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Suite 1200
106 East College Avenue
Tallahassee, FL 32301
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April 28, 2010

VIA HAND DELIVERY

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

RECEIVED-FPSC
10 APR 28 AM 11:45
COMMISSION
CLERK

Re: Docket No. 100002-EG – 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 Public Utilities Company's Petition for Approval of Conservation Cost Recovery True-Up Amount and the Direct Testimony and Exhibit MLS-1 of Mr. Marc L. Schneidermann.

Your assistance in this matter is greatly appreciated.

Sincerely,

Beth Keating

Beth Keating
AKERMAN SENTERFITT
106 East College Avenue, Suite 1200
Tallahassee, FL 32302-1877
Phone: (850) 224-9634
Fax: (850) 222-0103

COM 5
APA 1
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Enclosures

DOCUMENT NUMBER-DATE

03419 APR 28 09

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Energy Conservation Cost) Docket No. 100002-EG
Recovery Clause.)
_____) Filed: April 28, 2010

**PETITION FOR APPROVAL OF CONSERVATION COST RECOVERY
TRUE-UP AMOUNT FOR FLORIDA PUBLIC UTILITIES COMPANY**

Florida Public Utilities Company (“FPUC” or “the Company”) hereby files its petition for approval of its conservation cost recovery true-up amount for its electric division related to the twelve month period ended December 31, 2009. In support of this Petition, FPUC states:

1. The Company is an electric utility with its principal office located at:

Florida Public Utilities Company
401 South Dixie Highway
West Palm Beach, FL 33401

2. The name and mailing address of the persons authorized to receive notices are:

Beth Keating
Akerman Senterfitt
106 East College Avenue
Suite 1200
Tallahassee, Florida 32301

Cheryl Martin
Florida Public Utilities Company
P.O. Box 3395
West Palm Beach, FL 33402-
33958

3. Pursuant to the requirements in this docket, FPUC, concurrently with the filing of this petition, files testimony and conservation cost recovery true-up schedules (Exhibit MLS-1) for the period, consisting of the reporting forms supplied by the Commission Staff.
4. As indicated in the testimony of Mr. Marc L. Schneidermann, for the period January 2009 through December 2009, the Company under-recovered \$24,240, as compared to its estimated under-recovery of \$58,005.00.

DOCUMENT NUMBER-DATE

03419 APR 28 2010

FPSC-COMMISSION CLERK

Docket No. 100002-EG

WHEREFORE, FPUC respectfully requests that the Commission enter an Order approving the Company's final true-up amount for its electric division for the period January 1, 2009 through December 31, 2009.

RESPECTFULLY SUBMITTED this 28th day of April 2010.



Beth Keating
Akerman Senterfitt Attorneys at Law
106 East College Avenue, Suite 1200
Tallahassee, FL 32301
(850) 224-9634

Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of FPUC's Petition for Approval of the Conservation Cost Recovery True-Up Amount in Docket No. 100002-EI has been furnished by regular U.S. Mail to the following parties of record this 28th day of April 2010:

Florida Public Utilities Company Joseph Eysie P.O. Box 3395 West Palm Beach, FL 33402-3395	Jon C. Moyle, Jr., Esq. Vicki G. Kaufman, Esq. Keefe, Anchors, Gordon & Moyle 118 North Gadsden St. Tallahassee, FL 32301
Katherine Fleming, Esq. Theresa L. Tan, Esq. Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399	Office of Public Counsel Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601-0111	John T. Burnett, Esq. Progress Energy Florida, Inc. P.O. Box 14042 St. Petersburg, FL 33733-4042
Paul Lewis, Jr. Progress Energy Florida, Inc. 106 E. College Ave., Suite 800 Tallahassee, FL 32301	James D. Beasley, Esq. J. Jeffry Wahlen, Esq. Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302
Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steve R. Griffin, Esq. Beggs & Lane P.O. Box 12950 Pensacola, FL 32591-2950	Kenneth Rubin, Esq. Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420
R. Wade Litchfield Vice President/Assoc. Gen. Counsel Florid Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420	John W. McWhirter, Jr., Esq. McWhirter Law Firm P.O. Box 3350 Tampa, FL 33601-3350
Ms. Susan Ritenour Secretary and Treasurer Gulf Power Company One Energy Place Pensacola, FL 32520-0780	James W. Brew, Esq. Brickfield, Burchette, Ritts & Stone, P.C.. Eighth Floor, West tower 1025 Thomas Jefferson Street, NW Washington, DC 20007

