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September 13, 2007

VIA HAND DELIVERY

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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COMMISSION
CLERK

Re: Docket No. 070004-GU – Energy Conservation Cost Recovery Clause

Dear Ms. Cole:

Enclosed for filing in the above referenced Docket, please find an original and 15 copies of Florida City Gas's Petition and the Direct Testimony and Exhibit of Carolyn Bermudez.

Your assistance in this matter is greatly appreciated.

Sincerely,

Beth Keating
AKERMAN SENTERFITT
106 East College Avenue, Suite 1200
Tallahassee, FL 32302-1877
Phone: (850) 224-9634
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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy Conservation Cost
Recovery Clause

Docket No. 070004-GU
Filed: September 13, 2007

PETITION OF FLORIDA CITY GAS
FOR APPROVAL OF CONSERVATION COST RECOVERY FACTORS

Florida City Gas, a division of Pivotal Utility Holdings, Inc. ("Florida City Gas" or "the Company") hereby petitions the Commission for Approval of the Company's conservation cost recovery factors for the period January 1, 2008 through December 31, 2008. In support thereof, the Company says:

1. For the period January 1, 2008 through December 31, 2008, Florida City Gas projects its total incremental conservation costs to be \$2,236,897 (Schedule C-2). Florida City Gas' true-up for the period January 1, 2007 through December 31, 2007, is an over-recovery of \$704,942, resulting in a total of \$1,531,955, of conservation costs to be recovered during the January 1, 2008 through December 31, 2008 period.

2. When the required true-up and projected expenditures are spread over the projected therm sales and expanded for taxes, the required conservation cost recovery factors for the period January 1, 2008 through December 31, 2008, are:

GS-1, GS-100, GS-220 (Sales & Transportation)	\$0.04378
GS-600 (Sales & Transportation)	\$0.02347
GS-1200 (Sales & Transportation)	\$0.01521
GS-6k (Sales & Transportation)	\$0.01213
GS-25000 (Sales & Transportation)	\$0.01187

GS-60000 (Sales & Transportation)	\$0.01158
Gas Lights	\$0.02336
GS-120000 (Sales & Transportation)	\$0.00846
GS-250000 (Sales & Transportation)	\$0.00793

3. The Company's calculation of the Conservation Cost Recovery Factors is consistent with the Commission's methodology, and supported by the Direct Testimony of Carolyn Bermudez, and Schedules C-1 through C-3, which are included in Exhibit No. - (CB-1).

WHEREFORE, Florida City Gas requests that its Conservation Cost Recovery Factors for the period January 1, 2008 through December 31, 2008, be approved.

RESPECTFULLY SUBMITTED this 13th day of September, 2007.

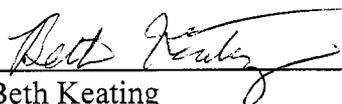


Beth Keating
Akerman Senterfitt Attorneys at Law
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Highpoint Center, 12th Floor
Tallahassee, FL 32301
(850) 224-9634

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Petition of Florida City Gas supported by the Direct Testimony and Exhibits of Carolyn Bermudez, has been furnished by U.S. Mail to the following parties of record this 13th day of September, 2007:

Florida Public Utilities Company John T. English/Cheryl Martin P.O. Box 3395 West Palm Beach, FL 33402-3395	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Thomas A. Geoffroy Florida Division of Chesapeake Utilities P.O. Box 960 Winter Haven, FL 33882-0960
Florida City Gas Jay Sutton 955 East 25 th Street Hialeah, FL 33013-3498	St. Joe Natural Gas Company, Inc. Mr. Stuart L. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
TECO Energy, Inc. Paula K. Brown/Matthew Costa P.O. Box 111 Tampa, FL 33601-0111	AGL Resources Inc. Elizabeth Wade/Melvin Williams Ten Peachtree Place Location 1470 Atlanta, GA 30309
	Katherine Fleming Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399



 Beth Keating
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 beth.keating@akerman.com

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY OF CAROLYN BERMUDEZ

3 ON BEHALF OF

4 FLORIDA CITY GAS

5 DOCKET NO. 070004-GU

6 September 13, 2007

7

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

10

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

14

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

16

17 A. Yes, I am.

18

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

21

22 A. Yes, I am.

23

24

25

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

2

3 A. To submit the conservation cost recovery true-up for the final true-up period January 1,
4 2006 through December 31, 2006, and for the actual and estimated period of January 1,
5 2007, through December 31, 2007. I will also present the total level of costs Florida City
6 Gas seeks to recover through its conservation factors during the period January 1, 2008
7 through December 31, 2008, as well as the conservation factors which, when applied to
8 our customer's bills during the period January 1, 2008 through December 31, 2008, will
9 permit recovery of total ECCR costs.

