

ENERGY CONSERVATION ADJUSTMENT
 SUMMARY OF COST RECOVERY CLAUSE CALCULATION
 JANUARY 2013 THROUGH DECEMBER 2013

- 1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE1) \$ 52,000
- 2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11) \$ (26,515)
- 3. TOTAL (LINE 1 AND 2) \$ 25,485

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	DELIVERY CHARGE	TOTAL CUST & DELIVERY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
TS-1	4,548	29,875	\$42,153	\$18,184	\$60,337	\$3,461	5.74%	0.11584	1.00503	0.11642
TS-2	760	16,530	\$9,180	\$8,154	\$17,334	\$967	5.58%	0.05851	1.00503	0.05881
TS-3	951	281,030	\$33,285	\$119,553	\$152,838	\$11,786	7.71%	0.04194	1.00503	0.04215
TS-4	450	453,265	<u>\$67,500</u>	\$152,422	\$219,922	\$15,756	7.16%	0.03476	1.00503	0.03494
TOTAL	6,709	780,700	\$152,118	\$298,313	\$450,431	\$31,970				

COM _____
 AFD 7
 APA _____
 ECO _____
 ENG _____
 GCL _____
 IDM _____
 TEL _____
 CLK _____

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
JANUARY 2013 THROUGH DECEMBER 2013

<u>PROGRAM</u>	<u>JAN</u> <u>2013</u>	<u>FEB</u> <u>2013</u>	<u>MAR</u> <u>2013</u>	<u>APR</u> <u>2013</u>	<u>MAY</u> <u>2013</u>	<u>JUN</u> <u>2013</u>	<u>JUL</u> <u>2013</u>	<u>AUG</u> <u>2013</u>	<u>SEP</u> <u>2013</u>	<u>OCT</u> <u>2013</u>	<u>NOV</u> <u>2013</u>	<u>DEC</u> <u>2013</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION	\$1,084	\$1,084	\$1,084	\$1,084	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$13,000
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$1,792	\$1,792	\$1,792	\$1,792	\$1,792	\$1,792	\$1,792	\$1,792	\$1,791	\$1,791	\$1,791	\$1,791	\$21,500
3 RESIDENTIAL APPLIANCE RETENTION	\$1,459	\$1,459	\$1,459	\$1,459	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$17,500
TOTAL ALL PROGRAMS	\$4,335	\$4,335	\$4,335	\$4,335	\$4,333	\$4,333	\$4,333	\$4,333	\$4,332	\$4,332	\$4,332	\$4,332	\$52,000

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2013 THROUGH DECEMBER 2013

PROGRAM	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	\$0	\$3,000	\$500	\$4,000	\$4,000	\$1,500	\$0	\$0	\$13,000
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$0	\$3,000	\$5,000	\$3,000	\$9,000	\$1,500	\$0	\$0	\$21,500
3 RESIDENTIAL APPLIANCE RETENTION	\$0	\$3,000	\$5,000	\$3,000	\$5,000	\$1,500	\$0	\$0	\$17,500
PROGRAM COSTS	\$0	\$9,000	\$10,500	\$10,000	\$18,000	\$4,500	\$0	\$0	\$52,000

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2012 THROUGH DECEMBER 2012

PROGRAM	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	\$0	\$1,574	\$0	\$1,426	\$700	\$0	\$0	\$0	\$3,700
B. ESTIMATED	<u>\$0</u>	<u>\$787</u>	<u>\$0</u>	<u>\$610</u>	<u>\$0</u>	<u>\$100</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,497</u>
TOTAL	\$0	\$2,361	\$0	\$2,036	\$700	\$100	\$0	\$0	\$5,197
2 RESIDENTIAL APPLIANCE REPLACEMENT									
A. ACTUAL	\$0	\$1,574	\$0	\$1,426	\$1,650	\$0	\$0	\$0	\$4,650
B. ESTIMATED	<u>\$0</u>	<u>\$787</u>	<u>\$0</u>	<u>\$597</u>	<u>\$1,650</u>	<u>\$100</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,134</u>
TOTAL	\$0	\$2,361	\$0	\$2,023	\$3,300	\$100	\$0	\$0	\$7,784
3 RESIDENTIAL APPLIANCE RETENTION									
A. ACTUAL	\$0	\$1,574	\$0	\$1,426	\$1,300	\$0	\$0	\$0	\$4,300
B. ESTIMATED	<u>\$0</u>	<u>\$787</u>	<u>\$0</u>	<u>\$613</u>	<u>\$900</u>	<u>\$100</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,400</u>
TOTAL	\$0	\$2,361	\$0	\$2,039	\$2,200	\$100	\$0	\$0	\$6,700
4 CONSERVATION EDUCATION									
A. ACTUAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. ESTIMATED	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUB-TOTAL	\$0	\$7,083	\$0	\$6,098	\$6,200	\$300	\$0	\$0	\$19,681

