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May 25, 2007

BY HAND DELIVERY

Ms. Ann Cole, Director
Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Dear Ms. Cole:

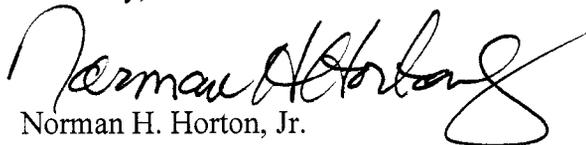
070339-EG

Enclosed for filing on behalf of Sebring Gas System, Inc. are an original and fifteen copies of Sebring Gas System, Inc.'s Petition for Approval of Energy Conservation Systems.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely,


Norman H. Horton, Jr.

NHH/amb
Enclosures

cc: Mr. Jerry Melendy
Mr. Jeff Householder

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition for Approval of Energy)
Conservation Programs by Sebring)
Gas System)

Docket No. 070889-EG
Date Filed: May 25, 2007

PETITION OF SEBRING GAS SYSTEM FOR APPROVAL OF ENERGY CONSERVATION PROGRAMS

Sebring Gas System, Inc., ("Sebring" or the "Company"), by its undersigned attorneys, files this petition for approval of energy conservation programs, and in support of its petition states:

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

Sebring Gas System, Inc.
3515 US Highway 27 South
Sebring, Florida 33870
(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:

Norman H. Horton, Jr.,
Messer, Caparello & Self, P. A.
Pot Office Box 15579
Tallahassee, FL 32317
(850) 222-0720
(850) 224-4359

BACKGROUND

3. Sebring 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*.
4. Sebring provides natural gas transportation service primarily to residential and commercial customers in Sebring, Florida, including the Sebring Regional Airport

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Park. While the Company has added commercial customers and has the potential to add industrial customers at the Airport Park, there has been a slow erosion of residential customers even though there has been some growth in the population in the service area. There are plans for a new residential development consisting of approximately 150 homes which would be potential customers. Overall, Sebring wants to add new customers in all categories as well as retain current customers. The approval and implementation of the conservation programs proposed in this petition would provide incentives to existing residential customers to add and retain gas appliances and the new construction program would enable the Company to actively pursue opportunities in the new home market. The retention and addition of customers is important to Sebring's ability to continue to recover its fixed operating costs and minimize future rate adjustments.

5. 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.

PROGRAMS

6. In furtherance of the stated objections, Sebring seeks the Commission's approval to adopt the following Energy Conservation Programs, as herein described:

- Residential New Construction Program
- Residential Appliance Replacement Program
- Residential Appliance Retention Program
- Conservation Education Program

Sebring further seeks authorization to recover its costs to administer the programs, along with the proposed allowances, by implementing the initial conservation rate surcharges proposed later in this Petition. The initial rates would be in effect from the Commission approved effective date of Sebring's proposed conservation programs through the remainder of 2007. The recovery of Sebring's conservation related costs in future periods would be determined through the Company's participation in the Commission's annual Energy Conservation Cost Recovery (ECCR) docket.

7. 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 planning to seek approval of a program. The residential conservation programs are beneficial to customers of the company and are especially critical to each LDC's ability to add and retain customers.

8. Over the past three years, four of the AGDF-member LDCs participated in a joint natural gas education program principally directed toward disseminating energy conservation information to consumers. All of the 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. Each LDC receives benefits from the statewide campaign and by pooling each LDC's conservation education funds in support of a common "Get Gas Florida" campaign development costs are reduced and bulk purchasing discounts that greatly increase the coverage and effectiveness of the program become available. 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, several AGDF-member LDCs have requested and received Commission approval of energy conservation programs with identical allowance levels at each LDC. With each LDC able to offer the same allowance amounts, the natural gas industry can deliver a more powerful message through its conservation related consumer education programs thus benefiting Sebring and other similarly situated LDCs. 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 benefit tests, are identical to the allowance levels

recently approved by the Commission for Florida Public Utilities Company (FPUC) 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, and 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

9. The proposed Sebring 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 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 home builders 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, cooking and provides piping stub-outs for clothes drying.
10. The residential new construction cash allowances provided by the Company to reduce a homebuilder's house piping and appliance installation costs help to bring initial natural gas installation costs in line with the installation costs of competitive energy sources. The overall cost benefit of selecting natural gas is

positive for 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.

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

***Sebring 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

12. Sebring seeks Commission approval to establish a separate allowance of \$450 for natural gas tankless water heating systems installed under its Residential New Construction Program. This higher allowance amount for tankless water heating has been approved by the Commission in the FPUC, PGS, FCG and CUCF Orders described above. Sebring believes that a separate, higher allowance for tankless units would significantly increase installations of these

highly efficient water heaters. Because of the relatively new and significantly more efficient technology that tankless natural gas water heating brings to Florida's energy future, Sebring provides the following special discussion of this new technology.

13. 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 storage tank water heaters (which typically have a .59 EF). The increased efficiency of tankless units results in substantial energy 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.
14. 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.

15. The installed cost of a residential natural gas tankless water heater with a gallon-per-minute capability sufficient to serve a typical residence (>6 gpm) 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 allowance would help offset the additional expense to a homebuilder installing high efficiency natural gas tankless units.

Residential Appliance Replacement Program

16. The proposed Sebring 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 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 homeowners cost of piping, 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 retrofitting 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.

17. The following chart depicts the proposed Sebring residential appliance replacement allowances per appliance. The proposed allowances are identical to the allowances approved by the Commission for FPUC, PGS, FCG and CUCD, as described above.

***Sebring 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

Residential Appliance Retention Program

18. 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 seeks allowances for natural gas water heating, heating, clothes drying and cooking appliances, and a separate allowance for natural gas tankless water heating systems. The proposed Sebring 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.
19. Sebring 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 Sebring'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, Sebring has

elected to present a conservative analysis and did not include avoided cut-and-cap costs in the RIM Test cost benefit calculations.

20. The following chart depicts the proposed Sebring retention allowances per appliance.

***Sebring 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

21. Consistent with its proposed Residential New Construction Program allowances, Sebring 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 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 would not be unusual to expect a new tankless installation to be twice as efficient as the water heater to be replaced. The increased allowance for tankless water heaters would help reduce the initial cost of upgrading an inefficient storage tank water heater. Sebring seeks Commission approval to establish a \$450 allowance for gas tankless water heaters installed under the Residential Appliance Retention Program.

22. All natural gas appliances installed under the each of the above energy conservation programs 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, and Furnaces Appendix N, to Subpart B of 10 CFR Part 430, and 10 CFR §430.32, Energy and Water Conservation Standards and Effective Dates).

Energy Conservation Education Program

23. Sebring 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. Sebring would contribute to the Get Gas Florida consumer information effort. Each participating LDC contributes based on its number of active meters. Sebring's contribution would be approximately \$1,000. In addition, Sebring 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.
24. Sebring further seeks the right to promote any conservation programs approved by the Commission using naming conventions and/or branding consistent with the Company's marketing objectives.
25. The cash allowances for which approval is sought in each residential conservation program would be paid based on the installation of the applicable appliances. Multiple allowances would be paid for multiple appliance installations

in a single residence. For multi-family residential installations with central heating and/or water heating systems, Sebring would pay allowances based on the number of residential dwelling units served by the central system.

COST BENEFIT TESTS

26. Sebring 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-benefit of each proposed program and allowance level. Attached hereto as Exhibit A is a composite document containing Sebring's RIM and Participants Tests demonstrating the cost benefit 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 or Participants Tests for Energy Conservation Education Programs.
27. The appliance cost, appliance installation cost and energy usage data required to complete the RIM and Participants Tests were developed through a cooperative effort of members of AGDF. Historically, the Commission has allowed LDCs to use average appliance and usage data in preparing 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 Sebring 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-benefit tests.

28. 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 Sebring. For example, the Energy Charge (Transportation Charge in Sebring's tariff) and Customer Charge rates used in the RIM and Participants Tests analysis are Sebring's current Commission-approved rates for its TS-1 and TS-2 rate classes (Sebring 2004 Rate Case proceeding, Docket No. 040270-GU, Order No. PSC-04-1260-PAA-GU, issued on December 20, 2004). 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 includes customers using 0–200 therms per year. The TS-1 rates were used in the Company's RIM and Participant Test models for the Residential Appliance Retention Program. The TS-1 Energy Charge rate includes the approved tariff base transportation rate (\$0.57140) plus the Company's proposed 2007 TS-1 Energy Conservation Cost Recovery rate (\$0.1058), discussed in greater detail later in this petition. The Customer Charge rate includes the approved tariff TS-1 base rate (\$9.00 per month) plus the approved Customer Account Administrative Service Charge (CAAS) rate of \$3.00, which is billed to Sebring's Transitional Transportation Service Pool Manager. The TS-2 class includes customers over 200 up to 1,000 annual therms. The TS-2 rates were used in the Company's RIM and Participant Test models for the Residential Appliance Replacement Program and Residential Appliance Retention Program.

The TS-2 Energy Charge rate includes the approved tariff base transportation rate (\$0.49327) plus the Company's proposed 2007 TS-2 Energy Conservation Cost Recovery rate (\$0.438). The Customer Charge rate includes the approved tariff TS-2 base rate (\$12.00 per month) plus the approved Customer Account Administrative Service Charge (CAAS) rate of \$3.00. The combined TS-1 and TS-2 classes (customers up to 1000 annual therms) include virtually all of Sebring's current residential customers.

29. The "residential" service line, meter and regulator investment costs used in the RIM Tests are as filed for the TS-1 and TS-2 rate classes, respectively, in MFR Schedule E-7 in Sebring's 2004 Base Rate case. 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 2004 Rate Case Order. The incremental O&M and administrative costs for Sebring were derived using a similar methodology as approved in the FPUC, PGS, FCG and CUCF energy conservation filings referenced above. This methodology utilized the growth-trended expenses in 800 and 900 level FERC accounts from the LDCs most recent rate proceeding, along with certain cost of service data from the same filing, to derive per customer expense amounts. However, since Sebring has experienced little to no customer growth over the past few years, there were no growth-trended expenses in its MFR Schedules from the 2004 rate proceeding.

Sebring's Rate Order included cost of service data that provided O&M expenses for the TS-1 and TS-2 rate classes. An average ratio for growth trended FERC 800 and 900 level accounts was calculated using data from the above listed LDCs and applied to Sebring's approved TS-1 and TS-2 rate class O&M expenses from its 2004 rate case. The total growth-trended TS-1 and TS-2 expenses were divided between FERC 800 and 900 accounts also applying a ratio derived from the averages of the other LDC filings. These expenses were divided by Sebring's TS-1 and TS-2 customers to produce a cost per customer. The growth-trended FERC 800 level accounts were used to represent incremental O&M expense and the growth-trended FERC 900 level accounts were used for incremental administrative expense. The RIM Tests also use Sebring's approved weighted average cost of capital (8.64%) from the 2004 Rate Order. The depreciation rates used in the RIM Tests are those approved by the Commission in Sebring's Depreciation Study (Order No. PSC-03-0260-PAA-GU, issued on February 24, 2003).

30. The cost of gas used in the RIM and Participants Tests is the February 2007 fuel billing rate received from Peninsula Energy Services Company for the Sebring Transitional Transportation Service (TTS) Program (Order No. PSC-04-0499-TRF-GU). 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.
31. 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 over 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.

32. 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 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: FLARES v4.0) used to assess compliance with the Florida Energy Efficiency Code for Building Construction. 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.
33. 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 component prices. 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 turn-key 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, Sebring Gas Company and St. Joe Natural Gas Company. These AGDF member companies retail and install gas appliances.

34. Appliance costs for storage tank water heaters, tankless water heaters, cooking equipment and clothes dryers was obtained from the Home Depot and Lowes 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 or Lowes websites. Use of a major appliance retailer's published pricing provides the Commission verifiable, real world price data. In Sebring's view, the retail Home

Depot and/or Lowes 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 a rating greater than .80 EF. As noted above, virtually all gas-fired tankless units are rated above .80 EF. Although the tax credit is currently available for homeowner improvements, Sebring elected to make a conservative analysis and has not included the tax credit in its Participants Test analysis in the appliance replacement or appliance retention programs.

35. 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. As noted previously, there was significant variation in the price points for installation, in those cases where the contractors were willing to share cost data. For example, variations of several hundred dollars were identified for gas and electric water heating installations depending on the region of the state and the market type of the residence. Finally, installation costs were 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.

36. 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 CONSERVATION COST RECOVERY RATES

37. Sebring 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. Sebring forecasts 10 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, three storage water heaters, 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 projected to be \$9,750.
38. Sebring has also projected the administrative costs associated with its proposed conservation programs. General administrative costs include \$2,500 for salary and benefits, \$3,000 for outside services (legal expense of annual filing and 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. Included in the 2007 program expenses are one-time consultant and legal costs for designing the programs and preparing and filing the Company's petition with the Commission, estimated at \$12,000. In addition, Sebring's billing system will require minor modification to include the ECCR surcharge rates. Sebring's cost estimate to for billing system upgrades through their software support service is \$1,000. The non-recurring costs total an estimated \$13,000. Total general administrative expenses for 2007 are estimated at \$7,700. It is expected that a similar expense level would be required on an annual recurring basis to administer the programs.

39. Attached as Exhibit B to this Petition are the schedules required by the Commission for determining Energy Conservation Cost Recovery factors during each annual Conservation True-Up filing. Sebring seeks authorization to adjust its Transportation Charge for each currently approved tariff rate schedule to include the respective conservation surcharge Recovery Factors included in Schedule C-1 of Exhibit B. Sebring proposes to make a market based revenue adjustment in Schedule C-1 to reduce projected revenue from the TS-1 rate class. The adjustment would effectively reduce the ECCR factor for the price sensitive TS-1 class (0-200 annual therms) and allocate costs to other rate classes. The proposed ECCR rates are in line with the 2007 conservation recovery rates approved by the Commission for other Florida LDCs.

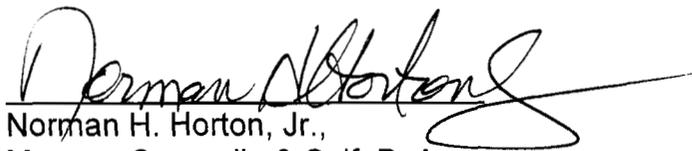
CONCLUSION

40. The Energy Conservation Programs proposed by Sebring will promote the cost-effective conservation of energy in Florida pursuant to the rules of the

Commission, will 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 Sebring 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, pursuant to Section 366.82(5), Florida Statutes and Rule 25-17.015, Florida Administrative Code, to recover the costs of providing these allowances through an Energy Conservation Charge.

WHEREFORE, Sebring respectfully requests that the Commission enter its order granting this petition and the conservation plan modifications hereinabove described within ninety (90) days of the filing date of this petition.

Respectfully submitted,



Norman H. Horton, Jr.,
Messer, Caparello & Self, P. A.
Pot Office Box 15579
Tallahassee, FL 32317
(850) 222-0720
(850) 224-4359

Attorneys for Petitioner
Sebring Gas Company

Exhibit A

To

**Sebring Gas System
Energy Conservation Program Petition
April, 2007**

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

For

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

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 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	1.50	1.29
Gas Tankless Water Heating	\$450	1.37	1.22
Gas Heating	\$350	1.08	1.30
Gas Clothes Drying	\$100	1.34	1.29
Gas Cooking	\$100	1.32	1.27

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Storage Tank Water Heating

**Sebring Gas System - Energy Conservation Filing 2007
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	\$159	\$100	\$76	\$716
2007	2	\$543	0	\$37	\$580	0	0	0	\$37	\$162	\$100	\$76	\$376
2008	3	\$550	0	\$38	\$588	0	0	0	\$38	\$166	\$100	\$76	\$380
2009	4	\$557	0	\$39	\$596	0	0	0	\$39	\$170	\$100	\$76	\$385
2010	5	\$564	0	\$40	\$604	0	0	0	\$40	\$174	\$100	\$76	\$390
2011	6	\$571	0	\$41	\$612	0	0	0	\$41	\$179	\$100	\$76	\$395
2012	7	\$578	0	\$42	\$620	0	0	0	\$42	\$183	\$100	\$76	\$401
2013	8	\$585	0	\$43	\$628	0	0	0	\$43	\$187	\$100	\$76	\$406
2014	9	\$592	0	\$44	\$636	0	0	0	\$44	\$192	\$100	\$76	\$412
2015	10	\$599	0	\$45	\$644	0	0	0	\$45	\$196	\$100	\$76	\$417
2016	11	\$607	0	\$46	\$652	0	0	0	\$46	\$201	\$100	\$76	\$423
2017	12	\$614	0	\$47	\$660	0	0	0	\$47	\$206	\$100	\$76	\$429
2018	13	\$621	0	\$48	\$669	0	0	0	\$48	\$211	\$100	\$76	\$435
2019	14	\$628	350	\$49	\$1,027	361	(438)	348	\$49	\$216	\$100	\$76	\$713
2020	15	\$635	0	\$50	\$685	0	0	0	\$50	\$221	\$100	\$76	\$448
2021	16	\$642	0	\$51	\$693	0	0	0	\$51	\$226	\$100	\$76	\$454
2022	17	\$649	0	\$53	\$702	0	0	0	\$53	\$232	\$100	\$76	\$461
2023	18	\$656	0	\$54	\$710	0	0	0	\$54	\$237	\$100	\$76	\$468
2024	19	\$663	0	\$55	\$718	0	0	0	\$55	\$243	\$100	\$76	\$475
2025	20	\$670	0	\$56	\$727	0	0	0	\$56	\$249	\$100	\$76	\$482

Present Value of Benefits \$6,613

Present Value of Costs \$4,421

Benefit/Cost Ratio	1.50
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	170	10%	\$159
2007	\$0.8684	170	10%	\$162
2008	\$0.8892	170	10%	\$166
2009	\$0.9105	170	10%	\$170
2010	\$0.9324	170	10%	\$174
2011	\$0.9548	170	10%	\$179
2012	\$0.9777	170	10%	\$183
2013	\$1.0011	170	10%	\$187
2014	\$1.0252	170	10%	\$192
2015	\$1.0498	170	10%	\$196
2016	\$1.0750	170	10%	\$201
2017	\$1.1008	170	10%	\$206
2018	\$1.1272	170	10%	\$211
2019	\$1.1542	170	10%	\$216
2020	\$1.1819	170	10%	\$221
2021	\$1.2103	170	10%	\$226
2022	\$1.2394	170	10%	\$232
2023	\$1.2691	170	10%	\$237
2024	\$1.2996	170	10%	\$243
2025	\$1.3307	170	10%	\$249

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.5371	170	10%	\$100
2007	\$0.5371	170	10%	\$100
2008	\$0.5371	170	10%	\$100
2009	\$0.5371	170	10%	\$100
2010	\$0.5371	170	10%	\$100
2011	\$0.5371	170	10%	\$100
2012	\$0.5371	170	10%	\$100
2013	\$0.5371	170	10%	\$100
2014	\$0.5371	170	10%	\$100
2015	\$0.5371	170	10%	\$100
2016	\$0.5371	170	10%	\$100
2017	\$0.5371	170	10%	\$100
2018	\$0.5371	170	10%	\$100
2019	\$0.5371	170	10%	\$100
2020	\$0.5371	170	10%	\$100
2021	\$0.5371	170	10%	\$100
2022	\$0.5371	170	10%	\$100
2023	\$0.5371	170	10%	\$100
2024	\$0.5371	170	10%	\$100
2025	\$0.5371	170	10%	\$100

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	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2007	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2008	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2009	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2010	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2011	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2012	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2013	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2014	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2015	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2016	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2017	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2018	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2019	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2020	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2021	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2022	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2023	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2024	\$15.00	\$180.00	170	443	38.37%	10%	\$76
2025	\$15.00	\$180.00	170	443	38.37%	10%	\$76

Sebring Gas System - Energy Conservation Filing 2007 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	2 thru 4	Table 5	Table 3	Table 4	9	6 thru 9
	1	2	3	4	6	7	8	9	6 thru 9
2006	\$91	\$144	\$69	\$305	\$144	\$32	\$8	\$354.22	\$539
2007	\$91	\$148	\$69	\$308	\$148	\$31	\$9	\$4.22	\$192
2008	\$91	\$151	\$69	\$312	\$151	\$31	\$9	\$4.22	\$195
2009	\$91	\$155	\$69	\$315	\$155	\$30	\$9	\$4.22	\$198
2010	\$91	\$159	\$69	\$319	\$159	\$29	\$9	\$4.22	\$201
2011	\$91	\$162	\$69	\$323	\$162	\$28	\$9	\$4.22	\$204
2012	\$91	\$166	\$69	\$327	\$166	\$27	\$10	\$4.22	\$207
2013	\$91	\$170	\$69	\$331	\$170	\$26	\$10	\$4.22	\$211
2014	\$91	\$174	\$69	\$335	\$174	\$26	\$10	\$4.22	\$214
2015	\$91	\$178	\$69	\$339	\$178	\$25	\$11	\$4.22	\$218
2016	\$91	\$183	\$69	\$343	\$183	\$24	\$11	\$4.22	\$222
2017	\$91	\$187	\$69	\$348	\$187	\$23	\$11	\$4.22	\$226
2018	\$91	\$192	\$69	\$352	\$192	\$23	\$11	\$4.22	\$230
2019	\$91	\$196	\$69	\$357	\$196	\$22	\$12	\$354.22	\$584
2020	\$91	\$201	\$69	\$361	\$201	\$21	\$12	\$4.22	\$238
2021	\$91	\$206	\$69	\$366	\$206	\$21	\$12	\$4.22	\$243
2022	\$91	\$211	\$69	\$371	\$211	\$20	\$12	\$4.22	\$247
2023	\$91	\$216	\$69	\$376	\$216	\$20	\$13	\$4.22	\$252
2024	\$91	\$221	\$69	\$381	\$221	\$19	\$13	\$4.22	\$257
2025	\$91	\$226	\$69	\$387	\$226	\$18	\$13	\$4.22	\$262

**Present Value
of Benefits**

\$3,261

**Present Value
of Costs**

\$2,532

Benefit/Cost Ratio

1.29

Sebring Gas System - Energy Conservation Filing 2007
Residential New Construction Program
RIM Test - Calculated Data

Appliance Type
Storage Tank Water Heating

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M/Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	170	\$0.5371	\$91
2007	170	\$0.5371	\$91
2008	170	\$0.5371	\$91
2009	170	\$0.5371	\$91
2010	170	\$0.5371	\$91
2011	170	\$0.5371	\$91
2012	170	\$0.5371	\$91
2013	170	\$0.5371	\$91
2014	170	\$0.5371	\$91
2015	170	\$0.5371	\$91
2016	170	\$0.5371	\$91
2017	170	\$0.5371	\$91
2018	170	\$0.5371	\$91
2019	170	\$0.5371	\$91
2020	170	\$0.5371	\$91
2021	170	\$0.5371	\$91
2022	170	\$0.5371	\$91
2023	170	\$0.5371	\$91
2024	170	\$0.5371	\$91
2025	170	\$0.5371	\$91

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	170	\$0.8480	\$144
2007	170	\$0.8684	\$148
2008	170	\$0.8892	\$161
2009	170	\$0.9105	\$166
2010	170	\$0.9324	\$169
2011	170	\$0.9548	\$162
2012	170	\$0.9777	\$166
2013	170	\$1.0011	\$170
2014	170	\$1.0252	\$174
2015	170	\$1.0498	\$178
2016	170	\$1.0750	\$183
2017	170	\$1.1008	\$187
2018	170	\$1.1272	\$192
2019	170	\$1.1542	\$196
2020	170	\$1.1819	\$201
2021	170	\$1.2103	\$206
2022	170	\$1.2394	\$211
2023	170	\$1.2691	\$216
2024	170	\$1.2996	\$221
2025	170	\$1.3307	\$226

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	\$15.00	\$180.00	38.37%	\$69
2007	\$15.00	\$180.00	38.37%	\$69
2008	\$15.00	\$180.00	38.37%	\$69
2009	\$15.00	\$180.00	38.37%	\$69
2010	\$15.00	\$180.00	38.37%	\$69
2011	\$15.00	\$180.00	38.37%	\$69
2012	\$15.00	\$180.00	38.37%	\$69
2013	\$15.00	\$180.00	38.37%	\$69
2014	\$15.00	\$180.00	38.37%	\$69
2015	\$15.00	\$180.00	38.37%	\$69
2016	\$15.00	\$180.00	38.37%	\$69
2017	\$15.00	\$180.00	38.37%	\$69
2018	\$15.00	\$180.00	38.37%	\$69
2019	\$15.00	\$180.00	38.37%	\$69
2020	\$15.00	\$180.00	38.37%	\$69
2021	\$15.00	\$180.00	38.37%	\$69
2022	\$15.00	\$180.00	38.37%	\$69
2023	\$15.00	\$180.00	38.37%	\$69
2024	\$15.00	\$180.00	38.37%	\$69
2025	\$15.00	\$180.00	38.37%	\$69

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	\$500	\$285	\$975	8.64%	38.37%	\$32
2007	\$49	\$137	\$486	\$276	\$948	8.64%	38.37%	\$31
2008	\$48	\$134	\$472	\$267	\$921	8.64%	38.37%	\$31
2009	\$47	\$131	\$458	\$258	\$894	8.64%	38.37%	\$30
2010	\$46	\$128	\$445	\$249	\$868	8.64%	38.37%	\$29
2011	\$45	\$125	\$432	\$241	\$843	8.64%	38.37%	\$28
2012	\$44	\$122	\$419	\$233	\$818	8.64%	38.37%	\$27
2013	\$43	\$119	\$407	\$225	\$794	8.64%	38.37%	\$26
2014	\$42	\$116	\$395	\$218	\$771	8.64%	38.37%	\$26
2015	\$41	\$113	\$384	\$211	\$749	8.64%	38.37%	\$25
2016	\$40	\$110	\$373	\$204	\$727	8.64%	38.37%	\$24
2017	\$39	\$107	\$362	\$197	\$705	8.64%	38.37%	\$23
2018	\$38	\$104	\$352	\$190	\$684	8.64%	38.37%	\$23
2019	\$37	\$101	\$342	\$184	\$664	8.64%	38.37%	\$22
2020	\$36	\$98	\$332	\$178	\$644	8.64%	38.37%	\$21
2021	\$35	\$96	\$322	\$172	\$625	8.64%	38.37%	\$21
2022	\$34	\$94	\$313	\$166	\$607	8.64%	38.37%	\$20
2023	\$33	\$92	\$304	\$161	\$590	8.64%	38.37%	\$20
2024	\$32	\$90	\$295	\$156	\$573	8.64%	38.37%	\$19
2025	\$31	\$88	\$286	\$151	\$556	8.64%	38.37%	\$18

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 Ratio Adm. Cost	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio O&M Cost	Total Incremental Adm. & O&M Cost
2006	\$0.85	\$10	38.37%	\$3.84	\$11.90	38.37%	\$5	\$8
2007	\$0.87	\$10	38.37%	\$3.84	\$12.19	38.37%	\$5	\$9
2008	\$0.89	\$11	38.37%	\$4.22	\$12.48	38.37%	\$5	\$9
2009	\$0.91	\$11	38.37%	\$4.22	\$12.78	38.37%	\$5	\$9
2010	\$0.93	\$11	38.37%	\$4.22	\$13.08	38.37%	\$5	\$9
2011	\$0.96	\$11	38.37%	\$4.22	\$13.40	38.37%	\$5	\$9
2012	\$0.98	\$12	38.37%	\$4.60	\$13.72	38.37%	\$5	\$10
2013	\$1.00	\$12	38.37%	\$4.60	\$14.05	38.37%	\$5	\$10
2014	\$1.03	\$12	38.37%	\$4.60	\$14.39	38.37%	\$5	\$10
2015	\$1.05	\$13	38.37%	\$4.99	\$14.73	38.37%	\$6	\$11
2016	\$1.08	\$13	38.37%	\$4.99	\$15.09	38.37%	\$6	\$11
2017	\$1.10	\$13	38.37%	\$4.99	\$15.45	38.37%	\$6	\$11
2018	\$1.13	\$14	38.37%	\$5.37	\$15.82	38.37%	\$6	\$11
2019	\$1.16	\$14	38.37%	\$5.37	\$16.20	38.37%	\$6	\$12
2020	\$1.18	\$14	38.37%	\$5.37	\$16.59	38.37%	\$6	\$12
2021	\$1.21	\$15	38.37%	\$5.76	\$16.98	38.37%	\$7	\$12
2022	\$1.24	\$15	38.37%	\$5.76	\$17.39	38.37%	\$7	\$12
2023	\$1.27	\$15	38.37%	\$5.76	\$17.81	38.37%	\$7	\$13
2024	\$1.30	\$16	38.37%	\$6.14	\$18.24	38.37%	\$7	\$13
2025	\$1.33	\$16	38.37%	\$6.14	\$18.67	38.37%	\$7	\$13

