

**YOUNG VAN ASSENDERP, P.A.**

**ATTORNEYS AT LAW**

Attorneys:

Tasha O. Buford  
David S. Dee  
Ronald A. Labasky  
John T. LaVia, III  
Philip S. Parsons  
Timothy R. Qualls  
Kenza van Assenderp  
Robert Scheffel Wright  
Roy C. Young

Gallie's Hall  
225 South Adams Street  
Suite 200  
Post Office Box 1833  
(ZIP 32302-1833)  
Tallahassee, Florida 32301  
  
Telephone (850) 222-7206  
Telecopier (850) 561-6834

Of Counsel Attorneys:

Daniel H. Cox  
David B. Erwin  
Joseph W. Landers, Jr.  
  
George Ann C. Bracko  
Executive Director

September 12, 2006

BY HAND DELIVERY

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

RECEIVED-FPSC  
08 SEP 12 PM 4:36  
COMMISSION  
CLERK

Re: Natural Gas Conservation Cost Recovery, Docket No. 080004-GU

Dear Ms. Cole,

On behalf of Indiantown Gas Company, enclosed for filing in the Natural Gas Conservation Cost Recovery Docket are the following documents:

1. An original and 15 copies of the direct testimony and exhibits of Melissa M. Powers.

ST As always, I want to thank you and your staff for their professional and courteous help and assistance with this filing. If you have any questions, please call me any time.

Cordially yours,

*Robert Scheffel Wright*  
Robert Scheffel Wright

COM  
ECR  
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OPC  
RCP  
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SGA  
ADM  
CLK  
Enclosures

DOCUMENT NUMBER-DATE

08573 SEP 12 8

FPSC-COMMISSION CLERK

1                   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2                                   **DIRECT TESTIMONY**

3   **OF MELISSA M. POWERS**

4   **ON BEHALF OF INDIANTOWN GAS COMPANY, INC**

5   **DOCKET NO. 080004-GU**

6   **September 2008**

7  
8   **Q.    PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

9   A.    My name is Melissa M. Powers. My business address is Indiantown Gas  
10        Company, Inc., P.O. Box 8, Indiantown, FL 34956.

11 **Q.    BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

12 A.    I am the Chief Financial Officer of Indiantown Gas Company (IGC or the  
13        Company).

14 **Q.    WHAT ARE YOUR CURRENT DUTIES AS THE COMPANY'S CFO?**

15 A.    I oversee all of the Company's accounting, customer billing and regulatory  
16        reporting functions. I am also responsible for administering the Company's  
17        energy conservation programs. In that capacity, I am familiar with each program  
18        *and the costs and revenues associated with their administration.*

19 **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

20 A.    To submit the conservation cost recovery true-up for the final true-up period  
21        January 1, 2007 through December 31, 2007, and for the actual and estimated

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FPSC-COMMISSION CLERK

1 period of January 1, 2008 through December 31, 2008. As part of my submittal,  
2 I will present actual and projected expenditures and conservation revenues  
3 related to promoting and administering the Company's energy conservation  
4 programs. I will indicate the total costs IGC seeks to recover through its  
5 conservation factors during the period January 1, 2009 through December 31,  
6 2009. Finally, I will also propose the energy conservation cost recovery factors  
7 which, when applied to consumer bills during the period January 1, 2009  
8 through December 31, 2009, will permit recovery of IGC's total conservation  
9 program costs.

10 **Q. HAVE YOU PREPARED A SUMMARY OF THE COMPANY'S**  
11 **CONSERVATION PROGRAMS AND THE COSTS ASSOCIATED WITH**  
12 **THESE PROGRAMS?**

13 A. Yes. Summaries of IGC's four approved programs are included in Schedule C-  
14 5 of Exhibit MMP-1. Included are the Residential New Construction Program,  
15 the Residential Appliance Replacement Program, the Residential Appliance  
16 Retention Program, and the Conservation Education Program.

17 **Q. WHAT IS THE COMPANY'S ESTIMATED TRUE-UP FOR THE PERIOD**  
18 **JANUARY 1, 2008 THROUGH DECEMBER 31, 2008?**

19 A. The Company is over-recovered by \$21,610. This amount is calculated on page  
20 4 of Schedule C-3 and accounts for the final audited true-up for the year  
21 January 1, 2007 through December 31, 2007, which is an over-recovery of  
22 \$1,390, including interest. The magnitude of the over-recovery is primarily due

1 to an unanticipated increase in their sales (and conservation revenue) to an  
2 industrial citrus processor served by the Company.

