</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,350</b>

( ) REFELCTS 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 2005 THROUGH DECEMBER 2005

EXPENSES:	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
PROGRAM 1:	0	2,350	350	700	0	350	700	700	875	525	600	675	7,825
PROGRAM 2:	1,125	225	450	0	0	675	0	0	0	0	225	450	3,150
PROGRAM 3:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 4:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 5:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 6:	0	0	0	0	0	0	0	0	0	0	0	0	0
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
<b>TOTAL</b>	<b>1,125</b>	<b>2,575</b>	<b>800</b>	<b>700</b>	<b>0</b>	<b>1,025</b>	<b>700</b>	<b>700</b>	<b>875</b>	<b>525</b>	<b>825</b>	<b>1,125</b>	<b>10,975</b>
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>RECOVERABLE CONSERVATION EXPENSES</b>	<b>1,125</b>	<b>2,575</b>	<b>800</b>	<b>700</b>	<b>0</b>	<b>1,025</b>	<b>700</b>	<b>700</b>	<b>875</b>	<b>525</b>	<b>825</b>	<b>1,125</b>	<b>10,975</b>

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION  
FOR MONTHS: JANUARY 2005 THROUGH DECEMBER 2005

CONSERVATION REVENUES	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REVS	(1,394)	(1,251)	(920)	(579)	(454)	(373)	(344)	(310)	(280)	(334)	(426)	(898)	(7,563)
TOTAL REVENUES	(1,394)	(1,251)	(920)	(579)	(454)	(373)	(344)	(310)	(280)	(334)	(426)	(898)	(7,563)
PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	(711)	(711)	(711)	(711)	(711)	(711)	(711)	(711)	(711)	(711)	(711)	(711)	(8,531)
CONSERVATION REVS APPLICABLE TO THE PERIOD	(2,105)	(1,962)	(1,631)	(1,290)	(1,165)	(1,084)	(1,055)	(1,021)	(990)	(1,045)	(1,137)	(1,609)	(16,094)
CONSERVATION EXPS (FROM CT-3, PAGE 1)	1,125	2,575	800	700	0	1,025	700	700	875	525	825	1,125	10,975
TRUE-UP THIS PERIOD	(980)	613	(831)	(590)	(1,165)	(59)	(355)	(321)	(115)	(520)	(312)	(484)	(5,119)
INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	(17)	(17)	(17)	(18)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(19)	(229)
3. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	(8,531)	(8,817)	(7,511)	(7,648)	(7,545)	(8,019)	(7,387)	(7,052)	(6,682)	(6,106)	(5,935)	(5,556)	
1. PRIOR TRUE-UP COLLECTED/(REFUNDED)	711	711	711	711	711	711	711	711	711	711	711	711	
2. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	(8,817)	(7,511)	(7,648)	(7,545)	(8,019)	(7,387)	(7,052)	(6,682)	(6,106)	(5,935)	(5,556)	(5,348)	(5,348)



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

INTEREST PROVISION	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
BEGINNING TRUE-UP	(8,531)	(8,817)	(7,511)	(7,648)	(7,545)	(8,019)	(7,387)	(7,052)	(6,682)	(6,106)	(5,935)	(5,556)	
ENDING TRUE-UP BEFORE INTEREST	(8,800)	(7,493)	(7,631)	(7,527)	(7,999)	(7,367)	(7,031)	(6,662)	(6,086)	(5,916)	(5,536)	(5,329)	
TOTAL BEGINNING & ENDING TRUE-UP	(17,331)	(16,310)	(15,142)	(15,175)	(15,544)	(15,385)	(14,418)	(13,713)	(12,768)	(12,022)	(11,471)	(10,884)	
AVERAGE TRUE-UP (LINE 3 TIMES 50%)	(8,665)	(8,155)	(7,571)	(7,588)	(7,772)	(7,693)	(7,209)	(6,857)	(6,384)	(6,011)	(5,736)	(5,442)	
INTER. RATE - 1ST DAY OF REPORTING MONTH	2.340%	2.500%	2.650%	2.780%	2.980%	3.060%	3.270%	3.430%	3.640%	3.790%	4.030%	4.210%	
INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	2.500%	2.650%	2.780%	2.980%	3.060%	3.270%	3.430%	3.640%	3.790%	4.030%	4.210%	4.300%	
TOTAL (SUM LINES 5 & 6)	4.840%	5.150%	5.430%	5.760%	6.040%	6.330%	6.700%	7.070%	7.430%	7.820%	8.240%	8.510%	
AVG INTEREST RATE (LINE 7 TIMES 50%)	2.420%	2.575%	2.715%	2.880%	3.020%	3.165%	3.350%	3.535%	3.715%	3.910%	4.120%	4.255%	
MONTHLY AVG INTEREST RATE	0.202%	0.215%	0.226%	0.240%	0.252%	0.264%	0.279%	0.295%	0.310%	0.326%	0.343%	0.355%	
J. INTEREST PROVISION (LINE 4 TIMES LINE 9)	(17)	(17)	(17)	(18)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(19)	(229)



ST JOE NATURAL GAS  
CONSERVATION PROGRAM DESCRIPTION  
AND PROGRESS FOR MONTHES  
JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM TITLE: SINGLE & MULTI-FAMILY BUILDER PROGRAM

PROGRAM DESCRIPTION: THIS PROGRAM IS DESIGNED TO INCREASE THE NUMBER OF HIGH PRIORITY FIRM NATURAL GAS CUSTOMERS IN THE NEW CONSTRUCTION MARKET. INCENTIVES ARE OFFERED IN THE FORM OF CASH ALLOWANCES TO ASSIST BUILDERS IN DEFRAYING THE ADDITIONAL COSTS ASSOCIATED WITH NATURAL GAS INSTALLATIONS.

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

PROGRAM ACCOMPLISHMENTS: PLANNED WATER HEATERS: 30  
PLANNED HEATING SYSTEMS: 12  
PLANNED AIR CONDITIONING: 0

PROGRAM FISCAL EXPENDITURES: ACTUAL EXPEND. W/O INTEREST: \$7,825

PROGRAM PROGRESS SUMMARY: INSTALLED WATER HEATERS: 29  
INSTALLED HEATING SYSTEMS: 10  
INSTALLED AIR CONDITIONING: 0

ST JOE NATURAL GAS  
CONSERVATION PROGRAM DESCRIPTION  
AND PROGRESS FOR MONTHS  
JANUARY 2005 THROUGH DECEMBER 2005

PROGRAM TITLE:      Electric Replacement Program

PROGRAM DESCRIPTION:      THIS PROGRAM IS DESIGNED TO PROMOTE THE REPLACEMENT OF ELECTRIC RESISTANCE APPLIANCES WITH ENERGY EFFICIENT NATURAL GAS APPLIANCES. INCENTIVES ARE OFFERED IN THE FORM OF CASH ALLOWANCES TO ASSIST IN DEFRAYING THE ADDITIONAL COSTS IN PURCHASING AND INSTALLING NATURAL GAS APPLIANCES.

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

<u>PROGRAM ACCOMPLISHMENTS:</u>	PLANNED WATER HEATERS:	25
	PLANNED HEATING SYSTEMS:	1
	PLANNED AIR CONDITIONING:	0

<u>PROGRAM FISCAL EXPENDITURES:</u>	ACTUAL EXPEND. W/O INTEREST:	\$3,150
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<u>PROGRAM PROGRESS SUMMARY:</u>	INSTALLED WATER HEATERS:	10
	INSTALLED HEATING SYSTEMS:	2
	INSTALLED AIR CONDITIONING:	0