Table 5

Gas Costs			
1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost
2006	170	0.8480	\$144
2007	170	\$0.8684	\$148
2008	170	\$0.8892	\$161
2009	170	\$0.9105	\$166
2010	170	\$0.9324	\$169
2011	170	\$0.9548	\$162
2012	170	\$0.9777	\$166
2013	170	\$1.0011	\$170
2014	170	\$1.0252	\$174
2015	170	\$1.0498	\$178
2016	170	\$1.0750	\$183
2017	170	\$1.1008	\$187
2018	170	\$1.1272	\$192
2019	170	\$1.1542	\$196
2020	170	\$1.1819	\$201
2021	170	\$1.2103	\$206
2022	170	\$1.2394	\$211
2023	170	\$1.2691	\$216
2024	170	\$1.2996	\$221
2025	170	\$1.3307	\$226

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Tankless Water Heating

**Sebring Gas System - Energy Conservation Filing 2007
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	\$140	\$89	\$70	\$1,371
2007	2	\$543	0	\$37	\$580	0	0	0	\$37	\$143	\$89	\$70	\$339
2008	3	\$550	0	\$38	\$588	0	0	0	\$38	\$147	\$89	\$70	\$343
2009	4	\$557	0	\$39	\$596	0	0	0	\$39	\$150	\$89	\$70	\$348
2010	5	\$564	0	\$40	\$604	0	0	0	\$40	\$154	\$89	\$70	\$352
2011	6	\$571	0	\$41	\$612	0	0	0	\$41	\$158	\$89	\$70	\$357
2012	7	\$578	0	\$42	\$620	0	0	0	\$42	\$161	\$89	\$70	\$362
2013	8	\$585	0	\$43	\$628	0	0	0	\$43	\$165	\$89	\$70	\$367
2014	9	\$592	0	\$44	\$636	0	0	0	\$44	\$169	\$89	\$70	\$372
2015	10	\$599	0	\$45	\$644	0	0	0	\$45	\$173	\$89	\$70	\$377
2016	11	\$607	0	\$46	\$652	0	0	0	\$46	\$177	\$89	\$70	\$382
2017	12	\$614	0	\$47	\$660	0	0	0	\$47	\$182	\$89	\$70	\$387
2018	13	\$621	0	\$48	\$669	0	0	0	\$48	\$186	\$89	\$70	\$393
2019	14	\$628	0	\$49	\$677	0	0	0	\$49	\$190	\$89	\$70	\$398
2020	15	\$635	0	\$50	\$685	0	0	0	\$50	\$195	\$89	\$70	\$404
2021	16	\$642	0	\$51	\$693	0	0	0	\$51	\$200	\$89	\$70	\$410
2022	17	\$649	0	\$53	\$702	0	0	0	\$53	\$204	\$89	\$70	\$416
2023	18	\$656	0	\$54	\$710	0	0	0	\$54	\$209	\$89	\$70	\$422
2024	19	\$663	0	\$55	\$718	0	0	0	\$55	\$214	\$89	\$70	\$428
2025	20	\$670	450	\$56	\$1,177	1,527	(505)	402	\$56	\$220	\$89	\$70	\$1,859

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

Present Value
of Costs **\$4,883**

Benefit/Cost Ratio	1.37
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	150	10.00%	\$140
2007	\$0.8684	150	10.00%	\$143
2008	\$0.8892	150	10.00%	\$147
2009	\$0.9105	150	10.00%	\$150
2010	\$0.9324	150	10.00%	\$154
2011	\$0.9548	150	10.00%	\$158
2012	\$0.9777	150	10.00%	\$161
2013	\$1.0011	150	10.00%	\$165
2014	\$1.0252	150	10.00%	\$169
2015	\$1.0498	150	10.00%	\$173
2016	\$1.0750	150	10.00%	\$177
2017	\$1.1008	150	10.00%	\$182
2018	\$1.1272	150	10.00%	\$186
2019	\$1.1542	150	10.00%	\$190
2020	\$1.1819	150	10.00%	\$195
2021	\$1.2103	150	10.00%	\$200
2022	\$1.2394	150	10.00%	\$204
2023	\$1.2691	150	10.00%	\$209
2024	\$1.2996	150	10.00%	\$214
2025	\$1.3307	150	10.00%	\$220

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.5371	150	10.00%	\$89
2007	\$0.5371	150	10.00%	\$89
2008	\$0.5371	150	10.00%	\$89
2009	\$0.5371	150	10.00%	\$89
2010	\$0.5371	150	10.00%	\$89
2011	\$0.5371	150	10.00%	\$89
2012	\$0.5371	150	10.00%	\$89
2013	\$0.5371	150	10.00%	\$89
2014	\$0.5371	150	10.00%	\$89
2015	\$0.5371	150	10.00%	\$89
2016	\$0.5371	150	10.00%	\$89
2017	\$0.5371	150	10.00%	\$89
2018	\$0.5371	150	10.00%	\$89
2019	\$0.5371	150	10.00%	\$89
2020	\$0.5371	150	10.00%	\$89
2021	\$0.5371	150	10.00%	\$89
2022	\$0.5371	150	10.00%	\$89
2023	\$0.5371	150	10.00%	\$89
2024	\$0.5371	150	10.00%	\$89
2025	\$0.5371	150	10.00%	\$89

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	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2007	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2008	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2009	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2010	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2011	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2012	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2013	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2014	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2015	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2016	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2017	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2018	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2019	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2020	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2021	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2022	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2023	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2024	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70
2025	\$15.00	\$180.00	150	423	35.46%	10.00%	\$70

**Sebring Gas System - Energy Conservation Filing 2007
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		Table 5	Table 3	Table 4			
	1	2	3	4	2 thru 4	6	7	8	9	6 thru 9
2002	\$81	\$127	\$64	\$272	\$127	\$30	\$8	\$454.22	\$619	
2003	\$81	\$130	\$64	\$275	\$130	\$29	\$8	\$4.22	\$171	
2004	\$81	\$133	\$64	\$278	\$133	\$28	\$8	\$4.22	\$174	
2005	\$81	\$137	\$64	\$281	\$137	\$27	\$8	\$4.22	\$177	
2006	\$81	\$140	\$64	\$284	\$140	\$27	\$9	\$4.22	\$179	
2007	\$81	\$143	\$64	\$288	\$143	\$26	\$9	\$4.22	\$182	
2008	\$81	\$147	\$64	\$291	\$147	\$25	\$9	\$4.22	\$185	
2009	\$81	\$150	\$64	\$295	\$150	\$24	\$9	\$4.22	\$188	
2010	\$81	\$154	\$64	\$298	\$154	\$24	\$9	\$4.22	\$191	
2011	\$81	\$157	\$64	\$302	\$157	\$23	\$10	\$4.22	\$194	
2012	\$81	\$161	\$64	\$306	\$161	\$22	\$10	\$4.22	\$198	
2013	\$81	\$165	\$64	\$310	\$165	\$22	\$10	\$4.22	\$201	
2014	\$81	\$169	\$64	\$313	\$169	\$21	\$11	\$4.22	\$205	
2015	\$81	\$173	\$64	\$318	\$173	\$20	\$11	\$4.22	\$208	
2016	\$81	\$177	\$64	\$322	\$177	\$20	\$11	\$4.22	\$212	
2017	\$81	\$182	\$64	\$326	\$182	\$19	\$11	\$4.22	\$216	
2018	\$81	\$186	\$64	\$330	\$186	\$19	\$11	\$4.22	\$220	
2019	\$81	\$190	\$64	\$335	\$190	\$18	\$12	\$4.22	\$224	
2020	\$81	\$195	\$64	\$339	\$195	\$18	\$12	\$4.22	\$229	
2021	\$81	\$200	\$64	\$344	\$200	\$17	\$12	\$454.22	\$683	

Present Value
of Benefits

\$2,906

Present Value
of Costs

\$2,376

Benefit/Cost Ratio	1.22
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**Sebring Gas System - Energy Conservation Filing 2007
Residential New Construction Program
RIM Test - Calculated Data**

Appliance Type	
Tankless Water Heating	

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M/Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	150	\$0.5371	\$81
2007	150	\$0.5371	\$81
2008	150	\$0.5371	\$81
2009	150	\$0.5371	\$81
2010	150	\$0.5371	\$81
2011	150	\$0.5371	\$81
2012	150	\$0.5371	\$81
2013	150	\$0.5371	\$81
2014	150	\$0.5371	\$81
2015	150	\$0.5371	\$81
2016	150	\$0.5371	\$81
2017	150	\$0.5371	\$81
2018	150	\$0.5371	\$81
2019	150	\$0.5371	\$81
2020	150	\$0.5371	\$81
2021	150	\$0.5371	\$81
2022	150	\$0.5371	\$81
2023	150	\$0.5371	\$81
2024	150	\$0.5371	\$81
2025	150	\$0.5371	\$81

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	150	\$0.8480	\$127
2007	150	\$0.8684	\$130
2008	150	\$0.8892	\$133
2009	150	\$0.9105	\$137
2010	150	\$0.9324	\$140
2011	150	\$0.9548	\$143
2012	150	\$0.9777	\$147
2013	150	\$1.0011	\$150
2014	150	\$1.0252	\$154
2015	150	\$1.0498	\$157
2016	150	\$1.0750	\$161
2017	150	\$1.1008	\$165
2018	150	\$1.1272	\$169
2019	150	\$1.1542	\$173
2020	150	\$1.1819	\$177
2021	150	\$1.2103	\$182
2022	150	\$1.2394	\$186
2023	150	\$1.2691	\$190
2024	150	\$1.2996	\$195
2025	150	\$1.3307	\$200

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	\$15.00	\$180.00	35.46%	\$64
2007	\$15.00	\$180.00	35.46%	\$64
2008	\$15.00	\$180.00	35.46%	\$64
2009	\$15.00	\$180.00	35.46%	\$64
2010	\$15.00	\$180.00	35.46%	\$64
2011	\$15.00	\$180.00	35.46%	\$64
2012	\$15.00	\$180.00	35.46%	\$64
2013	\$15.00	\$180.00	35.46%	\$64
2014	\$15.00	\$180.00	35.46%	\$64
2015	\$15.00	\$180.00	35.46%	\$64
2016	\$15.00	\$180.00	35.46%	\$64
2017	\$15.00	\$180.00	35.46%	\$64
2018	\$15.00	\$180.00	35.46%	\$64
2019	\$15.00	\$180.00	35.46%	\$64
2020	\$15.00	\$180.00	35.46%	\$64
2021	\$15.00	\$180.00	35.46%	\$64
2022	\$15.00	\$180.00	35.46%	\$64
2023	\$15.00	\$180.00	35.46%	\$64
2024	\$15.00	\$180.00	35.46%	\$64
2025	\$15.00	\$180.00	35.46%	\$64

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	\$500	\$285	\$975	\$975	35.46%
2007	\$49	\$137	\$486	\$276	\$948	\$948	35.46%
2008	\$48	\$134	\$472	\$267	\$921	\$921	35.46%
2009	\$47	\$131	\$458	\$258	\$894	\$894	35.46%
2010	\$46	\$128	\$445	\$249	\$868	\$868	35.46%
2011	\$45	\$125	\$432	\$241	\$843	\$843	35.46%
2012	\$44	\$122	\$419	\$233	\$818	\$818	35.46%
2013	\$43	\$119	\$407	\$225	\$794	\$794	35.46%
2014	\$42	\$116	\$395	\$218	\$771	\$771	35.46%
2015	\$41	\$113	\$384	\$211	\$749	\$749	35.46%
2016	\$40	\$110	\$373	\$204	\$727	\$727	35.46%
2017	\$39	\$107	\$362	\$197	\$705	\$705	35.46%
2018	\$38	\$104	\$352	\$190	\$684	\$684	35.46%
2019	\$37	\$101	\$342	\$184	\$664	\$664	35.46%
2020	\$36	\$98	\$332	\$178	\$644	\$644	35.46%
2021	\$35	\$96	\$322	\$172	\$625	\$625	35.46%
2022	\$34	\$94	\$313	\$166	\$607	\$607	35.46%
2023	\$33	\$92	\$304	\$161	\$590	\$590	35.46%
2024	\$32	\$90	\$295	\$156	\$573	\$573	35.46%
2025	\$31	\$88	\$286	\$151	\$556	\$556	35.46%

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 Ratio Adm. Cost	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio O&M Cost	Total Incremental Adm. & O&M Cost	
2006	\$0.85	\$10	35.46%	\$3.55	\$11.90	35.46%	\$4	\$8	\$8
2007	\$0.87	\$10	35.46%	\$3.55	\$12.19	35.46%	\$4	\$8	\$8
2008	\$0.89	\$11	35.46%	\$3.90	\$12.48	35.46%	\$5	\$8	\$8
2009	\$0.91	\$11	35.46%	\$3.90	\$12.78	35.46%	\$5	\$9	\$9
2010	\$0.93	\$11	35.46%	\$3.90	\$13.08	35.46%	\$5	\$9	\$9
2011	\$0.96	\$11	35.46%	\$3.90	\$13.40	35.46%	\$5	\$9	\$9
2012	\$0.98	\$12	35.46%	\$4.26	\$13.72	35.46%	\$5	\$9	\$9
2013	\$1.00	\$12	35.46%	\$4.26	\$14.05	35.46%	\$5	\$9	\$9
2014	\$1.03	\$12	35.46%	\$4.26	\$14.39	35.46%	\$5	\$9	\$9
2015	\$1.05	\$13	35.46%	\$4.61	\$14.73	35.46%	\$5	\$10	\$10
2016	\$1.08	\$13	35.46%	\$4.61	\$15.09	35.46%	\$5	\$10	\$10
2017	\$1.10	\$13	35.46%	\$4.61	\$15.45	35.46%	\$5	\$11	\$11
2018	\$1.13	\$14	35.46%	\$4.96	\$15.82	35.46%	\$6	\$11	\$11
2019	\$1.16	\$14	35.46%	\$4.96	\$16.20	35.46%	\$6	\$11	\$11
2020	\$1.18	\$14	35.46%	\$4.96	\$16.59	35.46%	\$6	\$11	\$11
2021	\$1.21	\$15	35.46%	\$5.32	\$16.98	35.46%	\$6	\$11	\$11
2022	\$1.24	\$15	35.46%	\$5.32	\$17.39	35.46%	\$6	\$11	\$11
2023	\$1.27	\$15	35.46%	\$5.32	\$17.81	35.46%	\$6	\$12	\$12
2024	\$1.30	\$16	35.46%	\$5.67	\$18.24	35.46%	\$6	\$12	\$12
2025	\$1.33	\$16	35.46%	\$5.67	\$18.67	35.46%	\$7	\$12	\$12

Table 5

Gas Costs			
1	2	3	2*3
Year	Therms	Per Therm Gas Supply Cost	Gas Supply Cost
2006	150	\$0.8480	\$127
2007	150	\$0.8684	\$130
2008	150	\$0.8892	\$133
2009	150	\$0.9105	\$137
2010	150	\$0.9324	\$140
2011	150	\$0.9548	\$143
2012	150	\$0.9777	\$147
2013	150	\$1.0011	\$150
2014	150	\$1.0252	\$154
2015	150	\$1.0498	\$157
2016	150	\$1.0750	\$161
2017	150	\$1.1008	\$165
2018	150	\$1.1272	\$169
2019	150	\$1.1542	\$173
2020	150	\$1.1819	\$177
2021	150	\$1.2103	\$182
2022	150	\$1.2394	\$186
2023	150	\$1.2691	\$190
2024	150	\$1.2996	\$195
2025	150	\$1.3307	\$200

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

**Sebring Gas System - Energy Conservation Filing 2007
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	\$166	\$105	\$80	\$630	
2007	2	\$358	0	\$197	\$555	0	0	0	\$197	\$170	\$105	\$80	\$551	
2008	3	\$363	0	\$201	\$564	0	0	0	\$201	\$174	\$105	\$80	\$560	
2009	4	\$368	0	\$206	\$574	0	0	0	\$206	\$178	\$105	\$80	\$569	
2010	5	\$372	0	\$211	\$583	0	0	0	\$211	\$183	\$105	\$80	\$578	
2011	6	\$377	0	\$216	\$593	0	0	0	\$216	\$187	\$105	\$80	\$588	
2012	7	\$382	0	\$221	\$603	0	0	0	\$221	\$191	\$105	\$80	\$598	
2013	8	\$386	0	\$227	\$613	0	0	0	\$227	\$196	\$105	\$80	\$607	
2014	9	\$391	0	\$232	\$623	0	0	0	\$232	\$201	\$105	\$80	\$618	
2015	10	\$396	0	\$238	\$633	0	0	0	\$238	\$206	\$105	\$80	\$628	
2016	11	\$400	0	\$243	\$644	0	0	0	\$243	\$210	\$105	\$80	\$639	
2017	12	\$405	0	\$249	\$654	0	0	0	\$249	\$216	\$105	\$80	\$649	
2018	13	\$410	0	\$255	\$665	0	0	0	\$255	\$221	\$105	\$80	\$661	
2019	14	\$414	0	\$261	\$676	0	0	0	\$261	\$226	\$105	\$80	\$672	
2020	15	\$419	350	\$268	\$1,037	2,929	(5,495)	2,352	\$268	\$231	\$105	\$80	\$470	
2021	16	\$424	0	\$274	\$698	0	0	0	\$274	\$237	\$105	\$80	\$696	
2022	17	\$428	0	\$281	\$709	0	0	0	\$281	\$243	\$105	\$80	\$708	
2023	18	\$433	0	\$287	\$720	0	0	0	\$287	\$248	\$105	\$80	\$721	
2024	19	\$438	0	\$294	\$732	0	0	0	\$294	\$254	\$105	\$80	\$733	
2025	20	\$442	0	\$301	\$744	0	0	0	\$301	\$261	\$105	\$80	\$747	

Present Value of Benefits \$6,475

Present Value of Costs \$6,016

Benefit/Cost Ratio	1.08
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	178	10.00%	\$166
2007	\$0.8684	178	10.00%	\$170
2008	\$0.8892	178	10.00%	\$174
2009	\$0.9105	178	10.00%	\$178
2010	\$0.9324	178	10.00%	\$183
2011	\$0.9548	178	10.00%	\$187
2012	\$0.9777	178	10.00%	\$191
2013	\$1.0011	178	10.00%	\$196
2014	\$1.0252	178	10.00%	\$201
2015	\$1.0498	178	10.00%	\$206
2016	\$1.0750	178	10.00%	\$210
2017	\$1.1008	178	10.00%	\$216
2018	\$1.1272	178	10.00%	\$221
2019	\$1.1542	178	10.00%	\$226
2020	\$1.1819	178	10.00%	\$231
2021	\$1.2103	178	10.00%	\$237
2022	\$1.2394	178	10.00%	\$243
2023	\$1.2691	178	10.00%	\$248
2024	\$1.2996	178	10.00%	\$254
2025	\$1.3307	178	10.00%	\$261

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.5371	178	10.00%	\$105
2007	\$0.5371	178	10.00%	\$105
2008	\$0.5371	178	10.00%	\$105
2009	\$0.5371	178	10.00%	\$105
2010	\$0.5371	178	10.00%	\$105
2011	\$0.5371	178	10.00%	\$105
2012	\$0.5371	178	10.00%	\$105
2013	\$0.5371	178	10.00%	\$105
2014	\$0.5371	178	10.00%	\$105
2015	\$0.5371	178	10.00%	\$105
2016	\$0.5371	178	10.00%	\$105
2017	\$0.5371	178	10.00%	\$105
2018	\$0.5371	178	10.00%	\$105
2019	\$0.5371	178	10.00%	\$105
2020	\$0.5371	178	10.00%	\$105
2021	\$0.5371	178	10.00%	\$105
2022	\$0.5371	178	10.00%	\$105
2023	\$0.5371	178	10.00%	\$105
2024	\$0.5371	178	10.00%	\$105
2025	\$0.5371	178	10.00%	\$105

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	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2007	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2008	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2009	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2010	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2011	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2012	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2013	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2014	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2015	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2016	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2017	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2018	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2019	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2020	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2021	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2022	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2023	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2024	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80
2025	\$15.00	\$180.00	178	443	40.18%	10.00%	\$80

**Sebring Gas System - Energy Conservation Filing 2007
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		Table 5	Table 3	Table 4		
	1	2	3	4	2 thru 4	6	7	8	9
2006	\$96	\$151	\$72	\$319	\$151	\$34	\$9	\$354.42	\$548
2007	\$96	\$155	\$72	\$322	\$155	\$33	\$9	\$4.42	\$201
2008	\$96	\$158	\$72	\$326	\$158	\$32	\$9	\$4.42	\$204
2009	\$96	\$162	\$72	\$330	\$162	\$31	\$10	\$4.42	\$207
2010	\$96	\$166	\$72	\$334	\$166	\$30	\$10	\$4.42	\$210
2011	\$96	\$170	\$72	\$338	\$170	\$29	\$10	\$4.42	\$213
2012	\$96	\$174	\$72	\$342	\$174	\$28	\$10	\$4.42	\$217
2013	\$96	\$178	\$72	\$346	\$178	\$28	\$10	\$4.42	\$221
2014	\$96	\$182	\$72	\$350	\$182	\$27	\$11	\$4.42	\$224
2015	\$96	\$187	\$72	\$355	\$187	\$26	\$11	\$4.42	\$228
2016	\$96	\$191	\$72	\$359	\$191	\$25	\$11	\$4.42	\$232
2017	\$96	\$196	\$72	\$364	\$196	\$24	\$11	\$4.42	\$236
2018	\$96	\$201	\$72	\$369	\$201	\$24	\$12	\$4.42	\$241
2019	\$96	\$205	\$72	\$373	\$205	\$23	\$12	\$4.42	\$245
2020	\$96	\$210	\$72	\$378	\$210	\$22	\$12	\$354.42	\$599
2021	\$96	\$215	\$72	\$383	\$215	\$22	\$13	\$4.42	\$254
2022	\$96	\$221	\$72	\$389	\$221	\$21	\$13	\$4.42	\$259
2023	\$96	\$226	\$72	\$394	\$226	\$20	\$13	\$4.42	\$264
2024	\$96	\$231	\$72	\$399	\$231	\$20	\$14	\$4.42	\$269
2025	\$96	\$237	\$72	\$405	\$237	\$19	\$14	\$4.42	\$275

Present Value
of Benefits

\$3,415

Present Value
of Costs

\$2,621

**Benefit/Cost
Ratio**

1.30

Sebring Gas System - Energy Conservation Filing 2007
Residential New Construction Program
RIM Test - Calculated Data

Appliance Type
Heating System

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M/Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	178	\$0.5371	\$96
2007	178	\$0.5371	\$96
2008	178	\$0.5371	\$96
2009	178	\$0.5371	\$96
2010	178	\$0.5371	\$96
2011	178	\$0.5371	\$96
2012	178	\$0.5371	\$96
2013	178	\$0.5371	\$96
2014	178	\$0.5371	\$96
2015	178	\$0.5371	\$96
2016	178	\$0.5371	\$96
2017	178	\$0.5371	\$96
2018	178	\$0.5371	\$96
2019	178	\$0.5371	\$96
2020	178	\$0.5371	\$96
2021	178	\$0.5371	\$96
2022	178	\$0.5371	\$96
2023	178	\$0.5371	\$96
2024	178	\$0.5371	\$96
2025	178	\$0.5371	\$96

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	178	\$0.8480	\$161
2007	178	\$0.8684	\$165
2008	178	\$0.8892	\$168
2009	178	\$0.9105	\$162
2010	178	\$0.9324	\$166
2011	178	\$0.9548	\$170
2012	178	\$0.9777	\$174
2013	178	\$1.0011	\$178
2014	178	\$1.0252	\$182
2015	178	\$1.0498	\$187
2016	178	\$1.0750	\$191
2017	178	\$1.1008	\$196
2018	178	\$1.1272	\$201
2019	178	\$1.1542	\$206
2020	178	\$1.1819	\$210
2021	178	\$1.2103	\$216
2022	178	\$1.2394	\$221
2023	178	\$1.2691	\$226
2024	178	\$1.2996	\$231
2025	178	\$1.3307	\$237

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	\$15.00	\$180.00	40.18%	\$72
2007	\$15.00	\$180.00	40.18%	\$72
2008	\$15.00	\$180.00	40.18%	\$72
2009	\$15.00	\$180.00	40.18%	\$72
2010	\$15.00	\$180.00	40.18%	\$72
2011	\$15.00	\$180.00	40.18%	\$72
2012	\$15.00	\$180.00	40.18%	\$72
2013	\$15.00	\$180.00	40.18%	\$72
2014	\$15.00	\$180.00	40.18%	\$72
2015	\$15.00	\$180.00	40.18%	\$72
2016	\$15.00	\$180.00	40.18%	\$72
2017	\$15.00	\$180.00	40.18%	\$72
2018	\$15.00	\$180.00	40.18%	\$72
2019	\$15.00	\$180.00	40.18%	\$72
2020	\$15.00	\$180.00	40.18%	\$72
2021	\$15.00	\$180.00	40.18%	\$72
2022	\$15.00	\$180.00	40.18%	\$72
2023	\$15.00	\$180.00	40.18%	\$72
2024	\$15.00	\$180.00	40.18%	\$72
2025	\$15.00	\$180.00	40.18%	\$72

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	\$500	\$285	\$975	8.64%	40.18%	\$34
2007	\$49	\$137	\$486	\$276	\$948	8.64%	40.18%	\$33
2008	\$48	\$134	\$472	\$267	\$921	8.64%	40.18%	\$32
2009	\$47	\$131	\$458	\$258	\$894	8.64%	40.18%	\$31
2010	\$46	\$128	\$445	\$249	\$868	8.64%	40.18%	\$30
2011	\$45	\$125	\$432	\$241	\$843	8.64%	40.18%	\$29
2012	\$44	\$122	\$419	\$233	\$818	8.64%	40.18%	\$28
2013	\$43	\$119	\$407	\$225	\$794	8.64%	40.18%	\$28
2014	\$42	\$116	\$395	\$218	\$771	8.64%	40.18%	\$27
2015	\$41	\$113	\$384	\$211	\$749	8.64%	40.18%	\$26
2016	\$40	\$110	\$373	\$204	\$727	8.64%	40.18%	\$26
2017	\$39	\$107	\$362	\$197	\$705	8.64%	40.18%	\$24
2018	\$38	\$104	\$352	\$190	\$684	8.64%	40.18%	\$24
2019	\$37	\$101	\$342	\$184	\$664	8.64%	40.18%	\$23
2020	\$36	\$98	\$332	\$178	\$644	8.64%	40.18%	\$22
2021	\$35	\$96	\$322	\$172	\$625	8.64%	40.18%	\$22
2022	\$34	\$94	\$313	\$166	\$607	8.64%	40.18%	\$21
2023	\$33	\$92	\$304	\$161	\$590	8.64%	40.18%	\$20
2024	\$32	\$90	\$295	\$156	\$573	8.64%	40.18%	\$20
2025	\$31	\$88	\$286	\$151	\$556	8.64%	40.18%	\$19

