

YOUNG VANASSENDERP, 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 VANASSENDERP  
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 11, 2009

VIA HAND DELIVERY

Ms. Ann Cole, Director  
Division of the Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Docket No. 090004-EG  
In Re: Natural Gas Conservation Cost Recovery

RECEIVED-FPSC  
09 SEP 11 PM 4:36  
COMMISSION  
CLERK

Dear Ms Cole:

Enclosed for filing in the above-referenced docket are an original and 15 copies of Melissa M. Powers' testimony and exhibits on behalf of Indiantown Gas Company, Inc.

Thank you for your assistance in this matter.

Sincerely,

John T. LaVia, III

Enclosure

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09425 SEP 11 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. 090004-GU**

6                                                                           **September 2009**

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.   My testimony will present actual and projected expenditures and revenues  
21       related to promoting and administering the Company's energy conservation

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FPSC-COMMISSION CLERK

1 programs in 2009 and 2010. I will provide the adjusted net true-up amount  
2 associated with program administration for the January 2008 through December  
3 2008 period. Actual program costs are provided for the period January 1, 2009  
4 through August 31, 2009. My testimony projects the costs the Company  
5 expects to incur from September 1, 2009 through December 31, 2009. I will  
6 also indicate the total costs IGC seeks to recover through its conservation  
7 factors during the period January 1, 2010 through December 31, 2010. Finally, I  
8 will also propose the energy conservation cost recovery factors which, when  
9 applied to consumer bills during the period January 1, 2010 through December  
10 31, 2010, will permit recovery of IGC's total conservation costs.

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

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

18 **Q. HAVE YOU PREPARED SCHEDULES THAT INCLUDE THE COMPANY'S**  
19 **CONSERVATION PROGRAM EXPENDITURES FOR THE CURRENT (2009)**  
20 **AND PROJECTED (2010) PERIODS?**

21 **A.** Yes. Schedule C-3, Exhibit MMP-1 provides actual conservation expenses for  
22 the January 2009 through July 2009 period and projected expenses for the  
23 August 2009 through December 2009 period. Projected expenses for the

1 January 2010 through December 2010 period are included in Schedule C-2,  
2 Exhibit MMP-1.

3 **Q. HAVE YOU PREPARED A SCHEDULE THAT INCLUDES THE COMPANY'S**  
4 **CONSERVATION RELATED REVENUES FOR 2009?**

5 A. Yes. Schedule C-3 (page 4 of 5), Exhibit MMP-1, provides actual conservation  
6 revenue for the January 2009 through July 2009 period, and projected  
7 conservation revenues for the August 2009 through December 2009 period.

8 **Q. WHAT IS THE COMPANY'S ESTIMATED TRUE-UP FOR THE PERIOD**  
9 **JANUARY 1, 2009 THROUGH DECEMBER 31, 2009?**

10 A. The Company is under-recovered by \$13,601, as calculated on Schedule C-3,  
11 Page 4, line 13, Exhibit MMP-1. The Company's calculation accounts for the  
12 *final audited true-up for the year January 1, 2008 through December 31, 2008,*  
13 *which was an over-recovery of \$33,917, including interest.*

14 **Q. WHAT IS THE TOTAL CONSERVATION COST IGC SEEKS TO RECOVER**  
15 **DURING THE PERIOD JANUARY 1, 2010 THROUGH DECEMBER 31, 2010?**

16 A. As indicated on Schedule C-1, Exhibit MMP-1, IGC seeks to recover \$32,470 in  
17 conservation costs during the referenced period. This amount represents the  
18 projected costs of \$18,869 to be incurred during 2010, plus the estimated true-  
19 up of \$13,601 for calendar year 2009.

20 **Q. WHAT ARE THE COMPANY'S PROPOSED ENERGY CONSERVATION**  
21 **COST RECOVERY FACTORS FOR EACH RATE CLASS FOR THE**  
22 **JANUARY 1010 THROUGH DECEMBER 2010 PERIOD?**

1 A. Schedule C-1, Exhibit MMP-1, provides the calculation of the Company's  
2 proposed ECCR factors for 2010.

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

4 A. Yes.

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

**Indiantown Gas Company, Inc.**

**Docket No. 090004-GU**

**Energy Conservation Schedules and Program Descriptions**

**September 2009**

**ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION  
JANUARY 2010 THROUGH DECEMBER 2010**

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1):	\$18,869
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 13):	\$13,601
3. TOTAL (LINE 1 AND LINE 2):	\$32,470

