

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET 110004-GU

DIRECT TESTIMONY OF

JERRY H. MELENDY

ON BEHALF OF SEBRING GAS SYSTEM, INC.

MAY 3, 2011

1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A. My name is Jerry H. Melendy. My business address is Sebring Gas System,  
3 Inc., P.O. Box 8, US Highway 27 South, Sebring FL 33870

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

5 A. I am Vice President of Sebring Gas System, Inc. (the "Company").

6 Q. ARE YOU FAMILIAR WITH THE COMPANY'S CURRENT  
7 ENERGY CONSERVATION PROGRAMS?

8 A. Yes.

9 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

10 A. My testimony presents data and summaries that describe the planned and  
11 actual activities and expenses for the Company's energy conservation  
12 programs incurred during the period January 2010 through December 2010. I  
13 will also identify the final conservation true-up amount for the above  
14 referenced period.

COM 5  
APA 1  
ECR 1  
GCL 1  
RAD  
SSC  
ADM  
OPC  
CLK G.F.R.F.R

DOCUMENT NUMBER-DATE

03043 MAY-3 =

1 **Q. HAVE YOU PREPARED A SUMMARY OF THE COMPANY'S**  
2 **CONSERVATION PROGRAMS AND THE COSTS ASSOCIATED**  
3 **WITH THESE PROGRAMS?**

4 A. Yes. Summaries of the Company's four approved programs for which costs  
5 were incurred during the period January 2010 through December 2010 are  
6 included in Schedule CT-6 of Exhibit JHM-1. Included are the Residential  
7 New Construction Program, the Residential Appliance Replacement Program,  
8 the Residential Appliance Retention Program and the Conservation Education  
9 Program.

10 **Q. HAVE YOU PREPARED SCHEDULES WHICH SHOW THE**  
11 **EXPENDICTURES ASSOCIATED WITH THE COMPANY'S**  
12 **ENERGY CONSERVATION PROGRAMS FOR THE APPLICABLE**  
13 **PERIOD?**

14 A. Yes. Exhibit JHM-1 includes schedules CT-1, CT-2 and CT-3 detail the  
15 Company's actual conservation related expenditures for the period, along with  
16 a comparison of the actual program costs and true-up to the projected costs  
17 and true-up for the period.

18 **Q. WHAT WAS THE TOTAL COST INCURRED BY THE COMPANY**  
19 **TO ADMINISTER ITS FOUR CONSERVATION PROGRAMS FOR**  
20 **THE TWELVE MONTH PERIOD ENDING DECEMBER 2010?**

21 A. As indicated on Schedule CT-2, page 2, of Exhibit JHM-1, the Company's  
22 total 2010 programs costs were \$37,283.

1 **Q. HAVE YOU PREPARED A SCHEDULE WHICH SHOWS THE**  
2 **VARIANCE OF ACTUAL FROM PROJECTED COSTS BY**  
3 **CATEGORIES OF EXPENSES?**

4 A. Yes. Schedule CT-2, page 3, of Exhibit JHM-1, displays these variances.

5 **Q. WHAT IS THE COMPANY'S FINAL TRUE-UP FOR THE TWELVE**  
6 **MONTHS ENDING DECEMBER 2010?**

7 A. The final true-up amount as shown on Schedule CT-1, of Exhibit JHM-1 is an  
8 under-recovery of \$26,447.

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

10 A. Yes.