Randy B. Miller White Springs Agricultural Chemicals, Inc. P. O. Box 300 15843 Southeast 78 th St. White Springs, FL 32096	
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Beth Keating
Akerman Senterfitt, Attorneys at Law
106 East College Avenue, Suite 1200
Tallahassee, FL 32301

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 100002-EG
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Direct Testimony of
MARC L. SCHNEIDERMANN

On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY

- 1 Q. Please state your name and business address.
- 2 A. Marc L. Schneidermann: my business address is P.O. Box 3395
3 West Palm Beach, Florida 33402.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities Company as Director
6 of Corporate Services.
- 7 Q. What is the purpose of your testimony at this time?
- 8 A. To advise the Commission of the actual over/under recovery of
9 the Conservation Program costs for the period January 1, 2009
10 through December 31, 2009 as compared to the true-up amounts
11 previously reported for that period which were based on seven
12 months actual and five months estimated data.
- 13 Q. Please state the actual amount of over/under recovery of
14 Conservation Program costs for the Consolidated Electric
15 Divisions of Florida Public Utilities Company for January 1,
16 2009 through December 31, 2009.
- 17 A. The Company under-recovered \$24,240.00 during that period.
18 This amount is substantiated on Schedule CT-3, page 2 of 3,
19 Energy Conservation Adjustment.

1 Q. How does this amount compare with the estimated true-up
2 amount which was allowed by the Commission during the
3 November 2009 hearing?

4 A. We had estimated that we would under-recover \$58,005.00 as of
5 December 31, 2009.

6 Q. Have you prepared any exhibits at this time?

7 A. We have prepared and pre-filled Schedules CT-1, CT-2, CT-3,
8 CT-4, CT-5 and CT-6 (Composite Exhibit MLS-1).

9 Q. Does this conclude your testimony?

10 A. Yes.

11

12 Testimony Testimony Electric Trueup2009 Schneidermann.doc

COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC
CONSERVATION ADJUSTMENT TRUE-UP

SCHEDULE CT-1
PAGE 1 OF 1

FOR MONTHS January-09 THROUGH December-09

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS January-09 THROUGH December-09		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>24,240</u>	
5.	INTEREST	<u>212</u>	<u>24,452</u>
6.	LESS PROJECTED TRUE-UP		
7.	November-09 (DATE) HEARINGS		
8.	PRINCIPAL	<u>57,766</u>	
9.	INTEREST	<u>239</u>	<u>58,005</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u>(33,553)</u>

EXHIBIT NO. _____
DOCKET NO. 100002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MLS-1)
PAGE 1 OF 21

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

	FOR MONTHS	January-09	THROUGH	December-09	
		<u>ACTUAL</u>		<u>PROJECTED*</u>	<u>DIFFERENCE</u>
1.	LABOR/PAYROLL	249,197		262,822	(13,625)
2.	ADVERTISING	121,537		185,770	(64,233)
3.	LEGAL	19,677		8,775	10,902
4.	OUTSIDE SERVICES/CONTRACT	40,328		25,236	15,092
5.	VEHICLE COST	7,579		12,850	(5,271)
6.	MATERIAL & SUPPLIES	18,585		20,328	(1,743)
7.	TRAVEL	238		1,598	(1,360)
8.	GENERAL & ADMIN	28,613		20,205	8,408
9.	INCENTIVES	22,665		24,125	(1,460)
10.	OTHER	32,014		31,755	259
11.	SUB-TOTAL	540,433		593,464	(53,031)
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	540,433		593,464	(53,031)
14.	LESS: PRIOR PERIOD TRUE-UP	26,890		26,890	0
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	(543,083)		(562,588)	19,505
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	24,240		57,766	(33,526)
19.	ADD INTEREST PROVISION	212		239	(27)
20.	END OF PERIOD TRUE-UP	24,452		58,005	(33,553)