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	ECCR FACTOR
TS-1	8,568	164,000	\$77,112	\$62,041	\$139,153	\$9,523	6.84379%	0.05807	1.00503	0.05836
TS-2	300	83,800	\$7,500	\$4,827	\$12,327	\$844	6.84379%	0.01007	1.00503	0.01012
TS-3	0	0	\$0	\$0	\$0	\$0	0.00000%	0.00000	1.00503	0.00000
TS-4	24	4,960,000	\$129,036	\$193,936	\$322,972	\$22,104	6.84379%	0.00446	1.00503	0.00448
<b>TOTAL</b>	<b>8,892</b>	<b>5,207,800</b>	<b>\$213,648</b>	<b>\$260,804</b>	<b>\$474,452</b>	<b>\$32,470</b>				

**ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH  
JANUARY 2010 THROUGH DECEMBER 2010**

PROGRAM	JAN 2010	FEB 2010	MAR 2010	APR 2010	MAY 2010	JUN 2010	JUL 2010	AUG 2010	SEP 2010	OCT 2010	NOV 2010	DEC 2010	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	120	1,075	90	120	575	60	75	75	122	575	75	90	3,052
2 RESIDENTIAL APPL. REPLACEMENT	120	1,075	90	570	575	60	75	75	122	575	75	90	3,502
3 RESIDENTIAL APPL. RETENTION	502	1,425	440	151	1,325	160	625	1,575	222	675	375	290	7,765
4 CONSERVATION EDUCATION	1,500	0	0	1,250	0	0	0	0	1,800	0	0	0	4,550
5 (INSERT NAME)	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>	<u>\$2,242</u>	<u>\$3,575</u>	<u>\$620</u>	<u>\$2,091</u>	<u>\$2,475</u>	<u>\$280</u>	<u>\$775</u>	<u>\$1,725</u>	<u>\$2,266</u>	<u>\$1,825</u>	<u>\$525</u>	<u>\$470</u>	<u>\$18,869</u>

ESTIMATED CONSERVATION PROGRAM COSTS BY EXPENSE CATEGORY  
JANUARY 2010 THROUGH DECEMBER 2010

PROGRAM	CAPITAL INVEST	PAYROLL & MATERLS. & BENEFIT SUPPLIES & ADVERTISING			OUTSIDE ALLOWANCES SERVICES VEHICLE			OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	0	1,202	0	0	0	1,850	0	0	3,052
2 RESIDENTIAL APPL. REPLACEMENT	0	1,202	0	0	450	1,850	0	0	3,502
3 RESIDENTIAL APPL. RETENTION	0	1,202	63	0	4,650	1,850	0	0	7,765
4 CONSERVATION EDUC	0	0	0	4,550	0	0	0	0	4,550
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>\$3,606</u>	<u>\$63</u>	<u>\$4,550</u>	<u>\$5,100</u>	<u>\$5,550</u>	<u>\$0</u>	<u>\$0</u>	<u>\$18,869</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2009 THROUGH DECEMBER 2009

PROGRAM	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	ALLOWANCES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
<b>1 RESIDENTIAL NEW CONSTRUCTION</b>									
A. ACTUAL	0	840	0	0	0	1,350	0	0	2,190
B. ESTIMATED	0	361	0	0	0	500	0	0	861
TOTAL	0	1,201	0	0	0	1,850	0	0	3,051
<b>2 RESIDENTIAL APPL. REPLACEMENT</b>									
A. ACTUAL	0	840	0	0	0	1,350	0	0	2,190
B. ESTIMATED	0	361	0	0	0	500	0	0	861
TOTAL	0	1,201	0	0	450	1,850	0	0	3,051
<b>3 RESIDENTIAL APPL. RETENTION</b>									
A. ACTUAL	0	840	63	0	4,400	1,350	0	0	6,653
B. ESTIMATED	0	361	0	0	750	500	0	0	1,611
TOTAL	0	1,201	63	0	4,700	1,850	0	0	8,264
<b>4 CONSERVATION EDUC</b>									
A. ACTUAL	0	0	0	1,800	0	0	0	0	1,800
B. ESTIMATED	0	0	0	5,000	0	0	0	0	5,000
TOTAL	0	0	0	6,800	0	0	0	0	6,800
<b>5 (INSERT NAME)</b>									
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
<b>6 (INSERT NAME)</b>									
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>SUB-TOTAL</b>	<b>\$0</b>	<b>\$3,603</b>	<b>\$63</b>	<b>\$6,800</b>	<b>\$5,150</b>	<b>\$5,550</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,166</b>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2009 THROUGH DECEMBER 2009