3 **Q. WHAT IS THE TOTAL COST IGC SEEKS TO RECOVER DURING THE**  
4 **PERIOD JANUARY 1, 2009 THROUGH DECEMBER 31, 2009?**

5 A. As indicated on Schedule C-1, IGC seeks to recover \$7,378 during the  
6 referenced period. This amount represents the projected costs of \$28,988 to be  
7 incurred during 2009, plus the estimated true-up of (\$21,610) for calendar year  
8 2008.

9 **Q. WHAT ARE THE ENERGY CONSERVATION FACTORS FOR EACH**  
10 **APPLICABLE RATE CLASS NEEDED TO RECOVER IGC'S COSTS?**

11 A. TS-1 \$0.01339  
12 TS-2 \$0.00233  
13 TS-4 \$0.00087

14 **Q. HAS IGC PREPARED SCHEDULES TO SUPPORT ITS REQUESTED**  
15 **ENERGY CONSERVATION COST RECOVERY FACTORS?**

16 A. Yes. Schedules C-1 through C-3 and Schedule C-5 are submitted with my  
17 testimony as Exhibit No. MMP-1

18 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

19 A. Yes.

**Exhibit \_\_\_\_\_ (MMP-1)**

Indiantown Gas Company, Inc.

Docket No. 080004-GU

Energy Conservation Schedules and Program Descriptions

September 2008

DOCUMENT NUMBER - DATE

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ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION  
MONTHS: JANUARY 2009 THROUGH DECEMBER 2009

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	28,988
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	-21,610
3. TOTAL (LINE 1 AND LINE 2)	7,378

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER & DEMAND CHARGE REVENUES	DELIVERY CHARGE	TOTAL CUST. & DELIVERY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
TS-1	8,760	150,000	\$78,840	\$56,745	\$135,585	\$1,998	1.47353%	0.01332	1.00503	0.01339
TS-2	300	75,000	\$7,500	\$4,320	\$11,820	\$174	1.47353%	0.00232	1.00503	0.00233
TS-3	0	0	\$0	\$0	\$0	\$0			1.00503	0.00000
TS-4	24	6,000,000	\$118,668	\$234,600	\$353,268	\$5,206	1.47353%	0.00087	1.00503	0.00087
TOTAL	9,084	6,225,000	\$205,008	\$295,665	\$500,673	\$7,378				

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ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH  
JANUARY 2009 THROUGH DECEMBER 2009

PROGRAM	JAN 2009	FEB 2009	MAR 2009	APR 2009	MAY 2009	JUN 2009	JUL 2009	AUG 2009	SEP 2009	OCT 2009	NOV 2009	DEC 2009	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	258	258	258	708	708	1,208	708	708	258	758	258	258	6,346
2 RESIDENTIAL APPL. REPLACEMENT	358	783	358	783	358	1,283	358	783	358	1,283	358	783	7,846
3 RESIDENTIAL APPL. RETENTION	808	808	808	808	808	1,308	808	808	808	1,308	258	258	9,596
4 CONSERVATION EDUC	2,000	0	0	0	2,000	0	0	0	0	1,200	0	0	5,200
5 COMMON COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL ALL PROGRAMS</b>	<b>3,424</b>	<b>1,849</b>	<b>1,424</b>	<b>2,299</b>	<b>3,874</b>	<b>3,799</b>	<b>1,874</b>	<b>2,299</b>	<b>1,424</b>	<b>4,549</b>	<b>874</b>	<b>1,299</b>	<b>28,988</b>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2009 THROUGH DECEMBER 2009

<u>PROGRAM</u>	<u>CAPITAL INVEST</u>	<u>PYROLL &amp; BENEFITS</u>	<u>MATERLS. &amp; SUPPLIES</u>	<u>ADVERTISING</u>	<u>ALLOWANCES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION	0	3,096	0	0	2,250	1,000	0	0	6,346
2 RESIDENTIAL APPL. REPLACEMENT	0	3,096	0	0	3,750	1,000	0	0	7,846
3 RESIDENTIAL APPL. RETENTION	0	3,096	0	0	5,500	1,000	0	0	9,596
4 CONSERVATION EDUC	0	0	0	4,200	0	1,000	0	0	5,200
5 (INSERT NAME)	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)	0	0	0	0	0	0	0	0	0
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	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
PROGRAM COSTS	<u>0</u>	<u>9,288</u>	<u>0</u>	<u>4,200</u>	<u>11,500</u>	<u>4,000</u>	<u>0</u>	<u>0</u>	<u>28,988</u>



ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2008 THROUGH DECEMBER 2008

PROGRAM	<u>CAPITAL INVEST</u>	<u>PYROLL &amp; BENEFITS</u>	<u>MATERLS. &amp; SUPPLIES</u>	<u>ADVERT</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	0	2,064	0	0	0	0	0	0	2,064
B. ESTIMATED	0	<u>1,032</u>	0	0	<u>450</u>	<u>1,000</u>	0	0	<u>2,482</u>
TOTAL	0	<u>3,096</u>	0	0	<u>450</u>	<u>1,000</u>	0	0	<u>4,546</u>
2 RESIDENTIAL APPL. REPLACEMENT									
A. ACTUAL	0	2,064	0	0	0	0	0	0	2,064
B. ESTIMATED	0	<u>1,032</u>	0	0	<u>625</u>	<u>1,000</u>	0	0	<u>2,657</u>
TOTAL	0	<u>3,096</u>	0	0	<u>625</u>	<u>1,000</u>	0	0	<u>4,721</u>
3 RESIDENTIAL APPL. RETENTION									
A. ACTUAL	0	2,064	0	0	1,600	0	0	0	3,664
B. ESTIMATED	0	<u>1,032</u>	0	0	<u>2,100</u>	<u>1,000</u>	0	0	<u>4,132</u>
TOTAL	0	<u>3,096</u>	0	0	<u>3,700</u>	<u>1,000</u>	0	0	<u>7,796</u>
4 CONSERVATION EDUC									
A. ACTUAL	0	0	0	0	0	1,050	0	0	1,050
B. ESTIMATED	0	0	0	<u>1,200</u>	0	<u>0</u>	0	0	<u>1,200</u>
TOTAL	0	0	0	<u>1,200</u>	0	<u>1,050</u>	0	0	<u>2,250</u>
5 COMMON COSTS									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
COMMON COSTS	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SUB-TOTAL	<u>0</u>	<u>9,288</u>	<u>0</u>	<u>1,200</u>	<u>4,775</u>	<u>4,050</u>	<u>0</u>	<u>0</u>	<u>19,313</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2008 THROUGH DECEMBER 2008

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	9,288	0	1,200	4,775	4,050	0	0	19,313
7. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
8. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
9. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
10. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
11. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>9,288</b>	<b>0</b>	<b>1,200</b>	<b>4,775</b>	<b>4,050</b>	<b>0</b>	<b>0</b>	<b>19,313</b>

CONSERVATION PROGRAM COSTS BY PROGRAM  
ACTUAL/ESTIMATED  
JANUARY 2008 THROUGH DECEMBER 2008

PROGRAM NAME	JAN 2008	FEB 2008	MAR 2008	APR 2008	MAY 2008	JUN 2008	JUL 2008	AUG 2008	SEP 2008	OCT 2008	NOV 2008	DEC 2008	TOTAL
RESIDENTIAL NEW CONSTRUCTION	258	258	258	258	258	258	258	258	258	1,258	708	258	4,546
RESIDENTIAL APPL. REPLACEMENT	258	258	258	258	258	258	258	258	258	1,358	783	258	4,721
RESIDENTIAL APPL. RETENTION	358	758	258	258	458	258	658	658	258	1,808	1,258	808	7,796
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	1,050	0	0	0	0	0	0	1,200	0	2,250
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	874	1,274	774	1,824	974	774	1,174	1,174	774	4,424	3,949	1,324	19,313