() REFLECTS OVERRECOVERY

* 7 MONTHS ACTUAL AND 5 MONTHS PROJECTED

EXHIBIT NO. _____
DOCKET NO. 100002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MLS-1)
PAGE 2 OF 21

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-09 THROUGH December-09

PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1.													0
2.													0
3.													0
4.													0
5.													0
6.													0
7.													0
8.													0
9.													0
10. Common	155,389	66,258	19,677	21,404	7,579	14,730	238	28,703	0	31,614	345,592		345,592
11. Residential Geothermal Heat Pump	111	0	0	0	0	0	0	0	0	0	111		111
12. GoodCents Home/Energy Star Program	0	922	0	0	0	0	0	0	0	0	922		922
13. GoodCents Energy Survey Program	72,159	46,479	0	9,540	0	3,855	0	0	0	400	132,433		132,433
14. GoodCents Loan Program	0	0	0	0	0	0	0	(90)	0	0	(90)		(90)
15. GoodCents Commercial Building Program	1,325	632	0	0	0	0	0	0	0	0	1,957		1,957
16. GoodCents Commercial Tech. Assist. Program	334	7,246	0	9,384	0	0	0	0	0	0	16,964		16,964
17. Low Income	0	0	0	0	0	0	0	0	0	0	0		0
18. Affordable Housing Builders & Providers Program	0	0	0	0	0	0	0	0	0	0	0		0
19. Residential Heat and Cool Eff. Upgrade Program	6,638	0	0	0	0	0	0	0	20,825	0	27,463		27,463
20. Residential Ceiling Insulation Upgrade Program	3,543	0	0	0	0	0	0	0	1,200	0	4,743		4,743
21. Comm. Indoor Eff. Light. Rebate Program	1,955	0	0	0	0	0	0	0	640	0	2,595		2,595
22. Educ./Conserv. Demo. And Devel. Program	7,743	0	0	0	0	0	0	0	0	0	7,743		7,743
											0		0
TOTAL ALL PROGRAMS	249,197	121,537	19,677	40,328	7,579	18,585	238	28,613	22,665	32,014	540,433	0	540,433

