

ORIGINAL

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April 5, 2007

BY HAND DELIVERY

Ann Cole, Commission Clerk
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED - FPSC
07 APR -5 PM 4:55
COMMISSION CLERK

Re: Indiantown Gas Company's Petition for Approval of Energy Conservation Programs

070246-EG

Dear Ms. Cole:

Pursuant to Commission Rules 25-9.004 & 25-9.005, Florida Administrative Code, enclosed for filing are an original and sixteen copies of Indiantown Gas Company's Petition for Approval of Energy Conservation Programs. Pursuant to a conversation with Ruth Nettles of your Office, I am including only seven copies of the somewhat voluminous exhibits to the Petition, and I am also sending Shevie Brown, to whom I understand this docket will be assigned, three additional copies of the Company's complete filing. The purpose of limiting the number of initial copies of the exhibits is, of course, to conserve paper and energy; if you need additional copies, please ask and we will furnish them promptly.

Pursuant to Rule 25-9.004, F.A.C., the original copy of the Petition includes four copies of the Company's proposed tariff sheets, in both final and legislative format.

Pursuant to Rule 25-9.005(2), F.A.C., the services to be provided pursuant to the Company's proposed Energy Conservation Programs are energy conservation measures that achieve total energy savings by using efficient natural gas appliances instead of electric appliances. The Company's proposed Energy Conservation Programs are justified by the energy savings that they provide and by the net

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FPSC-BUREAU OF RECORDS

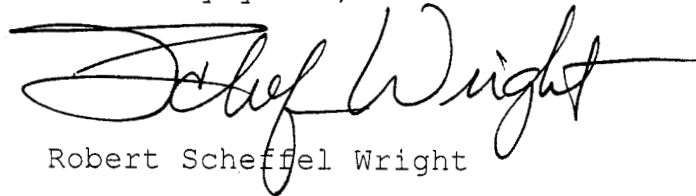
FPSC-COMMISSION CLERK

benefits that these Programs provide to the Company's general body of customers, as shown in the cost-effectiveness analyses (spreadsheets) that are included in the Exhibits to the Petition.

Pursuant to Rule 25-9.005(4), F.A.C., I want to call to your attention the fact that this filing represents a new service classification and rate schedule, i.e., the Company's proposed Energy Conservation Cost Recovery charges. The reason for the proposed new rate schedules is to recover the Company's projected costs for its Energy Conservation Program. The estimated total annual revenue to be derived from implementation of the proposed ECCR charges in accord with proposed Tariff Sheets 35 and 35.1 is \$41,050.00. As shown in the Petition and in the proposed tariff sheets, the ECCR charges will be applicable to all of the Company's retail customers. The Company projects that it will provide allowances to seventeen customers under its Residential New Home Construction Program, plus eleven additional allowances under its Residential Appliance Replacement Program and its Residential Appliance Retention Program.

As always, my thanks to you and your professional staff for your kind and courteous assistance. If you have any questions, please give me a call at 850/222-7206.

Cordially yours,

A handwritten signature in black ink, appearing to read "Robert Scheffel Wright". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Robert Scheffel Wright

YOUNG VAN ASSENDERP, P.A.

Attorneys for Indiantown Gas Company, Inc.

Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition for Approval of Energy)
Conservation Programs by Indiantown)
Gas Company)

Docket No. 070246 -EG
Submitted for Filing: April 5, 2007

**PETITION OF INDIANTOWN GAS COMPANY FOR APPROVAL
OF ENERGY CONSERVATION PROGRAMS**

Indiantown Gas Company ("Indiantown" or the "Company"), pursuant to Rules 25-17.009, 25-17.015, and 28-106.201, Florida Administrative Code ("F.A.C.") and Chapter 366, Florida Statutes, and by and through the Company's undersigned attorneys, files this petition for approval of its proposed energy conservation programs. In support of its petition, the Company states as follows.

1. The name, address and telephone number of the petitioner are:

Indiantown Gas Company
P. O. Box 8
Indiantown, Florida 34956
(772) 597-2168

2. The name, address and telephone and fax numbers of the person to whom notices, orders and correspondence regarding this petition are to be sent is:

Robert Scheffel Wright
Young van Assenderp, P.A.
225 South Adams Street
Tallahassee, Florida 32301
Telephone (850) 222-7206
Facsimile (850) 561-6834

with a courtesy copy to

Brian J. Powers, President & General Manager
Indiantown Gas Company
P. O. Box 8
Indiantown, Florida 34956
Telephone (772) 597-2168
Facsimile (772) 597-2068.

DOCUMENT NUMBER-DATE

02951 APR-5 8

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BACKGROUND

3. Indiantown Gas Company is a natural gas local distribution company ("LDC") providing natural gas transportation service in the State of Florida, and is a public utility subject to the Commission's regulatory jurisdiction under Chapter 366, Florida Statutes.¹

4. Indiantown, Florida is an unincorporated rural community of approximately 5,000 residents in western Martin County. Indiantown Gas Company currently provides natural gas service to approximately 660 residential, 25 commercial and 3 industrial customers. Since 1970, when natural gas service was first introduced in the community, both the Indiantown community and Indiantown Gas Company have experienced limited growth. However, in recent years, as the availability of developable land has diminished along the coastal areas of South Florida, developers have acquired substantial tracts of property in and around Indiantown. For example, within the past twenty-four months, Centex Corporation has purchased over 2,500 acres of property. One Centex parcel is under development and others are in various stages of local and state Development of Regional Impact ("DRI") permitting. Smaller parcels have been acquired by other developers. The Sandy Oaks development by Showcase Homes is a 99 unit residential community under construction in Indiantown. The majority of development planned for Indiantown appears to be targeted toward providing reasonably priced housing for families who work in close-by West Palm Beach and Stuart.

¹ All references in this petition to the Florida Statutes are to the 2006 edition thereof.

5. On November 13, 2006, Indiantown Gas Company and Florida Public Utilities Company ("FPUC") received approval from the Commission for a Territorial Agreement and Gas Transportation Agreement (Order No. PSC-06-0948-PAA-GU, issued in Docket Nos. 060489-GU & 060492-GU). These Agreements enable FPUC to serve the Sandy Oaks development by transporting gas through the Company's distribution system. Both parties anticipate that as additional development occurs in the Indiantown community, the Territorial Agreement will be expanded, subject to Commission approval. Under the approved Territorial Agreement FPUC is responsible for the investment (downstream of any Indiantown/FPUC interconnect points) to serve new developments covered by that Territorial Agreement. The Energy Conservation Program allowances for these homes will be provided by FPUC pursuant to its approved energy conservation programs.

6. While much of the new residential development in the vicinity of Indiantown will be likely be served by FPUC, there are smaller scale residential projects on the drawing board that could be served directly by the Company. The Residential New Construction Program proposed by the Company in this Petition will authorize allowance levels identical to those offered by FPUC in the surrounding area. The proposed allowances proposed under this program would give the Company the opportunity to provide gas service to these homes. The proposed Residential Appliance Retention Program and Residential Appliance Replacement Program will strengthen the Company's ability to add and retain customers to the benefit of all of the Company's ratepayers.

STATEMENT OF AFFECTED INTERESTS

7. The Company is requesting Commission approval of several energy conservation programs pursuant to Section 366.82(5), Florida Statutes and Rule 25-17.015, F.A.C. The Company's substantial interests in providing gas transportation service cost-effectively to all of its customers and in implementing its energy conservation programs for the benefit of its customers and in furtherance of the purposes of the Florida Energy Efficiency and Conservation Act, particularly Section 366.81, Florida Statutes, will be affected by the Commission's action on this petition.

THE COMPANY'S REQUEST

8. By this petition, Indiantown seeks the Commission's approval to adopt and implement the following Energy Conservation Programs, as herein described:

- Residential New Construction Program;
- Residential Appliance Replacement Program;
- Residential Appliance Retention Program; and
- Conservation Education Program.

9. Indiantown further seeks authorization to recover its costs to administer these programs, along with the proposed allowances, by implementing the initial Energy Conservation Cost Recovery ("ECCR") Charges proposed later in this Petition. The Company respectfully petitions the Commission to approve its initial ECCR Charges to become effective on the first day of the first billing cycle that begins 30 or more days after the Commission's approves the Company's proposed conservation programs and to remain in effect through the remainder of 2007. The recovery of Indiantown's conservation related

costs beginning in January 2008 would be determined through the Company's participation in the Commission's annual Energy Conservation Cost Recovery (ECCR) docket.

10. The conservation allowance amounts proposed in this petition are the result of a cooperative development effort among the member utilities of the Associated Gas Distributors of Florida ("AGDF"), which includes all of the regulated LDCs operating in Florida. Each of the member LDCs either administers an existing Commission-approved energy conservation program, or is actively planning to file a program. The residential conservation programs are especially critical to each LDC's ability to add and retain customers.

11. Over the past three years, four of the AGDF-member LDCs have participated in a joint natural gas education program principally directed toward disseminating energy conservation information. Two other AGDF members are planning to participate in 2007. The statewide "Get Gas Florida" campaign is directed primarily at educating the public about the availability of approved energy conservation programs that promote the use of natural gas to decrease electric demand and increase the overall efficiency and cost-effectiveness of electricity and natural gas use in Florida. Pooling each LDC's conservation education funds in support of a common "Get Gas Florida" campaign reduces development costs and enables bulk purchasing discounts that greatly increase the coverage and effectiveness of the program. Current "Get Gas Florida" advertising stops short of promoting specific conservation allowances, since, until recent Commission action, the allowances were approved in different amounts for each LDC. Over the past

year, AGDF-member LDCs have been working to establish Commission-approved energy conservation programs with identical cash allowance levels at each LDC. If and when all Florida LDCs are able to offer the same allowance amounts, the gas industry can deliver a more powerful and meaningful statewide message through its conservation related consumer education programs. AGDF members focused their initial efforts on developing consistent allowance amounts for the conservation programs directed toward the homebuilding industry, residential appliance replacement and appliance retention. The allowance amounts for new construction, appliance replacement and appliance retention proposed in this petition, and supported by Commission-required cost-effectiveness tests, are identical to the allowance levels recently approved by the Commission for Florida Public Utilities Company, Order No. PSC-06-0749-PAA-GU, issued on September 5, 2006; Peoples Gas System ("PGS"), Order No. PSC-06-0816-PAA-EG, issued on October 10, 2006; Florida City Gas ("FCG"), Order No. PSC-07-0122-PAA-EG, issued on February 12, 2007; and Chesapeake Utilities Corporation Florida Division ("CUCF"), Order No. PSC-07-0197-PAA-EG, issued on March 5, 2007.

Residential New Construction Program

12. Indiantown's proposed Residential New Construction Program is designed to increase the overall penetration of natural gas in the residential single and multi-family new construction market throughout the Company's service area. The overall objectives are to reduce the growth rates of electric consumption, increase the conservation and efficient use of energy resources, and minimize ratepayers' total energy cost. The program would increase overall energy efficiency in the new home construction market through the

installation of efficient gas appliances. The incentives offered to homebuilders are designed to assist in defraying the cost of gas piping, venting, appliance installation, and other costs associated with residential gas service. Participation in this program would be open to any home builder or developer of homes who installs energy-efficient natural gas heating, water heating, and cooking and provides piping stub-outs for gas clothes drying. All natural gas appliances installed under the program must demonstrate compliance with the minimum efficiency standards established by the U.S. Department of Energy. (See Uniform Test Method for Measuring the Energy Consumption of Water Heaters, Appendix E to Subpart B of 10 CFR Part 430, and 10 CFR §430.32, Energy and Water Conservation Standards and Effective Dates).

13. The cash allowances provided by the Company pursuant to the Residential New Construction Program to reduce a homebuilder's house piping and appliance installation costs help to bring initial natural gas appliance installation costs in line with the installation costs of competitive energy sources. Considering all installation and operating costs, the use of natural gas appliances is cost-effective for residential consumers. However, homebuilders are generally more influenced by initial construction costs than they are with a homeowner's long-term operating and maintenance costs. As the cost of housing in Florida has escalated over the past few years, builders have become even more cost sensitive. Providing a cash allowance for gas installations helps mitigate a homebuilder's construction cost concerns and significantly improves the likelihood that efficient, clean-burning natural gas appliances will be provided to Florida homeowners.

14. As noted above, Indiantown is proposing cash allowances in its Residential New Construction Program at the same levels as approved by the Commission for FPUC, PGS, FCG and CUCF. The following chart presents Indiantown's proposed residential new construction allowances per appliance.

***Indiantown Gas Company
Residential New Construction Program
Proposed Cash Allowances***

| | <u>Proposed</u> |
|--------------------------------|-----------------|
| Gas Storage Tank Water Heating | \$350 |
| Gas Tankless Water Heating | \$450 |
| Gas Heating | \$350 |
| Gas Cooking | \$100 |
| Gas Clothes Drying | \$100 |

15. The Company's proposed allowances are cost-effective pursuant to both the Ratepayer Impact Measure ("RIM") Test and the Participants Test. Exhibit A presents the results of all required cost-effectiveness tests for the Company's proposed Residential New Construction Program.

16. Because of the relatively new and significantly more efficient technology that tankless natural gas water heating brings to Florida's energy future, Indiantown provides the following special discussion of this new technology. The Company seeks Commission approval to establish a separate allowance of \$450 for natural gas tankless water heating systems installed under its Residential New Construction Program. The proposed allowance amount for tankless water heating has been approved by the Commission in the FPUC, PGS, FCG and CUCF Orders described above. Like these other LDCs, Indiantown believes that a separate, higher allowance for tankless units would

significantly increase installations of these highly efficient water heaters. The gas-fired tankless water heater market is growing rapidly in Florida and throughout the United States. Millions of tankless units are in operation throughout Europe and Asia. Natural gas utilities in the United States have begun to actively promote tankless technology for four principal reasons: First, the efficiency ratings of most gas-fired tankless units tested in accordance with U.S. Department of Energy test standards are well above a .80 Energy Factor (“EF”), significantly higher than new natural gas-fueled storage tank water heaters (which typically have a .59 EF). The increased efficiency of tankless units results in substantial energy savings, as well as energy cost savings, for homeowners. Second, most gas-fired tankless units are installed outside a home’s conditioned space and require no venting, reducing installation costs and eliminating the need for indoor combustion air. Third, the exterior installation and elimination of a storage tank provide homebuilders with valuable additional interior square footage. Finally, the service life of a gas-fired tankless unit is estimated at approximately 20 years, significantly longer than the estimated 14-year life of a standard storage tank water heater.

17. Tankless technology offers builders and homeowners a gas water heating system that, compared to storage tank systems, provides greater gallon-per-minute hot water production, greater recovery efficiency ratings and higher DOE EF ratings. Most tankless water heater manufacturers are voluntarily complying with the Federal Trade Commission's Appliance Labeling Rule (16 CFR Part 305), which provides a straightforward method for homebuilders, code officials and consumers to identify EF ratings. It should also be noted that the Florida Building Commission (“FBC”) issued a

declaratory statement in May 2005 (Case No. DCA05-DEC-034) indicating that gas-fired tankless units are eligible to receive the highest level of energy efficiency credit available for gas water heaters in the Florida Energy Code whole house performance compliance methodology.

18. The installed cost of a residential natural gas tankless water heater with capability sufficient to serve a typical residence (at least 6 gallons per minute) and standard exterior installation is approximately \$1,350. A typical residential storage tank gas water heater installed in new construction averages approximately \$650. While the life-cycle cost benefits to consumers support the installation of tankless units, as indicated in the Participants Tests, the initial cost remains a hurdle to significant market penetration. The proposed tankless water heating allowance would help offset the additional expense to a homebuilder installing high efficiency natural gas tankless units.

Residential Appliance Replacement Program

19. The Company's proposed Residential Appliance Replacement Program is designed to encourage the replacement of inefficient non-natural gas appliances with efficient natural gas appliances. The program seeks to reduce the growth rates of electric consumption and optimize the use of existing natural gas facilities by encouraging the replacement of non-natural gas (primarily electric resistance appliances) in the residential market. Participation in the program is open to current residential customers or potential customers (where the Company can feasibly extend service) who replace any or all of their non-natural gas water heating, central heating, cooking, clothes drying, or space heating with energy efficient natural gas appliances. Cash allowances are offered to reduce the homeowner's cost of

pipng, venting, and appliance installation. The Commission has historically approved allowances for appliance replacement programs at higher levels than new construction or appliance retention allowances due to the increased costs associated with retrofiting an existing home with natural gas. Installing interior gas piping and venting in existing homes is more challenging than in new construction installations where piping and venting can be installed when walls, ceilings and floors are still open and accessible.

20. The following chart presents Indiantown's proposed Residential Appliance Replacement Program allowances for each appliance. The proposed allowances are identical to the allowances approved by the Commission for FPUC, PGS, FCG and CUCD, as described above.

***Indiantown Residential Appliance Replacement Program
Proposed Cash Allowances***

| | <u>Proposed</u> |
|--------------------------------|-----------------|
| Gas Storage Tank Water Heating | \$525 |
| Gas Tankless Water Heating | \$525 |
| Gas Heating | \$625 |
| Gas Cooking | \$100 |
| Gas Clothes Drying | \$100 |

21. The Company's proposed allowances are cost-effective pursuant to both the Ratepayer Impact Measure ("RIM") Test and the Participants Test. Exhibit A presents the results of all required cost-effectiveness tests for the Company's proposed Residential Appliance Replacement Program.

Residential Appliance Retention Program

22. The proposed Residential Appliance Retention Program is designed to encourage homeowners with existing natural gas appliances to retain natural gas when the

existing appliances fail, or are otherwise replaced. The proposed retention program includes allowances for natural gas storage tank water heating, heating, clothes drying, and cooking appliances, and a separate allowance for natural gas tankless water heating systems. The proposed Indiantown appliance retention allowance levels are identical to the proposed allowances for its Residential New Construction Program. The proposed retention allowances are also identical to those approved by the Commission for FPUC, PGS, FCG and CUCF in the above referenced orders.

23. Indiantown recognizes that the cost to retain an existing customer is significantly lower than the cost to add a new customer. The proposed retention allowances will strengthen the Company's ability to retain existing gas customers and avoid the cost of meter removal and, ultimately, the cost of cutting and capping service lines (as is required by Commission rule). When a customer is lost, the typical cost to remove the meter and cut and cap the service is estimated at \$350 to \$500. Retaining customers also enhances Indiantown's ability to spread its fixed operating costs over a greater number of customers, thereby assisting in mitigating the need for future rate adjustments. All ratepayers benefit from the retention of revenues from an existing customer. Although the benefit of avoiding service termination costs for existing customers is significant, Indiantown has elected to present a conservative analysis and did not include avoided cut-and-cap costs in the RIM Test cost-effectiveness calculations.

24. The following chart presents the proposed Indiantown retention allowances per appliance. The proposed allowances are identical to the allowances approved by the Commission for FPUC, PGS, FCG and CUCD, as described above.

*Indiantown Gas Company
Residential Appliance Retention Program
Proposed Cash Allowances*

| | <u>Proposed</u> |
|--------------------------------|-----------------|
| Gas Storage Tank Water Heating | \$350 |
| Gas Tankless Water Heating | \$450 |
| Gas Heating | \$350 |
| Gas Cooking | \$100 |
| Gas Clothes Drying | \$100 |

25. Consistent with its proposed Residential New Construction Program allowances, Indiantown is proposing to establish a separate retention allowance for the installation of natural gas tankless water heating systems at a level higher than that for storage water heating systems. The service life of a storage tank water heater averages approximately 14 years, and the typical efficiency rating of a storage tank water heater installed in the early 1990's was .48 Efficiency Factor (EF). Given the efficiency degradation that naturally occurs as storage tank units age, and the high EF ratings of most tankless water heaters (above .80 EF), it is reasonable to expect a new tankless water heating installation to be approximately twice as efficient as the water heater to be replaced. The greater allowance for tankless water heaters will help reduce the initial cost of upgrading an inefficient storage tank water heater. Indiantown seeks Commission approval to establish a \$450 allowance for gas tankless water heaters installed under the Residential Appliance Retention Program.

26. The Company's proposed allowances are cost-effective pursuant to both the Ratepayer Impact Measure ("RIM") Test and the Participants Test. Exhibit A presents the

results of all required cost-effectiveness tests for the Company's proposed Residential Appliance Retention Program.

Energy Conservation Education Program

27. Indiantown proposes to implement an Energy Conservation Education Program to inform consumers of general energy conservation strategies and the opportunity to participate in the Company's proposed allowance programs. As part of this program, Indiantown would contribute to the Get Gas Florida consumer information effort. Each participating LDC contributes based on its number of active meters, and thus, based on its size, Indiantown's contribution would be less than \$1,000 per year. In addition, Indiantown would contact its residential customers through direct mail, bill messages, and signage at its office location and local appliance dealers. Such consumer contacts would provide information on the Company's allowance programs and various methods to conserve energy in residential applications.

28. Indiantown further asks the Commission to recognize the Company's right to promote any conservation programs approved by the Commission using naming conventions and/or branding consistent with the Company's marketing objectives.

COST EFFECTIVENESS TESTS

29. Indiantown has followed the Commission-approved cost effectiveness test methodologies (RIM Test and Participants Test) required by Rule 25-17.009, and Form PSC/CMP/18, *Florida Public Service Commission Cost Effectiveness Manual for Natural Gas Utility Demand Side Management Programs*, to determine the cost-effectiveness of each proposed program and allowance level. Attached hereto as Exhibit A is a composite

document containing Indiantown's RIM Test and Participants Tests results demonstrating the cost-effectiveness of each appliance included in the proposed Residential New Construction Program, the Residential Appliance Replacement Program and the Residential Appliance Retention Program. The Commission has historically not required RIM Test or Participants Tests for Energy Conservation Education Programs, and accordingly, no cost-effectiveness analyses are presented for that program.

30. The appliance cost, appliance installation cost and energy usage data required to complete the RIM and Participants Tests were developed through a cooperative effort by members of AGDF. Historically, the Commission has allowed LDCs to use average appliance and usage data in performing the RIM and Participants Tests. LDCs operating in multiple jurisdictions in the state have not filed multiple regional based conservation programs. The data used to produce the Indiantown RIM and Participants Tests are representative of appliance costs, installation costs and energy usage information on a statewide basis, and would be applicable to any LDC cost-effectiveness tests.

31. While many of the data elements included in this filing were jointly developed for use by several Florida LDCs, there are several data elements that are applicable solely to Indiantown. For example, the Energy Charge (Transportation Charge in Indiantown's tariff) and Customer Charge rates used in the RIM and Participants Tests analysis for all proposed programs are Indiantown's current Commission-approved rates for its TS-1 rate class (Indiantown 2003 Rate Case proceeding, Docket No. 030954-GU, Order No. PSC-04-0565-PAA-GU, issued on June 2, 2004). The Energy Charge rate used in the RIM and Participants Tests includes the approved tariff base rate (\$0.37835 per

therm) plus the proposed Energy Conservation Cost Recovery rate (\$0.1430 per therm) discussed later in this petition. The Customer Charge rate includes the approved tariff base rate (\$9.00 per month) plus the approved Customer Account Administrative Service (CAAS) rate (\$2.03) billed to Indiantown's Transitional Transportation Service Pool Manager, pursuant to Commission Order No. PSC-02-1655-TRF-GU. The Company's approved rate structure includes consumer classes based on annual therm usage without regard to customer type (residential, commercial, industrial). The TS-1 class (0-1000 annual therms) includes all of Indiantown's current residential customers. Virtually all residential customers would fall into this service class. While there are a handful of commercial accounts in the TS-1 class, including these accounts in the total customer count for the purposes of deriving O&M and administrative costs per customer does not materially affect the outcomes.

32. The "residential" service line, meter and regulator investment costs used in the RIM Tests are as approved for the TS-1 rate class in MFR Schedule E-7 in Indiantown's 2003 Rate Case Order, as noted above. There are no investment requirements for the retention program, given that the program applies to existing consumers. The incremental administrative cost and operations and maintenance cost relative to adding a new consumer through the Residential New Construction Program or Residential Appliance Replacement Program are based on O&M expense data from the 2003 Rate Case Order. The incremental O&M and administrative costs for Indiantown were derived using a similar methodology as approved in the FPUC, PGS, FCG and CUCF energy conservation filings referenced above. This methodology utilizes the growth-trended

expenses in the 800-series and 900-series FERC accounts from each LDC's most recent rate proceeding, along with certain cost of service data from the same filing, to derive per customer expense amounts. However, since Indiantown has experienced little to no customer growth over the past few years, there were no growth-trended expenses in the MFR Schedules submitted with the Company's 2003 rate proceeding. Instead, an average growth related expense ratio was calculated using data from the above listed LDCs and applied to Indiantown's approved O&M expenses from its 2003 rate case. The RIM Tests also use Indiantown's approved weighted average cost of capital (9.53%) from the 2000 Rate Case. The depreciation rates used in the RIM Tests are those approved by the Commission in Indiantown's 2003 Depreciation Study (Order No. PSC-03-1111-PAA-GU, issued on October 6, 2003).

33. The cost of gas used in the RIM and Participants Tests is the average 2006 fuel billing rate received from Infinite Energy for the Indiantown Transitional Transportation Service (TTS) Program. Because the Infinite energy fuel billing rate includes the above-referenced Customer Account Administrative Service (CAAS) rate of \$2.03 per customer, which was also included in the Company's Customer Charge revenues in the RIM and Participants Tests, this amount was subtracted from the Infinite Energy fuel rate in the cost-effectiveness tests. The cost of electricity was developed from a weighted average of the residential rates, including fuel adjustment rates, in place during April 2006 for the four largest Florida investor-owned Commission-regulated electric utilities.

34. The annual gas therm usage data by appliance used in the respective cost benefit tests is based on data developed by Peoples Gas System. In 1995, Peoples Gas conducted a gas appliance sub-metering research project for the specific purpose of developing residential usage data necessary for forecasting project feasibility and conservation filing cost benefit tests. The study sub-metered appliances in more than 300 Peoples Gas customer residences. The residences were selected throughout the Peoples Gas service area, in the north, central and south regions of the state. Consumption data was monitored for over a year.

35. Electric appliance kWh usage data was obtained from several sources. Resistance water heating consumption data was developed using the November 2005 *Consumer's Directory of Certified Efficiency Ratings for Heating and Water Heating Equipment* published by the Gas Appliance Manufacturers Association ("GAMA"), a national trade association representing the manufacturers of over 90 percent of all appliances (gas and electric) manufactured in the United States. Usage data for electric heat pumps was obtained from the EnergyGauge computer model (Version: FLR3SB v4.0) used to assess compliance with the Florida Energy Efficiency Code for Building Construction. Electricity (kWh) usage data for electric cooking and clothes drying was derived from a standard Btu conversion of the gas therms from the Peoples Gas study to electric kWh.

36. Developing representative appliance installation cost data was problematic for the AGDF project team. Cost data in the new residential construction market is difficult to obtain. For competitive reasons, most homebuilders are reluctant to provide

individualized product or material costs, unless they are pricing an upgrade to their base home package. Subcontractors are equally reticent to publicly disclose their component prices and costs. In many cases, a subcontractor provides a package price for services that include gas appliance installations along with other non-gas products. For example, a plumbing contractor may provide a turnkey price for the potable water piping to a homebuilder that also includes installing the gas water heater. In addition, wholesale pricing from distributors becomes relatively meaningless given the escalation in price mark-ups on new homes over the past few years. The AGDF project team determined that, given the above concerns, the most reliable cost data would be obtained from appliance retailers with a large Florida sales presence and from nationally recognized cost estimating publications in widespread use in the residential construction industry. The data developed from these sources were compared to retail appliance cost information available through Florida Public Utilities Company, Indiantown Gas Company and St. Joe Natural Gas Company. These AGDF member companies retail and install gas appliances.

37. Appliance cost data for storage tank water heaters, tankless water heaters, cooking equipment and clothes dryers were obtained from the Home Depot and Lowe's web sites (www.homedepot.com and www.lowes.com). Retail cost data from both sources was available for both gas and electric appliances. Care was taken to ensure that comparable appliance models were selected for both fuel types. The appliances referenced above are available for retail purchase and delivery anywhere in the state at the prices quoted on the Home Depot and Lowe's websites. Use of a major appliance retailer's published pricing provides the Commission verifiable, real-world price data. In

Indiantown's view, the retail Home Depot and Lowe's prices provide a reasonable price point for inclusion in the RIM and Participants Tests. It should be noted that the National Energy Policy Act of 2005 provides for a \$300 tax credit to homeowners purchasing a water heater with an EF greater than .80. As noted above, virtually all gas-fired tankless units are rated above .80 EF. Although the tax credit is currently available for homeowner improvements, Indiantown elected to make a conservative analysis (i.e., understating the cost-effectiveness to participating customers) and has not included the tax credit in its Participants Test analysis in the appliance replacement or appliance retention programs.

38. The installation costs for the above referenced appliances were developed through a combination of efforts. AGDF member companies surveyed local plumbers, air conditioning contractors and gas fitters to obtain installation pricing. Installation costs were also obtained from the "2006 R.S. Means Residential Construction Cost Data, 25th Annual Edition", construction cost estimating guide. The R.S. Means guide is a nationally recognized construction cost estimator. R.S. Means has established material prices based on national averages and labor rates based on seven average regional wage rates. Costs can be further adjusted to over 900 locations throughout the U.S and Canada.

39. The equipment and installation costs for gas heating and electric heat pumps were also difficult to obtain for the same reasons listed above. The R.S. Means guide was used for space heating equipment and installation costs. The costs for gas main installations (feeder main and development main) were jointly developed by the AGDF project team based on average cost data for installation of 2" plastic main (typical for residential projects).

PROPOSED INITIAL ENERGY CONSERVATION COST RECOVERY RATES

40. Indiantown has projected the allowance payments and cost to administer its proposed conservation programs, assuming a June 1, 2007 effective date through the end of 2007. Based on known residential new construction projects (including twelve Habitat for Humanity dwellings) Indiantown forecasts 17 allowances under its Residential New Construction Program at a \$650 per home allowance level (tankless water heating, cooking and clothes drying). The Company also expects to add one tankless water heater, two cooking appliances and one clothes dryer through its Residential Appliance Replacement Program. It is expected that the Residential Appliance Retention Program will pay allowances for three storage tank water heaters, and two each cooking appliances and clothes dryers. Total allowance payments for 2007 are thus projected to be \$14,050.

41. Indiantown has also projected the administrative costs associated with its proposed conservation programs. Included in these costs are one-time development and legal costs for designing the programs and preparing and filing the Company's petition with the Commission. In addition, Indiantown's billing system will require minor modification to include the ECCR surcharge rates. These non-recurring consultant, attorney and billing system programming costs total an estimated \$12,000. General administrative costs include \$9,400 for salary and benefits, \$3,400 for builder representative services (contracted out at \$200 per home), \$1,200 for consumer education (Get Gas Florida participation, direct mail, etc.), \$500 for materials and \$500 for other related expenses. Total general administrative expenses for 2007 are thus estimated at

\$15,000. It is expected that a similar expense level would be required on an annual recurring basis to administer the programs.

42. Attached as Exhibit B to this Petition are the schedules required by the Commission for determining Energy Conservation Cost Recovery ("ECCR") rates during each annual Conservation True-Up filing. Attached as Exhibit C are proposed tariff sheets, in both legislative and final format, that reflect the Company's proposed ECCR charges. Indiantown seeks authorization to adjust its Transportation Charge for each currently approved tariff rate schedule to include the respective ECCR rates included in Exhibit B, and the Company also seeks the Commission's approval of the proposed tariff sheets.

43. The Company wishes to call to the Commission's attention the fact that the proposed ECCR charges are applicable to all customers served on the Company's Rate Schedules TS-1, TS-2, TS-3, and TS-4, including the one cogeneration customer that the Company serves under Rate Schedule TS-4. The Company brings this to the Commission's attention in light of the requirement of Commission Order No. 23576 that ECCR charges should not be applied to interruptible or cogeneration customers. Even though that requirement was specifically recognized as being part of a stipulation and applicable only in that context, the Company wishes to address it now to avoid and confusion and to expedite the Commission's processing of this Petition. As a preliminary matter, all of the Company's customers are "firm service" customers, that is, all of the Company's customers receive firm transportation service on the Company's system, so the interruptible-customer issue is not present in this case. Next, the Company would point

out that the cogeneration customer receives firm service and therefore will benefit from load growth in the same way that all other non-participating IGC customers benefit from the Company's Energy Conservation Programs, i.e. that load growth will ultimately postpone future rate increase requests and reduce the Company's retail rates to levels lower than they would be without the Programs. This is, of course, the direct conclusion of the RIM Test results. Finally, the Company has discussed its proposal with the cogeneration customer and understands from those discussions that the customer understands the potential benefits to the customer and does not object to the Company's ECCR charges proposed in this Petition. For all of these reasons, the Company believes that its ECCR charges should be approved as proposed, and that they should apply to all of the Company's customers served under Rate Schedules TS-1, TS-2, TS-3, and TS-4.

ISSUES OF MATERIAL FACT

44. Indiantown Gas Company is not aware of any factual issues that are or will be in dispute in this proceeding, but offers the following list of factual issues that the Commission will have to decide in approving the Company's petition and its proposed Energy Conservation Programs.

- a. Is each of Indiantown's proposed Energy Conservation Programs, i.e., the Residential New Construction Program, Residential Appliance Replacement Program, Residential Appliance Retention Program, and the Conservation Education Program, cost-effective pursuant to the Commission's rules and cost-effectiveness tests?
- b. Will each of the Company's proposed Energy Conservation Programs promote the goals of increasing the overall efficiency and cost-effectiveness of electricity and natural gas use in Florida?
- c. Should the Commission approve the Company's proposed Energy Conservation Programs and, if so, when should the Commission's approval be effective?

- d. Should the Company's request for approval of Energy Conservation Cost Recovery Charges be approved and, if so, when should the proposed ECCR Charges be effective?

ULTIMATE FACTS ALLEGED

45. The Company alleges that, as shown in the RIM Test and Participants Test results in Exhibit A, each of the Company's proposed Energy Conservation Programs is cost-effective and that each of the programs will promote the goals of increasing the overall efficiency and cost-effectiveness of electricity and natural gas use in Florida, and that, accordingly, the Commission should approve the programs. Further, since the Company's proposed Energy Conservation Programs are demonstrably cost-effective to both participating customers and to the Company's general body of customers, the Company's proposed ECCR charges are fair, just, and reasonable, and accordingly, the Commission should approve the Company's proposed ECCR charges.

**STATUTES AND RULES THAT ENTITLE INDIANTOWN GAS COMPANY
TO THE RELIEF REQUESTED**

46. Indiantown Gas Company is entitled to the relief requested herein by Section 366.82(5), Florida Statutes, and by Rule 25-17.015, Florida Administrative Code.

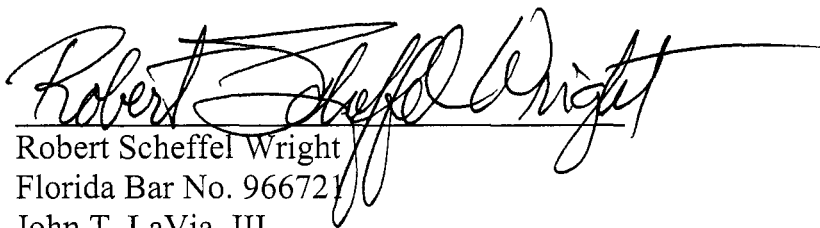
CONCLUSION AND REQUEST FOR RELIEF

47. The Energy Conservation Programs proposed by Indiantown Gas Company will promote the cost-effective conservation of energy in Florida, result in improved cost-effectiveness and efficiency of natural gas and electricity use in Florida, and benefit all of the Company's customers. The authorization of natural gas tankless water heater incentives will enable Indiantown to recognize and promote this significantly efficient

technological advance in gas water heating to the benefit of all of the Company's customers. Each of the proposed programs and modifications meets the Commission-required cost effectiveness tests, is capable of being monitored, and will have an overall positive effect on energy conservation and efficiency in Florida. The proposed allowances are cost-effective, and the Company is therefore entitled to recover the costs of providing these allowances through its proposed Energy Conservation Cost Recovery charges.

WHEREFORE, Indiantown Gas Company respectfully requests that the Commission enter its order granting this petition, approving the Company's proposed Energy Conservation Programs, and approving the Company's proposed Energy Conservation Cost Recovery Charges set forth in this petition and in the attached exhibits, as soon as reasonably practicable.

Respectfully submitted this 5th day of April, 2007.