ENERGY CONSERVATION ADJUSTMENT  
JANUARY 2008 THROUGH DECEMBER 2008

CONSERVATION REVS.	JAN 2008	FEB 2008	MAR 2008	APR 2008	MAY 2008	JUN 2008	JUL 2008	AUG 2008	SEP 2008	OCT 2008	NOV 2008	DEC 2008	TOTAL
1. RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REV.	(4,529)	(4,028)	(5,206)	(6,349)	(4,089)	(3,280)	(2,151)	(2,130)	(1,958)	(1,790)	(2,743)	(3,674)	(41,926)
4. (NET OF REV. TAXES)	0	0	0	0	0	0	0	0	0	0	0	0	0
5. TOTAL REVENUES	(4,529)	(4,028)	(5,206)	(6,349)	(4,089)	(3,280)	(2,151)	(2,130)	(1,958)	(1,790)	(2,743)	(3,674)	(41,926)
6. PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
7. CONSERVATION REVS. APPLIC. TO PERIOD	(4,529)	(4,028)	(5,206)	(6,349)	(4,089)	(3,280)	(2,151)	(2,130)	(1,958)	(1,790)	(2,743)	(3,674)	(41,926)
8. CONSERVATION EXPS. (FORM C-3, PAGE 3)	874	1,274	774	1,824	974	774	1,174	1,174	774	4,424	3,949	1,324	19,313
9. TRUE-UP THIS PERIOD	(3,655)	(2,754)	(4,432)	(4,525)	(3,115)	(2,506)	(977)	(956)	(1,184)	2,634	1,206	(2,350)	(22,613)
10. INTEREST THIS PERIOD (C-3, PAGE 5)	(6)	(9)	(17)	(27)	(34)	(37)	(41)	(43)	(46)	(44)	(40)	(42)	(388)
11. TRUE-UP & INT. BEG. OF MONTH	1,390	(2,271)	(5,034)	(9,483)	(14,034)	(17,183)	(19,727)	(20,744)	(21,744)	(22,974)	(20,384)	(19,218)	1,390
12. PRIOR TRUE-UP COLLECT./(REFUND.)	0	0	0	0	0	0	0	0	0	0	0	0	0
13. END OF PERIOD TOTAL NET TRUE-UP	(2,271)	(5,034)	(9,483)	(14,034)	(17,183)	(19,727)	(20,744)	(21,744)	(22,974)	(20,384)	(19,218)	(21,610)	(21,610)

CALCULATION OF TRUE-UP AND INTEREST PROVISION  
JANUARY 2008 THROUGH DECEMBER 2008

	JAN 2008	FEB 2008	MAR 2008	APR 2008	MAY 2008	JUN 2008	JUL 2008	AUG 2008	SEP 2008	OCT 2008	NOV 2008	DEC 2008	TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	(1390.00)	(2270.93)	(5033.83)	(9483.15)	(14034.45)	(17183.45)	(19726.61)	(20744.41)	(21744.13)	(22973.88)	(20384.09)	(19218.48)	
END. T-UP BEFORE INT.	(2264.79)	(5024.46)	(9465.87)	(14007.68)	(17149.21)	(19689.13)	(20703.22)	(21700.88)	(22928.28)	(20339.88)	(19178.09)	(21568.80)	
TOT. BEG. & END. T-UP	(3654.79)	(7295.38)	(14499.70)	(23490.83)	(31183.66)	(36872.57)	(40429.83)	(42445.29)	(44672.40)	(43313.76)	(39562.19)	(40787.28)	
AVERAGE TRUE-UP	(1827.40)	(3647.69)	(7249.85)	(11745.41)	(15591.83)	(18436.29)	(20214.92)	(21222.65)	(22336.20)	(21656.88)	(19781.09)	(20393.64)	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	4.98%	3.08%	3.09%	2.63%	2.84%	2.43%	2.45%	2.44%	2.45%	2.45%	2.45%	2.45%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	3.08%	3.09%	2.63%	2.84%	2.43%	2.45%	2.44%	2.45%	2.45%	2.45%	2.45%	2.45%	
TOTAL	8.06%	6.17%	5.72%	5.47%	5.27%	4.88%	4.89%	4.89%	4.90%	4.90%	4.90%	4.90%	
AVG INTEREST RATE	4.03%	3.09%	2.86%	2.74%	2.64%	2.44%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%	
MONTHLY AVG. RATE	0.34%	0.26%	0.24%	0.23%	0.22%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	
INTEREST PROVISION	(\$6)	(\$9)	(\$17)	(\$27)	(\$34)	(\$37)	(\$41)	(\$43)	(\$46)	(\$44)	(\$40)	(\$42)	(\$388)

**Schedule C-5**  
Page 1 of 4

**Indiantown Gas Company, Inc.**  
**Program Description and Progress**

Program Title:  
Residential New Construction Program

Reporting Period  
January 2008 through August 2008

Program Description:  
This program is designed to increase the overall penetration of natural gas in the single family and multi-family residential construction markets of the Company's service territory by expanding consumer energy options in new homes. Incentives are offered to any homebuilder or developer who installs the below-listed energy efficient appliances.

Current Approved Allowances:

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

Program Activity and Projections:  
During the eight-month reporting period January 2008 through August 2008, zero (0) new home allowances were paid. The Company projects one (1) new home will qualify for allowances during the period September through December 2008.

Program Fiscal Expenditures:  
During the eight-month reporting period, actual expenditures for this program totaled \$2,064. The Company projects that total expenditures will equal \$4,546 for the 2008 annual period.

