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IN REPLY REFER TO:

Ansley Watson, Jr.
P.O. Box 1531
Tampa, Florida 33601
e-mail: aw@macfar.com

April 30, 2009

VIA FEDEX

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

RECEIVED-FPSC
09 MAY -1 AM 11:00
COMMISSION
CLERK

Re: Docket No. 090004-GU – Natural gas conservation cost recovery

Dear Ms. Cole:

Enclosed for filing with the Commission on behalf of Peoples Gas System, please find the original and 15 copies of the following:

- Peoples' Petition for Approval of True-Up Amount (for the period January through December 2008); and
- Exhibit ___(KMF-1), consisting of Schedules CT-1 through CT-6.

The enclosed exhibit will be offered by Peoples at the hearing in this docket scheduled to commence on November 2, 2009.

Please acknowledge your receipt and the date of filing of the enclosures on the enclosed duplicate copy of this letter, and return the same to me in the enclosed preaddressed envelope.

Thank you for your usual assistance.

Sincerely,

ANSLEY WATSON, JR.

AWjr/a
Enclosures

COM
 ECR
 GCL
 OPC
 RCP
 SSC
 SGA
 ADM
 CLK *Cy. Reporter*

DOCUMENT NUMBER-DATE

04089 MAY-1 8

FPSC-COMMISSION CLERK

Ann Cole, Commission Clerk
April 30, 2009
Page 2

cc: Parties of Record
Mrs. Kandi M. Floyd
Matthew R. Costa, Esquire

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost)
recovery.)
_____)

Docket No. 090004-GU
Submitted for Filing:
5-1-09

**PETITION OF PEOPLES GAS SYSTEM
FOR APPROVAL OF TRUE-UP AMOUNT**

Peoples Gas System ("Peoples"), through undersigned counsel and pursuant to Rule 25-17.015, *Florida Administrative Code*, petitions the Commission for approval of its end-of-period final energy conservation cost recovery true-up amount for the period January 1 through December 31, 2008, and in support thereof says:

1. The name and address of the Petitioner are:

Peoples Gas System
P. O. Box 2562
Tampa, Florida 33601-2562

2. The persons to whom notices, orders, pleadings and correspondence in this docket should be addressed are:

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

Ms. Paula Brown
Regulatory Affairs
Peoples Gas System
P. O. Box 111
Tampa, Florida 33601-0111

Matthew R. Costa
Corporate Counsel
TECO Energy, Inc.
P. O. Box 111
Tampa, Florida 33601-0111

3. Peoples' calculation of the true-up amounts for which approval is hereby requested is consistent with the Commission's prescribed methodology. These calculations and the supporting documentation are contained in Exhibit ___(KMF-1),

DOCUMENT NUMBER-DATE

04089 MAY-18

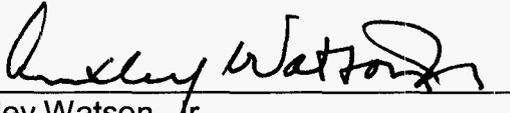
FPSC-COMMISSION CLERK

consisting of the Energy Conservation Cost Recovery True-Up Reporting Forms, completed as directed by the Commission Staff. Exhibit ___(KMF-1) is submitted for filing with this petition.

4. For the period January through December 2008, Peoples has calculated its end-of-period final true-up amount to be an overrecovery, including principal and interest, of \$2,764,430.

WHEREFORE, Peoples Gas System respectfully requests that the Commission grant this petition and approve the overrecovery of \$2,764,430 as the final true-up amount for the January through December 2008 period.

