

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY OF CAROLYN BERMUDEZ

3 ON BEHALF OF

4 FLORIDA CITY GAS

5 DOCKET NO. 110004-GU

6 MAY 3, 2011

7
8 **Q. Please state your name, business address, by whom you are**
9 **employed, and in what capacity.**

10
11 A. My name is Carolyn Bermudez and my business address is 955 East 25th
12 Street, Hialeah, Florida 33013-3498. I am employed by Florida City Gas as
13 the Regional Manager.

14
15 **Q. Are you familiar with the energy conservation programs of Florida**
16 **City Gas?**

17
18 A. Yes, I am.

19
20 **Q. Are you familiar with the costs that have been incurred and that are**
21 **projected to be incurred by Florida City Gas in implementing its**
22 **energy conservation programs?**

23
24 A. Yes, I am.

25

DOCUMENT NO. DATE
03080-11 5,3,11

FPSC - COMMISSION CLERK

CGM 5
APA 1
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Q. What is the purpose of your testimony in this docket?

A. To submit the recoverable costs incurred during the period ending December 31, 2010, and to identify the final true-up amount related to that period.

Q. Has Florida City Gas prepared schedules which show the expenditures associated with its energy conservation programs for the period you have mentioned?

A. Yes. I have prepared and filed together with this testimony Exhibit CB-1 consisting of Schedules CT-1, CT-2, CT-3 and CT-6.

Q. What amount did Florida City Gas spend on conservation programs during this period?

A. \$3,404,142.

Q. What is the final true-up amount associated with the period ending December 31, 2010?

A. An under-recovery of \$438,644

Q. Does this conclude your testimony?

A. Yes, it does.

ADJUSTED NET TRUE UP
JANUARY 2010 THROUGH DECEMBER 2010

END OF PERIOD NET TRUE-UP

| | | |
|-----------|-----------|-----------|
| PRINCIPLE | 1,382,333 | |
| INTEREST | 1,573 | 1,383,906 |

LESS PROJECTED TRUE-UP

| | | |
|-----------|---------|---------|
| PRINCIPLE | 943,768 | |
| INTEREST | 1,494 | 945,262 |

ADJUSTED NET TRUE-UP

438,644

() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
JANUARY 2010 THROUGH DECEMBER 2010

| | <u>ACTUAL</u> | <u>PROJECTED ***</u> | <u>DIFFERENCE</u> |
|-------------------------------------|------------------|----------------------|-------------------|
| CAPITAL INVESTMENT | - | | - |
| PAYROLL & BENEFITS | 476,657 | 535,735 | (59,078) |
| MATERIALS & SUPPLIES | - | 64,473 | (64,473) |
| ADVERTISING | 939,945 | 809,049 | 130,896 |
| INCENTIVES | 1,852,007 | 1,506,605 | 345,402 |
| OUTSIDE SERVICES | - | 24,272 | (24,272) |
| VEHICLES | 53,789 | 51,707 | 2,082 |
| | | | |
| OTHER | <u>81,744</u> | <u>-</u> | <u>81,744</u> |
| SUB-TOTAL | 3,404,142 | 2,991,841 | 412,301 |
| PROGRAM REVENUES | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | |
| TOTAL PROGRAM COSTS | 3,404,142 | 2,991,841 | 412,301 |
| LESS: | | | |
| PAYROLL ADJUSTMENTS | - | - | - |
| AMOUNTS INCLUDED IN RATE BASE | - | - | - |
| CONSERVATION ADJUSTMENT REVENUES | (2,021,810) | (2,048,073) | 26,263 |
| ROUNDING ADJUSTMENT | <u>-</u> | <u>-</u> | <u>-</u> |
| TRUE-UP BEFORE INTEREST | 1,382,333 | 943,768 | 438,565 |
| INTEREST PROVISION | 1,573 | 1,494 | 79 |
| END OF PERIOD TRUE-UP | <u>1,383,906</u> | <u>945,262</u> | <u>438,644</u> |