10

11 **Q. What is the Company's estimated true-up for the period January 1, 2007 through**
12 **December 31, 2007?**

13

14 A. An over-recovery of \$704,942. This amount is calculated on page 4 of Schedule C-3 and
15 takes into account the final audited true-up for the year ended December 31, 2006, which
16 was an over-recovery of \$1,003,789, including interest.

17

18 **Q. What is the total cost Florida City Gas seeks to recover during the period January 1,**
19 **2008 through December 31, 2008?**

20 A. \$1,531,955. This represents the projected costs of \$2,236,897 to be incurred during 2008,
21 plus the estimated true-up of \$(704,942) for calendar year 2007.

22

23

24

25

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

3

4 A.	GS-1, GS-100, GS-220 (Sales & Transportation)	\$0.04378
5	GS-600 (Sales & Transportation)	\$0.02347
6	GS-1200 (Sales & Transportation)	\$0.01521
7	GS-6k (Sales & Transportation)	\$0.01213
8	GS-25000 (Sales & Transportation)	\$0.01187
9	GS-60000 (Sales & Transportation)	\$0.01158
10	Gas Lights	\$0.02336
11	GS-120000 (Sales & Transportation)	\$0.00846
12	GS-250000 (Sales & Transportation)	\$0.00793

13

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

16

17 A. Yes. I have prepared and filed together with this testimony Schedules C-1 through C-3 as
18 prescribed by Commission Staff, as well as Schedule C-5.

19

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

21

22 A. Yes, it does.

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2008 THROUGH DECEMBER 2008
ACTUAL/ESTIMATED PERIOD: JANUARY 2007 THROUGH DECEMBER 2007
FINAL TRUE-UP PERIOD: JANUARY 2006 THROUGH DECEMBER 2006
COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2006 THROUGH DECEMBER 2006

- 1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1) \$ 2,236,897
- 2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12) \$ (704,942)
- 3. TOTAL (LINE 1 AND 2) \$ 1,531,955

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	DEMAND CHARGE	TOTAL CUST. & ENERGY CHG REVENUES	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERVATION FACTOR
GS-1, GS-100, GS-220 (Sales & Transportation)	98,687	19,063,763	\$ 11,600,364	\$ 9,668,609	\$ -	\$ 21,268,973	\$ 830,350	3.9040%	\$ 0.04356	1.00503	\$ 0.04378
GS-600 (Sales & Transportation)	1,262	1,125,241	\$ 181,728	\$ 491,314	\$ -	\$ 673,042	\$ 26,276	3.9040%	\$ 0.02335	1.00503	\$ 0.02347
GS-1200 (Sales & Transportation)	2,455	6,277,040	\$ 441,900	\$ 1,990,763	\$ -	\$ 2,432,663	\$ 94,972	3.9040%	\$ 0.01513	1.00503	\$ 0.01521
GS-6K (Sales & Transportation)	1,893	19,851,724	\$ 681,480	\$ 5,456,643	\$ -	\$ 6,138,123	\$ 239,635	3.9040%	\$ 0.01207	1.00503	\$ 0.01213
GS-25000 (Sales & Transportation)	305	11,133,345	\$ 292,800	\$ 3,074,807	\$ -	\$ 3,367,607	\$ 131,473	3.9040%	\$ 0.01181	1.00503	\$ 0.01187
GS-60000 (Sales & Transportation)	64	5,692,580	\$ 115,200	\$ 1,564,150	\$ -	\$ 1,679,350	\$ 65,563	3.9040%	\$ 0.01152	1.00503	\$ 0.01158
Gas Lights	221	22,800	\$ -	\$ 13,574	\$ -	\$ 13,574	\$ 530	3.9040%	\$ 0.02324	1.00503	\$ 0.02336
GS-120000 (Sales & Transportation)	48	8,747,200	\$ 144,000	\$ 1,581,843	\$ 161,093	\$ 1,886,936	\$ 73,667	3.9040%	\$ 0.00842	1.00503	\$ 0.00846
GS-250000 (Sales & Transportation)	20	8,802,400	\$ 72,000	\$ 1,513,221	\$ 194,700	\$ 1,779,921	\$ 69,489	3.9040%	\$ 0.00789	1.00503	\$ 0.00793
TOTAL	104,955	80,716,093	\$ 13,529,472	\$ 25,354,924	\$ 355,793	\$ 39,240,189	\$ 1,531,955				

PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

PROGRAM NAME	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	TOTAL
1. RESIDENTIAL BUILDER	\$ 35,106	\$ 35,370	\$ 35,635	\$ 36,254	\$ 36,526	\$ 36,800	\$ 37,076	\$ 37,354	\$ 37,634	\$ 37,916	\$ 38,200	\$ 38,487	\$ 442,358
2. MULTI-FAMILY RESIDENTIAL BLDR	35,000	-	-	35,262	-	-	35,527	-	-	35,793	-	-	\$ 141,582
3. APPLIANCE REPLACEMENT	59,635	59,820	60,005	60,563	60,755	60,949	61,143	61,338	61,536	61,735	61,936	62,137	\$ 731,552
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	160	161	162	163	164	165	166	167	168	169	170	171	\$ 1,986
7. RES WATER HEATER RETENTION	32,000	32,240	32,482	32,726	32,971	33,218	33,467	33,718	33,971	34,226	34,483	34,742	\$ 400,244
8. RES CUT AND CAP ALTERNATIVE	471	475	479	496	500	504	508	512	516	520	524	528	\$ 6,033
9. COMM/IND CONVERSION	37,270	30,129	37,776	31,350	39,062	31,822	39,594	32,301	40,133	32,787	40,679	33,281	\$ 426,184
10. COMM/IND ALTERNATIVE TECH.	2,384	2,402	2,420	2,499	2,518	2,537	2,556	2,575	2,595	2,615	2,635	2,655	\$ 30,391
COMMON COSTS	4,435	4,468	4,501	4,654	4,689	4,724	4,759	4,795	4,831	4,867	4,903	4,940	\$ 56,566
TOTAL ALL PROGRAMS	\$ 206,461	\$ 165,065	\$ 173,460	\$ 203,967	\$ 177,185	\$ 170,719	\$ 214,796	\$ 172,760	\$ 181,384	\$ 210,628	\$ 183,530	\$ 176,941	\$ 2,236,896
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	\$ 206,461	\$ 165,065	\$ 173,460	\$ 203,967	\$ 177,185	\$ 170,719	\$ 214,796	\$ 172,760	\$ 181,384	\$ 210,628	\$ 183,530	\$ 176,941	\$ 2,236,896

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER	\$ -	\$ 160,865	\$ -	\$ -	\$ 274,857	\$ -	\$ 6,636	\$ -	\$ 442,358
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	141,583	-	-	-	141,583
3. APPLIANCE REPLACEMENT	-	169,670	-	420,000	86,821	48,460	6,600	-	731,551
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	-	-	-	-	1,986	-	-	-	1,986
7. RES WATER HEATER RETENTION	-	-	-	-	400,244	-	-	-	400,244
8. RES CUT AND CAP ALTERNATIVE	-	6,033	-	-	-	-	-	-	6,033
9. COMM/IND CONVERSION	-	350,636	-	-	45,033	-	30,515	-	426,184
10. COMM/IND ALTERNATIVE TECH. COMMON COSTS	-	27,607	-	-	-	-	2,784	-	30,391
	-	54,796	-	-	-	-	1,770	-	56,566
TOTAL ALL PROGRAMS	-	769,607	-	420,000	950,524	48,460	48,305	-	2,236,896
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 769,607	\$ -	\$ 420,000	\$ 950,524	\$ 48,460	\$ 48,305	\$ -	\$ 2,236,896