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 Ratio Adm. Cost	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio O&M Cost	Total Incremental Adm. & O&M Cost	
2006	\$0.85	\$10	40.18%	\$4.02	\$11.90	40.18%	\$5	\$9	
2007	\$0.87	\$10	40.18%	\$4.02	\$12.19	40.18%	\$5	\$9	
2008	\$0.89	\$11	40.18%	\$4.42	\$12.48	40.18%	\$5	\$9	
2009	\$0.91	\$11	40.18%	\$4.42	\$12.78	40.18%	\$5	\$10	
2010	\$0.93	\$11	40.18%	\$4.42	\$13.08	40.18%	\$5	\$10	
2011	\$0.96	\$11	40.18%	\$4.42	\$13.40	40.18%	\$5	\$10	
2012	\$0.98	\$12	40.18%	\$4.82	\$13.72	40.18%	\$6	\$10	
2013	\$1.00	\$12	40.18%	\$4.82	\$14.05	40.18%	\$6	\$10	
2014	\$1.03	\$12	40.18%	\$4.82	\$14.39	40.18%	\$6	\$11	
2015	\$1.05	\$13	40.18%	\$5.22	\$14.73	40.18%	\$6	\$11	
2016	\$1.08	\$13	40.18%	\$5.22	\$15.09	40.18%	\$6	\$11	
2017	\$1.10	\$13	40.18%	\$5.22	\$15.45	40.18%	\$6	\$11	
2018	\$1.13	\$14	40.18%	\$5.63	\$15.82	40.18%	\$6	\$12	
2019	\$1.16	\$14	40.18%	\$5.63	\$16.20	40.18%	\$7	\$12	
2020	\$1.18	\$14	40.18%	\$5.63	\$16.59	40.18%	\$7	\$12	
2021	\$1.21	\$15	40.18%	\$6.03	\$16.98	40.18%	\$7	\$13	
2022	\$1.24	\$15	40.18%	\$6.03	\$17.39	40.18%	\$7	\$13	
2023	\$1.27	\$15	40.18%	\$6.03	\$17.81	40.18%	\$7	\$13	
2024	\$1.30	\$16	40.18%	\$6.43	\$18.24	40.18%	\$7	\$14	
2025	\$1.33	\$16	40.18%	\$6.43	\$18.67	40.18%	\$8	\$14	

Table 5

Gas Costs			
1	2	3	2*3
Year	Therms	Per Therm Supply Cost	Gas Supply Cost
2006	178	\$0.8480	\$161
2007	178	\$0.8684	\$165
2008	178	\$0.8892	\$168
2009	178	\$0.9105	\$162
2010	178	\$0.9324	\$166
2011	178	\$0.9548	\$170
2012	178	\$0.9777	\$174
2013	178	\$1.0011	\$178
2014	178	\$1.0252	\$182
2015	178	\$1.0498	\$187
2016	178	\$1.0750	\$191
2017	178	\$1.1008	\$196
2018	178	\$1.1272	\$201
2019	178	\$1.1542	\$206
2020	178	\$1.1819	\$210
2021	178	\$1.2103	\$216
2022	178	\$1.2394	\$221
2023	178	\$1.2691	\$226
2024	178	\$1.2996	\$231
2025	178	\$1.3307	\$237

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Clothes Drying Appliances

**Sebring Gas System - Energy Conservation Filing 2007
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	
		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	\$47	\$30	\$22	\$360
2006	2	\$167	0	\$37	\$203	0	0	0	\$37	\$48	\$30	\$22	\$137
2007	3	\$169	0	\$38	\$207	0	0	0	\$38	\$49	\$30	\$22	\$139
2008	4	\$171	0	\$39	\$210	0	0	0	\$39	\$50	\$30	\$22	\$141
2009	5	\$173	0	\$40	\$213	0	0	0	\$40	\$51	\$30	\$22	\$143
2010	6	\$175	0	\$41	\$216	0	0	0	\$41	\$53	\$30	\$22	\$145
2011	7	\$177	0	\$42	\$219	0	0	0	\$42	\$54	\$30	\$22	\$147
2012	8	\$180	0	\$43	\$222	0	0	0	\$43	\$55	\$30	\$22	\$149
2013	9	\$182	0	\$44	\$225	0	0	0	\$44	\$56	\$30	\$22	\$152
2014	10	\$184	0	\$45	\$229	0	0	0	\$45	\$58	\$30	\$22	\$154
2015	11	\$186	0	\$46	\$232	0	0	0	\$46	\$59	\$30	\$22	\$157
2016	12	\$188	0	\$47	\$235	0	0	0	\$47	\$61	\$30	\$22	\$159
2017	13	\$191	100	\$48	\$338	516	(618)	204	\$48	\$62	\$30	\$22	\$264
2018	14	\$193	0	\$49	\$242	0	0	0	\$49	\$63	\$30	\$22	\$164
2019	15	\$195	0	\$50	\$245	0	0	0	\$50	\$65	\$30	\$22	\$167
2020	16	\$197	0	\$51	\$248	0	0	0	\$51	\$67	\$30	\$22	\$170
2021	17	\$199	0	\$53	\$252	0	0	0	\$53	\$68	\$30	\$22	\$173
2022	18	\$201	0	\$54	\$255	0	0	0	\$54	\$70	\$30	\$22	\$176
2023	19	\$204	0	\$55	\$259	0	0	0	\$55	\$71	\$30	\$22	\$179
2024	20	\$206	0	\$56	\$262	0	0	0	\$56	\$73	\$30	\$22	\$182

Present Value of Benefits \$2,315

Present Value of Costs \$1,722

Benefit/Cost Ratio	1.34
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**Sebring Gas System - Energy Conservation Filing 2007
Residential New Construction Program
Participants Test - Data**

Appliance Type
Clothes Drying

Escalation Rates		Elec Base Rates	0.0%
O&M Expense	2.4%	PGA 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	\$0.8480	50	10.00%	\$47
2007	\$0.8684	50	10.00%	\$48
2008	\$0.8892	50	10.00%	\$49
2009	\$0.9105	50	10.00%	\$50
2010	\$0.9324	50	10.00%	\$51
2011	\$0.9548	50	10.00%	\$53
2012	\$0.9777	50	10.00%	\$54
2013	\$1.0011	50	10.00%	\$55
2014	\$1.0252	50	10.00%	\$56
2015	\$1.0498	50	10.00%	\$58
2016	\$1.0750	50	10.00%	\$59
2017	\$1.1008	50	10.00%	\$61
2018	\$1.1272	50	10.00%	\$62
2019	\$1.1542	50	10.00%	\$63
2020	\$1.1819	50	10.00%	\$65
2021	\$1.2103	50	10.00%	\$67
2022	\$1.2394	50	10.00%	\$68
2023	\$1.2691	50	10.00%	\$70
2024	\$1.2998	50	10.00%	\$71
2025	\$1.3307	50	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	\$0.5371	50	10.00%	\$30
2007	\$0.5371	50	10.00%	\$30
2008	\$0.5371	50	10.00%	\$30
2009	\$0.5371	50	10.00%	\$30
2010	\$0.5371	50	10.00%	\$30
2011	\$0.5371	50	10.00%	\$30
2012	\$0.5371	50	10.00%	\$30
2013	\$0.5371	50	10.00%	\$30
2014	\$0.5371	50	10.00%	\$30
2015	\$0.5371	50	10.00%	\$30
2016	\$0.5371	50	10.00%	\$30
2017	\$0.5371	50	10.00%	\$30
2018	\$0.5371	50	10.00%	\$30
2019	\$0.5371	50	10.00%	\$30
2020	\$0.5371	50	10.00%	\$30
2021	\$0.5371	50	10.00%	\$30
2022	\$0.5371	50	10.00%	\$30
2023	\$0.5371	50	10.00%	\$30
2024	\$0.5371	50	10.00%	\$30
2025	\$0.5371	50	10.00%	\$30

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	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2007	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2008	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2009	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2010	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2011	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2012	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2013	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2014	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2015	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2016	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2017	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2018	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2019	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2020	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2021	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2022	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2023	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2024	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22
2025	\$15.00	\$180.00	50	443	11.29%	10.00%	\$22

**Sebring Gas System - Energy Conservation Filing 2007
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			
	2	3	4	2 thru 4	6	7	8	9	6 thru 9
2006	\$27	\$42	\$20	\$90	\$42	\$10	\$2	\$101.24	\$156
2007	\$27	\$43	\$20	\$91	\$43	\$9	\$3	\$1.24	\$56
2008	\$27	\$44	\$20	\$92	\$44	\$9	\$3	\$1.24	\$57
2009	\$27	\$46	\$20	\$93	\$46	\$9	\$3	\$1.24	\$58
2010	\$27	\$47	\$20	\$94	\$47	\$8	\$3	\$1.24	\$59
2011	\$27	\$48	\$20	\$95	\$48	\$8	\$3	\$1.24	\$60
2012	\$27	\$49	\$20	\$96	\$49	\$8	\$3	\$1.24	\$61
2013	\$27	\$50	\$20	\$97	\$50	\$8	\$3	\$1.24	\$62
2014	\$27	\$51	\$20	\$98	\$51	\$8	\$3	\$1.24	\$63
2015	\$27	\$52	\$20	\$100	\$52	\$7	\$3	\$1.24	\$64
2016	\$27	\$54	\$20	\$101	\$54	\$7	\$3	\$1.24	\$65
2017	\$27	\$55	\$20	\$102	\$55	\$7	\$3	\$1.24	\$66
2018	\$27	\$56	\$20	\$104	\$56	\$7	\$3	\$101.24	\$168
2019	\$27	\$58	\$20	\$105	\$58	\$6	\$3	\$1.24	\$69
2020	\$27	\$59	\$20	\$106	\$59	\$6	\$3	\$1.24	\$70
2021	\$27	\$61	\$20	\$108	\$61	\$6	\$4	\$1.24	\$71
2022	\$27	\$62	\$20	\$109	\$62	\$6	\$4	\$1.24	\$73
2023	\$27	\$63	\$20	\$111	\$63	\$6	\$4	\$1.24	\$74
2024	\$27	\$65	\$20	\$112	\$65	\$6	\$4	\$1.24	\$76
2025	\$27	\$67	\$20	\$114	\$67	\$5	\$4	\$1.24	\$77

Present Value
of Benefits \$959

Present Value
of Costs \$744

Benefit/Cost Ratio	1.29
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Sebring Gas System - Energy Conservation Filing 2007
Residential New Construction Program
RIM Test - Calculated Data

Appliance Type
Clothes Drying

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M/Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge				
1	2	3	2'3	
Year	Therms	Base Rate	Total Charge	
2006	50	\$0.5371	\$27	
2007	50	\$0.5371	\$27	
2008	50	\$0.5371	\$27	
2009	50	\$0.5371	\$27	
2010	50	\$0.5371	\$27	
2011	50	\$0.5371	\$27	
2012	50	\$0.5371	\$27	
2013	50	\$0.5371	\$27	
2014	50	\$0.5371	\$27	
2015	50	\$0.5371	\$27	
2016	50	\$0.5371	\$27	
2017	50	\$0.5371	\$27	
2018	50	\$0.5371	\$27	
2019	50	\$0.5371	\$27	
2020	50	\$0.5371	\$27	
2021	50	\$0.5371	\$27	
2022	50	\$0.5371	\$27	
2023	50	\$0.5371	\$27	
2024	50	\$0.5371	\$27	
2025	50	\$0.5371	\$27	

Table 1a

Revenue - Cost of Gas				
1	2	4	2'3	
Year	Therms	Fuel Rate	Total Charge	
2006	50	\$0.8480	\$42	
2007	50	\$0.8684	\$43	
2008	50	\$0.8892	\$44	
2009	50	\$0.9105	\$46	
2010	50	\$0.9324	\$47	
2011	50	\$0.9548	\$48	
2012	50	\$0.9777	\$49	
2013	50	\$1.0011	\$50	
2014	50	\$1.0252	\$51	
2015	50	\$1.0498	\$52	
2016	50	\$1.0750	\$54	
2017	50	\$1.1008	\$56	
2018	50	\$1.1272	\$56	
2019	50	\$1.1542	\$58	
2020	50	\$1.1819	\$59	
2021	50	\$1.2103	\$61	
2022	50	\$1.2394	\$62	
2023	50	\$1.2691	\$63	
2024	50	\$1.2996	\$66	
2025	50	\$1.3307	\$67	

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	\$15.00	\$180.00	11.29%	\$20
2007	\$15.00	\$180.00	11.29%	\$20
2008	\$15.00	\$180.00	11.29%	\$20
2009	\$15.00	\$180.00	11.29%	\$20
2010	\$15.00	\$180.00	11.29%	\$20
2011	\$15.00	\$180.00	11.29%	\$20
2012	\$15.00	\$180.00	11.29%	\$20
2013	\$15.00	\$180.00	11.29%	\$20
2014	\$15.00	\$180.00	11.29%	\$20
2015	\$15.00	\$180.00	11.29%	\$20
2016	\$15.00	\$180.00	11.29%	\$20
2017	\$15.00	\$180.00	11.29%	\$20
2018	\$15.00	\$180.00	11.29%	\$20
2019	\$15.00	\$180.00	11.29%	\$20
2020	\$15.00	\$180.00	11.29%	\$20
2021	\$15.00	\$180.00	11.29%	\$20
2022	\$15.00	\$180.00	11.29%	\$20
2023	\$15.00	\$180.00	11.29%	\$20
2024	\$15.00	\$180.00	11.29%	\$20
2025	\$15.00	\$180.00	11.29%	\$20

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	\$500	\$285	\$975	8.64%	11.29%	\$10
2007	\$49	\$137	\$486	\$276	\$948	8.64%	11.29%	\$9
2008	\$48	\$134	\$472	\$267	\$921	8.64%	11.29%	\$9
2009	\$47	\$131	\$458	\$258	\$894	8.64%	11.29%	\$9
2010	\$46	\$128	\$445	\$249	\$868	8.64%	11.29%	\$8
2011	\$45	\$125	\$432	\$241	\$843	8.64%	11.29%	\$8
2012	\$44	\$122	\$419	\$233	\$818	8.64%	11.29%	\$8
2013	\$43	\$119	\$407	\$225	\$794	8.64%	11.29%	\$8
2014	\$42	\$116	\$395	\$218	\$771	8.64%	11.29%	\$8
2015	\$41	\$113	\$384	\$211	\$749	8.64%	11.29%	\$7
2016	\$40	\$110	\$373	\$204	\$727	8.64%	11.29%	\$7
2017	\$39	\$107	\$362	\$197	\$705	8.64%	11.29%	\$7
2018	\$38	\$104	\$352	\$190	\$684	8.64%	11.29%	\$7
2019	\$37	\$101	\$342	\$184	\$664	8.64%	11.29%	\$6
2020	\$36	\$98	\$332	\$178	\$644	8.64%	11.29%	\$6
2021	\$35	\$96	\$322	\$172	\$625	8.64%	11.29%	\$6
2022	\$34	\$94	\$313	\$166	\$607	8.64%	11.29%	\$6
2023	\$33	\$92	\$304	\$161	\$590	8.64%	11.29%	\$6
2024	\$32	\$90	\$295	\$156	\$573	8.64%	11.29%	\$6
2025	\$31	\$88	\$286	\$151	\$556	8.64%	11.29%	\$6

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 Ratio Adm. Cost	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio O&M Cost	Total Incremental Adm. & O&M Cost
2006	\$0.85	\$10	11.29%	\$1.13	\$11.90	11.29%	\$1	\$2
2007	\$0.87	\$10	11.29%	\$1.13	\$12.19	11.29%	\$1	\$3
2008	\$0.89	\$11	11.29%	\$1.24	\$12.48	11.29%	\$1	\$3
2009	\$0.91	\$11	11.29%	\$1.24	\$12.78	11.29%	\$1	\$3
2010	\$0.93	\$11	11.29%	\$1.24	\$13.08	11.29%	\$1	\$3
2011	\$0.96	\$11	11.29%	\$1.24	\$13.40	11.29%	\$2	\$3
2012	\$0.98	\$12	11.29%	\$1.35	\$13.72	11.29%	\$2	\$3
2013	\$1.00	\$12	11.29%	\$1.35	\$14.05	11.29%	\$2	\$3
2014	\$1.03	\$12	11.29%	\$1.35	\$14.39	11.29%	\$2	\$3
2015	\$1.05	\$13	11.29%	\$1.47	\$14.73	11.29%	\$2	\$3
2016	\$1.08	\$13	11.29%	\$1.47	\$15.09	11.29%	\$2	\$3
2017	\$1.10	\$13	11.29%	\$1.47	\$15.45	11.29%	\$2	\$3
2018	\$1.13	\$14	11.29%	\$1.58	\$15.82	11.29%	\$2	\$3
2019	\$1.16	\$14	11.29%	\$1.58	\$16.20	11.29%	\$2	\$3
2020	\$1.18	\$14	11.29%	\$1.58	\$16.59	11.29%	\$2	\$3
2021	\$1.21	\$15	11.29%	\$1.69	\$16.98	11.29%	\$2	\$4
2022	\$1.24	\$15	11.29%	\$1.69	\$17.39	11.29%	\$2	\$4
2023	\$1.27	\$15	11.29%	\$1.69	\$17.81	11.29%	\$2	\$4
2024	\$1.30	\$16	11.29%	\$1.81	\$18.24	11.29%	\$2	\$4
2025	\$1.33	\$16	11.29%	\$1.81	\$18.67	11.29%	\$2	\$4

Table 6

Gas Costs			
1	2	3	2'3
Year	Therms	Per Therm Supply Cost	Gas Supply Cost
2006	50	0.8480	\$42
2007	50	\$0.8684	\$43
2008	50	\$0.8892	\$44
2009	50	\$0.9105	\$46
2010	50	\$0.9324	\$47
2011	50	\$0.9548	\$48
2012	50	\$0.9777	\$49
2013	50	\$1.0011	\$50
2014	50	\$1.0252	\$51
2015	50	\$1.0498	\$52
2016	50	\$1.0750	\$54
2017	50	\$1.1008	\$56
2018	50	\$1.1272	\$56
2019	50	\$1.1542	\$58
2020	50	\$1.1819	\$59
2021	50	\$1.2103	\$61
2022	50	\$1.2394	\$62
2023	50	\$1.2691	\$63
2024	50	\$1.2996	\$66
2025	50	\$1.3307	\$67

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Cooking Appliances

**Sebring Gas System - Energy Conservation Filing 2007
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	
		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	\$42	\$27	\$20	\$350	
2007	2	\$149	0	\$37	\$186	0	0	0	\$37	\$43	\$27	\$20	\$127	
2008	3	\$151	0	\$38	\$189	0	0	0	\$38	\$44	\$27	\$20	\$128	
2009	4	\$153	0	\$39	\$191	0	0	0	\$39	\$45	\$27	\$20	\$130	
2010	5	\$155	0	\$40	\$194	0	0	0	\$40	\$46	\$27	\$20	\$132	
2011	6	\$157	0	\$41	\$197	0	0	0	\$41	\$47	\$27	\$20	\$134	
2012	7	\$159	0	\$42	\$200	0	0	0	\$42	\$48	\$27	\$20	\$137	
2013	8	\$161	0	\$43	\$203	0	0	0	\$43	\$50	\$27	\$20	\$139	
2014	9	\$163	0	\$44	\$206	0	0	0	\$44	\$51	\$27	\$20	\$141	
2015	10	\$165	0	\$45	\$209	0	0	0	\$45	\$52	\$27	\$20	\$143	
2016	11	\$166	0	\$46	\$212	0	0	0	\$46	\$53	\$27	\$20	\$146	
2017	12	\$168	0	\$47	\$215	0	0	0	\$47	\$54	\$27	\$20	\$148	
2018	13	\$170	0	\$48	\$218	0	0	0	\$48	\$56	\$27	\$20	\$150	
2019	14	\$172	100	\$49	\$321	626	(800)	279	\$49	\$57	\$27	\$20	\$257	
2020	15	\$174	0	\$50	\$224	0	0	0	\$50	\$59	\$27	\$20	\$155	
2021	16	\$176	0	\$51	\$228	0	0	0	\$51	\$60	\$27	\$20	\$158	
2022	17	\$178	0	\$53	\$231	0	0	0	\$53	\$61	\$27	\$20	\$161	
2023	18	\$180	0	\$54	\$234	0	0	0	\$54	\$63	\$27	\$20	\$163	
2024	19	\$182	0	\$55	\$237	0	0	0	\$55	\$64	\$27	\$20	\$166	
2025	20	\$184	0	\$56	\$240	0	0	0	\$56	\$66	\$27	\$20	\$169	

Present Value of Benefits \$2,126

Present Value of Costs \$1,615

Benefit/Cost Ratio	1.32
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	45	10.00%	\$42
2007	\$0.8684	45	10.00%	\$43
2008	\$0.8892	45	10.00%	\$44
2009	\$0.9105	45	10.00%	\$45
2010	\$0.9324	45	10.00%	\$46
2011	\$0.9548	45	10.00%	\$47
2012	\$0.9777	45	10.00%	\$48
2013	\$1.0011	45	10.00%	\$50
2014	\$1.0252	45	10.00%	\$51
2015	\$1.0498	45	10.00%	\$52
2016	\$1.0750	45	10.00%	\$53
2017	\$1.1008	45	10.00%	\$54
2018	\$1.1272	45	10.00%	\$56
2019	\$1.1542	45	10.00%	\$57
2020	\$1.1819	45	10.00%	\$59
2021	\$1.2103	45	10.00%	\$60
2022	\$1.2394	45	10.00%	\$61
2023	\$1.2691	45	10.00%	\$63
2024	\$1.2996	45	10.00%	\$64
2025	\$1.3307	45	10.00%	\$66

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.5371	45	10.00%	\$27
2007	\$0.5371	45	10.00%	\$27
2008	\$0.5371	45	10.00%	\$27
2009	\$0.5371	45	10.00%	\$27
2010	\$0.5371	45	10.00%	\$27
2011	\$0.5371	45	10.00%	\$27
2012	\$0.5371	45	10.00%	\$27
2013	\$0.5371	45	10.00%	\$27
2014	\$0.5371	45	10.00%	\$27
2015	\$0.5371	45	10.00%	\$27
2016	\$0.5371	45	10.00%	\$27
2017	\$0.5371	45	10.00%	\$27
2018	\$0.5371	45	10.00%	\$27
2019	\$0.5371	45	10.00%	\$27
2020	\$0.5371	45	10.00%	\$27
2021	\$0.5371	45	10.00%	\$27
2022	\$0.5371	45	10.00%	\$27
2023	\$0.5371	45	10.00%	\$27
2024	\$0.5371	45	10.00%	\$27
2025	\$0.5371	45	10.00%	\$27

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	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2007	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2008	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2009	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2010	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2011	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2012	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2013	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2014	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2015	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2016	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2017	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2018	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2019	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2020	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2021	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2022	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2023	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2024	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20
2025	\$15.00	\$180.00	45	443	10.16%	10.00%	\$20

**Sebring Gas System - Energy Conservation Filing 2007
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		Table 5	Table 3	Table 4		
1	2	3	4	2 thru 4	6	7	8	9	6 thru 9
2006	\$24	\$38	\$18	\$81	\$38	\$9	\$2	\$101.12	\$150
2007	\$24	\$39	\$18	\$82	\$39	\$8	\$2	\$1.12	\$51
2008	\$24	\$40	\$18	\$82	\$40	\$8	\$2	\$1.12	\$52
2009	\$24	\$41	\$18	\$83	\$41	\$8	\$2	\$1.12	\$52
2010	\$24	\$42	\$18	\$84	\$42	\$8	\$2	\$1.12	\$53
2011	\$24	\$43	\$18	\$85	\$43	\$7	\$2	\$1.12	\$54
2012	\$24	\$44	\$18	\$86	\$44	\$7	\$3	\$1.12	\$55
2013	\$24	\$45	\$18	\$88	\$45	\$7	\$3	\$1.12	\$56
2014	\$24	\$46	\$18	\$89	\$46	\$7	\$3	\$1.12	\$57
2015	\$24	\$47	\$18	\$90	\$47	\$7	\$3	\$1.12	\$58
2016	\$24	\$48	\$18	\$91	\$48	\$6	\$3	\$1.12	\$59
2017	\$24	\$50	\$18	\$92	\$50	\$6	\$3	\$1.12	\$60
2018	\$24	\$51	\$18	\$93	\$51	\$6	\$3	\$1.12	\$61
2019	\$24	\$52	\$18	\$94	\$52	\$6	\$3	\$101.12	\$162
2020	\$24	\$53	\$18	\$96	\$53	\$6	\$3	\$1.12	\$63
2021	\$24	\$54	\$18	\$97	\$54	\$5	\$3	\$1.12	\$64
2022	\$24	\$56	\$18	\$98	\$56	\$5	\$3	\$1.12	\$66
2023	\$24	\$57	\$18	\$100	\$57	\$5	\$3	\$1.12	\$67
2024	\$24	\$58	\$18	\$101	\$58	\$5	\$3	\$1.12	\$68
2025	\$24	\$60	\$18	\$102	\$60	\$5	\$4	\$1.12	\$69

Present Value
of Benefits

\$863

Present Value
of Costs

\$680

**Benefit/Cost
Ratio**

1.27

**Sebring Gas System - Energy Conservation Filing 2007
Residential New Construction Program
RIM Test - Calculated Data**

Appliance Type
Cooking

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Base Rate Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M/Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge				
	1	2	3	2*3
Year	Therms	Base Rate	Total Charge	
2006	45	\$0.5371	\$24	
2007	45	\$0.5371	\$24	
2008	45	\$0.5371	\$24	
2009	45	\$0.5371	\$24	
2010	45	\$0.5371	\$24	
2011	45	\$0.5371	\$24	
2012	45	\$0.5371	\$24	
2013	45	\$0.5371	\$24	
2014	45	\$0.5371	\$24	
2015	45	\$0.5371	\$24	
2016	45	\$0.5371	\$24	
2017	45	\$0.5371	\$24	
2018	45	\$0.5371	\$24	
2019	45	\$0.5371	\$24	
2020	45	\$0.5371	\$24	
2021	45	\$0.5371	\$24	
2022	45	\$0.5371	\$24	
2023	45	\$0.5371	\$24	
2024	45	\$0.5371	\$24	
2025	45	\$0.5371	\$24	

Table 1a

Revenue - Cost of Gas				
	1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge	
2006	45	\$0.8480	\$38	
2007	45	\$0.8684	\$39	
2008	45	\$0.8892	\$40	
2009	45	\$0.9105	\$41	
2010	45	\$0.9324	\$42	
2011	45	\$0.9548	\$43	
2012	45	\$0.9777	\$44	
2013	45	\$1.0011	\$45	
2014	45	\$1.0252	\$46	
2015	45	\$1.0498	\$47	
2016	45	\$1.0750	\$48	
2017	45	\$1.1008	\$50	
2018	45	\$1.1272	\$51	
2019	45	\$1.1542	\$52	
2020	45	\$1.1819	\$53	
2021	45	\$1.2103	\$54	
2022	45	\$1.2394	\$56	
2023	45	\$1.2691	\$57	
2024	45	\$1.2996	\$58	
2025	45	\$1.3307	\$60	

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	\$15.00	\$180.00	10.16%	\$18	
2007	\$15.00	\$180.00	10.16%	\$18	
2008	\$15.00	\$180.00	10.16%	\$18	
2009	\$15.00	\$180.00	10.16%	\$18	
2010	\$15.00	\$180.00	10.16%	\$18	
2011	\$15.00	\$180.00	10.16%	\$18	
2012	\$15.00	\$180.00	10.16%	\$18	
2013	\$15.00	\$180.00	10.16%	\$18	
2014	\$15.00	\$180.00	10.16%	\$18	
2015	\$15.00	\$180.00	10.16%	\$18	
2016	\$15.00	\$180.00	10.16%	\$18	
2017	\$15.00	\$180.00	10.16%	\$18	
2018	\$15.00	\$180.00	10.16%	\$18	
2019	\$15.00	\$180.00	10.16%	\$18	
2020	\$15.00	\$180.00	10.16%	\$18	
2021	\$15.00	\$180.00	10.16%	\$18	
2022	\$15.00	\$180.00	10.16%	\$18	
2023	\$15.00	\$180.00	10.16%	\$18	
2024	\$15.00	\$180.00	10.16%	\$18	
2025	\$15.00	\$180.00	10.16%	\$18	