() REFLECTS OVER-RECOVERY

*** Eight months actual and four months projected (Jan-Dec'2010)
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ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2010 THROUGH DECEMBER 2010

| PROGRAM NAME | CAPITAL | PAYROLL & MATERIALS | OUTSIDE | | | | VEHICLE | OTHER | TOTAL |
|--|------------|---------------------|-------------|------------|-----------|---|---------|--------|-----------|
| | INVESTMENT | BENEFITS & SUPPLIES | ADVERTISING | INCENTIVES | SERVICES | | | | |
| PROGRAM 1: RESIDENTIAL NEW CONSTRUCTION | - | 84,312 | - | - | 83,390 | - | 4,482 | - | 172,184 |
| PROGRAM 2: MULTI FAMILY HOME BUILDER | - | - | - | - | - | - | - | - | - |
| PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEME | - | 104,887 | - | 25,972 | 151,396 | - | 6,111 | - | 288,367 |
| PROGRAM 4: DEALER PROGRAM | - | - | - | - | - | - | - | - | - |
| PROGRAM 5: SCHOOLS PROGRAM | - | - | - | - | - | - | - | - | - |
| PROGRAM 6: PROPANE CONVERSION | - | - | - | - | - | - | - | - | - |
| PROGRAM 7: RESIDENTIAL APPLIANCE RETENTION | - | 17,929 | - | - | 1,472,560 | - | - | - | 1,490,489 |
| PROGRAM 8: RESIDENTIAL CUT AND CAP | - | - | - | - | - | - | - | - | - |
| PROGRAM 9: COMM/IND CONVERSION | - | 149,437 | - | - | 144,661 | - | 23,311 | - | 317,408 |
| PROGRAM 10: ALTERNATIVE TECHNOLOGY | - | - | - | - | - | - | 1,971 | - | 1,971 |
| COMMON COSTS | - | 120,092 | - | 913,973 | - | - | 17,914 | 81,744 | 1,133,723 |
| TOTAL TOTAL OF ALL PROGRAMS | - | 476,657 | - | 939,945 | 1,852,007 | - | 53,789 | 81,744 | 3,404,142 |

CITY GAS COMPANY OF FLORIDA
PROJECTED CONSERVATION COSTS PER PROGRAM
JANUARY 2010 THROUGH DECEMBER 2010
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

| PROGRAM NAME | CAPITAL INVESTMENT | PAYROLL & BENEFITS | MATERIALS & SUPPLIES | ADVERTISING | INCENTIVES | OUTSIDE SERVICES | VEHICLE | OTHER | TOTAL |
|--|------------------------------|--------------------|----------------------|----------------|------------------|------------------|---------------|----------|------------------|
| PROGRAM 1: RESIDENTIAL NEW CONSTRUCTION | - | 87,809 | - | - | 103,255 | - | 5,529 | - | 196,593 |
| PROGRAM 2: MULTI FAMILY HOME BUILDER | - | - | - | - | - | - | - | - | - |
| PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT | - | 113,894 | - | 386,316 | 123,502 | 24,272 | 7,658 | - | 655,642 |
| PROGRAM 4: DEALER PROGRAM | - | - | - | - | - | - | - | - | - |
| PROGRAM 5: SCHOOLS PROGRAM | - | - | - | - | - | - | - | - | - |
| PROGRAM 6: PROPANE CONVERSION | - | - | - | - | 400 | - | - | - | 400 |
| PROGRAM 7: RESIDENTIAL APPLIANCE RETENTION | - | 35,743 | - | - | 1,185,087 | - | - | - | 1,220,830 |
| PROGRAM 8: RESIDENTIAL CUT AND CAP | - | 20,048 | - | - | - | - | - | - | 20,048 |
| PROGRAM 9: COMM/IND CONVERSION | - | 178,206 | - | - | 94,361 | - | 24,202 | - | 296,769 |
| PROGRAM 10: ALTERNATIVE TECHNOLOGY | - | 10,451 | - | - | - | - | 2,404 | - | 12,855 |
| COMMON COSTS | - | 89,584 | 64,473 | 422,733 | - | - | 11,914 | - | 588,704 |
| TOTAL | TOTAL OF ALL PROGRAMS | 535,735 | 64,473 | 809,049 | 1,506,605 | 24,272 | 51,707 | - | 2,991,841 |