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Attorneys for Indiantown Gas Company

Exhibit A

To

**Indiantown Gas Company
Energy Conservation Program Petition
March, 2007**

**Ratepayer Impact Measurement Test Results
Participants Test Results**

For

**Residential New Construction Program
Residential Appliance Replacement Program
Residential Appliance Retention Program**

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential New Construction Program
Summary of RIM Test and Participants Test Results**

| | <u>Proposed Allowance</u> | <u>Participants Test</u> | <u>RIM Test</u> |
|--------------------------------|-------------------------------|--------------------------|-----------------|
| Gas Storage Tank Water Heating | \$350 | 1.51 | 1.19 |
| Gas Tankless Water Heating | \$450 | 1.38 | 1.14 |
| Gas Heating | \$350 | 1.08 | 1.21 |
| Gas Clothes Drying | \$100 | 1.35 | 1.20 |
| Gas Cooking | \$100 | 1.32 | 1.18 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential New Construction Program
RIM Test and Participants Test Results**

For

Storage Tank Water Heating

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Cost Effective Results**

| |
|----------------------------|
| Appliance Type |
| Storage Tank Water Heating |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|--------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | | | Table 2 | | Table 3 | | Table 4 | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2006 | 1 | \$536 | \$350 | \$36 | \$922 | \$259 | (\$314) | \$400 | \$36 | \$175 | \$97 | \$56 | \$710 |
| 2007 | 2 | \$543 | 0 | \$37 | \$580 | 0 | 0 | 0 | \$37 | \$180 | \$97 | \$56 | \$370 |
| 2008 | 3 | \$550 | 0 | \$38 | \$588 | 0 | 0 | 0 | \$38 | \$184 | \$97 | \$56 | \$375 |
| 2009 | 4 | \$557 | 0 | \$39 | \$596 | 0 | 0 | 0 | \$39 | \$188 | \$97 | \$56 | \$380 |
| 2010 | 5 | \$564 | 0 | \$40 | \$604 | 0 | 0 | 0 | \$40 | \$193 | \$97 | \$56 | \$386 |
| 2011 | 6 | \$571 | 0 | \$41 | \$612 | 0 | 0 | 0 | \$41 | \$197 | \$97 | \$56 | \$391 |
| 2012 | 7 | \$578 | 0 | \$42 | \$620 | 0 | 0 | 0 | \$42 | \$202 | \$97 | \$56 | \$397 |
| 2013 | 8 | \$585 | 0 | \$43 | \$628 | 0 | 0 | 0 | \$43 | \$207 | \$97 | \$56 | \$403 |
| 2014 | 9 | \$592 | 0 | \$44 | \$636 | 0 | 0 | 0 | \$44 | \$212 | \$97 | \$56 | \$409 |
| 2015 | 10 | \$599 | 0 | \$45 | \$644 | 0 | 0 | 0 | \$45 | \$217 | \$97 | \$56 | \$415 |
| 2016 | 11 | \$607 | 0 | \$46 | \$652 | 0 | 0 | 0 | \$46 | \$222 | \$97 | \$56 | \$421 |
| 2017 | 12 | \$614 | 0 | \$47 | \$660 | 0 | 0 | 0 | \$47 | \$228 | \$97 | \$56 | \$428 |
| 2018 | 13 | \$621 | 0 | \$48 | \$669 | 0 | 0 | 0 | \$48 | \$233 | \$97 | \$56 | \$434 |
| 2019 | 14 | \$628 | 350 | \$49 | \$1,027 | 361 | (438) | 348 | \$49 | \$239 | \$97 | \$56 | \$713 |
| 2020 | 15 | \$635 | 0 | \$50 | \$685 | 0 | 0 | 0 | \$50 | \$244 | \$97 | \$56 | \$448 |
| 2021 | 16 | \$642 | 0 | \$51 | \$693 | 0 | 0 | 0 | \$51 | \$250 | \$97 | \$56 | \$455 |
| 2022 | 17 | \$649 | 0 | \$53 | \$702 | 0 | 0 | 0 | \$53 | \$256 | \$97 | \$56 | \$462 |
| 2023 | 18 | \$656 | 0 | \$54 | \$710 | 0 | 0 | 0 | \$54 | \$262 | \$97 | \$56 | \$470 |
| 2024 | 19 | \$663 | 0 | \$55 | \$718 | 0 | 0 | 0 | \$55 | \$269 | \$97 | \$56 | \$477 |
| 2025 | 20 | \$670 | 0 | \$56 | \$727 | 0 | 0 | 0 | \$56 | \$275 | \$97 | \$56 | \$485 |

Present Value
of Benefits \$6,613

Present Value
of Costs \$4,391

| | |
|-----------------------|-------------|
| Benefit/Cost Ratio | 1.51 |
|-----------------------|-------------|

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Data**

| Appliance Type |
|----------------------------|
| Storage Tank Water Heating |

| | | | |
|-------------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj. | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 4,773 | 10% | \$536 |
| 2007 | \$0.1034 | 4,773 | 10% | \$543 |
| 2008 | \$0.1047 | 4,773 | 10% | \$550 |
| 2009 | \$0.1061 | 4,773 | 10% | \$557 |
| 2010 | \$0.1074 | 4,773 | 10% | \$564 |
| 2011 | \$0.1088 | 4,773 | 10% | \$571 |
| 2012 | \$0.1101 | 4,773 | 10% | \$578 |
| 2013 | \$0.1115 | 4,773 | 10% | \$585 |
| 2014 | \$0.1128 | 4,773 | 10% | \$592 |
| 2015 | \$0.1142 | 4,773 | 10% | \$599 |
| 2016 | \$0.1155 | 4,773 | 10% | \$607 |
| 2017 | \$0.1169 | 4,773 | 10% | \$614 |
| 2018 | \$0.1182 | 4,773 | 10% | \$621 |
| 2019 | \$0.1196 | 4,773 | 10% | \$628 |
| 2020 | \$0.1209 | 4,773 | 10% | \$635 |
| 2021 | \$0.1223 | 4,773 | 10% | \$642 |
| 2022 | \$0.1236 | 4,773 | 10% | \$649 |
| 2023 | \$0.1250 | 4,773 | 10% | \$656 |
| 2024 | \$0.1263 | 4,773 | 10% | \$663 |
| 2025 | \$0.1277 | 4,773 | 10% | \$670 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 170 | 10% | \$175 |
| 2007 | \$0.9602 | 170 | 10% | \$180 |
| 2008 | \$0.9833 | 170 | 10% | \$184 |
| 2009 | \$1.0069 | 170 | 10% | \$188 |
| 2010 | \$1.0310 | 170 | 10% | \$193 |
| 2011 | \$1.0558 | 170 | 10% | \$197 |
| 2012 | \$1.0811 | 170 | 10% | \$202 |
| 2013 | \$1.1071 | 170 | 10% | \$207 |
| 2014 | \$1.1336 | 170 | 10% | \$212 |
| 2015 | \$1.1608 | 170 | 10% | \$217 |
| 2016 | \$1.1887 | 170 | 10% | \$222 |
| 2017 | \$1.2172 | 170 | 10% | \$228 |
| 2018 | \$1.2464 | 170 | 10% | \$233 |
| 2019 | \$1.2763 | 170 | 10% | \$239 |
| 2020 | \$1.3070 | 170 | 10% | \$244 |
| 2021 | \$1.3383 | 170 | 10% | \$250 |
| 2022 | \$1.3705 | 170 | 10% | \$256 |
| 2023 | \$1.4034 | 170 | 10% | \$262 |
| 2024 | \$1.4370 | 170 | 10% | \$269 |
| 2025 | \$1.4715 | 170 | 10% | \$275 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 170 | 10% | \$97 |
| 2007 | \$0.5214 | 170 | 10% | \$97 |
| 2008 | \$0.5214 | 170 | 10% | \$97 |
| 2009 | \$0.5214 | 170 | 10% | \$97 |
| 2010 | \$0.5214 | 170 | 10% | \$97 |
| 2011 | \$0.5214 | 170 | 10% | \$97 |
| 2012 | \$0.5214 | 170 | 10% | \$97 |
| 2013 | \$0.5214 | 170 | 10% | \$97 |
| 2014 | \$0.5214 | 170 | 10% | \$97 |
| 2015 | \$0.5214 | 170 | 10% | \$97 |
| 2016 | \$0.5214 | 170 | 10% | \$97 |
| 2017 | \$0.5214 | 170 | 10% | \$97 |
| 2018 | \$0.5214 | 170 | 10% | \$97 |
| 2019 | \$0.5214 | 170 | 10% | \$97 |
| 2020 | \$0.5214 | 170 | 10% | \$97 |
| 2021 | \$0.5214 | 170 | 10% | \$97 |
| 2022 | \$0.5214 | 170 | 10% | \$97 |
| 2023 | \$0.5214 | 170 | 10% | \$97 |
| 2024 | \$0.5214 | 170 | 10% | \$97 |
| 2025 | \$0.5214 | 170 | 10% | \$97 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2007 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2008 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2009 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2010 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2011 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2012 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2013 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2014 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2015 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2016 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2017 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2018 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2019 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2020 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2021 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2022 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2023 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2024 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2025 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Results**

| |
|---|
| Appliance Type Storage Tank Water Heating |
|---|

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|
| | Table 1 | Table 1A | Table 2 | | Table 5 | Table 3 | Table 4 | | |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 |
| 2006 | \$89 | \$159 | \$51 | \$299 | \$159 | \$20 | \$18 | \$353.08 | \$551 |
| 2007 | \$89 | \$163 | \$51 | \$303 | \$163 | \$19 | \$19 | \$3.08 | \$204 |
| 2008 | \$89 | \$167 | \$51 | \$307 | \$167 | \$19 | \$19 | \$3.08 | \$208 |
| 2009 | \$89 | \$171 | \$51 | \$311 | \$171 | \$18 | \$19 | \$3.08 | \$212 |
| 2010 | \$89 | \$175 | \$51 | \$315 | \$175 | \$18 | \$20 | \$3.08 | \$216 |
| 2011 | \$89 | \$179 | \$51 | \$319 | \$179 | \$17 | \$20 | \$3.08 | \$220 |
| 2012 | \$89 | \$184 | \$51 | \$323 | \$184 | \$16 | \$21 | \$3.08 | \$224 |
| 2013 | \$89 | \$188 | \$51 | \$328 | \$188 | \$16 | \$21 | \$3.08 | \$228 |
| 2014 | \$89 | \$193 | \$51 | \$332 | \$193 | \$15 | \$22 | \$3.08 | \$233 |
| 2015 | \$89 | \$197 | \$51 | \$337 | \$197 | \$15 | \$22 | \$3.08 | \$238 |
| 2016 | \$89 | \$202 | \$51 | \$341 | \$202 | \$14 | \$23 | \$3.08 | \$242 |
| 2017 | \$89 | \$207 | \$51 | \$346 | \$207 | \$14 | \$23 | \$3.08 | \$247 |
| 2018 | \$89 | \$212 | \$51 | \$351 | \$212 | \$13 | \$24 | \$3.08 | \$252 |
| 2019 | \$89 | \$217 | \$51 | \$356 | \$217 | \$13 | \$24 | \$353.08 | \$607 |
| 2020 | \$89 | \$222 | \$51 | \$362 | \$222 | \$12 | \$25 | \$3.08 | \$263 |
| 2021 | \$89 | \$228 | \$51 | \$367 | \$228 | \$12 | \$26 | \$3.08 | \$268 |
| 2022 | \$89 | \$233 | \$51 | \$372 | \$233 | \$12 | \$26 | \$3.08 | \$274 |
| 2023 | \$89 | \$239 | \$51 | \$378 | \$239 | \$11 | \$27 | \$3.08 | \$280 |
| 2024 | \$89 | \$244 | \$51 | \$384 | \$244 | \$11 | \$28 | \$3.08 | \$286 |
| 2025 | \$89 | \$250 | \$51 | \$390 | \$250 | \$10 | \$28 | \$3.08 | \$292 |

Present Value
of Benefits

\$3,234

Present Value
of Costs

\$2,707

Benefit/Cost
Ratio

1.19

Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Calculated Data

| Appliance Type | |
|----------------------------|--|
| Storage Tank Water Heating | |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.50% |
| O&M Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | | |
|-------------------------|--------|-----------|--------------|--|
| 1 | 2 | 3 | 2*3 | |
| Year | Therms | Base Rate | Total Charge | |
| 2006 | 170 | \$0.5214 | \$89 | |
| 2007 | 170 | \$0.5214 | \$89 | |
| 2008 | 170 | \$0.5214 | \$89 | |
| 2009 | 170 | \$0.5214 | \$89 | |
| 2010 | 170 | \$0.5214 | \$89 | |
| 2011 | 170 | \$0.5214 | \$89 | |
| 2012 | 170 | \$0.5214 | \$89 | |
| 2013 | 170 | \$0.5214 | \$89 | |
| 2014 | 170 | \$0.5214 | \$89 | |
| 2015 | 170 | \$0.5214 | \$89 | |
| 2016 | 170 | \$0.5214 | \$89 | |
| 2017 | 170 | \$0.5214 | \$89 | |
| 2018 | 170 | \$0.5214 | \$89 | |
| 2019 | 170 | \$0.5214 | \$89 | |
| 2020 | 170 | \$0.5214 | \$89 | |
| 2021 | 170 | \$0.5214 | \$89 | |
| 2022 | 170 | \$0.5214 | \$89 | |
| 2023 | 170 | \$0.5214 | \$89 | |
| 2024 | 170 | \$0.5214 | \$89 | |
| 2025 | 170 | \$0.5214 | \$89 | |

Table 1a

| Revenue - Cost of Gas | | | | |
|-----------------------|--------|-----------|--------------|--|
| 1 | 2 | 4 | 2*3 | |
| Year | Therms | Fuel Rate | Total Charge | |
| 2006 | 170 | \$0.9377 | \$159 | |
| 2007 | 170 | \$0.9602 | \$163 | |
| 2008 | 170 | \$0.9833 | \$167 | |
| 2009 | 170 | \$1.0069 | \$171 | |
| 2010 | 170 | \$1.0310 | \$175 | |
| 2011 | 170 | \$1.0558 | \$179 | |
| 2012 | 170 | \$1.0811 | \$184 | |
| 2013 | 170 | \$1.1071 | \$188 | |
| 2014 | 170 | \$1.1336 | \$193 | |
| 2015 | 170 | \$1.1608 | \$197 | |
| 2016 | 170 | \$1.1887 | \$202 | |
| 2017 | 170 | \$1.2172 | \$207 | |
| 2018 | 170 | \$1.2464 | \$212 | |
| 2019 | 170 | \$1.2763 | \$217 | |
| 2020 | 170 | \$1.3070 | \$222 | |
| 2021 | 170 | \$1.3383 | \$228 | |
| 2022 | 170 | \$1.3705 | \$233 | |
| 2023 | 170 | \$1.4034 | \$239 | |
| 2024 | 170 | \$1.4370 | \$244 | |
| 2025 | 170 | \$1.4715 | \$250 | |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2007 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2008 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2009 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2010 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2011 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2012 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2013 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2014 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2015 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2016 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2017 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2018 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2019 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2020 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2021 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2022 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2023 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2024 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2025 | \$11.03 | \$132.36 | 38.37% | \$51 |

Table 3

| Investment Carrying Costs | | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|-----------------------------------|--------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 6*7*8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total | Investment Carrying Cost |
| 2006 | \$50 | \$140 | \$200 | \$163 | \$553 | 9.53% | 38.37% | \$20 |
| 2007 | \$48 | \$135 | \$193 | \$157 | \$533 | 9.53% | 38.37% | \$19 |
| 2008 | \$46 | \$131 | \$187 | \$151 | \$515 | 9.53% | 38.37% | \$19 |
| 2009 | \$44 | \$127 | \$181 | \$145 | \$497 | 9.53% | 38.37% | \$18 |
| 2010 | \$43 | \$123 | \$175 | \$139 | \$480 | 9.53% | 38.37% | \$18 |
| 2011 | \$42 | \$119 | \$169 | \$134 | \$464 | 9.53% | 38.37% | \$17 |
| 2012 | \$41 | \$115 | \$163 | \$129 | \$448 | 9.53% | 38.37% | \$16 |
| 2013 | \$40 | \$111 | \$158 | \$124 | \$433 | 9.53% | 38.37% | \$16 |
| 2014 | \$39 | \$107 | \$153 | \$119 | \$418 | 9.53% | 38.37% | \$15 |
| 2015 | \$38 | \$103 | \$148 | \$114 | \$403 | 9.53% | 38.37% | \$15 |
| 2016 | \$37 | \$100 | \$143 | \$110 | \$390 | 9.53% | 38.37% | \$14 |
| 2017 | \$36 | \$97 | \$138 | \$106 | \$377 | 9.53% | 38.37% | \$14 |
| 2018 | \$35 | \$94 | \$133 | \$102 | \$364 | 9.53% | 38.37% | \$13 |
| 2019 | \$34 | \$91 | \$129 | \$98 | \$352 | 9.53% | 38.37% | \$13 |
| 2020 | \$33 | \$88 | \$125 | \$94 | \$340 | 9.53% | 38.37% | \$12 |
| 2021 | \$32 | \$85 | \$121 | \$90 | \$328 | 9.53% | 38.37% | \$12 |
| 2022 | \$31 | \$82 | \$117 | \$87 | \$317 | 9.53% | 38.37% | \$12 |
| 2023 | \$30 | \$79 | \$113 | \$84 | \$306 | 9.53% | 38.37% | \$11 |
| 2024 | \$29 | \$76 | \$109 | \$81 | \$295 | 9.53% | 38.37% | \$11 |
| 2025 | \$28 | \$73 | \$105 | \$78 | \$284 | 9.53% | 38.37% | \$10 |

Table 4

| Incremental Customer Costs | | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------|-----------------|--------------------------------|-----------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 | 5+8 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual O&M Cost | Total Incremental Adm. & O&M Cost |
| 2006 | \$1.61 | \$19 | 38.37% | \$7.29 | \$27.66 | 38.37% | \$11 | \$18 |
| 2007 | \$1.65 | \$20 | 38.37% | \$7.67 | \$28.32 | 38.37% | \$11 | \$19 |
| 2008 | \$1.69 | \$20 | 38.37% | \$7.67 | \$29.00 | 38.37% | \$11 | \$19 |
| 2009 | \$1.73 | \$21 | 38.37% | \$8.06 | \$29.70 | 38.37% | \$11 | \$19 |
| 2010 | \$1.77 | \$21 | 38.37% | \$8.06 | \$30.41 | 38.37% | \$12 | \$20 |
| 2011 | \$1.81 | \$22 | 38.37% | \$8.44 | \$31.14 | 38.37% | \$12 | \$20 |
| 2012 | \$1.86 | \$22 | 38.37% | \$8.44 | \$31.89 | 38.37% | \$12 | \$21 |
| 2013 | \$1.90 | \$23 | 38.37% | \$8.83 | \$32.66 | 38.37% | \$13 | \$21 |
| 2014 | \$1.95 | \$23 | 38.37% | \$8.83 | \$33.44 | 38.37% | \$13 | \$22 |
| 2015 | \$1.99 | \$24 | 38.37% | \$9.21 | \$34.24 | 38.37% | \$13 | \$22 |
| 2016 | \$2.04 | \$24 | 38.37% | \$9.21 | \$35.06 | 38.37% | \$13 | \$23 |
| 2017 | \$2.09 | \$25 | 38.37% | \$9.59 | \$35.90 | 38.37% | \$14 | \$23 |
| 2018 | \$2.14 | \$26 | 38.37% | \$9.98 | \$36.77 | 38.37% | \$14 | \$24 |
| 2019 | \$2.19 | \$26 | 38.37% | \$9.98 | \$37.65 | 38.37% | \$14 | \$24 |
| 2020 | \$2.24 | \$27 | 38.37% | \$10.36 | \$38.55 | 38.37% | \$15 | \$25 |
| 2021 | \$2.30 | \$28 | 38.37% | \$10.74 | \$39.48 | 38.37% | \$15 | \$26 |
| 2022 | \$2.35 | \$28 | 38.37% | \$10.74 | \$40.43 | 38.37% | \$16 | \$26 |
| 2023 | \$2.41 | \$29 | 38.37% | \$11.13 | \$41.40 | 38.37% | \$16 | \$27 |
| 2024 | \$2.47 | \$30 | 38.37% | \$11.51 | \$42.39 | 38.37% | \$16 | \$28 |
| 2025 | \$2.53 | \$30 | 38.37% | \$11.51 | \$43.41 | 38.37% | \$17 | \$28 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 170 | 0.9377 | \$159 |
| 2007 | 170 | \$0.9602 | \$163 |
| 2008 | 170 | \$0.9833 | \$167 |
| 2009 | 170 | \$1.0069 | \$171 |
| 2010 | 170 | \$1.0310 | \$175 |
| 2011 | 170 | \$1.0558 | \$179 |
| 2012 | 170 | \$1.0811 | \$184 |
| 2013 | 170 | \$1.1071 | \$188 |
| 2014 | 170 | \$1.1336 | \$193 |
| 2015 | 170 | \$1.1608 | \$197 |
| 2016 | 170 | \$1.1887 | \$202 |
| 2017 | 170 | \$1.2172 | \$207 |
| 2018 | 170 | \$1.2464 | \$212 |
| 2019 | 170 | \$1.2763 | \$217 |
| 2020 | 170 | \$1.3070 | \$222 |
| 2021 | 170 | \$1.3383 | \$228 |
| 2022 | 170 | \$1.3705 | \$233 |
| 2023 | 170 | \$1.4034 | \$239 |
| 2024 | 170 | \$1.4370 | \$244 |
| 2025 | 170 | \$1.4715 | \$250 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential New Construction Program
RIM Test and Participants Test Results**

For

Tankless Water Heating

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Cost Effective Results**

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | | | Table 2 | | Table 3 | Table 4 | | |
| 1 | 2 | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2006 | 1 | \$536 | \$450 | \$36 | \$1,022 | \$950 | (\$314) | \$400 | \$36 | \$155 | \$86 | \$52 | \$1,364 |
| 2007 | 2 | \$543 | 0 | \$37 | \$580 | 0 | 0 | 0 | \$37 | \$158 | \$86 | \$52 | \$333 |
| 2008 | 3 | \$550 | 0 | \$38 | \$588 | 0 | 0 | 0 | \$38 | \$162 | \$86 | \$52 | \$338 |
| 2009 | 4 | \$557 | 0 | \$39 | \$596 | 0 | 0 | 0 | \$39 | \$166 | \$86 | \$52 | \$342 |
| 2010 | 5 | \$564 | 0 | \$40 | \$604 | 0 | 0 | 0 | \$40 | \$170 | \$86 | \$52 | \$347 |
| 2011 | 6 | \$571 | 0 | \$41 | \$612 | 0 | 0 | 0 | \$41 | \$174 | \$86 | \$52 | \$352 |
| 2012 | 7 | \$578 | 0 | \$42 | \$620 | 0 | 0 | 0 | \$42 | \$178 | \$86 | \$52 | \$358 |
| 2013 | 8 | \$585 | 0 | \$43 | \$628 | 0 | 0 | 0 | \$43 | \$183 | \$86 | \$52 | \$363 |
| 2014 | 9 | \$592 | 0 | \$44 | \$636 | 0 | 0 | 0 | \$44 | \$187 | \$86 | \$52 | \$368 |
| 2015 | 10 | \$599 | 0 | \$45 | \$644 | 0 | 0 | 0 | \$45 | \$192 | \$86 | \$52 | \$374 |
| 2016 | 11 | \$607 | 0 | \$46 | \$652 | 0 | 0 | 0 | \$46 | \$196 | \$86 | \$52 | \$379 |
| 2017 | 12 | \$614 | 0 | \$47 | \$660 | 0 | 0 | 0 | \$47 | \$201 | \$86 | \$52 | \$385 |
| 2018 | 13 | \$621 | 0 | \$48 | \$669 | 0 | 0 | 0 | \$48 | \$206 | \$86 | \$52 | \$391 |
| 2019 | 14 | \$628 | 0 | \$49 | \$677 | 0 | 0 | 0 | \$49 | \$211 | \$86 | \$52 | \$397 |
| 2020 | 15 | \$635 | 0 | \$50 | \$685 | 0 | 0 | 0 | \$50 | \$216 | \$86 | \$52 | \$403 |
| 2021 | 16 | \$642 | 0 | \$51 | \$693 | 0 | 0 | 0 | \$51 | \$221 | \$86 | \$52 | \$410 |
| 2022 | 17 | \$649 | 0 | \$53 | \$702 | 0 | 0 | 0 | \$53 | \$226 | \$86 | \$52 | \$416 |
| 2023 | 18 | \$656 | 0 | \$54 | \$710 | 0 | 0 | 0 | \$54 | \$232 | \$86 | \$52 | \$423 |
| 2024 | 19 | \$663 | 0 | \$55 | \$718 | 0 | 0 | 0 | \$55 | \$237 | \$86 | \$52 | \$430 |
| 2025 | 20 | \$670 | 450 | \$56 | \$1,177 | 1,527 | (505) | 402 | \$56 | \$243 | \$86 | \$52 | \$1,861 |

Present Value
of Benefits \$6,683

Present Value
of Costs \$4,848

| | |
|-----------------------|------|
| Benefit/Cost Ratio | 1.38 |
|-----------------------|------|

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Data**

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| | | | |
|--------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj. | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 4,773 | 10.00% | \$536 |
| 2007 | \$0.1034 | 4,773 | 10.00% | \$543 |
| 2008 | \$0.1047 | 4,773 | 10.00% | \$550 |
| 2009 | \$0.1061 | 4,773 | 10.00% | \$557 |
| 2010 | \$0.1074 | 4,773 | 10.00% | \$564 |
| 2011 | \$0.1088 | 4,773 | 10.00% | \$571 |
| 2012 | \$0.1101 | 4,773 | 10.00% | \$578 |
| 2013 | \$0.1115 | 4,773 | 10.00% | \$585 |
| 2014 | \$0.1128 | 4,773 | 10.00% | \$592 |
| 2015 | \$0.1142 | 4,773 | 10.00% | \$599 |
| 2016 | \$0.1155 | 4,773 | 10.00% | \$607 |
| 2017 | \$0.1169 | 4,773 | 10.00% | \$614 |
| 2018 | \$0.1182 | 4,773 | 10.00% | \$621 |
| 2019 | \$0.1196 | 4,773 | 10.00% | \$628 |
| 2020 | \$0.1209 | 4,773 | 10.00% | \$635 |
| 2021 | \$0.1223 | 4,773 | 10.00% | \$642 |
| 2022 | \$0.1236 | 4,773 | 10.00% | \$649 |
| 2023 | \$0.1250 | 4,773 | 10.00% | \$656 |
| 2024 | \$0.1263 | 4,773 | 10.00% | \$663 |
| 2025 | \$0.1277 | 4,773 | 10.00% | \$670 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 150 | 10.00% | \$155 |
| 2007 | \$0.9602 | 150 | 10.00% | \$158 |
| 2008 | \$0.9833 | 150 | 10.00% | \$162 |
| 2009 | \$1.0069 | 150 | 10.00% | \$166 |
| 2010 | \$1.0310 | 150 | 10.00% | \$170 |
| 2011 | \$1.0558 | 150 | 10.00% | \$174 |
| 2012 | \$1.0811 | 150 | 10.00% | \$178 |
| 2013 | \$1.1071 | 150 | 10.00% | \$183 |
| 2014 | \$1.1336 | 150 | 10.00% | \$187 |
| 2015 | \$1.1608 | 150 | 10.00% | \$192 |
| 2016 | \$1.1887 | 150 | 10.00% | \$196 |
| 2017 | \$1.2172 | 150 | 10.00% | \$201 |
| 2018 | \$1.2464 | 150 | 10.00% | \$206 |
| 2019 | \$1.2763 | 150 | 10.00% | \$211 |
| 2020 | \$1.3070 | 150 | 10.00% | \$216 |
| 2021 | \$1.3383 | 150 | 10.00% | \$221 |
| 2022 | \$1.3705 | 150 | 10.00% | \$226 |
| 2023 | \$1.4034 | 150 | 10.00% | \$232 |
| 2024 | \$1.4370 | 150 | 10.00% | \$237 |
| 2025 | \$1.4715 | 150 | 10.00% | \$243 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 150 | 10.00% | \$86 |
| 2007 | \$0.5214 | 150 | 10.00% | \$86 |
| 2008 | \$0.5214 | 150 | 10.00% | \$86 |
| 2009 | \$0.5214 | 150 | 10.00% | \$86 |
| 2010 | \$0.5214 | 150 | 10.00% | \$86 |
| 2011 | \$0.5214 | 150 | 10.00% | \$86 |
| 2012 | \$0.5214 | 150 | 10.00% | \$86 |
| 2013 | \$0.5214 | 150 | 10.00% | \$86 |
| 2014 | \$0.5214 | 150 | 10.00% | \$86 |
| 2015 | \$0.5214 | 150 | 10.00% | \$86 |
| 2016 | \$0.5214 | 150 | 10.00% | \$86 |
| 2017 | \$0.5214 | 150 | 10.00% | \$86 |
| 2018 | \$0.5214 | 150 | 10.00% | \$86 |
| 2019 | \$0.5214 | 150 | 10.00% | \$86 |
| 2020 | \$0.5214 | 150 | 10.00% | \$86 |
| 2021 | \$0.5214 | 150 | 10.00% | \$86 |
| 2022 | \$0.5214 | 150 | 10.00% | \$86 |
| 2023 | \$0.5214 | 150 | 10.00% | \$86 |
| 2024 | \$0.5214 | 150 | 10.00% | \$86 |
| 2025 | \$0.5214 | 150 | 10.00% | \$86 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2007 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2008 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2009 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2010 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2011 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2012 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2013 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2014 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2015 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2016 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2017 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2018 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2019 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2020 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2021 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2022 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2023 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2024 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2025 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Results**

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|
| | Table 1 | Table 1A | Table 2 | 2 thru 4 | Table 5 | Table 3 | Table 4 | 9 | 6 thru 9 |
| | 2 | 3 | 4 | | 6 | 7 | 8 | | |
| 2002 | \$78 | \$141 | \$47 | \$266 | \$141 | \$19 | \$17 | \$453.08 | \$629 |
| 2003 | \$78 | \$144 | \$47 | \$269 | \$144 | \$18 | \$17 | \$3.08 | \$182 |
| 2004 | \$78 | \$147 | \$47 | \$273 | \$147 | \$17 | \$17 | \$3.08 | \$185 |
| 2005 | \$78 | \$151 | \$47 | \$276 | \$151 | \$17 | \$18 | \$3.08 | \$189 |
| 2006 | \$78 | \$155 | \$47 | \$280 | \$155 | \$16 | \$18 | \$3.08 | \$192 |
| 2007 | \$78 | \$158 | \$47 | \$284 | \$158 | \$16 | \$19 | \$3.08 | \$196 |
| 2008 | \$78 | \$162 | \$47 | \$287 | \$162 | \$15 | \$19 | \$3.08 | \$199 |
| 2009 | \$78 | \$166 | \$47 | \$291 | \$166 | \$15 | \$20 | \$3.08 | \$204 |
| 2010 | \$78 | \$170 | \$47 | \$295 | \$170 | \$14 | \$20 | \$3.08 | \$207 |
| 2011 | \$78 | \$174 | \$47 | \$299 | \$174 | \$14 | \$21 | \$3.08 | \$211 |
| 2012 | \$78 | \$178 | \$47 | \$303 | \$178 | \$13 | \$21 | \$3.08 | \$216 |
| 2013 | \$78 | \$183 | \$47 | \$308 | \$183 | \$13 | \$22 | \$3.08 | \$220 |
| 2014 | \$78 | \$187 | \$47 | \$312 | \$187 | \$12 | \$22 | \$3.08 | \$225 |
| 2015 | \$78 | \$191 | \$47 | \$317 | \$191 | \$12 | \$23 | \$3.08 | \$229 |
| 2016 | \$78 | \$196 | \$47 | \$321 | \$196 | \$11 | \$23 | \$3.08 | \$234 |
| 2017 | \$78 | \$201 | \$47 | \$326 | \$201 | \$11 | \$24 | \$3.08 | \$239 |
| 2018 | \$78 | \$206 | \$47 | \$331 | \$206 | \$11 | \$24 | \$3.08 | \$244 |
| 2019 | \$78 | \$211 | \$47 | \$336 | \$211 | \$10 | \$25 | \$3.08 | \$249 |
| 2020 | \$78 | \$216 | \$47 | \$341 | \$216 | \$10 | \$26 | \$3.08 | \$254 |
| 2021 | \$78 | \$221 | \$47 | \$346 | \$221 | \$10 | \$26 | \$453.08 | \$709 |

Present Value
of Benefits

\$2,874

Present Value
of Costs

\$2,530

| | |
|-------------------------------|-------------|
| Benefit/Cost Ratio | 1.14 |
|-------------------------------|-------------|

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Calculated Data**

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M/Inflation Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 150 | \$0.5214 | \$78 |
| 2007 | 150 | \$0.5214 | \$78 |
| 2008 | 150 | \$0.5214 | \$78 |
| 2009 | 150 | \$0.5214 | \$78 |
| 2010 | 150 | \$0.5214 | \$78 |
| 2011 | 150 | \$0.5214 | \$78 |
| 2012 | 150 | \$0.5214 | \$78 |
| 2013 | 150 | \$0.5214 | \$78 |
| 2014 | 150 | \$0.5214 | \$78 |
| 2015 | 150 | \$0.5214 | \$78 |
| 2016 | 150 | \$0.5214 | \$78 |
| 2017 | 150 | \$0.5214 | \$78 |
| 2018 | 150 | \$0.5214 | \$78 |
| 2019 | 150 | \$0.5214 | \$78 |
| 2020 | 150 | \$0.5214 | \$78 |
| 2021 | 150 | \$0.5214 | \$78 |
| 2022 | 150 | \$0.5214 | \$78 |
| 2023 | 150 | \$0.5214 | \$78 |
| 2024 | 150 | \$0.5214 | \$78 |
| 2025 | 150 | \$0.5214 | \$78 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 150 | \$0.9377 | \$141 |
| 2007 | 150 | \$0.9602 | \$144 |
| 2008 | 150 | \$0.9823 | \$147 |
| 2009 | 150 | \$1.0059 | \$151 |
| 2010 | 150 | \$1.0310 | \$155 |
| 2011 | 150 | \$1.0558 | \$158 |
| 2012 | 150 | \$1.0811 | \$162 |
| 2013 | 150 | \$1.1071 | \$166 |
| 2014 | 150 | \$1.1338 | \$170 |
| 2015 | 150 | \$1.1608 | \$174 |
| 2016 | 150 | \$1.1887 | \$178 |
| 2017 | 150 | \$1.2172 | \$183 |
| 2018 | 150 | \$1.2464 | \$187 |
| 2019 | 150 | \$1.2763 | \$191 |
| 2020 | 150 | \$1.3070 | \$196 |
| 2021 | 150 | \$1.3383 | \$201 |
| 2022 | 150 | \$1.3705 | \$206 |
| 2023 | 150 | \$1.4034 | \$211 |
| 2024 | 150 | \$1.4370 | \$216 |
| 2025 | 150 | \$1.4715 | \$221 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2007 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2008 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2009 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2010 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2011 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2012 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2013 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2014 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2015 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2016 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2017 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2018 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2019 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2020 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2021 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2022 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2023 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2024 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2025 | \$11.03 | \$132.36 | 35.46% | \$47 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 6*7*8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost |
| 2006 | \$50 | \$140 | \$200 | \$163 | \$553 | 9.53% | 35.46% |
| 2007 | \$48 | \$135 | \$193 | \$157 | \$533 | 9.53% | 35.46% |
| 2008 | \$46 | \$131 | \$187 | \$151 | \$515 | 9.53% | 35.46% |
| 2009 | \$44 | \$127 | \$181 | \$145 | \$497 | 9.53% | 35.46% |
| 2010 | \$43 | \$123 | \$175 | \$139 | \$480 | 9.53% | 35.46% |
| 2011 | \$42 | \$119 | \$169 | \$134 | \$464 | 9.53% | 35.46% |
| 2012 | \$41 | \$115 | \$163 | \$129 | \$448 | 9.53% | 35.46% |
| 2013 | \$40 | \$111 | \$158 | \$124 | \$433 | 9.53% | 35.46% |
| 2014 | \$39 | \$107 | \$153 | \$119 | \$418 | 9.53% | 35.46% |
| 2015 | \$38 | \$103 | \$148 | \$114 | \$403 | 9.53% | 35.46% |
| 2016 | \$37 | \$100 | \$143 | \$110 | \$390 | 9.53% | 35.46% |
| 2017 | \$36 | \$97 | \$138 | \$106 | \$377 | 9.53% | 35.46% |
| 2018 | \$35 | \$94 | \$133 | \$102 | \$364 | 9.53% | 35.46% |
| 2019 | \$34 | \$91 | \$129 | \$98 | \$352 | 9.53% | 35.46% |
| 2020 | \$33 | \$88 | \$125 | \$94 | \$340 | 9.53% | 35.46% |
| 2021 | \$32 | \$85 | \$121 | \$90 | \$328 | 9.53% | 35.46% |
| 2022 | \$31 | \$82 | \$117 | \$87 | \$317 | 9.53% | 35.46% |
| 2023 | \$30 | \$79 | \$113 | \$84 | \$306 | 9.53% | 35.46% |
| 2024 | \$29 | \$76 | \$109 | \$81 | \$295 | 9.53% | 35.46% |
| 2025 | \$28 | \$73 | \$105 | \$78 | \$284 | 9.53% | 35.46% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio O&M Cost |
| 2006 | \$1.61 | \$19 | 35.46% | \$6.74 | \$27.66 | 35.46% | \$10 |
| 2007 | \$1.65 | \$20 | 35.46% | \$7.09 | \$28.32 | 35.46% | \$10 |
| 2008 | \$1.69 | \$20 | 35.46% | \$7.09 | \$29.00 | 35.46% | \$10 |
| 2009 | \$1.73 | \$21 | 35.46% | \$7.45 | \$29.70 | 35.46% | \$11 |
| 2010 | \$1.77 | \$21 | 35.46% | \$7.45 | \$30.41 | 35.46% | \$11 |
| 2011 | \$1.81 | \$22 | 35.46% | \$7.80 | \$31.14 | 35.46% | \$11 |
| 2012 | \$1.86 | \$22 | 35.46% | \$7.80 | \$31.89 | 35.46% | \$11 |
| 2013 | \$1.90 | \$23 | 35.46% | \$8.16 | \$32.66 | 35.46% | \$12 |
| 2014 | \$1.95 | \$23 | 35.46% | \$8.16 | \$33.44 | 35.46% | \$12 |
| 2015 | \$1.99 | \$24 | 35.46% | \$8.51 | \$34.24 | 35.46% | \$12 |
| 2016 | \$2.04 | \$24 | 35.46% | \$8.51 | \$35.06 | 35.46% | \$12 |
| 2017 | \$2.09 | \$25 | 35.46% | \$8.87 | \$35.90 | 35.46% | \$13 |
| 2018 | \$2.14 | \$26 | 35.46% | \$9.22 | \$36.77 | 35.46% | \$13 |
| 2019 | \$2.19 | \$26 | 35.46% | \$9.22 | \$37.65 | 35.46% | \$13 |
| 2020 | \$2.24 | \$27 | 35.46% | \$9.57 | \$38.55 | 35.46% | \$14 |
| 2021 | \$2.30 | \$28 | 35.46% | \$9.93 | \$39.48 | 35.46% | \$14 |
| 2022 | \$2.35 | \$28 | 35.46% | \$9.93 | \$40.43 | 35.46% | \$14 |
| 2023 | \$2.41 | \$29 | 35.46% | \$10.28 | \$41.40 | 35.46% | \$15 |
| 2024 | \$2.47 | \$30 | 35.46% | \$10.64 | \$42.39 | 35.46% | \$15 |
| 2025 | \$2.53 | \$30 | 35.46% | \$10.64 | \$43.41 | 35.46% | \$15 |

Table 5

| Gas Costs | | | |
|-----------|--------|---------------------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Per Therm Gas Supply Cost | Gas Supply Cost |
| 2006 | 150 | 0.9377 | \$141 |
| 2007 | 150 | \$0.9602 | \$144 |
| 2008 | 150 | \$0.9823 | \$147 |
| 2009 | 150 | \$1.0059 | \$151 |
| 2010 | 150 | \$1.0310 | \$155 |
| 2011 | 150 | \$1.0558 | \$158 |
| 2012 | 150 | \$1.0811 | \$162 |
| 2013 | 150 | \$1.1071 | \$166 |
| 2014 | 150 | \$1.1338 | \$170 |
| 2015 | 150 | \$1.1608 | \$174 |
| 2016 | 150 | \$1.1887 | \$178 |
| 2017 | 150 | \$1.2172 | \$183 |
| 2018 | 150 | \$1.2464 | \$187 |
| 2019 | 150 | \$1.2763 | \$191 |
| 2020 | 150 | \$1.3070 | \$196 |
| 2021 | 150 | \$1.3383 | \$201 |
| 2022 | 150 | \$1.3705 | \$206 |
| 2023 | 150 | \$1.4034 | \$211 |
| 2024 | 150 | \$1.4370 | \$216 |
| 2025 | 150 | \$1.4715 | \$221 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential New Construction Program
RIM Test and Participants Test Results
For
Heating Systems**

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Heating System |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | Table 2 | | Table 3 | Table 4 | | | | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2006 | 1 | \$353 | \$350 | \$192 | \$895 | \$2,052 | (\$3,850) | \$1,885 | \$192 | \$184 | \$102 | \$59 | \$623 |
| 2007 | 2 | \$358 | 0 | \$197 | \$555 | 0 | 0 | 0 | \$197 | \$188 | \$102 | \$59 | \$545 |
| 2008 | 3 | \$363 | 0 | \$201 | \$564 | 0 | 0 | 0 | \$201 | \$193 | \$102 | \$59 | \$554 |
| 2009 | 4 | \$368 | 0 | \$206 | \$574 | 0 | 0 | 0 | \$206 | \$197 | \$102 | \$59 | \$564 |
| 2010 | 5 | \$372 | 0 | \$211 | \$583 | 0 | 0 | 0 | \$211 | \$202 | \$102 | \$59 | \$574 |
| 2011 | 6 | \$377 | 0 | \$216 | \$593 | 0 | 0 | 0 | \$216 | \$207 | \$102 | \$59 | \$583 |
| 2012 | 7 | \$382 | 0 | \$221 | \$603 | 0 | 0 | 0 | \$221 | \$212 | \$102 | \$59 | \$594 |
| 2013 | 8 | \$386 | 0 | \$227 | \$613 | 0 | 0 | 0 | \$227 | \$217 | \$102 | \$59 | \$604 |
| 2014 | 9 | \$391 | 0 | \$232 | \$623 | 0 | 0 | 0 | \$232 | \$222 | \$102 | \$59 | \$615 |
| 2015 | 10 | \$396 | 0 | \$238 | \$633 | 0 | 0 | 0 | \$238 | \$227 | \$102 | \$59 | \$626 |
| 2016 | 11 | \$400 | 0 | \$243 | \$644 | 0 | 0 | 0 | \$243 | \$233 | \$102 | \$59 | \$637 |
| 2017 | 12 | \$405 | 0 | \$249 | \$654 | 0 | 0 | 0 | \$249 | \$238 | \$102 | \$59 | \$648 |
| 2018 | 13 | \$410 | 0 | \$255 | \$665 | 0 | 0 | 0 | \$255 | \$244 | \$102 | \$59 | \$660 |
| 2019 | 14 | \$414 | 0 | \$261 | \$676 | 0 | 0 | 0 | \$261 | \$250 | \$102 | \$59 | \$672 |
| 2020 | 15 | \$419 | 350 | \$268 | \$1,037 | 2,929 | (5,495) | 2,352 | \$268 | \$256 | \$102 | \$59 | \$470 |
| 2021 | 16 | \$424 | 0 | \$274 | \$698 | 0 | 0 | 0 | \$274 | \$262 | \$102 | \$59 | \$697 |
| 2022 | 17 | \$428 | 0 | \$281 | \$709 | 0 | 0 | 0 | \$281 | \$268 | \$102 | \$59 | \$710 |
| 2023 | 18 | \$433 | 0 | \$287 | \$720 | 0 | 0 | 0 | \$287 | \$275 | \$102 | \$59 | \$723 |
| 2024 | 19 | \$438 | 0 | \$294 | \$732 | 0 | 0 | 0 | \$294 | \$281 | \$102 | \$59 | \$736 |
| 2025 | 20 | \$442 | 0 | \$301 | \$744 | 0 | 0 | 0 | \$301 | \$288 | \$102 | \$59 | \$750 |

Present Value of Benefits \$6,475

Present Value of Costs \$5,984

| | |
|--------------------|------|
| Benefit/Cost Ratio | 1.08 |
|--------------------|------|