CONSERVATION COSTS PER PROGRAM—VARIANCE ACTUAL VS PROJECTED
VARIANCE ACTUAL VS PROJECTED

FOR MONTHS January-09 THROUGH December-09

PROGRAM NAME	LABOR & PAYROLL	ADVERTISING	LEGAL	OUTSIDE SERVICES	VEHICLE COST	MATERIALS & SUPPLIES	TRAVEL	GENERAL & ADMIN.	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1.													
2.													
3.													
4.													
5.													
6.													
7.													
8.													
9.													
10. Common	2,226	7,492	10,902	8,412	(4,801)	3,726	(80)	9,253	0	9,294	46,424	0	46,424
11. Residential Geothermal Heat Pump	11	0	0	0	0	(50)	0	0	0	0	(39)	0	(39)
12. GoodCents Home/Energy Star Program	(16,315)	(28,528)	0	(1,390)	(470)	(2,280)	(460)	(750)	0	(1,335)	(51,528)	0	(51,528)
13. GoodCents Energy Survey Program	11,370	(23,908)	0	4,890	0	(3,139)	(580)	(65)	0	(1,335)	(12,767)	0	(12,767)
14. GoodCents Loan Program	0	0	0	0	0	0	0	(30)	0	0	(30)	0	(30)
15. GoodCents Commercial Building Program	(6,570)	(7,795)	0	0	0	0	0	0	0	(1,335)	(15,700)	0	(15,700)
16. GoodCents Commercial Tech. Assist. Program	(7,325)	(3,679)	0	3,180	0	0	0	0	0	(1,335)	(9,159)	0	(9,159)
17. Low Income	0	0	0	0	0	0	0	0	0	0	0	0	0
18. Affordable Housing Builders & Providers Program	0	0	0	0	0	0	0	0	0	0	0	0	0
19. Residential Heat and Cool Eff. Upgrade Program	1,746	(435)	0	0	0	0	(130)	0	(2,460)	(1,335)	(2,614)	0	(2,614)
20. Residential Ceiling Insulation Upgrade Program	1,165	(350)	0	0	0	0	(110)	0	1,000	(1,090)	615	0	615
21. Comm. Indoor Eff. Light. Rebate Program	30	(5,180)	0	0	0	0	0	0	0	(1,270)	(6,420)	0	(6,420)
22. Educ./Conserv. Demo. And Devel. Program	37	(1,850)	0	0	0	0	0	0	0	0	(1,813)	0	(1,813)
TOTAL ALL PROGRAMS	(13,625)	(64,233)	10,902	15,092	(5,271)	(1,743)	(1,360)	8,408	(1,460)	259	(53,031)	0	(53,031)

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

FOR MONTHS January-09 THROUGH December-09

A. CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.													0
2.													0
3.													0
4.													0
5.													0
6.													0
7.													0
8.													0
9.													0
10. Common	28,622	32,904	53,822	19,528	39,306	33,596	22,190	24,624	39,117	16,350	11,097	24,436	345,592
11. Residential Geothermal Heat Pump	0	0	0	0	0	0	0	0	0	56	60	(5)	111
12. GoodCents Home/Energy Star Program	0	0	0	0	0	0	0	0	0	947	(25)	0	922
13. GoodCents Energy Survey Program	7,782	11,856	38,380	15,658	8,101	6,674	4,999	6,394	7,107	12,603	5,821	7,058	132,433
14. GoodCents Loan Program	(10)	0	(10)	(10)	(10)	(10)	(10)	(10)	0	(10)	(10)	0	(90)
15. GoodCents Commercial Building Program	331	755	(159)	0	648	0	382	0	0	0	0	0	1,957
16. GoodCents Commercial Tech. Assist. Program	178	452	3,844	185	1,455	1,205	1,406	1,829	1,835	1,092	1,126	2,359	18,964
17. Low Income	0	0	0	0	0	0	0	0	0	0	0	0	0
18. Affordable Housing Builders & Providers Program	0	0	0	0	0	0	0	0	0	0	0	0	0
19. Residential Heat and Cool Eff. Upgrade Program	790	1,929	1,376	3,298	4,138	1,805	2,491	5,242	2,232	726	1,855	1,581	27,463
20. Residential Ceiling Insulation Upgrade Program	278	276	256	103	838	458	171	788	778	128	298	373	4,743
21. Comm. Indoor Eff. Light. Rebate Program	227	222	299	281	1,351	133	52	0	0	0	176	(146)	2,585
22. Educ./Conserv. Demo. And Devel. Program	170	1,263	108	1,198	1,500	517	2,950	37	0	0	0	0	7,743
													0
21. TOTAL ALL PROGRAMS	38,364	49,657	97,916	40,241	57,327	44,378	34,631	38,904	51,069	31,892	20,398	35,656	540,433
22. LESS AMOUNT INCLUDED IN RATE BASE													
23. RECOVERABLE CONSERVATION EXPENSES	38,364	49,657	97,916	40,241	57,327	44,378	34,631	38,904	51,069	31,892	20,398	35,656	540,433

COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-09 THROUGH December-09

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	(44,525)	(44,779)	(44,769)	(37,227)	(38,903)	(46,303)	(57,578)	(52,357)	(49,442)	(46,872)	(40,055)	(40,273)	(543,083)
3. TOTAL REVENUES	(44,525)	(44,779)	(44,769)	(37,227)	(38,903)	(46,303)	(57,578)	(52,357)	(49,442)	(46,872)	(40,055)	(40,273)	(543,083)
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,241	2,239	26,890
5. CONSERVATION REVENUE APPLICABLE	(42,284)	(42,538)	(42,528)	(34,986)	(36,662)	(44,062)	(55,337)	(50,116)	(47,201)	(44,631)	(37,814)	(38,034)	(516,193)
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	38,364	49,657	97,916	40,241	57,327	44,378	34,631	38,904	51,069	31,892	20,398	35,656	540,433
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	(3,920)	7,119	55,388	5,255	20,665	316	(20,706)	(11,212)	3,868	(12,739)	(17,416)	(2,378)	24,240
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	13	15	28	32	26	27	22	15	13	10	7	4	212
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	26,890	20,742	25,635	78,810	81,856	100,306	98,408	75,483	62,045	63,685	48,715	29,065	26,890
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	(2,241)	(2,241)	(2,241)	(2,241)	(2,241)	(2,241)	(2,241)	(2,241)	(2,241)	(2,241)	(2,241)	(2,239)	(26,890)
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	20,742	25,635	78,810	81,856	100,306	98,408	75,483	62,045	63,685	48,715	29,065	24,452	24,452

EXHIBIT NO. _____
DOCKET NO. 100002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MLS-1)
PAGE 6 OF 21

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-09 THROUGH December-09

C.	INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.	BEGINNING TRUE-UP (LINE B-9)	26,890	20,742	25,635	78,810	81,856	100,306	98,408	75,483	62,045	63,685	48,715	29,065	26,890
2.	ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	20,729	25,620	78,782	81,824	100,280	98,381	75,461	62,030	63,672	48,705	29,058	24,448	24,240
3.	TOTAL BEG. AND ENDING TRUE-UP	47,619	46,362	104,417	160,634	182,136	198,687	173,869	137,513	125,717	112,390	77,773	53,513	51,130
4.	AVERAGE TRUE-UP (LINE C-3 X 50%)	23,810	23,181	52,209	80,317	91,068	99,344	86,935	68,757	62,859	56,195	38,887	26,757	25,565
5.	INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	0.54%	0.79%	0.75%	0.55%	0.40%	0.30%	0.35%	0.30%	0.25%	0.25%	0.22%	0.20%	
6.	INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	0.79%	0.75%	0.55%	0.40%	0.30%	0.35%	0.30%	0.25%	0.25%	0.22%	0.20%	0.20%	
7.	TOTAL (LINE C-5 + C-6)	1.33%	1.54%	1.30%	0.95%	0.70%	0.65%	0.65%	0.55%	0.50%	0.47%	0.42%	0.40%	
8.	AVG. INTEREST RATE (C-7 X 50%)	0.67%	0.77%	0.65%	0.48%	0.35%	0.33%	0.33%	0.28%	0.25%	0.24%	0.21%	0.20%	
9.	MONTHLY AVERAGE INTEREST RATE	0.055%	0.064%	0.054%	0.040%	0.029%	0.027%	0.027%	0.023%	0.021%	0.020%	0.018%	0.017%	
10.	INTEREST PROVISION (LINE C-4 X C-9)	13	15	28	32	26	27	22	15	13	10	7	4	212

COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

SCHEDULE CT-4

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

PAGE 1 OF 1

FOR MONTHS January-09 THROUGH December-09

PROGRAM NAME:	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. INVESTMENT														
2. DEPRECIATION BASE														
3. DEPRECIATION EXPENSE														
4. CUMULATIVE INVESTMENT														
5. LESS: ACCUMULATED DEPRECIATION														
6. NET INVESTMENT														
7. AVERAGE INVESTMENT														
8. RETURN ON AVERAGE INVESTMENT														
9. RETURN REQUIREMENTS														
10. TOTAL DEPRECIATION AND RETURN														NONE