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2010 THROUGH DECEMBER 2010

| PROGRAM NAME | CAPITAL INVESTMENT | PAYROLL & BENEFITS | MATERIALS & SUPPLIES | ADVERTISING | INCENTIVES | OUTSIDE SERVICES | VEHICLE | OTHER | TOTAL |
|--|--------------------|--------------------|----------------------|-------------|------------|------------------|---------|--------|-----------|
| PROGRAM 1: RESIDENTIAL NEW CONSTRUCTION | - | (3,497) | - | - | (19,865) | - | (1,047) | - | (24,409) |
| PROGRAM 2: MULTI FAMILY HOME BUILDER | - | - | - | - | - | - | - | - | - |
| PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT | - | (9,007) | - | (360,344) | 27,894 | (24,272) | (1,547) | - | (367,275) |
| PROGRAM 4: DEALER PROGRAM | - | - | - | - | - | - | - | - | - |
| PROGRAM 5: SCHOOLS PROGRAM | - | - | - | - | - | - | - | - | - |
| PROGRAM 6: PROPANE CONVERSION | - | - | - | - | (400) | - | - | - | (400) |
| PROGRAM 7: RESIDENTIAL APPLIANCE RETENTION | - | (17,814) | - | - | 287,473 | - | - | - | 269,659 |
| PROGRAM 8: RESIDENTIAL CUT AND CAP | - | (20,048) | - | - | - | - | - | - | (20,048) |
| PROGRAM 9: COMM/IND CONVERSION | - | (28,769) | - | - | 50,300 | - | (891) | - | 20,639 |
| PROGRAM 10: ALTERNATIVE TECHNOLOGY | - | (10,451) | - | - | - | - | (433) | - | (10,884) |
| COMMON COSTS | - | 30,508 | (64,473) | 491,240 | - | - | 6,000 | 81,744 | 545,019 |
| TOTAL TOTAL OF ALL PROGRAMS | - | (59,078) | (64,473) | 130,896 | 345,402 | (24,272) | 2,082 | 81,744 | 412,301 |

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY MONTH
JANUARY 2010 THROUGH DECEMBER 2010

| EXPENSES: | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10 | Aug-10 | Sep-10 | Oct-10 | Nov-10 | Dec-10 | Total | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----|
| PROGRAM 1: | 16,017 | 10,423 | 16,286 | 8,180 | 6,840 | 11,557 | 61,201 | 9,677 | 8,108 | 7,686 | 8,288 | 7,922 | 172,184 | (0) |
| PROGRAM 2: | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 3: | 15,292 | 232,908 | 80,733 | 59,933 | 26,207 | 30,161 | 17,992 | 22,489 | 19,678 | 27,935 | 17,616 | (262,578) | 288,366 | (0) |
| PROGRAM 4: | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 5: | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 6: | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 7: | 41,257 | 116,988 | 110,299 | 92,219 | 130,448 | 137,227 | 106,871 | 208,218 | 98,177 | 118,827 | 115,430 | 214,528 | 1,490,489 | (0) |
| PROGRAM 8: | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 9: | 18,001 | 21,144 | 22,241 | 19,557 | 18,959 | 15,167 | 30,041 | 37,533 | 49,375 | 28,060 | 21,141 | 36,189 | 317,408 | (0) |
| PROGRAM 10: | 259 | 309 | 214 | 191 | 262 | 201 | 100 | - | 84 | 88 | 177 | 86 | 1,971 | (0) |
| COMMON COSTS | 9,684 | 11,208 | 41,866 | 76,104 | 46,799 | 192,462 | 121,082 | 62,695 | 19,449 | 89,605 | 22,538 | 440,231 | 1,133,723 | (0) |
| TOTAL | 100,510 | 392,980 | 271,639 | 256,184 | 229,515 | 386,775 | 337,286 | 340,612 | 194,871 | 272,202 | 185,189 | 436,377 | 3,404,141 | |
| LESS: Audit Adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| RECOVERABLE CONSERVATION EXPENSES | 100,510 | 392,980 | 271,639 | 256,184 | 229,515 | 386,775 | 337,287 | 340,612 | 194,871 | 272,202 | 185,189 | 436,377 | 3,404,141 | |

SCHEDULE CT-2
PROJECTED CONSERVATION COSTS PER MONTH
JANUARY 2010 THROUGH DECEMBER 2010
EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