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Data**

| |
|-----------------------|
| Appliance Type |
| Heating System |

| | | | |
|-------------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 3,150 | 10.00% | \$353 |
| 2007 | \$0.1034 | 3,150 | 10.00% | \$358 |
| 2008 | \$0.1047 | 3,150 | 10.00% | \$363 |
| 2009 | \$0.1061 | 3,150 | 10.00% | \$368 |
| 2010 | \$0.1074 | 3,150 | 10.00% | \$372 |
| 2011 | \$0.1088 | 3,150 | 10.00% | \$377 |
| 2012 | \$0.1101 | 3,150 | 10.00% | \$382 |
| 2013 | \$0.1115 | 3,150 | 10.00% | \$386 |
| 2014 | \$0.1128 | 3,150 | 10.00% | \$391 |
| 2015 | \$0.1142 | 3,150 | 10.00% | \$396 |
| 2016 | \$0.1155 | 3,150 | 10.00% | \$400 |
| 2017 | \$0.1169 | 3,150 | 10.00% | \$405 |
| 2018 | \$0.1182 | 3,150 | 10.00% | \$410 |
| 2019 | \$0.1196 | 3,150 | 10.00% | \$414 |
| 2020 | \$0.1209 | 3,150 | 10.00% | \$419 |
| 2021 | \$0.1223 | 3,150 | 10.00% | \$424 |
| 2022 | \$0.1236 | 3,150 | 10.00% | \$428 |
| 2023 | \$0.1250 | 3,150 | 10.00% | \$433 |
| 2024 | \$0.1263 | 3,150 | 10.00% | \$438 |
| 2025 | \$0.1277 | 3,150 | 10.00% | \$442 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 178 | 10.00% | \$184 |
| 2007 | \$0.9602 | 178 | 10.00% | \$188 |
| 2008 | \$0.9833 | 178 | 10.00% | \$193 |
| 2009 | \$1.0069 | 178 | 10.00% | \$197 |
| 2010 | \$1.0310 | 178 | 10.00% | \$202 |
| 2011 | \$1.0558 | 178 | 10.00% | \$207 |
| 2012 | \$1.0811 | 178 | 10.00% | \$212 |
| 2013 | \$1.1071 | 178 | 10.00% | \$217 |
| 2014 | \$1.1336 | 178 | 10.00% | \$222 |
| 2015 | \$1.1608 | 178 | 10.00% | \$227 |
| 2016 | \$1.1887 | 178 | 10.00% | \$233 |
| 2017 | \$1.2172 | 178 | 10.00% | \$238 |
| 2018 | \$1.2464 | 178 | 10.00% | \$244 |
| 2019 | \$1.2763 | 178 | 10.00% | \$250 |
| 2020 | \$1.3070 | 178 | 10.00% | \$256 |
| 2021 | \$1.3383 | 178 | 10.00% | \$262 |
| 2022 | \$1.3705 | 178 | 10.00% | \$268 |
| 2023 | \$1.4034 | 178 | 10.00% | \$275 |
| 2024 | \$1.4370 | 178 | 10.00% | \$281 |
| 2025 | \$1.4715 | 178 | 10.00% | \$288 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 178 | 10.00% | \$102 |
| 2007 | \$0.5214 | 178 | 10.00% | \$102 |
| 2008 | \$0.5214 | 178 | 10.00% | \$102 |
| 2009 | \$0.5214 | 178 | 10.00% | \$102 |
| 2010 | \$0.5214 | 178 | 10.00% | \$102 |
| 2011 | \$0.5214 | 178 | 10.00% | \$102 |
| 2012 | \$0.5214 | 178 | 10.00% | \$102 |
| 2013 | \$0.5214 | 178 | 10.00% | \$102 |
| 2014 | \$0.5214 | 178 | 10.00% | \$102 |
| 2015 | \$0.5214 | 178 | 10.00% | \$102 |
| 2016 | \$0.5214 | 178 | 10.00% | \$102 |
| 2017 | \$0.5214 | 178 | 10.00% | \$102 |
| 2018 | \$0.5214 | 178 | 10.00% | \$102 |
| 2019 | \$0.5214 | 178 | 10.00% | \$102 |
| 2020 | \$0.5214 | 178 | 10.00% | \$102 |
| 2021 | \$0.5214 | 178 | 10.00% | \$102 |
| 2022 | \$0.5214 | 178 | 10.00% | \$102 |
| 2023 | \$0.5214 | 178 | 10.00% | \$102 |
| 2024 | \$0.5214 | 178 | 10.00% | \$102 |
| 2025 | \$0.5214 | 178 | 10.00% | \$102 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2007 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2008 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2009 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2010 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2011 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2012 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2013 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2014 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2015 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2016 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2017 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2018 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2019 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2020 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2021 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2022 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2023 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2024 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2025 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Results**

| |
|-----------------------|
| Appliance Type |
| Heating System |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|
| | Table 1 | Table 1A | Table 2 | 2 thru 4 | Table 5 | Table 3 | Table 4 | 9 | 6 thru 9 |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 2006 | \$93 | \$167 | \$53 | \$313 | \$167 | \$21 | \$19 | \$353.22 | \$560 |
| 2007 | \$93 | \$171 | \$53 | \$317 | \$171 | \$20 | \$19 | \$3.22 | \$214 |
| 2008 | \$93 | \$175 | \$53 | \$321 | \$175 | \$20 | \$20 | \$3.22 | \$218 |
| 2009 | \$93 | \$179 | \$53 | \$325 | \$179 | \$19 | \$20 | \$3.22 | \$222 |
| 2010 | \$93 | \$184 | \$53 | \$330 | \$184 | \$18 | \$21 | \$3.22 | \$226 |
| 2011 | \$93 | \$188 | \$53 | \$334 | \$188 | \$18 | \$21 | \$3.22 | \$230 |
| 2012 | \$93 | \$192 | \$53 | \$338 | \$192 | \$17 | \$22 | \$3.22 | \$234 |
| 2013 | \$93 | \$197 | \$53 | \$343 | \$197 | \$17 | \$22 | \$3.22 | \$239 |
| 2014 | \$93 | \$202 | \$53 | \$348 | \$202 | \$16 | \$23 | \$3.22 | \$244 |
| 2015 | \$93 | \$207 | \$53 | \$353 | \$207 | \$15 | \$23 | \$3.22 | \$249 |
| 2016 | \$93 | \$212 | \$53 | \$358 | \$212 | \$15 | \$24 | \$3.22 | \$253 |
| 2017 | \$93 | \$217 | \$53 | \$363 | \$217 | \$14 | \$24 | \$3.22 | \$259 |
| 2018 | \$93 | \$222 | \$53 | \$368 | \$222 | \$14 | \$25 | \$3.22 | \$264 |
| 2019 | \$93 | \$227 | \$53 | \$373 | \$227 | \$13 | \$26 | \$3.22 | \$269 |
| 2020 | \$93 | \$233 | \$53 | \$379 | \$233 | \$13 | \$26 | \$353.22 | \$625 |
| 2021 | \$93 | \$238 | \$53 | \$384 | \$238 | \$13 | \$27 | \$3.22 | \$281 |
| 2022 | \$93 | \$244 | \$53 | \$390 | \$244 | \$12 | \$27 | \$3.22 | \$287 |
| 2023 | \$93 | \$250 | \$53 | \$396 | \$250 | \$12 | \$28 | \$3.22 | \$293 |
| 2024 | \$93 | \$256 | \$53 | \$402 | \$256 | \$11 | \$29 | \$3.22 | \$299 |
| 2025 | \$93 | \$262 | \$53 | \$408 | \$262 | \$11 | \$29 | \$3.22 | \$306 |

Present Value
of Benefits \$3,386

Present Value
of Costs \$2,805

| | |
|-------------------------------|-------------|
| Benefit/Cost Ratio | 1.21 |
|-------------------------------|-------------|

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Calculated Data**

| |
|-----------------------|
| Appliance Type |
| Heating System |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M/Inflation Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 178 | \$0.5214 | \$93 |
| 2007 | 178 | \$0.5214 | \$93 |
| 2008 | 178 | \$0.5214 | \$93 |
| 2009 | 178 | \$0.5214 | \$93 |
| 2010 | 178 | \$0.5214 | \$93 |
| 2011 | 178 | \$0.5214 | \$93 |
| 2012 | 178 | \$0.5214 | \$93 |
| 2013 | 178 | \$0.5214 | \$93 |
| 2014 | 178 | \$0.5214 | \$93 |
| 2015 | 178 | \$0.5214 | \$93 |
| 2016 | 178 | \$0.5214 | \$93 |
| 2017 | 178 | \$0.5214 | \$93 |
| 2018 | 178 | \$0.5214 | \$93 |
| 2019 | 178 | \$0.5214 | \$93 |
| 2020 | 178 | \$0.5214 | \$93 |
| 2021 | 178 | \$0.5214 | \$93 |
| 2022 | 178 | \$0.5214 | \$93 |
| 2023 | 178 | \$0.5214 | \$93 |
| 2024 | 178 | \$0.5214 | \$93 |
| 2025 | 178 | \$0.5214 | \$93 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 178 | \$0.9377 | \$167 |
| 2007 | 178 | \$0.9602 | \$171 |
| 2008 | 178 | \$0.9833 | \$175 |
| 2009 | 178 | \$1.0069 | \$179 |
| 2010 | 178 | \$1.0310 | \$184 |
| 2011 | 178 | \$1.0558 | \$188 |
| 2012 | 178 | \$1.0811 | \$192 |
| 2013 | 178 | \$1.1071 | \$197 |
| 2014 | 178 | \$1.1338 | \$202 |
| 2015 | 178 | \$1.1608 | \$207 |
| 2016 | 178 | \$1.1887 | \$212 |
| 2017 | 178 | \$1.2172 | \$217 |
| 2018 | 178 | \$1.2464 | \$222 |
| 2019 | 178 | \$1.2763 | \$227 |
| 2020 | 178 | \$1.3070 | \$233 |
| 2021 | 178 | \$1.3383 | \$238 |
| 2022 | 178 | \$1.3705 | \$244 |
| 2023 | 178 | \$1.4034 | \$250 |
| 2024 | 178 | \$1.4370 | \$256 |
| 2025 | 178 | \$1.4715 | \$262 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2007 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2008 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2009 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2010 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2011 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2012 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2013 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2014 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2015 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2016 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2017 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2018 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2019 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2020 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2021 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2022 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2023 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2024 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2025 | \$11.03 | \$132.36 | 40.18% | \$53 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost |
| 2006 | \$50 | \$140 | \$200 | \$163 | \$553 | 9.53% | \$21 |
| 2007 | \$48 | \$135 | \$193 | \$157 | \$533 | 9.53% | \$20 |
| 2008 | \$46 | \$131 | \$187 | \$151 | \$515 | 9.53% | \$19 |
| 2009 | \$44 | \$127 | \$181 | \$145 | \$497 | 9.53% | \$18 |
| 2010 | \$43 | \$123 | \$175 | \$139 | \$480 | 9.53% | \$18 |
| 2011 | \$42 | \$119 | \$169 | \$134 | \$464 | 9.53% | \$17 |
| 2012 | \$41 | \$115 | \$163 | \$129 | \$448 | 9.53% | \$17 |
| 2013 | \$40 | \$111 | \$158 | \$124 | \$433 | 9.53% | \$16 |
| 2014 | \$39 | \$107 | \$153 | \$119 | \$418 | 9.53% | \$15 |
| 2015 | \$38 | \$103 | \$148 | \$114 | \$403 | 9.53% | \$15 |
| 2016 | \$37 | \$100 | \$143 | \$110 | \$390 | 9.53% | \$14 |
| 2017 | \$36 | \$97 | \$138 | \$106 | \$377 | 9.53% | \$14 |
| 2018 | \$35 | \$94 | \$133 | \$102 | \$364 | 9.53% | \$13 |
| 2019 | \$34 | \$91 | \$129 | \$98 | \$352 | 9.53% | \$13 |
| 2020 | \$33 | \$88 | \$125 | \$94 | \$340 | 9.53% | \$13 |
| 2021 | \$32 | \$85 | \$121 | \$90 | \$328 | 9.53% | \$12 |
| 2022 | \$31 | \$82 | \$117 | \$87 | \$317 | 9.53% | \$12 |
| 2023 | \$30 | \$79 | \$113 | \$84 | \$306 | 9.53% | \$11 |
| 2024 | \$29 | \$76 | \$109 | \$81 | \$295 | 9.53% | \$11 |
| 2025 | \$28 | \$73 | \$105 | \$78 | \$284 | 9.53% | \$11 |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|----------------------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio O&M Adm. & O&M Cost |
| 2006 | \$1.61 | \$19 | 40.18% | \$7.63 | \$27.66 | 40.18% | \$11 |
| 2007 | \$1.65 | \$20 | 40.18% | \$8.04 | \$28.32 | 40.18% | \$11 |
| 2008 | \$1.69 | \$20 | 40.18% | \$8.04 | \$29.00 | 40.18% | \$12 |
| 2009 | \$1.73 | \$21 | 40.18% | \$8.44 | \$29.70 | 40.18% | \$12 |
| 2010 | \$1.77 | \$21 | 40.18% | \$8.44 | \$30.41 | 40.18% | \$12 |
| 2011 | \$1.81 | \$22 | 40.18% | \$8.84 | \$31.14 | 40.18% | \$13 |
| 2012 | \$1.86 | \$22 | 40.18% | \$8.84 | \$31.89 | 40.18% | \$13 |
| 2013 | \$1.90 | \$23 | 40.18% | \$9.24 | \$32.66 | 40.18% | \$13 |
| 2014 | \$1.95 | \$23 | 40.18% | \$9.24 | \$33.44 | 40.18% | \$13 |
| 2015 | \$1.99 | \$24 | 40.18% | \$9.64 | \$34.24 | 40.18% | \$14 |
| 2016 | \$2.04 | \$24 | 40.18% | \$9.64 | \$35.06 | 40.18% | \$14 |
| 2017 | \$2.09 | \$25 | 40.18% | \$10.05 | \$35.80 | 40.18% | \$14 |
| 2018 | \$2.14 | \$26 | 40.18% | \$10.45 | \$36.77 | 40.18% | \$15 |
| 2019 | \$2.19 | \$26 | 40.18% | \$10.45 | \$37.65 | 40.18% | \$15 |
| 2020 | \$2.24 | \$27 | 40.18% | \$10.85 | \$38.55 | 40.18% | \$15 |
| 2021 | \$2.30 | \$28 | 40.18% | \$11.25 | \$39.48 | 40.18% | \$16 |
| 2022 | \$2.35 | \$28 | 40.18% | \$11.25 | \$40.43 | 40.18% | \$16 |
| 2023 | \$2.41 | \$29 | 40.18% | \$11.65 | \$41.40 | 40.18% | \$17 |
| 2024 | \$2.47 | \$30 | 40.18% | \$12.05 | \$42.39 | 40.18% | \$17 |
| 2025 | \$2.53 | \$30 | 40.18% | \$12.05 | \$43.41 | 40.18% | \$17 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Per Therm Supply Cost | Gas Supply Cost |
| 2006 | 178 | \$0.9377 | \$167 |
| 2007 | 178 | \$0.9602 | \$171 |
| 2008 | 178 | \$0.9833 | \$175 |
| 2009 | 178 | \$1.0069 | \$179 |
| 2010 | 178 | \$1.0310 | \$184 |
| 2011 | 178 | \$1.0558 | \$188 |
| 2012 | 178 | \$1.0811 | \$192 |
| 2013 | 178 | \$1.1071 | \$197 |
| 2014 | 178 | \$1.1338 | \$202 |
| 2015 | 178 | \$1.1608 | \$207 |
| 2016 | 178 | \$1.1887 | \$212 |
| 2017 | 178 | \$1.2172 | \$217 |
| 2018 | 178 | \$1.2464 | \$222 |
| 2019 | 178 | \$1.2763 | \$227 |
| 2020 | 178 | \$1.3070 | \$233 |
| 2021 | 178 | \$1.3383 | \$238 |
| 2022 | 178 | \$1.3705 | \$244 |
| 2023 | 178 | \$1.4034 | \$250 |
| 2024 | 178 | \$1.4370 | \$256 |
| 2025 | 178 | \$1.4715 | \$262 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential New Construction Program
RIM Test and Participants Test Results**

For

Clothes Drying Appliances

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Clothes Drying |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | | | | | Table 2 | Table 3 | Table 4 | |
| 1 | 2 | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2005 | 1 | \$164 | \$100 | \$36 | \$300 | \$379 | (\$454) | \$300 | \$36 | \$52 | \$29 | \$16 | \$358 |
| 2006 | 2 | \$167 | 0 | \$37 | \$203 | 0 | 0 | 0 | \$37 | \$53 | \$29 | \$16 | \$135 |
| 2007 | 3 | \$169 | 0 | \$38 | \$207 | 0 | 0 | 0 | \$38 | \$54 | \$29 | \$16 | \$137 |
| 2008 | 4 | \$171 | 0 | \$39 | \$210 | 0 | 0 | 0 | \$39 | \$55 | \$29 | \$16 | \$139 |
| 2009 | 5 | \$173 | 0 | \$40 | \$213 | 0 | 0 | 0 | \$40 | \$57 | \$29 | \$16 | \$141 |
| 2010 | 6 | \$175 | 0 | \$41 | \$216 | 0 | 0 | 0 | \$41 | \$58 | \$29 | \$16 | \$144 |
| 2011 | 7 | \$177 | 0 | \$42 | \$219 | 0 | 0 | 0 | \$42 | \$59 | \$29 | \$16 | \$146 |
| 2012 | 8 | \$180 | 0 | \$43 | \$222 | 0 | 0 | 0 | \$43 | \$61 | \$29 | \$16 | \$148 |
| 2013 | 9 | \$182 | 0 | \$44 | \$225 | 0 | 0 | 0 | \$44 | \$62 | \$29 | \$16 | \$151 |
| 2014 | 10 | \$184 | 0 | \$45 | \$229 | 0 | 0 | 0 | \$45 | \$64 | \$29 | \$16 | \$154 |
| 2015 | 11 | \$186 | 0 | \$46 | \$232 | 0 | 0 | 0 | \$46 | \$65 | \$29 | \$16 | \$156 |
| 2016 | 12 | \$188 | 0 | \$47 | \$235 | 0 | 0 | 0 | \$47 | \$67 | \$29 | \$16 | \$159 |
| 2017 | 13 | \$191 | 100 | \$48 | \$338 | 516 | (618) | 204 | \$48 | \$69 | \$29 | \$16 | \$264 |
| 2018 | 14 | \$193 | 0 | \$49 | \$242 | 0 | 0 | 0 | \$49 | \$70 | \$29 | \$16 | \$164 |
| 2019 | 15 | \$195 | 0 | \$50 | \$245 | 0 | 0 | 0 | \$50 | \$72 | \$29 | \$16 | \$167 |
| 2020 | 16 | \$197 | 0 | \$51 | \$248 | 0 | 0 | 0 | \$51 | \$74 | \$29 | \$16 | \$170 |
| 2021 | 17 | \$199 | 0 | \$53 | \$252 | 0 | 0 | 0 | \$53 | \$75 | \$29 | \$16 | \$173 |
| 2022 | 18 | \$201 | 0 | \$54 | \$255 | 0 | 0 | 0 | \$54 | \$77 | \$29 | \$16 | \$176 |
| 2023 | 19 | \$204 | 0 | \$55 | \$259 | 0 | 0 | 0 | \$55 | \$79 | \$29 | \$16 | \$179 |
| 2024 | 20 | \$206 | 0 | \$56 | \$262 | 0 | 0 | 0 | \$56 | \$81 | \$29 | \$16 | \$183 |

Present Value of Benefits \$2,315

Present Value of Costs \$1,713

| | |
|--------------------|------|
| Benefit/Cost Ratio | 1.35 |
|--------------------|------|

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Data**

| Appliance Type | |
|----------------|--|
| Clothes Drying | |

| Escalation Rates | | | |
|--------------------|------|-----------------|------|
| ORM Expense | 2.4% | Elcc Base Rates | 0.0% |
| Electric Fuel Adj. | 2.4% | PGA Fuel Rate | 2.4% |
| | | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 1,465 | 10.00% | \$164 |
| 2007 | \$0.1034 | 1,465 | 10.00% | \$167 |
| 2008 | \$0.1047 | 1,465 | 10.00% | \$169 |
| 2009 | \$0.1061 | 1,465 | 10.00% | \$171 |
| 2010 | \$0.1074 | 1,465 | 10.00% | \$173 |
| 2011 | \$0.1088 | 1,465 | 10.00% | \$175 |
| 2012 | \$0.1101 | 1,465 | 10.00% | \$177 |
| 2013 | \$0.1115 | 1,465 | 10.00% | \$180 |
| 2014 | \$0.1128 | 1,465 | 10.00% | \$182 |
| 2015 | \$0.1142 | 1,465 | 10.00% | \$184 |
| 2016 | \$0.1155 | 1,465 | 10.00% | \$186 |
| 2017 | \$0.1169 | 1,465 | 10.00% | \$188 |
| 2018 | \$0.1182 | 1,465 | 10.00% | \$191 |
| 2019 | \$0.1196 | 1,465 | 10.00% | \$193 |
| 2020 | \$0.1209 | 1,465 | 10.00% | \$195 |
| 2021 | \$0.1223 | 1,465 | 10.00% | \$197 |
| 2022 | \$0.1236 | 1,465 | 10.00% | \$199 |
| 2023 | \$0.1250 | 1,465 | 10.00% | \$201 |
| 2024 | \$0.1263 | 1,465 | 10.00% | \$204 |
| 2025 | \$0.1277 | 1,465 | 10.00% | \$206 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 50 | 10.00% | \$52 |
| 2007 | \$0.9602 | 50 | 10.00% | \$53 |
| 2008 | \$0.9833 | 50 | 10.00% | \$54 |
| 2009 | \$1.0069 | 50 | 10.00% | \$55 |
| 2010 | \$1.0310 | 50 | 10.00% | \$57 |
| 2011 | \$1.0558 | 50 | 10.00% | \$58 |
| 2012 | \$1.0811 | 50 | 10.00% | \$59 |
| 2013 | \$1.1071 | 50 | 10.00% | \$61 |
| 2014 | \$1.1336 | 50 | 10.00% | \$62 |
| 2015 | \$1.1608 | 50 | 10.00% | \$64 |
| 2016 | \$1.1887 | 50 | 10.00% | \$65 |
| 2017 | \$1.2172 | 50 | 10.00% | \$67 |
| 2018 | \$1.2464 | 50 | 10.00% | \$69 |
| 2019 | \$1.2763 | 50 | 10.00% | \$70 |
| 2020 | \$1.3070 | 50 | 10.00% | \$72 |
| 2021 | \$1.3383 | 50 | 10.00% | \$74 |
| 2022 | \$1.3705 | 50 | 10.00% | \$75 |
| 2023 | \$1.4034 | 50 | 10.00% | \$77 |
| 2024 | \$1.4370 | 50 | 10.00% | \$79 |
| 2025 | \$1.4715 | 50 | 10.00% | \$81 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 50 | 10.00% | \$29 |
| 2007 | \$0.5214 | 50 | 10.00% | \$29 |
| 2008 | \$0.5214 | 50 | 10.00% | \$29 |
| 2009 | \$0.5214 | 50 | 10.00% | \$29 |
| 2010 | \$0.5214 | 50 | 10.00% | \$29 |
| 2011 | \$0.5214 | 50 | 10.00% | \$29 |
| 2012 | \$0.5214 | 50 | 10.00% | \$29 |
| 2013 | \$0.5214 | 50 | 10.00% | \$29 |
| 2014 | \$0.5214 | 50 | 10.00% | \$29 |
| 2015 | \$0.5214 | 50 | 10.00% | \$29 |
| 2016 | \$0.5214 | 50 | 10.00% | \$29 |
| 2017 | \$0.5214 | 50 | 10.00% | \$29 |
| 2018 | \$0.5214 | 50 | 10.00% | \$29 |
| 2019 | \$0.5214 | 50 | 10.00% | \$29 |
| 2020 | \$0.5214 | 50 | 10.00% | \$29 |
| 2021 | \$0.5214 | 50 | 10.00% | \$29 |
| 2022 | \$0.5214 | 50 | 10.00% | \$29 |
| 2023 | \$0.5214 | 50 | 10.00% | \$29 |
| 2024 | \$0.5214 | 50 | 10.00% | \$29 |
| 2025 | \$0.5214 | 50 | 10.00% | \$29 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | DE | G | C*(DE)/(1+Z) |
| 2006 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2007 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2008 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2009 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2010 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2011 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2012 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2013 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2014 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2015 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2016 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2017 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2018 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2019 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2020 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2021 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2022 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2023 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2024 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2025 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Results**

| |
|-----------------------|
| Appliance Type |
| Clothes Drying |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs | |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|----------|
| | Table 1 | Table 1A | Table 2 | | Table 5 | Table 3 | Table 4 | | | |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2006 | \$26 | \$47 | \$15 | \$88 | \$47 | \$6 | \$5 | \$100.91 | \$159 | |
| 2007 | \$26 | \$48 | \$15 | \$89 | \$48 | \$6 | \$5 | \$0.91 | \$60 | |
| 2008 | \$26 | \$49 | \$15 | \$90 | \$49 | \$6 | \$6 | \$0.91 | \$61 | |
| 2009 | \$26 | \$50 | \$15 | \$91 | \$50 | \$5 | \$6 | \$0.91 | \$62 | |
| 2010 | \$26 | \$52 | \$15 | \$93 | \$52 | \$5 | \$6 | \$0.91 | \$63 | |
| 2011 | \$26 | \$53 | \$15 | \$94 | \$53 | \$5 | \$6 | \$0.91 | \$65 | |
| 2012 | \$26 | \$54 | \$15 | \$95 | \$54 | \$5 | \$6 | \$0.91 | \$66 | |
| 2013 | \$26 | \$55 | \$15 | \$96 | \$55 | \$5 | \$6 | \$0.91 | \$67 | |
| 2014 | \$26 | \$57 | \$15 | \$98 | \$57 | \$4 | \$6 | \$0.91 | \$68 | |
| 2015 | \$26 | \$58 | \$15 | \$99 | \$58 | \$4 | \$7 | \$0.91 | \$70 | |
| 2016 | \$26 | \$59 | \$15 | \$100 | \$59 | \$4 | \$7 | \$0.91 | \$71 | |
| 2017 | \$26 | \$61 | \$15 | \$102 | \$61 | \$4 | \$7 | \$0.91 | \$73 | |
| 2018 | \$26 | \$62 | \$15 | \$103 | \$62 | \$4 | \$7 | \$100.91 | \$174 | |
| 2019 | \$26 | \$64 | \$15 | \$105 | \$64 | \$4 | \$7 | \$0.91 | \$76 | |
| 2020 | \$26 | \$65 | \$15 | \$106 | \$65 | \$4 | \$7 | \$0.91 | \$77 | |
| 2021 | \$26 | \$67 | \$15 | \$108 | \$67 | \$4 | \$8 | \$0.91 | \$79 | |
| 2022 | \$26 | \$69 | \$15 | \$110 | \$69 | \$3 | \$8 | \$0.91 | \$81 | |
| 2023 | \$26 | \$70 | \$15 | \$111 | \$70 | \$3 | \$8 | \$0.91 | \$82 | |
| 2024 | \$26 | \$72 | \$15 | \$113 | \$72 | \$3 | \$8 | \$0.91 | \$84 | |
| 2025 | \$26 | \$74 | \$15 | \$115 | \$74 | \$3 | \$8 | \$0.91 | \$86 | |

Present Value
of Benefits **\$951**

Present Value
of Costs **\$795**

| | |
|-------------------------------|-------------|
| Benefit/Cost Ratio | 1.20 |
|-------------------------------|-------------|

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Calculated Data**

| Appliance Type |
|----------------|
| Clothes Drying |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M/Inflation Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 50 | \$0.5214 | \$26 |
| 2007 | 50 | \$0.5214 | \$26 |
| 2008 | 50 | \$0.5214 | \$26 |
| 2009 | 50 | \$0.5214 | \$26 |
| 2010 | 50 | \$0.5214 | \$26 |
| 2011 | 50 | \$0.5214 | \$26 |
| 2012 | 50 | \$0.5214 | \$26 |
| 2013 | 50 | \$0.5214 | \$26 |
| 2014 | 50 | \$0.5214 | \$26 |
| 2015 | 50 | \$0.5214 | \$26 |
| 2016 | 50 | \$0.5214 | \$26 |
| 2017 | 50 | \$0.5214 | \$26 |
| 2018 | 50 | \$0.5214 | \$26 |
| 2019 | 50 | \$0.5214 | \$26 |
| 2020 | 50 | \$0.5214 | \$26 |
| 2021 | 50 | \$0.5214 | \$26 |
| 2022 | 50 | \$0.5214 | \$26 |
| 2023 | 50 | \$0.5214 | \$26 |
| 2024 | 50 | \$0.5214 | \$26 |
| 2025 | 50 | \$0.5214 | \$26 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 50 | \$0.9377 | \$47 |
| 2007 | 50 | \$0.9602 | \$48 |
| 2008 | 50 | \$0.9833 | \$49 |
| 2009 | 50 | \$1.0069 | \$50 |
| 2010 | 50 | \$1.0310 | \$52 |
| 2011 | 50 | \$1.0558 | \$53 |
| 2012 | 50 | \$1.0811 | \$54 |
| 2013 | 50 | \$1.1071 | \$55 |
| 2014 | 50 | \$1.1338 | \$57 |
| 2015 | 50 | \$1.1608 | \$58 |
| 2016 | 50 | \$1.1887 | \$59 |
| 2017 | 50 | \$1.2172 | \$61 |
| 2018 | 50 | \$1.2464 | \$62 |
| 2019 | 50 | \$1.2763 | \$64 |
| 2020 | 50 | \$1.3070 | \$65 |
| 2021 | 50 | \$1.3383 | \$67 |
| 2022 | 50 | \$1.3705 | \$69 |
| 2023 | 50 | \$1.4034 | \$70 |
| 2024 | 50 | \$1.4370 | \$72 |
| 2025 | 50 | \$1.4715 | \$74 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2007 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2008 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2009 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2010 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2011 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2012 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2013 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2014 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2015 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2016 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2017 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2018 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2019 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2020 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2021 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2022 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2023 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2024 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2025 | \$11.03 | \$132.36 | 11.29% | \$15 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total |
| 2006 | \$50 | \$140 | \$200 | \$163 | \$553 | 9.53% | 11.29% |
| 2007 | \$48 | \$135 | \$193 | \$157 | \$533 | 9.53% | 11.29% |
| 2008 | \$46 | \$131 | \$187 | \$151 | \$515 | 9.53% | 11.29% |
| 2009 | \$44 | \$127 | \$181 | \$145 | \$497 | 9.53% | 11.29% |
| 2010 | \$43 | \$123 | \$175 | \$139 | \$480 | 9.53% | 11.29% |
| 2011 | \$42 | \$119 | \$169 | \$134 | \$464 | 9.53% | 11.29% |
| 2012 | \$41 | \$115 | \$163 | \$129 | \$448 | 9.53% | 11.29% |
| 2013 | \$40 | \$111 | \$158 | \$124 | \$433 | 9.53% | 11.29% |
| 2014 | \$39 | \$107 | \$153 | \$119 | \$418 | 9.53% | 11.29% |
| 2015 | \$38 | \$103 | \$148 | \$114 | \$403 | 9.53% | 11.29% |
| 2016 | \$37 | \$100 | \$143 | \$110 | \$390 | 9.53% | 11.29% |
| 2017 | \$36 | \$97 | \$138 | \$106 | \$377 | 9.53% | 11.29% |
| 2018 | \$35 | \$94 | \$133 | \$102 | \$364 | 9.53% | 11.29% |
| 2019 | \$34 | \$91 | \$129 | \$98 | \$352 | 9.53% | 11.29% |
| 2020 | \$33 | \$88 | \$125 | \$94 | \$340 | 9.53% | 11.29% |
| 2021 | \$32 | \$85 | \$121 | \$90 | \$328 | 9.53% | 11.29% |
| 2022 | \$31 | \$82 | \$117 | \$87 | \$317 | 9.53% | 11.29% |
| 2023 | \$30 | \$79 | \$113 | \$84 | \$306 | 9.53% | 11.29% |
| 2024 | \$29 | \$76 | \$109 | \$81 | \$295 | 9.53% | 11.29% |
| 2025 | \$28 | \$73 | \$105 | \$78 | \$284 | 9.53% | 11.29% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|--|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio Total Incremental Adm. & O&M Cost |
| 2006 | \$1.61 | \$19 | 11.29% | \$2.14 | \$27.66 | 11.29% | \$3 |
| 2007 | \$1.65 | \$20 | 11.29% | \$2.28 | \$28.32 | 11.29% | \$3 |
| 2008 | \$1.69 | \$20 | 11.29% | \$2.28 | \$29.00 | 11.29% | \$3 |
| 2009 | \$1.73 | \$21 | 11.29% | \$2.37 | \$29.70 | 11.29% | \$3 |
| 2010 | \$1.77 | \$21 | 11.29% | \$2.37 | \$30.41 | 11.29% | \$3 |
| 2011 | \$1.81 | \$22 | 11.29% | \$2.48 | \$31.14 | 11.29% | \$4 |
| 2012 | \$1.86 | \$22 | 11.29% | \$2.48 | \$31.89 | 11.29% | \$4 |
| 2013 | \$1.90 | \$23 | 11.29% | \$2.60 | \$32.66 | 11.29% | \$4 |
| 2014 | \$1.95 | \$23 | 11.29% | \$2.60 | \$33.44 | 11.29% | \$4 |
| 2015 | \$1.99 | \$24 | 11.29% | \$2.71 | \$34.24 | 11.29% | \$4 |
| 2016 | \$2.04 | \$24 | 11.29% | \$2.71 | \$35.06 | 11.29% | \$4 |
| 2017 | \$2.09 | \$25 | 11.29% | \$2.82 | \$35.90 | 11.29% | \$4 |
| 2018 | \$2.14 | \$26 | 11.29% | \$2.93 | \$36.77 | 11.29% | \$4 |
| 2019 | \$2.19 | \$26 | 11.29% | \$2.93 | \$37.65 | 11.29% | \$4 |
| 2020 | \$2.24 | \$27 | 11.29% | \$3.05 | \$38.55 | 11.29% | \$4 |
| 2021 | \$2.30 | \$28 | 11.29% | \$3.16 | \$39.48 | 11.29% | \$4 |
| 2022 | \$2.35 | \$28 | 11.29% | \$3.16 | \$40.43 | 11.29% | \$5 |
| 2023 | \$2.41 | \$28 | 11.29% | \$3.27 | \$41.40 | 11.29% | \$5 |
| 2024 | \$2.47 | \$30 | 11.29% | \$3.39 | \$42.39 | 11.29% | \$5 |
| 2025 | \$2.53 | \$30 | 11.29% | \$3.39 | \$43.41 | 11.29% | \$5 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Per Therm Supply Cost | Gas Supply Cost |
| 2006 | 50 | \$0.9377 | \$47 |
| 2007 | 50 | \$0.9602 | \$48 |
| 2008 | 50 | \$0.9833 | \$49 |
| 2009 | 50 | \$1.0069 | \$50 |
| 2010 | 50 | \$1.0310 | \$52 |
| 2011 | 50 | \$1.0558 | \$53 |
| 2012 | 50 | \$1.0811 | \$54 |
| 2013 | 50 | \$1.1071 | \$55 |
| 2014 | 50 | \$1.1338 | \$57 |
| 2015 | 50 | \$1.1608 | \$58 |
| 2016 | 50 | \$1.1887 | \$59 |
| 2017 | 50 | \$1.2172 | \$61 |
| 2018 | 50 | \$1.2464 | \$62 |
| 2019 | 50 | \$1.2763 | \$64 |
| 2020 | 50 | \$1.3070 | \$65 |
| 2021 | 50 | \$1.3383 | \$67 |
| 2022 | 50 | \$1.3705 | \$69 |
| 2023 | 50 | \$1.4034 | \$70 |
| 2024 | 50 | \$1.4370 | \$72 |
| 2025 | 50 | \$1.4715 | \$74 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential New Construction Program
RIM Test and Participants Test Results**

For

Cooking Appliances

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Cooking |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | Table 2 | | | Table 3 | Table 4 | | | |
| 1 | 2 | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2006 | 1 | \$147 | \$100 | \$36 | \$283 | \$449 | (\$574) | \$350 | \$36 | \$46 | \$26 | \$15 | \$348 |
| 2007 | 2 | \$149 | 0 | \$37 | \$186 | 0 | 0 | 0 | \$37 | \$48 | \$26 | \$15 | \$125 |
| 2008 | 3 | \$151 | 0 | \$38 | \$189 | 0 | 0 | 0 | \$38 | \$49 | \$26 | \$15 | \$127 |
| 2009 | 4 | \$153 | 0 | \$39 | \$191 | 0 | 0 | 0 | \$39 | \$50 | \$26 | \$15 | \$129 |
| 2010 | 5 | \$155 | 0 | \$40 | \$194 | 0 | 0 | 0 | \$40 | \$51 | \$26 | \$15 | \$131 |
| 2011 | 6 | \$157 | 0 | \$41 | \$197 | 0 | 0 | 0 | \$41 | \$52 | \$26 | \$15 | \$133 |
| 2012 | 7 | \$159 | 0 | \$42 | \$200 | 0 | 0 | 0 | \$42 | \$54 | \$26 | \$15 | \$136 |
| 2013 | 8 | \$161 | 0 | \$43 | \$203 | 0 | 0 | 0 | \$43 | \$55 | \$26 | \$15 | \$138 |
| 2014 | 9 | \$163 | 0 | \$44 | \$206 | 0 | 0 | 0 | \$44 | \$56 | \$26 | \$15 | \$140 |
| 2015 | 10 | \$165 | 0 | \$45 | \$209 | 0 | 0 | 0 | \$45 | \$57 | \$26 | \$15 | \$143 |
| 2016 | 11 | \$166 | 0 | \$46 | \$212 | 0 | 0 | 0 | \$46 | \$59 | \$26 | \$15 | \$145 |
| 2017 | 12 | \$168 | 0 | \$47 | \$215 | 0 | 0 | 0 | \$47 | \$60 | \$26 | \$15 | \$148 |
| 2018 | 13 | \$170 | 0 | \$48 | \$218 | 0 | 0 | 0 | \$48 | \$62 | \$26 | \$15 | \$150 |
| 2019 | 14 | \$172 | 100 | \$49 | \$321 | 626 | (800) | 279 | \$49 | \$63 | \$26 | \$15 | \$257 |
| 2020 | 15 | \$174 | 0 | \$50 | \$224 | 0 | 0 | 0 | \$50 | \$65 | \$26 | \$15 | \$155 |
| 2021 | 16 | \$176 | 0 | \$51 | \$228 | 0 | 0 | 0 | \$51 | \$66 | \$26 | \$15 | \$158 |
| 2022 | 17 | \$178 | 0 | \$53 | \$231 | 0 | 0 | 0 | \$53 | \$68 | \$26 | \$15 | \$161 |
| 2023 | 18 | \$180 | 0 | \$54 | \$234 | 0 | 0 | 0 | \$54 | \$69 | \$26 | \$15 | \$164 |
| 2024 | 19 | \$182 | 0 | \$55 | \$237 | 0 | 0 | 0 | \$55 | \$71 | \$26 | \$15 | \$167 |
| 2025 | 20 | \$184 | 0 | \$56 | \$240 | 0 | 0 | 0 | \$56 | \$73 | \$26 | \$15 | \$170 |

Present Value of Benefits \$2,126

Present Value of Costs \$1,607

| | |
|--------------------|-------------|
| Benefit/Cost Ratio | 1.32 |
|--------------------|-------------|

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
Participants Test - Data**

| Appliance Type |
|----------------|
| Cooking |

| | | | |
|-------------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 1,310 | 10.00% | \$147 |
| 2007 | \$0.1034 | 1,310 | 10.00% | \$149 |
| 2008 | \$0.1047 | 1,310 | 10.00% | \$151 |
| 2009 | \$0.1061 | 1,310 | 10.00% | \$153 |
| 2010 | \$0.1074 | 1,310 | 10.00% | \$155 |
| 2011 | \$0.1088 | 1,310 | 10.00% | \$157 |
| 2012 | \$0.1101 | 1,310 | 10.00% | \$159 |
| 2013 | \$0.1115 | 1,310 | 10.00% | \$161 |
| 2014 | \$0.1128 | 1,310 | 10.00% | \$163 |
| 2015 | \$0.1142 | 1,310 | 10.00% | \$165 |
| 2016 | \$0.1155 | 1,310 | 10.00% | \$166 |
| 2017 | \$0.1169 | 1,310 | 10.00% | \$168 |
| 2018 | \$0.1182 | 1,310 | 10.00% | \$170 |
| 2019 | \$0.1196 | 1,310 | 10.00% | \$172 |
| 2020 | \$0.1209 | 1,310 | 10.00% | \$174 |
| 2021 | \$0.1223 | 1,310 | 10.00% | \$176 |
| 2022 | \$0.1236 | 1,310 | 10.00% | \$178 |
| 2023 | \$0.1250 | 1,310 | 10.00% | \$180 |
| 2024 | \$0.1263 | 1,310 | 10.00% | \$182 |
| 2025 | \$0.1277 | 1,310 | 10.00% | \$184 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 45 | 10.00% | \$46 |
| 2007 | \$0.9602 | 45 | 10.00% | \$48 |
| 2008 | \$0.9833 | 45 | 10.00% | \$49 |
| 2009 | \$1.0069 | 45 | 10.00% | \$50 |
| 2010 | \$1.0310 | 45 | 10.00% | \$51 |
| 2011 | \$1.0558 | 45 | 10.00% | \$52 |
| 2012 | \$1.0811 | 45 | 10.00% | \$54 |
| 2013 | \$1.1071 | 45 | 10.00% | \$55 |
| 2014 | \$1.1336 | 45 | 10.00% | \$56 |
| 2015 | \$1.1608 | 45 | 10.00% | \$57 |
| 2016 | \$1.1887 | 45 | 10.00% | \$59 |
| 2017 | \$1.2172 | 45 | 10.00% | \$60 |
| 2018 | \$1.2464 | 45 | 10.00% | \$62 |
| 2019 | \$1.2763 | 45 | 10.00% | \$63 |
| 2020 | \$1.3070 | 45 | 10.00% | \$65 |
| 2021 | \$1.3383 | 45 | 10.00% | \$66 |
| 2022 | \$1.3705 | 45 | 10.00% | \$68 |
| 2023 | \$1.4034 | 45 | 10.00% | \$69 |
| 2024 | \$1.4370 | 45 | 10.00% | \$71 |
| 2025 | \$1.4715 | 45 | 10.00% | \$73 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 45 | 10.00% | \$26 |
| 2007 | \$0.5214 | 45 | 10.00% | \$26 |
| 2008 | \$0.5214 | 45 | 10.00% | \$26 |
| 2009 | \$0.5214 | 45 | 10.00% | \$26 |
| 2010 | \$0.5214 | 45 | 10.00% | \$26 |
| 2011 | \$0.5214 | 45 | 10.00% | \$26 |
| 2012 | \$0.5214 | 45 | 10.00% | \$26 |
| 2013 | \$0.5214 | 45 | 10.00% | \$26 |
| 2014 | \$0.5214 | 45 | 10.00% | \$26 |
| 2015 | \$0.5214 | 45 | 10.00% | \$26 |
| 2016 | \$0.5214 | 45 | 10.00% | \$26 |
| 2017 | \$0.5214 | 45 | 10.00% | \$26 |
| 2018 | \$0.5214 | 45 | 10.00% | \$26 |
| 2019 | \$0.5214 | 45 | 10.00% | \$26 |
| 2020 | \$0.5214 | 45 | 10.00% | \$26 |
| 2021 | \$0.5214 | 45 | 10.00% | \$26 |
| 2022 | \$0.5214 | 45 | 10.00% | \$26 |
| 2023 | \$0.5214 | 45 | 10.00% | \$26 |
| 2024 | \$0.5214 | 45 | 10.00% | \$26 |
| 2025 | \$0.5214 | 45 | 10.00% | \$26 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2007 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2008 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2009 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2010 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2011 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2012 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2013 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2014 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2015 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2016 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2017 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2018 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2019 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2020 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2021 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2022 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2023 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2024 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2025 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Results**