EXHIBIT NO. _____
DOCKET NO. 100002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MLS-1)
PAGE 8 OF 21

COMPANY: FLORIDA PUBLIC UTILITIES - CONSOLIDATED ELECTRIC

SCHEDULE CT-5
PAGE 1 OF 1

RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

FOR MONTHS January-09 THROUGH December-09

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

EXHIBIT NO. _____
DOCKET NO. 100002-EG
FLORIDA PUBLIC UTILITIES COMPANY
(MLS-1)
PAGE 9 OF 21

1. Residential Geothermal Heat Pump Program
2. Good Cents Home/EnergyStar Program
3. Good Cents Energy Survey Program
4. Good Cents Commercial Building Program
5. Good Cents Commercial Energy Survey & Technical Assistance Program
6. Educational/Low Income Program
7. Educational/ Affordable Housing Builders and Providers Program
8. Good Cents Heating & Cooling Upgrade
9. Good Cents Ceiling Insulation Upgrade
10. Good Cents Commercial Indoor Efficient Lighting Rebate
11. Conservation Demonstration and Development Program

PROGRAM TITLE: Residential Geothermal Heat Pump Program

PROGRAM DESCRIPTION: The objective of the Residential Geothermal Heat Pump Program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of advanced and emerging geothermal systems. Geothermal heat pumps provide significant benefits to participating customers in the form of reduced operating costs and are superior to other available heating and cooling technologies with respect to source efficiency and environmental impacts. Florida Public Utilities Company's Geothermal Heat Pump Program is designed to overcome existing market barriers, specifically lack of consumer awareness, knowledge and acceptance of this technology.

Florida Public Utilities Company continued this program over a sustained period to educate consumers on geothermal technology and raise awareness about the availability, affordability, and improved customer satisfaction associated with these units. This commitment is necessary to foster a stable market for this promising technology. Not only will this increase customer and trade ally confidence, it will serve to encourage competition within this technology market and reduce the impact of the higher initial cost.

PROGRAM ACCOMPLISHMENTS: There was one participant during 2009. Even though there are no goals for this program we continue to promote this technology to our customers and HVAC partners.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$111

PROGRAM PROGRESS SUMMARY: Even though there is no particular goal for this program we will strive to continue our efforts to promote this energy efficient technology.

PROGRAM TITLE: "Good Cents" Home/Energy Star Program

PROGRAM DESCRIPTION: This type of program has long been the standard for energy efficient construction in Northwest Florida. For Florida Public Utilities Company and our customers, this program provides guidance concerning energy efficiency in new construction by promoting energy efficient home construction techniques, and by evaluating the energy efficient components of design and construction practices.

PROGRAM ACCOMPLISHMENTS: During 2009 no homes were certified through the under this program during this reporting period due to the home construction industry slowdown.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$922.

PROGRAM PROGRESS SUMMARY: We will continue to enhance our efforts in promoting contractor participation in this type of program and the benefits of owning energy efficient homes.

PROGRAM TITLE: "Good Cents" Energy Survey Program

PROGRAM DESCRIPTION: The objective of the this type of survey is to provide Florida Public Utilities Company's residential customers with energy conservation advice that encourages the implementation of efficiency measures resulting in energy savings for the customer. These measures, once implemented, also lower Florida Public Utilities Company's energy requirements and improve operating efficiencies. Florida Public Utilities Company views this program as a way of promoting the installation of cost-effective conservation measures. During the survey process, the customer is provided with specific whole-house recommendations. The survey process also checks for possible duct leakage.

PROGRAM ACCOMPLISHMENTS: This year a total of 326 energy surveys were performed.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$132,433.