EXPENSES:

| | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10 | Aug-10 | Sep-10 | Oct-10 | Nov-10 | Dec-10 | Total |
|-----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| PROGRAM 1: | 16,017 | 10,423 | 16,286 | 8,180 | 6,840 | 11,557 | 61,201 | 9,677 | 14,103 | 14,103 | 14,103 | 14,103 | 196,593 |
| PROGRAM 2: | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 3: | 15,292 | 232,908 | 80,733 | 59,933 | 26,207 | 30,161 | 17,992 | 22,489 | 42,482 | 42,482 | 42,482 | 42,482 | 655,643 |
| PROGRAM 4: | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 5: | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 6: | - | - | - | - | - | - | - | - | 200 | - | 200 | - | 400 |
| PROGRAM 7: | 41,257 | 116,988 | 110,299 | 92,219 | 130,448 | 137,227 | 106,871 | 208,218 | 69,326 | 69,326 | 69,326 | 69,326 | 1,220,831 |
| PROGRAM 8: | - | - | - | - | - | - | - | - | 5,012 | 5,012 | 5,012 | 5,012 | 20,048 |
| PROGRAM 9: | 18,001 | 21,144 | 22,241 | 19,557 | 18,959 | 15,167 | 30,041 | 37,533 | 28,532 | 28,532 | 28,532 | 28,532 | 296,771 |
| PROGRAM 10: | 259 | 309 | 214 | 191 | 262 | 201 | 100 | - | 2,829 | 2,829 | 2,829 | 2,829 | 12,852 |
| COMMON COSTS | 9,684 | 11,208 | 41,866 | 76,104 | 46,799 | 192,462 | 121,082 | 62,695 | 6,701 | 6,701 | 6,701 | 6,701 | 588,704 |
| TOTAL | 100,510 | 392,980 | 271,639 | 256,184 | 229,515 | 386,775 | 337,287 | 340,612 | 169,185 | 168,985 | 169,185 | 168,985 | 2,991,842 |
| LESS AMOUNT INCLUDED IN RATE BASE | - | - | - | - | - | - | - | - | - | - | - | - | - |
| RECOVERABLE | | | | | | | | | | | | | |
| CONSERVATION EXPENSES | 100,510 | 392,980 | 271,639 | 256,184 | 229,515 | 386,775 | 337,287 | 340,612 | 169,185 | 168,985 | 169,185 | 168,985 | 2,991,842 |

SCHEDULE CT-2
SUMMARY OF EXPENSES BY PROGRAM
VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2010 THROUGH DECEMBER 2010

| EXPENSES: | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10 | Aug-10 | Sep-10 | Oct-10 | Nov-10 | Dec-10 | Total |
|---|--------|--------|--------|--------|--------|--------|--------|--------|----------|----------|----------|-----------|-----------|
| PROGRAM 1: | 0 | 0 | (0) | (0) | 0 | (0) | (0) | (0) | (5,995) | (6,417) | (5,815) | (6,181) | (24,409) |
| PROGRAM 2: | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 3: | (0) | (0) | 0 | 0 | 0 | 0 | 0 | (0) | (22,804) | (14,547) | (24,866) | (305,060) | (367,277) |
| PROGRAM 4: | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 5: | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PROGRAM 6: | - | - | - | - | - | - | - | - | (200) | - | (200) | - | (400) |
| PROGRAM 7: | 0 | (0) | (0) | (0) | 0 | 0 | 0 | 0 | 28,851 | 49,501 | 46,104 | 145,202 | 269,658 |
| PROGRAM 8: | - | - | - | - | - | - | - | - | (5,012) | (5,012) | (5,012) | (5,012) | (20,048) |
| PROGRAM 9: | (0) | (0) | (0) | 0 | 0 | 0 | (0) | 0 | 20,843 | (472) | (7,391) | 7,657 | 20,637 |
| PROGRAM 10: | 0 | 0 | 0 | 0 | 0 | (0) | 0 | - | (2,745) | (2,741) | (2,652) | (2,743) | (10,881) |
| COMMON COSTS | (0) | (0) | 0 | 0 | - | (0) | (0) | 0 | 12,748 | 82,904 | 15,837 | 433,530 | 545,019 |
| TOTAL | (0) | (0) | (0) | 0 | 0 | (0) | (1) | 0 | 25,686 | 103,217 | 16,004 | 267,392 | 412,299 |
| LESS: 2008 Audit Adjustments: | - | - | - | - | - | - | - | - | - | - | - | - | - |
| RECOVERABLE CONSERVATION EXPENSES | (0) | (0) | (0) | 0 | - | (0) | (1) | 0 | 25,686 | 103,217 | 16,004 | 267,392 | 412,299 |