Appliance Type

Cooking

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|
| | Table 1 | Table 1A | Table 2 | 2 thru 4 | Table 5 | Table 3 | Table 4 | 8 | 9 |
| | 1 | 2 | 3 | 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2006 | \$23 | \$42 | \$13 | \$79 | \$42 | \$5 | \$5 | \$100.82 | \$153 |
| 2007 | \$23 | \$43 | \$13 | \$80 | \$43 | \$5 | \$5 | \$0.82 | \$54 |
| 2008 | \$23 | \$44 | \$13 | \$81 | \$44 | \$5 | \$5 | \$0.82 | \$55 |
| 2009 | \$23 | \$45 | \$13 | \$82 | \$45 | \$5 | \$5 | \$0.82 | \$56 |
| 2010 | \$23 | \$46 | \$13 | \$83 | \$46 | \$5 | \$5 | \$0.82 | \$57 |
| 2011 | \$23 | \$48 | \$13 | \$84 | \$48 | \$4 | \$5 | \$0.82 | \$58 |
| 2012 | \$23 | \$49 | \$13 | \$86 | \$49 | \$4 | \$5 | \$0.82 | \$59 |
| 2013 | \$23 | \$50 | \$13 | \$87 | \$50 | \$4 | \$6 | \$0.82 | \$60 |
| 2014 | \$23 | \$51 | \$13 | \$88 | \$51 | \$4 | \$6 | \$0.82 | \$62 |
| 2015 | \$23 | \$52 | \$13 | \$89 | \$52 | \$4 | \$6 | \$0.82 | \$63 |
| 2016 | \$23 | \$53 | \$13 | \$90 | \$53 | \$4 | \$6 | \$0.82 | \$64 |
| 2017 | \$23 | \$55 | \$13 | \$92 | \$55 | \$4 | \$6 | \$0.82 | \$65 |
| 2018 | \$23 | \$56 | \$13 | \$93 | \$56 | \$4 | \$6 | \$0.82 | \$67 |
| 2019 | \$23 | \$57 | \$13 | \$94 | \$57 | \$3 | \$6 | \$100.82 | \$168 |
| 2020 | \$23 | \$59 | \$13 | \$96 | \$59 | \$3 | \$7 | \$0.82 | \$70 |
| 2021 | \$23 | \$60 | \$13 | \$97 | \$60 | \$3 | \$7 | \$0.82 | \$71 |
| 2022 | \$23 | \$62 | \$13 | \$99 | \$62 | \$3 | \$7 | \$0.82 | \$73 |
| 2023 | \$23 | \$63 | \$13 | \$100 | \$63 | \$3 | \$7 | \$0.82 | \$74 |
| 2024 | \$23 | \$65 | \$13 | \$102 | \$65 | \$3 | \$7 | \$0.82 | \$76 |
| 2025 | \$23 | \$66 | \$13 | \$103 | \$66 | \$3 | \$7 | \$0.82 | \$77 |

Present Value
of Benefits

\$856

Present Value
of Costs

\$726

Benefit/Cost
Ratio

1.18

**Indiantown Gas Company- Energy Conservation Filing 2006
Residential New Construction Program
RIM Test - Calculated Data**

| Appliance Type | |
|----------------|--|
| Cooking | |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Base Rate Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M/Inflation Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 45 | \$0.5214 | \$23 |
| 2007 | 45 | \$0.5214 | \$23 |
| 2008 | 45 | \$0.5214 | \$23 |
| 2009 | 45 | \$0.5214 | \$23 |
| 2010 | 45 | \$0.5214 | \$23 |
| 2011 | 45 | \$0.5214 | \$23 |
| 2012 | 45 | \$0.5214 | \$23 |
| 2013 | 45 | \$0.5214 | \$23 |
| 2014 | 45 | \$0.5214 | \$23 |
| 2015 | 45 | \$0.5214 | \$23 |
| 2016 | 45 | \$0.5214 | \$23 |
| 2017 | 45 | \$0.5214 | \$23 |
| 2018 | 45 | \$0.5214 | \$23 |
| 2019 | 45 | \$0.5214 | \$23 |
| 2020 | 45 | \$0.5214 | \$23 |
| 2021 | 45 | \$0.5214 | \$23 |
| 2022 | 45 | \$0.5214 | \$23 |
| 2023 | 45 | \$0.5214 | \$23 |
| 2024 | 45 | \$0.5214 | \$23 |
| 2025 | 45 | \$0.5214 | \$23 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 45 | \$0.9377 | \$42 |
| 2007 | 45 | \$0.9602 | \$43 |
| 2008 | 45 | \$0.9833 | \$44 |
| 2009 | 45 | \$1.0069 | \$45 |
| 2010 | 45 | \$1.0310 | \$46 |
| 2011 | 45 | \$1.0558 | \$48 |
| 2012 | 45 | \$1.0811 | \$49 |
| 2013 | 45 | \$1.1071 | \$50 |
| 2014 | 45 | \$1.1336 | \$51 |
| 2015 | 45 | \$1.1608 | \$52 |
| 2016 | 45 | \$1.1887 | \$53 |
| 2017 | 45 | \$1.2172 | \$55 |
| 2018 | 45 | \$1.2464 | \$56 |
| 2019 | 45 | \$1.2763 | \$57 |
| 2020 | 45 | \$1.3070 | \$59 |
| 2021 | 45 | \$1.3383 | \$60 |
| 2022 | 45 | \$1.3705 | \$62 |
| 2023 | 45 | \$1.4034 | \$63 |
| 2024 | 45 | \$1.4370 | \$65 |
| 2025 | 45 | \$1.4715 | \$66 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2007 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2008 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2009 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2010 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2011 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2012 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2013 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2014 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2015 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2016 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2017 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2018 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2019 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2020 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2021 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2022 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2023 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2024 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2025 | \$11.03 | \$132.36 | 10.16% | \$13 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|------------------|--------------|-----------------------------------|--------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 6*7*8 |
| Year | Supply Main | Development Main | Service Line | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total | Investment Carrying Cost |
| 2006 | \$50 | \$140 | \$200 | \$163 | \$553 | 9.53% | \$5 |
| 2007 | \$48 | \$135 | \$193 | \$157 | \$533 | 10.16% | \$5 |
| 2008 | \$46 | \$131 | \$187 | \$151 | \$515 | 10.16% | \$5 |
| 2009 | \$44 | \$127 | \$181 | \$145 | \$497 | 10.16% | \$5 |
| 2010 | \$43 | \$123 | \$175 | \$139 | \$480 | 10.16% | \$5 |
| 2011 | \$42 | \$119 | \$169 | \$134 | \$464 | 10.16% | \$4 |
| 2012 | \$41 | \$115 | \$163 | \$129 | \$448 | 10.16% | \$4 |
| 2013 | \$40 | \$111 | \$158 | \$124 | \$433 | 10.16% | \$4 |
| 2014 | \$39 | \$107 | \$153 | \$119 | \$418 | 10.16% | \$4 |
| 2015 | \$38 | \$103 | \$148 | \$114 | \$403 | 10.16% | \$4 |
| 2016 | \$37 | \$100 | \$143 | \$110 | \$390 | 10.16% | \$4 |
| 2017 | \$36 | \$97 | \$138 | \$106 | \$377 | 10.16% | \$4 |
| 2018 | \$35 | \$94 | \$133 | \$102 | \$364 | 10.16% | \$4 |
| 2019 | \$34 | \$91 | \$129 | \$98 | \$352 | 10.16% | \$3 |
| 2020 | \$33 | \$88 | \$125 | \$94 | \$340 | 10.16% | \$3 |
| 2021 | \$32 | \$85 | \$121 | \$90 | \$328 | 10.16% | \$3 |
| 2022 | \$31 | \$82 | \$117 | \$87 | \$317 | 10.16% | \$3 |
| 2023 | \$30 | \$79 | \$113 | \$84 | \$306 | 10.16% | \$3 |
| 2024 | \$29 | \$76 | \$109 | \$81 | \$295 | 10.16% | \$3 |
| 2025 | \$28 | \$73 | \$105 | \$78 | \$284 | 10.16% | \$3 |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio O&M Cost |
| 2006 | \$1.61 | \$19 | 10.16% | \$1.93 | \$27.66 | 10.16% | \$3 |
| 2007 | \$1.65 | \$20 | 10.16% | \$2.03 | \$28.32 | 10.16% | \$3 |
| 2008 | \$1.69 | \$20 | 10.16% | \$2.03 | \$29.00 | 10.16% | \$3 |
| 2009 | \$1.73 | \$21 | 10.16% | \$2.13 | \$29.70 | 10.16% | \$3 |
| 2010 | \$1.77 | \$21 | 10.16% | \$2.13 | \$30.41 | 10.16% | \$3 |
| 2011 | \$1.81 | \$22 | 10.16% | \$2.23 | \$31.14 | 10.16% | \$3 |
| 2012 | \$1.86 | \$22 | 10.16% | \$2.23 | \$31.89 | 10.16% | \$3 |
| 2013 | \$1.90 | \$23 | 10.16% | \$2.34 | \$32.66 | 10.16% | \$3 |
| 2014 | \$1.95 | \$23 | 10.16% | \$2.34 | \$33.44 | 10.16% | \$3 |
| 2015 | \$1.99 | \$24 | 10.16% | \$2.44 | \$34.24 | 10.16% | \$3 |
| 2016 | \$2.04 | \$24 | 10.16% | \$2.44 | \$35.06 | 10.16% | \$4 |
| 2017 | \$2.09 | \$25 | 10.16% | \$2.54 | \$35.90 | 10.16% | \$4 |
| 2018 | \$2.14 | \$26 | 10.16% | \$2.64 | \$36.77 | 10.16% | \$4 |
| 2019 | \$2.19 | \$26 | 10.16% | \$2.64 | \$37.65 | 10.16% | \$4 |
| 2020 | \$2.24 | \$27 | 10.16% | \$2.74 | \$38.55 | 10.16% | \$4 |
| 2021 | \$2.30 | \$28 | 10.16% | \$2.84 | \$39.48 | 10.16% | \$4 |
| 2022 | \$2.35 | \$28 | 10.16% | \$2.84 | \$40.43 | 10.16% | \$4 |
| 2023 | \$2.41 | \$29 | 10.16% | \$2.95 | \$41.40 | 10.16% | \$4 |
| 2024 | \$2.47 | \$30 | 10.16% | \$3.05 | \$42.39 | 10.16% | \$4 |
| 2025 | \$2.53 | \$30 | 10.16% | \$3.05 | \$43.41 | 10.16% | \$4 |

Table 5

| Gas Costs | | | |
|-----------|--------|---------------------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Commodity Gas Supply Cost | Gas Supply Cost |
| 2006 | 45 | 0.9377 | \$42 |
| 2007 | 45 | \$0.9602 | \$43 |
| 2008 | 45 | \$0.9833 | \$44 |
| 2009 | 45 | \$1.0069 | \$45 |
| 2010 | 45 | \$1.0310 | \$46 |
| 2011 | 45 | \$1.0558 | \$48 |
| 2012 | 45 | \$1.0811 | \$49 |
| 2013 | 45 | \$1.1071 | \$50 |
| 2014 | 45 | \$1.1336 | \$51 |
| 2015 | 45 | \$1.1608 | \$52 |
| 2016 | 45 | \$1.1887 | \$53 |
| 2017 | 45 | \$1.2172 | \$55 |
| 2018 | 45 | \$1.2464 | \$56 |
| 2019 | 45 | \$1.2763 | \$57 |
| 2020 | 45 | \$1.3070 | \$59 |
| 2021 | 45 | \$1.3383 | \$60 |
| 2022 | 45 | \$1.3705 | \$62 |
| 2023 | 45 | \$1.4034 | \$63 |
| 2024 | 45 | \$1.4370 | \$65 |
| 2025 | 45 | \$1.4715 | \$66 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Replacement Program
Summary of RIM Test and Participants Test Results**

| | <u>Proposed Allowance</u> | <u>Participants Test</u> | <u>RIM Test</u> |
|--------------------------------|-------------------------------|--------------------------|-----------------|
| Gas Storage Tank Water Heating | \$525 | 1.50 | 1.10 |
| Gas Tankless Water Heating | \$525 | 1.36 | 1.09 |
| Gas Heating | \$625 | 1.09 | 1.07 |
| Gas Clothes Drying | \$100 | 1.32 | 1.19 |
| Gas Cooking | \$100 | 1.29 | 1.17 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Replacement Program
RIM Test and Participants Test Results**

For

Storage Tank Water Heating

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Cost Effective Results**

| |
|----------------------------|
| Appliance Type |
| Storage Tank Water Heating |

| Year | Year Number | Benefits | | | | Costs | | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|--|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS | |
| | | Table 1 | | | | | | | | Table 2 | | Table 3 | Table 4 | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 | |
| 2006 | 1 | \$536 | \$525 | \$36 | \$1,097 | \$259 | (\$314) | \$550 | \$36 | \$175 | \$97 | \$56 | \$860 | |
| 2007 | 2 | \$543 | 0 | \$37 | \$580 | 0 | 0 | 0 | \$37 | \$180 | \$97 | \$56 | \$370 | |
| 2008 | 3 | \$550 | 0 | \$38 | \$588 | 0 | 0 | 0 | \$38 | \$184 | \$97 | \$56 | \$375 | |
| 2009 | 4 | \$557 | 0 | \$39 | \$596 | 0 | 0 | 0 | \$39 | \$188 | \$97 | \$56 | \$380 | |
| 2010 | 5 | \$564 | 0 | \$40 | \$604 | 0 | 0 | 0 | \$40 | \$193 | \$97 | \$56 | \$386 | |
| 2011 | 6 | \$571 | 0 | \$41 | \$612 | 0 | 0 | 0 | \$41 | \$197 | \$97 | \$56 | \$391 | |
| 2012 | 7 | \$578 | 0 | \$42 | \$620 | 0 | 0 | 0 | \$42 | \$202 | \$97 | \$56 | \$397 | |
| 2013 | 8 | \$585 | 0 | \$43 | \$628 | 0 | 0 | 0 | \$43 | \$207 | \$97 | \$56 | \$403 | |
| 2014 | 9 | \$592 | 0 | \$44 | \$636 | 0 | 0 | 0 | \$44 | \$212 | \$97 | \$56 | \$409 | |
| 2015 | 10 | \$599 | 0 | \$45 | \$644 | 0 | 0 | 0 | \$45 | \$217 | \$97 | \$56 | \$415 | |
| 2016 | 11 | \$607 | 0 | \$46 | \$652 | 0 | 0 | 0 | \$46 | \$222 | \$97 | \$56 | \$421 | |
| 2017 | 12 | \$614 | 0 | \$47 | \$660 | 0 | 0 | 0 | \$47 | \$228 | \$97 | \$56 | \$428 | |
| 2018 | 13 | \$621 | 0 | \$48 | \$669 | 0 | 0 | 0 | \$48 | \$233 | \$97 | \$56 | \$434 | |
| 2019 | 14 | \$628 | 350 | \$49 | \$1,027 | 361 | (438) | 348 | \$49 | \$239 | \$97 | \$56 | \$713 | |
| 2020 | 15 | \$635 | 0 | \$50 | \$685 | 0 | 0 | 0 | \$50 | \$244 | \$97 | \$56 | \$448 | |
| 2021 | 16 | \$642 | 0 | \$51 | \$693 | 0 | 0 | 0 | \$51 | \$250 | \$97 | \$56 | \$455 | |
| 2022 | 17 | \$649 | 0 | \$53 | \$702 | 0 | 0 | 0 | \$53 | \$256 | \$97 | \$56 | \$462 | |
| 2023 | 18 | \$656 | 0 | \$54 | \$710 | 0 | 0 | 0 | \$54 | \$262 | \$97 | \$56 | \$470 | |
| 2024 | 19 | \$663 | 0 | \$55 | \$718 | 0 | 0 | 0 | \$55 | \$269 | \$97 | \$56 | \$477 | |
| 2025 | 20 | \$670 | 0 | \$56 | \$727 | 0 | 0 | 0 | \$56 | \$275 | \$97 | \$56 | \$485 | |

Present Value of Benefits \$6,775

Present Value of Costs \$4,530

| | |
|--------------------|------|
| Benefit/Cost Ratio | 1.50 |
|--------------------|------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Data**

| |
|----------------------------|
| Appliance Type |
| Storage Tank Water Heating |

| | | | |
|--------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj. | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 4,773 | 10% | \$536 |
| 2007 | \$0.1034 | 4,773 | 10% | \$543 |
| 2008 | \$0.1047 | 4,773 | 10% | \$550 |
| 2009 | \$0.1061 | 4,773 | 10% | \$557 |
| 2010 | \$0.1074 | 4,773 | 10% | \$564 |
| 2011 | \$0.1088 | 4,773 | 10% | \$571 |
| 2012 | \$0.1101 | 4,773 | 10% | \$578 |
| 2013 | \$0.1115 | 4,773 | 10% | \$585 |
| 2014 | \$0.1128 | 4,773 | 10% | \$592 |
| 2015 | \$0.1142 | 4,773 | 10% | \$599 |
| 2016 | \$0.1155 | 4,773 | 10% | \$607 |
| 2017 | \$0.1169 | 4,773 | 10% | \$614 |
| 2018 | \$0.1182 | 4,773 | 10% | \$621 |
| 2019 | \$0.1196 | 4,773 | 10% | \$628 |
| 2020 | \$0.1209 | 4,773 | 10% | \$635 |
| 2021 | \$0.1223 | 4,773 | 10% | \$642 |
| 2022 | \$0.1236 | 4,773 | 10% | \$649 |
| 2023 | \$0.1250 | 4,773 | 10% | \$656 |
| 2024 | \$0.1263 | 4,773 | 10% | \$663 |
| 2025 | \$0.1277 | 4,773 | 10% | \$670 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 170 | 10% | \$175 |
| 2007 | \$0.9602 | 170 | 10% | \$180 |
| 2008 | \$0.9833 | 170 | 10% | \$184 |
| 2009 | \$1.0069 | 170 | 10% | \$188 |
| 2010 | \$1.0310 | 170 | 10% | \$193 |
| 2011 | \$1.0558 | 170 | 10% | \$197 |
| 2012 | \$1.0811 | 170 | 10% | \$202 |
| 2013 | \$1.1071 | 170 | 10% | \$207 |
| 2014 | \$1.1336 | 170 | 10% | \$212 |
| 2015 | \$1.1608 | 170 | 10% | \$217 |
| 2016 | \$1.1887 | 170 | 10% | \$222 |
| 2017 | \$1.2172 | 170 | 10% | \$228 |
| 2018 | \$1.2464 | 170 | 10% | \$233 |
| 2019 | \$1.2763 | 170 | 10% | \$239 |
| 2020 | \$1.3070 | 170 | 10% | \$244 |
| 2021 | \$1.3383 | 170 | 10% | \$250 |
| 2022 | \$1.3705 | 170 | 10% | \$256 |
| 2023 | \$1.4034 | 170 | 10% | \$262 |
| 2024 | \$1.4370 | 170 | 10% | \$269 |
| 2025 | \$1.4715 | 170 | 10% | \$275 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 170 | 10% | \$97 |
| 2007 | \$0.5214 | 170 | 10% | \$97 |
| 2008 | \$0.5214 | 170 | 10% | \$97 |
| 2009 | \$0.5214 | 170 | 10% | \$97 |
| 2010 | \$0.5214 | 170 | 10% | \$97 |
| 2011 | \$0.5214 | 170 | 10% | \$97 |
| 2012 | \$0.5214 | 170 | 10% | \$97 |
| 2013 | \$0.5214 | 170 | 10% | \$97 |
| 2014 | \$0.5214 | 170 | 10% | \$97 |
| 2015 | \$0.5214 | 170 | 10% | \$97 |
| 2016 | \$0.5214 | 170 | 10% | \$97 |
| 2017 | \$0.5214 | 170 | 10% | \$97 |
| 2018 | \$0.5214 | 170 | 10% | \$97 |
| 2019 | \$0.5214 | 170 | 10% | \$97 |
| 2020 | \$0.5214 | 170 | 10% | \$97 |
| 2021 | \$0.5214 | 170 | 10% | \$97 |
| 2022 | \$0.5214 | 170 | 10% | \$97 |
| 2023 | \$0.5214 | 170 | 10% | \$97 |
| 2024 | \$0.5214 | 170 | 10% | \$97 |
| 2025 | \$0.5214 | 170 | 10% | \$97 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2007 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2008 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2009 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2010 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2011 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2012 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2013 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2014 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2015 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2016 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2017 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2018 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2019 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2020 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2021 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2022 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2023 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2024 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2025 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Results**

Appliance Type
Storage Tank Water Heating

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|
| | Table 1 | Table 1A | Table 2 | 2 thru 4 | Table 5 | Table 3 | Table 4 | 9 | 6 thru 9 |
| | 1 | 2 | 3 | 4 | 6 | 7 | 8 | | |
| 2006 | \$89 | \$159 | \$51 | \$299 | \$159 | \$25 | \$18 | \$525.29 | \$728 |
| 2007 | \$89 | \$163 | \$51 | \$303 | \$163 | \$24 | \$19 | \$0.29 | \$207 |
| 2008 | \$89 | \$167 | \$51 | \$307 | \$167 | \$24 | \$19 | \$0.29 | \$210 |
| 2009 | \$89 | \$171 | \$51 | \$311 | \$171 | \$23 | \$19 | \$0.29 | \$214 |
| 2010 | \$89 | \$175 | \$51 | \$315 | \$175 | \$22 | \$20 | \$0.29 | \$217 |
| 2011 | \$89 | \$179 | \$51 | \$319 | \$179 | \$21 | \$20 | \$0.29 | \$221 |
| 2012 | \$89 | \$184 | \$51 | \$323 | \$184 | \$21 | \$21 | \$0.29 | \$225 |
| 2013 | \$89 | \$188 | \$51 | \$328 | \$188 | \$20 | \$21 | \$0.29 | \$230 |
| 2014 | \$89 | \$193 | \$51 | \$332 | \$193 | \$19 | \$22 | \$0.29 | \$234 |
| 2015 | \$89 | \$197 | \$51 | \$337 | \$197 | \$19 | \$22 | \$0.29 | \$239 |
| 2016 | \$89 | \$202 | \$51 | \$341 | \$202 | \$18 | \$23 | \$0.29 | \$243 |
| 2017 | \$89 | \$207 | \$51 | \$346 | \$207 | \$17 | \$23 | \$0.29 | \$248 |
| 2018 | \$89 | \$212 | \$51 | \$351 | \$212 | \$17 | \$24 | \$0.29 | \$253 |
| 2019 | \$89 | \$217 | \$51 | \$356 | \$217 | \$16 | \$24 | \$525.29 | \$783 |
| 2020 | \$89 | \$222 | \$51 | \$362 | \$222 | \$16 | \$25 | \$0.29 | \$263 |
| 2021 | \$89 | \$228 | \$51 | \$367 | \$228 | \$15 | \$26 | \$0.29 | \$269 |
| 2022 | \$89 | \$233 | \$51 | \$372 | \$233 | \$15 | \$26 | \$0.29 | \$274 |
| 2023 | \$89 | \$239 | \$51 | \$378 | \$239 | \$14 | \$27 | \$0.29 | \$280 |
| 2024 | \$89 | \$244 | \$51 | \$384 | \$244 | \$14 | \$28 | \$0.29 | \$286 |
| 2025 | \$89 | \$250 | \$51 | \$390 | \$250 | \$13 | \$28 | \$0.29 | \$292 |

Present Value
of Benefits

\$3,234

Present Value
of Costs

\$2,942

Benefit/Cost
Ratio

1.10

Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Calculated Data

| Appliance Type | |
|----------------------------|--|
| Storage Tank Water Heating | |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M/Inflation Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 170 | \$0.5214 | \$89 |
| 2007 | 170 | \$0.5214 | \$89 |
| 2008 | 170 | \$0.5214 | \$89 |
| 2009 | 170 | \$0.5214 | \$89 |
| 2010 | 170 | \$0.5214 | \$89 |
| 2011 | 170 | \$0.5214 | \$89 |
| 2012 | 170 | \$0.5214 | \$89 |
| 2013 | 170 | \$0.5214 | \$89 |
| 2014 | 170 | \$0.5214 | \$89 |
| 2015 | 170 | \$0.5214 | \$89 |
| 2016 | 170 | \$0.5214 | \$89 |
| 2017 | 170 | \$0.5214 | \$89 |
| 2018 | 170 | \$0.5214 | \$89 |
| 2019 | 170 | \$0.5214 | \$89 |
| 2020 | 170 | \$0.5214 | \$89 |
| 2021 | 170 | \$0.5214 | \$89 |
| 2022 | 170 | \$0.5214 | \$89 |
| 2023 | 170 | \$0.5214 | \$89 |
| 2024 | 170 | \$0.5214 | \$89 |
| 2025 | 170 | \$0.5214 | \$89 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 170 | \$0.9377 | \$159 |
| 2007 | 170 | \$0.9602 | \$163 |
| 2008 | 170 | \$0.9833 | \$167 |
| 2009 | 170 | \$1.0069 | \$171 |
| 2010 | 170 | \$1.0310 | \$175 |
| 2011 | 170 | \$1.0558 | \$179 |
| 2012 | 170 | \$1.0811 | \$184 |
| 2013 | 170 | \$1.1071 | \$188 |
| 2014 | 170 | \$1.1336 | \$193 |
| 2015 | 170 | \$1.1608 | \$197 |
| 2016 | 170 | \$1.1887 | \$202 |
| 2017 | 170 | \$1.2172 | \$207 |
| 2018 | 170 | \$1.2464 | \$212 |
| 2019 | 170 | \$1.2763 | \$217 |
| 2020 | 170 | \$1.3070 | \$222 |
| 2021 | 170 | \$1.3383 | \$228 |
| 2022 | 170 | \$1.3705 | \$233 |
| 2023 | 170 | \$1.4034 | \$239 |
| 2024 | 170 | \$1.4370 | \$244 |
| 2025 | 170 | \$1.4715 | \$250 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2007 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2008 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2009 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2010 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2011 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2012 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2013 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2014 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2015 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2016 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2017 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2018 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2019 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2020 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2021 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2022 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2023 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2024 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2025 | \$11.03 | \$132.36 | 38.37% | \$51 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|
| 1 | 2 | 3 | 4 | 5 | 7 | 8 | 6*7*8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost |
| 2006 | \$50 | \$280 | \$200 | \$163 | \$693 | 9.53% | 38.37% |
| 2007 | \$48 | \$271 | \$193 | \$157 | \$669 | 9.53% | 38.37% |
| 2008 | \$46 | \$262 | \$187 | \$151 | \$646 | 9.53% | 38.37% |
| 2009 | \$44 | \$253 | \$181 | \$145 | \$623 | 9.53% | 38.37% |
| 2010 | \$43 | \$245 | \$175 | \$139 | \$602 | 9.53% | 38.37% |
| 2011 | \$42 | \$237 | \$169 | \$134 | \$582 | 9.53% | 38.37% |
| 2012 | \$41 | \$229 | \$163 | \$129 | \$562 | 9.53% | 38.37% |
| 2013 | \$40 | \$221 | \$158 | \$124 | \$543 | 9.53% | 38.37% |
| 2014 | \$39 | \$214 | \$153 | \$119 | \$525 | 9.53% | 38.37% |
| 2015 | \$38 | \$207 | \$148 | \$114 | \$507 | 9.53% | 38.37% |
| 2016 | \$37 | \$200 | \$143 | \$110 | \$490 | 9.53% | 38.37% |
| 2017 | \$36 | \$193 | \$138 | \$106 | \$473 | 9.53% | 38.37% |
| 2018 | \$35 | \$187 | \$133 | \$102 | \$457 | 9.53% | 38.37% |
| 2019 | \$34 | \$181 | \$128 | \$98 | \$442 | 9.53% | 38.37% |
| 2020 | \$33 | \$175 | \$125 | \$94 | \$427 | 9.53% | 38.37% |
| 2021 | \$32 | \$169 | \$121 | \$90 | \$412 | 9.53% | 38.37% |
| 2022 | \$31 | \$163 | \$117 | \$87 | \$398 | 9.53% | 38.37% |
| 2023 | \$30 | \$158 | \$113 | \$84 | \$385 | 9.53% | 38.37% |
| 2024 | \$29 | \$153 | \$109 | \$81 | \$372 | 9.53% | 38.37% |
| 2025 | \$28 | \$148 | \$105 | \$78 | \$358 | 9.53% | 38.37% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------|--------------------------------|------------------|--------------------------------|
| 1 | 2 | 3 | 4 | 5-3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Adm. Cost | Ratio Therms To Total Consumed |
| 2006 | \$1.61 | \$19 | 38.37% | \$7.29 | \$27.66 | \$11 | \$18 |
| 2007 | \$1.65 | \$20 | 38.37% | \$7.67 | \$28.32 | \$11 | \$19 |
| 2008 | \$1.69 | \$20 | 38.37% | \$7.67 | \$29.00 | \$11 | \$19 |
| 2009 | \$1.73 | \$21 | 38.37% | \$8.06 | \$29.70 | \$12 | \$19 |
| 2010 | \$1.77 | \$21 | 38.37% | \$8.06 | \$30.41 | \$12 | \$20 |
| 2011 | \$1.81 | \$22 | 38.37% | \$8.44 | \$31.14 | \$12 | \$20 |
| 2012 | \$1.86 | \$22 | 38.37% | \$8.44 | \$31.89 | \$12 | \$21 |
| 2013 | \$1.90 | \$23 | 38.37% | \$8.83 | \$32.66 | \$13 | \$21 |
| 2014 | \$1.95 | \$23 | 38.37% | \$8.83 | \$33.44 | \$13 | \$22 |
| 2015 | \$1.99 | \$24 | 38.37% | \$9.21 | \$34.24 | \$13 | \$22 |
| 2016 | \$2.04 | \$24 | 38.37% | \$9.21 | \$35.06 | \$13 | \$23 |
| 2017 | \$2.09 | \$25 | 38.37% | \$9.59 | \$35.90 | \$14 | \$23 |
| 2018 | \$2.14 | \$26 | 38.37% | \$9.98 | \$36.77 | \$14 | \$24 |
| 2019 | \$2.19 | \$26 | 38.37% | \$9.98 | \$37.65 | \$14 | \$24 |
| 2020 | \$2.24 | \$27 | 38.37% | \$10.36 | \$38.55 | \$15 | \$25 |
| 2021 | \$2.30 | \$28 | 38.37% | \$10.74 | \$39.48 | \$15 | \$26 |
| 2022 | \$2.35 | \$28 | 38.37% | \$10.74 | \$40.43 | \$16 | \$26 |
| 2023 | \$2.41 | \$29 | 38.37% | \$11.13 | \$41.40 | \$16 | \$27 |
| 2024 | \$2.47 | \$30 | 38.37% | \$11.51 | \$42.39 | \$16 | \$28 |
| 2025 | \$2.53 | \$30 | 38.37% | \$11.51 | \$43.41 | \$17 | \$28 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 170 | 0.9377 | \$158 |
| 2007 | 170 | \$0.9602 | \$163 |
| 2008 | 170 | \$0.9833 | \$167 |
| 2009 | 170 | \$1.0069 | \$171 |
| 2010 | 170 | \$1.0310 | \$175 |
| 2011 | 170 | \$1.0558 | \$179 |
| 2012 | 170 | \$1.0811 | \$184 |
| 2013 | 170 | \$1.1071 | \$188 |
| 2014 | 170 | \$1.1336 | \$193 |
| 2015 | 170 | \$1.1608 | \$197 |
| 2016 | 170 | \$1.1887 | \$202 |
| 2017 | 170 | \$1.2172 | \$207 |
| 2018 | 170 | \$1.2464 | \$212 |
| 2019 | 170 | \$1.2763 | \$217 |
| 2020 | 170 | \$1.3070 | \$222 |
| 2021 | 170 | \$1.3383 | \$228 |
| 2022 | 170 | \$1.3705 | \$233 |
| 2023 | 170 | \$1.4034 | \$239 |
| 2024 | 170 | \$1.4370 | \$244 |
| 2025 | 170 | \$1.4715 | \$250 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Replacement Program
RIM Test and Participants Test Results**

For

Tankless Water Heating

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Cost Effective Results**

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | Table 2 | | | | Table 3 | Table 4 | | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2006 | 1 | \$536 | \$525 | \$36 | \$1,097 | \$950 | (\$314) | \$500 | \$36 | \$155 | \$86 | \$52 | \$1,464 |
| 2007 | 2 | \$543 | 0 | \$37 | \$580 | 0 | 0 | 0 | \$37 | \$158 | \$86 | \$52 | \$333 |
| 2008 | 3 | \$550 | 0 | \$38 | \$588 | 0 | 0 | 0 | \$38 | \$162 | \$86 | \$52 | \$338 |
| 2009 | 4 | \$557 | 0 | \$39 | \$596 | 0 | 0 | 0 | \$39 | \$166 | \$86 | \$52 | \$342 |
| 2010 | 5 | \$564 | 0 | \$40 | \$604 | 0 | 0 | 0 | \$40 | \$170 | \$86 | \$52 | \$347 |
| 2011 | 6 | \$571 | 0 | \$41 | \$612 | 0 | 0 | 0 | \$41 | \$174 | \$86 | \$52 | \$352 |
| 2012 | 7 | \$578 | 0 | \$42 | \$620 | 0 | 0 | 0 | \$42 | \$178 | \$86 | \$52 | \$358 |
| 2013 | 8 | \$585 | 0 | \$43 | \$628 | 0 | 0 | 0 | \$43 | \$183 | \$86 | \$52 | \$363 |
| 2014 | 9 | \$592 | 0 | \$44 | \$636 | 0 | 0 | 0 | \$44 | \$187 | \$86 | \$52 | \$368 |
| 2015 | 10 | \$599 | 0 | \$45 | \$644 | 0 | 0 | 0 | \$45 | \$192 | \$86 | \$52 | \$374 |
| 2016 | 11 | \$607 | 0 | \$46 | \$652 | 0 | 0 | 0 | \$46 | \$196 | \$86 | \$52 | \$379 |
| 2017 | 12 | \$614 | 0 | \$47 | \$660 | 0 | 0 | 0 | \$47 | \$201 | \$86 | \$52 | \$385 |
| 2018 | 13 | \$621 | 0 | \$48 | \$669 | 0 | 0 | 0 | \$48 | \$206 | \$86 | \$52 | \$391 |
| 2019 | 14 | \$628 | 0 | \$49 | \$677 | 0 | 0 | 0 | \$49 | \$211 | \$86 | \$52 | \$397 |
| 2020 | 15 | \$635 | 0 | \$50 | \$685 | 0 | 0 | 0 | \$50 | \$216 | \$86 | \$52 | \$403 |
| 2021 | 16 | \$642 | 0 | \$51 | \$693 | 0 | 0 | 0 | \$51 | \$221 | \$86 | \$52 | \$410 |
| 2022 | 17 | \$649 | 0 | \$53 | \$702 | 0 | 0 | 0 | \$53 | \$226 | \$86 | \$52 | \$416 |
| 2023 | 18 | \$656 | 0 | \$54 | \$710 | 0 | 0 | 0 | \$54 | \$232 | \$86 | \$52 | \$423 |
| 2024 | 19 | \$663 | 0 | \$55 | \$718 | 0 | 0 | 0 | \$55 | \$237 | \$86 | \$52 | \$430 |
| 2025 | 20 | \$670 | 450 | \$56 | \$1,177 | 1,527 | (505) | 562 | \$56 | \$243 | \$86 | \$52 | \$2,021 |

Present Value of Benefits \$6,753

Present Value of Costs \$4,975

| | |
|--------------------|-------------|
| Benefit/Cost Ratio | 1.36 |
|--------------------|-------------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Data**

| Appliance Type | |
|------------------------|--|
| Tankless Water Heating | |

| | | | |
|-------------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 4,773 | 10.00% | \$536 |
| 2007 | \$0.1034 | 4,773 | 10.00% | \$543 |
| 2008 | \$0.1047 | 4,773 | 10.00% | \$550 |
| 2009 | \$0.1061 | 4,773 | 10.00% | \$557 |
| 2010 | \$0.1074 | 4,773 | 10.00% | \$564 |
| 2011 | \$0.1088 | 4,773 | 10.00% | \$571 |
| 2012 | \$0.1101 | 4,773 | 10.00% | \$578 |
| 2013 | \$0.1115 | 4,773 | 10.00% | \$585 |
| 2014 | \$0.1128 | 4,773 | 10.00% | \$592 |
| 2015 | \$0.1142 | 4,773 | 10.00% | \$599 |
| 2016 | \$0.1155 | 4,773 | 10.00% | \$607 |
| 2017 | \$0.1169 | 4,773 | 10.00% | \$614 |
| 2018 | \$0.1182 | 4,773 | 10.00% | \$621 |
| 2019 | \$0.1196 | 4,773 | 10.00% | \$628 |
| 2020 | \$0.1209 | 4,773 | 10.00% | \$635 |
| 2021 | \$0.1223 | 4,773 | 10.00% | \$642 |
| 2022 | \$0.1236 | 4,773 | 10.00% | \$649 |
| 2023 | \$0.1250 | 4,773 | 10.00% | \$656 |
| 2024 | \$0.1263 | 4,773 | 10.00% | \$663 |
| 2025 | \$0.1277 | 4,773 | 10.00% | \$670 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 150 | 10.00% | \$155 |
| 2007 | \$0.9602 | 150 | 10.00% | \$158 |
| 2008 | \$0.9833 | 150 | 10.00% | \$162 |
| 2009 | \$1.0069 | 150 | 10.00% | \$166 |
| 2010 | \$1.0310 | 150 | 10.00% | \$170 |
| 2011 | \$1.0558 | 150 | 10.00% | \$174 |
| 2012 | \$1.0811 | 150 | 10.00% | \$178 |
| 2013 | \$1.1071 | 150 | 10.00% | \$183 |
| 2014 | \$1.1336 | 150 | 10.00% | \$187 |
| 2015 | \$1.1608 | 150 | 10.00% | \$192 |
| 2016 | \$1.1887 | 150 | 10.00% | \$196 |
| 2017 | \$1.2172 | 150 | 10.00% | \$201 |
| 2018 | \$1.2464 | 150 | 10.00% | \$206 |
| 2019 | \$1.2763 | 150 | 10.00% | \$211 |
| 2020 | \$1.3070 | 150 | 10.00% | \$216 |
| 2021 | \$1.3383 | 150 | 10.00% | \$221 |
| 2022 | \$1.3705 | 150 | 10.00% | \$226 |
| 2023 | \$1.4034 | 150 | 10.00% | \$232 |
| 2024 | \$1.4370 | 150 | 10.00% | \$237 |
| 2025 | \$1.4715 | 150 | 10.00% | \$243 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 150 | 10.00% | \$86 |
| 2007 | \$0.5214 | 150 | 10.00% | \$86 |
| 2008 | \$0.5214 | 150 | 10.00% | \$86 |
| 2009 | \$0.5214 | 150 | 10.00% | \$86 |
| 2010 | \$0.5214 | 150 | 10.00% | \$86 |
| 2011 | \$0.5214 | 150 | 10.00% | \$86 |
| 2012 | \$0.5214 | 150 | 10.00% | \$86 |
| 2013 | \$0.5214 | 150 | 10.00% | \$86 |
| 2014 | \$0.5214 | 150 | 10.00% | \$86 |
| 2015 | \$0.5214 | 150 | 10.00% | \$86 |
| 2016 | \$0.5214 | 150 | 10.00% | \$86 |
| 2017 | \$0.5214 | 150 | 10.00% | \$86 |
| 2018 | \$0.5214 | 150 | 10.00% | \$86 |
| 2019 | \$0.5214 | 150 | 10.00% | \$86 |
| 2020 | \$0.5214 | 150 | 10.00% | \$86 |
| 2021 | \$0.5214 | 150 | 10.00% | \$86 |
| 2022 | \$0.5214 | 150 | 10.00% | \$86 |
| 2023 | \$0.5214 | 150 | 10.00% | \$86 |
| 2024 | \$0.5214 | 150 | 10.00% | \$86 |
| 2025 | \$0.5214 | 150 | 10.00% | \$86 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2007 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2008 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2009 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2010 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2011 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2012 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2013 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2014 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2015 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2016 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2017 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2018 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2019 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2020 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2021 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2022 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2023 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2024 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2025 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Results**

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs | |
|------|-----------------------------------|---------------------------------|----------------------------------|-------------------|-----------------|---------------------------|----------------------------|--------------|-------------|----------|
| | Table 1 | Table 1A | Table 2 | | Table 5 | Table 3 | Table 4 | | | |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2002 | \$78 | \$141 | \$47 | \$266 | \$141 | \$23 | \$17 | \$525.29 | \$706 | |
| 2003 | \$78 | \$144 | \$47 | \$269 | \$144 | \$23 | \$17 | \$0.29 | \$184 | |
| 2004 | \$78 | \$147 | \$47 | \$273 | \$147 | \$22 | \$17 | \$0.29 | \$187 | |
| 2005 | \$78 | \$151 | \$47 | \$276 | \$151 | \$21 | \$18 | \$0.29 | \$190 | |
| 2006 | \$78 | \$155 | \$47 | \$280 | \$155 | \$20 | \$18 | \$0.29 | \$194 | |
| 2007 | \$78 | \$158 | \$47 | \$284 | \$158 | \$20 | \$19 | \$0.29 | \$197 | |
| 2008 | \$78 | \$162 | \$47 | \$287 | \$162 | \$19 | \$19 | \$0.29 | \$201 | |
| 2009 | \$78 | \$166 | \$47 | \$291 | \$166 | \$18 | \$20 | \$0.29 | \$204 | |
| 2010 | \$78 | \$170 | \$47 | \$295 | \$170 | \$18 | \$20 | \$0.29 | \$208 | |
| 2011 | \$78 | \$174 | \$47 | \$299 | \$174 | \$17 | \$21 | \$0.29 | \$212 | |
| 2012 | \$78 | \$178 | \$47 | \$303 | \$178 | \$17 | \$21 | \$0.29 | \$216 | |
| 2013 | \$78 | \$183 | \$47 | \$308 | \$183 | \$16 | \$22 | \$0.29 | \$220 | |
| 2014 | \$78 | \$187 | \$47 | \$312 | \$187 | \$15 | \$22 | \$0.29 | \$225 | |
| 2015 | \$78 | \$191 | \$47 | \$317 | \$191 | \$15 | \$23 | \$0.29 | \$229 | |
| 2016 | \$78 | \$196 | \$47 | \$321 | \$196 | \$14 | \$23 | \$0.29 | \$234 | |
| 2017 | \$78 | \$201 | \$47 | \$326 | \$201 | \$14 | \$24 | \$0.29 | \$239 | |
| 2018 | \$78 | \$206 | \$47 | \$331 | \$206 | \$13 | \$24 | \$0.29 | \$244 | |
| 2019 | \$78 | \$211 | \$47 | \$336 | \$211 | \$13 | \$25 | \$0.29 | \$249 | |
| 2020 | \$78 | \$216 | \$47 | \$341 | \$216 | \$13 | \$26 | \$0.29 | \$254 | |
| 2021 | \$78 | \$221 | \$47 | \$346 | \$221 | \$12 | \$26 | \$525.29 | \$784 | |