PROGRAM PROGRESS SUMMARY: We feel confident that by our efforts to promote this program through newspaper, radio, and television that we will continue to exceed provide valuable advice to our customers on conservation measures and practices. Our customers have been increasing their participation in this program. The number of energy surveys performed over the last couple of years increased by 91% from 2007 to 2008 and by additional 29% during 2009

PROGRAM TITLE: "Good Cents" Commercial Building Program

PROGRAM DESCRIPTION: The commercial/industrial market is comprised of a wide range of diverse businesses with variable size and operational characteristics. The overall success of this program lies in its ability to address this diversity by focusing on the common characteristics of commercial buildings. The most common critical areas in commercial buildings that affect summer peak kW demand are the thermal efficiency of the building and HVAC equipment efficiency. This program provides requirements for these areas that, if adhered to, will help reduce peak kW demand and energy consumption.

The promotion of this program through the years has created a positive relationship with trade allies, the public, and local commercial/industrial customers. The program's design continues to be sufficiently flexible to allow an architect or designer to use initiative and ingenuity to achieve results that are meaningful to both the customer and Florida Public Utilities Company.

This program is designed to ensure that buildings are constructed with energy efficiency levels above the Florida Model Energy code standards. These standards include both HVAC efficiency and thermal envelope requirements. Florida Public Utilities Company's continuing efforts to influence the market toward high-efficiency equipment and quality construction standards are the foundation of such a commercial building program.

PROGRAM ACCOMPLISHMENTS: This year a total of no commercial buildings were certified most likely due to the very tight economy, however since the program began during 2005, there have been 32 commercial buildings certified under this program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$1,957.

PROGRAM PROGRESS SUMMARY: We feel confident that by our efforts to promote this and complimentary programs through newspaper, radio, and television that we will continue to exceed provide valuable advice to our customers on conservation measures and practices.

PROGRAM TITLE: "Good Cents" Commercial Technical Assistance Audit Program

PROGRAM DESCRIPTION: The Technical Assistance Audit (TAA) Program is an interactive program that assists commercial customers in identifying advanced energy conservation opportunities. It is customized to meet the individual needs of large customers as required; therefore, it is an evolving program.

The Technical Assistance Audit process consists of an on-site review of the customer's facility operation, equipment, and energy usage pattern by a Florida Public Utilities Company Conservation Specialist. The specialist identifies all areas of potential reduction in kW demand and kWh consumption as well as identifying end-use technology opportunities. A technical evaluation is then performed to determine the economic payback or life cycle cost for various improvements to the facility. Florida Public Utilities Company will subcontract the evaluation process to an independent engineering firm and/or contracting consultant, if necessary.

PROGRAM ACCOMPLISHMENTS: This year a total of 57 audits were complete during the reporting period.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$16,494.

PROGRAM PROGRESS SUMMARY: This program has been successful and we are optimistic that our commercial customers will continue to involve us to an even greater extent in the future on upcoming commercial construction projects.

PROGRAM TITLE: Low Income

PROGRAM DESCRIPTION: Florida Public Utilities Company presently has energy education programs that identify low-cost and no-cost energy conservation measures. To better assist low-income customers in managing their energy purchases, the presentations and formats of these energy education programs are tailored to the audience. These programs provide basic energy education, as well as inform the customers of other specific services, such as the free energy surveys that Florida Public Utilities Company currently offers.

PROGRAM ACCOMPLISHMENTS: Even though there are no goals for this program we continue to work through various agencies to provide home energy surveys to low income customers as well as evaluating homes for local agencies for possible energy efficiency improvements.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$0.

PROGRAM PROGRESS SUMMARY: Even though this year there was not any special events or presentations directly related to Low Income customers we will continue to promote the opportunity to educate low-income customers on the benefits of an energy efficient home.

PROGRAM TITLE: Affordable Housing Builders and Providers

PROGRAM DESCRIPTION: Florida Public Utilities Company will identify the affordable housing builders within the service area and will encourage them to attend educational seminars and workshops related to energy efficient construction, retrofit programs, and financing programs. The Company will also encourage them to participate in our other residential programs. Florida Public Utilities Company will work with the Florida Energy Extension Service and other seminar sponsors to offer to facilitate a minimum of two seminars and/or workshops per year. Florida Public Utilities Company will work with all sponsors to reduce or eliminate attendance fees for affordable housing providers.