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2010 THROUGH DECEMBER 2010

| | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10 | Aug-10 | Sep-10 | Oct-10 | Nov-10 | Dec-10 | Total |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| 1 RCS AUDIT FEES | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 OTHER PROGRAM REVS | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 CONSERV. ADJ REVS | (273,592) | (245,559) | (264,600) | (185,133) | (154,364) | (147,350) | (130,405) | (136,374) | (136,311) | (139,954) | (154,054) | (220,153) | (2,187,848) |
| 4 TOTAL REVENUES | (273,592) | (245,559) | (264,600) | (185,133) | (154,364) | (147,350) | (130,405) | (136,374) | (136,311) | (139,954) | (154,054) | (220,153) | (2,187,848) |
| 5 PRIOR PERIOD TRUE UP NOT APPLICABLE TO THIS PERIOD CONSERVATION REVENUES | 13,837 | 13,837 | 13,837 | 13,837 | 13,837 | 13,837 | 13,837 | 13,837 | 13,837 | 13,835 | 13,835 | 13,835 | 166,038 |
| 6 APPLICABLE TO THE PERIOD | (259,755) | (231,722) | (250,763) | (171,296) | (140,527) | (133,513) | (116,568) | (122,537) | (122,474) | (126,119) | (140,219) | (206,318) | (2,021,810) |
| CONSERVATION EXPENSES (FROM CT-3, PAGE 1) | 100,510 | 392,980 | 271,639 | 256,184 | 229,515 | 386,775 | 337,287 | 340,612 | 194,871 | 272,202 | 185,189 | 436,377 | 3,404,142 |
| 8 TRUE-UP THIS PERIOD | (159,245) | 161,258 | 20,876 | 84,888 | 88,988 | 253,262 | 220,719 | 218,075 | 72,397 | 146,083 | 44,970 | 230,059 | 1,382,332 |
| 9 INTEREST PROVISION THIS PERIOD (FROM CT-3 PAGE 3) | 14 | 11 | 26 | 33 | 61 | 120 | 166 | 194 | 214 | 225 | 242 | 268 | 1,573 |
| 10 TRUE-UP & INTER. PROV. BEGINNING OF MONTH | 166,044 | (7,024) | 140,408 | 147,473 | 218,557 | 293,769 | 533,314 | 740,362 | 944,794 | 1,003,569 | 1,136,042 | 1,167,419 | |
| 11 PRIOR PERIOD TRUE UP | | | | | | | | | | | | | |
| COLLECTED/(REFUNDED) | (13,837) | (13,837) | (13,837) | (13,837) | (13,837) | (13,837) | (13,837) | (13,837) | (13,837) | (13,835) | (13,835) | (13,835) | |
| 12 TOTAL NET TRUE UP (SUM LINES 8+9+10+11) | (7,024) | 140,408 | 147,473 | 218,557 | 293,769 | 533,314 | 740,362 | 944,794 | 1,003,569 | 1,136,042 | 1,167,419 | 1,383,911 | 1,383,911 |