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	\$500	\$285	\$975	8.64%	10.16%	\$9	
2007	\$49	\$137	\$486	\$276	\$948	8.64%	10.16%	\$8	
2008	\$48	\$134	\$472	\$267	\$921	8.64%	10.16%	\$8	
2009	\$47	\$131	\$458	\$258	\$894	8.64%	10.16%	\$8	
2010	\$46	\$128	\$445	\$249	\$868	8.64%	10.16%	\$8	
2011	\$45	\$125	\$432	\$241	\$843	8.64%	10.16%	\$7	
2012	\$44	\$122	\$419	\$233	\$818	8.64%	10.16%	\$7	
2013	\$43	\$119	\$407	\$225	\$794	8.64%	10.16%	\$7	
2014	\$42	\$116	\$395	\$218	\$771	8.64%	10.16%	\$7	
2015	\$41	\$113	\$384	\$211	\$749	8.64%	10.16%	\$7	
2016	\$40	\$110	\$373	\$204	\$727	8.64%	10.16%	\$6	
2017	\$39	\$107	\$362	\$197	\$705	8.64%	10.16%	\$6	
2018	\$38	\$104	\$352	\$190	\$684	8.64%	10.16%	\$6	
2019	\$37	\$101	\$342	\$184	\$664	8.64%	10.16%	\$6	
2020	\$36	\$98	\$332	\$178	\$644	8.64%	10.16%	\$6	
2021	\$35	\$96	\$322	\$172	\$625	8.64%	10.16%	\$5	
2022	\$34	\$94	\$313	\$166	\$607	8.64%	10.16%	\$5	
2023	\$33	\$92	\$304	\$161	\$590	8.64%	10.16%	\$5	
2024	\$32	\$90	\$295	\$156	\$573	8.64%	10.16%	\$5	
2025	\$31	\$88	\$286	\$151	\$556	8.64%	10.16%	\$5	

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 Ratio Adm. Cost	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio O&M Cost	Total Incremental Adm. & O&M Cost	
2006	\$0.85	\$10	10.16%	\$1.02	\$11.90	10.16%	\$1	\$2	
2007	\$0.87	\$10	10.16%	\$1.02	\$12.19	10.16%	\$1	\$2	
2008	\$0.89	\$11	10.16%	\$1.12	\$12.48	10.16%	\$1	\$2	
2009	\$0.91	\$11	10.16%	\$1.12	\$12.78	10.16%	\$1	\$2	
2010	\$0.93	\$11	10.16%	\$1.12	\$13.08	10.16%	\$1	\$2	
2011	\$0.96	\$11	10.16%	\$1.12	\$13.40	10.16%	\$1	\$2	
2012	\$0.98	\$12	10.16%	\$1.22	\$13.72	10.16%	\$1	\$3	
2013	\$1.00	\$12	10.16%	\$1.22	\$14.05	10.16%	\$1	\$3	
2014	\$1.03	\$12	10.16%	\$1.22	\$14.39	10.16%	\$1	\$3	
2015	\$1.05	\$13	10.16%	\$1.32	\$14.73	10.16%	\$1	\$3	
2016	\$1.08	\$13	10.16%	\$1.32	\$15.09	10.16%	\$2	\$3	
2017	\$1.10	\$13	10.16%	\$1.32	\$15.45	10.16%	\$2	\$3	
2018	\$1.13	\$14	10.16%	\$1.42	\$15.82	10.16%	\$2	\$3	
2019	\$1.16	\$14	10.16%	\$1.42	\$16.20	10.16%	\$2	\$3	
2020	\$1.18	\$14	10.16%	\$1.42	\$16.59	10.16%	\$2	\$3	
2021	\$1.21	\$15	10.16%	\$1.52	\$16.98	10.16%	\$2	\$3	
2022	\$1.24	\$15	10.16%	\$1.52	\$17.39	10.16%	\$2	\$3	
2023	\$1.27	\$15	10.16%	\$1.52	\$17.81	10.16%	\$2	\$3	
2024	\$1.30	\$16	10.16%	\$1.63	\$18.24	10.16%	\$2	\$3	
2025	\$1.33	\$16	10.16%	\$1.63	\$18.67	10.16%	\$2	\$4	

Table 5

Gas Costs				
	1	2	3	2*3
Year	Therms	Commodity Gas Supply Cost	Gas Supply Cost	
2006	45	\$0.8480	\$38	
2007	45	\$0.8684	\$39	
2008	45	\$0.8892	\$40	
2009	45	\$0.9105	\$41	
2010	45	\$0.9324	\$42	
2011	45	\$0.9548	\$43	
2012	45	\$0.9777	\$44	
2013	45	\$1.0011	\$45	
2014	45	\$1.0252	\$46	
2015	45	\$1.0498	\$47	
2016	45	\$1.0750	\$48	
2017	45	\$1.1008	\$50	
2018	45	\$1.1272	\$51	
2019	45	\$1.1542	\$52	
2020	45	\$1.1819	\$53	
2021	45	\$1.2103	\$54	
2022	45	\$1.2394	\$56	
2023	45	\$1.2691	\$57	
2024	45	\$1.2996	\$58	
2025	45	\$1.3307	\$60	

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 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	1.45	1.21
Gas Tankless Water Heating	\$525	1.32	1.20
Gas Heating	\$625	1.07	1.18
Gas Clothes Drying	\$100	1.29	1.32
Gas Cooking	\$100	1.26	1.30

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Storage Tank Water Heating

**Sebring Gas System - Energy Conservation Filing 2007
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				
1	2	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	\$159	\$127	\$61	\$877
2007	2	\$543	0	\$37	\$580	0	0	0	\$37	\$162	\$127	\$61	\$387
2008	3	\$550	0	\$38	\$588	0	0	0	\$38	\$166	\$127	\$61	\$391
2009	4	\$557	0	\$39	\$596	0	0	0	\$39	\$170	\$127	\$61	\$396
2010	5	\$564	0	\$40	\$604	0	0	0	\$40	\$174	\$127	\$61	\$401
2011	6	\$571	0	\$41	\$612	0	0	0	\$41	\$179	\$127	\$61	\$406
2012	7	\$578	0	\$42	\$620	0	0	0	\$42	\$183	\$127	\$61	\$412
2013	8	\$585	0	\$43	\$628	0	0	0	\$43	\$187	\$127	\$61	\$417
2014	9	\$592	0	\$44	\$636	0	0	0	\$44	\$192	\$127	\$61	\$423
2015	10	\$599	0	\$45	\$644	0	0	0	\$45	\$196	\$127	\$61	\$428
2016	11	\$607	0	\$46	\$652	0	0	0	\$46	\$201	\$127	\$61	\$434
2017	12	\$614	0	\$47	\$660	0	0	0	\$47	\$206	\$127	\$61	\$440
2018	13	\$621	0	\$48	\$669	0	0	0	\$48	\$211	\$127	\$61	\$446
2019	14	\$628	350	\$49	\$1,027	361	(438)	348	\$49	\$216	\$127	\$61	\$724
2020	15	\$635	0	\$50	\$685	0	0	0	\$50	\$221	\$127	\$61	\$459
2021	16	\$642	0	\$51	\$693	0	0	0	\$51	\$226	\$127	\$61	\$465
2022	17	\$649	0	\$53	\$702	0	0	0	\$53	\$232	\$127	\$61	\$472
2023	18	\$656	0	\$54	\$710	0	0	0	\$54	\$237	\$127	\$61	\$479
2024	19	\$663	0	\$55	\$718	0	0	0	\$55	\$243	\$127	\$61	\$486
2025	20	\$670	0	\$56	\$727	0	0	0	\$56	\$249	\$127	\$61	\$493

Present Value of Benefits \$6,775

Present Value of Costs \$4,668

Benefit/Cost Ratio	1.45
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**Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Replacement Program
Participants Test - Data**

Appliance Type
Storage Tank Water Heating

Escalation Rates			
O&M Expense	2.4%	Fuel Rate	2.4%
Electric Fuel Adj.	2.4%	Gas Base Rates	0.0%
		Elec 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	\$0.8480	170	10%	\$159
2007	\$0.8684	170	10%	\$162
2008	\$0.8892	170	10%	\$166
2009	\$0.9105	170	10%	\$170
2010	\$0.9324	170	10%	\$174
2011	\$0.9548	170	10%	\$179
2012	\$0.9777	170	10%	\$183
2013	\$1.0011	170	10%	\$187
2014	\$1.0252	170	10%	\$192
2015	\$1.0498	170	10%	\$196
2016	\$1.0750	170	10%	\$201
2017	\$1.1008	170	10%	\$206
2018	\$1.1272	170	10%	\$211
2019	\$1.1542	170	10%	\$216
2020	\$1.1819	170	10%	\$221
2021	\$1.2103	170	10%	\$226
2022	\$1.2394	170	10%	\$232
2023	\$1.2691	170	10%	\$237
2024	\$1.2996	170	10%	\$243
2025	\$1.3307	170	10%	\$249

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.6772	170	10%	\$127
2007	\$0.6772	170	10%	\$127
2008	\$0.6772	170	10%	\$127
2009	\$0.6772	170	10%	\$127
2010	\$0.6772	170	10%	\$127
2011	\$0.6772	170	10%	\$127
2012	\$0.6772	170	10%	\$127
2013	\$0.6772	170	10%	\$127
2014	\$0.6772	170	10%	\$127
2015	\$0.6772	170	10%	\$127
2016	\$0.6772	170	10%	\$127
2017	\$0.6772	170	10%	\$127
2018	\$0.6772	170	10%	\$127
2019	\$0.6772	170	10%	\$127
2020	\$0.6772	170	10%	\$127
2021	\$0.6772	170	10%	\$127
2022	\$0.6772	170	10%	\$127
2023	\$0.6772	170	10%	\$127
2024	\$0.6772	170	10%	\$127
2025	\$0.6772	170	10%	\$127

Gas Customer Charge - Table 4							
Year	Monthly Customer Charge	Annual Customer Charge	Appliance Annual Therms	Total Annual Therms	Ratio - Appliance to Total	Tax Rate	Pre-Rated Customer Charge
A	B	C	D	E	D/E	G	C*(D/E)*(1+Z)
2006	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2007	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2008	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2009	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2010	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2011	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2012	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2013	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2014	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2015	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2016	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2017	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2018	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2019	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2020	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2021	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2022	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2023	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2024	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2025	\$12.00	\$144.00	170	443	38.37%	10%	\$61

**Sebring Gas System - Energy Conservation Filing 2007
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		Table 5	Table 3	Table 4			
	1	2	3	4	2 thru 4	6	7	8	9	6 thru 9
2006	\$115	\$144	\$55	\$315	\$144	\$39	\$8	\$526.17	\$717	
2007	\$115	\$148	\$55	\$318	\$148	\$38	\$9	\$1.17	\$195	
2008	\$115	\$151	\$55	\$322	\$151	\$36	\$9	\$1.17	\$198	
2009	\$115	\$155	\$55	\$325	\$155	\$35	\$9	\$1.17	\$200	
2010	\$115	\$159	\$55	\$329	\$159	\$34	\$9	\$1.17	\$203	
2011	\$115	\$162	\$55	\$333	\$162	\$33	\$9	\$1.17	\$206	
2012	\$115	\$166	\$55	\$337	\$166	\$32	\$10	\$1.17	\$210	
2013	\$115	\$170	\$55	\$341	\$170	\$31	\$10	\$1.17	\$213	
2014	\$115	\$174	\$55	\$345	\$174	\$31	\$10	\$1.17	\$216	
2015	\$115	\$178	\$55	\$349	\$178	\$30	\$11	\$1.17	\$220	
2016	\$115	\$183	\$55	\$353	\$183	\$29	\$11	\$1.17	\$224	
2017	\$115	\$187	\$55	\$358	\$187	\$28	\$11	\$1.17	\$227	
2018	\$115	\$192	\$55	\$362	\$192	\$27	\$11	\$1.17	\$231	
2019	\$115	\$196	\$55	\$367	\$196	\$26	\$12	\$526.17	\$760	
2020	\$115	\$201	\$55	\$371	\$201	\$26	\$12	\$1.17	\$240	
2021	\$115	\$206	\$55	\$376	\$206	\$25	\$12	\$1.17	\$244	
2022	\$115	\$211	\$55	\$381	\$211	\$24	\$12	\$1.17	\$248	
2023	\$115	\$216	\$55	\$386	\$216	\$24	\$13	\$1.17	\$253	
2024	\$115	\$221	\$55	\$391	\$221	\$23	\$13	\$1.17	\$258	
2025	\$115	\$226	\$55	\$397	\$226	\$22	\$13	\$1.17	\$263	

Present Value
of Benefits

\$3,360

Present Value
of Costs

\$2,775

Benefit/Cost Ratio	1.21
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Sebring Gas System - Energy Conservation Filing 2007

Residential Appliance Replacement Program

RIM Test - Calculated Data

Appliance Type
Storage Tank Water Heating

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	170	\$0.6772	\$116
2007	170	\$0.6772	\$116
2008	170	\$0.6772	\$116
2009	170	\$0.6772	\$116
2010	170	\$0.6772	\$116
2011	170	\$0.6772	\$116
2012	170	\$0.6772	\$116
2013	170	\$0.6772	\$116
2014	170	\$0.6772	\$116
2015	170	\$0.6772	\$116
2016	170	\$0.6772	\$116
2017	170	\$0.6772	\$116
2018	170	\$0.6772	\$116
2019	170	\$0.6772	\$116
2020	170	\$0.6772	\$116
2021	170	\$0.6772	\$116
2022	170	\$0.6772	\$116
2023	170	\$0.6772	\$116
2024	170	\$0.6772	\$116
2025	170	\$0.6772	\$116

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	170	\$0.8480	\$144
2007	170	\$0.8684	\$148
2008	170	\$0.8892	\$161
2009	170	\$0.9105	\$166
2010	170	\$0.9324	\$169
2011	170	\$0.9548	\$162
2012	170	\$0.9777	\$166
2013	170	\$1.0011	\$170
2014	170	\$1.0252	\$174
2015	170	\$1.0498	\$178
2016	170	\$1.0750	\$183
2017	170	\$1.1008	\$187
2018	170	\$1.1272	\$192
2019	170	\$1.1542	\$196
2020	170	\$1.1819	\$201
2021	170	\$1.2103	\$206
2022	170	\$1.2394	\$211
2023	170	\$1.2691	\$216
2024	170	\$1.2996	\$221
2025	170	\$1.3307	\$226

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	\$12.00	\$144.00	38.37%	\$65
2007	\$12.00	\$144.00	38.37%	\$65
2008	\$12.00	\$144.00	38.37%	\$65
2009	\$12.00	\$144.00	38.37%	\$65
2010	\$12.00	\$144.00	38.37%	\$65
2011	\$12.00	\$144.00	38.37%	\$65
2012	\$12.00	\$144.00	38.37%	\$65
2013	\$12.00	\$144.00	38.37%	\$65
2014	\$12.00	\$144.00	38.37%	\$65
2015	\$12.00	\$144.00	38.37%	\$65
2016	\$12.00	\$144.00	38.37%	\$65
2017	\$12.00	\$144.00	38.37%	\$65
2018	\$12.00	\$144.00	38.37%	\$65
2019	\$12.00	\$144.00	38.37%	\$65
2020	\$12.00	\$144.00	38.37%	\$65
2021	\$12.00	\$144.00	38.37%	\$65
2022	\$12.00	\$144.00	38.37%	\$65
2023	\$12.00	\$144.00	38.37%	\$65
2024	\$12.00	\$144.00	38.37%	\$65
2025	\$12.00	\$144.00	38.37%	\$65

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	\$280	\$500	\$335	\$1,165	8.64%	38.37%	\$39
2007	\$49	\$273	\$486	\$324	\$1,132	8.64%	38.37%	\$38
2008	\$48	\$266	\$472	\$313	\$1,099	8.64%	38.37%	\$36
2009	\$47	\$259	\$458	\$303	\$1,067	8.64%	38.37%	\$35
2010	\$46	\$253	\$445	\$293	\$1,037	8.64%	38.37%	\$34
2011	\$45	\$247	\$432	\$283	\$1,007	8.64%	38.37%	\$33
2012	\$44	\$241	\$419	\$274	\$978	8.64%	38.37%	\$32
2013	\$43	\$235	\$407	\$265	\$950	8.64%	38.37%	\$31
2014	\$42	\$229	\$395	\$256	\$922	8.64%	38.37%	\$31
2015	\$41	\$223	\$384	\$248	\$896	8.64%	38.37%	\$30
2016	\$40	\$217	\$373	\$240	\$870	8.64%	38.37%	\$29
2017	\$39	\$212	\$362	\$232	\$845	8.64%	38.37%	\$28
2018	\$38	\$207	\$352	\$224	\$821	8.64%	38.37%	\$27
2019	\$37	\$202	\$342	\$217	\$798	8.64%	38.37%	\$26
2020	\$36	\$197	\$332	\$210	\$775	8.64%	38.37%	\$26
2021	\$35	\$192	\$322	\$203	\$752	8.64%	38.37%	\$25
2022	\$34	\$187	\$313	\$196	\$730	8.64%	38.37%	\$24
2023	\$33	\$182	\$304	\$190	\$709	8.64%	38.37%	\$24
2024	\$32	\$177	\$295	\$184	\$688	8.64%	38.37%	\$23
2025	\$31	\$173	\$286	\$178	\$668	8.64%	38.37%	\$22

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 Ratio	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio	Total Incremental Adm. & O&M Cost
2006	\$0.85	\$10	38.37%	\$3.84	\$11.90	38.37%	\$5	\$9
2007	\$0.87	\$10	38.37%	\$3.84	\$12.19	38.37%	\$5	\$9
2008	\$0.89	\$11	38.37%	\$4.22	\$12.48	38.37%	\$5	\$9
2009	\$0.91	\$11	38.37%	\$4.22	\$12.78	38.37%	\$5	\$9
2010	\$0.93	\$11	38.37%	\$4.22	\$13.08	38.37%	\$5	\$9
2011	\$0.96	\$11	38.37%	\$4.22	\$13.40	38.37%	\$5	\$9
2012	\$0.98	\$12	38.37%	\$4.60	\$13.72	38.37%	\$5	\$10
2013	\$1.00	\$12	38.37%	\$4.60	\$14.05	38.37%	\$5	\$10
2014	\$1.03	\$12	38.37%	\$4.60	\$14.39	38.37%	\$6	\$10
2015	\$1.05	\$13	38.37%	\$4.99	\$14.73	38.37%	\$6	\$11
2016	\$1.08	\$13	38.37%	\$4.99	\$15.09	38.37%	\$6	\$11
2017	\$1.10	\$13	38.37%	\$4.99	\$15.45	38.37%	\$6	\$11
2018	\$1.13	\$14	38.37%	\$5.37	\$15.82	38.37%	\$6	\$11
2019	\$1.16	\$14	38.37%	\$5.37	\$16.20	38.37%	\$6	\$12
2020	\$1.18	\$14	38.37%	\$5.37	\$16.59	38.37%	\$6	\$12
2021	\$1.21	\$15	38.37%	\$5.76	\$16.98	38.37%	\$7	\$12
2022	\$1.24	\$15	38.37%	\$5.76	\$17.39	38.37%	\$7	\$12
2023	\$1.27	\$15	38.37%	\$5.76	\$17.81	38.37%	\$7	\$13
2024	\$1.30	\$16	38.37%	\$6.14	\$18.24	38.37%	\$7	\$13
2025	\$1.33	\$16	38.37%	\$6.14	\$18.67	38.37%	\$7	\$13

Table 6

Gas Costs			
1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost
2006	170	0.8480	\$144
2007	170	\$0.8684	\$148
2008	170	\$0.8892	\$161
2009	170	\$0.9105	\$166
2010	170	\$0.9324	\$169
2011	170	\$0.9548	\$162
2012	170	\$0.9777	\$166
2013	170	\$1.0011	\$170
2014	170	\$1.0252	\$174
2015	170	\$1.0498	\$178
2016	170	\$1.0750	\$183
2017	170	\$1.1008	\$187
2018	170	\$1.1272	\$192
2019	170	\$1.1542	\$196
2020	170	\$1.1819	\$201
2021	170	\$1.2103	\$206
2022	170	\$1.2394	\$211
2023	170	\$1.2691	\$216
2024	170	\$1.2996	\$221
2025	170	\$1.3307	\$226

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Tankless Water Heating

**Sebring Gas System - Energy Conservation Filing 2007
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	\$140	\$112	\$56	\$1,480	
2007	2	\$543	0	\$37	\$580	0	0	0	\$37	\$143	\$112	\$56	\$348	
2008	3	\$550	0	\$38	\$588	0	0	0	\$38	\$147	\$112	\$56	\$352	
2009	4	\$557	0	\$39	\$596	0	0	0	\$39	\$150	\$112	\$56	\$357	
2010	5	\$564	0	\$40	\$604	0	0	0	\$40	\$154	\$112	\$56	\$361	
2011	6	\$571	0	\$41	\$612	0	0	0	\$41	\$158	\$112	\$56	\$366	
2012	7	\$578	0	\$42	\$620	0	0	0	\$42	\$161	\$112	\$56	\$371	
2013	8	\$585	0	\$43	\$628	0	0	0	\$43	\$165	\$112	\$56	\$376	
2014	9	\$592	0	\$44	\$636	0	0	0	\$44	\$169	\$112	\$56	\$381	
2015	10	\$599	0	\$45	\$644	0	0	0	\$45	\$173	\$112	\$56	\$386	
2016	11	\$607	0	\$46	\$652	0	0	0	\$46	\$177	\$112	\$56	\$391	
2017	12	\$614	0	\$47	\$660	0	0	0	\$47	\$182	\$112	\$56	\$396	
2018	13	\$621	0	\$48	\$669	0	0	0	\$48	\$186	\$112	\$56	\$402	
2019	14	\$628	0	\$49	\$677	0	0	0	\$49	\$190	\$112	\$56	\$407	
2020	15	\$635	0	\$50	\$685	0	0	0	\$50	\$195	\$112	\$56	\$413	
2021	16	\$642	0	\$51	\$693	0	0	0	\$51	\$200	\$112	\$56	\$419	
2022	17	\$649	0	\$53	\$702	0	0	0	\$53	\$204	\$112	\$56	\$425	
2023	18	\$656	0	\$54	\$710	0	0	0	\$54	\$209	\$112	\$56	\$431	
2024	19	\$663	0	\$55	\$718	0	0	0	\$55	\$214	\$112	\$56	\$438	
2025	20	\$670	450	\$56	\$1,177	1,527	(505)	562	\$56	\$220	\$112	\$56	\$2,028	

Present Value of Benefits \$6,753

Present Value of Costs \$5,099

Benefit/Cost Ratio	1.32
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	150	10.00%	\$140
2007	\$0.8684	150	10.00%	\$143
2008	\$0.8892	150	10.00%	\$147
2009	\$0.9105	150	10.00%	\$150
2010	\$0.9324	150	10.00%	\$154
2011	\$0.9548	150	10.00%	\$158
2012	\$0.9777	150	10.00%	\$161
2013	\$1.0011	150	10.00%	\$165
2014	\$1.0252	150	10.00%	\$169
2015	\$1.0498	150	10.00%	\$173
2016	\$1.0750	150	10.00%	\$177
2017	\$1.1008	150	10.00%	\$182
2018	\$1.1272	150	10.00%	\$186
2019	\$1.1542	150	10.00%	\$190
2020	\$1.1819	150	10.00%	\$195
2021	\$1.2103	150	10.00%	\$200
2022	\$1.2394	150	10.00%	\$204
2023	\$1.2691	150	10.00%	\$209
2024	\$1.2996	150	10.00%	\$214
2025	\$1.3307	150	10.00%	\$220

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.6772	150	10.00%	\$112
2007	\$0.6772	150	10.00%	\$112
2008	\$0.6772	150	10.00%	\$112
2009	\$0.6772	150	10.00%	\$112
2010	\$0.6772	150	10.00%	\$112
2011	\$0.6772	150	10.00%	\$112
2012	\$0.6772	150	10.00%	\$112
2013	\$0.6772	150	10.00%	\$112
2014	\$0.6772	150	10.00%	\$112
2015	\$0.6772	150	10.00%	\$112
2016	\$0.6772	150	10.00%	\$112
2017	\$0.6772	150	10.00%	\$112
2018	\$0.6772	150	10.00%	\$112
2019	\$0.6772	150	10.00%	\$112
2020	\$0.6772	150	10.00%	\$112
2021	\$0.6772	150	10.00%	\$112
2022	\$0.6772	150	10.00%	\$112
2023	\$0.6772	150	10.00%	\$112
2024	\$0.6772	150	10.00%	\$112
2025	\$0.6772	150	10.00%	\$112

Gas Customer Charge - Table 4							
Year	Monthly Customer Charge	Annual Customer Charge	Appliance Annual Therms	Total Annual Therms	Ratio - Appliances to Total	Tax Rate	Pro-Rated Customer Charge
A	B	C	D	E	D/E	G	C*(D/E)*(1+Z)
2006	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2007	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2008	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2009	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2010	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2011	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2012	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2013	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2014	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2015	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2016	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2017	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2018	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2019	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2020	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2021	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2022	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2023	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2024	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2025	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56

**Sebring Gas System - Energy Conservation Filing 2007
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
2002	\$102	\$127	\$51	\$280	\$127	\$36	\$8	\$526.17	\$697
2003	\$102	\$130	\$51	\$283	\$130	\$35	\$8	\$1.17	\$174
2004	\$102	\$133	\$51	\$286	\$133	\$34	\$8	\$1.17	\$177
2005	\$102	\$137	\$51	\$289	\$137	\$33	\$8	\$1.17	\$179
2006	\$102	\$140	\$51	\$293	\$140	\$32	\$9	\$1.17	\$181
2007	\$102	\$143	\$51	\$296	\$143	\$31	\$9	\$1.17	\$184
2008	\$102	\$147	\$51	\$299	\$147	\$30	\$9	\$1.17	\$187
2009	\$102	\$150	\$51	\$303	\$150	\$29	\$9	\$1.17	\$190
2010	\$102	\$154	\$51	\$306	\$154	\$28	\$9	\$1.17	\$193
2011	\$102	\$157	\$51	\$310	\$157	\$27	\$10	\$1.17	\$196
2012	\$102	\$161	\$51	\$314	\$161	\$27	\$10	\$1.17	\$199
2013	\$102	\$165	\$51	\$318	\$165	\$26	\$10	\$1.17	\$202
2014	\$102	\$169	\$51	\$322	\$169	\$25	\$11	\$1.17	\$206
2015	\$102	\$173	\$51	\$326	\$173	\$24	\$11	\$1.17	\$209
2016	\$102	\$177	\$51	\$330	\$177	\$24	\$11	\$1.17	\$213
2017	\$102	\$182	\$51	\$334	\$182	\$23	\$11	\$1.17	\$217
2018	\$102	\$186	\$51	\$339	\$186	\$22	\$11	\$1.17	\$221
2019	\$102	\$190	\$51	\$343	\$190	\$22	\$12	\$1.17	\$225
2020	\$102	\$195	\$51	\$348	\$195	\$21	\$12	\$1.17	\$229
2021	\$102	\$200	\$51	\$352	\$200	\$20	\$12	\$526.17	\$759

Present Value
of Benefits

\$2,987

Present Value
of Costs

\$2,479

Benefit/Cost Ratio	1.20
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Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Replacement Program
RIM Test - Calculated Data

Appliance Type	
Tankless Water Heating	

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy charge				
1	2	3	2'3	
Year	Therms	Base Rate	Total Charge	
2006	150	\$0.6772	\$102	
2007	150	\$0.6772	\$102	
2008	150	\$0.6772	\$102	
2009	150	\$0.6772	\$102	
2010	150	\$0.6772	\$102	
2011	150	\$0.6772	\$102	
2012	150	\$0.6772	\$102	
2013	150	\$0.6772	\$102	
2014	150	\$0.6772	\$102	
2015	150	\$0.6772	\$102	
2016	150	\$0.6772	\$102	
2017	150	\$0.6772	\$102	
2018	150	\$0.6772	\$102	
2019	150	\$0.6772	\$102	
2020	150	\$0.6772	\$102	
2021	150	\$0.6772	\$102	
2022	150	\$0.6772	\$102	
2023	150	\$0.6772	\$102	
2024	150	\$0.6772	\$102	
2025	150	\$0.6772	\$102	