Present Value
of Benefits

\$2,874

Present Value
of Costs

\$2,625

**Benefit/Cost
Ratio**

1.09

Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Calculated Data

| | |
|------------------------|--|
| Appliance Type | |
| Tankless Water Heating | |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 150 | \$0.5214 | \$78 |
| 2007 | 150 | \$0.5214 | \$78 |
| 2008 | 150 | \$0.5214 | \$78 |
| 2009 | 150 | \$0.5214 | \$78 |
| 2010 | 150 | \$0.5214 | \$78 |
| 2011 | 150 | \$0.5214 | \$78 |
| 2012 | 150 | \$0.5214 | \$78 |
| 2013 | 150 | \$0.5214 | \$78 |
| 2014 | 150 | \$0.5214 | \$78 |
| 2015 | 150 | \$0.5214 | \$78 |
| 2016 | 150 | \$0.5214 | \$78 |
| 2017 | 150 | \$0.5214 | \$78 |
| 2018 | 150 | \$0.5214 | \$78 |
| 2019 | 150 | \$0.5214 | \$78 |
| 2020 | 150 | \$0.5214 | \$78 |
| 2021 | 150 | \$0.5214 | \$78 |
| 2022 | 150 | \$0.5214 | \$78 |
| 2023 | 150 | \$0.5214 | \$78 |
| 2024 | 150 | \$0.5214 | \$78 |
| 2025 | 150 | \$0.5214 | \$78 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 150 | \$0.9377 | \$141 |
| 2007 | 150 | \$0.9602 | \$144 |
| 2008 | 150 | \$0.9833 | \$147 |
| 2009 | 150 | \$1.0069 | \$151 |
| 2010 | 150 | \$1.0310 | \$155 |
| 2011 | 150 | \$1.0558 | \$158 |
| 2012 | 150 | \$1.0811 | \$162 |
| 2013 | 150 | \$1.1071 | \$166 |
| 2014 | 150 | \$1.1336 | \$170 |
| 2015 | 150 | \$1.1608 | \$174 |
| 2016 | 150 | \$1.1887 | \$178 |
| 2017 | 150 | \$1.2172 | \$183 |
| 2018 | 150 | \$1.2464 | \$187 |
| 2019 | 150 | \$1.2763 | \$191 |
| 2020 | 150 | \$1.3070 | \$196 |
| 2021 | 150 | \$1.3383 | \$201 |
| 2022 | 150 | \$1.3705 | \$206 |
| 2023 | 150 | \$1.4034 | \$211 |
| 2024 | 150 | \$1.4370 | \$216 |
| 2025 | 150 | \$1.4715 | \$221 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2007 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2008 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2009 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2010 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2011 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2012 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2013 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2014 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2015 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2016 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2017 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2018 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2019 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2020 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2021 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2022 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2023 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2024 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2025 | \$11.03 | \$132.36 | 35.46% | \$47 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 6*7*8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Investment Carrying Cost |
| 2006 | \$50 | \$280 | \$200 | \$163 | \$693 | 9.53% | \$23 |
| 2007 | \$48 | \$271 | \$193 | \$157 | \$669 | 9.53% | \$23 |
| 2008 | \$46 | \$262 | \$187 | \$151 | \$646 | 9.53% | \$22 |
| 2009 | \$44 | \$253 | \$181 | \$145 | \$623 | 9.53% | \$21 |
| 2010 | \$43 | \$245 | \$175 | \$139 | \$602 | 9.53% | \$20 |
| 2011 | \$42 | \$237 | \$169 | \$134 | \$582 | 9.53% | \$20 |
| 2012 | \$41 | \$229 | \$163 | \$129 | \$562 | 9.53% | \$19 |
| 2013 | \$40 | \$221 | \$156 | \$124 | \$543 | 9.53% | \$18 |
| 2014 | \$39 | \$214 | \$153 | \$119 | \$525 | 9.53% | \$18 |
| 2015 | \$38 | \$207 | \$148 | \$114 | \$507 | 9.53% | \$17 |
| 2016 | \$37 | \$200 | \$143 | \$110 | \$490 | 9.53% | \$16 |
| 2017 | \$36 | \$193 | \$138 | \$106 | \$473 | 9.53% | \$16 |
| 2018 | \$35 | \$187 | \$133 | \$102 | \$457 | 9.53% | \$15 |
| 2019 | \$34 | \$181 | \$129 | \$98 | \$442 | 9.53% | \$15 |
| 2020 | \$33 | \$175 | \$125 | \$94 | \$427 | 9.53% | \$14 |
| 2021 | \$32 | \$169 | \$121 | \$90 | \$412 | 9.53% | \$14 |
| 2022 | \$31 | \$163 | \$117 | \$87 | \$398 | 9.53% | \$13 |
| 2023 | \$30 | \$158 | \$113 | \$84 | \$385 | 9.53% | \$13 |
| 2024 | \$29 | \$153 | \$109 | \$81 | \$372 | 9.53% | \$13 |
| 2025 | \$28 | \$148 | \$105 | \$78 | \$359 | 9.53% | \$12 |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5-3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Total Incremental Adm. & O&M Cost |
| 2006 | \$1.61 | \$19 | 35.46% | \$6.74 | \$27.96 | 35.46% | \$10 |
| 2007 | \$1.65 | \$20 | 35.46% | \$7.09 | \$28.32 | 35.46% | \$10 |
| 2008 | \$1.69 | \$20 | 35.46% | \$7.09 | \$29.00 | 35.46% | \$10 |
| 2009 | \$1.73 | \$21 | 35.46% | \$7.45 | \$28.70 | 35.46% | \$11 |
| 2010 | \$1.77 | \$21 | 35.46% | \$7.45 | \$30.41 | 35.46% | \$11 |
| 2011 | \$1.81 | \$22 | 35.46% | \$7.80 | \$31.14 | 35.46% | \$11 |
| 2012 | \$1.86 | \$22 | 35.46% | \$7.80 | \$31.89 | 35.46% | \$11 |
| 2013 | \$1.90 | \$23 | 35.46% | \$8.16 | \$32.96 | 35.46% | \$12 |
| 2014 | \$1.95 | \$23 | 35.46% | \$8.16 | \$33.44 | 35.46% | \$12 |
| 2015 | \$1.99 | \$24 | 35.46% | \$8.51 | \$34.24 | 35.46% | \$12 |
| 2016 | \$2.04 | \$24 | 35.46% | \$8.51 | \$35.06 | 35.46% | \$12 |
| 2017 | \$2.09 | \$25 | 35.46% | \$8.87 | \$35.90 | 35.46% | \$13 |
| 2018 | \$2.14 | \$26 | 35.46% | \$9.22 | \$36.77 | 35.46% | \$13 |
| 2019 | \$2.19 | \$26 | 35.46% | \$9.22 | \$37.65 | 35.46% | \$13 |
| 2020 | \$2.24 | \$27 | 35.46% | \$9.57 | \$38.55 | 35.46% | \$14 |
| 2021 | \$2.30 | \$28 | 35.46% | \$9.93 | \$39.48 | 35.46% | \$14 |
| 2022 | \$2.35 | \$28 | 35.46% | \$9.93 | \$40.43 | 35.46% | \$14 |
| 2023 | \$2.41 | \$29 | 35.46% | \$10.28 | \$41.40 | 35.46% | \$15 |
| 2024 | \$2.47 | \$30 | 35.46% | \$10.64 | \$42.39 | 35.46% | \$15 |
| 2025 | \$2.53 | \$30 | 35.46% | \$10.64 | \$43.41 | 35.46% | \$15 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 150 | 0.5377 | \$144 |
| 2007 | 150 | \$0.9602 | \$144 |
| 2008 | 150 | \$0.9833 | \$147 |
| 2009 | 150 | \$1.0069 | \$151 |
| 2010 | 150 | \$1.0310 | \$155 |
| 2011 | 150 | \$1.0558 | \$158 |
| 2012 | 150 | \$1.0811 | \$162 |
| 2013 | 150 | \$1.1071 | \$166 |
| 2014 | 150 | \$1.1336 | \$170 |
| 2015 | 150 | \$1.1608 | \$174 |
| 2016 | 150 | \$1.1887 | \$178 |
| 2017 | 150 | \$1.2172 | \$183 |
| 2018 | 150 | \$1.2464 | \$187 |
| 2019 | 150 | \$1.2763 | \$191 |
| 2020 | 150 | \$1.3070 | \$196 |
| 2021 | 150 | \$1.3383 | \$201 |
| 2022 | 150 | \$1.3705 | \$206 |
| 2023 | 150 | \$1.4034 | \$211 |
| 2024 | 150 | \$1.4370 | \$216 |
| 2025 | 150 | \$1.4715 | \$221 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Replacement Program
RIM Test and Participants Test Results**

For

Heating Systems

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Heating System |

| Year | Year Number | Benefits | | | | Costs | | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|--|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS | |
| | | Table 1 | | | | | | | | Table 2 | | Table 3 | Table 4 | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 | |
| 2006 | 1 | \$353 | \$625 | \$192 | \$1,170 | \$2,052 | (\$3,850) | \$2,085 | \$192 | \$184 | \$102 | \$59 | \$823 | |
| 2007 | 2 | \$358 | 0 | \$197 | \$555 | 0 | 0 | 0 | \$197 | \$188 | \$102 | \$59 | \$545 | |
| 2008 | 3 | \$363 | 0 | \$201 | \$564 | 0 | 0 | 0 | \$201 | \$193 | \$102 | \$59 | \$554 | |
| 2009 | 4 | \$368 | 0 | \$206 | \$574 | 0 | 0 | 0 | \$206 | \$197 | \$102 | \$59 | \$564 | |
| 2010 | 5 | \$372 | 0 | \$211 | \$583 | 0 | 0 | 0 | \$211 | \$202 | \$102 | \$59 | \$574 | |
| 2011 | 6 | \$377 | 0 | \$216 | \$593 | 0 | 0 | 0 | \$216 | \$207 | \$102 | \$59 | \$583 | |
| 2012 | 7 | \$382 | 0 | \$221 | \$603 | 0 | 0 | 0 | \$221 | \$212 | \$102 | \$59 | \$594 | |
| 2013 | 8 | \$386 | 0 | \$227 | \$613 | 0 | 0 | 0 | \$227 | \$217 | \$102 | \$59 | \$604 | |
| 2014 | 9 | \$391 | 0 | \$232 | \$623 | 0 | 0 | 0 | \$232 | \$222 | \$102 | \$59 | \$615 | |
| 2015 | 10 | \$396 | 0 | \$238 | \$633 | 0 | 0 | 0 | \$238 | \$227 | \$102 | \$59 | \$626 | |
| 2016 | 11 | \$400 | 0 | \$243 | \$644 | 0 | 0 | 0 | \$243 | \$233 | \$102 | \$59 | \$637 | |
| 2017 | 12 | \$405 | 0 | \$249 | \$654 | 0 | 0 | 0 | \$249 | \$238 | \$102 | \$59 | \$648 | |
| 2018 | 13 | \$410 | 0 | \$255 | \$665 | 0 | 0 | 0 | \$255 | \$244 | \$102 | \$59 | \$660 | |
| 2019 | 14 | \$414 | 0 | \$261 | \$676 | 0 | 0 | 0 | \$261 | \$250 | \$102 | \$59 | \$672 | |
| 2020 | 15 | \$419 | 350 | \$268 | \$1,037 | 2,929 | (5,495) | 2,352 | \$268 | \$256 | \$102 | \$59 | \$470 | |
| 2021 | 16 | \$424 | 0 | \$274 | \$698 | 0 | 0 | 0 | \$274 | \$262 | \$102 | \$59 | \$697 | |
| 2022 | 17 | \$428 | 0 | \$281 | \$709 | 0 | 0 | 0 | \$281 | \$268 | \$102 | \$59 | \$710 | |
| 2023 | 18 | \$433 | 0 | \$287 | \$720 | 0 | 0 | 0 | \$287 | \$275 | \$102 | \$59 | \$723 | |
| 2024 | 19 | \$438 | 0 | \$294 | \$732 | 0 | 0 | 0 | \$294 | \$281 | \$102 | \$59 | \$736 | |
| 2025 | 20 | \$442 | 0 | \$301 | \$744 | 0 | 0 | 0 | \$301 | \$288 | \$102 | \$59 | \$750 | |

Present Value of Benefits \$6,730

Present Value of Costs \$6,170

| | |
|--------------------|------|
| Benefit/Cost Ratio | 1.09 |
|--------------------|------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Data**

| Appliance Type | |
|----------------|--|
| Heating System | |

| | | | |
|-------------------------|------|------------------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj. | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 3,150 | 10.00% | \$353 |
| 2007 | \$0.1034 | 3,150 | 10.00% | \$358 |
| 2008 | \$0.1047 | 3,150 | 10.00% | \$363 |
| 2009 | \$0.1061 | 3,150 | 10.00% | \$368 |
| 2010 | \$0.1074 | 3,150 | 10.00% | \$372 |
| 2011 | \$0.1088 | 3,150 | 10.00% | \$377 |
| 2012 | \$0.1101 | 3,150 | 10.00% | \$382 |
| 2013 | \$0.1115 | 3,150 | 10.00% | \$386 |
| 2014 | \$0.1128 | 3,150 | 10.00% | \$391 |
| 2015 | \$0.1142 | 3,150 | 10.00% | \$396 |
| 2016 | \$0.1155 | 3,150 | 10.00% | \$400 |
| 2017 | \$0.1169 | 3,150 | 10.00% | \$405 |
| 2018 | \$0.1182 | 3,150 | 10.00% | \$410 |
| 2019 | \$0.1196 | 3,150 | 10.00% | \$414 |
| 2020 | \$0.1209 | 3,150 | 10.00% | \$419 |
| 2021 | \$0.1223 | 3,150 | 10.00% | \$424 |
| 2022 | \$0.1236 | 3,150 | 10.00% | \$428 |
| 2023 | \$0.1250 | 3,150 | 10.00% | \$433 |
| 2024 | \$0.1263 | 3,150 | 10.00% | \$438 |
| 2025 | \$0.1277 | 3,150 | 10.00% | \$442 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 178 | 10.00% | \$184 |
| 2007 | \$0.9602 | 178 | 10.00% | \$188 |
| 2008 | \$0.9833 | 178 | 10.00% | \$193 |
| 2009 | \$1.0069 | 178 | 10.00% | \$197 |
| 2010 | \$1.0310 | 178 | 10.00% | \$202 |
| 2011 | \$1.0558 | 178 | 10.00% | \$207 |
| 2012 | \$1.0811 | 178 | 10.00% | \$212 |
| 2013 | \$1.1071 | 178 | 10.00% | \$217 |
| 2014 | \$1.1336 | 178 | 10.00% | \$222 |
| 2015 | \$1.1608 | 178 | 10.00% | \$227 |
| 2016 | \$1.1887 | 178 | 10.00% | \$233 |
| 2017 | \$1.2172 | 178 | 10.00% | \$238 |
| 2018 | \$1.2464 | 178 | 10.00% | \$244 |
| 2019 | \$1.2763 | 178 | 10.00% | \$250 |
| 2020 | \$1.3070 | 178 | 10.00% | \$256 |
| 2021 | \$1.3383 | 178 | 10.00% | \$262 |
| 2022 | \$1.3705 | 178 | 10.00% | \$268 |
| 2023 | \$1.4034 | 178 | 10.00% | \$275 |
| 2024 | \$1.4370 | 178 | 10.00% | \$281 |
| 2025 | \$1.4715 | 178 | 10.00% | \$288 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 178 | 10.00% | \$102 |
| 2007 | \$0.5214 | 178 | 10.00% | \$102 |
| 2008 | \$0.5214 | 178 | 10.00% | \$102 |
| 2009 | \$0.5214 | 178 | 10.00% | \$102 |
| 2010 | \$0.5214 | 178 | 10.00% | \$102 |
| 2011 | \$0.5214 | 178 | 10.00% | \$102 |
| 2012 | \$0.5214 | 178 | 10.00% | \$102 |
| 2013 | \$0.5214 | 178 | 10.00% | \$102 |
| 2014 | \$0.5214 | 178 | 10.00% | \$102 |
| 2015 | \$0.5214 | 178 | 10.00% | \$102 |
| 2016 | \$0.5214 | 178 | 10.00% | \$102 |
| 2017 | \$0.5214 | 178 | 10.00% | \$102 |
| 2018 | \$0.5214 | 178 | 10.00% | \$102 |
| 2019 | \$0.5214 | 178 | 10.00% | \$102 |
| 2020 | \$0.5214 | 178 | 10.00% | \$102 |
| 2021 | \$0.5214 | 178 | 10.00% | \$102 |
| 2022 | \$0.5214 | 178 | 10.00% | \$102 |
| 2023 | \$0.5214 | 178 | 10.00% | \$102 |
| 2024 | \$0.5214 | 178 | 10.00% | \$102 |
| 2025 | \$0.5214 | 178 | 10.00% | \$102 |

| Gas Customer Charge - Table 4 | | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|--|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge | |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) | |
| 2006 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2007 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2008 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2009 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2010 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2011 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2012 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2013 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2014 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2015 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2016 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2017 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2018 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2019 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2020 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2021 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2022 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2023 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2024 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |
| 2025 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 | |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Results**

Appliance Type

Heating System

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs | |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|----------|
| | Table 1 | Table 1A | Table 2 | | Table 5 | Table 3 | Table 4 | | | |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2006 | \$93 | \$167 | \$53 | \$313 | \$167 | \$27 | \$19 | \$625.31 | \$838 | |
| 2007 | \$93 | \$171 | \$53 | \$317 | \$171 | \$26 | \$19 | \$0.31 | \$216 | |
| 2008 | \$93 | \$175 | \$53 | \$321 | \$175 | \$25 | \$20 | \$0.31 | \$220 | |
| 2009 | \$93 | \$179 | \$53 | \$325 | \$179 | \$24 | \$20 | \$0.31 | \$224 | |
| 2010 | \$93 | \$184 | \$53 | \$330 | \$184 | \$23 | \$21 | \$0.31 | \$228 | |
| 2011 | \$93 | \$188 | \$53 | \$334 | \$188 | \$22 | \$21 | \$0.31 | \$232 | |
| 2012 | \$93 | \$192 | \$53 | \$338 | \$192 | \$22 | \$22 | \$0.31 | \$236 | |
| 2013 | \$93 | \$197 | \$53 | \$343 | \$197 | \$21 | \$22 | \$0.31 | \$241 | |
| 2014 | \$93 | \$202 | \$53 | \$348 | \$202 | \$20 | \$23 | \$0.31 | \$245 | |
| 2015 | \$93 | \$207 | \$53 | \$353 | \$207 | \$19 | \$23 | \$0.31 | \$250 | |
| 2016 | \$93 | \$212 | \$53 | \$358 | \$212 | \$19 | \$24 | \$0.31 | \$254 | |
| 2017 | \$93 | \$217 | \$53 | \$363 | \$217 | \$18 | \$24 | \$0.31 | \$260 | |
| 2018 | \$93 | \$222 | \$53 | \$368 | \$222 | \$17 | \$25 | \$0.31 | \$265 | |
| 2019 | \$93 | \$227 | \$53 | \$373 | \$227 | \$17 | \$26 | \$0.31 | \$270 | |
| 2020 | \$93 | \$233 | \$53 | \$379 | \$233 | \$16 | \$26 | \$625.31 | \$901 | |
| 2021 | \$93 | \$238 | \$53 | \$384 | \$238 | \$16 | \$27 | \$0.31 | \$281 | |
| 2022 | \$93 | \$244 | \$53 | \$390 | \$244 | \$15 | \$27 | \$0.31 | \$287 | |
| 2023 | \$93 | \$250 | \$53 | \$396 | \$250 | \$15 | \$28 | \$0.31 | \$293 | |
| 2024 | \$93 | \$256 | \$53 | \$402 | \$256 | \$14 | \$29 | \$0.31 | \$299 | |
| 2025 | \$93 | \$262 | \$53 | \$408 | \$262 | \$14 | \$29 | \$0.31 | \$305 | |

Present Value
of Benefits

\$3,386

Present Value
of Costs

\$3,160

Benefit/Cost
Ratio

1.07

Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Calculated Data

| |
|-----------------------|
| Appliance Type |
| Heating System |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M/Inflation Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 178 | \$0.5214 | \$93 |
| 2007 | 178 | \$0.5214 | \$93 |
| 2008 | 178 | \$0.5214 | \$93 |
| 2009 | 178 | \$0.5214 | \$93 |
| 2010 | 178 | \$0.5214 | \$93 |
| 2011 | 178 | \$0.5214 | \$93 |
| 2012 | 178 | \$0.5214 | \$93 |
| 2013 | 178 | \$0.5214 | \$93 |
| 2014 | 178 | \$0.5214 | \$93 |
| 2015 | 178 | \$0.5214 | \$93 |
| 2016 | 178 | \$0.5214 | \$93 |
| 2017 | 178 | \$0.5214 | \$93 |
| 2018 | 178 | \$0.5214 | \$93 |
| 2019 | 178 | \$0.5214 | \$93 |
| 2020 | 178 | \$0.5214 | \$93 |
| 2021 | 178 | \$0.5214 | \$93 |
| 2022 | 178 | \$0.5214 | \$93 |
| 2023 | 178 | \$0.5214 | \$93 |
| 2024 | 178 | \$0.5214 | \$93 |
| 2025 | 178 | \$0.5214 | \$93 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 178 | \$0.5377 | \$167 |
| 2007 | 178 | \$0.9602 | \$171 |
| 2008 | 178 | \$0.9833 | \$175 |
| 2009 | 178 | \$1.0069 | \$179 |
| 2010 | 178 | \$1.0310 | \$184 |
| 2011 | 178 | \$1.0558 | \$188 |
| 2012 | 178 | \$1.0811 | \$192 |
| 2013 | 178 | \$1.1071 | \$197 |
| 2014 | 178 | \$1.1336 | \$202 |
| 2015 | 178 | \$1.1608 | \$207 |
| 2016 | 178 | \$1.1887 | \$212 |
| 2017 | 178 | \$1.2172 | \$217 |
| 2018 | 178 | \$1.2464 | \$222 |
| 2019 | 178 | \$1.2763 | \$227 |
| 2020 | 178 | \$1.3070 | \$233 |
| 2021 | 178 | \$1.3383 | \$238 |
| 2022 | 178 | \$1.3705 | \$244 |
| 2023 | 178 | \$1.4034 | \$250 |
| 2024 | 178 | \$1.4370 | \$256 |
| 2025 | 178 | \$1.4715 | \$262 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2007 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2008 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2009 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2010 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2011 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2012 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2013 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2014 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2015 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2016 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2017 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2018 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2019 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2020 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2021 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2022 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2023 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2024 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2025 | \$11.03 | \$132.36 | 40.18% | \$53 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total |
| 2006 | \$50 | \$280 | \$200 | \$163 | \$693 | 9.53% | 40.18% |
| 2007 | \$48 | \$271 | \$193 | \$157 | \$669 | 9.53% | 40.18% |
| 2008 | \$46 | \$262 | \$187 | \$151 | \$646 | 9.53% | 40.18% |
| 2009 | \$44 | \$253 | \$181 | \$145 | \$623 | 9.53% | 40.18% |
| 2010 | \$43 | \$245 | \$175 | \$139 | \$602 | 9.53% | 40.18% |
| 2011 | \$42 | \$237 | \$169 | \$134 | \$582 | 9.53% | 40.18% |
| 2012 | \$41 | \$229 | \$163 | \$129 | \$562 | 9.53% | 40.18% |
| 2013 | \$40 | \$221 | \$158 | \$124 | \$543 | 9.53% | 40.18% |
| 2014 | \$39 | \$214 | \$153 | \$119 | \$525 | 9.53% | 40.18% |
| 2015 | \$38 | \$207 | \$148 | \$114 | \$507 | 9.53% | 40.18% |
| 2016 | \$37 | \$200 | \$143 | \$110 | \$490 | 9.53% | 40.18% |
| 2017 | \$36 | \$193 | \$138 | \$106 | \$473 | 9.53% | 40.18% |
| 2018 | \$35 | \$187 | \$133 | \$102 | \$457 | 9.53% | 40.18% |
| 2019 | \$34 | \$181 | \$129 | \$98 | \$442 | 9.53% | 40.18% |
| 2020 | \$33 | \$175 | \$125 | \$94 | \$427 | 9.53% | 40.18% |
| 2021 | \$32 | \$169 | \$121 | \$90 | \$412 | 9.53% | 40.18% |
| 2022 | \$31 | \$163 | \$117 | \$87 | \$398 | 9.53% | 40.18% |
| 2023 | \$30 | \$158 | \$113 | \$84 | \$385 | 9.53% | 40.18% |
| 2024 | \$29 | \$153 | \$109 | \$81 | \$372 | 9.53% | 40.18% |
| 2025 | \$28 | \$148 | \$105 | \$78 | \$359 | 9.53% | 40.18% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio O&M Cost |
| 2006 | \$1.61 | \$19 | 40.18% | \$7.63 | \$27.66 | 40.18% | \$11 |
| 2007 | \$1.65 | \$20 | 40.18% | \$8.04 | \$28.32 | 40.18% | \$11 |
| 2008 | \$1.69 | \$21 | 40.18% | \$8.04 | \$29.00 | 40.18% | \$12 |
| 2009 | \$1.73 | \$21 | 40.18% | \$8.44 | \$29.70 | 40.18% | \$12 |
| 2010 | \$1.77 | \$21 | 40.18% | \$8.44 | \$30.41 | 40.18% | \$12 |
| 2011 | \$1.81 | \$22 | 40.18% | \$8.84 | \$31.14 | 40.18% | \$13 |
| 2012 | \$1.86 | \$22 | 40.18% | \$8.84 | \$31.89 | 40.18% | \$13 |
| 2013 | \$1.90 | \$23 | 40.18% | \$9.24 | \$32.66 | 40.18% | \$13 |
| 2014 | \$1.95 | \$23 | 40.18% | \$9.24 | \$33.44 | 40.18% | \$13 |
| 2015 | \$1.99 | \$24 | 40.18% | \$9.64 | \$34.24 | 40.18% | \$14 |
| 2016 | \$2.04 | \$24 | 40.18% | \$9.64 | \$35.06 | 40.18% | \$14 |
| 2017 | \$2.09 | \$25 | 40.18% | \$10.05 | \$35.90 | 40.18% | \$14 |
| 2018 | \$2.14 | \$26 | 40.18% | \$10.45 | \$36.77 | 40.18% | \$15 |
| 2019 | \$2.19 | \$26 | 40.18% | \$10.45 | \$37.65 | 40.18% | \$15 |
| 2020 | \$2.24 | \$27 | 40.18% | \$10.85 | \$38.55 | 40.18% | \$15 |
| 2021 | \$2.30 | \$28 | 40.18% | \$11.25 | \$39.48 | 40.18% | \$16 |
| 2022 | \$2.35 | \$28 | 40.18% | \$11.25 | \$40.43 | 40.18% | \$16 |
| 2023 | \$2.41 | \$29 | 40.18% | \$11.65 | \$41.40 | 40.18% | \$17 |
| 2024 | \$2.47 | \$30 | 40.18% | \$12.05 | \$42.39 | 40.18% | \$17 |
| 2025 | \$2.53 | \$30 | 40.18% | \$12.05 | \$43.41 | 40.18% | \$17 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 178 | \$0.9377 | \$167 |
| 2007 | 178 | \$0.9602 | \$171 |
| 2008 | 178 | \$0.9833 | \$175 |
| 2009 | 178 | \$1.0069 | \$179 |
| 2010 | 178 | \$1.0310 | \$184 |
| 2011 | 178 | \$1.0558 | \$188 |
| 2012 | 178 | \$1.0811 | \$192 |
| 2013 | 178 | \$1.1071 | \$197 |
| 2014 | 178 | \$1.1336 | \$202 |
| 2015 | 178 | \$1.1608 | \$207 |
| 2016 | 178 | \$1.1887 | \$212 |
| 2017 | 178 | \$1.2172 | \$217 |
| 2018 | 178 | \$1.2464 | \$222 |
| 2019 | 178 | \$1.2763 | \$227 |
| 2020 | 178 | \$1.3070 | \$233 |
| 2021 | 178 | \$1.3383 | \$238 |
| 2022 | 178 | \$1.3705 | \$244 |
| 2023 | 178 | \$1.4034 | \$250 |
| 2024 | 178 | \$1.4370 | \$256 |
| 2025 | 178 | \$1.4715 | \$262 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Replacement Program
RIM Test and Participants Test Results**

For

Cooking Appliances

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Clothes Drying |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | Table 2 | | Table 3 | Table 4 | | | | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2005 | 1 | \$164 | \$100 | \$36 | \$300 | \$379 | (\$454) | \$350 | \$36 | \$52 | \$29 | \$16 | \$408 |
| 2006 | 2 | \$167 | 0 | \$37 | \$203 | 0 | 0 | 0 | \$37 | \$53 | \$29 | \$16 | \$135 |
| 2007 | 3 | \$169 | 0 | \$38 | \$207 | 0 | 0 | 0 | \$38 | \$54 | \$29 | \$16 | \$137 |
| 2008 | 4 | \$171 | 0 | \$39 | \$210 | 0 | 0 | 0 | \$39 | \$55 | \$29 | \$16 | \$139 |
| 2009 | 5 | \$173 | 0 | \$40 | \$213 | 0 | 0 | 0 | \$40 | \$57 | \$29 | \$16 | \$141 |
| 2010 | 6 | \$175 | 0 | \$41 | \$216 | 0 | 0 | 0 | \$41 | \$58 | \$29 | \$16 | \$144 |
| 2011 | 7 | \$177 | 0 | \$42 | \$219 | 0 | 0 | 0 | \$42 | \$59 | \$29 | \$16 | \$146 |
| 2012 | 8 | \$180 | 0 | \$43 | \$222 | 0 | 0 | 0 | \$43 | \$61 | \$29 | \$16 | \$148 |
| 2013 | 9 | \$182 | 0 | \$44 | \$225 | 0 | 0 | 0 | \$44 | \$62 | \$29 | \$16 | \$151 |
| 2014 | 10 | \$184 | 0 | \$45 | \$229 | 0 | 0 | 0 | \$45 | \$64 | \$29 | \$16 | \$154 |
| 2015 | 11 | \$186 | 0 | \$46 | \$232 | 0 | 0 | 0 | \$46 | \$65 | \$29 | \$16 | \$156 |
| 2016 | 12 | \$188 | 0 | \$47 | \$235 | 0 | 0 | 0 | \$47 | \$67 | \$29 | \$16 | \$159 |
| 2017 | 13 | \$191 | 100 | \$48 | \$338 | 516 | (618) | 204 | \$48 | \$69 | \$29 | \$16 | \$264 |
| 2018 | 14 | \$193 | 0 | \$49 | \$242 | 0 | 0 | 0 | \$49 | \$70 | \$29 | \$16 | \$164 |
| 2019 | 15 | \$195 | 0 | \$50 | \$245 | 0 | 0 | 0 | \$50 | \$72 | \$29 | \$16 | \$167 |
| 2020 | 16 | \$197 | 0 | \$51 | \$248 | 0 | 0 | 0 | \$51 | \$74 | \$29 | \$16 | \$170 |
| 2021 | 17 | \$199 | 0 | \$53 | \$252 | 0 | 0 | 0 | \$53 | \$75 | \$29 | \$16 | \$173 |
| 2022 | 18 | \$201 | 0 | \$54 | \$255 | 0 | 0 | 0 | \$54 | \$77 | \$29 | \$16 | \$176 |
| 2023 | 19 | \$204 | 0 | \$55 | \$259 | 0 | 0 | 0 | \$55 | \$79 | \$29 | \$16 | \$179 |
| 2024 | 20 | \$206 | 0 | \$56 | \$262 | 0 | 0 | 0 | \$56 | \$81 | \$29 | \$16 | \$183 |

Present Value of Benefits \$2,315

Present Value of Costs \$1,760

| | |
|--------------------|------|
| Benefit/Cost Ratio | 1.32 |
|--------------------|------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Data**

| |
|-----------------------|
| Appliance Type |
| Clothes Drying |

| | | | |
|-------------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj. | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 1,465 | 10.00% | \$164 |
| 2007 | \$0.1034 | 1,465 | 10.00% | \$167 |
| 2008 | \$0.1047 | 1,465 | 10.00% | \$169 |
| 2009 | \$0.1061 | 1,465 | 10.00% | \$171 |
| 2010 | \$0.1074 | 1,465 | 10.00% | \$173 |
| 2011 | \$0.1088 | 1,465 | 10.00% | \$175 |
| 2012 | \$0.1101 | 1,465 | 10.00% | \$177 |
| 2013 | \$0.1115 | 1,465 | 10.00% | \$180 |
| 2014 | \$0.1128 | 1,465 | 10.00% | \$182 |
| 2015 | \$0.1142 | 1,465 | 10.00% | \$184 |
| 2016 | \$0.1155 | 1,465 | 10.00% | \$186 |
| 2017 | \$0.1169 | 1,465 | 10.00% | \$188 |
| 2018 | \$0.1182 | 1,465 | 10.00% | \$191 |
| 2019 | \$0.1196 | 1,465 | 10.00% | \$193 |
| 2020 | \$0.1209 | 1,465 | 10.00% | \$195 |
| 2021 | \$0.1223 | 1,465 | 10.00% | \$197 |
| 2022 | \$0.1236 | 1,465 | 10.00% | \$199 |
| 2023 | \$0.1250 | 1,465 | 10.00% | \$201 |
| 2024 | \$0.1263 | 1,465 | 10.00% | \$204 |
| 2025 | \$0.1277 | 1,465 | 10.00% | \$206 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 50 | 10.00% | \$52 |
| 2007 | \$0.9602 | 50 | 10.00% | \$53 |
| 2008 | \$0.9833 | 50 | 10.00% | \$54 |
| 2009 | \$1.0069 | 50 | 10.00% | \$55 |
| 2010 | \$1.0310 | 50 | 10.00% | \$57 |
| 2011 | \$1.0558 | 50 | 10.00% | \$58 |
| 2012 | \$1.0811 | 50 | 10.00% | \$59 |
| 2013 | \$1.1071 | 50 | 10.00% | \$61 |
| 2014 | \$1.1336 | 50 | 10.00% | \$62 |
| 2015 | \$1.1608 | 50 | 10.00% | \$64 |
| 2016 | \$1.1887 | 50 | 10.00% | \$65 |
| 2017 | \$1.2172 | 50 | 10.00% | \$67 |
| 2018 | \$1.2464 | 50 | 10.00% | \$69 |
| 2019 | \$1.2763 | 50 | 10.00% | \$70 |
| 2020 | \$1.3070 | 50 | 10.00% | \$72 |
| 2021 | \$1.3383 | 50 | 10.00% | \$74 |
| 2022 | \$1.3705 | 50 | 10.00% | \$75 |
| 2023 | \$1.4034 | 50 | 10.00% | \$77 |
| 2024 | \$1.4370 | 50 | 10.00% | \$79 |
| 2025 | \$1.4715 | 50 | 10.00% | \$81 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 50 | 10.00% | \$29 |
| 2007 | \$0.5214 | 50 | 10.00% | \$29 |
| 2008 | \$0.5214 | 50 | 10.00% | \$29 |
| 2009 | \$0.5214 | 50 | 10.00% | \$29 |
| 2010 | \$0.5214 | 50 | 10.00% | \$29 |
| 2011 | \$0.5214 | 50 | 10.00% | \$29 |
| 2012 | \$0.5214 | 50 | 10.00% | \$29 |
| 2013 | \$0.5214 | 50 | 10.00% | \$29 |
| 2014 | \$0.5214 | 50 | 10.00% | \$29 |
| 2015 | \$0.5214 | 50 | 10.00% | \$29 |
| 2016 | \$0.5214 | 50 | 10.00% | \$29 |
| 2017 | \$0.5214 | 50 | 10.00% | \$29 |
| 2018 | \$0.5214 | 50 | 10.00% | \$29 |
| 2019 | \$0.5214 | 50 | 10.00% | \$29 |
| 2020 | \$0.5214 | 50 | 10.00% | \$29 |
| 2021 | \$0.5214 | 50 | 10.00% | \$29 |
| 2022 | \$0.5214 | 50 | 10.00% | \$29 |
| 2023 | \$0.5214 | 50 | 10.00% | \$29 |
| 2024 | \$0.5214 | 50 | 10.00% | \$29 |
| 2025 | \$0.5214 | 50 | 10.00% | \$29 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2007 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2008 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2009 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2010 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2011 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2012 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2013 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2014 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2015 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2016 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2017 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2018 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2019 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2020 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2021 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2022 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2023 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2024 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2025 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Results**

| |
|-----------------------|
| Appliance Type |
| Clothes Drying |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs |
|------|-----------------------------------|---------------------------------|----------------------------------|-------------------|-----------------|---------------------------|----------------------------|--------------|-------------|
| | Table 1 | Table 1A | Table 2 | 2 thru 4 | Table 5 | Table 3 | Table 4 | | |
| | 1 | 2 | 3 | 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2006 | \$26 | \$47 | \$15 | \$88 | \$47 | \$7 | \$5 | \$100.09 | \$160 |
| 2007 | \$26 | \$48 | \$15 | \$89 | \$48 | \$7 | \$5 | \$0.09 | \$61 |
| 2008 | \$26 | \$49 | \$15 | \$90 | \$49 | \$7 | \$6 | \$0.09 | \$62 |
| 2009 | \$26 | \$50 | \$15 | \$91 | \$50 | \$7 | \$6 | \$0.09 | \$63 |
| 2010 | \$26 | \$52 | \$15 | \$93 | \$52 | \$6 | \$6 | \$0.09 | \$64 |
| 2011 | \$26 | \$53 | \$15 | \$94 | \$53 | \$6 | \$6 | \$0.09 | \$65 |
| 2012 | \$26 | \$54 | \$15 | \$95 | \$54 | \$6 | \$6 | \$0.09 | \$66 |
| 2013 | \$26 | \$55 | \$15 | \$96 | \$55 | \$6 | \$6 | \$0.09 | \$68 |
| 2014 | \$26 | \$57 | \$15 | \$98 | \$57 | \$6 | \$6 | \$0.09 | \$69 |
| 2015 | \$26 | \$58 | \$15 | \$99 | \$58 | \$5 | \$7 | \$0.09 | \$70 |
| 2016 | \$26 | \$59 | \$15 | \$100 | \$59 | \$5 | \$7 | \$0.09 | \$71 |
| 2017 | \$26 | \$61 | \$15 | \$102 | \$61 | \$5 | \$7 | \$0.09 | \$73 |
| 2018 | \$26 | \$62 | \$15 | \$103 | \$62 | \$5 | \$7 | \$100.09 | \$174 |
| 2019 | \$26 | \$64 | \$15 | \$105 | \$64 | \$5 | \$7 | \$0.09 | \$76 |
| 2020 | \$26 | \$65 | \$15 | \$106 | \$65 | \$5 | \$7 | \$0.09 | \$77 |
| 2021 | \$26 | \$67 | \$15 | \$108 | \$67 | \$4 | \$8 | \$0.09 | \$79 |
| 2022 | \$26 | \$69 | \$15 | \$110 | \$69 | \$4 | \$8 | \$0.09 | \$81 |
| 2023 | \$26 | \$70 | \$15 | \$111 | \$70 | \$4 | \$8 | \$0.09 | \$82 |
| 2024 | \$26 | \$72 | \$15 | \$113 | \$72 | \$4 | \$8 | \$0.09 | \$84 |
| 2025 | \$26 | \$74 | \$15 | \$115 | \$74 | \$4 | \$8 | \$0.09 | \$86 |