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2010 THROUGH DECEMBER 2010

| INTEREST PROVISION | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10 | Aug-10 | Sep-10 | Oct-10 | Nov-10 | Dec-10 | Total |
|--|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-------|
| 1. BEGINNING TRUE-UP | 166,044 | (7,024) | 140,408 | 147,473 | 218,557 | 293,769 | 533,314 | 740,362 | 944,794 | 1,003,569 | 1,136,042 | 1,167,419 | |
| 2. ENDING TRUE-UP BEFORE INTEREST | (7,038) | 140,396 | 147,447 | 218,524 | 293,708 | 533,194 | 740,196 | 944,600 | 1,003,354 | 1,135,817 | 1,167,177 | 1,383,643 | |
| 3. TOTAL BEGINNING & ENDING TRUE-UP | 159,006 | 133,372 | 287,854 | 365,997 | 512,265 | 826,963 | 1,273,510 | 1,684,962 | 1,948,149 | 2,139,386 | 2,303,218 | 2,551,062 | |
| 4. AVERAGE TRUE-UP (LINE 3 TIMES 50%) | 79,503 | 66,686 | 143,927 | 182,998 | 256,132 | 413,482 | 636,755 | 842,481 | 974,074 | 1,069,693 | 1,151,609 | 1,275,531 | |
| 5. INTER. RATE - 1ST DAY OF REPORTING MONTH | 0.200% | 0.200% | 0.210% | 0.210% | 0.230% | 0.340% | 0.350% | 0.280% | 0.280% | 0.250% | 0.250% | 0.250% | |
| 6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH | 0.200% | 0.210% | 0.210% | 0.230% | 0.340% | 0.350% | 0.280% | 0.280% | 0.250% | 0.250% | 0.250% | 0.250% | |
| 7. TOTAL (SUM LINES 5 & 6) | 0.400% | 0.410% | 0.420% | 0.440% | 0.570% | 0.690% | 0.630% | 0.560% | 0.530% | 0.500% | 0.500% | 0.500% | |
| 8. AVG INTEREST RATE (LINE 7 TIMES 50%) | 0.200% | 0.205% | 0.210% | 0.220% | 0.285% | 0.345% | 0.315% | 0.280% | 0.265% | 0.250% | 0.250% | 0.250% | |
| 9. MONTHLY AVG INTEREST RATE | 0.017% | 0.017% | 0.018% | 0.018% | 0.024% | 0.029% | 0.026% | 0.023% | 0.022% | 0.021% | 0.021% | 0.021% | |
| 10. INTEREST PROVISION (LINE 4 TIMES LINE 9) | 14 | 11 | 26 | 33 | 61 | 120 | 166 | 194 | 214 | 225 | 242 | 268 | 1,573 |
| 10. a. INT. ADJ | | | | | | | | | | | | | |

CITY GAS COMPANY OF FLORIDA

**Schedule CT-6
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL NEW CONSTRUCTION PROGRAM - PROGRAM 1

DESCRIPTION: The objective of this program is to increase the conservation of energy resources in the single and multi-family residential new construction markets by promoting the installation of energy-efficient natural gas appliances. This program is designed to expand consumer energy options in new homes. Incentives in the form of cash allowances are provided to support the installation of natural gas including interior gas piping, venting, appliance purchase or lease, and other costs associated with residential gas service. Cash allowances are paid for water heating, space heating, clothes drying, and cooking equipment installations

PROGRAM ALLOWANCES:

| | |
|--|-------|
| Gas Storage Tank Water Heating | \$350 |
| Gas High Efficiency Storage Tank Water Heating (82% AFUE+) | 400 |
| Gas Tankless Water Heating | 550 |
| Gas Heating | 500 |
| Gas Cooking | 150 |
| Gas Clothe Drying | 100 |
| Gas Cooling and Dehumidification..... | 1200 |

REPORTING PERIOD: January 2010 through December 2010

PROGRAM SUMMARY:

Program costs for the period were \$ 172,184

CITY GAS COMPANY OF FLORIDA

Schedule CT-6
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM 3

DESCRIPTION:

This program encourages the replacement of inefficient non-natural gas residential appliances in existing residences. Participation in the program is open to current residential customers and to homeowners converting a residence to natural gas where the company is able to extend service under its extension of facilities policy. This program provides incentives for the replacement of non-gas water heating, space heating, cooking, or clothes drying appliances through the purchase and/or lease of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

| | |
|--|-------|
| Gas Storage Tank Water Heating | \$550 |
| Gas High Efficiency Storage Tank Water Heating (82% AFUE+) | 550 |
| Gas Tankless Water Heating | 675 |
| Gas Heating | 725 |
| Gas Cooking | 200 |
| Gas Clothe Drying | 150 |
| Gas Cooling and Dehumidification..... | 1200 |

REPORTING PERIOD: January 2010 through December 2010

PROGRAM SUMMARY:

Program costs for the period were \$ 288,367

CITY GAS COMPANY OF FLORIDA

**Schedule CT-6
PROGRAM PROGRESS REPORT**

NAME: GAS APPLIANCES IN SCHOOLS - PROGRAM 5

DESCRIPTION: The Gas Appliances in Schools Program is designed to promote natural gas appliances where cost-efficient, in Home Economic Departments in schools located in our Company's service area. The program provides teaching assistance on energy conservation and on the use, care, and safety of natural gas appliances through a Company-employed home economist.