Table 1a

Revenue - Cost of Gas				
1	2	4	2'3	
Year	Therms	Fuel Rate	Total Charge	
2006	150	\$0.8480	\$127	
2007	150	\$0.8684	\$130	
2008	150	\$0.8892	\$133	
2009	150	\$0.9105	\$137	
2010	150	\$0.9324	\$140	
2011	150	\$0.9548	\$143	
2012	150	\$0.9777	\$147	
2013	150	\$1.0011	\$150	
2014	150	\$1.0252	\$154	
2015	150	\$1.0498	\$157	
2016	150	\$1.0750	\$161	
2017	150	\$1.1008	\$165	
2018	150	\$1.1272	\$169	
2019	150	\$1.1542	\$173	
2020	150	\$1.1819	\$177	
2021	150	\$1.2103	\$182	
2022	150	\$1.2394	\$186	
2023	150	\$1.2691	\$190	
2024	150	\$1.2996	\$195	
2025	150	\$1.3307	\$200	

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	\$12.00	\$144.00	35.46%	\$61	
2007	\$12.00	\$144.00	35.46%	\$61	
2008	\$12.00	\$144.00	35.46%	\$61	
2009	\$12.00	\$144.00	35.46%	\$61	
2010	\$12.00	\$144.00	35.46%	\$61	
2011	\$12.00	\$144.00	35.46%	\$61	
2012	\$12.00	\$144.00	35.46%	\$61	
2013	\$12.00	\$144.00	35.46%	\$61	
2014	\$12.00	\$144.00	35.46%	\$61	
2015	\$12.00	\$144.00	35.46%	\$61	
2016	\$12.00	\$144.00	35.46%	\$61	
2017	\$12.00	\$144.00	35.46%	\$61	
2018	\$12.00	\$144.00	35.46%	\$61	
2019	\$12.00	\$144.00	35.46%	\$61	
2020	\$12.00	\$144.00	35.46%	\$61	
2021	\$12.00	\$144.00	35.46%	\$61	
2022	\$12.00	\$144.00	35.46%	\$61	
2023	\$12.00	\$144.00	35.46%	\$61	
2024	\$12.00	\$144.00	35.46%	\$61	
2025	\$12.00	\$144.00	35.46%	\$61	

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	\$280	\$500	\$335	\$1,165	8.64%	35.46%	\$36
2007	\$49	\$273	\$486	\$324	\$1,132	8.64%	35.46%	\$36
2008	\$48	\$266	\$472	\$313	\$1,099	8.64%	35.46%	\$34
2009	\$47	\$259	\$458	\$303	\$1,067	8.64%	35.46%	\$33
2010	\$46	\$253	\$445	\$293	\$1,037	8.64%	35.46%	\$32
2011	\$45	\$247	\$432	\$283	\$1,007	8.64%	35.46%	\$31
2012	\$44	\$241	\$419	\$274	\$978	8.64%	35.46%	\$30
2013	\$43	\$235	\$407	\$265	\$950	8.64%	35.46%	\$29
2014	\$42	\$229	\$395	\$256	\$922	8.64%	35.46%	\$28
2015	\$41	\$223	\$384	\$248	\$896	8.64%	35.46%	\$27
2016	\$40	\$217	\$373	\$240	\$870	8.64%	35.46%	\$27
2017	\$39	\$212	\$362	\$232	\$845	8.64%	35.46%	\$26
2018	\$38	\$207	\$352	\$224	\$821	8.64%	35.46%	\$25
2019	\$37	\$202	\$342	\$217	\$798	8.64%	35.46%	\$24
2020	\$36	\$197	\$332	\$210	\$775	8.64%	35.46%	\$24
2021	\$35	\$192	\$322	\$203	\$752	8.64%	35.46%	\$23
2022	\$34	\$187	\$313	\$196	\$730	8.64%	35.46%	\$22
2023	\$33	\$182	\$304	\$190	\$709	8.64%	35.46%	\$22
2024	\$32	\$177	\$295	\$184	\$688	8.64%	35.46%	\$21
2025	\$31	\$173	\$286	\$178	\$668	8.64%	35.46%	\$20

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 Annual Ratio	Annual O&M Cost	Ratio Therms To Annual Ratio	Annual O&M Cost	Ratio Therms To Annual Ratio	Annual O&M Cost	Adm. & O&M Cost
2006	\$0.85	\$10	35.46%	\$3.55	\$11.90	35.46%	\$4	\$8	
2007	\$0.87	\$10	35.46%	\$3.55	\$12.19	35.46%	\$4	\$8	
2008	\$0.89	\$11	35.46%	\$3.90	\$12.48	35.46%	\$4	\$8	
2009	\$0.91	\$11	35.46%	\$3.90	\$12.78	35.46%	\$5	\$8	
2010	\$0.93	\$11	35.46%	\$3.90	\$13.08	35.46%	\$5	\$9	
2011	\$0.96	\$11	35.46%	\$3.90	\$13.40	35.46%	\$5	\$9	
2012	\$0.98	\$12	35.46%	\$4.26	\$13.72	35.46%	\$5	\$9	
2013	\$1.00	\$12	35.46%	\$4.26	\$14.05	35.46%	\$5	\$9	
2014	\$1.03	\$12	35.46%	\$4.26	\$14.39	35.46%	\$5	\$9	
2015	\$1.05	\$13	35.46%	\$4.61	\$14.73	35.46%	\$5	\$10	
2016	\$1.08	\$13	35.46%	\$4.61	\$15.09	35.46%	\$5	\$10	
2017	\$1.10	\$13	35.46%	\$4.61	\$15.45	35.46%	\$5	\$10	
2018	\$1.13	\$14	35.46%	\$4.96	\$15.82	35.46%	\$6	\$11	
2019	\$1.16	\$14	35.46%	\$4.96	\$16.20	35.46%	\$6	\$11	
2020	\$1.18	\$14	35.46%	\$4.96	\$16.59	35.46%	\$6	\$11	
2021	\$1.21	\$15	35.46%	\$5.32	\$16.98	35.46%	\$6	\$11	
2022	\$1.24	\$15	35.46%	\$5.32	\$17.39	35.46%	\$6	\$11	
2023	\$1.27	\$15	35.46%	\$5.32	\$17.81	35.46%	\$6	\$12	
2024	\$1.30	\$16	35.46%	\$5.67	\$18.24	35.46%	\$6	\$12	
2025	\$1.33	\$16	35.46%	\$5.67	\$18.67	35.46%	\$7	\$12	

Table 5

Gas Costs				
1	2	3	2'3	
Year	Therms	Gas Supply Rate	Gas Supply Cost	
2006	150	0.8480	\$127	
2007	150	\$0.8684	\$130	
2008	150	\$0.8892	\$133	
2009	150	\$0.9105	\$137	
2010	150	\$0.9324	\$140	
2011	150	\$0.9548	\$143	
2012	150	\$0.9777	\$147	
2013	150	\$1.0011	\$150	
2014	150	\$1.0252	\$154	
2015	150	\$1.0498	\$157	
2016	150	\$1.0750	\$161	
2017	150	\$1.1008	\$165	
2018	150	\$1.1272	\$169	
2019	150	\$1.1542	\$173	
2020	150	\$1.1819	\$177	
2021	150	\$1.2103	\$182	
2022	150	\$1.2394	\$186	
2023	150	\$1.2691	\$190	
2024	150	\$1.2996	\$195	
2025	150	\$1.3307	\$200	

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Heating Systems

**Sebring Gas System - Energy Conservation Filing 2007
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		
1	2	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	\$166	\$133	\$64	\$841	
2007	2	\$358	0	\$197	\$555	0	0	0	\$197	\$170	\$133	\$64	\$563	
2008	3	\$363	0	\$201	\$564	0	0	0	\$201	\$174	\$133	\$64	\$572	
2009	4	\$368	0	\$206	\$574	0	0	0	\$206	\$178	\$133	\$64	\$581	
2010	5	\$372	0	\$211	\$583	0	0	0	\$211	\$183	\$133	\$64	\$590	
2011	6	\$377	0	\$216	\$593	0	0	0	\$216	\$187	\$133	\$64	\$599	
2012	7	\$382	0	\$221	\$603	0	0	0	\$221	\$191	\$133	\$64	\$609	
2013	8	\$386	0	\$227	\$613	0	0	0	\$227	\$196	\$133	\$64	\$619	
2014	9	\$391	0	\$232	\$623	0	0	0	\$232	\$201	\$133	\$64	\$629	
2015	10	\$396	0	\$238	\$633	0	0	0	\$238	\$206	\$133	\$64	\$639	
2016	11	\$400	0	\$243	\$644	0	0	0	\$243	\$210	\$133	\$64	\$650	
2017	12	\$405	0	\$249	\$654	0	0	0	\$249	\$216	\$133	\$64	\$661	
2018	13	\$410	0	\$255	\$665	0	0	0	\$255	\$221	\$133	\$64	\$672	
2019	14	\$414	0	\$261	\$676	0	0	0	\$261	\$226	\$133	\$64	\$684	
2020	15	\$419	350	\$268	\$1,037	2,929	(5,495)	2,352	\$268	\$231	\$133	\$64	\$481	
2021	16	\$424	0	\$274	\$698	0	0	0	\$274	\$237	\$133	\$64	\$707	
2022	17	\$428	0	\$281	\$709	0	0	0	\$281	\$243	\$133	\$64	\$720	
2023	18	\$433	0	\$287	\$720	0	0	0	\$287	\$248	\$133	\$64	\$732	
2024	19	\$438	0	\$294	\$732	0	0	0	\$294	\$254	\$133	\$64	\$745	
2025	20	\$442	0	\$301	\$744	0	0	0	\$301	\$261	\$133	\$64	\$758	

Present Value of Benefits \$6,730

Present Value of Costs \$6,314

Benefit/Cost Ratio	1.07
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	178	10.00%	\$166
2007	\$0.8684	178	10.00%	\$170
2008	\$0.8892	178	10.00%	\$174
2009	\$0.9105	178	10.00%	\$178
2010	\$0.9324	178	10.00%	\$183
2011	\$0.9548	178	10.00%	\$187
2012	\$0.9777	178	10.00%	\$191
2013	\$1.0011	178	10.00%	\$196
2014	\$1.0252	178	10.00%	\$201
2015	\$1.0498	178	10.00%	\$206
2016	\$1.0750	178	10.00%	\$210
2017	\$1.1008	178	10.00%	\$216
2018	\$1.1272	178	10.00%	\$221
2019	\$1.1542	178	10.00%	\$226
2020	\$1.1819	178	10.00%	\$231
2021	\$1.2103	178	10.00%	\$237
2022	\$1.2394	178	10.00%	\$243
2023	\$1.2691	178	10.00%	\$248
2024	\$1.2996	178	10.00%	\$254
2025	\$1.3307	178	10.00%	\$261

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.6772	178	10.00%	\$133
2007	\$0.6772	178	10.00%	\$133
2008	\$0.6772	178	10.00%	\$133
2009	\$0.6772	178	10.00%	\$133
2010	\$0.6772	178	10.00%	\$133
2011	\$0.6772	178	10.00%	\$133
2012	\$0.6772	178	10.00%	\$133
2013	\$0.6772	178	10.00%	\$133
2014	\$0.6772	178	10.00%	\$133
2015	\$0.6772	178	10.00%	\$133
2016	\$0.6772	178	10.00%	\$133
2017	\$0.6772	178	10.00%	\$133
2018	\$0.6772	178	10.00%	\$133
2019	\$0.6772	178	10.00%	\$133
2020	\$0.6772	178	10.00%	\$133
2021	\$0.6772	178	10.00%	\$133
2022	\$0.6772	178	10.00%	\$133
2023	\$0.6772	178	10.00%	\$133
2024	\$0.6772	178	10.00%	\$133
2025	\$0.6772	178	10.00%	\$133

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	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2007	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2008	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2009	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2010	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2011	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2012	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2013	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2014	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2015	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2016	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2017	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2018	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2019	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2020	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2021	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2022	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2023	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2024	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2025	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64

**Sebring Gas System - Energy Conservation Filing 2007
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	\$121	\$151	\$58	\$329	\$151	\$40	\$9	\$626.22	\$826	
2007	\$121	\$155	\$58	\$333	\$155	\$39	\$9	\$1.22	\$204	
2008	\$121	\$158	\$58	\$337	\$158	\$38	\$9	\$1.22	\$207	
2009	\$121	\$162	\$58	\$340	\$162	\$37	\$10	\$1.22	\$210	
2010	\$121	\$166	\$58	\$344	\$166	\$36	\$10	\$1.22	\$213	
2011	\$121	\$170	\$58	\$348	\$170	\$35	\$10	\$1.22	\$216	
2012	\$121	\$174	\$58	\$352	\$174	\$34	\$10	\$1.22	\$220	
2013	\$121	\$178	\$58	\$357	\$178	\$33	\$10	\$1.22	\$223	
2014	\$121	\$182	\$58	\$361	\$182	\$32	\$11	\$1.22	\$226	
2015	\$121	\$187	\$58	\$365	\$187	\$31	\$11	\$1.22	\$230	
2016	\$121	\$191	\$58	\$370	\$191	\$30	\$11	\$1.22	\$234	
2017	\$121	\$196	\$58	\$374	\$196	\$29	\$11	\$1.22	\$238	
2018	\$121	\$201	\$58	\$379	\$201	\$29	\$12	\$1.22	\$242	
2019	\$121	\$205	\$58	\$384	\$205	\$28	\$12	\$1.22	\$247	
2020	\$121	\$210	\$58	\$389	\$210	\$27	\$12	\$626.22	\$876	
2021	\$121	\$215	\$58	\$394	\$215	\$26	\$13	\$1.22	\$256	
2022	\$121	\$221	\$58	\$399	\$221	\$25	\$13	\$1.22	\$260	
2023	\$121	\$226	\$58	\$404	\$226	\$25	\$13	\$1.22	\$265	
2024	\$121	\$231	\$58	\$410	\$231	\$24	\$14	\$1.22	\$270	
2025	\$121	\$237	\$58	\$415	\$237	\$23	\$14	\$1.22	\$275	

Present Value
of Benefits \$3,518

Present Value
of Costs \$2,985

Benefit/Cost Ratio	1.18
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**Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Replacement Program
RIM Test - Calculated Data**

Appliance Type
Heating System

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	178	\$0.6772	\$121
2007	178	\$0.6772	\$121
2008	178	\$0.6772	\$121
2009	178	\$0.6772	\$121
2010	178	\$0.6772	\$121
2011	178	\$0.6772	\$121
2012	178	\$0.6772	\$121
2013	178	\$0.6772	\$121
2014	178	\$0.6772	\$121
2015	178	\$0.6772	\$121
2016	178	\$0.6772	\$121
2017	178	\$0.6772	\$121
2018	178	\$0.6772	\$121
2019	178	\$0.6772	\$121
2020	178	\$0.6772	\$121
2021	178	\$0.6772	\$121
2022	178	\$0.6772	\$121
2023	178	\$0.6772	\$121
2024	178	\$0.6772	\$121
2025	178	\$0.6772	\$121

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	178	\$0.8480	\$161
2007	178	\$0.8684	\$165
2008	178	\$0.8892	\$168
2009	178	\$0.9105	\$162
2010	178	\$0.9324	\$166
2011	178	\$0.9548	\$170
2012	178	\$0.9777	\$174
2013	178	\$1.0011	\$178
2014	178	\$1.0252	\$182
2015	178	\$1.0488	\$187
2016	178	\$1.0750	\$191
2017	178	\$1.1008	\$196
2018	178	\$1.1272	\$201
2019	178	\$1.1542	\$205
2020	178	\$1.1819	\$210
2021	178	\$1.2103	\$215
2022	178	\$1.2394	\$221
2023	178	\$1.2691	\$226
2024	178	\$1.2996	\$231
2025	178	\$1.3307	\$237

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	\$12.00	\$144.00	40.18%	\$68
2007	\$12.00	\$144.00	40.18%	\$68
2008	\$12.00	\$144.00	40.18%	\$68
2009	\$12.00	\$144.00	40.18%	\$68
2010	\$12.00	\$144.00	40.18%	\$68
2011	\$12.00	\$144.00	40.18%	\$68
2012	\$12.00	\$144.00	40.18%	\$68
2013	\$12.00	\$144.00	40.18%	\$68
2014	\$12.00	\$144.00	40.18%	\$68
2015	\$12.00	\$144.00	40.18%	\$68
2016	\$12.00	\$144.00	40.18%	\$68
2017	\$12.00	\$144.00	40.18%	\$68
2018	\$12.00	\$144.00	40.18%	\$68
2019	\$12.00	\$144.00	40.18%	\$68
2020	\$12.00	\$144.00	40.18%	\$68
2021	\$12.00	\$144.00	40.18%	\$68
2022	\$12.00	\$144.00	40.18%	\$68
2023	\$12.00	\$144.00	40.18%	\$68
2024	\$12.00	\$144.00	40.18%	\$68
2025	\$12.00	\$144.00	40.18%	\$68

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	\$280	\$500	\$335	\$1,165	8.64%	40.18%	\$40
2007	\$49	\$273	\$486	\$324	\$1,132	8.64%	40.18%	\$39
2008	\$48	\$266	\$472	\$313	\$1,099	8.64%	40.18%	\$38
2009	\$47	\$259	\$458	\$303	\$1,067	8.64%	40.18%	\$37
2010	\$46	\$253	\$445	\$293	\$1,037	8.64%	40.18%	\$36
2011	\$45	\$247	\$432	\$283	\$1,007	8.64%	40.18%	\$35
2012	\$44	\$241	\$419	\$274	\$978	8.64%	40.18%	\$34
2013	\$43	\$235	\$407	\$265	\$950	8.64%	40.18%	\$33
2014	\$42	\$229	\$395	\$256	\$922	8.64%	40.18%	\$32
2015	\$41	\$223	\$384	\$248	\$896	8.64%	40.18%	\$31
2016	\$40	\$217	\$373	\$240	\$870	8.64%	40.18%	\$30
2017	\$39	\$212	\$362	\$232	\$845	8.64%	40.18%	\$29
2018	\$38	\$207	\$352	\$224	\$821	8.64%	40.18%	\$29
2019	\$37	\$202	\$342	\$217	\$798	8.64%	40.18%	\$28
2020	\$36	\$197	\$332	\$210	\$775	8.64%	40.18%	\$27
2021	\$35	\$192	\$322	\$203	\$752	8.64%	40.18%	\$26
2022	\$34	\$187	\$313	\$196	\$730	8.64%	40.18%	\$25
2023	\$33	\$182	\$304	\$190	\$709	8.64%	40.18%	\$25
2024	\$32	\$177	\$295	\$184	\$688	8.64%	40.18%	\$24
2025	\$31	\$173	\$286	\$178	\$668	8.64%	40.18%	\$23

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 Ratio Adm. Cost	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio O&M Cost	Total Incremental Adm. & O&M Cost
2006	\$0.85	\$10	40.18%	\$4.02	\$11.90	40.18%	\$5	\$9
2007	\$0.87	\$10	40.18%	\$4.02	\$12.19	40.18%	\$5	\$9
2008	\$0.89	\$11	40.18%	\$4.42	\$12.48	40.18%	\$5	\$9
2009	\$0.91	\$11	40.18%	\$4.42	\$12.78	40.18%	\$5	\$10
2010	\$0.93	\$11	40.18%	\$4.42	\$13.08	40.18%	\$5	\$10
2011	\$0.96	\$11	40.18%	\$4.42	\$13.40	40.18%	\$5	\$10
2012	\$0.98	\$12	40.18%	\$4.82	\$13.72	40.18%	\$6	\$10
2013	\$1.00	\$12	40.18%	\$4.82	\$14.05	40.18%	\$6	\$10
2014	\$1.03	\$12	40.18%	\$4.82	\$14.39	40.18%	\$6	\$11
2015	\$1.05	\$13	40.18%	\$5.22	\$14.73	40.18%	\$6	\$11
2016	\$1.08	\$13	40.18%	\$5.22	\$15.09	40.18%	\$6	\$11
2017	\$1.10	\$13	40.18%	\$5.22	\$15.45	40.18%	\$6	\$11
2018	\$1.13	\$14	40.18%	\$5.63	\$15.82	40.18%	\$6	\$12
2019	\$1.16	\$14	40.18%	\$5.63	\$16.20	40.18%	\$7	\$12
2020	\$1.18	\$14	40.18%	\$5.63	\$16.59	40.18%	\$7	\$12
2021	\$1.21	\$15	40.18%	\$6.03	\$16.98	40.18%	\$7	\$13
2022	\$1.24	\$15	40.18%	\$6.03	\$17.39	40.18%	\$7	\$13
2023	\$1.27	\$15	40.18%	\$6.03	\$17.81	40.18%	\$7	\$13
2024	\$1.30	\$16	40.18%	\$6.43	\$18.24	40.18%	\$7	\$14
2025	\$1.33	\$16	40.18%	\$6.43	\$18.67	40.18%	\$8	\$14

Table 5

Gas Costs			
1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost
2006	178	0.8480	\$161
2007	178	\$0.8684	\$165
2008	178	\$0.8892	\$168
2009	178	\$0.9105	\$162
2010	178	\$0.9324	\$166
2011	178	\$0.9548	\$170
2012	178	\$0.9777	\$174
2013	178	\$1.0011	\$178
2014	178	\$1.0252	\$182
2015	178	\$1.0488	\$187
2016	178	\$1.0750	\$191
2017	178	\$1.1008	\$196
2018	178	\$1.1272	\$201
2019	178	\$1.1542	\$205
2020	178	\$1.1819	\$210
2021	178	\$1.2103	\$215
2022	178	\$1.2394	\$221
2023	178	\$1.2691	\$226
2024	178	\$1.2996	\$231
2025	178	\$1.3307	\$237

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Clothes Drying Appliances

**Sebring Gas System - Energy Conservation Filing 2007
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	\$47	\$37	\$18	\$413	
2006	2	\$167	0	\$37	\$203	0	0	0	\$37	\$48	\$37	\$18	\$140	
2007	3	\$169	0	\$38	\$207	0	0	0	\$38	\$49	\$37	\$18	\$142	
2008	4	\$171	0	\$39	\$210	0	0	0	\$39	\$50	\$37	\$18	\$144	
2009	5	\$173	0	\$40	\$213	0	0	0	\$40	\$51	\$37	\$18	\$146	
2010	6	\$175	0	\$41	\$216	0	0	0	\$41	\$53	\$37	\$18	\$148	
2011	7	\$177	0	\$42	\$219	0	0	0	\$42	\$54	\$37	\$18	\$150	
2012	8	\$180	0	\$43	\$222	0	0	0	\$43	\$55	\$37	\$18	\$153	
2013	9	\$182	0	\$44	\$225	0	0	0	\$44	\$56	\$37	\$18	\$155	
2014	10	\$184	0	\$45	\$229	0	0	0	\$45	\$58	\$37	\$18	\$157	
2015	11	\$186	0	\$46	\$232	0	0	0	\$46	\$59	\$37	\$18	\$160	
2016	12	\$188	0	\$47	\$235	0	0	0	\$47	\$61	\$37	\$18	\$162	
2017	13	\$191	100	\$48	\$338	516	(618)	204	\$48	\$62	\$37	\$18	\$267	
2018	14	\$193	0	\$49	\$242	0	0	0	\$49	\$63	\$37	\$18	\$168	
2019	15	\$195	0	\$50	\$245	0	0	0	\$50	\$65	\$37	\$18	\$170	
2020	16	\$197	0	\$51	\$248	0	0	0	\$51	\$67	\$37	\$18	\$173	
2021	17	\$199	0	\$53	\$252	0	0	0	\$53	\$68	\$37	\$18	\$176	
2022	18	\$201	0	\$54	\$255	0	0	0	\$54	\$70	\$37	\$18	\$179	
2023	19	\$204	0	\$55	\$259	0	0	0	\$55	\$71	\$37	\$18	\$182	
2024	20	\$206	0	\$56	\$262	0	0	0	\$56	\$73	\$37	\$18	\$185	

Present Value of Benefits \$2,315

Present Value of Costs \$1,800

Benefit/Cost Ratio	1.29
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	50	10.00%	\$47
2007	\$0.8684	50	10.00%	\$48
2008	\$0.8892	50	10.00%	\$49
2009	\$0.9105	50	10.00%	\$50
2010	\$0.9324	50	10.00%	\$51
2011	\$0.9548	50	10.00%	\$53
2012	\$0.9777	50	10.00%	\$54
2013	\$1.0011	50	10.00%	\$55
2014	\$1.0252	50	10.00%	\$56
2015	\$1.0498	50	10.00%	\$58
2016	\$1.0750	50	10.00%	\$59
2017	\$1.1008	50	10.00%	\$61
2018	\$1.1272	50	10.00%	\$62
2019	\$1.1542	50	10.00%	\$63
2020	\$1.1819	50	10.00%	\$65
2021	\$1.2103	50	10.00%	\$67
2022	\$1.2394	50	10.00%	\$68
2023	\$1.2691	50	10.00%	\$70
2024	\$1.2996	50	10.00%	\$71
2025	\$1.3307	50	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	\$0.6772	50	10.00%	\$37
2007	\$0.6772	50	10.00%	\$37
2008	\$0.6772	50	10.00%	\$37
2009	\$0.6772	50	10.00%	\$37
2010	\$0.6772	50	10.00%	\$37
2011	\$0.6772	50	10.00%	\$37
2012	\$0.6772	50	10.00%	\$37
2013	\$0.6772	50	10.00%	\$37
2014	\$0.6772	50	10.00%	\$37
2015	\$0.6772	50	10.00%	\$37
2016	\$0.6772	50	10.00%	\$37
2017	\$0.6772	50	10.00%	\$37
2018	\$0.6772	50	10.00%	\$37
2019	\$0.6772	50	10.00%	\$37
2020	\$0.6772	50	10.00%	\$37
2021	\$0.6772	50	10.00%	\$37
2022	\$0.6772	50	10.00%	\$37
2023	\$0.6772	50	10.00%	\$37
2024	\$0.6772	50	10.00%	\$37
2025	\$0.6772	50	10.00%	\$37

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	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2007	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2008	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2009	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2010	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2011	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2012	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2013	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2014	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2015	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2016	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2017	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2018	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2019	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2020	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2021	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2022	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2023	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2024	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18
2025	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18

**Sebring Gas System - Energy Conservation Filing 2007
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		Table 5	Table 3	Table 4			
	1	2	3	4	2 thru 4	6	7	8	9	6 thru 9
2006	\$34	\$42	\$16	\$93	\$42	\$11	\$2	\$100.34	\$157	
2007	\$34	\$43	\$16	\$94	\$43	\$11	\$3	\$0.34	\$57	
2008	\$34	\$44	\$16	\$95	\$44	\$11	\$3	\$0.34	\$58	
2009	\$34	\$46	\$16	\$96	\$46	\$10	\$3	\$0.34	\$59	
2010	\$34	\$47	\$16	\$97	\$47	\$10	\$3	\$0.34	\$60	
2011	\$34	\$48	\$16	\$98	\$48	\$10	\$3	\$0.34	\$61	
2012	\$34	\$49	\$16	\$99	\$49	\$10	\$3	\$0.34	\$62	
2013	\$34	\$50	\$16	\$100	\$50	\$9	\$3	\$0.34	\$63	
2014	\$34	\$51	\$16	\$101	\$51	\$9	\$3	\$0.34	\$64	
2015	\$34	\$52	\$16	\$103	\$52	\$9	\$3	\$0.34	\$65	
2016	\$34	\$54	\$16	\$104	\$54	\$8	\$3	\$0.34	\$66	
2017	\$34	\$55	\$16	\$105	\$55	\$8	\$3	\$0.34	\$67	
2018	\$34	\$56	\$16	\$106	\$56	\$8	\$3	\$100.34	\$168	
2019	\$34	\$58	\$16	\$108	\$58	\$8	\$3	\$0.34	\$69	
2020	\$34	\$59	\$16	\$109	\$59	\$8	\$3	\$0.34	\$70	
2021	\$34	\$61	\$16	\$111	\$61	\$7	\$4	\$0.34	\$72	
2022	\$34	\$62	\$16	\$112	\$62	\$7	\$4	\$0.34	\$73	
2023	\$34	\$63	\$16	\$114	\$63	\$7	\$4	\$0.34	\$74	
2024	\$34	\$65	\$16	\$115	\$65	\$7	\$4	\$0.34	\$76	
2025	\$34	\$67	\$16	\$117	\$67	\$7	\$4	\$0.34	\$77	