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2007 THROUGH DECEMBER 2007
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	<u>CAPITAL</u> <u>INVESTMENT</u>	<u>PAYROLL &</u> <u>BENEFITS</u>	<u>MATERIALS &</u> <u>SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE</u> <u>SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1. RESIDENTIAL BUILDER									
A. ACTUAL (7 months)	\$ -	\$ 77,085	\$ -	\$ -	\$ 151,529	\$ -	\$ 3,186	\$ -	\$ 231,800
B. ESTIMATED (5 months)	-	45,754	-	-	376,140	-	-	-	421,894
C. TOTAL	-	122,839	-	-	527,669	-	3,186	-	653,694
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (7 months)	-	-	-	-	139,500	-	-	-	139,500
B. ESTIMATED (5 months)	-	424	-	-	54,902	-	-	-	55,326
C. TOTAL	-	424	-	-	194,402	-	-	-	194,826
3. APPLIANCE REPLACEMENT									
A. ACTUAL (7 months)	-	80,639	-	325,831	45,270	25,375	3,171	-	480,286
B. ESTIMATED (5 months)	-	57,081	-	185,345	45,074	-	-	-	287,500
C. TOTAL	-	137,720	-	511,176	90,344	25,375	3,171	-	767,786
4. DEALER PROGRAM									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION									
A. ACTUAL (7 months)	-	-	-	-	963	-	-	-	963
B. ESTIMATED (5 months)	-	-	-	-	253	-	-	-	253
C. TOTAL	-	-	-	-	1,216	-	-	-	1,216
SUB-TOTAL	\$ -	\$ 260,983	\$ -	\$ 511,176	\$ 813,631	\$ 25,375	\$ 6,357	\$ -	\$ 1,617,522

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2007 THROUGH DECEMBER 2007
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	<u>CAPITAL</u> <u>INVESTMENT</u>	<u>PAYROLL &</u> <u>BENEFITS</u>	<u>MATERIALS &</u> <u>SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE</u> <u>SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 260,983	\$ -	\$ 511,176	\$ 813,631	\$ 25,375	\$ 6,357	\$ -	\$ 1,617,522
7. RES WATER HEATER RETENTION									
A. ACTUAL (7 months)	-	-	-	-	115,452	-	-	-	115,452
B. ESTIMATED (5 months)	-	348	-	-	57,738	-	-	-	58,086
C. TOTAL	-	348	-	-	-	-	-	-	173,538
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (7 months)	-	1,824	-	-	200	-	-	-	2,024
B. ESTIMATED (5 months)	-	13,782	-	-	-	-	-	-	13,782
C. TOTAL	-	15,606	-	-	-	-	-	-	15,806
9. COMM/ND CONVERSION									
A. ACTUAL (7 months)	-	164,874	-	-	72,120	-	16,057	-	253,051
B. ESTIMATED (5 months)	-	77,175	-	-	3,795	-	-	-	80,970
C. TOTAL	-	242,049	-	-	-	-	-	-	334,021
10. COMM/ND ALTERNATIVE TECH.									
A. ACTUAL (7 months)	-	12,462	-	-	-	-	1,360	-	13,822
B. ESTIMATED (5 months)	-	8,926	-	-	-	-	-	-	8,926
C. TOTAL	-	21,388	-	-	-	-	-	-	22,748
COMMON COSTS									
A. ACTUAL (7 months)	-	25,306	-	-	-	11,745	838	-	37,889
B. ESTIMATED (5 months)	-	14,331	-	-	-	60,750	-	-	75,081
C. TOTAL	-	39,637	-	-	-	72,495	838	-	112,970
TOTAL	\$ -	\$ 580,011	\$ -	\$ 511,176	\$ 813,631	\$ 97,870	\$ 7,195	\$ -	\$ 2,276,605

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR THE PERIOD JANUARY 2007 THROUGH DECEMBER 2007
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

DESCRIPTION	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL
1. RESIDENTIAL BUILDER	\$ 51,835	\$ 22,690	\$ 18,465	\$ 42,455	\$ 43,949	\$ 23,108	\$ 29,298	\$ 46,230	\$ 93,916	\$ 93,916	\$ 93,916	\$ 93,916	653,694
2. MULTI-FAMILY RESIDENTIAL BLDR	31,500	-	-	121,500	(54,000)	-	40,500	25,650	7,419	7,419	7,419	7,419	194,826
3. APPLIANCE REPLACEMENT	32,557	12,488	80,855	34,362	17,207	220,604	82,213	71,504	53,999	53,999	53,999	53,999	767,786
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	-	-	325	-	-	200	438	25	57	57	57	57	1,216
7. RES WATER HEATER RETENTION	4,050	3,650	7,175	17,810	17,325	38,991	26,450	10,859	11,806	11,806	11,806	11,809	173,537
8. RES CUT AND CAP ALTERNATIVE	200	-	-	-	1,824	-	-	130	3,413	3,413	3,413	3,413	15,806
9. COMM/IND CONVERSION	20,305	23,023	64,160	51,883	50,746	17,469	25,466	16,186	16,196	16,196	16,196	16,196	334,022
10. COMM/IND ALTERNATIVE TECH.	1,442	1,390	1,731	3,494	2,048	1,870	1,847	1,838	1,772	1,772	1,772	1,772	22,748
COMMON COSTS	2,705	2,040	15,954	8,662	2,255	3,272	3,002	12,375	19,989	14,239	14,239	14,239	112,971
TOTAL ALL PROGRAMS	144,594	65,281	188,665	280,166	81,354	305,514	209,214	184,797	208,567	202,817	202,817	202,820	2,276,606
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	\$ 144,594	\$ 65,281	\$ 188,665	\$ 280,166	\$ 81,354	\$ 305,514	\$ 209,214	\$ 184,797	\$ 208,567	\$ 202,817	\$ 202,817	\$ 202,820	\$ 2,276,606