PROGRAM ACCOMPLISHMENTS: Even though there are no goals for this program we continue to promote energy efficient construction to affordable housing providers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$0.

PROGRAM PROGRESS SUMMARY: This program is no longer offered as reflected in our 2008 report.

PROGRAM TITLE: Residential Heating & Cooling Efficiency Upgrade Program

PROGRAM DESCRIPTION: This program is directed at reducing the rate of growth in peak demand and energy throughout Florida Public Utilities Company's electricity service territories. The program will do this by increasing the saturation of high-efficiency heat pumps.

PROGRAM ACCOMPLISHMENTS: For the reporting period 152 customers participated in the residential heating and cooling efficiency upgrade program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$27,463.

PROGRAM PROGRESS SUMMARY: Even though there is no particular goal for this program we will strive to continue our efforts to promote this energy efficient technology.

PROGRAM TITLE: Residential Ceiling Insulation Upgrade Program

PROGRAM DESCRIPTION: The purpose of this program is to reduce peak demand and energy consumption by decreasing the load presented by residential air-conditioning and heating equipment. To serve this purpose, this program requires that residential customers add at least R-11 of ceiling insulation. By doing so, they will qualify for an incentive of \$100.00 in the form of an Insulation Certificate that may be applied to the total cost of installing the added ceiling insulation.

Interested residential customers must request a free ceiling insulation inspection. Florida Public Utilities Company will then dispatch an energy efficiency expert to perform that inspection and determine what changes should be made to enhance efficiency. The inspection will also determine the customer's eligibility for the \$100 Insulation Certificate. If the customer desires it, Florida Public Utilities Company will also help them find a qualified contractor to do the needed upgrade.

PROGRAM ACCOMPLISHMENTS: For the reporting period 15 customers participated in the residential ceiling insulation upgrade program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$4,743.

PROGRAM PROGRESS SUMMARY: Even though there is no particular goal for this program we will strive to continue our efforts to promote this energy efficient technology.

PROGRAM TITLE: Commercial Indoor Efficient Lighting Rebate Program

PROGRAM DESCRIPTION: The purpose of this program is to reduce peak demand and energy consumption by decreasing the load presented by commercial lighting equipment. To serve this purpose, this program requires that commercial customers achieve at least 1,000 watts of lighting reduction from any lighting source that has been retrofitted with a more efficient fluorescent lighting system (ballasts and lamps). By doing so, they will qualify for an incentive of 10¢ per watt reduced.

PROGRAM ACCOMPLISHMENTS: There were no participants in this program although there were several businesses that were evaluated to determine if they met the criteria to participate in the program. We have aggressively tried to promote this program and expect participation in 2009.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$2,595.

PROGRAM PROGRESS SUMMARY: Even though there is no particular goal for this program we will strive to continue our efforts to promote this energy efficient technology.

PROGRAM TITLE: Conservation Demonstration and Development (CDD) Program

PROGRAM DESCRIPTION: The primary purpose of the Conservation Demonstration and Development (CDD) program is to pursue research, development, and demonstration projects that are designed to promote energy efficiency and conservation. This program will supplement and complement the other demand-side management programs offered by Florida Public Utilities Company.

The CDD program is meant to be an umbrella program for the identification, development, demonstration, and evaluation of promising new end-use technologies. The CDD program does not focus on any specific end-use technology but, instead, will address a wide variety of energy applications.

PROGRAM ACCOMPLISHMENTS: Even though there are no goals for this program we continue to explore new technologies for applicability to this program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2009 through December 31 2009 were \$7,743.

PROGRAM PROGRESS SUMMARY: Even though there is no particular goal for this program we will strive to continue our efforts to look for new technologies and market barriers.