Present Value
of Benefits

\$988

Present Value
of Costs

\$750

Benefit/Cost Ratio

1.32

**Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Replacement Program
RIM Test - Calculated Data**

Appliance Type
Clothes Drying

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M/Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	50	\$0.6772	\$34
2007	50	\$0.6772	\$34
2008	50	\$0.6772	\$34
2009	50	\$0.6772	\$34
2010	50	\$0.6772	\$34
2011	50	\$0.6772	\$34
2012	50	\$0.6772	\$34
2013	50	\$0.6772	\$34
2014	50	\$0.6772	\$34
2015	50	\$0.6772	\$34
2016	50	\$0.6772	\$34
2017	50	\$0.6772	\$34
2018	50	\$0.6772	\$34
2019	50	\$0.6772	\$34
2020	50	\$0.6772	\$34
2021	50	\$0.6772	\$34
2022	50	\$0.6772	\$34
2023	50	\$0.6772	\$34
2024	50	\$0.6772	\$34
2025	50	\$0.6772	\$34

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	50	\$0.8480	\$42
2007	50	\$0.8684	\$43
2008	50	\$0.8892	\$44
2009	50	\$0.9105	\$46
2010	50	\$0.9324	\$47
2011	50	\$0.9548	\$48
2012	50	\$0.9777	\$49
2013	50	\$1.0011	\$50
2014	50	\$1.0252	\$51
2015	50	\$1.0498	\$52
2016	50	\$1.0750	\$54
2017	50	\$1.1008	\$56
2018	50	\$1.1272	\$56
2019	50	\$1.1542	\$58
2020	50	\$1.1819	\$59
2021	50	\$1.2103	\$61
2022	50	\$1.2394	\$62
2023	50	\$1.2691	\$63
2024	50	\$1.2996	\$66
2025	50	\$1.3307	\$67

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	\$12.00	\$144.00	11.29%	\$16
2007	\$12.00	\$144.00	11.29%	\$16
2008	\$12.00	\$144.00	11.29%	\$16
2009	\$12.00	\$144.00	11.29%	\$16
2010	\$12.00	\$144.00	11.29%	\$16
2011	\$12.00	\$144.00	11.29%	\$16
2012	\$12.00	\$144.00	11.29%	\$16
2013	\$12.00	\$144.00	11.29%	\$16
2014	\$12.00	\$144.00	11.29%	\$16
2015	\$12.00	\$144.00	11.29%	\$16
2016	\$12.00	\$144.00	11.29%	\$16
2017	\$12.00	\$144.00	11.29%	\$16
2018	\$12.00	\$144.00	11.29%	\$16
2019	\$12.00	\$144.00	11.29%	\$16
2020	\$12.00	\$144.00	11.29%	\$16
2021	\$12.00	\$144.00	11.29%	\$16
2022	\$12.00	\$144.00	11.29%	\$16
2023	\$12.00	\$144.00	11.29%	\$16
2024	\$12.00	\$144.00	11.29%	\$16
2025	\$12.00	\$144.00	11.29%	\$16

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	\$280	\$500	\$335	\$1,165	8.64%	11.29%	\$11
2007	\$49	\$273	\$486	\$324	\$1,132	8.64%	11.29%	\$11
2008	\$48	\$266	\$472	\$313	\$1,099	8.64%	11.29%	\$11
2009	\$47	\$259	\$458	\$303	\$1,067	8.64%	11.29%	\$10
2010	\$46	\$253	\$445	\$293	\$1,037	8.64%	11.29%	\$10
2011	\$45	\$247	\$432	\$283	\$1,007	8.64%	11.29%	\$10
2012	\$44	\$241	\$419	\$274	\$978	8.64%	11.29%	\$10
2013	\$43	\$235	\$407	\$265	\$950	8.64%	11.29%	\$9
2014	\$42	\$229	\$395	\$256	\$922	8.64%	11.29%	\$9
2015	\$41	\$223	\$384	\$248	\$896	8.64%	11.29%	\$9
2016	\$40	\$217	\$373	\$240	\$870	8.64%	11.29%	\$8
2017	\$39	\$212	\$362	\$232	\$845	8.64%	11.29%	\$8
2018	\$38	\$207	\$352	\$224	\$821	8.64%	11.29%	\$8
2019	\$37	\$202	\$342	\$217	\$798	8.64%	11.29%	\$8
2020	\$36	\$197	\$332	\$210	\$775	8.64%	11.29%	\$8
2021	\$35	\$192	\$322	\$203	\$752	8.64%	11.29%	\$7
2022	\$34	\$187	\$313	\$196	\$730	8.64%	11.29%	\$7
2023	\$33	\$182	\$304	\$190	\$709	8.64%	11.29%	\$7
2024	\$32	\$177	\$295	\$184	\$688	8.64%	11.29%	\$7
2025	\$31	\$173	\$286	\$178	\$668	8.64%	11.29%	\$7

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 Ratio Adm. Cost	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio O&M Cost	Total Incremental Adm. & O&M Cost
2006	\$0.85	\$10	11.29%	\$1.13	\$11.90	11.29%	\$1	\$2
2007	\$0.87	\$10	11.29%	\$1.13	\$12.19	11.29%	\$1	\$3
2008	\$0.89	\$11	11.29%	\$1.24	\$12.48	11.29%	\$1	\$3
2009	\$0.91	\$11	11.29%	\$1.24	\$12.78	11.29%	\$1	\$3
2010	\$0.93	\$11	11.29%	\$1.24	\$13.08	11.29%	\$1	\$3
2011	\$0.96	\$11	11.29%	\$1.24	\$13.40	11.29%	\$2	\$3
2012	\$0.98	\$12	11.29%	\$1.35	\$13.72	11.29%	\$2	\$3
2013	\$1.00	\$12	11.29%	\$1.35	\$14.05	11.29%	\$2	\$3
2014	\$1.03	\$12	11.29%	\$1.35	\$14.39	11.29%	\$2	\$3
2015	\$1.05	\$13	11.29%	\$1.47	\$14.73	11.29%	\$2	\$3
2016	\$1.08	\$13	11.29%	\$1.47	\$15.09	11.29%	\$2	\$3
2017	\$1.10	\$13	11.29%	\$1.47	\$15.45	11.29%	\$2	\$3
2018	\$1.13	\$14	11.29%	\$1.58	\$15.82	11.29%	\$2	\$3
2019	\$1.16	\$14	11.29%	\$1.58	\$16.20	11.29%	\$2	\$3
2020	\$1.18	\$14	11.29%	\$1.58	\$16.59	11.29%	\$2	\$3
2021	\$1.21	\$15	11.29%	\$1.69	\$16.98	11.29%	\$2	\$4
2022	\$1.24	\$15	11.29%	\$1.69	\$17.39	11.29%	\$2	\$4
2023	\$1.27	\$15	11.29%	\$1.69	\$17.81	11.29%	\$2	\$4
2024	\$1.30	\$16	11.29%	\$1.81	\$18.24	11.29%	\$2	\$4
2025	\$1.33	\$16	11.29%	\$1.81	\$18.67	11.29%	\$2	\$4

Table 5

Gas Costs			
1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost
2006	50	0.8480	\$42
2007	50	\$0.8684	\$43
2008	50	\$0.8892	\$44
2009	50	\$0.9105	\$46
2010	50	\$0.9324	\$47
2011	50	\$0.9548	\$48
2012	50	\$0.9777	\$49
2013	50	\$1.0011	\$50
2014	50	\$1.0252	\$51
2015	50	\$1.0498	\$52
2016	50	\$1.0750	\$54
2017	50	\$1.1008	\$56
2018	50	\$1.1272	\$56
2019	50	\$1.1542	\$58
2020	50	\$1.1819	\$59
2021	50	\$1.2103	\$61
2022	50	\$1.2394	\$62
2023	50	\$1.2691	\$63
2024	50	\$1.2996	\$66
2025	50	\$1.3307	\$67

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Cooking Appliances

**Sebring Gas System - Energy Conservation Filing 2007
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
		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	\$42	\$34	\$16	\$403	
2007	2	\$149	0	\$37	\$186	0	0	0	\$37	\$43	\$34	\$16	\$129	
2008	3	\$151	0	\$38	\$189	0	0	0	\$38	\$44	\$34	\$16	\$131	
2009	4	\$153	0	\$39	\$191	0	0	0	\$39	\$45	\$34	\$16	\$133	
2010	5	\$155	0	\$40	\$194	0	0	0	\$40	\$46	\$34	\$16	\$135	
2011	6	\$157	0	\$41	\$197	0	0	0	\$41	\$47	\$34	\$16	\$137	
2012	7	\$159	0	\$42	\$200	0	0	0	\$42	\$48	\$34	\$16	\$140	
2013	8	\$161	0	\$43	\$203	0	0	0	\$43	\$50	\$34	\$16	\$142	
2014	9	\$163	0	\$44	\$206	0	0	0	\$44	\$51	\$34	\$16	\$144	
2015	10	\$165	0	\$45	\$209	0	0	0	\$45	\$52	\$34	\$16	\$146	
2016	11	\$166	0	\$46	\$212	0	0	0	\$46	\$53	\$34	\$16	\$148	
2017	12	\$168	0	\$47	\$215	0	0	0	\$47	\$54	\$34	\$16	\$151	
2018	13	\$170	0	\$48	\$218	0	0	0	\$48	\$56	\$34	\$16	\$153	
2019	14	\$172	100	\$49	\$321	626	(800)	279	\$49	\$57	\$34	\$16	\$260	
2020	15	\$174	0	\$50	\$224	0	0	0	\$50	\$59	\$34	\$16	\$158	
2021	16	\$176	0	\$51	\$228	0	0	0	\$51	\$60	\$34	\$16	\$161	
2022	17	\$178	0	\$53	\$231	0	0	0	\$53	\$61	\$34	\$16	\$164	
2023	18	\$180	0	\$54	\$234	0	0	0	\$54	\$63	\$34	\$16	\$166	
2024	19	\$182	0	\$55	\$237	0	0	0	\$55	\$64	\$34	\$16	\$169	
2025	20	\$184	0	\$56	\$240	0	0	0	\$56	\$66	\$34	\$16	\$172	

Present Value
of Benefits \$2,126

Present Value
of Costs \$1,690

Benefit/Cost Ratio	1.26
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	45	10.00%	\$42
2007	\$0.8684	45	10.00%	\$43
2008	\$0.8892	45	10.00%	\$44
2009	\$0.9105	45	10.00%	\$45
2010	\$0.9324	45	10.00%	\$46
2011	\$0.9548	45	10.00%	\$47
2012	\$0.9777	45	10.00%	\$48
2013	\$1.0011	45	10.00%	\$50
2014	\$1.0252	45	10.00%	\$51
2015	\$1.0498	45	10.00%	\$52
2016	\$1.0750	45	10.00%	\$53
2017	\$1.1008	45	10.00%	\$54
2018	\$1.1272	45	10.00%	\$56
2019	\$1.1542	45	10.00%	\$57
2020	\$1.1819	45	10.00%	\$59
2021	\$1.2103	45	10.00%	\$60
2022	\$1.2394	45	10.00%	\$61
2023	\$1.2691	45	10.00%	\$63
2024	\$1.2996	45	10.00%	\$64
2025	\$1.3307	45	10.00%	\$66

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.6772	45	10.00%	\$34
2007	\$0.6772	45	10.00%	\$34
2008	\$0.6772	45	10.00%	\$34
2009	\$0.6772	45	10.00%	\$34
2010	\$0.6772	45	10.00%	\$34
2011	\$0.6772	45	10.00%	\$34
2012	\$0.6772	45	10.00%	\$34
2013	\$0.6772	45	10.00%	\$34
2014	\$0.6772	45	10.00%	\$34
2015	\$0.6772	45	10.00%	\$34
2016	\$0.6772	45	10.00%	\$34
2017	\$0.6772	45	10.00%	\$34
2018	\$0.6772	45	10.00%	\$34
2019	\$0.6772	45	10.00%	\$34
2020	\$0.6772	45	10.00%	\$34
2021	\$0.6772	45	10.00%	\$34
2022	\$0.6772	45	10.00%	\$34
2023	\$0.6772	45	10.00%	\$34
2024	\$0.6772	45	10.00%	\$34
2025	\$0.6772	45	10.00%	\$34

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	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2007	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2008	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2009	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2010	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2011	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2012	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2013	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2014	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2015	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2016	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2017	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2018	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2019	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2020	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2021	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2022	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2023	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2024	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2025	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16

**Sebring Gas System - Energy Conservation Filing 2007
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		Table 5	Table 3	Table 4			
	1	2	3	4	2 thru 4	6	7	8	9	6 thru 9
2006	\$30	\$38	\$15	\$83	\$38	\$10	\$2	\$100.31	\$151	
2007	\$30	\$39	\$15	\$84	\$39	\$10	\$2	\$0.31	\$52	
2008	\$30	\$40	\$15	\$85	\$40	\$10	\$2	\$0.31	\$52	
2009	\$30	\$41	\$15	\$86	\$41	\$9	\$2	\$0.31	\$53	
2010	\$30	\$42	\$15	\$87	\$42	\$9	\$2	\$0.31	\$54	
2011	\$30	\$43	\$15	\$88	\$43	\$9	\$2	\$0.31	\$55	
2012	\$30	\$44	\$15	\$89	\$44	\$9	\$3	\$0.31	\$56	
2013	\$30	\$45	\$15	\$90	\$45	\$8	\$3	\$0.31	\$56	
2014	\$30	\$46	\$15	\$91	\$46	\$8	\$3	\$0.31	\$57	
2015	\$30	\$47	\$15	\$92	\$47	\$8	\$3	\$0.31	\$58	
2016	\$30	\$48	\$15	\$93	\$48	\$8	\$3	\$0.31	\$59	
2017	\$30	\$50	\$15	\$95	\$50	\$7	\$3	\$0.31	\$60	
2018	\$30	\$51	\$15	\$96	\$51	\$7	\$3	\$0.31	\$61	
2019	\$30	\$52	\$15	\$97	\$52	\$7	\$3	\$100.31	\$162	
2020	\$30	\$53	\$15	\$98	\$53	\$7	\$3	\$0.31	\$63	
2021	\$30	\$54	\$15	\$100	\$54	\$7	\$3	\$0.31	\$65	
2022	\$30	\$56	\$15	\$101	\$56	\$6	\$3	\$0.31	\$66	
2023	\$30	\$57	\$15	\$102	\$57	\$6	\$3	\$0.31	\$67	
2024	\$30	\$58	\$15	\$104	\$58	\$6	\$3	\$0.31	\$68	
2025	\$30	\$60	\$15	\$105	\$60	\$6	\$4	\$0.31	\$70	

Present Value
of Benefits

\$889

Present Value
of Costs

\$685

Benefit/Cost Ratio

1.30

Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Replacement Program
RIM Test - Calculated Data

Appliance Type	
Cooking	

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M/Inflation Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge				
	1	2	3	2*3
Year	Therms	Base Rate	Total Charge	
2006	45	\$0.6772	\$30	
2007	45	\$0.6772	\$30	
2008	45	\$0.6772	\$30	
2009	45	\$0.6772	\$30	
2010	45	\$0.6772	\$30	
2011	45	\$0.6772	\$30	
2012	45	\$0.6772	\$30	
2013	45	\$0.6772	\$30	
2014	45	\$0.6772	\$30	
2015	45	\$0.6772	\$30	
2016	45	\$0.6772	\$30	
2017	45	\$0.6772	\$30	
2018	45	\$0.6772	\$30	
2019	45	\$0.6772	\$30	
2020	45	\$0.6772	\$30	
2021	45	\$0.6772	\$30	
2022	45	\$0.6772	\$30	
2023	45	\$0.6772	\$30	
2024	45	\$0.6772	\$30	
2025	45	\$0.6772	\$30	

Table 1a

Revenue - Cost of Gas				
	1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge	
2006	45	\$0.8480	\$38	
2007	45	\$0.8684	\$39	
2008	45	\$0.8892	\$40	
2009	45	\$0.9105	\$41	
2010	45	\$0.9324	\$42	
2011	45	\$0.9548	\$43	
2012	45	\$0.9777	\$44	
2013	45	\$1.0011	\$45	
2014	45	\$1.0252	\$46	
2015	45	\$1.0498	\$47	
2016	45	\$1.0750	\$48	
2017	45	\$1.1008	\$50	
2018	45	\$1.1272	\$51	
2019	45	\$1.1542	\$52	
2020	45	\$1.1819	\$53	
2021	45	\$1.2103	\$54	
2022	45	\$1.2394	\$56	
2023	45	\$1.2691	\$57	
2024	45	\$1.2996	\$58	
2025	45	\$1.3307	\$60	

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	\$12.00	\$144.00	10.16%	\$16	
2007	\$12.00	\$144.00	10.16%	\$16	
2008	\$12.00	\$144.00	10.16%	\$16	
2009	\$12.00	\$144.00	10.16%	\$16	
2010	\$12.00	\$144.00	10.16%	\$16	
2011	\$12.00	\$144.00	10.16%	\$16	
2012	\$12.00	\$144.00	10.16%	\$16	
2013	\$12.00	\$144.00	10.16%	\$16	
2014	\$12.00	\$144.00	10.16%	\$16	
2015	\$12.00	\$144.00	10.16%	\$16	
2016	\$12.00	\$144.00	10.16%	\$16	
2017	\$12.00	\$144.00	10.16%	\$16	
2018	\$12.00	\$144.00	10.16%	\$16	
2019	\$12.00	\$144.00	10.16%	\$16	
2020	\$12.00	\$144.00	10.16%	\$16	
2021	\$12.00	\$144.00	10.16%	\$16	
2022	\$12.00	\$144.00	10.16%	\$16	
2023	\$12.00	\$144.00	10.16%	\$16	
2024	\$12.00	\$144.00	10.16%	\$16	
2025	\$12.00	\$144.00	10.16%	\$16	

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	\$280	\$500	\$335	\$1,165	8.64%	10.16%	\$10	
2007	\$49	\$273	\$486	\$324	\$1,132	8.64%	10.16%	\$10	
2008	\$48	\$266	\$472	\$313	\$1,099	8.64%	10.16%	\$9	
2009	\$47	\$259	\$458	\$303	\$1,067	8.64%	10.16%	\$9	
2010	\$46	\$253	\$445	\$293	\$1,037	8.64%	10.16%	\$9	
2011	\$45	\$247	\$432	\$283	\$1,007	8.64%	10.16%	\$9	
2012	\$44	\$241	\$419	\$274	\$978	8.64%	10.16%	\$9	
2013	\$43	\$235	\$407	\$265	\$950	8.64%	10.16%	\$8	
2014	\$42	\$229	\$395	\$256	\$922	8.64%	10.16%	\$8	
2015	\$41	\$223	\$384	\$248	\$896	8.64%	10.16%	\$8	
2016	\$40	\$217	\$373	\$240	\$870	8.64%	10.16%	\$8	
2017	\$39	\$212	\$362	\$232	\$845	8.64%	10.16%	\$7	
2018	\$38	\$207	\$352	\$224	\$821	8.64%	10.16%	\$7	
2019	\$37	\$202	\$342	\$217	\$798	8.64%	10.16%	\$7	
2020	\$36	\$197	\$332	\$210	\$775	8.64%	10.16%	\$7	
2021	\$35	\$192	\$322	\$203	\$752	8.64%	10.16%	\$7	
2022	\$34	\$187	\$313	\$196	\$730	8.64%	10.16%	\$6	
2023	\$33	\$182	\$304	\$190	\$709	8.64%	10.16%	\$6	
2024	\$32	\$177	\$295	\$184	\$688	8.64%	10.16%	\$6	
2025	\$31	\$173	\$286	\$178	\$668	8.64%	10.16%	\$6	

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 Ratio O&M Cost	Annual O&M Cost	Ratio Therms To Total Consumed	Annual Ratio O&M Cost	Total Incremental Adm. & O&M Cost	
2006	\$0.85	\$10	10.16%	\$1.02	\$11.90	10.16%	\$1	\$2	
2007	\$0.87	\$10	10.16%	\$1.02	\$12.19	10.16%	\$1	\$2	
2008	\$0.89	\$11	10.16%	\$1.12	\$12.48	10.16%	\$1	\$2	
2009	\$0.91	\$11	10.16%	\$1.12	\$12.78	10.16%	\$1	\$2	
2010	\$0.93	\$11	10.16%	\$1.12	\$13.08	10.16%	\$1	\$2	
2011	\$0.96	\$11	10.16%	\$1.12	\$13.40	10.16%	\$1	\$2	
2012	\$0.98	\$12	10.16%	\$1.22	\$13.72	10.16%	\$1	\$3	
2013	\$1.00	\$12	10.16%	\$1.22	\$14.05	10.16%	\$1	\$3	
2014	\$1.03	\$12	10.16%	\$1.22	\$14.39	10.16%	\$1	\$3	
2015	\$1.05	\$13	10.16%	\$1.32	\$14.73	10.16%	\$1	\$3	
2016	\$1.08	\$13	10.16%	\$1.32	\$15.09	10.16%	\$2	\$3	
2017	\$1.10	\$13	10.16%	\$1.32	\$15.45	10.16%	\$2	\$3	
2018	\$1.13	\$14	10.16%	\$1.42	\$15.82	10.16%	\$2	\$3	
2019	\$1.16	\$14	10.16%	\$1.42	\$16.20	10.16%	\$2	\$3	
2020	\$1.18	\$14	10.16%	\$1.42	\$16.59	10.16%	\$2	\$3	
2021	\$1.21	\$15	10.16%	\$1.52	\$16.98	10.16%	\$2	\$3	
2022	\$1.24	\$15	10.16%	\$1.52	\$17.39	10.16%	\$2	\$3	
2023	\$1.27	\$15	10.16%	\$1.52	\$17.81	10.16%	\$2	\$3	
2024	\$1.30	\$16	10.16%	\$1.63	\$18.24	10.16%	\$2	\$3	
2025	\$1.33	\$16	10.16%	\$1.63	\$18.67	10.16%	\$2	\$4	

Table 6

Gas Costs				
	1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost	
2006	45	\$0.8480	\$38	
2007	45	\$0.8684	\$39	
2008	45	\$0.8892	\$40	
2009	45	\$0.9105	\$41	
2010	45	\$0.9324	\$42	
2011	45	\$0.9548	\$43	
2012	45	\$0.9777	\$44	
2013	45	\$1.0011	\$45	
2014	45	\$1.0252	\$46	
2015	45	\$1.0498	\$47	
2016	45	\$1.0750	\$48	
2017	45	\$1.1008	\$50	
2018	45	\$1.1272	\$51	
2019	45	\$1.1542	\$52	
2020	45	\$1.1819	\$53	
2021	45	\$1.2103	\$54	
2022	45	\$1.2394	\$56	
2023	45	\$1.2691	\$57	
2024	45	\$1.2996	\$58	
2025	45	\$1.3307	\$60	

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 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	1.51	1.57
Gas Tankless Water Heating	\$450	1.38	1.49
Gas Heating	\$350	1.10	1.59
Gas Clothes Drying	\$100	1.43	1.57
Gas Cooking	\$100	1.41	1.55

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Storage Tank Water Heating

**Sebring Gas System - Energy Conservation Filing 2007
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			
1	2	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	\$159	\$127	\$61	\$577
2006	2	\$543	0	\$37	\$580	0	0	0	\$37	\$162	\$127	\$61	\$387
2007	3	\$550	0	\$38	\$588	0	0	0	\$38	\$166	\$127	\$61	\$391
2008	4	\$557	0	\$39	\$596	0	0	0	\$39	\$170	\$127	\$61	\$396
2009	5	\$564	0	\$40	\$604	0	0	0	\$40	\$174	\$127	\$61	\$401
2010	6	\$571	0	\$41	\$612	0	0	0	\$41	\$179	\$127	\$61	\$406
2011	7	\$578	0	\$42	\$620	0	0	0	\$42	\$183	\$127	\$61	\$412
2012	8	\$585	0	\$43	\$628	0	0	0	\$43	\$187	\$127	\$61	\$417
2013	9	\$592	0	\$44	\$636	0	0	0	\$44	\$192	\$127	\$61	\$423
2014	10	\$599	0	\$45	\$644	0	0	0	\$45	\$196	\$127	\$61	\$428
2015	11	\$607	0	\$46	\$652	0	0	0	\$46	\$201	\$127	\$61	\$434
2016	12	\$614	0	\$47	\$660	0	0	0	\$47	\$206	\$127	\$61	\$440
2017	13	\$621	0	\$48	\$669	0	0	0	\$48	\$211	\$127	\$61	\$446
2018	14	\$628	350	\$49	\$1,027	361	(438)	348	\$49	\$216	\$127	\$61	\$724
2019	15	\$635	0	\$50	\$685	0	0	0	\$50	\$221	\$127	\$61	\$459
2020	16	\$642	0	\$51	\$693	0	0	0	\$51	\$226	\$127	\$61	\$465
2021	17	\$649	0	\$53	\$702	0	0	0	\$53	\$232	\$127	\$61	\$472
2022	18	\$656	0	\$54	\$710	0	0	0	\$54	\$237	\$127	\$61	\$479
2023	19	\$663	0	\$55	\$718	0	0	0	\$55	\$243	\$127	\$61	\$486
2024	20	\$670	0	\$56	\$727	0	0	0	\$56	\$249	\$127	\$61	\$493

Present Value of Benefits \$6,613

Present Value of Costs \$4,390

Benefit/Cost Ratio	1.51
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	170	10%	\$159
2007	\$0.8684	170	10%	\$162
2008	\$0.8892	170	10%	\$166
2009	\$0.9105	170	10%	\$170
2010	\$0.9324	170	10%	\$174
2011	\$0.9548	170	10%	\$179
2012	\$0.9777	170	10%	\$183
2013	\$1.0011	170	10%	\$187
2014	\$1.0252	170	10%	\$192
2015	\$1.0498	170	10%	\$196
2016	\$1.0750	170	10%	\$201
2017	\$1.1008	170	10%	\$206
2018	\$1.1272	170	10%	\$211
2019	\$1.1542	170	10%	\$216
2020	\$1.1819	170	10%	\$221
2021	\$1.2103	170	10%	\$226
2022	\$1.2394	170	10%	\$232
2023	\$1.2691	170	10%	\$237
2024	\$1.2996	170	10%	\$243
2025	\$1.3307	170	10%	\$249

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.6772	170	10%	\$127
2007	\$0.6772	170	10%	\$127
2008	\$0.6772	170	10%	\$127
2009	\$0.6772	170	10%	\$127
2010	\$0.6772	170	10%	\$127
2011	\$0.6772	170	10%	\$127
2012	\$0.6772	170	10%	\$127
2013	\$0.6772	170	10%	\$127
2014	\$0.6772	170	10%	\$127
2015	\$0.6772	170	10%	\$127
2016	\$0.6772	170	10%	\$127
2017	\$0.6772	170	10%	\$127
2018	\$0.6772	170	10%	\$127
2019	\$0.6772	170	10%	\$127
2020	\$0.6772	170	10%	\$127
2021	\$0.6772	170	10%	\$127
2022	\$0.6772	170	10%	\$127
2023	\$0.6772	170	10%	\$127
2024	\$0.6772	170	10%	\$127
2025	\$0.6772	170	10%	\$127

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	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2007	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2008	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2009	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2010	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2011	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2012	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2013	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2014	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2015	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2016	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2017	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2018	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2019	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2020	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2021	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2022	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2023	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2024	\$12.00	\$144.00	170	443	38.37%	10%	\$61
2025	\$12.00	\$144.00	170	443	38.37%	10%	\$61