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2007 THROUGH DECEMBER 2007
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(104,265)	(160,801)	(164,051)	(132,544)	(114,369)	(107,092)	(99,400)	(133,182)	(215,557)	(205,846)	(221,383)	(277,264)	(1,935,754)
4. TOTAL REVENUES	(104,265)	(160,801)	(164,051)	(132,544)	(114,369)	(107,092)	(99,400)	(133,182)	(215,557)	(205,846)	(221,383)	(277,264)	(1,935,754)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	(83,649)	(83,649)	(83,649)	(83,649)	(83,649)	(83,649)	(83,649)	(83,649)	(83,649)	(83,649)	(83,649)	(83,649)	(1,003,789)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(187,914)	(244,450)	(247,700)	(216,193)	(198,018)	(190,741)	(183,049)	(216,831)	(299,206)	(289,495)	(305,032)	(360,913)	(2,939,543)
7. CONSERV. EXPS.	144,594	65,281	188,665	280,166	81,354	305,514	209,214	184,797	208,567	202,817	202,817	202,820	2,276,606
8. TRUE-UP THIS PERIOD	(43,320)	(179,169)	(59,035)	63,973	(116,664)	114,773	26,165	(32,034)	(90,639)	(86,678)	(102,215)	(158,093)	(662,937)
9. INTEREST PROV. THIS PERIOD	(4,308)	(4,448)	(4,623)	(4,266)	(4,034)	(3,689)	(3,037)	(2,702)	(2,616)	(2,649)	(2,709)	(2,925)	(42,005)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(1,003,789)	(967,768)	(1,067,736)	(1,047,745)	(904,389)	(941,437)	(746,704)	(639,927)	(591,014)	(600,620)	(606,299)	(627,573)	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	83,649	83,649	83,649	83,649	83,649	83,649	83,649	83,649	83,649	83,649	83,649	83,649	1,003,789
12. TOTAL NET TRUE-UP	\$ (967,768)	\$ (1,067,736)	\$ (1,047,745)	\$ (904,389)	\$ (941,437)	\$ (746,704)	\$ (639,927)	\$ (591,014)	\$ (600,620)	\$ (606,299)	\$ (627,573)	\$ (704,942)	\$ (704,942)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2007 THROUGH DECEMBER 2007
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