Respectfully submitted,



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Attorneys for Peoples Gas System

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Tampa, Florida 33601-0111
Phone: (813) 228-4938
Fax: (813) 228-1328
E-mail: mcosta@tecoenergy.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing petition, together with copies of Exhibit ____ (KMF-1), have been furnished by U. S. Mail, this 30th day of April, 2009, to the following:

Katherine Fleming, Esquire
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Elizabeth Wade/David Weaver
AGL Resources, Inc.
Ten Peachtree Place, Location 1470
Atlanta, GA 30309

Beth Keating, Esquire
Akerman Senterfitt
106 E. College Ave., Suite 1200
Tallahassee, FL 32301

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

Ms. Paula K. Brown
Regulatory Affairs
Peoples Gas System
P. O. Box 111
Tampa, FL 33601-0111

Mr. Jerry H. Melendy, Jr.
Sebring Gas System, Inc.
3515 U.S. Highway 27 South
Sebring, FL 33870-5452

Mr. Melvin Williams
Florida City Gas
933 East 25th Street
Hialeah, FL 33013-3403

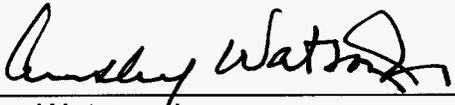
Florida Public Utilities Company
Marc S. Seagrave
P. O. Box 3395
West Palm Beach, FL 33402-3395

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Messer, Capareello & Self, P.A.
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Charles A. Costin, Esquire
Costin and Costin
P. O. Box 98
Port St. Joe, FL 32457-0098

Mr. Brian J. Powers
Indiantown Gas Company
P. O. Box 8
Indiantown, FL 34956-0008

Robert Scheffel Wright, Esquire
John T. LaVia, Esquire
Young Van Assenderp P.A.
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Tallahassee, FL 32301



Ansley Watson, Jr.

ADJUSTED NET TRUE-UP
JANUARY 2008 THROUGH DECEMBER 2008

END OF PERIOD NET TRUE-UP

PRINCIPAL	-2,637,083	
INTEREST	<u>-127,346</u>	-2,764,430

LESS PROJECTED TRUE-UP

PRINCIPAL	-2,798,372	
INTEREST	<u>-123,539</u>	<u>-2,921,911</u>

ADJUSTED NET TRUE-UP		<u>157,481</u>
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() REFLECTS OVER-RECOVERY

DOCUMENT NUMBER - DATE

04089 MAY -18

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**ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
 ACTUAL VERSUS ESTIMATED
 JANUARY 2008 THROUGH DECEMBER 2008**

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	453,666	469,725	-16,059
MATERIALS & SUPPLIES	699	1,169	-470
ADVERTISING	1,122,160	940,504	181,656
INCENTIVES	4,153,004	4,253,806	-100,802
OUTSIDE SERVICES	6,347	3,398	2,949
VEHICLES	0	0	0
OTHER	0	0	0
SUB-TOTAL	<u>5,735,876</u>	<u>5,668,602</u>	<u>67,274</u>
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	5,735,876	5,668,602	67,274
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	-8,372,960	0	-8,372,960
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	-2,637,083	5,668,602	-8,305,685
INTEREST PROVISION	<u>-127,346</u>	<u>0</u>	<u>-127,346</u>
END OF PERIOD TRUE-UP	<u>-2,764,430</u>	<u>5,668,602</u>	<u>-8,433,032</u>

() REFLECTS OVER-RECOVERY
 *8 MONTHS ACTUAL AND 4 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
 JANUARY 2008 THROUGH DECEMBER 2008

<u>PROGRAM NAME</u>	<u>PAYROLL & BENEFITS</u>	<u>MATERIALS & SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVE</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
PROGRAM 1: RESIDENTIAL HOME BUILDER	0	0	0	1,775,255	0	0	0	1,775,255
PROGRAM 2: OIL HEAT REPLACEMENT	0	0	0	330	0	0	0	330
PROGRAM 3: RES APPLIANCE RETENTION	0	0	0	1,767,108	0	0	0	1,767,108
PROGRAM 4: COMM ELECTRIC REPLACEMENT	0	0	0	75,995	0	0	0	75,995
PROGRAM 5: RES ELECTRIC REPLACEMENT	0	0	0	498,315	0	0	0	498,315
PROGRAM 6: COMMON COSTS	453,666	699	1,122,160	0	6,347	0	0	1,582,873
PROGRAM 7: GAS SPACE CONDITIONING	0	0	0	13,500	0	0	0	13,500
PROGRAM 8: SMALL PACKAGE COGEN	0	0	0	22,500	0	0	0	22,500
PROGRAM 9: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	453,666	699	1,122,160	4,153,004	6,347	0	0	5,735,876