Present Value of Benefits \$951

Present Value of Costs \$799

| | |
|---------------------------|-------------|
| Benefit/Cost Ratio | 1.19 |
|---------------------------|-------------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Calculated Data**

| |
|-----------------------|
| Appliance Type |
| Clothes Drying |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M/Inflation Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 50 | \$0.5214 | \$26 |
| 2007 | 50 | \$0.5214 | \$26 |
| 2008 | 50 | \$0.5214 | \$26 |
| 2009 | 50 | \$0.5214 | \$26 |
| 2010 | 50 | \$0.5214 | \$26 |
| 2011 | 50 | \$0.5214 | \$26 |
| 2012 | 50 | \$0.5214 | \$26 |
| 2013 | 50 | \$0.5214 | \$26 |
| 2014 | 50 | \$0.5214 | \$26 |
| 2015 | 50 | \$0.5214 | \$26 |
| 2016 | 50 | \$0.5214 | \$26 |
| 2017 | 50 | \$0.5214 | \$26 |
| 2018 | 50 | \$0.5214 | \$26 |
| 2019 | 50 | \$0.5214 | \$26 |
| 2020 | 50 | \$0.5214 | \$26 |
| 2021 | 50 | \$0.5214 | \$26 |
| 2022 | 50 | \$0.5214 | \$26 |
| 2023 | 50 | \$0.5214 | \$26 |
| 2024 | 50 | \$0.5214 | \$26 |
| 2025 | 50 | \$0.5214 | \$26 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 50 | \$0.9377 | \$47 |
| 2007 | 50 | \$0.9602 | \$48 |
| 2008 | 50 | \$0.9833 | \$49 |
| 2009 | 50 | \$1.0069 | \$50 |
| 2010 | 50 | \$1.0310 | \$52 |
| 2011 | 50 | \$1.0558 | \$53 |
| 2012 | 50 | \$1.0811 | \$54 |
| 2013 | 50 | \$1.1071 | \$55 |
| 2014 | 50 | \$1.1336 | \$57 |
| 2015 | 50 | \$1.1608 | \$58 |
| 2016 | 50 | \$1.1887 | \$59 |
| 2017 | 50 | \$1.2172 | \$61 |
| 2018 | 50 | \$1.2464 | \$62 |
| 2019 | 50 | \$1.2763 | \$64 |
| 2020 | 50 | \$1.3070 | \$65 |
| 2021 | 50 | \$1.3383 | \$67 |
| 2022 | 50 | \$1.3705 | \$69 |
| 2023 | 50 | \$1.4034 | \$70 |
| 2024 | 50 | \$1.4370 | \$72 |
| 2025 | 50 | \$1.4715 | \$74 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2007 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2008 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2009 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2010 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2011 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2012 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2013 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2014 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2015 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2016 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2017 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2018 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2019 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2020 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2021 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2022 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2023 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2024 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2025 | \$11.03 | \$132.36 | 11.29% | \$15 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost |
| 2006 | \$50 | \$280 | \$200 | \$183 | \$693 | 9.53% | 11.29% |
| 2007 | \$48 | \$271 | \$193 | \$157 | \$669 | 9.53% | 11.29% |
| 2008 | \$46 | \$262 | \$187 | \$151 | \$646 | 9.53% | 11.29% |
| 2009 | \$44 | \$253 | \$181 | \$145 | \$623 | 9.53% | 11.29% |
| 2010 | \$43 | \$245 | \$175 | \$139 | \$602 | 9.53% | 11.29% |
| 2011 | \$42 | \$237 | \$169 | \$134 | \$582 | 9.53% | 11.29% |
| 2012 | \$41 | \$229 | \$163 | \$129 | \$562 | 9.53% | 11.29% |
| 2013 | \$40 | \$221 | \$158 | \$124 | \$543 | 9.53% | 11.29% |
| 2014 | \$39 | \$214 | \$153 | \$119 | \$525 | 9.53% | 11.29% |
| 2015 | \$38 | \$207 | \$148 | \$114 | \$507 | 9.53% | 11.29% |
| 2016 | \$37 | \$200 | \$143 | \$110 | \$490 | 9.53% | 11.29% |
| 2017 | \$36 | \$193 | \$138 | \$106 | \$473 | 9.53% | 11.29% |
| 2018 | \$35 | \$187 | \$133 | \$102 | \$457 | 9.53% | 11.29% |
| 2019 | \$34 | \$181 | \$129 | \$98 | \$442 | 9.53% | 11.29% |
| 2020 | \$33 | \$175 | \$125 | \$94 | \$427 | 9.53% | 11.29% |
| 2021 | \$32 | \$169 | \$121 | \$90 | \$412 | 9.53% | 11.29% |
| 2022 | \$31 | \$163 | \$117 | \$87 | \$398 | 9.53% | 11.29% |
| 2023 | \$30 | \$158 | \$113 | \$84 | \$385 | 9.53% | 11.29% |
| 2024 | \$29 | \$153 | \$109 | \$81 | \$372 | 9.53% | 11.29% |
| 2025 | \$28 | \$148 | \$105 | \$78 | \$359 | 9.53% | 11.29% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Total Incremental Adm. & O&M Cost |
| 2006 | \$1.61 | \$19 | 11.29% | \$2.14 | \$27.66 | 11.29% | \$3 |
| 2007 | \$1.65 | \$20 | 11.29% | \$2.26 | \$28.32 | 11.29% | \$3 |
| 2008 | \$1.69 | \$20 | 11.29% | \$2.26 | \$29.00 | 11.29% | \$3 |
| 2009 | \$1.73 | \$21 | 11.29% | \$2.37 | \$29.70 | 11.29% | \$3 |
| 2010 | \$1.77 | \$21 | 11.29% | \$2.37 | \$30.41 | 11.29% | \$3 |
| 2011 | \$1.81 | \$22 | 11.29% | \$2.48 | \$31.14 | 11.29% | \$4 |
| 2012 | \$1.86 | \$22 | 11.29% | \$2.48 | \$31.89 | 11.29% | \$4 |
| 2013 | \$1.90 | \$23 | 11.29% | \$2.60 | \$32.66 | 11.29% | \$4 |
| 2014 | \$1.95 | \$23 | 11.29% | \$2.60 | \$33.44 | 11.29% | \$4 |
| 2015 | \$1.99 | \$24 | 11.29% | \$2.71 | \$34.24 | 11.29% | \$4 |
| 2016 | \$2.04 | \$24 | 11.29% | \$2.71 | \$35.06 | 11.29% | \$4 |
| 2017 | \$2.09 | \$25 | 11.29% | \$2.82 | \$35.90 | 11.29% | \$4 |
| 2018 | \$2.14 | \$26 | 11.29% | \$2.93 | \$36.77 | 11.29% | \$4 |
| 2019 | \$2.19 | \$26 | 11.29% | \$2.93 | \$37.65 | 11.29% | \$4 |
| 2020 | \$2.24 | \$27 | 11.29% | \$3.05 | \$38.55 | 11.29% | \$4 |
| 2021 | \$2.30 | \$28 | 11.29% | \$3.16 | \$39.48 | 11.29% | \$4 |
| 2022 | \$2.35 | \$28 | 11.29% | \$3.16 | \$40.43 | 11.29% | \$5 |
| 2023 | \$2.41 | \$29 | 11.29% | \$3.27 | \$41.40 | 11.29% | \$5 |
| 2024 | \$2.47 | \$30 | 11.29% | \$3.39 | \$42.39 | 11.29% | \$5 |
| 2025 | \$2.53 | \$30 | 11.29% | \$3.39 | \$43.41 | 11.29% | \$5 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 50 | 0.9377 | \$47 |
| 2007 | 50 | \$0.9602 | \$48 |
| 2008 | 50 | \$0.9833 | \$49 |
| 2009 | 50 | \$1.0069 | \$50 |
| 2010 | 50 | \$1.0310 | \$52 |
| 2011 | 50 | \$1.0558 | \$53 |
| 2012 | 50 | \$1.0811 | \$54 |
| 2013 | 50 | \$1.1071 | \$55 |
| 2014 | 50 | \$1.1336 | \$57 |
| 2015 | 50 | \$1.1608 | \$58 |
| 2016 | 50 | \$1.1887 | \$59 |
| 2017 | 50 | \$1.2172 | \$61 |
| 2018 | 50 | \$1.2464 | \$62 |
| 2019 | 50 | \$1.2763 | \$64 |
| 2020 | 50 | \$1.3070 | \$65 |
| 2021 | 50 | \$1.3383 | \$67 |
| 2022 | 50 | \$1.3705 | \$69 |
| 2023 | 50 | \$1.4034 | \$70 |
| 2024 | 50 | \$1.4370 | \$72 |
| 2025 | 50 | \$1.4715 | \$74 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Replacement Program
RIM Test and Participants Test Results**

For

Clothes Drying Appliances

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Cooking |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | Table 2 | | | Table 3 | Table 4 | | | |
| 1 | 2 | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2006 | 1 | \$147 | \$100 | \$36 | \$283 | \$449 | (\$574) | \$400 | \$36 | \$46 | \$26 | \$15 | \$398 |
| 2007 | 2 | \$149 | 0 | \$37 | \$186 | 0 | 0 | 0 | \$37 | \$48 | \$26 | \$15 | \$125 |
| 2008 | 3 | \$151 | 0 | \$38 | \$189 | 0 | 0 | 0 | \$38 | \$49 | \$26 | \$15 | \$127 |
| 2009 | 4 | \$153 | 0 | \$39 | \$191 | 0 | 0 | 0 | \$39 | \$50 | \$26 | \$15 | \$129 |
| 2010 | 5 | \$155 | 0 | \$40 | \$194 | 0 | 0 | 0 | \$40 | \$51 | \$26 | \$15 | \$131 |
| 2011 | 6 | \$157 | 0 | \$41 | \$197 | 0 | 0 | 0 | \$41 | \$52 | \$26 | \$15 | \$133 |
| 2012 | 7 | \$159 | 0 | \$42 | \$200 | 0 | 0 | 0 | \$42 | \$54 | \$26 | \$15 | \$136 |
| 2013 | 8 | \$161 | 0 | \$43 | \$203 | 0 | 0 | 0 | \$43 | \$55 | \$26 | \$15 | \$138 |
| 2014 | 9 | \$163 | 0 | \$44 | \$206 | 0 | 0 | 0 | \$44 | \$56 | \$26 | \$15 | \$140 |
| 2015 | 10 | \$165 | 0 | \$45 | \$209 | 0 | 0 | 0 | \$45 | \$57 | \$26 | \$15 | \$143 |
| 2016 | 11 | \$166 | 0 | \$46 | \$212 | 0 | 0 | 0 | \$46 | \$59 | \$26 | \$15 | \$145 |
| 2017 | 12 | \$168 | 0 | \$47 | \$215 | 0 | 0 | 0 | \$47 | \$60 | \$26 | \$15 | \$148 |
| 2018 | 13 | \$170 | 0 | \$48 | \$218 | 0 | 0 | 0 | \$48 | \$62 | \$26 | \$15 | \$150 |
| 2019 | 14 | \$172 | 100 | \$49 | \$321 | 626 | (800) | 279 | \$49 | \$63 | \$26 | \$15 | \$257 |
| 2020 | 15 | \$174 | 0 | \$50 | \$224 | 0 | 0 | 0 | \$50 | \$65 | \$26 | \$15 | \$155 |
| 2021 | 16 | \$176 | 0 | \$51 | \$228 | 0 | 0 | 0 | \$51 | \$66 | \$26 | \$15 | \$158 |
| 2022 | 17 | \$178 | 0 | \$53 | \$231 | 0 | 0 | 0 | \$53 | \$68 | \$26 | \$15 | \$161 |
| 2023 | 18 | \$180 | 0 | \$54 | \$234 | 0 | 0 | 0 | \$54 | \$69 | \$26 | \$15 | \$164 |
| 2024 | 19 | \$182 | 0 | \$55 | \$237 | 0 | 0 | 0 | \$55 | \$71 | \$26 | \$15 | \$167 |
| 2025 | 20 | \$184 | 0 | \$56 | \$240 | 0 | 0 | 0 | \$56 | \$73 | \$26 | \$15 | \$170 |

Present Value
of Benefits \$2,126

Present Value
of Costs \$1,653

| | |
|-----------------------|-------------|
| Benefit/Cost Ratio | 1.29 |
|-----------------------|-------------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
Participants Test - Data**

| Appliance Type |
|----------------|
| Cooking |

| Escalation Rates | | Elec Base Rates | 0.0% |
|--------------------|------|-----------------|------|
| O&M Expense | 2.4% | Fuel Rate | 2.4% |
| Electric Fuel Adj. | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 1,310 | 10.00% | \$147 |
| 2007 | \$0.1034 | 1,310 | 10.00% | \$149 |
| 2008 | \$0.1047 | 1,310 | 10.00% | \$151 |
| 2009 | \$0.1061 | 1,310 | 10.00% | \$153 |
| 2010 | \$0.1074 | 1,310 | 10.00% | \$155 |
| 2011 | \$0.1088 | 1,310 | 10.00% | \$157 |
| 2012 | \$0.1101 | 1,310 | 10.00% | \$159 |
| 2013 | \$0.1115 | 1,310 | 10.00% | \$161 |
| 2014 | \$0.1128 | 1,310 | 10.00% | \$163 |
| 2015 | \$0.1142 | 1,310 | 10.00% | \$165 |
| 2016 | \$0.1155 | 1,310 | 10.00% | \$166 |
| 2017 | \$0.1169 | 1,310 | 10.00% | \$168 |
| 2018 | \$0.1182 | 1,310 | 10.00% | \$170 |
| 2019 | \$0.1196 | 1,310 | 10.00% | \$172 |
| 2020 | \$0.1209 | 1,310 | 10.00% | \$174 |
| 2021 | \$0.1223 | 1,310 | 10.00% | \$176 |
| 2022 | \$0.1236 | 1,310 | 10.00% | \$178 |
| 2023 | \$0.1250 | 1,310 | 10.00% | \$180 |
| 2024 | \$0.1263 | 1,310 | 10.00% | \$182 |
| 2025 | \$0.1277 | 1,310 | 10.00% | \$184 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 45 | 10.00% | \$46 |
| 2007 | \$0.9602 | 45 | 10.00% | \$48 |
| 2008 | \$0.9833 | 45 | 10.00% | \$49 |
| 2009 | \$1.0069 | 45 | 10.00% | \$50 |
| 2010 | \$1.0310 | 45 | 10.00% | \$51 |
| 2011 | \$1.0558 | 45 | 10.00% | \$52 |
| 2012 | \$1.0811 | 45 | 10.00% | \$54 |
| 2013 | \$1.1071 | 45 | 10.00% | \$55 |
| 2014 | \$1.1336 | 45 | 10.00% | \$56 |
| 2015 | \$1.1608 | 45 | 10.00% | \$57 |
| 2016 | \$1.1887 | 45 | 10.00% | \$59 |
| 2017 | \$1.2172 | 45 | 10.00% | \$60 |
| 2018 | \$1.2464 | 45 | 10.00% | \$62 |
| 2019 | \$1.2763 | 45 | 10.00% | \$63 |
| 2020 | \$1.3070 | 45 | 10.00% | \$65 |
| 2021 | \$1.3383 | 45 | 10.00% | \$66 |
| 2022 | \$1.3705 | 45 | 10.00% | \$68 |
| 2023 | \$1.4034 | 45 | 10.00% | \$69 |
| 2024 | \$1.4370 | 45 | 10.00% | \$71 |
| 2025 | \$1.4715 | 45 | 10.00% | \$73 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 45 | 10.00% | \$26 |
| 2007 | \$0.5214 | 45 | 10.00% | \$26 |
| 2008 | \$0.5214 | 45 | 10.00% | \$26 |
| 2009 | \$0.5214 | 45 | 10.00% | \$26 |
| 2010 | \$0.5214 | 45 | 10.00% | \$26 |
| 2011 | \$0.5214 | 45 | 10.00% | \$26 |
| 2012 | \$0.5214 | 45 | 10.00% | \$26 |
| 2013 | \$0.5214 | 45 | 10.00% | \$26 |
| 2014 | \$0.5214 | 45 | 10.00% | \$26 |
| 2015 | \$0.5214 | 45 | 10.00% | \$26 |
| 2016 | \$0.5214 | 45 | 10.00% | \$26 |
| 2017 | \$0.5214 | 45 | 10.00% | \$26 |
| 2018 | \$0.5214 | 45 | 10.00% | \$26 |
| 2019 | \$0.5214 | 45 | 10.00% | \$26 |
| 2020 | \$0.5214 | 45 | 10.00% | \$26 |
| 2021 | \$0.5214 | 45 | 10.00% | \$26 |
| 2022 | \$0.5214 | 45 | 10.00% | \$26 |
| 2023 | \$0.5214 | 45 | 10.00% | \$26 |
| 2024 | \$0.5214 | 45 | 10.00% | \$26 |
| 2025 | \$0.5214 | 45 | 10.00% | \$26 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2007 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2008 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2009 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2010 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2011 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2012 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2013 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2014 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2015 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2016 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2017 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2018 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2019 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2020 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2021 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2022 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2023 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2024 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2025 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Results**

| |
|-----------------------|
| Appliance Type |
| Cooking |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs | |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|----------|
| | Table 1 | Table 1A | Table 2 | 2 thru 4 | Table 5 | Table 3 | Table 4 | | | |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2006 | \$23 | \$42 | \$13 | \$79 | \$42 | \$7 | \$5 | \$100.08 | \$154 | |
| 2007 | \$23 | \$43 | \$13 | \$80 | \$43 | \$6 | \$5 | \$0.08 | \$55 | |
| 2008 | \$23 | \$44 | \$13 | \$81 | \$44 | \$6 | \$5 | \$0.08 | \$56 | |
| 2009 | \$23 | \$45 | \$13 | \$82 | \$45 | \$6 | \$5 | \$0.08 | \$57 | |
| 2010 | \$23 | \$46 | \$13 | \$83 | \$46 | \$6 | \$5 | \$0.08 | \$58 | |
| 2011 | \$23 | \$48 | \$13 | \$84 | \$48 | \$6 | \$5 | \$0.08 | \$59 | |
| 2012 | \$23 | \$49 | \$13 | \$86 | \$49 | \$5 | \$5 | \$0.08 | \$60 | |
| 2013 | \$23 | \$50 | \$13 | \$87 | \$50 | \$5 | \$6 | \$0.08 | \$61 | |
| 2014 | \$23 | \$51 | \$13 | \$88 | \$51 | \$5 | \$6 | \$0.08 | \$62 | |
| 2015 | \$23 | \$52 | \$13 | \$89 | \$52 | \$5 | \$6 | \$0.08 | \$63 | |
| 2016 | \$23 | \$53 | \$13 | \$90 | \$53 | \$5 | \$6 | \$0.08 | \$64 | |
| 2017 | \$23 | \$55 | \$13 | \$92 | \$55 | \$5 | \$6 | \$0.08 | \$66 | |
| 2018 | \$23 | \$56 | \$13 | \$93 | \$56 | \$4 | \$6 | \$0.08 | \$67 | |
| 2019 | \$23 | \$57 | \$13 | \$94 | \$57 | \$4 | \$6 | \$100.08 | \$168 | |
| 2020 | \$23 | \$59 | \$13 | \$96 | \$59 | \$4 | \$7 | \$0.08 | \$70 | |
| 2021 | \$23 | \$60 | \$13 | \$97 | \$60 | \$4 | \$7 | \$0.08 | \$71 | |
| 2022 | \$23 | \$62 | \$13 | \$99 | \$62 | \$4 | \$7 | \$0.08 | \$73 | |
| 2023 | \$23 | \$63 | \$13 | \$100 | \$63 | \$4 | \$7 | \$0.08 | \$74 | |
| 2024 | \$23 | \$65 | \$13 | \$102 | \$65 | \$4 | \$7 | \$0.08 | \$76 | |
| 2025 | \$23 | \$66 | \$13 | \$103 | \$66 | \$3 | \$7 | \$0.08 | \$77 | |

Present Value
of Benefits

\$856

Present Value
of Costs

\$729

**Benefit/Cost
Ratio**

1.17

Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Replacement Program
RIM Test - Calculated Data

| Appliance Type | |
|----------------|--|
| Cooking | |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M/Maintenance Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 4 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 45 | \$0.5214 | \$23 |
| 2007 | 45 | \$0.5214 | \$23 |
| 2008 | 45 | \$0.5214 | \$23 |
| 2009 | 45 | \$0.5214 | \$23 |
| 2010 | 45 | \$0.5214 | \$23 |
| 2011 | 45 | \$0.5214 | \$23 |
| 2012 | 45 | \$0.5214 | \$23 |
| 2013 | 45 | \$0.5214 | \$23 |
| 2014 | 45 | \$0.5214 | \$23 |
| 2015 | 45 | \$0.5214 | \$23 |
| 2016 | 45 | \$0.5214 | \$23 |
| 2017 | 45 | \$0.5214 | \$23 |
| 2018 | 45 | \$0.5214 | \$23 |
| 2019 | 45 | \$0.5214 | \$23 |
| 2020 | 45 | \$0.5214 | \$23 |
| 2021 | 45 | \$0.5214 | \$23 |
| 2022 | 45 | \$0.5214 | \$23 |
| 2023 | 45 | \$0.5214 | \$23 |
| 2024 | 45 | \$0.5214 | \$23 |
| 2025 | 45 | \$0.5214 | \$23 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 45 | \$0.9377 | \$42 |
| 2007 | 45 | \$0.9602 | \$43 |
| 2008 | 45 | \$0.9833 | \$44 |
| 2009 | 45 | \$1.0069 | \$45 |
| 2010 | 45 | \$1.0310 | \$46 |
| 2011 | 45 | \$1.0558 | \$48 |
| 2012 | 45 | \$1.0811 | \$49 |
| 2013 | 45 | \$1.1071 | \$50 |
| 2014 | 45 | \$1.1336 | \$51 |
| 2015 | 45 | \$1.1608 | \$52 |
| 2016 | 45 | \$1.1887 | \$53 |
| 2017 | 45 | \$1.2172 | \$55 |
| 2018 | 45 | \$1.2464 | \$56 |
| 2019 | 45 | \$1.2763 | \$57 |
| 2020 | 45 | \$1.3070 | \$59 |
| 2021 | 45 | \$1.3383 | \$60 |
| 2022 | 45 | \$1.3705 | \$62 |
| 2023 | 45 | \$1.4034 | \$63 |
| 2024 | 45 | \$1.4370 | \$65 |
| 2025 | 45 | \$1.4715 | \$66 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2007 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2008 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2009 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2010 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2011 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2012 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2013 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2014 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2015 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2016 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2017 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2018 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2019 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2020 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2021 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2022 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2023 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2024 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2025 | \$11.03 | \$132.36 | 10.16% | \$13 |

Table 3

| Investment Carrying Costs | | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|-----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 6*7*8 | |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost | |
| 2006 | \$50 | \$290 | \$200 | \$163 | \$693 | 9.53% | 10.16% | \$7 |
| 2007 | \$48 | \$271 | \$193 | \$157 | \$669 | 9.53% | 10.16% | \$6 |
| 2008 | \$46 | \$262 | \$187 | \$151 | \$646 | 9.53% | 10.16% | \$6 |
| 2009 | \$44 | \$253 | \$181 | \$145 | \$623 | 9.53% | 10.16% | \$6 |
| 2010 | \$43 | \$245 | \$175 | \$139 | \$602 | 9.53% | 10.16% | \$6 |
| 2011 | \$42 | \$237 | \$169 | \$134 | \$582 | 9.53% | 10.16% | \$6 |
| 2012 | \$41 | \$229 | \$163 | \$129 | \$562 | 9.53% | 10.16% | \$6 |
| 2013 | \$40 | \$221 | \$158 | \$124 | \$543 | 9.53% | 10.16% | \$5 |
| 2014 | \$39 | \$214 | \$153 | \$119 | \$525 | 9.53% | 10.16% | \$5 |
| 2015 | \$38 | \$207 | \$148 | \$114 | \$507 | 9.53% | 10.16% | \$5 |
| 2016 | \$37 | \$200 | \$143 | \$110 | \$490 | 9.53% | 10.16% | \$5 |
| 2017 | \$36 | \$193 | \$138 | \$106 | \$473 | 9.53% | 10.16% | \$5 |
| 2018 | \$35 | \$187 | \$133 | \$102 | \$457 | 9.53% | 10.16% | \$4 |
| 2019 | \$34 | \$181 | \$129 | \$98 | \$442 | 9.53% | 10.16% | \$4 |
| 2020 | \$33 | \$175 | \$125 | \$94 | \$427 | 9.53% | 10.16% | \$4 |
| 2021 | \$32 | \$169 | \$121 | \$90 | \$412 | 9.53% | 10.16% | \$4 |
| 2022 | \$31 | \$163 | \$117 | \$87 | \$398 | 9.53% | 10.16% | \$4 |
| 2023 | \$30 | \$158 | \$113 | \$84 | \$385 | 9.53% | 10.16% | \$4 |
| 2024 | \$29 | \$153 | \$109 | \$81 | \$372 | 9.53% | 10.16% | \$4 |
| 2025 | \$28 | \$148 | \$105 | \$78 | \$359 | 9.53% | 10.16% | \$3 |

Table 4

| Incremental Customer Costs | | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------------------|-----|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 | |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Total Incremental Adm. & O&M Cost | |
| 2006 | \$1.61 | \$19 | 10.16% | \$1.93 | \$27.66 | 10.16% | \$3 | \$5 |
| 2007 | \$1.65 | \$20 | 10.16% | \$2.03 | \$28.32 | 10.16% | \$3 | \$5 |
| 2008 | \$1.69 | \$20 | 10.16% | \$2.03 | \$29.00 | 10.16% | \$3 | \$5 |
| 2009 | \$1.73 | \$21 | 10.16% | \$2.13 | \$29.70 | 10.16% | \$3 | \$5 |
| 2010 | \$1.77 | \$21 | 10.16% | \$2.13 | \$30.41 | 10.16% | \$3 | \$5 |
| 2011 | \$1.81 | \$22 | 10.16% | \$2.23 | \$31.14 | 10.16% | \$3 | \$5 |
| 2012 | \$1.86 | \$22 | 10.16% | \$2.23 | \$31.89 | 10.16% | \$3 | \$5 |
| 2013 | \$1.90 | \$23 | 10.16% | \$2.34 | \$32.66 | 10.16% | \$3 | \$6 |
| 2014 | \$1.95 | \$23 | 10.16% | \$2.34 | \$33.44 | 10.16% | \$3 | \$6 |
| 2015 | \$1.99 | \$24 | 10.16% | \$2.44 | \$34.24 | 10.16% | \$3 | \$6 |
| 2016 | \$2.04 | \$24 | 10.16% | \$2.44 | \$35.06 | 10.16% | \$4 | \$6 |
| 2017 | \$2.09 | \$25 | 10.16% | \$2.54 | \$35.90 | 10.16% | \$4 | \$6 |
| 2018 | \$2.14 | \$26 | 10.16% | \$2.64 | \$36.77 | 10.16% | \$4 | \$6 |
| 2019 | \$2.19 | \$26 | 10.16% | \$2.64 | \$37.65 | 10.16% | \$4 | \$6 |
| 2020 | \$2.24 | \$27 | 10.16% | \$2.74 | \$38.55 | 10.16% | \$4 | \$7 |
| 2021 | \$2.30 | \$28 | 10.16% | \$2.84 | \$39.48 | 10.16% | \$4 | \$7 |
| 2022 | \$2.35 | \$28 | 10.16% | \$2.84 | \$40.43 | 10.16% | \$4 | \$7 |
| 2023 | \$2.41 | \$29 | 10.16% | \$2.95 | \$41.40 | 10.16% | \$4 | \$7 |
| 2024 | \$2.47 | \$30 | 10.16% | \$3.05 | \$42.39 | 10.16% | \$4 | \$7 |
| 2025 | \$2.53 | \$30 | 10.16% | \$3.05 | \$43.41 | 10.16% | \$4 | \$7 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 45 | 0.9377 | \$42 |
| 2007 | 45 | \$0.9602 | \$43 |
| 2008 | 45 | \$0.9833 | \$44 |
| 2009 | 45 | \$1.0069 | \$45 |
| 2010 | 45 | \$1.0310 | \$46 |
| 2011 | 45 | \$1.0558 | \$48 |
| 2012 | 45 | \$1.0811 | \$49 |
| 2013 | 45 | \$1.1071 | \$50 |
| 2014 | 45 | \$1.1336 | \$51 |
| 2015 | 45 | \$1.1608 | \$52 |
| 2016 | 45 | \$1.1887 | \$53 |
| 2017 | 45 | \$1.2172 | \$55 |
| 2018 | 45 | \$1.2464 | \$56 |
| 2019 | 45 | \$1.2763 | \$57 |
| 2020 | 45 | \$1.3070 | \$59 |
| 2021 | 45 | \$1.3383 | \$60 |
| 2022 | 45 | \$1.3705 | \$62 |
| 2023 | 45 | \$1.4034 | \$63 |
| 2024 | 45 | \$1.4370 | \$65 |
| 2025 | 45 | \$1.4715 | \$66 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Retention Program
Summary of RIM Test and Participants Test Results**

| | <u>Proposed Allowance</u> | <u>Participants Test</u> | <u>RIM Test</u> |
|--------------------------------|-------------------------------|--------------------------|-----------------|
| Gas Storage Tank Water Heating | \$350 | 1.56 | 1.40 |
| Gas Tankless Water Heating | \$450 | 1.42 | 1.33 |
| Gas Heating | \$350 | 1.12 | 1.42 |
| Gas Clothes Drying | \$100 | 1.47 | 1.40 |
| Gas Cooking | \$100 | 1.45 | 1.38 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Retention Program
RIM Test and Participants Test Results**

For

Storage Tank Water Heating

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Cost Effective Results**

| |
|----------------------------|
| Appliance Type |
| Storage Tank Water Heating |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | | | | | Table 2 | Table 3 | Table 4 | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2005 | 1 | \$536 | \$350 | \$36 | \$922 | \$259 | (\$314) | \$250 | \$36 | \$175 | \$97 | \$56 | \$560 |
| 2006 | 2 | \$543 | 0 | \$37 | \$580 | 0 | 0 | 0 | \$37 | \$180 | \$97 | \$56 | \$370 |
| 2007 | 3 | \$550 | 0 | \$38 | \$588 | 0 | 0 | 0 | \$38 | \$184 | \$97 | \$56 | \$375 |
| 2008 | 4 | \$557 | 0 | \$39 | \$596 | 0 | 0 | 0 | \$39 | \$188 | \$97 | \$56 | \$380 |
| 2009 | 5 | \$564 | 0 | \$40 | \$604 | 0 | 0 | 0 | \$40 | \$193 | \$97 | \$56 | \$386 |
| 2010 | 6 | \$571 | 0 | \$41 | \$612 | 0 | 0 | 0 | \$41 | \$197 | \$97 | \$56 | \$391 |
| 2011 | 7 | \$578 | 0 | \$42 | \$620 | 0 | 0 | 0 | \$42 | \$202 | \$97 | \$56 | \$397 |
| 2012 | 8 | \$585 | 0 | \$43 | \$628 | 0 | 0 | 0 | \$43 | \$207 | \$97 | \$56 | \$403 |
| 2013 | 9 | \$592 | 0 | \$44 | \$636 | 0 | 0 | 0 | \$44 | \$212 | \$97 | \$56 | \$409 |
| 2014 | 10 | \$599 | 0 | \$45 | \$644 | 0 | 0 | 0 | \$45 | \$217 | \$97 | \$56 | \$415 |
| 2015 | 11 | \$607 | 0 | \$46 | \$652 | 0 | 0 | 0 | \$46 | \$222 | \$97 | \$56 | \$421 |
| 2016 | 12 | \$614 | 0 | \$47 | \$660 | 0 | 0 | 0 | \$47 | \$228 | \$97 | \$56 | \$428 |
| 2017 | 13 | \$621 | 0 | \$48 | \$669 | 0 | 0 | 0 | \$48 | \$233 | \$97 | \$56 | \$434 |
| 2018 | 14 | \$628 | 350 | \$49 | \$1,027 | 361 | (438) | 348 | \$49 | \$239 | \$97 | \$56 | \$713 |
| 2019 | 15 | \$635 | 0 | \$50 | \$685 | 0 | 0 | 0 | \$50 | \$244 | \$97 | \$56 | \$448 |
| 2020 | 16 | \$642 | 0 | \$51 | \$693 | 0 | 0 | 0 | \$51 | \$250 | \$97 | \$56 | \$455 |
| 2021 | 17 | \$649 | 0 | \$53 | \$702 | 0 | 0 | 0 | \$53 | \$256 | \$97 | \$56 | \$462 |
| 2022 | 18 | \$656 | 0 | \$54 | \$710 | 0 | 0 | 0 | \$54 | \$262 | \$97 | \$56 | \$470 |
| 2023 | 19 | \$663 | 0 | \$55 | \$718 | 0 | 0 | 0 | \$55 | \$269 | \$97 | \$56 | \$477 |
| 2024 | 20 | \$670 | 0 | \$56 | \$727 | 0 | 0 | 0 | \$56 | \$275 | \$97 | \$56 | \$485 |

Present Value of Benefits \$6,613

Present Value of Costs \$4,252

| | |
|--------------------|-------------|
| Benefit/Cost Ratio | 1.56 |
|--------------------|-------------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Data**

| |
|----------------------------|
| Appliance Type |
| Storage Tank Water Heating |

| | | | |
|-------------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expense | 2.4% | Gas Fuel Rate | 2.4% |
| Electric Fuel Adj | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 4,773 | 10% | \$536 |
| 2007 | \$0.1034 | 4,773 | 10% | \$543 |
| 2008 | \$0.1047 | 4,773 | 10% | \$550 |
| 2009 | \$0.1061 | 4,773 | 10% | \$557 |
| 2010 | \$0.1074 | 4,773 | 10% | \$564 |
| 2011 | \$0.1088 | 4,773 | 10% | \$571 |
| 2012 | \$0.1101 | 4,773 | 10% | \$578 |
| 2013 | \$0.1115 | 4,773 | 10% | \$585 |
| 2014 | \$0.1128 | 4,773 | 10% | \$592 |
| 2015 | \$0.1142 | 4,773 | 10% | \$599 |
| 2016 | \$0.1155 | 4,773 | 10% | \$607 |
| 2017 | \$0.1169 | 4,773 | 10% | \$614 |
| 2018 | \$0.1182 | 4,773 | 10% | \$621 |
| 2019 | \$0.1196 | 4,773 | 10% | \$628 |
| 2020 | \$0.1209 | 4,773 | 10% | \$635 |
| 2021 | \$0.1223 | 4,773 | 10% | \$642 |
| 2022 | \$0.1236 | 4,773 | 10% | \$649 |
| 2023 | \$0.1250 | 4,773 | 10% | \$656 |
| 2024 | \$0.1263 | 4,773 | 10% | \$663 |
| 2025 | \$0.1277 | 4,773 | 10% | \$670 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 170 | 10% | \$175 |
| 2007 | \$0.9602 | 170 | 10% | \$180 |
| 2008 | \$0.9833 | 170 | 10% | \$184 |
| 2009 | \$1.0069 | 170 | 10% | \$188 |
| 2010 | \$1.0310 | 170 | 10% | \$193 |
| 2011 | \$1.0558 | 170 | 10% | \$197 |
| 2012 | \$1.0811 | 170 | 10% | \$202 |
| 2013 | \$1.1071 | 170 | 10% | \$207 |
| 2014 | \$1.1336 | 170 | 10% | \$212 |
| 2015 | \$1.1608 | 170 | 10% | \$217 |
| 2016 | \$1.1887 | 170 | 10% | \$222 |
| 2017 | \$1.2172 | 170 | 10% | \$228 |
| 2018 | \$1.2464 | 170 | 10% | \$233 |
| 2019 | \$1.2763 | 170 | 10% | \$239 |
| 2020 | \$1.3070 | 170 | 10% | \$244 |
| 2021 | \$1.3383 | 170 | 10% | \$250 |
| 2022 | \$1.3705 | 170 | 10% | \$256 |
| 2023 | \$1.4034 | 170 | 10% | \$262 |
| 2024 | \$1.4370 | 170 | 10% | \$269 |
| 2025 | \$1.4715 | 170 | 10% | \$275 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 170 | 10% | \$97 |
| 2007 | \$0.5214 | 170 | 10% | \$97 |
| 2008 | \$0.5214 | 170 | 10% | \$97 |
| 2009 | \$0.5214 | 170 | 10% | \$97 |
| 2010 | \$0.5214 | 170 | 10% | \$97 |
| 2011 | \$0.5214 | 170 | 10% | \$97 |
| 2012 | \$0.5214 | 170 | 10% | \$97 |
| 2013 | \$0.5214 | 170 | 10% | \$97 |
| 2014 | \$0.5214 | 170 | 10% | \$97 |
| 2015 | \$0.5214 | 170 | 10% | \$97 |
| 2016 | \$0.5214 | 170 | 10% | \$97 |
| 2017 | \$0.5214 | 170 | 10% | \$97 |
| 2018 | \$0.5214 | 170 | 10% | \$97 |
| 2019 | \$0.5214 | 170 | 10% | \$97 |
| 2020 | \$0.5214 | 170 | 10% | \$97 |
| 2021 | \$0.5214 | 170 | 10% | \$97 |
| 2022 | \$0.5214 | 170 | 10% | \$97 |
| 2023 | \$0.5214 | 170 | 10% | \$97 |
| 2024 | \$0.5214 | 170 | 10% | \$97 |
| 2025 | \$0.5214 | 170 | 10% | \$97 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2007 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2008 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2009 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2010 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2011 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2012 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2013 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2014 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2015 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2016 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2017 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2018 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2019 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2020 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2021 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2022 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2023 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2024 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |
| 2025 | \$11.03 | \$132.36 | 170 | 443 | 38.37% | 10% | \$56 |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Results**

Appliance Type
Storage Tank Water Heating

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs | |
|------|-----------------------------------|---------------------------------|----------------------------------|-------------------|-----------------|---------------------------|----------------------------|--------------|-------------|----------|
| | Table 1 | Table 1A | Table 2 | | Table 5 | Table 3 | Table 4 | | | |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2002 | \$89 | \$159 | \$51 | \$299 | \$159 | \$0 | \$0 | \$350.39 | \$510 | |
| 2003 | \$89 | \$163 | \$51 | \$303 | \$163 | \$0 | \$0 | \$0.39 | \$164 | |
| 2004 | \$89 | \$167 | \$51 | \$307 | \$167 | \$0 | \$0 | \$0.39 | \$168 | |
| 2005 | \$89 | \$171 | \$51 | \$311 | \$171 | \$0 | \$0 | \$0.39 | \$172 | |
| 2006 | \$89 | \$175 | \$51 | \$315 | \$175 | \$0 | \$0 | \$0.39 | \$176 | |
| 2007 | \$89 | \$179 | \$51 | \$319 | \$179 | \$0 | \$0 | \$0.39 | \$180 | |
| 2008 | \$89 | \$184 | \$51 | \$323 | \$184 | \$0 | \$0 | \$0.39 | \$184 | |
| 2009 | \$89 | \$188 | \$51 | \$328 | \$188 | \$0 | \$0 | \$0.39 | \$189 | |
| 2010 | \$89 | \$193 | \$51 | \$332 | \$193 | \$0 | \$0 | \$0.39 | \$193 | |
| 2011 | \$89 | \$197 | \$51 | \$337 | \$197 | \$0 | \$0 | \$0.39 | \$198 | |
| 2012 | \$89 | \$202 | \$51 | \$341 | \$202 | \$0 | \$0 | \$0.39 | \$202 | |
| 2013 | \$89 | \$207 | \$51 | \$346 | \$207 | \$0 | \$0 | \$0.39 | \$207 | |
| 2014 | \$89 | \$212 | \$51 | \$351 | \$212 | \$0 | \$0 | \$0.39 | \$212 | |
| 2015 | \$89 | \$217 | \$51 | \$356 | \$217 | \$0 | \$0 | \$350.39 | \$567 | |
| 2016 | \$89 | \$222 | \$51 | \$362 | \$222 | \$0 | \$0 | \$0.39 | \$223 | |
| 2017 | \$89 | \$228 | \$51 | \$367 | \$228 | \$0 | \$0 | \$0.39 | \$228 | |
| 2018 | \$89 | \$233 | \$51 | \$372 | \$233 | \$0 | \$0 | \$0.39 | \$233 | |
| 2019 | \$89 | \$239 | \$51 | \$378 | \$239 | \$0 | \$0 | \$0.39 | \$239 | |
| 2020 | \$89 | \$244 | \$51 | \$384 | \$244 | \$0 | \$0 | \$0.39 | \$245 | |
| 2021 | \$89 | \$250 | \$51 | \$390 | \$250 | \$0 | \$0 | \$0.39 | \$251 | |

Present Value
of Benefits

\$3,234

Present Value
of Costs

\$2,312

Benefit/Cost
Ratio

1.40

Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Calculated Data

| | |
|----------------------------|--|
| Appliance Type | |
| Storage Tank Water Heating | |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| OSM Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 170 | \$0.5214 | \$89 |
| 2007 | 170 | \$0.5214 | \$89 |
| 2008 | 170 | \$0.5214 | \$89 |
| 2009 | 170 | \$0.5214 | \$89 |
| 2010 | 170 | \$0.5214 | \$89 |
| 2011 | 170 | \$0.5214 | \$89 |
| 2012 | 170 | \$0.5214 | \$89 |
| 2013 | 170 | \$0.5214 | \$89 |
| 2014 | 170 | \$0.5214 | \$89 |
| 2015 | 170 | \$0.5214 | \$89 |
| 2016 | 170 | \$0.5214 | \$89 |
| 2017 | 170 | \$0.5214 | \$89 |
| 2018 | 170 | \$0.5214 | \$89 |
| 2019 | 170 | \$0.5214 | \$89 |
| 2020 | 170 | \$0.5214 | \$89 |
| 2021 | 170 | \$0.5214 | \$89 |
| 2022 | 170 | \$0.5214 | \$89 |
| 2023 | 170 | \$0.5214 | \$89 |
| 2024 | 170 | \$0.5214 | \$89 |
| 2025 | 170 | \$0.5214 | \$89 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 170 | \$0.9377 | \$159 |
| 2007 | 170 | \$0.9602 | \$163 |
| 2008 | 170 | \$0.9833 | \$167 |
| 2009 | 170 | \$1.0069 | \$171 |
| 2010 | 170 | \$1.0310 | \$175 |
| 2011 | 170 | \$1.0558 | \$179 |
| 2012 | 170 | \$1.0811 | \$184 |
| 2013 | 170 | \$1.1071 | \$188 |
| 2014 | 170 | \$1.1336 | \$193 |
| 2015 | 170 | \$1.1608 | \$197 |
| 2016 | 170 | \$1.1887 | \$202 |
| 2017 | 170 | \$1.2172 | \$207 |
| 2018 | 170 | \$1.2464 | \$212 |
| 2019 | 170 | \$1.2763 | \$217 |
| 2020 | 170 | \$1.3070 | \$222 |
| 2021 | 170 | \$1.3383 | \$228 |
| 2022 | 170 | \$1.3705 | \$233 |
| 2023 | 170 | \$1.4034 | \$239 |
| 2024 | 170 | \$1.4370 | \$244 |
| 2025 | 170 | \$1.4715 | \$250 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2007 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2008 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2009 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2010 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2011 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2012 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2013 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2014 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2015 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2016 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2017 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2018 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2019 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2020 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2021 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2022 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2023 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2024 | \$11.03 | \$132.36 | 38.37% | \$51 |
| 2025 | \$11.03 | \$132.36 | 38.37% | \$51 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 6*7*8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost |
| 2006 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2007 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2008 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2009 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2010 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2011 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2012 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2013 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2014 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2015 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2016 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2017 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2018 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2019 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2020 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2021 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2022 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2023 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2024 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |
| 2025 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 38.37% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5-3*4 | 6 | 7 | 8-6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio O&M Cost |
| 2006 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2007 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2008 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2009 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2010 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2011 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2012 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2013 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2014 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2015 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2016 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2017 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2018 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2019 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2020 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2021 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2022 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2023 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2024 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |
| 2025 | \$0.00 | \$0 | 38.37% | \$0 | \$0 | 38.37% | \$0 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 170 | 0.9377 | \$159 |
| 2007 | 170 | \$0.9602 | \$163 |
| 2008 | 170 | \$0.9833 | \$167 |
| 2009 | 170 | \$1.0069 | \$171 |
| 2010 | 170 | \$1.0310 | \$175 |
| 2011 | 170 | \$1.0558 | \$179 |
| 2012 | 170 | \$1.0811 | \$184 |
| 2013 | 170 | \$1.1071 | \$188 |
| 2014 | 170 | \$1.1336 | \$193 |
| 2015 | 170 | \$1.1608 | \$197 |
| 2016 | 170 | \$1.1887 | \$202 |
| 2017 | 170 | \$1.2172 | \$207 |
| 2018 | 170 | \$1.2464 | \$212 |
| 2019 | 170 | \$1.2763 | \$217 |
| 2020 | 170 | \$1.3070 | \$222 |
| 2021 | 170 | \$1.3383 | \$228 |
| 2022 | 170 | \$1.3705 | \$233 |
| 2023 | 170 | \$1.4034 | \$239 |
| 2024 | 170 | \$1.4370 | \$244 |
| 2025 | 170 | \$1.4715 | \$250 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Retention Program
RIM Test and Participants Test Results**