INTEREST PROVISION	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL
1. BEGINNING TRUE-UP	\$ (1,003,789)	\$ (967,768)	\$ (1,067,736)	\$ (1,047,745)	\$ (904,389)	\$ (941,437)	\$ (746,704)	\$ (639,927)	\$ (591,014)	\$ (600,620)	\$ (606,299)	\$ (627,573)	
2. ENDING TRUE-UP BEFORE INTEREST	<u>(963,460)</u>	<u>(1,063,288)</u>	<u>(1,043,122)</u>	<u>(900,123)</u>	<u>(937,404)</u>	<u>(743,015)</u>	<u>(636,890)</u>	<u>(588,312)</u>	<u>(598,004)</u>	<u>(603,649)</u>	<u>(624,865)</u>	<u>(702,017)</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	(1,967,249)	(2,031,057)	(2,110,859)	(1,947,868)	(1,841,793)	(1,684,453)	(1,383,595)	(1,228,240)	(1,189,019)	(1,204,270)	(1,231,163)	(1,329,591)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ <u>(983,625)</u>	\$ <u>(1,015,528)</u>	\$ <u>(1,055,429)</u>	\$ <u>(973,934)</u>	\$ <u>(920,896)</u>	\$ <u>(842,226)</u>	\$ <u>(691,797)</u>	\$ <u>(614,120)</u>	\$ <u>(594,509)</u>	\$ <u>(602,135)</u>	\$ <u>(615,582)</u>	\$ <u>(664,795)</u>	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	5.260%	5.260%	5.260%	5.260%	5.260%	5.260%	5.260%	5.280%	5.280%	5.280%	5.280%	5.280%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	<u>5.260%</u>	<u>5.260%</u>	<u>5.260%</u>	<u>5.260%</u>	<u>5.260%</u>	<u>5.260%</u>	<u>5.280%</u>	<u>5.280%</u>	<u>5.280%</u>	<u>5.280%</u>	<u>5.280%</u>	<u>5.280%</u>	
7. TOTAL (SUM LINES 5 & 6)	<u>10.520%</u>	<u>10.520%</u>	<u>10.520%</u>	<u>10.520%</u>	<u>10.520%</u>	<u>10.520%</u>	<u>10.540%</u>	<u>10.560%</u>	<u>10.560%</u>	<u>10.560%</u>	<u>10.560%</u>	<u>10.560%</u>	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	5.260%	5.260%	5.260%	5.260%	5.260%	5.260%	5.270%	5.280%	5.280%	5.280%	5.280%	5.280%	
9. MONTHLY AVG INTEREST RATE	0.438%	0.438%	0.438%	0.438%	0.438%	0.438%	0.439%	0.440%	0.440%	0.440%	0.440%	0.440%	
10. INTEREST PROVISION	\$ <u>(4,308)</u>	\$ <u>(4,448)</u>	\$ <u>(4,623)</u>	\$ <u>(4,266)</u>	\$ <u>(4,034)</u>	\$ <u>(3,689)</u>	\$ <u>(3,037)</u>	\$ <u>(2,702)</u>	\$ <u>(2,616)</u>	\$ <u>(2,649)</u>	\$ <u>(2,709)</u>	\$ <u>(2,925)</u>	\$ <u>(42,005)</u>

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL BUILDER - PROGRAM 1

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

PROGRAM ALLOWANCES:

Gas Storage Tank Water Heating	\$350
Gas Tankless Water Heating	450
Gas Heating	350
Gas Cooking	100
Gas Clothe Drying	100

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program costs for the period were \$231,800

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: MULTI-FAMILY RESIDENTIAL BUILDER - PROGRAM 2

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

PROGRAM ALLOWANCES:

See Program Summary

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program ended in February 2007 - Multi-Family developments are included in the Residential New Construction Program.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM 3

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

PROGRAM ALLOWANCES:

Gas Storage Tank Water Heating	\$525
Gas Tankless Water Heating	525
Gas Heating	625
Gas Cooking	100
Gas Clothe Drying	100

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program costs for the period were \$480.286

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: DEALER - PROGRAM 4

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

PROGRAM ALLOWANCES:

Furnace
Water Heater
Range
Dryer

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

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

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: GAS APPLIANCES IN SCHOOLS - PROGRAM 5

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

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program costs for the period were \$0.

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL PROPANE CONVERSION - PROGRAM 6

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

PROGRAM ALLOWANCES:

Furnace	\$200
Water Heater	100
Dryer	50
Range	25

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program costs for the period were \$963

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL WATER HEATER RETENTION - PROGRAM 7

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

PROGRAM ALLOWANCES:

Gas Storage Tank Water Heating	\$350
Gas Tankless Water Heating	450
Gas Heating	350
Gas Cooking	100
Gas Clothe Drying	100

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program costs for the period were \$115,452

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL CUT AND CAP - PROGRAM 8

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

PROGRAM ALLOWANCES:

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

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program costs for the period were \$2,024

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: COMMERCIAL/INDUSTRIAL CONVERSION - PROGRAM 9

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

PROGRAM ALLOWANCES:

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

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program costs for the period were \$253,051

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: COMMERCIAL/INDUSTRIAL ALTERNATIVE TECHNOLOGY INCENTIVE - PROGRAM 10

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

PROGRAM ALLOWANCES:

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

REPORTING PERIOD: January 2007 through July 2007

PROGRAM SUMMARY:

Program costs for the period were \$13,822

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Prepared Direct Testimony and Exhibits of Carolyn Bermudez has been furnished by U.S. Mail to the following parties of record this 13th day of September, 2007:

Florida Public Utilities Company John T. English/Cheryl Martin P.O. Box 3395 West Palm Beach, FL 33402-3395	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Thomas A. Geoffroy Florida Division of Chesapeake Utilities P.O. Box 960 Winter Haven, FL 33882-0960
Florida City Gas Jay Sutton 955 East 25 th Street Hialeah, FL 33013-3498	St. Joe Natural Gas Company, Inc. Mr. Stuart L. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
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