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
 JANUARY 2008 THROUGH DECEMBER 2008

<u>PROGRAM NAME</u>	<u>PAYROLL & BENEFITS</u>	<u>MATERIALS & SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVE</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
PROGRAM 1: RESIDENTIAL HOME BUILDER	0	0	0	-14,890	0	0	0	-14,890
PROGRAM 2: OIL HEAT REPLACEMENT	0	0	0	-300	0	0	0	-300
PROGRAM 3: RES APPLIANCE RETENTION	0	0	0	-92,005	0	0	0	-92,005
PROGRAM 4: COMM ELECTRIC REPLACEMENT	0	0	0	5,005	0	0	0	5,005
PROGRAM 5: RES ELECTRIC REPLACEMENT	0	0	0	-17,813	0	0	0	-17,813
PROGRAM 6: COMMON COSTS	-16,059	-470	181,656	0	2,949	0	0	168,077
PROGRAM 7: GAS SPACE CONDITIONING	0	0	0	-300	0	0	0	-300
PROGRAM 8: SMALL PACKAGE COGEN	0	0	0	19,500	0	0	0	19,500
PROGRAM 9: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	-16,059	-470	181,656	-100,802	2,949	0	0	67,274

() REFELCTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
 SUMMARY OF EXPENSES BY PROGRAM BY MONTH
 JANUARY 2008 THROUGH DECEMBER 2008

EXPENSES:	JAN 2008	FEB 2008	MAR 2008	APR 2008	MAY 2008	JUN 2008	JUL 2008	AUG 2008	SEPT 2008	OCT 2008	NOV 2008	DEC 2008	TOTAL
PROGRAM 1:	259,360	187,110	131,650	140,870	126,100	119,650	153,490	75,200	91,400	209,125	85,250	196,050	1,775,255
PROGRAM 2:	0	0	0	0	0	0	330	0	0	0	0	0	330
PROGRAM 3:	186,656	139,924	177,055	130,556	149,711	132,028	170,152	153,327	116,447	142,769	122,438	146,047	1,767,108
PROGRAM 4:	480	36,840	11,280	4,950	2,920	0	720	1,800	3,600	1,920	5,035	6,450	75,995
PROGRAM 5:	50,655	43,955	37,255	48,900	42,180	29,375	49,340	42,425	30,265	40,600	52,375	30,990	498,315
PROGRAM 6:	86,921	89,375	110,180	106,273	120,280	75,796	177,246	103,677	226,814	38,559	168,730	279,020	1,582,873
PROGRAM 7:	13,500	0	0	0	0	0	0	0	0	0	0	0	13,500
PROGRAM 8:	0	0	0	0	0	0	0	0	0	22,500	0	0	22,500
PROGRAM 9:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 10:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	597,572	497,204	467,420	431,549	441,191	356,849	551,278	376,429	468,526	455,473	433,827	658,557	5,735,876
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	597,572	497,204	467,420	431,549	441,191	356,849	551,278	376,429	468,526	455,473	433,827	658,557	5,735,876