**Schedule C-5**  
Page 2 of 4

**Indiantown Gas Company, Inc.**  
**Program Description and Progress**

Program Title:  
Residential Appliance Replacement Program

Reporting Period  
January 2008 through August 2008

Program Description:  
This program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. Incentives are offered for the replacement of non-gas water heating, heating, cooking, or clothes drying appliances through the purchase and/or lease of energy efficient natural gas appliances.

Current Approved Allowances:

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

Program Projections:  
During the eight-month reporting period January 2008 through August 2008, zero (0) residential appliance replacement allowances were paid. The Company projects two (2) residential appliance installations will qualify for replacement allowances during the period September through December 2008.

Program Fiscal Expenditures:  
During the eight-month reporting period, actual expenditures for this program were \$2,064. The Company projects that total expenditures will equal \$4,721 for the 2008 annual period.

**Schedule C-5**  
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**Indiantown Gas Company, Inc.  
Program Description and Progress**

Program Title:  
Residential Appliance Retention Program

Reporting Period  
January 2008 through August 2008

Program Description:  
The Company offers this program to existing customers to promote the retention of energy-efficient appliances and encourage the continued use of natural gas in the home. As an incentive to continue to provide substantial benefits to the customer and utilize our resources effectively, this program offers cash allowances to the customer.

Current Approved Allowances:

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

Program Activity and Projections:  
During the eight-month reporting period January 2008 through August 2008, twelve (12) residential appliance retention allowances were paid. The Company projects eleven (11) residential appliance installations will qualify for retention allowances during the period September through December 2008.

Program Fiscal Expenditures:  
During the eight-month reporting period, actual expenditures for this program were \$3,664. The Company projects that total expenditures will equal \$7,796 for the 2008 annual period.



**Schedule C-5**  
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**Indiantown Gas Company, Inc.**  
**Program Description and Progress**

Program Title:  
Conservation Education Program

Reporting Period  
January 2008 through August 2008

Program Description:  
The objective of this program is to inform consumers about the Company's energy conservation programs and provide general information on energy efficiency measures that will reduce energy consumption and cost.

Program Activity and Projections:  
The Company initiated its conservation programs following Commission approval in June 2007. The Company communicated with several homebuilders, appliance retailers and contractors in its service area to provide information on its programs. A large percentage (estimated at 75% of the Company's approximately 720 customers) visits its office location in Indiantown to pay monthly bills. The Company's office staff has personally described the programs and allowance amounts to these customers. In addition, signage in the office has provided program and allowance information. The Company has committed to participation in the Get Gas Florida consumer education program supported by the Florida Natural Gas Association and will incur its first annual expense of approximately \$1,200 in November 2008.

Program Fiscal Expenditures:  
During the eight-month reporting period, actual expenditures for this program were \$1,050. The Company projects that total expenditures will equal \$2,250 for the 2008 annual period.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing document has been furnished to the following by U.S. mail this 12th day of September, 2008.

Marc S. Seagrave  
Florida public Utilities Company  
P.O. Box 3395  
West Palm Beach, Florida 33402-3395

Norman H. Horton, Jr.  
Messer, Caparello & Self, P.A.  
P.O. Box 15579  
Tallahassee, Florida 32317

Charles A. Costin  
Costin and Costin, P.A.  
P.O. Box 98  
Port Saint Joe, Florida 32457-0098

Jay Sutton  
Florida City Gas  
4180 South U.S. Highway 1  
Rockledge, Florida 32955-5309

Thomas A. Geoffroy  
Florida Division of Chesapeake Utilities Corp.  
P.O. Box 960  
Winter Haven, Florida 33882-0960

Katherine E. Fleming  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Brian J. Powers, General Manager  
Indiantown Gas Company  
P.O. Box 8  
Indiantown, Florida 34956-0008

Ansley Watson, Jr.  
MacFarlane, Ferguson & McMullen  
P.O. Box 1531  
Tampa, Florida 33601-1531

Elizabeth Wade & Melvin Williams  
AGL Resources Inc.  
Ten Peachtree Place  
Location 1470  
Atlanta, Georgia 30309

Paula Brown  
Regulatory Affairs  
P.O. Box 11  
Tampa, Florida 33601-0111

Jerry H. Melendy, Jr.  
Sebring Gas System, Inc.  
3515 U.S. Highway 27 South  
Sebring, Florida 33870

Stuart L. Shoaf  
St. Natural Gas Company, Inc.  
P.O. Box 549  
Port Saint Joe, Florida 32457-0549

Matthew R. Costa  
TECO Energy Inc.  
P.O. Box 111  
Tampa, Florida 33601-01111

  
Robert Scheffel Wright