For

Tankless Water Heating

Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Cost Effective Results

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|----------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | Table 2 | | Table 3 | Table 4 | | | | |
| 1 | 2 | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2005 | 1 | \$536 | \$450 | \$36 | \$1,022 | \$950 | (\$314) | \$250 | \$36 | \$155 | \$86 | \$52 | \$1,214 |
| 2006 | 2 | \$543 | 0 | \$37 | \$580 | 0 | 0 | 0 | \$37 | \$158 | \$86 | \$52 | \$333 |
| 2007 | 3 | \$550 | 0 | \$38 | \$588 | 0 | 0 | 0 | \$38 | \$162 | \$86 | \$52 | \$338 |
| 2008 | 4 | \$557 | 0 | \$39 | \$596 | 0 | 0 | 0 | \$39 | \$166 | \$86 | \$52 | \$342 |
| 2009 | 5 | \$564 | 0 | \$40 | \$604 | 0 | 0 | 0 | \$40 | \$170 | \$86 | \$52 | \$347 |
| 2010 | 6 | \$571 | 0 | \$41 | \$612 | 0 | 0 | 0 | \$41 | \$174 | \$86 | \$52 | \$352 |
| 2011 | 7 | \$578 | 0 | \$42 | \$620 | 0 | 0 | 0 | \$42 | \$178 | \$86 | \$52 | \$358 |
| 2012 | 8 | \$585 | 0 | \$43 | \$628 | 0 | 0 | 0 | \$43 | \$183 | \$86 | \$52 | \$363 |
| 2013 | 9 | \$592 | 0 | \$44 | \$636 | 0 | 0 | 0 | \$44 | \$187 | \$86 | \$52 | \$368 |
| 2014 | 10 | \$599 | 0 | \$45 | \$644 | 0 | 0 | 0 | \$45 | \$192 | \$86 | \$52 | \$374 |
| 2015 | 11 | \$607 | 0 | \$46 | \$652 | 0 | 0 | 0 | \$46 | \$196 | \$86 | \$52 | \$379 |
| 2016 | 12 | \$614 | 0 | \$47 | \$660 | 0 | 0 | 0 | \$47 | \$201 | \$86 | \$52 | \$385 |
| 2017 | 13 | \$621 | 0 | \$48 | \$669 | 0 | 0 | 0 | \$48 | \$206 | \$86 | \$52 | \$391 |
| 2018 | 14 | \$628 | 0 | \$49 | \$677 | 0 | 0 | 0 | \$49 | \$211 | \$86 | \$52 | \$397 |
| 2019 | 15 | \$635 | 0 | \$50 | \$685 | 0 | 0 | 0 | \$50 | \$216 | \$86 | \$52 | \$403 |
| 2020 | 16 | \$642 | 0 | \$51 | \$693 | 0 | 0 | 0 | \$51 | \$221 | \$86 | \$52 | \$410 |
| 2021 | 17 | \$649 | 0 | \$53 | \$702 | 0 | 0 | 0 | \$53 | \$226 | \$86 | \$52 | \$416 |
| 2022 | 18 | \$656 | 0 | \$54 | \$710 | 0 | 0 | 0 | \$54 | \$232 | \$86 | \$52 | \$423 |
| 2023 | 19 | \$663 | 0 | \$55 | \$718 | 0 | 0 | 0 | \$55 | \$237 | \$86 | \$52 | \$430 |
| 2024 | 20 | \$670 | 450 | \$56 | \$1,177 | 1,527 | (505) | 402 | \$56 | \$243 | \$86 | \$52 | \$1,861 |

Present Value
of Benefits **\$6,683**

Present Value
of Costs **\$4,709**

| | |
|--------------------|-------------|
| Benefit/Cost Ratio | 1.42 |
|--------------------|-------------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Data**

| Appliance Type | |
|------------------------|--|
| Tankless Water Heating | |

| | | | |
|-------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expenses | 2.4% | Fuel Rates | 2.4% |
| Electric fuel Adj | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 4,773 | 10.00% | \$536 |
| 2007 | \$0.1034 | 4,773 | 10.00% | \$543 |
| 2008 | \$0.1047 | 4,773 | 10.00% | \$550 |
| 2009 | \$0.1061 | 4,773 | 10.00% | \$557 |
| 2010 | \$0.1074 | 4,773 | 10.00% | \$564 |
| 2011 | \$0.1088 | 4,773 | 10.00% | \$571 |
| 2012 | \$0.1101 | 4,773 | 10.00% | \$578 |
| 2013 | \$0.1115 | 4,773 | 10.00% | \$585 |
| 2014 | \$0.1128 | 4,773 | 10.00% | \$592 |
| 2015 | \$0.1142 | 4,773 | 10.00% | \$599 |
| 2016 | \$0.1155 | 4,773 | 10.00% | \$607 |
| 2017 | \$0.1169 | 4,773 | 10.00% | \$614 |
| 2018 | \$0.1182 | 4,773 | 10.00% | \$621 |
| 2019 | \$0.1196 | 4,773 | 10.00% | \$628 |
| 2020 | \$0.1209 | 4,773 | 10.00% | \$635 |
| 2021 | \$0.1223 | 4,773 | 10.00% | \$642 |
| 2022 | \$0.1236 | 4,773 | 10.00% | \$649 |
| 2023 | \$0.1250 | 4,773 | 10.00% | \$656 |
| 2024 | \$0.1263 | 4,773 | 10.00% | \$663 |
| 2025 | \$0.1277 | 4,773 | 10.00% | \$670 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 150 | 10.00% | \$155 |
| 2007 | \$0.9602 | 150 | 10.00% | \$158 |
| 2008 | \$0.9833 | 150 | 10.00% | \$162 |
| 2009 | \$1.0069 | 150 | 10.00% | \$166 |
| 2010 | \$1.0310 | 150 | 10.00% | \$170 |
| 2011 | \$1.0558 | 150 | 10.00% | \$174 |
| 2012 | \$1.0811 | 150 | 10.00% | \$178 |
| 2013 | \$1.1071 | 150 | 10.00% | \$183 |
| 2014 | \$1.1336 | 150 | 10.00% | \$187 |
| 2015 | \$1.1608 | 150 | 10.00% | \$192 |
| 2016 | \$1.1887 | 150 | 10.00% | \$196 |
| 2017 | \$1.2172 | 150 | 10.00% | \$201 |
| 2018 | \$1.2464 | 150 | 10.00% | \$206 |
| 2019 | \$1.2763 | 150 | 10.00% | \$211 |
| 2020 | \$1.3070 | 150 | 10.00% | \$216 |
| 2021 | \$1.3383 | 150 | 10.00% | \$221 |
| 2022 | \$1.3705 | 150 | 10.00% | \$226 |
| 2023 | \$1.4034 | 150 | 10.00% | \$232 |
| 2024 | \$1.4370 | 150 | 10.00% | \$237 |
| 2025 | \$1.4715 | 150 | 10.00% | \$243 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 150 | 10.00% | \$86 |
| 2007 | \$0.5214 | 150 | 10.00% | \$86 |
| 2008 | \$0.5214 | 150 | 10.00% | \$86 |
| 2009 | \$0.5214 | 150 | 10.00% | \$86 |
| 2010 | \$0.5214 | 150 | 10.00% | \$86 |
| 2011 | \$0.5214 | 150 | 10.00% | \$86 |
| 2012 | \$0.5214 | 150 | 10.00% | \$86 |
| 2013 | \$0.5214 | 150 | 10.00% | \$86 |
| 2014 | \$0.5214 | 150 | 10.00% | \$86 |
| 2015 | \$0.5214 | 150 | 10.00% | \$86 |
| 2016 | \$0.5214 | 150 | 10.00% | \$86 |
| 2017 | \$0.5214 | 150 | 10.00% | \$86 |
| 2018 | \$0.5214 | 150 | 10.00% | \$86 |
| 2019 | \$0.5214 | 150 | 10.00% | \$86 |
| 2020 | \$0.5214 | 150 | 10.00% | \$86 |
| 2021 | \$0.5214 | 150 | 10.00% | \$86 |
| 2022 | \$0.5214 | 150 | 10.00% | \$86 |
| 2023 | \$0.5214 | 150 | 10.00% | \$86 |
| 2024 | \$0.5214 | 150 | 10.00% | \$86 |
| 2025 | \$0.5214 | 150 | 10.00% | \$86 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2007 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2008 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2009 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2010 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2011 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2012 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2013 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2014 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2015 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2016 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2017 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2018 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2019 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2020 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2021 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2022 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2023 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2024 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |
| 2025 | \$11.03 | \$132.36 | 150 | 423 | 35.46% | 10.00% | \$52 |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Results**

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|
| | Table 1 | Table 1A | Table 2 | 2 thru 4 | Table 5 | Table 3 | Table 4 | 9 | 6 thru 9 |
| 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2002 | \$78 | \$141 | \$47 | \$266 | \$141 | \$0 | \$0 | \$450.39 | \$591 |
| 2003 | \$78 | \$144 | \$47 | \$269 | \$144 | \$0 | \$0 | \$0.39 | \$144 |
| 2004 | \$78 | \$147 | \$47 | \$273 | \$147 | \$0 | \$0 | \$0.39 | \$148 |
| 2005 | \$78 | \$151 | \$47 | \$276 | \$151 | \$0 | \$0 | \$0.39 | \$151 |
| 2006 | \$78 | \$155 | \$47 | \$280 | \$155 | \$0 | \$0 | \$0.39 | \$155 |
| 2007 | \$78 | \$158 | \$47 | \$284 | \$158 | \$0 | \$0 | \$0.39 | \$159 |
| 2008 | \$78 | \$162 | \$47 | \$287 | \$162 | \$0 | \$0 | \$0.39 | \$163 |
| 2009 | \$78 | \$166 | \$47 | \$291 | \$166 | \$0 | \$0 | \$0.39 | \$166 |
| 2010 | \$78 | \$170 | \$47 | \$295 | \$170 | \$0 | \$0 | \$0.39 | \$170 |
| 2011 | \$78 | \$174 | \$47 | \$299 | \$174 | \$0 | \$0 | \$0.39 | \$175 |
| 2012 | \$78 | \$178 | \$47 | \$303 | \$178 | \$0 | \$0 | \$0.39 | \$179 |
| 2013 | \$78 | \$183 | \$47 | \$308 | \$183 | \$0 | \$0 | \$0.39 | \$183 |
| 2014 | \$78 | \$187 | \$47 | \$312 | \$187 | \$0 | \$0 | \$0.39 | \$187 |
| 2015 | \$78 | \$191 | \$47 | \$317 | \$191 | \$0 | \$0 | \$0.39 | \$192 |
| 2016 | \$78 | \$196 | \$47 | \$321 | \$196 | \$0 | \$0 | \$0.39 | \$196 |
| 2017 | \$78 | \$201 | \$47 | \$326 | \$201 | \$0 | \$0 | \$0.39 | \$201 |
| 2018 | \$78 | \$206 | \$47 | \$331 | \$206 | \$0 | \$0 | \$0.39 | \$206 |
| 2019 | \$78 | \$211 | \$47 | \$336 | \$211 | \$0 | \$0 | \$0.39 | \$211 |
| 2020 | \$78 | \$216 | \$47 | \$341 | \$216 | \$0 | \$0 | \$0.39 | \$216 |
| 2021 | \$78 | \$221 | \$47 | \$346 | \$221 | \$0 | \$0 | \$450.39 | \$671 |

Present Value
of Benefits

\$2,874

Present Value
of Costs

\$2,163

| | |
|-------------------------------|-------------|
| Benefit/Cost Ratio | 1.33 |
|-------------------------------|-------------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Calculated Data**

| |
|------------------------|
| Appliance Type |
| Tankless Water Heating |

| | |
|-------------------------------|------|
| Fuel Rate Escalator | 2.4% |
| Gas Energy Charge Escalator | 0% |
| Gas Customer Charge Escalator | 0% |
| ORM Escalator | 2.4% |

| | |
|--------------------------------------|-------|
| Depreciation Rate - Supply Main | 3.30% |
| Depreciation Rate - Development Main | 3.30% |
| Depreciation Rate - Service Line | 3.30% |
| Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | | |
|-------------------------|--------|-----------|--------------|---|
| 1 | 2 | 3 | 4 | 5 |
| Year | Therms | Base Rate | Total Charge | |
| 2006 | 150 | \$0.5214 | \$78 | |
| 2007 | 150 | \$0.5214 | \$78 | |
| 2008 | 150 | \$0.5214 | \$78 | |
| 2009 | 150 | \$0.5214 | \$78 | |
| 2010 | 150 | \$0.5214 | \$78 | |
| 2011 | 150 | \$0.5214 | \$78 | |
| 2012 | 150 | \$0.5214 | \$78 | |
| 2013 | 150 | \$0.5214 | \$78 | |
| 2014 | 150 | \$0.5214 | \$78 | |
| 2015 | 150 | \$0.5214 | \$78 | |
| 2016 | 150 | \$0.5214 | \$78 | |
| 2017 | 150 | \$0.5214 | \$78 | |
| 2018 | 150 | \$0.5214 | \$78 | |
| 2019 | 150 | \$0.5214 | \$78 | |
| 2020 | 150 | \$0.5214 | \$78 | |
| 2021 | 150 | \$0.5214 | \$78 | |
| 2022 | 150 | \$0.5214 | \$78 | |
| 2023 | 150 | \$0.5214 | \$78 | |
| 2024 | 150 | \$0.5214 | \$78 | |
| 2025 | 150 | \$0.5214 | \$78 | |

Table 1a

| Revenue - Cost of Gas | | | | |
|-----------------------|--------|-----------|--------------|---|
| 1 | 2 | 3 | 4 | 5 |
| Year | Therms | Fuel Rate | Total Charge | |
| 2006 | 150 | \$0.9377 | \$141 | |
| 2007 | 150 | \$0.9602 | \$144 | |
| 2008 | 150 | \$0.9833 | \$147 | |
| 2009 | 150 | \$1.0069 | \$151 | |
| 2010 | 150 | \$1.0310 | \$155 | |
| 2011 | 150 | \$1.0558 | \$158 | |
| 2012 | 150 | \$1.0811 | \$162 | |
| 2013 | 150 | \$1.1071 | \$166 | |
| 2014 | 150 | \$1.1336 | \$170 | |
| 2015 | 150 | \$1.1608 | \$174 | |
| 2016 | 150 | \$1.1887 | \$178 | |
| 2017 | 150 | \$1.2172 | \$183 | |
| 2018 | 150 | \$1.2464 | \$187 | |
| 2019 | 150 | \$1.2763 | \$191 | |
| 2020 | 150 | \$1.3070 | \$196 | |
| 2021 | 150 | \$1.3383 | \$201 | |
| 2022 | 150 | \$1.3705 | \$206 | |
| 2023 | 150 | \$1.4034 | \$211 | |
| 2024 | 150 | \$1.4370 | \$216 | |
| 2025 | 150 | \$1.4715 | \$221 | |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|----------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Pro-rated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2007 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2008 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2009 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2010 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2011 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2012 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2013 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2014 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2015 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2016 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2017 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2018 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2019 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2020 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2021 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2022 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2023 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2024 | \$11.03 | \$132.36 | 35.46% | \$47 |
| 2025 | \$11.03 | \$132.36 | 35.46% | \$47 |

Table 3

| Investment Carrying Costs | | | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|-----------------------------------|------------|---------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total | Investment | Carrying Cost |
| 2006 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2007 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2008 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2009 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2010 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2011 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2012 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2013 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2014 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2015 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2016 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2017 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2018 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2019 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2020 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2021 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2022 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2023 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2024 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |
| 2025 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 35.46% | \$0 | \$0 |

Table 4

| Incremental Customer Costs | | | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------|-------------------|-----------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio O&M Cost | Total Incremental | Adm. & O&M Cost |
| 2006 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2007 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2008 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2009 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2010 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2011 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2012 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2013 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2014 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2015 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2016 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2017 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2018 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2019 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2020 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2021 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2022 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2023 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2024 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |
| 2025 | \$0.00 | \$0 | 35.46% | \$0 | \$0 | 35.46% | \$0 | \$0 | \$0 |

Table 5

| Gas Costs | | | | |
|-----------|--------|-----------------|-----------------|---|
| 1 | 2 | 3 | 4 | 5 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost | |
| 2006 | 150 | \$0.9377 | \$141 | |
| 2007 | 150 | \$0.9602 | \$144 | |
| 2008 | 150 | \$0.9833 | \$147 | |
| 2009 | 150 | \$1.0069 | \$151 | |
| 2010 | 150 | \$1.0310 | \$155 | |
| 2011 | 150 | \$1.0558 | \$158 | |
| 2012 | 150 | \$1.0811 | \$162 | |
| 2013 | 150 | \$1.1071 | \$166 | |
| 2014 | 150 | \$1.1336 | \$170 | |
| 2015 | 150 | \$1.1608 | \$174 | |
| 2016 | 150 | \$1.1887 | \$178 | |
| 2017 | 150 | \$1.2172 | \$183 | |
| 2018 | 150 | \$1.2464 | \$187 | |
| 2019 | 150 | \$1.2763 | \$191 | |
| 2020 | 150 | \$1.3070 | \$196 | |
| 2021 | 150 | \$1.3383 | \$201 | |
| 2022 | 150 | \$1.3705 | \$206 | |
| 2023 | 150 | \$1.4034 | \$211 | |
| 2024 | 150 | \$1.4370 | \$216 | |
| 2025 | 150 | \$1.4715 | \$221 | |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Retention Program
RIM Test and Participants Test Results**

For

Heating Systems

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Heating System |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | Table 2 | | | | Table 3 | Table 4 | | |
| 1 | 2 | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2005 | 1 | \$353 | \$350 | \$192 | \$895 | \$2,052 | (\$3,850) | \$1,648 | \$192 | \$184 | \$102 | \$59 | \$386 |
| 2006 | 2 | \$358 | 0 | \$197 | \$555 | 0 | 0 | 0 | \$197 | \$188 | \$102 | \$59 | \$545 |
| 2007 | 3 | \$363 | 0 | \$201 | \$564 | 0 | 0 | 0 | \$201 | \$193 | \$102 | \$59 | \$554 |
| 2008 | 4 | \$368 | 0 | \$206 | \$574 | 0 | 0 | 0 | \$206 | \$197 | \$102 | \$59 | \$564 |
| 2009 | 5 | \$372 | 0 | \$211 | \$583 | 0 | 0 | 0 | \$211 | \$202 | \$102 | \$59 | \$574 |
| 2010 | 6 | \$377 | 0 | \$216 | \$593 | 0 | 0 | 0 | \$216 | \$207 | \$102 | \$59 | \$583 |
| 2011 | 7 | \$382 | 0 | \$221 | \$603 | 0 | 0 | 0 | \$221 | \$212 | \$102 | \$59 | \$594 |
| 2012 | 8 | \$386 | 0 | \$227 | \$613 | 0 | 0 | 0 | \$227 | \$217 | \$102 | \$59 | \$604 |
| 2013 | 9 | \$391 | 0 | \$232 | \$623 | 0 | 0 | 0 | \$232 | \$222 | \$102 | \$59 | \$615 |
| 2014 | 10 | \$396 | 0 | \$238 | \$633 | 0 | 0 | 0 | \$238 | \$227 | \$102 | \$59 | \$626 |
| 2015 | 11 | \$400 | 0 | \$243 | \$644 | 0 | 0 | 0 | \$243 | \$233 | \$102 | \$59 | \$637 |
| 2016 | 12 | \$405 | 0 | \$249 | \$654 | 0 | 0 | 0 | \$249 | \$238 | \$102 | \$59 | \$648 |
| 2017 | 13 | \$410 | 0 | \$255 | \$665 | 0 | 0 | 0 | \$255 | \$244 | \$102 | \$59 | \$660 |
| 2018 | 14 | \$414 | 0 | \$261 | \$676 | 0 | 0 | 0 | \$261 | \$250 | \$102 | \$59 | \$672 |
| 2019 | 15 | \$419 | 350 | \$268 | \$1,037 | 2,929 | (5,495) | 2,352 | \$268 | \$256 | \$102 | \$59 | \$470 |
| 2020 | 16 | \$424 | 0 | \$274 | \$698 | 0 | 0 | 0 | \$274 | \$262 | \$102 | \$59 | \$697 |
| 2021 | 17 | \$428 | 0 | \$281 | \$709 | 0 | 0 | 0 | \$281 | \$268 | \$102 | \$59 | \$710 |
| 2022 | 18 | \$433 | 0 | \$287 | \$720 | 0 | 0 | 0 | \$287 | \$275 | \$102 | \$59 | \$723 |
| 2023 | 19 | \$438 | 0 | \$294 | \$732 | 0 | 0 | 0 | \$294 | \$281 | \$102 | \$59 | \$736 |
| 2024 | 20 | \$442 | 0 | \$301 | \$744 | 0 | 0 | 0 | \$301 | \$288 | \$102 | \$59 | \$750 |

Present Value of Benefits \$6,475

Present Value of Costs \$5,765

| | |
|--------------------|------|
| Benefit/Cost Ratio | 1.12 |
|--------------------|------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Data**

| |
|-----------------------|
| Appliance Type |
| Heating System |

| | | | |
|-------------------------|------|-----------------|------|
| <u>Escalation Rates</u> | | Elec Base Rates | 0.0% |
| O&M Expenses | 2.4% | Gas Fuel Rate | 2.4% |
| Electric Fuel Adj | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 3,150 | 10.00% | \$353 |
| 2007 | \$0.1034 | 3,150 | 10.00% | \$358 |
| 2008 | \$0.1047 | 3,150 | 10.00% | \$363 |
| 2009 | \$0.1061 | 3,150 | 10.00% | \$368 |
| 2010 | \$0.1074 | 3,150 | 10.00% | \$372 |
| 2011 | \$0.1088 | 3,150 | 10.00% | \$377 |
| 2012 | \$0.1101 | 3,150 | 10.00% | \$382 |
| 2013 | \$0.1115 | 3,150 | 10.00% | \$386 |
| 2014 | \$0.1128 | 3,150 | 10.00% | \$391 |
| 2015 | \$0.1142 | 3,150 | 10.00% | \$396 |
| 2016 | \$0.1155 | 3,150 | 10.00% | \$400 |
| 2017 | \$0.1169 | 3,150 | 10.00% | \$405 |
| 2018 | \$0.1182 | 3,150 | 10.00% | \$410 |
| 2019 | \$0.1196 | 3,150 | 10.00% | \$414 |
| 2020 | \$0.1209 | 3,150 | 10.00% | \$419 |
| 2021 | \$0.1223 | 3,150 | 10.00% | \$424 |
| 2022 | \$0.1236 | 3,150 | 10.00% | \$428 |
| 2023 | \$0.1250 | 3,150 | 10.00% | \$433 |
| 2024 | \$0.1263 | 3,150 | 10.00% | \$438 |
| 2025 | \$0.1277 | 3,150 | 10.00% | \$442 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 178 | 10.00% | \$184 |
| 2007 | \$0.9602 | 178 | 10.00% | \$188 |
| 2008 | \$0.9833 | 178 | 10.00% | \$193 |
| 2009 | \$1.0069 | 178 | 10.00% | \$197 |
| 2010 | \$1.0310 | 178 | 10.00% | \$202 |
| 2011 | \$1.0558 | 178 | 10.00% | \$207 |
| 2012 | \$1.0811 | 178 | 10.00% | \$212 |
| 2013 | \$1.1071 | 178 | 10.00% | \$217 |
| 2014 | \$1.1336 | 178 | 10.00% | \$222 |
| 2015 | \$1.1608 | 178 | 10.00% | \$227 |
| 2016 | \$1.1887 | 178 | 10.00% | \$233 |
| 2017 | \$1.2172 | 178 | 10.00% | \$238 |
| 2018 | \$1.2464 | 178 | 10.00% | \$244 |
| 2019 | \$1.2763 | 178 | 10.00% | \$250 |
| 2020 | \$1.3070 | 178 | 10.00% | \$256 |
| 2021 | \$1.3383 | 178 | 10.00% | \$262 |
| 2022 | \$1.3705 | 178 | 10.00% | \$268 |
| 2023 | \$1.4034 | 178 | 10.00% | \$275 |
| 2024 | \$1.4370 | 178 | 10.00% | \$281 |
| 2025 | \$1.4715 | 178 | 10.00% | \$288 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 178 | 10.00% | \$102 |
| 2007 | \$0.5214 | 178 | 10.00% | \$102 |
| 2008 | \$0.5214 | 178 | 10.00% | \$102 |
| 2009 | \$0.5214 | 178 | 10.00% | \$102 |
| 2010 | \$0.5214 | 178 | 10.00% | \$102 |
| 2011 | \$0.5214 | 178 | 10.00% | \$102 |
| 2012 | \$0.5214 | 178 | 10.00% | \$102 |
| 2013 | \$0.5214 | 178 | 10.00% | \$102 |
| 2014 | \$0.5214 | 178 | 10.00% | \$102 |
| 2015 | \$0.5214 | 178 | 10.00% | \$102 |
| 2016 | \$0.5214 | 178 | 10.00% | \$102 |
| 2017 | \$0.5214 | 178 | 10.00% | \$102 |
| 2018 | \$0.5214 | 178 | 10.00% | \$102 |
| 2019 | \$0.5214 | 178 | 10.00% | \$102 |
| 2020 | \$0.5214 | 178 | 10.00% | \$102 |
| 2021 | \$0.5214 | 178 | 10.00% | \$102 |
| 2022 | \$0.5214 | 178 | 10.00% | \$102 |
| 2023 | \$0.5214 | 178 | 10.00% | \$102 |
| 2024 | \$0.5214 | 178 | 10.00% | \$102 |
| 2025 | \$0.5214 | 178 | 10.00% | \$102 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2007 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2008 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2009 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2010 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2011 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2012 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2013 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2014 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2015 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2016 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2017 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2018 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2019 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2020 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2021 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2022 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2023 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2024 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |
| 2025 | \$11.03 | \$132.36 | 178 | 443 | 40.18% | 10.00% | \$59 |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Results**

| |
|-----------------------|
| Appliance Type |
| Heating System |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs | |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|----------|
| | Table 1 | Table 1A | Table 2 | Table 5 | Table 3 | Table 4 | | | | |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2002 | \$93 | \$167 | \$53 | \$313 | \$167 | \$0 | \$0 | \$350.41 | \$517 | |
| 2003 | \$93 | \$171 | \$53 | \$317 | \$171 | \$0 | \$0 | \$0.41 | \$171 | |
| 2004 | \$93 | \$175 | \$53 | \$321 | \$175 | \$0 | \$0 | \$0.41 | \$175 | |
| 2005 | \$93 | \$179 | \$53 | \$325 | \$179 | \$0 | \$0 | \$0.41 | \$180 | |
| 2006 | \$93 | \$184 | \$53 | \$330 | \$184 | \$0 | \$0 | \$0.41 | \$184 | |
| 2007 | \$93 | \$188 | \$53 | \$334 | \$188 | \$0 | \$0 | \$0.41 | \$188 | |
| 2008 | \$93 | \$192 | \$53 | \$338 | \$192 | \$0 | \$0 | \$0.41 | \$193 | |
| 2009 | \$93 | \$197 | \$53 | \$343 | \$197 | \$0 | \$0 | \$0.41 | \$197 | |
| 2010 | \$93 | \$202 | \$53 | \$348 | \$202 | \$0 | \$0 | \$0.41 | \$202 | |
| 2011 | \$93 | \$207 | \$53 | \$353 | \$207 | \$0 | \$0 | \$0.41 | \$207 | |
| 2012 | \$93 | \$212 | \$53 | \$358 | \$212 | \$0 | \$0 | \$0.41 | \$212 | |
| 2013 | \$93 | \$217 | \$53 | \$363 | \$217 | \$0 | \$0 | \$0.41 | \$217 | |
| 2014 | \$93 | \$222 | \$53 | \$368 | \$222 | \$0 | \$0 | \$0.41 | \$222 | |
| 2015 | \$93 | \$227 | \$53 | \$373 | \$227 | \$0 | \$0 | \$0.41 | \$228 | |
| 2016 | \$93 | \$233 | \$53 | \$379 | \$233 | \$0 | \$0 | \$350.41 | \$583 | |
| 2017 | \$93 | \$238 | \$53 | \$384 | \$238 | \$0 | \$0 | \$0.41 | \$239 | |
| 2018 | \$93 | \$244 | \$53 | \$390 | \$244 | \$0 | \$0 | \$0.41 | \$244 | |
| 2019 | \$93 | \$250 | \$53 | \$396 | \$250 | \$0 | \$0 | \$0.41 | \$250 | |
| 2020 | \$93 | \$256 | \$53 | \$402 | \$256 | \$0 | \$0 | \$0.41 | \$256 | |
| 2021 | \$93 | \$262 | \$53 | \$408 | \$262 | \$0 | \$0 | \$0.41 | \$262 | |

Present Value
of Benefits

\$3,386

Present Value
of Costs

\$2,391

| |
|-------------------------------|
| Benefit/Cost Ratio |
|-------------------------------|

1.42

Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Calculated Data

| |
|-----------------------|
| Appliance Type |
| Heating System |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 178 | \$0.5214 | \$93 |
| 2007 | 178 | \$0.5214 | \$93 |
| 2008 | 178 | \$0.5214 | \$93 |
| 2009 | 178 | \$0.5214 | \$93 |
| 2010 | 178 | \$0.5214 | \$93 |
| 2011 | 178 | \$0.5214 | \$93 |
| 2012 | 178 | \$0.5214 | \$93 |
| 2013 | 178 | \$0.5214 | \$93 |
| 2014 | 178 | \$0.5214 | \$93 |
| 2015 | 178 | \$0.5214 | \$93 |
| 2016 | 178 | \$0.5214 | \$93 |
| 2017 | 178 | \$0.5214 | \$93 |
| 2018 | 178 | \$0.5214 | \$93 |
| 2019 | 178 | \$0.5214 | \$93 |
| 2020 | 178 | \$0.5214 | \$93 |
| 2021 | 178 | \$0.5214 | \$93 |
| 2022 | 178 | \$0.5214 | \$93 |
| 2023 | 178 | \$0.5214 | \$93 |
| 2024 | 178 | \$0.5214 | \$93 |
| 2025 | 178 | \$0.5214 | \$93 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 178 | \$0.9377 | \$167 |
| 2007 | 178 | \$0.9602 | \$171 |
| 2008 | 178 | \$0.9833 | \$175 |
| 2009 | 178 | \$1.0069 | \$179 |
| 2010 | 178 | \$1.0310 | \$184 |
| 2011 | 178 | \$1.0558 | \$188 |
| 2012 | 178 | \$1.0811 | \$192 |
| 2013 | 178 | \$1.1071 | \$197 |
| 2014 | 178 | \$1.1338 | \$202 |
| 2015 | 178 | \$1.1608 | \$207 |
| 2016 | 178 | \$1.1887 | \$212 |
| 2017 | 178 | \$1.2172 | \$217 |
| 2018 | 178 | \$1.2464 | \$222 |
| 2019 | 178 | \$1.2763 | \$227 |
| 2020 | 178 | \$1.3070 | \$233 |
| 2021 | 178 | \$1.3383 | \$238 |
| 2022 | 178 | \$1.3705 | \$244 |
| 2023 | 178 | \$1.4034 | \$250 |
| 2024 | 178 | \$1.4370 | \$256 |
| 2025 | 178 | \$1.4715 | \$262 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2007 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2008 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2009 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2010 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2011 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2012 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2013 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2014 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2015 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2016 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2017 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2018 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2019 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2020 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2021 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2022 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2023 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2024 | \$11.03 | \$132.36 | 40.18% | \$53 |
| 2025 | \$11.03 | \$132.36 | 40.18% | \$53 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 6*7/8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost |
| 2006 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2007 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2008 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2009 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2010 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2011 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2012 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2013 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2014 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2015 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2016 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2017 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2018 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2019 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2020 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2021 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2022 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2023 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2024 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |
| 2025 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 40.18% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|------------------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 6*7/5+8 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. & O&M Cost |
| 2006 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2007 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2008 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2009 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2010 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2011 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2012 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2013 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2014 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2015 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2016 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2017 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2018 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2019 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2020 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2021 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2022 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2023 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2024 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |
| 2025 | \$0.00 | \$0 | 40.18% | \$0 | \$0 | 40.18% | \$0 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 178 | 0.9377 | \$167 |
| 2007 | 178 | \$0.9602 | \$171 |
| 2008 | 178 | \$0.9833 | \$175 |
| 2009 | 178 | \$1.0069 | \$179 |
| 2010 | 178 | \$1.0310 | \$184 |
| 2011 | 178 | \$1.0558 | \$188 |
| 2012 | 178 | \$1.0811 | \$192 |
| 2013 | 178 | \$1.1071 | \$197 |
| 2014 | 178 | \$1.1338 | \$202 |
| 2015 | 178 | \$1.1608 | \$207 |
| 2016 | 178 | \$1.1887 | \$212 |
| 2017 | 178 | \$1.2172 | \$217 |
| 2018 | 178 | \$1.2464 | \$222 |
| 2019 | 178 | \$1.2763 | \$227 |
| 2020 | 178 | \$1.3070 | \$233 |
| 2021 | 178 | \$1.3383 | \$238 |
| 2022 | 178 | \$1.3705 | \$244 |
| 2023 | 178 | \$1.4034 | \$250 |
| 2024 | 178 | \$1.4370 | \$256 |
| 2025 | 178 | \$1.4715 | \$262 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Retention Program
RIM Test and Participants Test Results**

For

Cooking Appliances

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Clothes Drying |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | | | | | Table 2 | Table 3 | Table 4 | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2005 | 1 | \$164 | \$100 | \$36 | \$300 | \$379 | (\$454) | \$150 | \$36 | \$52 | \$29 | \$16 | \$208 |
| 2006 | 2 | \$167 | 0 | \$37 | \$203 | 0 | 0 | 0 | \$37 | \$53 | \$29 | \$16 | \$135 |
| 2007 | 3 | \$169 | 0 | \$38 | \$207 | 0 | 0 | 0 | \$38 | \$54 | \$29 | \$16 | \$137 |
| 2008 | 4 | \$171 | 0 | \$39 | \$210 | 0 | 0 | 0 | \$39 | \$55 | \$29 | \$16 | \$139 |
| 2009 | 5 | \$173 | 0 | \$40 | \$213 | 0 | 0 | 0 | \$40 | \$57 | \$29 | \$16 | \$141 |
| 2010 | 6 | \$175 | 0 | \$41 | \$216 | 0 | 0 | 0 | \$41 | \$58 | \$29 | \$16 | \$144 |
| 2011 | 7 | \$177 | 0 | \$42 | \$219 | 0 | 0 | 0 | \$42 | \$59 | \$29 | \$16 | \$146 |
| 2012 | 8 | \$180 | 0 | \$43 | \$222 | 0 | 0 | 0 | \$43 | \$61 | \$29 | \$16 | \$148 |
| 2013 | 9 | \$182 | 0 | \$44 | \$225 | 0 | 0 | 0 | \$44 | \$62 | \$29 | \$16 | \$151 |
| 2014 | 10 | \$184 | 0 | \$45 | \$229 | 0 | 0 | 0 | \$45 | \$64 | \$29 | \$16 | \$154 |
| 2015 | 11 | \$186 | 0 | \$46 | \$232 | 0 | 0 | 0 | \$46 | \$65 | \$29 | \$16 | \$156 |
| 2016 | 12 | \$188 | 0 | \$47 | \$235 | 0 | 0 | 0 | \$47 | \$67 | \$29 | \$16 | \$159 |
| 2017 | 13 | \$191 | 100 | \$48 | \$338 | 516 | (618) | 204 | \$48 | \$69 | \$29 | \$16 | \$264 |
| 2018 | 14 | \$193 | 0 | \$49 | \$242 | 0 | 0 | 0 | \$49 | \$70 | \$29 | \$16 | \$164 |
| 2019 | 15 | \$195 | 0 | \$50 | \$245 | 0 | 0 | 0 | \$50 | \$72 | \$29 | \$16 | \$167 |
| 2020 | 16 | \$197 | 0 | \$51 | \$248 | 0 | 0 | 0 | \$51 | \$74 | \$29 | \$16 | \$170 |
| 2021 | 17 | \$199 | 0 | \$53 | \$252 | 0 | 0 | 0 | \$53 | \$75 | \$29 | \$16 | \$173 |
| 2022 | 18 | \$201 | 0 | \$54 | \$255 | 0 | 0 | 0 | \$54 | \$77 | \$29 | \$16 | \$176 |
| 2023 | 19 | \$204 | 0 | \$55 | \$259 | 0 | 0 | 0 | \$55 | \$79 | \$29 | \$16 | \$179 |
| 2024 | 20 | \$206 | 0 | \$56 | \$262 | 0 | 0 | 0 | \$56 | \$81 | \$29 | \$16 | \$183 |

Present Value of Benefits \$2,315

Present Value of Costs \$1,575

| | |
|--------------------|------|
| Benefit/Cost Ratio | 1.47 |
|--------------------|------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Data**

| Appliance Type | |
|----------------|--|
| Clothes Drying | |

| | | | |
|-------------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expenses | 2.4% | Gas Fuel Rate | 2.4% |
| Electric Fuel Adj | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 1,465 | 10.00% | \$164 |
| 2007 | \$0.1034 | 1,465 | 10.00% | \$167 |
| 2008 | \$0.1047 | 1,465 | 10.00% | \$169 |
| 2009 | \$0.1061 | 1,465 | 10.00% | \$171 |
| 2010 | \$0.1074 | 1,465 | 10.00% | \$173 |
| 2011 | \$0.1088 | 1,465 | 10.00% | \$175 |
| 2012 | \$0.1101 | 1,465 | 10.00% | \$177 |
| 2013 | \$0.1115 | 1,465 | 10.00% | \$180 |
| 2014 | \$0.1128 | 1,465 | 10.00% | \$182 |
| 2015 | \$0.1142 | 1,465 | 10.00% | \$184 |
| 2016 | \$0.1155 | 1,465 | 10.00% | \$186 |
| 2017 | \$0.1169 | 1,465 | 10.00% | \$188 |
| 2018 | \$0.1182 | 1,465 | 10.00% | \$191 |
| 2019 | \$0.1196 | 1,465 | 10.00% | \$193 |
| 2020 | \$0.1209 | 1,465 | 10.00% | \$195 |
| 2021 | \$0.1223 | 1,465 | 10.00% | \$197 |
| 2022 | \$0.1236 | 1,465 | 10.00% | \$199 |
| 2023 | \$0.1250 | 1,465 | 10.00% | \$201 |
| 2024 | \$0.1263 | 1,465 | 10.00% | \$204 |
| 2025 | \$0.1277 | 1,465 | 10.00% | \$206 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 50 | 10.00% | \$52 |
| 2007 | \$0.9602 | 50 | 10.00% | \$53 |
| 2008 | \$0.9833 | 50 | 10.00% | \$54 |
| 2009 | \$1.0069 | 50 | 10.00% | \$55 |
| 2010 | \$1.0310 | 50 | 10.00% | \$57 |
| 2011 | \$1.0558 | 50 | 10.00% | \$58 |
| 2012 | \$1.0811 | 50 | 10.00% | \$59 |
| 2013 | \$1.1071 | 50 | 10.00% | \$61 |
| 2014 | \$1.1336 | 50 | 10.00% | \$62 |
| 2015 | \$1.1608 | 50 | 10.00% | \$64 |
| 2016 | \$1.1887 | 50 | 10.00% | \$65 |
| 2017 | \$1.2172 | 50 | 10.00% | \$67 |
| 2018 | \$1.2464 | 50 | 10.00% | \$69 |
| 2019 | \$1.2763 | 50 | 10.00% | \$70 |
| 2020 | \$1.3070 | 50 | 10.00% | \$72 |
| 2021 | \$1.3383 | 50 | 10.00% | \$74 |
| 2022 | \$1.3705 | 50 | 10.00% | \$75 |
| 2023 | \$1.4034 | 50 | 10.00% | \$77 |
| 2024 | \$1.4370 | 50 | 10.00% | \$79 |
| 2025 | \$1.4715 | 50 | 10.00% | \$81 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 50 | 10.00% | \$29 |
| 2007 | \$0.5214 | 50 | 10.00% | \$29 |
| 2008 | \$0.5214 | 50 | 10.00% | \$29 |
| 2009 | \$0.5214 | 50 | 10.00% | \$29 |
| 2010 | \$0.5214 | 50 | 10.00% | \$29 |
| 2011 | \$0.5214 | 50 | 10.00% | \$29 |
| 2012 | \$0.5214 | 50 | 10.00% | \$29 |
| 2013 | \$0.5214 | 50 | 10.00% | \$29 |
| 2014 | \$0.5214 | 50 | 10.00% | \$29 |
| 2015 | \$0.5214 | 50 | 10.00% | \$29 |
| 2016 | \$0.5214 | 50 | 10.00% | \$29 |
| 2017 | \$0.5214 | 50 | 10.00% | \$29 |
| 2018 | \$0.5214 | 50 | 10.00% | \$29 |
| 2019 | \$0.5214 | 50 | 10.00% | \$29 |
| 2020 | \$0.5214 | 50 | 10.00% | \$29 |
| 2021 | \$0.5214 | 50 | 10.00% | \$29 |
| 2022 | \$0.5214 | 50 | 10.00% | \$29 |
| 2023 | \$0.5214 | 50 | 10.00% | \$29 |
| 2024 | \$0.5214 | 50 | 10.00% | \$29 |
| 2025 | \$0.5214 | 50 | 10.00% | \$29 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|----------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Ratio - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2007 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2008 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2009 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2010 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2011 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2012 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2013 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2014 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2015 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2016 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2017 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2018 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2019 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2020 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2021 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2022 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2023 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2024 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |
| 2025 | \$11.03 | \$132.36 | 50 | 443 | 11.29% | 10.00% | \$16 |