PROGRAM	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	ALLOWANCES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$0	\$3,603	\$63	\$6,800	\$5,150	\$5,550	\$0	\$0	\$21,166
7. (INSERT NAME)	0	0	0	0	0	0	0	0	0
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL									
8. (INSERT NAME)	0	0	0	0	0	0	0	0	0
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL									
9. (INSERT NAME)	0	0	0	0	0	0	0	0	0
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL									
10. (INSERT NAME)	0	0	0	0	0	0	0	0	0
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL									
11. (INSERT NAME)	0	0	0	0	0	0	0	0	0
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL									
TOTAL	\$0	\$3,603	\$63	\$6,800	\$5,150	\$5,550	\$0	\$0	\$21,166

CONSERVATION PROGRAM COSTS BY PROGRAM  
ACTUAL/ESTIMATED  
JANUARY 2009 THROUGH DECEMBER 2009

PROGRAM NAME	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
RESIDENTIAL NEW CONSTRUCTION	120	1,075	90	120	575	60	75	75	121	575	75	90	3,051
RESIDENTIAL APPL. REPLACEMENT	120	1,075	90	120	575	60	75	75	121	575	75	90	3,501
RESIDENTIAL APPL. RETENTION	502	1,425	440	601	1,325	160	625	1,575	221	675	425	290	7,814
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	1,800	0	0	0	0	5,000	0	0	6,800
(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	\$742	\$3,575	\$620	\$841	\$4,275	\$280	\$775	\$1,725	\$463	\$1,825	\$575	\$470	\$21,166

ENERGY CONSERVATION ADJUSTMENT  
JANUARY 2009 THROUGH DECEMBER 2009

CONSERVATION REVENUES	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. RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROGRAM REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERVATION ADJ. REVENUE	(783)	(748)	(602)	(1,535)	(974)	(601)	(286)	(427)	(245)	(307)	(364)	(567)	(7,441)
4. (NET OF REV. TAXES)	0	0	0	0	0	0	0	0	0	0	0	0	0
5. TOTAL REVENUES	(783)	(748)	(602)	(1,535)	(974)	(601)	(286)	(427)	(245)	(307)	(364)	(567)	(7,441)
6. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO PERIOD	2,826	2,826	2,826	2,826	2,826	2,826	2,826	2,826	2,826	2,826	2,826	2,826	33,912
7. CONSERVATION REVENUES APPLICABLE TO PERIOD	2,043	2,078	2,224	1,291	1,852	2,225	2,540	2,399	2,581	2,519	2,462	2,259	26,471
8. CONSERVATION EXPS. (FORM C-3, PAGE 3)	742	3,575	620	841	4,275	280	775	1,725	463	6,825	575	470	21,166
9. TRUE-UP THIS PERIOD	2,785	5,653	2,844	2,132	6,127	2,505	3,315	4,124	3,044	9,344	3,037	2,729	47,637
10. INTEREST THIS PERIOD (C-3, PAGE 5)	(19)	(21)	(17)	(12)	(9)	(8)	(8)	(6)	(6)	(5)	(4)	(4)	(119)
11. TRUE-UP & INT. BEG. OF MONTH	(33,917)	(33,977)	(31,171)	(31,169)	(31,875)	(28,583)	(28,912)	(28,431)	(27,140)	(26,928)	(20,415)	(20,209)	(33,917)
12. PRIOR TRUE-UP COLLECT/(REFUND)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)	(2,826)
13. END OF PERIOD TOTAL NET TRUE-UP	(\$33,977)	(\$31,171)	(\$31,169)	(\$31,875)	(\$28,583)	(\$28,912)	(\$28,431)	(\$27,140)	(\$26,928)	(\$20,415)	(\$20,209)	(\$20,311)	\$13,601