REPORTING PERIOD: January 2010 through December 2010

PROGRAM SUMMARY:

Program costs for the period were \$0.

CITY GAS COMPANY OF FLORIDA

**Schedule CT-6
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL PROPANE CONVERSION - PROGRAM 6

DESCRIPTION: The Residential Propane Conversion Program is designed to promote the conversion of existing residential propane appliances to utilize efficient natural gas. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the conversion of their existing propane appliances to utilize natural gas.

PROGRAM ALLOWANCES:

| | |
|--------------------|-------|
| Furnace | \$200 |
| Water Heater | 100 |
| Dryer | 50 |
| Range | 25 |

REPORTING PERIOD: January 2010 through December 2010

PROGRAM SUMMARY:

Program costs for the period were \$0

CITY GAS COMPANY OF FLORIDA

Schedule CT-6
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL APPLIANCE RETENTION PROGRAM - PROGRAM 7

DESCRIPTION: This program is designed to promote the retention of energy-efficient water heating, space heating, clothes drying, and cooking appliances for current natural gas customers. A cash incentive is paid to reduce the cost of purchasing and installing a replacement natural gas water heating, space heating, clothe drying, and cooking appliances

PROGRAM ALLOWANCES:

| | |
|--|-------|
| Gas Storage Tank Water Heating | \$350 |
| Gas High Efficiency Storage Tank Water Heating (82% AFUE+) | 400 |
| Gas Tankless Water Heating | 550 |
| Gas Heating | 500 |
| Gas Cooking | 100 |
| Gas Clothe Drying | 100 |

REPORTING PERIOD: January 2010 through December 2010

PROGRAM SUMMARY:

Program costs for the period were \$1,490,489

CITY GAS COMPANY OF FLORIDA

**Schedule CT-6
PROGRAM PROGRESS REPORT**

NAME: RESIDENTIAL CUT AND CAP - PROGRAM 8

DESCRIPTION: The Residential Cut and Cap Program is designed to encourage the re-activation of existing residential service lines that are scheduled to be cut off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and/or lease and the installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service re-activation..... \$200

REPORTING PERIOD: January 2010 through December 2010

PROGRAM SUMMARY:

Program costs for the period were \$0

CITY GAS COMPANY OF FLORIDA

**Schedule CT-6
PROGRAM PROGRESS REPORT**

NAME: COMMERCIAL/INDUSTRIAL CONVERSION - PROGRAM 9

DESCRIPTION: The Commercial/Industrial Conversion Program is designed to promote the conversion of commercial and industrial inefficient non-gas equipment to energy efficient natural gas. The program offers incentives in the form of cash allowances to existing commercial and industrial businesses located in existing structures, to assist in defraying the incremental first costs associated with the installation of natural gas supply lines, internal piping, venting and equipment.

PROGRAM ALLOWANCES:

Per 100,000 BTU input rating..... \$75

REPORTING PERIOD: January 2010 through December 2010

PROGRAM SUMMARY:

Program costs for the period were \$317,408

CITY GAS COMPANY OF FLORIDA

**Schedule CT-6
PROGRAM PROGRESS REPORT**

NAME: COMMERCIAL/INDUSTRIAL ALTERNATIVE TECHNOLOGY INCENTIVE - PROGRAM 10

DESCRIPTION: The Commercial/Industrial Alternative Technology Incentive Program (ATI) is designed to encourage commercial and industrial business owners to install alternate technologies that utilize natural gas that are not covered by one of the other City Gas Energy Conservation Programs, but which cost-effectively reduce the total utility expense of the business. The program offers incentives based on the cost-effectiveness under a life-cycle analysis utilizing a computerized energy consumption simulation model.

PROGRAM ALLOWANCES:

Payback period of three years subject to a maximum incentive of three times the projected incremental annualized margin.

REPORTING PERIOD: January 2010 through December 2010

PROGRAM SUMMARY:

Program costs for the period were \$1,971