**Sebring Gas System - Energy Conservation Filing 2007
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	\$115	\$144	\$55	\$315	\$144	\$0	\$0	\$350.94	\$495	
2003	\$115	\$148	\$55	\$318	\$148	\$0	\$0	\$0.94	\$149	
2004	\$115	\$151	\$55	\$322	\$151	\$0	\$0	\$0.94	\$152	
2005	\$115	\$155	\$55	\$325	\$155	\$0	\$0	\$0.94	\$156	
2006	\$115	\$159	\$55	\$329	\$159	\$0	\$0	\$0.94	\$159	
2007	\$115	\$162	\$55	\$333	\$162	\$0	\$0	\$0.94	\$163	
2008	\$115	\$166	\$55	\$337	\$166	\$0	\$0	\$0.94	\$167	
2009	\$115	\$170	\$55	\$341	\$170	\$0	\$0	\$0.94	\$171	
2010	\$115	\$174	\$55	\$345	\$174	\$0	\$0	\$0.94	\$175	
2011	\$115	\$178	\$55	\$349	\$178	\$0	\$0	\$0.94	\$179	
2012	\$115	\$183	\$55	\$353	\$183	\$0	\$0	\$0.94	\$184	
2013	\$115	\$187	\$55	\$358	\$187	\$0	\$0	\$0.94	\$188	
2014	\$115	\$192	\$55	\$362	\$192	\$0	\$0	\$0.94	\$193	
2015	\$115	\$196	\$55	\$367	\$196	\$0	\$0	\$350.94	\$547	
2016	\$115	\$201	\$55	\$371	\$201	\$0	\$0	\$0.94	\$202	
2017	\$115	\$206	\$55	\$376	\$206	\$0	\$0	\$0.94	\$207	
2018	\$115	\$211	\$55	\$381	\$211	\$0	\$0	\$0.94	\$212	
2019	\$115	\$216	\$55	\$386	\$216	\$0	\$0	\$0.94	\$217	
2020	\$115	\$221	\$55	\$391	\$221	\$0	\$0	\$0.94	\$222	
2021	\$115	\$226	\$55	\$397	\$226	\$0	\$0	\$0.94	\$227	

**Present Value
of Benefits**

\$3,360

**Present Value
of Costs**

\$2,139

Benefit/Cost Ratio

1.57

**Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Retention Program
RIM Test - Calculated Data**

Appliance Type	
Storage Tank Water Heating	

Fuel Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
OSM Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	170	\$0.6772	\$116
2007	170	\$0.6772	\$116
2008	170	\$0.6772	\$116
2009	170	\$0.6772	\$116
2010	170	\$0.6772	\$116
2011	170	\$0.6772	\$116
2012	170	\$0.6772	\$116
2013	170	\$0.6772	\$116
2014	170	\$0.6772	\$116
2015	170	\$0.6772	\$116
2016	170	\$0.6772	\$116
2017	170	\$0.6772	\$116
2018	170	\$0.6772	\$116
2019	170	\$0.6772	\$116
2020	170	\$0.6772	\$116
2021	170	\$0.6772	\$116
2022	170	\$0.6772	\$116
2023	170	\$0.6772	\$116
2024	170	\$0.6772	\$116
2025	170	\$0.6772	\$116

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	170	\$0.8480	\$144
2007	170	\$0.8884	\$148
2008	170	\$0.8892	\$151
2009	170	\$0.9105	\$155
2010	170	\$0.9324	\$159
2011	170	\$0.9548	\$162
2012	170	\$0.9777	\$166
2013	170	\$1.0011	\$170
2014	170	\$1.0252	\$174
2015	170	\$1.0498	\$178
2016	170	\$1.0750	\$183
2017	170	\$1.1008	\$187
2018	170	\$1.1272	\$192
2019	170	\$1.1542	\$196
2020	170	\$1.1819	\$201
2021	170	\$1.2103	\$206
2022	170	\$1.2394	\$211
2023	170	\$1.2691	\$216
2024	170	\$1.2996	\$221
2025	170	\$1.3307	\$226

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	\$12.00	\$144.00	38.37%	\$66
2007	\$12.00	\$144.00	38.37%	\$66
2008	\$12.00	\$144.00	38.37%	\$66
2009	\$12.00	\$144.00	38.37%	\$66
2010	\$12.00	\$144.00	38.37%	\$66
2011	\$12.00	\$144.00	38.37%	\$66
2012	\$12.00	\$144.00	38.37%	\$66
2013	\$12.00	\$144.00	38.37%	\$66
2014	\$12.00	\$144.00	38.37%	\$66
2015	\$12.00	\$144.00	38.37%	\$66
2016	\$12.00	\$144.00	38.37%	\$66
2017	\$12.00	\$144.00	38.37%	\$66
2018	\$12.00	\$144.00	38.37%	\$66
2019	\$12.00	\$144.00	38.37%	\$66
2020	\$12.00	\$144.00	38.37%	\$66
2021	\$12.00	\$144.00	38.37%	\$66
2022	\$12.00	\$144.00	38.37%	\$66
2023	\$12.00	\$144.00	38.37%	\$66
2024	\$12.00	\$144.00	38.37%	\$66
2025	\$12.00	\$144.00	38.37%	\$66

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 Carrying Cost
2006	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2007	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2008	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2009	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2010	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2011	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2012	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2013	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2014	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2015	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2016	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2017	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2018	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2019	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2020	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2021	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2022	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2023	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2024	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%
2025	\$0	\$0	\$0	\$0	\$0	8.64%	38.37%

Table 4

Incremental Customer Costs							
1	2	3	4	5*3*4	6	7	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	4	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost	Total Incremental Cost
2006	170	0.8480	\$144	\$144
2007	170	\$0.8884	\$148	\$148
2008	170	\$0.8892	\$151	\$151
2009	170	\$0.9105	\$155	\$155
2010	170	\$0.9324	\$159	\$159
2011	170	\$0.9548	\$162	\$162
2012	170	\$0.9777	\$166	\$166
2013	170	\$1.0011	\$170	\$170
2014	170	\$1.0252	\$174	\$174
2015	170	\$1.0498	\$178	\$178
2016	170	\$1.0750	\$183	\$183
2017	170	\$1.1008	\$187	\$187
2018	170	\$1.1272	\$192	\$192
2019	170	\$1.1542	\$196	\$196
2020	170	\$1.1819	\$201	\$201
2021	170	\$1.2103	\$206	\$206
2022	170	\$1.2394	\$211	\$211
2023	170	\$1.2691	\$216	\$216
2024	170	\$1.2996	\$221	\$221
2025	170	\$1.3307	\$226	\$226

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Tankless Water Heating

**Sebring Gas System - Energy Conservation Filing 2007
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	\$140	\$112	\$56	\$1,230
2006	2	\$543	0	\$37	\$580	0	0	0	\$37	\$143	\$112	\$56	\$348
2007	3	\$550	0	\$38	\$588	0	0	0	\$38	\$147	\$112	\$56	\$352
2008	4	\$557	0	\$39	\$596	0	0	0	\$39	\$150	\$112	\$56	\$357
2009	5	\$564	0	\$40	\$604	0	0	0	\$40	\$154	\$112	\$56	\$361
2010	6	\$571	0	\$41	\$612	0	0	0	\$41	\$158	\$112	\$56	\$366
2011	7	\$578	0	\$42	\$620	0	0	0	\$42	\$161	\$112	\$56	\$371
2012	8	\$585	0	\$43	\$628	0	0	0	\$43	\$165	\$112	\$56	\$376
2013	9	\$592	0	\$44	\$636	0	0	0	\$44	\$169	\$112	\$56	\$381
2014	10	\$599	0	\$45	\$644	0	0	0	\$45	\$173	\$112	\$56	\$386
2015	11	\$607	0	\$46	\$652	0	0	0	\$46	\$177	\$112	\$56	\$391
2016	12	\$614	0	\$47	\$660	0	0	0	\$47	\$182	\$112	\$56	\$396
2017	13	\$621	0	\$48	\$669	0	0	0	\$48	\$186	\$112	\$56	\$402
2018	14	\$628	0	\$49	\$677	0	0	0	\$49	\$190	\$112	\$56	\$407
2019	15	\$635	0	\$50	\$685	0	0	0	\$50	\$195	\$112	\$56	\$413
2020	16	\$642	0	\$51	\$693	0	0	0	\$51	\$200	\$112	\$56	\$419
2021	17	\$649	0	\$53	\$702	0	0	0	\$53	\$204	\$112	\$56	\$425
2022	18	\$656	0	\$54	\$710	0	0	0	\$54	\$209	\$112	\$56	\$431
2023	19	\$663	0	\$55	\$718	0	0	0	\$55	\$214	\$112	\$56	\$438
2024	20	\$670	450	\$56	\$1,177	1,527	(505)	402	\$56	\$220	\$112	\$56	\$1,868

Present Value of Benefits \$6,683

Present Value of Costs \$4,833

Benefit/Cost Ratio	1.38
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	150	10.00%	\$140
2007	\$0.8684	150	10.00%	\$143
2008	\$0.8892	150	10.00%	\$147
2009	\$0.9105	150	10.00%	\$150
2010	\$0.9324	150	10.00%	\$154
2011	\$0.9548	150	10.00%	\$158
2012	\$0.9777	150	10.00%	\$161
2013	\$1.0011	150	10.00%	\$165
2014	\$1.0252	150	10.00%	\$169
2015	\$1.0498	150	10.00%	\$173
2016	\$1.0750	150	10.00%	\$177
2017	\$1.1008	150	10.00%	\$182
2018	\$1.1272	150	10.00%	\$186
2019	\$1.1542	150	10.00%	\$190
2020	\$1.1819	150	10.00%	\$195
2021	\$1.2103	150	10.00%	\$200
2022	\$1.2394	150	10.00%	\$204
2023	\$1.2691	150	10.00%	\$209
2024	\$1.2996	150	10.00%	\$214
2025	\$1.3307	150	10.00%	\$220

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.6772	150	10.00%	\$112
2007	\$0.6772	150	10.00%	\$112
2008	\$0.6772	150	10.00%	\$112
2009	\$0.6772	150	10.00%	\$112
2010	\$0.6772	150	10.00%	\$112
2011	\$0.6772	150	10.00%	\$112
2012	\$0.6772	150	10.00%	\$112
2013	\$0.6772	150	10.00%	\$112
2014	\$0.6772	150	10.00%	\$112
2015	\$0.6772	150	10.00%	\$112
2016	\$0.6772	150	10.00%	\$112
2017	\$0.6772	150	10.00%	\$112
2018	\$0.6772	150	10.00%	\$112
2019	\$0.6772	150	10.00%	\$112
2020	\$0.6772	150	10.00%	\$112
2021	\$0.6772	150	10.00%	\$112
2022	\$0.6772	150	10.00%	\$112
2023	\$0.6772	150	10.00%	\$112
2024	\$0.6772	150	10.00%	\$112
2025	\$0.6772	150	10.00%	\$112

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	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2007	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2008	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2009	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2010	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2011	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2012	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2013	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2014	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2015	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2016	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2017	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2018	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2019	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2020	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2021	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2022	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2023	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2024	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56
2025	\$12.00	\$144.00	150	423	35.46%	10.00%	\$56

**Sebring Gas System - Energy Conservation Filing 2007
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		Table 5	Table 3	Table 4		
1	2	3	4	2 thru 4	6	7	8	9	6 thru 9
2002	\$102	\$127	\$51	\$280	\$127	\$0	\$0	\$450.94	\$578
2003	\$102	\$130	\$51	\$283	\$130	\$0	\$0	\$0.94	\$131
2004	\$102	\$133	\$51	\$286	\$133	\$0	\$0	\$0.94	\$134
2005	\$102	\$137	\$51	\$289	\$137	\$0	\$0	\$0.94	\$138
2006	\$102	\$140	\$51	\$293	\$140	\$0	\$0	\$0.94	\$141
2007	\$102	\$143	\$51	\$296	\$143	\$0	\$0	\$0.94	\$144
2008	\$102	\$147	\$51	\$299	\$147	\$0	\$0	\$0.94	\$148
2009	\$102	\$150	\$51	\$303	\$150	\$0	\$0	\$0.94	\$151
2010	\$102	\$154	\$51	\$306	\$154	\$0	\$0	\$0.94	\$155
2011	\$102	\$157	\$51	\$310	\$157	\$0	\$0	\$0.94	\$158
2012	\$102	\$161	\$51	\$314	\$161	\$0	\$0	\$0.94	\$162
2013	\$102	\$165	\$51	\$318	\$165	\$0	\$0	\$0.94	\$166
2014	\$102	\$169	\$51	\$322	\$169	\$0	\$0	\$0.94	\$170
2015	\$102	\$173	\$51	\$326	\$173	\$0	\$0	\$0.94	\$174
2016	\$102	\$177	\$51	\$330	\$177	\$0	\$0	\$0.94	\$178
2017	\$102	\$182	\$51	\$334	\$182	\$0	\$0	\$0.94	\$182
2018	\$102	\$186	\$51	\$339	\$186	\$0	\$0	\$0.94	\$187
2019	\$102	\$190	\$51	\$343	\$190	\$0	\$0	\$0.94	\$191
2020	\$102	\$195	\$51	\$348	\$195	\$0	\$0	\$0.94	\$196
2021	\$102	\$200	\$51	\$352	\$200	\$0	\$0	\$450.94	\$651

Present Value
of Benefits

\$2,987

Present Value
of Costs

\$2,011

Benefit/Cost Ratio

1.49

**Sebring Gas System - Energy Conservation Filing 2007
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%
O&M Escalator	2.4%

Depreciation Rate - Supply Main	2.50%
Depreciation Rate - Development Main	2.50%
Depreciation Rate - Service Line	2.90%
Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	150	\$0.6772	\$102
2007	150	\$0.6772	\$102
2008	150	\$0.6772	\$102
2009	150	\$0.6772	\$102
2010	150	\$0.6772	\$102
2011	150	\$0.6772	\$102
2012	150	\$0.6772	\$102
2013	150	\$0.6772	\$102
2014	150	\$0.6772	\$102
2015	150	\$0.6772	\$102
2016	150	\$0.6772	\$102
2017	150	\$0.6772	\$102
2018	150	\$0.6772	\$102
2019	150	\$0.6772	\$102
2020	150	\$0.6772	\$102
2021	150	\$0.6772	\$102
2022	150	\$0.6772	\$102
2023	150	\$0.6772	\$102
2024	150	\$0.6772	\$102
2025	150	\$0.6772	\$102

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	150	\$0.8480	\$127
2007	150	\$0.8684	\$130
2008	150	\$0.8892	\$133
2009	150	\$0.9105	\$137
2010	150	\$0.9324	\$140
2011	150	\$0.9548	\$143
2012	150	\$0.9777	\$147
2013	150	\$1.0011	\$150
2014	150	\$1.0252	\$154
2015	150	\$1.0498	\$157
2016	150	\$1.0750	\$161
2017	150	\$1.1008	\$166
2018	150	\$1.1272	\$169
2019	150	\$1.1542	\$173
2020	150	\$1.1819	\$177
2021	150	\$1.2103	\$182
2022	150	\$1.2394	\$186
2023	150	\$1.2691	\$190
2024	150	\$1.2996	\$195
2025	150	\$1.3307	\$200

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	\$12.00	\$144.00	35.46%	\$61
2007	\$12.00	\$144.00	35.46%	\$61
2008	\$12.00	\$144.00	35.46%	\$61
2009	\$12.00	\$144.00	35.46%	\$61
2010	\$12.00	\$144.00	35.46%	\$61
2011	\$12.00	\$144.00	35.46%	\$61
2012	\$12.00	\$144.00	35.46%	\$61
2013	\$12.00	\$144.00	35.46%	\$61
2014	\$12.00	\$144.00	35.46%	\$61
2015	\$12.00	\$144.00	35.46%	\$61
2016	\$12.00	\$144.00	35.46%	\$61
2017	\$12.00	\$144.00	35.46%	\$61
2018	\$12.00	\$144.00	35.46%	\$61
2019	\$12.00	\$144.00	35.46%	\$61
2020	\$12.00	\$144.00	35.46%	\$61
2021	\$12.00	\$144.00	35.46%	\$61
2022	\$12.00	\$144.00	35.46%	\$61
2023	\$12.00	\$144.00	35.46%	\$61
2024	\$12.00	\$144.00	35.46%	\$61
2025	\$12.00	\$144.00	35.46%	\$61

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	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2007	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2008	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2009	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2010	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2011	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2012	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2013	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2014	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2015	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2016	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2017	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2018	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2019	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2020	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2021	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2022	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2023	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2024	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%
2025	\$0	\$0	\$0	\$0	\$0	8.64%	35.46%

Table 4

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

Table 5

Gas Costs			
1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost
2006	150	\$0.8480	\$127
2007	150	\$0.8684	\$130
2008	150	\$0.8892	\$133
2009	150	\$0.9105	\$137
2010	150	\$0.9324	\$140
2011	150	\$0.9548	\$143
2012	150	\$0.9777	\$147
2013	150	\$1.0011	\$150
2014	150	\$1.0252	\$154
2015	150	\$1.0498	\$157
2016	150	\$1.0750	\$161
2017	150	\$1.1008	\$166
2018	150	\$1.1272	\$169
2019	150	\$1.1542	\$173
2020	150	\$1.1819	\$177
2021	150	\$1.2103	\$182
2022	150	\$1.2394	\$186
2023	150	\$1.2691	\$190
2024	150	\$1.2996	\$195
2025	150	\$1.3307	\$200

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Heating Systems

**Sebring Gas System - Energy Conservation Filing 2007
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	\$166	\$133	\$64	\$404
2006	2	\$358	0	\$197	\$555	0	0	0	\$197	\$170	\$133	\$64	\$563
2007	3	\$363	0	\$201	\$564	0	0	0	\$201	\$174	\$133	\$64	\$572
2008	4	\$368	0	\$206	\$574	0	0	0	\$206	\$178	\$133	\$64	\$581
2009	5	\$372	0	\$211	\$583	0	0	0	\$211	\$183	\$133	\$64	\$590
2010	6	\$377	0	\$216	\$593	0	0	0	\$216	\$187	\$133	\$64	\$599
2011	7	\$382	0	\$221	\$603	0	0	0	\$221	\$191	\$133	\$64	\$609
2012	8	\$386	0	\$227	\$613	0	0	0	\$227	\$196	\$133	\$64	\$619
2013	9	\$391	0	\$232	\$623	0	0	0	\$232	\$201	\$133	\$64	\$629
2014	10	\$396	0	\$238	\$633	0	0	0	\$238	\$206	\$133	\$64	\$639
2015	11	\$400	0	\$243	\$644	0	0	0	\$243	\$210	\$133	\$64	\$650
2016	12	\$405	0	\$249	\$654	0	0	0	\$249	\$216	\$133	\$64	\$661
2017	13	\$410	0	\$255	\$665	0	0	0	\$255	\$221	\$133	\$64	\$672
2018	14	\$414	0	\$261	\$676	0	0	0	\$261	\$226	\$133	\$64	\$684
2019	15	\$419	350	\$268	\$1,037	2,929	(\$5,495)	2,352	\$268	\$231	\$133	\$64	\$481
2020	16	\$424	0	\$274	\$698	0	0	0	\$274	\$237	\$133	\$64	\$707
2021	17	\$428	0	\$281	\$709	0	0	0	\$281	\$243	\$133	\$64	\$720
2022	18	\$433	0	\$287	\$720	0	0	0	\$287	\$248	\$133	\$64	\$732
2023	19	\$438	0	\$294	\$732	0	0	0	\$294	\$254	\$133	\$64	\$745
2024	20	\$442	0	\$301	\$744	0	0	0	\$301	\$261	\$133	\$64	\$758

Present Value of Benefits \$6,475

Present Value of Costs \$5,910

Benefit/Cost Ratio	1.10
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**Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Retention Program
Participants Test - Data**

Appliance Type
Heating System

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	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	\$0.8480	178	10.00%	\$166
2007	\$0.8684	178	10.00%	\$170
2008	\$0.8892	178	10.00%	\$174
2009	\$0.9105	178	10.00%	\$178
2010	\$0.9324	178	10.00%	\$183
2011	\$0.9548	178	10.00%	\$187
2012	\$0.9777	178	10.00%	\$191
2013	\$1.0011	178	10.00%	\$196
2014	\$1.0252	178	10.00%	\$201
2015	\$1.0498	178	10.00%	\$206
2016	\$1.0750	178	10.00%	\$210
2017	\$1.1008	178	10.00%	\$216
2018	\$1.1272	178	10.00%	\$221
2019	\$1.1542	178	10.00%	\$226
2020	\$1.1819	178	10.00%	\$231
2021	\$1.2103	178	10.00%	\$237
2022	\$1.2394	178	10.00%	\$243
2023	\$1.2691	178	10.00%	\$248
2024	\$1.2996	178	10.00%	\$254
2025	\$1.3307	178	10.00%	\$261

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.6772	178	10.00%	\$133
2007	\$0.6772	178	10.00%	\$133
2008	\$0.6772	178	10.00%	\$133
2009	\$0.6772	178	10.00%	\$133
2010	\$0.6772	178	10.00%	\$133
2011	\$0.6772	178	10.00%	\$133
2012	\$0.6772	178	10.00%	\$133
2013	\$0.6772	178	10.00%	\$133
2014	\$0.6772	178	10.00%	\$133
2015	\$0.6772	178	10.00%	\$133
2016	\$0.6772	178	10.00%	\$133
2017	\$0.6772	178	10.00%	\$133
2018	\$0.6772	178	10.00%	\$133
2019	\$0.6772	178	10.00%	\$133
2020	\$0.6772	178	10.00%	\$133
2021	\$0.6772	178	10.00%	\$133
2022	\$0.6772	178	10.00%	\$133
2023	\$0.6772	178	10.00%	\$133
2024	\$0.6772	178	10.00%	\$133
2025	\$0.6772	178	10.00%	\$133

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	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2007	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2008	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2009	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2010	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2011	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2012	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2013	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2014	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2015	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2016	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2017	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2018	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2019	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2020	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2021	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2022	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2023	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2024	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64
2025	\$12.00	\$144.00	178	443	40.18%	10.00%	\$64

**Sebring Gas System - Energy Conservation Filing 2007
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	\$121	\$151	\$58	\$329	\$151	\$0	\$0	\$350.99	\$502	
2003	\$121	\$155	\$58	\$333	\$155	\$0	\$0	\$0.99	\$156	
2004	\$121	\$158	\$58	\$337	\$158	\$0	\$0	\$0.99	\$159	
2005	\$121	\$162	\$58	\$340	\$162	\$0	\$0	\$0.99	\$163	
2006	\$121	\$166	\$58	\$344	\$166	\$0	\$0	\$0.99	\$167	
2007	\$121	\$170	\$58	\$348	\$170	\$0	\$0	\$0.99	\$171	
2008	\$121	\$174	\$58	\$352	\$174	\$0	\$0	\$0.99	\$175	
2009	\$121	\$178	\$58	\$357	\$178	\$0	\$0	\$0.99	\$179	
2010	\$121	\$182	\$58	\$361	\$182	\$0	\$0	\$0.99	\$183	
2011	\$121	\$187	\$58	\$365	\$187	\$0	\$0	\$0.99	\$188	
2012	\$121	\$191	\$58	\$370	\$191	\$0	\$0	\$0.99	\$192	
2013	\$121	\$196	\$58	\$374	\$196	\$0	\$0	\$0.99	\$197	
2014	\$121	\$201	\$58	\$379	\$201	\$0	\$0	\$0.99	\$202	
2015	\$121	\$205	\$58	\$384	\$205	\$0	\$0	\$0.99	\$206	
2016	\$121	\$210	\$58	\$389	\$210	\$0	\$0	\$350.99	\$561	
2017	\$121	\$215	\$58	\$394	\$215	\$0	\$0	\$0.99	\$216	
2018	\$121	\$221	\$58	\$399	\$221	\$0	\$0	\$0.99	\$222	
2019	\$121	\$226	\$58	\$404	\$226	\$0	\$0	\$0.99	\$227	
2020	\$121	\$231	\$58	\$410	\$231	\$0	\$0	\$0.99	\$232	
2021	\$121	\$237	\$58	\$415	\$237	\$0	\$0	\$0.99	\$238	

Present Value
of Benefits **\$3,518**

Present Value
of Costs **\$2,210**

Benefit/Cost Ratio	1.59
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**Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Retention Program
RIM Test - Calculated Data**

Appliance Type
Heating System

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	178	\$0.6772	\$121
2007	178	\$0.6772	\$121
2008	178	\$0.6772	\$121
2009	178	\$0.6772	\$121
2010	178	\$0.6772	\$121
2011	178	\$0.6772	\$121
2012	178	\$0.6772	\$121
2013	178	\$0.6772	\$121
2014	178	\$0.6772	\$121
2015	178	\$0.6772	\$121
2016	178	\$0.6772	\$121
2017	178	\$0.6772	\$121
2018	178	\$0.6772	\$121
2019	178	\$0.6772	\$121
2020	178	\$0.6772	\$121
2021	178	\$0.6772	\$121
2022	178	\$0.6772	\$121
2023	178	\$0.6772	\$121
2024	178	\$0.6772	\$121
2025	178	\$0.6772	\$121

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	178	\$0.8480	\$161
2007	178	\$0.8684	\$166
2008	178	\$0.8892	\$168
2009	178	\$0.9105	\$162
2010	178	\$0.9324	\$166
2011	178	\$0.9548	\$170
2012	178	\$0.9777	\$174
2013	178	\$1.0011	\$178
2014	178	\$1.0252	\$182
2015	178	\$1.0498	\$187
2016	178	\$1.0750	\$191
2017	178	\$1.1008	\$196
2018	178	\$1.1272	\$201
2019	178	\$1.1542	\$206
2020	178	\$1.1819	\$210
2021	178	\$1.2103	\$216
2022	178	\$1.2394	\$221
2023	178	\$1.2691	\$226
2024	178	\$1.2996	\$231
2025	178	\$1.3307	\$237

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	\$12.00	\$144.00	40.18%	\$68
2007	\$12.00	\$144.00	40.18%	\$68
2008	\$12.00	\$144.00	40.18%	\$68
2009	\$12.00	\$144.00	40.18%	\$68
2010	\$12.00	\$144.00	40.18%	\$68
2011	\$12.00	\$144.00	40.18%	\$68
2012	\$12.00	\$144.00	40.18%	\$68
2013	\$12.00	\$144.00	40.18%	\$68
2014	\$12.00	\$144.00	40.18%	\$68
2015	\$12.00	\$144.00	40.18%	\$68
2016	\$12.00	\$144.00	40.18%	\$68
2017	\$12.00	\$144.00	40.18%	\$68
2018	\$12.00	\$144.00	40.18%	\$68
2019	\$12.00	\$144.00	40.18%	\$68
2020	\$12.00	\$144.00	40.18%	\$68
2021	\$12.00	\$144.00	40.18%	\$68
2022	\$12.00	\$144.00	40.18%	\$68
2023	\$12.00	\$144.00	40.18%	\$68
2024	\$12.00	\$144.00	40.18%	\$68
2025	\$12.00	\$144.00	40.18%	\$68

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	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2007	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2008	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2009	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2010	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2011	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2012	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2013	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2014	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2015	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2016	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2017	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2018	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2019	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2020	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2021	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2022	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2023	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2024	\$0	\$0	\$0	\$0	\$0	8.64%	40.18%
2025	\$0	\$0	\$0	\$0	\$0	8.64%	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	\$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 6

Gas Costs			
1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost
2006	178	0.8480	\$161
2007	178	\$0.8684	\$166
2008	178	\$0.8892	\$168
2009	178	\$0.9105	\$162
2010	178	\$0.9324	\$166
2011	178	\$0.9548	\$170
2012	178	\$0.9777	\$174
2013	178	\$1.0011	\$178
2014	178	\$1.0252	\$182
2015	178	\$1.0498	\$187
2016	178	\$1.0750	\$191
2017	178	\$1.1008	\$196
2018	178	\$1.1272	\$201
2019	178	\$1.1542	\$206
2020	178	\$1.1819	\$210
2021	178	\$1.2103	\$216
2022	178	\$1.2394	\$221
2023	178	\$1.2691	\$226
2024	178	\$1.2996	\$231
2025	178	\$1.3307	\$237