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Results**

| |
|---|
| Appliance Type Clothes Drying |
|---|

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|
| | Table 1 | Table 1A | Table 2 | 2 thru 4 | Table 5 | Table 3 | Table 4 | 8 | 6 thru 9 |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 |
| 2002 | \$26 | \$47 | \$15 | \$88 | \$47 | \$0 | \$0 | \$100.11 | \$147 |
| 2003 | \$26 | \$48 | \$15 | \$89 | \$48 | \$0 | \$0 | \$0.11 | \$48 |
| 2004 | \$26 | \$49 | \$15 | \$90 | \$49 | \$0 | \$0 | \$0.11 | \$49 |
| 2005 | \$26 | \$50 | \$15 | \$91 | \$50 | \$0 | \$0 | \$0.11 | \$50 |
| 2006 | \$26 | \$52 | \$15 | \$93 | \$52 | \$0 | \$0 | \$0.11 | \$52 |
| 2007 | \$26 | \$53 | \$15 | \$94 | \$53 | \$0 | \$0 | \$0.11 | \$53 |
| 2008 | \$26 | \$54 | \$15 | \$95 | \$54 | \$0 | \$0 | \$0.11 | \$54 |
| 2009 | \$26 | \$55 | \$15 | \$96 | \$55 | \$0 | \$0 | \$0.11 | \$55 |
| 2010 | \$26 | \$57 | \$15 | \$98 | \$57 | \$0 | \$0 | \$0.11 | \$57 |
| 2011 | \$26 | \$58 | \$15 | \$99 | \$58 | \$0 | \$0 | \$0.11 | \$58 |
| 2012 | \$26 | \$59 | \$15 | \$100 | \$59 | \$0 | \$0 | \$0.11 | \$60 |
| 2013 | \$26 | \$61 | \$15 | \$102 | \$61 | \$0 | \$0 | \$0.11 | \$61 |
| 2014 | \$26 | \$62 | \$15 | \$103 | \$62 | \$0 | \$0 | \$100.11 | \$162 |
| 2015 | \$26 | \$64 | \$15 | \$105 | \$64 | \$0 | \$0 | \$0.11 | \$64 |
| 2016 | \$26 | \$65 | \$15 | \$106 | \$65 | \$0 | \$0 | \$0.11 | \$65 |
| 2017 | \$26 | \$67 | \$15 | \$108 | \$67 | \$0 | \$0 | \$0.11 | \$67 |
| 2018 | \$26 | \$69 | \$15 | \$110 | \$69 | \$0 | \$0 | \$0.11 | \$69 |
| 2019 | \$26 | \$70 | \$15 | \$111 | \$70 | \$0 | \$0 | \$0.11 | \$70 |
| 2020 | \$26 | \$72 | \$15 | \$113 | \$72 | \$0 | \$0 | \$0.11 | \$72 |
| 2021 | \$26 | \$74 | \$15 | \$115 | \$74 | \$0 | \$0 | \$0.11 | \$74 |

Present Value
of Benefits

\$951

Present Value
of Costs

\$679

| | |
|-------------------------------|-------------|
| Benefit/Cost Ratio | 1.40 |
|-------------------------------|-------------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Calculated Data**

| |
|-----------------------|
| Appliance Type |
| Clothes Drying |

| | |
|-------------------------------|------|
| Fuel Rate Escalator | 2.4% |
| Gas Energy Charge Escalator | 0% |
| Gas Customer Charge Escalator | 0% |
| O&M Escalator | 2.4% |

| | |
|--------------------------------------|-------|
| Depreciation Rate - Supply Main | 3.30% |
| Depreciation Rate - Development Main | 3.30% |
| Depreciation Rate - Service Line | 3.30% |
| Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 50 | \$0.5214 | \$26 |
| 2007 | 50 | \$0.5214 | \$26 |
| 2008 | 50 | \$0.5214 | \$26 |
| 2009 | 50 | \$0.5214 | \$26 |
| 2010 | 50 | \$0.5214 | \$26 |
| 2011 | 50 | \$0.5214 | \$26 |
| 2012 | 50 | \$0.5214 | \$26 |
| 2013 | 50 | \$0.5214 | \$26 |
| 2014 | 50 | \$0.5214 | \$26 |
| 2015 | 50 | \$0.5214 | \$26 |
| 2016 | 50 | \$0.5214 | \$26 |
| 2017 | 50 | \$0.5214 | \$26 |
| 2018 | 50 | \$0.5214 | \$26 |
| 2019 | 50 | \$0.5214 | \$26 |
| 2020 | 50 | \$0.5214 | \$26 |
| 2021 | 50 | \$0.5214 | \$26 |
| 2022 | 50 | \$0.5214 | \$26 |
| 2023 | 50 | \$0.5214 | \$26 |
| 2024 | 50 | \$0.5214 | \$26 |
| 2025 | 50 | \$0.5214 | \$26 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 50 | \$0.9377 | \$47 |
| 2007 | 50 | \$0.9602 | \$48 |
| 2008 | 50 | \$0.9833 | \$49 |
| 2009 | 50 | \$1.0069 | \$50 |
| 2010 | 50 | \$1.0310 | \$52 |
| 2011 | 50 | \$1.0558 | \$53 |
| 2012 | 50 | \$1.0811 | \$54 |
| 2013 | 50 | \$1.1071 | \$55 |
| 2014 | 50 | \$1.1336 | \$57 |
| 2015 | 50 | \$1.1608 | \$58 |
| 2016 | 50 | \$1.1887 | \$59 |
| 2017 | 50 | \$1.2172 | \$61 |
| 2018 | 50 | \$1.2464 | \$62 |
| 2019 | 50 | \$1.2763 | \$64 |
| 2020 | 50 | \$1.3070 | \$65 |
| 2021 | 50 | \$1.3383 | \$67 |
| 2022 | 50 | \$1.3705 | \$69 |
| 2023 | 50 | \$1.4034 | \$70 |
| 2024 | 50 | \$1.4370 | \$72 |
| 2025 | 50 | \$1.4715 | \$74 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|---------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Prorated Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2007 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2008 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2009 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2010 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2011 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2012 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2013 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2014 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2015 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2016 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2017 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2018 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2019 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2020 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2021 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2022 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2023 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2024 | \$11.03 | \$132.36 | 11.29% | \$15 |
| 2025 | \$11.03 | \$132.36 | 11.29% | \$15 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 6*7*8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost |
| 2006 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2007 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2008 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2009 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2010 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2011 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2012 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2013 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2014 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2015 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2016 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2017 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2018 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2019 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2020 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2021 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2022 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2023 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2024 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |
| 2025 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 11.29% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Total Incremental Adm. & O&M Cost |
| 2006 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2007 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2008 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2009 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2010 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2011 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2012 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2013 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2014 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2015 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2016 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2017 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2018 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2019 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2020 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2021 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2022 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2023 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2024 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |
| 2025 | \$0.00 | \$0 | 11.29% | \$0 | \$0 | 11.29% | \$0 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 50 | 0.9377 | \$47 |
| 2007 | 50 | 0.9602 | \$48 |
| 2008 | 50 | 0.9833 | \$49 |
| 2009 | 50 | 1.0069 | \$50 |
| 2010 | 50 | 1.0310 | \$52 |
| 2011 | 50 | 1.0558 | \$53 |
| 2012 | 50 | 1.0811 | \$54 |
| 2013 | 50 | 1.1071 | \$55 |
| 2014 | 50 | 1.1336 | \$57 |
| 2015 | 50 | 1.1608 | \$58 |
| 2016 | 50 | 1.1887 | \$59 |
| 2017 | 50 | 1.2172 | \$61 |
| 2018 | 50 | 1.2464 | \$62 |
| 2019 | 50 | 1.2763 | \$64 |
| 2020 | 50 | 1.3070 | \$65 |
| 2021 | 50 | 1.3383 | \$67 |
| 2022 | 50 | 1.3705 | \$69 |
| 2023 | 50 | 1.4034 | \$70 |
| 2024 | 50 | 1.4370 | \$72 |
| 2025 | 50 | 1.4715 | \$74 |

Exhibit A

**Indiantown Gas Company
Energy Conservation Program
March, 2007**

**Residential Appliance Retention Program
RIM Test and Participants Test Results**

For

Clothes Drying Appliances

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Cost Effective Results**

| |
|-----------------------|
| Appliance Type |
| Cooking |

| Year | Year Number | Benefits | | | | Costs | | | | | | | |
|------|-------------|---------------------------|------------|--------------------------------|----------------|--------------------|--|-----------------------|---------------------|-----------------|-------------------|---------------------|-------------|
| | | Avoided Electric KWH Cost | Gas Rebate | Avoided Electric Appliance O&M | TOTAL BENEFITS | Gas Equipment Cost | Electric Equipment & Installation Cost | Gas Installation Cost | Gas Appliance O & M | Gas Supply Cost | Gas Energy Charge | Gas Customer Charge | TOTAL COSTS |
| | | Table 1 | | | | | | | | Table 2 | Table 3 | Table 4 | |
| | | 3 | 4 | 5 | 3 thru 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 7 thru 13 |
| 2005 | 1 | \$147 | \$100 | \$36 | \$283 | \$449 | (\$574) | \$200 | \$36 | \$46 | \$26 | \$15 | \$198 |
| 2006 | 2 | \$149 | 0 | \$37 | \$186 | 0 | 0 | 0 | \$37 | \$48 | \$26 | \$15 | \$125 |
| 2007 | 3 | \$151 | 0 | \$38 | \$189 | 0 | 0 | 0 | \$38 | \$49 | \$26 | \$15 | \$127 |
| 2008 | 4 | \$153 | 0 | \$39 | \$191 | 0 | 0 | 0 | \$39 | \$50 | \$26 | \$15 | \$129 |
| 2009 | 5 | \$155 | 0 | \$40 | \$194 | 0 | 0 | 0 | \$40 | \$51 | \$26 | \$15 | \$131 |
| 2010 | 6 | \$157 | 0 | \$41 | \$197 | 0 | 0 | 0 | \$41 | \$52 | \$26 | \$15 | \$133 |
| 2011 | 7 | \$159 | 0 | \$42 | \$200 | 0 | 0 | 0 | \$42 | \$54 | \$26 | \$15 | \$136 |
| 2012 | 8 | \$161 | 0 | \$43 | \$203 | 0 | 0 | 0 | \$43 | \$55 | \$26 | \$15 | \$138 |
| 2013 | 9 | \$163 | 0 | \$44 | \$206 | 0 | 0 | 0 | \$44 | \$56 | \$26 | \$15 | \$140 |
| 2014 | 10 | \$165 | 0 | \$45 | \$209 | 0 | 0 | 0 | \$45 | \$57 | \$26 | \$15 | \$143 |
| 2015 | 11 | \$166 | 0 | \$46 | \$212 | 0 | 0 | 0 | \$46 | \$59 | \$26 | \$15 | \$145 |
| 2016 | 12 | \$168 | 0 | \$47 | \$215 | 0 | 0 | 0 | \$47 | \$60 | \$26 | \$15 | \$148 |
| 2017 | 13 | \$170 | 0 | \$48 | \$218 | 0 | 0 | 0 | \$48 | \$62 | \$26 | \$15 | \$150 |
| 2018 | 14 | \$172 | 100 | \$49 | \$321 | 626 | (800) | 279 | \$49 | \$63 | \$26 | \$15 | \$257 |
| 2019 | 15 | \$174 | 0 | \$50 | \$224 | 0 | 0 | 0 | \$50 | \$65 | \$26 | \$15 | \$155 |
| 2020 | 16 | \$176 | 0 | \$51 | \$228 | 0 | 0 | 0 | \$51 | \$66 | \$26 | \$15 | \$158 |
| 2021 | 17 | \$178 | 0 | \$53 | \$231 | 0 | 0 | 0 | \$53 | \$68 | \$26 | \$15 | \$161 |
| 2022 | 18 | \$180 | 0 | \$54 | \$234 | 0 | 0 | 0 | \$54 | \$69 | \$26 | \$15 | \$164 |
| 2023 | 19 | \$182 | 0 | \$55 | \$237 | 0 | 0 | 0 | \$55 | \$71 | \$26 | \$15 | \$167 |
| 2024 | 20 | \$184 | 0 | \$56 | \$240 | 0 | 0 | 0 | \$56 | \$73 | \$26 | \$15 | \$170 |

Present Value of Benefits \$2,126

Present Value of Costs \$1,468

| | |
|--------------------|------|
| Benefit/Cost Ratio | 1.45 |
|--------------------|------|

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
Participants Test - Data**

| Appliance Type | |
|----------------|--|
| Cooking | |

| | | | |
|-------------------------|------|-----------------|------|
| Escalation Rates | | Elec Base Rates | 0.0% |
| O&M Expenses | 2.4% | Gas Fuel Rate | 2.4% |
| Electric Fuel Adj | 2.4% | Gas Base Rates | 0.0% |

| Electric KWH Cost - Table 1 | | | | |
|-----------------------------|--------------|------------|----------|---------------|
| Year | Cost Per KWH | Annual KWH | Tax Rate | Electric Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.1020 | 1,310 | 10.00% | \$147 |
| 2007 | \$0.1034 | 1,310 | 10.00% | \$149 |
| 2008 | \$0.1047 | 1,310 | 10.00% | \$151 |
| 2009 | \$0.1061 | 1,310 | 10.00% | \$153 |
| 2010 | \$0.1074 | 1,310 | 10.00% | \$155 |
| 2011 | \$0.1088 | 1,310 | 10.00% | \$157 |
| 2012 | \$0.1101 | 1,310 | 10.00% | \$159 |
| 2013 | \$0.1115 | 1,310 | 10.00% | \$161 |
| 2014 | \$0.1128 | 1,310 | 10.00% | \$163 |
| 2015 | \$0.1142 | 1,310 | 10.00% | \$165 |
| 2016 | \$0.1155 | 1,310 | 10.00% | \$166 |
| 2017 | \$0.1169 | 1,310 | 10.00% | \$168 |
| 2018 | \$0.1182 | 1,310 | 10.00% | \$170 |
| 2019 | \$0.1196 | 1,310 | 10.00% | \$172 |
| 2020 | \$0.1209 | 1,310 | 10.00% | \$174 |
| 2021 | \$0.1223 | 1,310 | 10.00% | \$176 |
| 2022 | \$0.1236 | 1,310 | 10.00% | \$178 |
| 2023 | \$0.1250 | 1,310 | 10.00% | \$180 |
| 2024 | \$0.1263 | 1,310 | 10.00% | \$182 |
| 2025 | \$0.1277 | 1,310 | 10.00% | \$184 |

| Gas Supply Cost - Table 2 | | | | |
|---------------------------|----------------|---------------|----------|-----------|
| Year | Cost Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.9377 | 45 | 10.00% | \$46 |
| 2007 | \$0.9602 | 45 | 10.00% | \$48 |
| 2008 | \$0.9833 | 45 | 10.00% | \$49 |
| 2009 | \$1.0069 | 45 | 10.00% | \$50 |
| 2010 | \$1.0310 | 45 | 10.00% | \$51 |
| 2011 | \$1.0558 | 45 | 10.00% | \$52 |
| 2012 | \$1.0811 | 45 | 10.00% | \$54 |
| 2013 | \$1.1071 | 45 | 10.00% | \$55 |
| 2014 | \$1.1336 | 45 | 10.00% | \$56 |
| 2015 | \$1.1608 | 45 | 10.00% | \$57 |
| 2016 | \$1.1887 | 45 | 10.00% | \$59 |
| 2017 | \$1.2172 | 45 | 10.00% | \$60 |
| 2018 | \$1.2464 | 45 | 10.00% | \$62 |
| 2019 | \$1.2763 | 45 | 10.00% | \$63 |
| 2020 | \$1.3070 | 45 | 10.00% | \$65 |
| 2021 | \$1.3383 | 45 | 10.00% | \$66 |
| 2022 | \$1.3705 | 45 | 10.00% | \$68 |
| 2023 | \$1.4034 | 45 | 10.00% | \$69 |
| 2024 | \$1.4370 | 45 | 10.00% | \$71 |
| 2025 | \$1.4715 | 45 | 10.00% | \$73 |

| Gas Energy Charge - Table 3 | | | | |
|-----------------------------|----------------|---------------|----------|-----------|
| Year | Rate Per Therm | Annual Therms | Tax Rate | Gas Cost |
| A | B | C | D | B*C*(1+D) |
| 2006 | \$0.5214 | 45 | 10.00% | \$26 |
| 2007 | \$0.5214 | 45 | 10.00% | \$26 |
| 2008 | \$0.5214 | 45 | 10.00% | \$26 |
| 2009 | \$0.5214 | 45 | 10.00% | \$26 |
| 2010 | \$0.5214 | 45 | 10.00% | \$26 |
| 2011 | \$0.5214 | 45 | 10.00% | \$26 |
| 2012 | \$0.5214 | 45 | 10.00% | \$26 |
| 2013 | \$0.5214 | 45 | 10.00% | \$26 |
| 2014 | \$0.5214 | 45 | 10.00% | \$26 |
| 2015 | \$0.5214 | 45 | 10.00% | \$26 |
| 2016 | \$0.5214 | 45 | 10.00% | \$26 |
| 2017 | \$0.5214 | 45 | 10.00% | \$26 |
| 2018 | \$0.5214 | 45 | 10.00% | \$26 |
| 2019 | \$0.5214 | 45 | 10.00% | \$26 |
| 2020 | \$0.5214 | 45 | 10.00% | \$26 |
| 2021 | \$0.5214 | 45 | 10.00% | \$26 |
| 2022 | \$0.5214 | 45 | 10.00% | \$26 |
| 2023 | \$0.5214 | 45 | 10.00% | \$26 |
| 2024 | \$0.5214 | 45 | 10.00% | \$26 |
| 2025 | \$0.5214 | 45 | 10.00% | \$26 |

| Gas Customer Charge - Table 4 | | | | | | | |
|-------------------------------|-------------------------|------------------------|-------------------------|---------------------|---------------------------|----------|---------------------------|
| Year | Monthly Customer Charge | Annual Customer Charge | Appliance Annual Therms | Total Annual Therms | Rate - Appliance to Total | Tax Rate | Pro-Rated Customer Charge |
| A | B | C | D | E | D/E | G | C*(D/E)*(1+Z) |
| 2006 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2007 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2008 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2009 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2010 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2011 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2012 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2013 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2014 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2015 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2016 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2017 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2018 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2019 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2020 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2021 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2022 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2023 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2024 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |
| 2025 | \$11.03 | \$132.36 | 45 | 443 | 10.16% | 10.00% | \$15 |

INDIANTOWN GAS COMPANY, INC.

PETITION FOR APPROVAL OF ENERGY
CONSERVATION PROGRAMS

EXHIBIT C

PROPOSED TARIFF SHEETS

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Results**

| |
|-----------------------|
| Appliance Type |
| Cooking |

| | Incremental Revenue Energy Charge | Incremental Revenue Cost of Gas | Incremental Revenue Cust. Charge | Total Gas Revenue | Gas Supply Cost | Investment Carrying Costs | Incremental Customer Costs | Program Cost | Total Costs | |
|------|---|---------------------------------------|--|-------------------------|-----------------------|---------------------------------|----------------------------------|-----------------|----------------|----------|
| | Table 1 | Table 1A | Table 2 | Table 5 | Table 3 | Table 4 | | | | |
| | 1 | 2 | 3 | 4 | 2 thru 4 | 6 | 7 | 8 | 9 | 6 thru 9 |
| 2002 | \$23 | \$42 | \$13 | \$79 | \$42 | \$0 | \$0 | \$100.10 | \$142 | |
| 2003 | \$23 | \$43 | \$13 | \$80 | \$43 | \$0 | \$0 | \$0.10 | \$43 | |
| 2004 | \$23 | \$44 | \$13 | \$81 | \$44 | \$0 | \$0 | \$0.10 | \$44 | |
| 2005 | \$23 | \$45 | \$13 | \$82 | \$45 | \$0 | \$0 | \$0.10 | \$45 | |
| 2006 | \$23 | \$46 | \$13 | \$83 | \$46 | \$0 | \$0 | \$0.10 | \$46 | |
| 2007 | \$23 | \$48 | \$13 | \$84 | \$48 | \$0 | \$0 | \$0.10 | \$48 | |
| 2008 | \$23 | \$49 | \$13 | \$86 | \$49 | \$0 | \$0 | \$0.10 | \$49 | |
| 2009 | \$23 | \$50 | \$13 | \$87 | \$50 | \$0 | \$0 | \$0.10 | \$50 | |
| 2010 | \$23 | \$51 | \$13 | \$88 | \$51 | \$0 | \$0 | \$0.10 | \$51 | |
| 2011 | \$23 | \$52 | \$13 | \$89 | \$52 | \$0 | \$0 | \$0.10 | \$52 | |
| 2012 | \$23 | \$53 | \$13 | \$90 | \$53 | \$0 | \$0 | \$0.10 | \$54 | |
| 2013 | \$23 | \$55 | \$13 | \$92 | \$55 | \$0 | \$0 | \$0.10 | \$55 | |
| 2014 | \$23 | \$56 | \$13 | \$93 | \$56 | \$0 | \$0 | \$0.10 | \$56 | |
| 2015 | \$23 | \$57 | \$13 | \$94 | \$57 | \$0 | \$0 | \$100.10 | \$158 | |
| 2016 | \$23 | \$59 | \$13 | \$96 | \$59 | \$0 | \$0 | \$0.10 | \$59 | |
| 2017 | \$23 | \$60 | \$13 | \$97 | \$60 | \$0 | \$0 | \$0.10 | \$60 | |
| 2018 | \$23 | \$62 | \$13 | \$99 | \$62 | \$0 | \$0 | \$0.10 | \$62 | |
| 2019 | \$23 | \$63 | \$13 | \$100 | \$63 | \$0 | \$0 | \$0.10 | \$63 | |
| 2020 | \$23 | \$65 | \$13 | \$102 | \$65 | \$0 | \$0 | \$0.10 | \$65 | |
| 2021 | \$23 | \$66 | \$13 | \$103 | \$66 | \$0 | \$0 | \$0.10 | \$66 | |

Present Value
of Benefits

\$856

Present Value
of Costs

\$621

| |
|-------------------------------|
| Benefit/Cost Ratio |
|-------------------------------|

1.38

**Indiantown Gas Company - Energy Conservation Filing 2006
Residential Appliance Retention Program
RIM Test - Calculated Data**

| Appliance Type | |
|----------------|--|
| Cooking | |

| | | | |
|-------------------------------|------|--------------------------------------|-------|
| Fuel Rate Escalator | 2.4% | Depreciation Rate - Supply Main | 3.30% |
| Gas Energy Charge Escalator | 0% | Depreciation Rate - Development Main | 3.30% |
| Gas Customer Charge Escalator | 0% | Depreciation Rate - Service Line | 3.30% |
| O&M Escalator | 2.4% | Depreciation Rate - Meter | 3.80% |

Table 1

| Revenue - Energy Charge | | | |
|-------------------------|--------|-----------|--------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Base Rate | Total Charge |
| 2006 | 45 | \$0.5214 | \$23 |
| 2007 | 45 | \$0.5214 | \$23 |
| 2008 | 45 | \$0.5214 | \$23 |
| 2009 | 45 | \$0.5214 | \$23 |
| 2010 | 45 | \$0.5214 | \$23 |
| 2011 | 45 | \$0.5214 | \$23 |
| 2012 | 45 | \$0.5214 | \$23 |
| 2013 | 45 | \$0.5214 | \$23 |
| 2014 | 45 | \$0.5214 | \$23 |
| 2015 | 45 | \$0.5214 | \$23 |
| 2016 | 45 | \$0.5214 | \$23 |
| 2017 | 45 | \$0.5214 | \$23 |
| 2018 | 45 | \$0.5214 | \$23 |
| 2019 | 45 | \$0.5214 | \$23 |
| 2020 | 45 | \$0.5214 | \$23 |
| 2021 | 45 | \$0.5214 | \$23 |
| 2022 | 45 | \$0.5214 | \$23 |
| 2023 | 45 | \$0.5214 | \$23 |
| 2024 | 45 | \$0.5214 | \$23 |
| 2025 | 45 | \$0.5214 | \$23 |

Table 1a

| Revenue - Cost of Gas | | | |
|-----------------------|--------|-----------|--------------|
| 1 | 2 | 4 | 2*3 |
| Year | Therms | Fuel Rate | Total Charge |
| 2006 | 45 | \$0.9377 | \$42 |
| 2007 | 45 | \$0.9602 | \$43 |
| 2008 | 45 | \$0.9833 | \$44 |
| 2009 | 45 | \$1.0069 | \$45 |
| 2010 | 45 | \$1.0310 | \$46 |
| 2011 | 45 | \$1.0558 | \$48 |
| 2012 | 45 | \$1.0811 | \$49 |
| 2013 | 45 | \$1.1071 | \$50 |
| 2014 | 45 | \$1.1336 | \$51 |
| 2015 | 45 | \$1.1608 | \$52 |
| 2016 | 45 | \$1.1887 | \$53 |
| 2017 | 45 | \$1.2172 | \$55 |
| 2018 | 45 | \$1.2464 | \$56 |
| 2019 | 45 | \$1.2763 | \$57 |
| 2020 | 45 | \$1.3070 | \$59 |
| 2021 | 45 | \$1.3383 | \$60 |
| 2022 | 45 | \$1.3705 | \$62 |
| 2023 | 45 | \$1.4034 | \$63 |
| 2024 | 45 | \$1.4370 | \$65 |
| 2025 | 45 | \$1.4715 | \$66 |

Table 2

| Revenue - Customer Charge | | | | |
|---------------------------|-------------------------|------------------------|--------------------------------|----------------------------------|
| 1 | 2 | 3 | 4 | 4*3 |
| Year | Monthly Customer Charge | Annual Customer Charge | Ratio Therms To Total Consumed | Projected Annual Customer Charge |
| 2006 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2007 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2008 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2009 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2010 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2011 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2012 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2013 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2014 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2015 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2016 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2017 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2018 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2019 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2020 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2021 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2022 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2023 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2024 | \$11.03 | \$132.36 | 10.16% | \$13 |
| 2025 | \$11.03 | \$132.36 | 10.16% | \$13 |

Table 3

| Investment Carrying Costs | | | | | | | |
|---------------------------|-------------|------------------|--------------|-------|------------------|--------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Year | Supply Main | Development Main | Service Line | Meter | Total Investment | Cost of Debt | Ratio of Therms Consumed To Total Investment Carrying Cost |
| 2006 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2007 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2008 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2009 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2010 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2011 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2012 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2013 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2014 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2015 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2016 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2017 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2018 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2019 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2020 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2021 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2022 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2023 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2024 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |
| 2025 | \$0 | \$0 | \$0 | \$0 | \$0 | 9.53% | 10.16% |

Table 4

| Incremental Customer Costs | | | | | | | |
|----------------------------|-------------------|------------------|--------------------------------|------------------------|-----------------|--------------------------------|-----------------------|
| 1 | 2 | 3 | 4 | 5=3*4 | 6 | 7 | 8=6*7 |
| Year | Monthly Adm. Cost | Annual Adm. Cost | Ratio Therms To Total Consumed | Annual Ratio Adm. Cost | Annual O&M Cost | Ratio Therms To Total Consumed | Annual Ratio O&M Cost |
| 2006 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2007 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2008 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2009 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2010 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2011 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2012 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2013 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2014 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2015 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2016 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2017 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2018 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2019 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2020 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2021 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2022 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2023 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2024 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |
| 2025 | \$0.00 | \$0 | 10.16% | \$0 | \$0 | 10.16% | \$0 |

Table 5

| Gas Costs | | | |
|-----------|--------|-----------------|-----------------|
| 1 | 2 | 3 | 2*3 |
| Year | Therms | Gas Supply Rate | Gas Supply Cost |
| 2006 | 45 | 0.9377 | \$42 |
| 2007 | 45 | \$0.9602 | \$43 |
| 2008 | 45 | \$0.9833 | \$44 |
| 2009 | 45 | \$1.0069 | \$45 |
| 2010 | 45 | \$1.0310 | \$46 |
| 2011 | 45 | \$1.0558 | \$48 |
| 2012 | 45 | \$1.0811 | \$49 |
| 2013 | 45 | \$1.1071 | \$50 |
| 2014 | 45 | \$1.1336 | \$51 |
| 2015 | 45 | \$1.1608 | \$52 |
| 2016 | 45 | \$1.1887 | \$53 |
| 2017 | 45 | \$1.2172 | \$55 |
| 2018 | 45 | \$1.2464 | \$56 |
| 2019 | 45 | \$1.2763 | \$57 |
| 2020 | 45 | \$1.3070 | \$59 |
| 2021 | 45 | \$1.3383 | \$60 |
| 2022 | 45 | \$1.3705 | \$62 |
| 2023 | 45 | \$1.4034 | \$63 |
| 2024 | 45 | \$1.4370 | \$65 |
| 2025 | 45 | \$1.4715 | \$66 |

Exhibit B

To

**Indiantown Gas Company
Energy Conservation Program Petition
March, 2007**

Projected Energy Conservation Cost Recovery
Billing Adjustment Factors

**Indiantown Gas Company
Energy Conservation Program Filing
March 2007**

CONSERVATION COST RECOVERY PROJECTION SCHEDULES (C-FORMS)

COMPANY: Indiantown Gas Company

FUTURE PERIOD PROJECTION DATES: January 2007 through December 2007

ACTUAL / ESTIMATED DATES: None

FINAL PRIOR TRUE-UP: None

COLLECTION PERIOD FOR TRUE-UPS: None

PROJECTIONS DURING THE COLLECTION PERIOD
EXPENSES BY COST CATEGORY
JANUARY 2007 THROUGH DECEMBER 2007

| | CAPITAL INVESTMENT | PAYROLL & BENEFITS | MATERIALS & SUPPLIES | ADVERTISING | ALLOWANCES | OUTSIDE SERVICES | VEHICLES | OTHER | TOTAL |
|---|-----------------------|-----------------------|-------------------------|-----------------|------------------|---------------------|-------------|---------------|------------------|
| PROGRAM 1 RESIDENTIAL HOME BUILDER | 0.00 | 7,694.00 | 409.00 | 982.00 | 11,500.00 | 12,605.00 | 0.00 | 409.00 | 33,599.00 |
| PROGRAM 2 RESIDENTIAL APPLIANCE REPLACEMENT | 0.00 | 736.00 | 39.00 | 94.00 | 1,450.00 | 1,206.00 | 0.00 | 39.00 | 3,564.00 |
| PROGRAM 3 RESIDENTIAL APPLIANCE RETENTION | 0.00 | 970.00 | 52.00 | 124.00 | 1,100.00 | 1,589.00 | 0.00 | 52.00 | 3,887.00 |
| PROGRAM 4 CONSUMER EDUCATION* | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 5 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 6 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 7 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 8 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 9 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 10 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 11 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 12 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 13 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 14 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 15 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 16 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 17 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 18 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 19 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PROGRAM 20 (INSERT NAME) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL | 0.00 | 9,400.00 | 500.00 | 1,200.00 | 14,050.00 | 15,400.00 | 0.00 | 500.00 | 41,050.00 |
| EXPENSES INCLUDED IN RATE BASE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

*Consumer Education advertising expense allocated to each program.

**Indiantown Gas Company
Energy Conservation Program Filing
March 2007**

SCHEDULE C-1

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2007 THROUGH DECEMBER 2007

| | |
|----------------------------------|-----------------|
| INCREMENTAL COSTS (SCHEDULE C-2) | \$41,050 |
| TRUE-UP (SCHEDULE C-3) | <u>\$0</u> |
| TOTAL | <u>\$41,050</u> |

| RATE CLASS | BILLS | THERMS | CUSTOMER CHARGE REVENUES | DEMAND CHARGE | ENERGY CHARGE | Market Adjustment | TOTAL | ESTIMATED ECCR | % SURCHARGE | CENTS PER THERM | EXPANSION FACTOR | ECCR ADJUSTMENT FACTORS |
|------------|-------|-----------|--------------------------|---------------|---------------|-------------------|-----------|----------------|-------------|-----------------|------------------|-------------------------|
| TS-1 | 7,879 | 170,042 | \$86,905 | | \$64,335 | | \$151,241 | \$24,196 | 15.9983% | 0.1423 | 1.00503 | 0.1430 |
| TS-2 | 263 | 91,081 | \$7,109 | | \$5,248 | | \$12,357 | \$1,977 | 15.9983% | 0.0217 | 1.00503 | 0.0218 |
| TS-3 | 24 | 32,372 | \$1,489 | | \$1,549 | | \$3,038 | \$486 | 15.9983% | 0.0150 | 1.00503 | 0.0151 |
| TS-4 | 24 | 5,659,460 | \$48,000 | \$70,672 | \$221,285 | -\$250,000 | \$89,957 | \$14,392 | 15.9983% | 0.0025 | 1.00503 | 0.0026 |
| TOTAL | 8,190 | 5,952,955 | \$143,503 | \$70,672 | \$292,417 | | \$256,593 | \$41,050 | 15.9983% | | | |

TS-4 revenue adjusted to reduce ECCR collection from this class

**Indiantown Gas Company
Energy Conservation Program Filing
March 2007**

SCHEDULE C-2
PAGE 2 OF 3

Indiantown Gas Company

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: January 2007 through December 2007

PROGRAM NAME

| | CAPITAL INVESTMENT | PAYROLL & BENEFITS | MATERIALS & SUPPLIES | ADVERTISING | INCENTIVES | OUTSIDE SERVICES | VEHICLE | OTHER | TOTAL |
|--------------------------------------|-----------------------|-----------------------|-------------------------|--------------|---------------|---------------------|----------|------------|---------------|
| 1. RESIDENTIAL HOME BUILDER | 0 | 7,694 | 409 | 982 | 11,500 | 12,605 | 0 | 409 | 33,599 |
| 2. RESIDENTIAL APPLIANCE REPLACEMENT | 0 | 736 | 39 | 94 | 1,450 | 1,206 | 0 | 39 | 3,564 |
| 3. RESIDENTIAL PROPANE DISTRIBUTION | 0 | 970 | 52 | 124 | 1,100 | 1,589 | 0 | 52 | 3,887 |
| 4. CONSUMER EDUCATION* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. NG SPACE CONDITIONING | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. GAS SPACE CONDITIONING | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. EDUCATION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | 9,400 | 500 | 1,200 | 14,050 | 15,400 | 0 | 500 | 41,050 |
| LESS: AMOUNT IN RATE BASE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RECOVERABLE CONSER. | 0 | 9,400 | 500 | 1,200 | 14,050 | 15,400 | 0 | 500 | 41,050 |

**Indiantown Gas Company
Energy Conservation Program Filing
March 2007**

PROJECTED BILLS, THERMS, CUSTOMER CHARGE, AND ENERGY CHARGE
JAN 2007 - DEC 2007

| Rate Class | BILLS | THERM SALES | CUSTOMER CHARGE REVENUES | ENERGY CHARGE | DEMAND CHARGE | TOTAL |
|------------|-------|----------------|--------------------------------|------------------|------------------|-----------|
| TS-1* | 7,879 | 170,042 | \$86,905 | \$64,335 | | \$151,241 |
| TS-2 | 263 | 91,081 | \$7,109 | \$5,248 | | \$12,357 |
| TS-3 | 24 | 32,372 | \$1,489 | \$1,549 | | \$3,038 |
| TS-4 | 24 | 5,659,460 | \$48,000 | \$221,285 | \$70,672 | \$339,957 |
| TOTAL | 8,190 | 5,952,955 | \$143,503 | \$292,417 | | \$506,593 |

*RES projection includes June to December volumes (7/12=.583) for:
 New Construction: 17 customers; TWH, Cooking, Dryers = 6,615 therms/yr
 Retention Program: 3 SWH; 2 Cooking; 2 Dryers = 650 therms/yr
 Replacement Program: 1 TWH; 1 SWH; 2 Cooking; 1 Dryers = 460 therms/yr

INDIANTOWN GAS COMPANY, INC.

PETITION FOR APPROVAL OF ENERGY
CONSERVATION PROGRAMS

EXHIBIT C

PROPOSED TARIFF SHEETS

FINAL PROPOSED FORMAT

BILLING ADJUSTMENTS
(Continued)

- (e) In the event Company experiences unaccounted for Gas on its distribution system, Company shall be entitled to recover the cost of such unaccounted for Gas. Costs associated with transportation shrinkage shall be based upon Company's operating experience, and Company shall have the right to adjust such cost from time to time to reflect operating experience and/or any change in methodology used by Company to calculate the amount of Gas deemed as transportation shrinkage. Upon request, Company shall furnish to Customer, Customer's Agent or Pool Manager information to support such cost allocation.
- (f) This mechanism should not be considered to preclude the Company from recovering other penalties and charges from its customers as defined in the Terms and Conditions for Transportation Service of this Tariff, the Transportation Service Agreement or Aggregated Transportation Service Agreement.

3. TAXES AND OTHER ADJUSTMENTS APPLICABLE TO ALL RATE SCHEDULES:

There shall be added to all bills rendered, all applicable local utility and franchise taxes and state gross receipts and sales taxes presently assessed by governmental authority; as well as future changes or new assessments by any governmental authority subsequent to the effective date of this tariff. All such assessments as described above shall be shown on Customer or Shipper bills, as applicable.

4. ENERGY CONSERVATION COST RECOVERY CHARGE:

Each bill for Transportation Service supplied to a retail customer shall be adjusted as follows:

Except as otherwise provided herein, each rate schedule shall be increased or decreased to the nearest \$0.00001 per therm and shall include the tax expansion factor of 1.00503 for each therm of gas transported by the Company to recover the Company's energy conservation related expenditures. The Company shall record both projected and actual expenses and revenues associated with the implementation of the Company's Energy Conservation Plan as authorized by the Commission. The procedure for review, approval, recovery, and recording of such costs and revenues is set forth in Commission Rule 25-17.015, F.A.C.

The Energy Conservation Cost Recovery charges for meter readings taken on or after June 20, 2007 through the last billing cycle of December 2007 are as follows:

| <u>Rate Class</u> | <u>Recovery Factor</u> |
|--------------------------|-------------------------------|
| TS-1 | \$ 0.1430 per therm |
| TS-2 | \$ 0.0218 per therm |
| TS-3 | \$ 0.0151 per therm |
| TS-4 | \$ 0.0026 per therm |

LEGISLATIVE FORMAT

BILLING ADJUSTMENTS
(Continued)

- (e) In the event Company experiences unaccounted for Gas on its distribution system, Company shall be entitled to recover the cost of such unaccounted for Gas. Costs associated with transportation shrinkage shall be based upon Company's operating experience, and Company shall have the right to adjust such cost from time to time to reflect operating experience and/or any change in methodology used by Company to calculate the amount of Gas deemed as transportation shrinkage. Upon request, Company shall furnish to Customer, Customer's Agent or Pool Manager information to support such cost allocation.
- (f) This mechanism should not be considered to preclude the Company from recovering other penalties and charges from its customers as defined in the Terms and Conditions for Transportation Service of this Tariff, the Transportation Service Agreement or Aggregated Transportation Service Agreement.

3. TAXES AND OTHER ADJUSTMENTS APPLICABLE TO ALL RATE SCHEDULES:

There shall be added to all bills rendered, all applicable local utility and franchise taxes and state gross receipts and sales taxes presently assessed by governmental authority; as well as future changes or new assessments by any governmental authority subsequent to the effective date of this tariff. All such assessments as described above shall be shown on Customer or Shipper bills, as applicable.

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Except as otherwise provided herein, each rate schedule shall be increased or decreased to the nearest \$0.00001 per therm and shall include the tax expansion factor of 1.00503 for each therm of gas transported by the Company to recover the Company's energy conservation related expenditures. The Company shall record both projected and actual expenses and revenues associated with the implementation of the Company's Energy Conservation Plan as authorized by the Commission. The procedure for review, approval, recovery, and recording of such costs and revenues is set forth in Commission Rule 25-17.015, F.A.C.

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| <u>Rate Class</u> | <u>Recovery Factor</u> |
|-------------------|----------------------------|
| <u>TS-1</u> | <u>\$ 0.1430 per therm</u> |
| <u>TS-2</u> | <u>\$ 0.0218 per therm</u> |
| <u>TS-3</u> | <u>\$ 0.0151 per therm</u> |
| <u>TS-4</u> | <u>\$ 0.0026 per therm</u> |