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

CONSERVATION REVENUES	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 PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	-272,201	-274,033	-249,876	-230,700	-195,767	-164,523	-157,580	-151,572	-150,653	-149,206	-189,442	-264,882	-2,450,435
4. TOTAL REVENUES	-272,201	-274,033	-249,876	-230,700	-195,767	-164,523	-157,580	-151,572	-150,653	-149,206	-189,442	-264,882	-2,450,435
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	-493,544	-493,544	-493,544	-493,544	-493,544	-493,544	-493,544	-493,544	-493,544	-493,544	-493,544	-493,544	-5,922,525
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	-765,745	-767,577	-743,420	-724,244	-689,311	-658,067	-651,124	-645,116	-644,197	-642,749	-682,986	-758,425	-8,372,960
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	597,572	497,204	467,420	431,549	441,191	356,849	551,278	376,429	468,526	455,473	433,827	658,557	5,735,876
8. TRUE-UP THIS PERIOD	-168,172	-270,372	-276,000	-292,694	-248,120	-301,218	-99,846	-268,687	-175,671	-187,276	-249,159	-99,868	-2,637,083
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	-19,343	-14,152	-12,629	-11,629	-10,739	-9,521	-8,963	-8,351	-11,827	-11,637	-6,053	-2,503	-127,346
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	-5,922,525	-5,816,497	-5,407,478	-5,202,562	-5,013,341	-4,778,656	-4,595,851	-4,211,117	-3,994,611	-3,688,565	-3,393,935	-3,155,603	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	493,544	493,544	493,544	493,544	493,544	493,544	493,544	493,544	493,544	493,544	493,544	493,544	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	-5,616,497	-5,407,478	-5,202,562	-5,013,341	-4,778,656	-4,595,851	-4,211,117	-3,994,611	-3,688,565	-3,393,935	-3,155,603	-2,764,430	-2,764,430

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	SEPT 2008	OCT 2008	NOV 2008	DEC 2008	TOTAL
INTEREST PROVISION													
1. BEGINNING TRUE-UP	-5,922,525	-5,616,497	-5,407,478	-5,202,562	-5,013,341	-4,778,656	-4,595,851	-4,211,117	-3,994,611	-3,688,565	-3,393,935	-3,155,603	
2. ENDING TRUE-UP BEFORE INTEREST	-5,597,153	-5,393,325	-5,189,934	-5,001,713	-4,767,917	-4,586,330	-4,202,154	-3,986,260	-3,676,738	-3,382,297	-3,149,550	-2,761,927	
3. TOTAL BEGINNING & ENDING TRUE-UP	-11,519,678	-11,009,822	-10,597,411	-10,204,275	-9,781,259	-9,364,987	-8,798,005	-8,197,377	-7,671,349	-7,070,862	-6,543,485	-5,917,530	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	-5,759,839	-5,504,911	-5,298,706	-5,102,137	-4,890,629	-4,682,493	-4,399,002	-4,098,688	-3,835,675	-3,535,431	-3,271,742	-2,958,765	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	4.980%	3.080%	3.090%	2.630%	2.840%	2.430%	2.450%	2.440%	2.450%	4.950%	2.950%	1.490%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	3.080%	3.090%	2.630%	2.840%	2.430%	2.450%	2.440%	2.450%	4.950%	2.950%	1.490%	0.540%	
7. TOTAL (SUM LINES 5 & 6)	8.060%	6.170%	5.720%	5.470%	5.270%	4.880%	4.890%	4.890%	7.400%	7.900%	4.440%	2.030%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	4.030%	3.085%	2.860%	2.735%	2.635%	2.440%	2.445%	2.445%	3.700%	3.950%	2.220%	1.015%	
9. MONTHLY AVG INTEREST RATE	0.338%	0.257%	0.238%	0.228%	0.220%	0.203%	0.204%	0.204%	0.308%	0.329%	0.185%	0.085%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	-19,343	-14,152	-12,629	-11,629	-10,739	-9,521	-8,963	-8,351	-11,827	-11,637	-6,053	-2,503	-127,346

Program Progress Report

Reporting Period: JANUARY 2008 THROUGH DECEMBER 2008

Name: RESIDENTIAL HOME BUILDER

Description: This program is designed to increase the number of high priority natural gas customers in the new residential construction market. The Company offers incentives in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the installation of gas appliances.

Program Allowances:	Water Heater	.....	\$350
	Tankless Water Heater	.....	\$450
	Furnace	.....	\$350
	Range	.....	\$100
	Dryer	.....	\$100

Program Summary

New Home Goal:	1,989
New Homes Connected:	<u>1,973</u>
Variance:	17
Percent of Goal:	99.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$1,790,145
Actual Cost:	\$1,775,255
Variance:	\$14,890

Program Progress Report

Reporting Period: JANUARY 2008 THROUGH DECEMBER 2008

Name: OIL HEAT REPLACEMENT

Description: This program is designed to encourage customers to convert their existing oil burning heating systems to energy efficient natural gas heating so as to discourage those customer from switching to less costly resistance strip heating. The program offers allowances to defray the additional cost of installing gas appliances.