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Clothes Drying Appliances

**Sebring Gas System - Energy Conservation Filing 2007
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	\$47	\$37	\$18	\$213
2006	2	\$167	0	\$37	\$203	0	0	0	\$37	\$48	\$37	\$18	\$140
2007	3	\$169	0	\$38	\$207	0	0	0	\$38	\$49	\$37	\$18	\$142
2008	4	\$171	0	\$39	\$210	0	0	0	\$39	\$50	\$37	\$18	\$144
2009	5	\$173	0	\$40	\$213	0	0	0	\$40	\$51	\$37	\$18	\$146
2010	6	\$175	0	\$41	\$216	0	0	0	\$41	\$53	\$37	\$18	\$148
2011	7	\$177	0	\$42	\$219	0	0	0	\$42	\$54	\$37	\$18	\$150
2012	8	\$180	0	\$43	\$222	0	0	0	\$43	\$55	\$37	\$18	\$153
2013	9	\$182	0	\$44	\$225	0	0	0	\$44	\$56	\$37	\$18	\$155
2014	10	\$184	0	\$45	\$229	0	0	0	\$45	\$58	\$37	\$18	\$157
2015	11	\$186	0	\$46	\$232	0	0	0	\$46	\$59	\$37	\$18	\$160
2016	12	\$188	0	\$47	\$235	0	0	0	\$47	\$61	\$37	\$18	\$162
2017	13	\$191	100	\$48	\$338	516	(618)	204	\$48	\$62	\$37	\$18	\$267
2018	14	\$193	0	\$49	\$242	0	0	0	\$49	\$63	\$37	\$18	\$168
2019	15	\$195	0	\$50	\$245	0	0	0	\$50	\$65	\$37	\$18	\$170
2020	16	\$197	0	\$51	\$248	0	0	0	\$51	\$67	\$37	\$18	\$173
2021	17	\$199	0	\$53	\$252	0	0	0	\$53	\$68	\$37	\$18	\$176
2022	18	\$201	0	\$54	\$255	0	0	0	\$54	\$70	\$37	\$18	\$179
2023	19	\$204	0	\$55	\$259	0	0	0	\$55	\$71	\$37	\$18	\$182
2024	20	\$206	0	\$56	\$262	0	0	0	\$56	\$73	\$37	\$18	\$185

Present Value of Benefits \$2,315

Present Value of Costs \$1,615

Benefit/Cost Ratio	1.43
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**Sebring Gas System - Energy Conservation Filing 2007
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	\$0.8480	50	10.00%	\$47
2007	\$0.8684	50	10.00%	\$48
2008	\$0.8892	50	10.00%	\$49
2009	\$0.9105	50	10.00%	\$50
2010	\$0.9324	50	10.00%	\$51
2011	\$0.9548	50	10.00%	\$53
2012	\$0.9777	50	10.00%	\$54
2013	\$1.0011	50	10.00%	\$55
2014	\$1.0252	50	10.00%	\$56
2015	\$1.0498	50	10.00%	\$58
2016	\$1.0750	50	10.00%	\$59
2017	\$1.1008	50	10.00%	\$61
2018	\$1.1272	50	10.00%	\$62
2019	\$1.1542	50	10.00%	\$63
2020	\$1.1819	50	10.00%	\$65
2021	\$1.2103	50	10.00%	\$67
2022	\$1.2394	50	10.00%	\$68
2023	\$1.2691	50	10.00%	\$70
2024	\$1.2996	50	10.00%	\$71
2025	\$1.3307	50	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	\$0.6772	50	10.00%	\$37
2007	\$0.6772	50	10.00%	\$37
2008	\$0.6772	50	10.00%	\$37
2009	\$0.6772	50	10.00%	\$37
2010	\$0.6772	50	10.00%	\$37
2011	\$0.6772	50	10.00%	\$37
2012	\$0.6772	50	10.00%	\$37
2013	\$0.6772	50	10.00%	\$37
2014	\$0.6772	50	10.00%	\$37
2015	\$0.6772	50	10.00%	\$37
2016	\$0.6772	50	10.00%	\$37
2017	\$0.6772	50	10.00%	\$37
2018	\$0.6772	50	10.00%	\$37
2019	\$0.6772	50	10.00%	\$37
2020	\$0.6772	50	10.00%	\$37
2021	\$0.6772	50	10.00%	\$37
2022	\$0.6772	50	10.00%	\$37
2023	\$0.6772	50	10.00%	\$37
2024	\$0.6772	50	10.00%	\$37
2025	\$0.6772	50	10.00%	\$37

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	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2007	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2008	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2009	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2010	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2011	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2012	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2013	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2014	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2015	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2016	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2017	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2018	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2019	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2020	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2021	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2022	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2023	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2024	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	
2025	\$12.00	\$144.00	50	443	11.29%	10.00%	\$18	

**Sebring Gas System - Energy Conservation Filing 2007
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	Table 5	Table 3	Table 4				
	1	2	3	4	2 thru 4	6	7	8	9	6 thru 9
2002	\$34	\$42	\$16	\$93	\$42	\$0	\$0	\$100.28	\$143	
2003	\$34	\$43	\$16	\$94	\$43	\$0	\$0	\$0.28	\$44	
2004	\$34	\$44	\$16	\$95	\$44	\$0	\$0	\$0.28	\$45	
2005	\$34	\$46	\$16	\$96	\$46	\$0	\$0	\$0.28	\$46	
2006	\$34	\$47	\$16	\$97	\$47	\$0	\$0	\$0.28	\$47	
2007	\$34	\$48	\$16	\$98	\$48	\$0	\$0	\$0.28	\$48	
2008	\$34	\$49	\$16	\$99	\$49	\$0	\$0	\$0.28	\$49	
2009	\$34	\$50	\$16	\$100	\$50	\$0	\$0	\$0.28	\$50	
2010	\$34	\$51	\$16	\$101	\$51	\$0	\$0	\$0.28	\$52	
2011	\$34	\$52	\$16	\$103	\$52	\$0	\$0	\$0.28	\$53	
2012	\$34	\$54	\$16	\$104	\$54	\$0	\$0	\$0.28	\$54	
2013	\$34	\$55	\$16	\$105	\$55	\$0	\$0	\$0.28	\$55	
2014	\$34	\$56	\$16	\$106	\$56	\$0	\$0	\$100.28	\$157	
2015	\$34	\$58	\$16	\$108	\$58	\$0	\$0	\$0.28	\$58	
2016	\$34	\$59	\$16	\$109	\$59	\$0	\$0	\$0.28	\$59	
2017	\$34	\$61	\$16	\$111	\$61	\$0	\$0	\$0.28	\$61	
2018	\$34	\$62	\$16	\$112	\$62	\$0	\$0	\$0.28	\$62	
2019	\$34	\$63	\$16	\$114	\$63	\$0	\$0	\$0.28	\$64	
2020	\$34	\$65	\$16	\$115	\$65	\$0	\$0	\$0.28	\$65	
2021	\$34	\$67	\$16	\$117	\$67	\$0	\$0	\$0.28	\$67	

Present Value
of Benefits

\$988

Present Value
of Costs

\$628

Benefit/Cost Ratio	1.57
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**Sebring Gas System - Energy Conservation Filing 2007
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	2.50%
Depreciation Rate - Development Main	2.50%
Depreciation Rate - Service Line	2.90%
Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	50	\$0.6772	\$34
2007	50	\$0.6772	\$34
2008	50	\$0.6772	\$34
2009	50	\$0.6772	\$34
2010	50	\$0.6772	\$34
2011	50	\$0.6772	\$34
2012	50	\$0.6772	\$34
2013	50	\$0.6772	\$34
2014	50	\$0.6772	\$34
2015	50	\$0.6772	\$34
2016	50	\$0.6772	\$34
2017	50	\$0.6772	\$34
2018	50	\$0.6772	\$34
2019	50	\$0.6772	\$34
2020	50	\$0.6772	\$34
2021	50	\$0.6772	\$34
2022	50	\$0.6772	\$34
2023	50	\$0.6772	\$34
2024	50	\$0.6772	\$34
2025	50	\$0.6772	\$34

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	50	\$0.8480	\$42
2007	50	\$0.8684	\$43
2008	50	\$0.8892	\$44
2009	50	\$0.9105	\$46
2010	50	\$0.9324	\$47
2011	50	\$0.9548	\$48
2012	50	\$0.9777	\$49
2013	50	\$1.0011	\$50
2014	50	\$1.0252	\$51
2015	50	\$1.0498	\$52
2016	50	\$1.0750	\$54
2017	50	\$1.1008	\$56
2018	50	\$1.1272	\$56
2019	50	\$1.1542	\$58
2020	50	\$1.1819	\$59
2021	50	\$1.2103	\$61
2022	50	\$1.2394	\$62
2023	50	\$1.2691	\$63
2024	50	\$1.2996	\$66
2025	50	\$1.3307	\$67

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	\$12.00	\$144.00	11.29%	\$16
2007	\$12.00	\$144.00	11.29%	\$16
2008	\$12.00	\$144.00	11.29%	\$16
2009	\$12.00	\$144.00	11.29%	\$16
2010	\$12.00	\$144.00	11.29%	\$16
2011	\$12.00	\$144.00	11.29%	\$16
2012	\$12.00	\$144.00	11.29%	\$16
2013	\$12.00	\$144.00	11.29%	\$16
2014	\$12.00	\$144.00	11.29%	\$16
2015	\$12.00	\$144.00	11.29%	\$16
2016	\$12.00	\$144.00	11.29%	\$16
2017	\$12.00	\$144.00	11.29%	\$16
2018	\$12.00	\$144.00	11.29%	\$16
2019	\$12.00	\$144.00	11.29%	\$16
2020	\$12.00	\$144.00	11.29%	\$16
2021	\$12.00	\$144.00	11.29%	\$16
2022	\$12.00	\$144.00	11.29%	\$16
2023	\$12.00	\$144.00	11.29%	\$16
2024	\$12.00	\$144.00	11.29%	\$16
2025	\$12.00	\$144.00	11.29%	\$16

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	8.64%	11.29%
2007	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2008	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2009	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2010	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2011	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2012	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2013	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2014	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2015	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2016	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2017	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2018	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2019	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2020	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2021	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2022	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2023	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2024	\$0	\$0	\$0	\$0	\$0	8.64%	11.29%
2025	\$0	\$0	\$0	\$0	\$0	8.64%	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 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 6

Gas Costs			
1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost
2006	50	0.8480	\$42
2007	50	0.8684	\$43
2008	50	0.8892	\$44
2009	50	0.9105	\$46
2010	50	0.9324	\$47
2011	50	0.9548	\$48
2012	50	0.9777	\$49
2013	50	1.0011	\$50
2014	50	1.0252	\$51
2015	50	1.0498	\$52
2016	50	1.0750	\$54
2017	50	1.1008	\$56
2018	50	1.1272	\$56
2019	50	1.1542	\$58
2020	50	1.1819	\$59
2021	50	1.2103	\$61
2022	50	1.2394	\$62
2023	50	1.2691	\$63
2024	50	1.2996	\$66
2025	50	1.3307	\$67

Exhibit A

**Sebring Gas System
Energy Conservation Program
April, 2007**

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

For

Cooking Appliances

**Sebring Gas System - Energy Conservation Filing 2007
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	\$42	\$34	\$16	\$203
2006	2	\$149	0	\$37	\$186	0	0	0	\$37	\$43	\$34	\$16	\$129
2007	3	\$151	0	\$38	\$189	0	0	0	\$38	\$44	\$34	\$16	\$131
2008	4	\$153	0	\$39	\$191	0	0	0	\$39	\$45	\$34	\$16	\$133
2009	5	\$155	0	\$40	\$194	0	0	0	\$40	\$46	\$34	\$16	\$135
2010	6	\$157	0	\$41	\$197	0	0	0	\$41	\$47	\$34	\$16	\$137
2011	7	\$159	0	\$42	\$200	0	0	0	\$42	\$48	\$34	\$16	\$140
2012	8	\$161	0	\$43	\$203	0	0	0	\$43	\$50	\$34	\$16	\$142
2013	9	\$163	0	\$44	\$206	0	0	0	\$44	\$51	\$34	\$16	\$144
2014	10	\$165	0	\$45	\$209	0	0	0	\$45	\$52	\$34	\$16	\$146
2015	11	\$166	0	\$46	\$212	0	0	0	\$46	\$53	\$34	\$16	\$148
2016	12	\$168	0	\$47	\$215	0	0	0	\$47	\$54	\$34	\$16	\$151
2017	13	\$170	0	\$48	\$218	0	0	0	\$48	\$56	\$34	\$16	\$153
2018	14	\$172	100	\$49	\$321	626	(800)	279	\$49	\$57	\$34	\$16	\$260
2019	15	\$174	0	\$50	\$224	0	0	0	\$50	\$59	\$34	\$16	\$158
2020	16	\$176	0	\$51	\$228	0	0	0	\$51	\$60	\$34	\$16	\$161
2021	17	\$178	0	\$53	\$231	0	0	0	\$53	\$61	\$34	\$16	\$164
2022	18	\$180	0	\$54	\$234	0	0	0	\$54	\$63	\$34	\$16	\$166
2023	19	\$182	0	\$55	\$237	0	0	0	\$55	\$64	\$34	\$16	\$169
2024	20	\$184	0	\$56	\$240	0	0	0	\$56	\$66	\$34	\$16	\$172

Present Value of Benefits \$2,126

Present Value of Costs \$1,504

Benefit/Cost Ratio	1.41
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**Sebring Gas System - Energy Conservation Filing 2007
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%	\$178
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	\$0.8480	45	10.00%	\$42
2007	\$0.8684	45	10.00%	\$43
2008	\$0.8892	45	10.00%	\$44
2009	\$0.9105	45	10.00%	\$45
2010	\$0.9324	45	10.00%	\$46
2011	\$0.9548	45	10.00%	\$47
2012	\$0.9777	45	10.00%	\$48
2013	\$1.0011	45	10.00%	\$50
2014	\$1.0252	45	10.00%	\$51
2015	\$1.0498	45	10.00%	\$52
2016	\$1.0750	45	10.00%	\$53
2017	\$1.1008	45	10.00%	\$54
2018	\$1.1272	45	10.00%	\$56
2019	\$1.1542	45	10.00%	\$57
2020	\$1.1819	45	10.00%	\$59
2021	\$1.2103	45	10.00%	\$60
2022	\$1.2394	45	10.00%	\$61
2023	\$1.2691	45	10.00%	\$63
2024	\$1.2996	45	10.00%	\$64
2025	\$1.3307	45	10.00%	\$66

Gas Energy Charge - Table 3				
Year	Rate Per Therm	Annual Therms	Tax Rate	Gas Cost
A	B	C	D	B*C*(1+D)
2006	\$0.6772	45	10.00%	\$34
2007	\$0.6772	45	10.00%	\$34
2008	\$0.6772	45	10.00%	\$34
2009	\$0.6772	45	10.00%	\$34
2010	\$0.6772	45	10.00%	\$34
2011	\$0.6772	45	10.00%	\$34
2012	\$0.6772	45	10.00%	\$34
2013	\$0.6772	45	10.00%	\$34
2014	\$0.6772	45	10.00%	\$34
2015	\$0.6772	45	10.00%	\$34
2016	\$0.6772	45	10.00%	\$34
2017	\$0.6772	45	10.00%	\$34
2018	\$0.6772	45	10.00%	\$34
2019	\$0.6772	45	10.00%	\$34
2020	\$0.6772	45	10.00%	\$34
2021	\$0.6772	45	10.00%	\$34
2022	\$0.6772	45	10.00%	\$34
2023	\$0.6772	45	10.00%	\$34
2024	\$0.6772	45	10.00%	\$34
2025	\$0.6772	45	10.00%	\$34

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	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2007	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2008	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2009	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2010	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2011	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2012	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2013	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2014	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2015	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2016	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2017	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2018	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2019	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2020	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2021	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2022	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2023	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2024	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16
2025	\$12.00	\$144.00	45	443	10.16%	10.00%	\$16

**Sebring Gas System - Energy Conservation Filing 2007
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	\$30	\$38	\$15	\$83	\$38	\$0	\$0	\$100.25	\$138
2003	\$30	\$39	\$15	\$84	\$39	\$0	\$0	\$0.25	\$39
2004	\$30	\$40	\$15	\$85	\$40	\$0	\$0	\$0.25	\$40
2005	\$30	\$41	\$15	\$86	\$41	\$0	\$0	\$0.25	\$41
2006	\$30	\$42	\$15	\$87	\$42	\$0	\$0	\$0.25	\$42
2007	\$30	\$43	\$15	\$88	\$43	\$0	\$0	\$0.25	\$43
2008	\$30	\$44	\$15	\$89	\$44	\$0	\$0	\$0.25	\$44
2009	\$30	\$45	\$15	\$90	\$45	\$0	\$0	\$0.25	\$45
2010	\$30	\$46	\$15	\$91	\$46	\$0	\$0	\$0.25	\$46
2011	\$30	\$47	\$15	\$92	\$47	\$0	\$0	\$0.25	\$47
2012	\$30	\$48	\$15	\$93	\$48	\$0	\$0	\$0.25	\$49
2013	\$30	\$50	\$15	\$95	\$50	\$0	\$0	\$0.25	\$50
2014	\$30	\$51	\$15	\$96	\$51	\$0	\$0	\$0.25	\$51
2015	\$30	\$52	\$15	\$97	\$52	\$0	\$0	\$100.25	\$152
2016	\$30	\$53	\$15	\$98	\$53	\$0	\$0	\$0.25	\$53
2017	\$30	\$54	\$15	\$100	\$54	\$0	\$0	\$0.25	\$55
2018	\$30	\$56	\$15	\$101	\$56	\$0	\$0	\$0.25	\$56
2019	\$30	\$57	\$15	\$102	\$57	\$0	\$0	\$0.25	\$57
2020	\$30	\$58	\$15	\$104	\$58	\$0	\$0	\$0.25	\$59
2021	\$30	\$60	\$15	\$105	\$60	\$0	\$0	\$0.25	\$60

Present Value
of Benefits **\$889**

Present Value
of Costs **\$576**

Benefit/Cost Ratio	1.55
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**Sebring Gas System - Energy Conservation Filing 2007
Residential Appliance Retention Program
RIM Test - Calculated Data**

Appliance Type	
Cooking	

Fuel Rate Escalator	2.4%	Depreciation Rate - Supply Main	2.50%
Gas Energy Charge Escalator	0%	Depreciation Rate - Development Main	2.50%
Gas Customer Charge Escalator	0%	Depreciation Rate - Service Line	2.90%
O&M Escalator	2.4%	Depreciation Rate - Meter	3.30%

Table 1

Revenue - Energy Charge			
1	2	3	2*3
Year	Therms	Base Rate	Total Charge
2006	45	\$0.6772	\$30
2007	45	\$0.6772	\$30
2008	45	\$0.6772	\$30
2009	45	\$0.6772	\$30
2010	45	\$0.6772	\$30
2011	45	\$0.6772	\$30
2012	45	\$0.6772	\$30
2013	45	\$0.6772	\$30
2014	45	\$0.6772	\$30
2015	45	\$0.6772	\$30
2016	45	\$0.6772	\$30
2017	45	\$0.6772	\$30
2018	45	\$0.6772	\$30
2019	45	\$0.6772	\$30
2020	45	\$0.6772	\$30
2021	45	\$0.6772	\$30
2022	45	\$0.6772	\$30
2023	45	\$0.6772	\$30
2024	45	\$0.6772	\$30
2025	45	\$0.6772	\$30

Table 1a

Revenue - Cost of Gas			
1	2	4	2*3
Year	Therms	Fuel Rate	Total Charge
2006	45	\$0.8480	\$38
2007	45	\$0.8684	\$39
2008	45	\$0.8892	\$40
2009	45	\$0.9105	\$41
2010	45	\$0.9324	\$42
2011	45	\$0.9548	\$43
2012	45	\$0.9777	\$44
2013	45	\$1.0011	\$46
2014	45	\$1.0252	\$46
2015	45	\$1.0498	\$47
2016	45	\$1.0750	\$48
2017	45	\$1.1008	\$50
2018	45	\$1.1272	\$51
2019	45	\$1.1542	\$52
2020	45	\$1.1819	\$53
2021	45	\$1.2103	\$54
2022	45	\$1.2394	\$56
2023	45	\$1.2691	\$57
2024	45	\$1.2996	\$58
2025	45	\$1.3307	\$60

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	\$12.00	\$144.00	10.16%	\$16
2007	\$12.00	\$144.00	10.16%	\$16
2008	\$12.00	\$144.00	10.16%	\$16
2009	\$12.00	\$144.00	10.16%	\$16
2010	\$12.00	\$144.00	10.16%	\$16
2011	\$12.00	\$144.00	10.16%	\$16
2012	\$12.00	\$144.00	10.16%	\$16
2013	\$12.00	\$144.00	10.16%	\$16
2014	\$12.00	\$144.00	10.16%	\$16
2015	\$12.00	\$144.00	10.16%	\$16
2016	\$12.00	\$144.00	10.16%	\$16
2017	\$12.00	\$144.00	10.16%	\$16
2018	\$12.00	\$144.00	10.16%	\$16
2019	\$12.00	\$144.00	10.16%	\$16
2020	\$12.00	\$144.00	10.16%	\$16
2021	\$12.00	\$144.00	10.16%	\$16
2022	\$12.00	\$144.00	10.16%	\$16
2023	\$12.00	\$144.00	10.16%	\$16
2024	\$12.00	\$144.00	10.16%	\$16
2025	\$12.00	\$144.00	10.16%	\$16

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
2006	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2007	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2008	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2009	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2010	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2011	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2012	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2013	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2014	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2015	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2016	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2017	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2018	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2019	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2020	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2021	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2022	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2023	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2024	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%
2025	\$0	\$0	\$0	\$0	\$0	8.64%	10.16%

Table 4

Incremental Customer Costs						
1	2	3	4	5=3*4	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
2006	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2007	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2008	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2009	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2010	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2011	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2012	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2013	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2014	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2015	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2016	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2017	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2018	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2019	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2020	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2021	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2022	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2023	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2024	\$0.00	\$0	10.16%	\$0	\$0	10.16%
2025	\$0.00	\$0	10.16%	\$0	\$0	10.16%

Table 6

Gas Costs			
1	2	3	2*3
Year	Therms	Gas Supply Rate	Gas Supply Cost
2006	45	\$0.8480	\$38
2007	45	\$0.8684	\$39
2008	45	\$0.8892	\$40
2009	45	\$0.9105	\$41
2010	45	\$0.9324	\$42
2011	45	\$0.9548	\$43
2012	45	\$0.9777	\$44
2013	45	\$1.0011	\$46
2014	45	\$1.0252	\$46
2015	45	\$1.0498	\$47
2016	45	\$1.0750	\$48
2017	45	\$1.1008	\$50
2018	45	\$1.1272	\$51
2019	45	\$1.1542	\$52
2020	45	\$1.1819	\$53
2021	45	\$1.2103	\$54
2022	45	\$1.2394	\$56
2023	45	\$1.2691	\$57
2024	45	\$1.2996	\$58
2025	45	\$1.3307	\$60

Exhibit B

to

**Sebring Gas System
Energy Conservation Program Petition
April, 2007**

Calculation of Energy Conservation Cost Recovery Factors

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Energy Conservation Program Petition
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CONSERVATION COST RECOVERY PROJECTION SCHEDULES (C-FORMS)

SEBRING GAS SYSTEM

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	1,667.00	333.00	800.00	6,500.00	10,667.00	0.00	333.00	20,300.00
PROGRAM 2 RESIDENTIAL APPLIANCE REPLACEMENT	0.00	462.00	92.00	222.00	1,800.00	2,954.00	0.00	92.00	5,622.00
PROGRAM 3 RESIDENTIAL APPLIANCE RETENTION	0.00	372.00	75.00	178.00	1,450.00	2,379.00	0.00	75.00	4,529.00
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	2,501.00	500.00	1,200.00	9,750.00	16,000.00	0.00	500.00	30,451.00
EXPENSES INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0

*Consumer Education advertising expense allocated to each program.

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SEBRING GAS SYSTEM
PROJECTIONS DURING THE COLLECTION PERIOD

JULY 2007* THROUGH DECEMBER 2007

	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
PROGRAM 1 RESIDENTIAL HOME BUILDER	0.00	0.00	0.00	0.00	0.00	10,150.00	1,691.67	1,691.67	1,691.67	1,691.67	1,691.67	1,691.67	20,300.00
PROGRAM 2 RESIDENTIAL APPLIANCE REPLACEMENT	0.00	0.00	0.00	0.00	0.00	2,811.00	468.50	468.50	468.50	468.50	468.50	468.50	5,622.00
PROGRAM 3 RESIDENTIAL APPLIANCE RETENTION	0.00	0.00	0.00	0.00	0.00	2,264.50	377.42	377.42	377.42	377.42	377.42	377.42	4,529.00
PROGRAM 4 CONSUMER EDUCATION*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 5 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 6 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 7 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 8 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 9 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 10 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 11 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 12 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 13 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 14 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 15 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 16 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 17 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 18 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 19 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM 20 (INSERT NAME)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	15,225.49	2,537.58	2,537.58	2,537.58	2,537.58	2,537.58	2,537.58	30,450.99
EXPENSES INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0

* July 2007 estimated program effective date.

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

	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL
TS-1*	5,268	42,490	\$63,216	\$24,279	\$87,495
TS-2	288	64,523	\$4,320	\$31,827	\$36,147
TS-3	1,080	216,320	\$41,040	\$100,972	\$142,012
TS-4	324	316,044	\$48,600	\$107,016	\$269,285
TOTAL	6,960	639,377	\$157,176	\$264,093	\$435,920

*RES projection includes June to December volumes (7/12=.583) for:
 New Construction: 10 customers; TWH, Cooking, Dryers = 2,450 therms/yr
 Retention Program: 3 SWH; 2 Cooking; 2 Dryers = 700 therms/yr
 Replacement Program: 1 TWH; 1 SWH; 2 Cooking; 1 Dryers = 460 therms/yr

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SCHEDULE C-1

SEBRING GAS SYSTEM

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

1. INCREMENTAL COSTS (SCHEDULE C-2)	\$30,451
2. TRUE-UP (SCHEDULE C-3)	\$0
3. TOTAL	\$30,451

RATE CLASS	BILLS	THERMS	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	Market Adjustment	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
TS-1	5,268	42,490	\$63,216	\$24,279	-\$30,000	\$57,495	\$4,475	7.7827%	0.1053	1.00503	0.1058
TS-2	288	64,523	\$4,320	\$31,827		\$36,147	\$2,813	7.7827%	0.0436	1.00503	0.0438
TS-3	1,080	216,320	\$41,040	\$100,972		\$142,012	\$11,052	7.7827%	0.0511	1.00503	0.0513
TS-4	324	316,044	\$48,600	\$107,016		\$155,616	\$12,111	7.7827%	0.0383	1.00503	0.0385
TOTAL	6,960	639,377	\$157,176	\$264,093		\$391,269	\$30,451	7.7827%			

TS-2 Market Adjustment to allocate additional ECCR to TS-2 class.
TS-5 class is Competitive Rate Adjustment flex rate: no ECCR collection from this class.

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SCHEDULE C-2
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Exhibit No. _____

SEBRING GAS SYSTEM

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	1,667	333	800	6,500	10,667	0	333	20,300
2. RESIDENTIAL APPLIANCE REPLACEMENT	0	462	92	222	1,800	2,954	0	92	5,622
3. RESIDENTIAL PROPANE DISTRIBUTION	0	372	75	178	1,450	2,379	0	75	4,529
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	2,501	500	1,200	9,750	16,000	0	500	30,451
LESS: AMOUNT IN RATE BASE	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSER.	0	2,501	500	1,200	9,750	16,000	0	500	30,451