**CALCULATION OF TRUE-UP AND INTEREST PROVISION  
JANUARY 2009 THROUGH DECEMBER 2009**

	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. INTEREST PROVISION													
2. BEGINNING TRUE-UP	(33,917)	(33,977)	(31,171)	(31,169)	(31,875)	(28,583)	(28,912)	(28,431)	(27,140)	(26,928)	(20,415)	(20,209)	
3. ENDING TRUE-UP BEFORE INTEREST	<u>(33,958)</u>	<u>(31,150)</u>	<u>(31,152)</u>	<u>(31,863)</u>	<u>(28,575)</u>	<u>(28,904)</u>	<u>(28,424)</u>	<u>(27,133)</u>	<u>(26,922)</u>	<u>(20,410)</u>	<u>(20,205)</u>	<u>(20,306)</u>	
4. TOTAL BEG. & END. TRUE-UP	(67,875)	(65,126)	(62,323)	(63,032)	(60,450)	(57,488)	(57,336)	(55,565)	(54,062)	(47,338)	(40,620)	(40,515)	
5. AVERAGE TRUE-UP	<u>(33,937)</u>	<u>(32,563)</u>	<u>(31,161)</u>	<u>(31,516)</u>	<u>(30,225)</u>	<u>(28,744)</u>	<u>(28,668)</u>	<u>(27,782)</u>	<u>(27,031)</u>	<u>(23,669)</u>	<u>(20,310)</u>	<u>(20,258)</u>	
6. INTEREST RATE-FIRST DAY REPORTING BUSINESS MONTH	0.54%	0.79%	0.75%	0.55%	0.40%	0.30%	0.35%	0.30%	0.25%	0.25%	0.25%	0.25%	
7. INTEREST RATE - FIRST DAY SUBSEQUENT BUSINESS MONTH	0.79%	0.75%	0.55%	0.40%	0.30%	0.35%	0.30%	0.25%	0.25%	0.25%	0.25%	0.25%	
8. TOTAL	<u>1.33%</u>	<u>1.54%</u>	<u>1.30%</u>	<u>0.95%</u>	<u>0.70%</u>	<u>0.65%</u>	<u>0.65%</u>	<u>0.55%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	
9. AVERAGE INTEREST RATE	0.67%	0.77%	0.65%	0.48%	0.35%	0.33%	0.33%	0.28%	0.25%	0.25%	0.25%	0.25%	
10. MONTHLY AVERAGE INTEREST RATE	0.06%	0.06%	0.05%	0.04%	0.03%	0.03%	0.03%	0.02%	0.02%	0.02%	0.02%	0.02%	
11. INTEREST PROVISION	<u>(\$19)</u>	<u>(\$21)</u>	<u>(\$17)</u>	<u>(\$12)</u>	<u>(\$9)</u>	<u>(\$8)</u>	<u>(\$8)</u>	<u>(\$6)</u>	<u>(\$6)</u>	<u>(\$5)</u>	<u>(\$4)</u>	<u>(\$4)</u>	<u>(\$119)</u>

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

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

Program Title:

Residential New Construction Program

Reporting Period

January 2009 through August 2009

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 home builder 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 2009 through August 2009, zero (0) new home allowances were paid. The Company projects one zero (0) new homes will qualify for allowances during the period September through December 2009.

Program Fiscal Expenditures:

During the eight month reporting period, actual expenditures for this program totaled \$2,190. The Company projects that total expenditures will equal \$3,051, 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 2009 through August 2009

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 2009 through August 2009, zero (0) residential appliance replacement allowance was paid. The Company projects zero (0) residential appliance installations will qualify for replacement allowances during the period September through December 2009.

Program Fiscal Expenditures:  
During the eight-month reporting period, actual expenditures for this program were \$2,640. The Company projects that total expenditures will equal \$3,501 for the 2008 annual period.

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

Program Title:  
Residential Appliance Retention Program

Reporting Period  
January 2009 through August 2009

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 2009 through August 2009, twenty-three (23) residential appliance retention allowances were paid (15 cooking; 6 storage water heating; 1 tankless water heating; 1 furnace). The Company projects five (5) residential appliance installations will qualify for retention allowances during the period September through December 2009.

Program Fiscal Expenditures:  
During the eight-month reporting period, actual expenditures for this program were \$6,203. The Company projects that total expenditures will equal \$7,814 for the 2009 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 2009 through August 2009

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 continues to communicate 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 600 customers visit its office location in Indiantown to pay monthly bills). The Company's office staff personally describes the programs and allowance amounts to these customers. In addition, signage in the office has provided program and allowance information. In 2009, the Company began participation in the Get Gas Florida consumer education program supported by the Florida Natural Gas Association. Later this year, the Company plans a direct mail campaign and a web based initiative to attempt to increase consumer awareness of the incentive programs.

Program Fiscal Expenditures:  
During the eight-month reporting period, actual expenditures for this program were \$1,800. The Company projects that total expenditures will equal \$6,800 for the 2009 annual period.