Program Allowance: Energy Efficient Gas Furnaces **\$330**

Program Summary

Goals:	2
Actual:	1
Variance:	1
Percent of Goal:	52.4%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$630
Actual Cost:	\$330
Variance:	\$300

Program Progress Report

Reporting Period: JANUARY 2008 THROUGH DECEMBER 2008

Name: RESIDENTIAL APPLIANCE RETENTION PROGRAM

Description: This program is designed to encourage current natural gas customers to retain natural gas appliances.
 The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:	Water Heater	\$350
	Tankless Water Heater	\$450
	Furnace	\$350
	Range	\$100
	Dryer	\$100

Program Summary

Goals:	2,066
Actual:	1,963
Variance:	102
Percent of Goal:	95.1%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$1,859,113
Actual Cost:	\$1,767,108
Variance:	\$92,005

Program Progress Report

Reporting Period: **JANUARY 2008 THROUGH DECEMBER 2008**

Name: **COMM ELECTRIC REPLACEMENT**

Description: This program is designed to encourage the replacement of electric resistance appliances in commercial establishments by offering piping and venting allowances to defray the additional cost of installing natural gas equipment.

Program Allowances: For each kW Displaced **\$40**

Program Summary

Goals: (Projected kW Displaced)	1775
Actual:	1,900
Variance:	-125
Percent of Goal:	107.1%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$70,990
Actual Cost:	\$75,995
Variance:	-\$5,005

Program Progress Report

Reporting Period: JANUARY 2008 THROUGH DECEMBER 2008

Name: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM

Description: This program is designd to encourage the replacement of electric resistance appliances in the residential market by offering piping and venting allowances to defray the additional cost of installing energy efficient natural gas appliances.

Water Heater	.....	\$525
Tankless Water Heater	.....	\$525
Furnace	.....	\$625
Range	.....	\$100
Dryer	.....	\$100
Space Heating	.....	\$65

Program Summary

Goals:	382
Actual:	369
Variance:	13
Percent of Goal:	96.5%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$516,128
Actual Cost:	\$498,315
Variance:	\$17,813

Program Progress Report

Reporting Period: JANUARY 2008 THROUGH DECEMBER 2008

Name: COMMON COSTS

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$1,414,796
Actual Cost:	\$1,582,873
Variance:	-\$168,077

Program Progress Report

Reporting Period: JANUARY 2008 THROUGH DECEMBER 2008

Name: GAS SPACE CONDITIONING

Description: This program is designed to convert on-main customers from electric space conditioning equipment to energy efficient natural gas space conditioning. The program offers piping and venting allowances to reduce the generally higher cost of installing gas space conditioning equipment. This program would also reduce summer as well as winter peak demand and contribute to the conservation of KWH / KWD consumption.

Program Allowance: **\$150 / ton**

Program Summary

Program Goal:	92
Program Accomplishments:	90
Variance:	2
Percent of Goal:	97.8%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$13,800
Actual Cost:	\$13,500
Variance:	\$300

Program Progress Report

Reporting Period: JANUARY 2008 THROUGH DECEMBER 2008

Name: SMALL PACKAGE COGEN

Description: This program is designed to promote the direct use of natural gas to generate on-site power and utilize the waste heat for on-site heating, cooling and water heating requirements for commercial and industrial applications.

Program Summary:	kW Deferred	\$150 / kW
	Feasibility Study	\$5,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$3,000
Actual Cost:	\$22,500
Variance:	-\$19,500

Program Progress Report

Reporting Period: JANUARY 2008 THROUGH DECEMBER 2008

Name: MONITORING & RESEARCH

Description: The projected costs and benefits of Peoples' energy conservation programs will be affected not only by the numbers of participating customers and the extent of their participation, but also by the assumptions used in estimating costs and savings to be derived from the programs.

Program Summary: Estimated annual cost: \$80,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0