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2012 THROUGH DECEMBER 2012

PROGRAM	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$0	\$7,083	\$0	\$6,111	\$6,187	\$300	\$0	\$0	\$19,681
5 PROGRAM									
A. ACTUAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. ESTIMATED	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 PROGRAM									
A. ACTUAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. ESTIMATED	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 PROGRAM									
A. ACTUAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. ESTIMATED	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROGRAM COSTS	\$0	\$7,083	\$0	\$6,111	\$6,187	\$300	\$0	\$0	\$19,681

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL / ESTIMATED
JANUARY 2012 THROUGH DECEMBER 2012

<u>PROGRAM</u>	<u>JAN</u> <u>2012</u>	<u>FEB</u> <u>2012</u>	<u>MAR</u> <u>2012</u>	<u>APR</u> <u>2012</u>	<u>MAY</u> <u>2012</u>	<u>JUN</u> <u>2012</u>	<u>JUL</u> <u>2012</u>	<u>AUG</u> <u>2012</u>	<u>SEP</u> <u>2012</u>	<u>OCT</u> <u>2012</u>	<u>NOV</u> <u>2012</u>	<u>DEC</u> <u>2012</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION	\$371	\$376	\$375	\$376	\$1,075	\$374	\$375	\$375	\$375	\$375	\$375	\$375	\$5,197
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$371	\$376	\$1,050	\$376	\$375	\$328	\$376	\$1,003	\$376	\$1,051	\$1,051	\$1,051	\$7,784
3 RESIDENTIAL APPLIANCE RETENTION	\$371	\$1,476	\$475	\$376	\$374	\$670	\$376	\$178	\$376	\$826	\$376	\$826	\$6,700
TOTAL ALL PROGRAMS	\$1,113	\$2,228	\$1,900	\$1,128	\$1,824	\$1,372	\$1,127	\$1,556	\$1,127	\$2,252	\$1,802	\$2,252	\$19,681

ENERGY CONSERVATION ADJUSTMENT
JANUARY 2012 THROUGH DECEMBER 2012

CONSERVATION REVENUES	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUN 2012	JUL 2012	AUG 2012	SEP 2012	OCT 2012	NOV 2012	DEC 2012	TOTAL
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER PROGRAM REV	0	0	0	0	0	0	0	0	0	0	0	0	0
1. ECCR REVENUE	(3,618)	(3,321)	(3,178)	(3,053)	(2,720)	(2,616)	(2,534)	(2,618)	(2,628)	(2,643)	(2,952)	(3,142)	(35,023)
2. CONSERV. ADJ. REV. (NET OF REV. TAXES)	0	0	0	0	0	0	0	0	0	0	0	0	0
3. TOTAL REVENUES	(3,618)	(3,321)	(3,178)	(3,053)	(2,720)	(2,616)	(2,534)	(2,618)	(2,628)	(2,643)	(2,952)	(3,142)	(35,023)
4. PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
5. CONSERV. REVS. APPLIC. TO PERIOD	(3,618)	(3,321)	(3,178)	(3,053)	(2,720)	(2,616)	(2,534)	(2,618)	(2,628)	(2,643)	(2,952)	(3,142)	(35,023)
6. CONSERVATION EXPS. (FORM C-3, PAGE 3)	1,113	2,228	1,900	1,128	1,824	1,372	1,127	1,556	1,127	2,252	1,802	2,252	19,681
7. TRUE-UP THIS PERIOD	(2,505)	(1,093)	(1,278)	(1,925)	(896)	(1,244)	(1,407)	(1,062)	(1,501)	(391)	(1,150)	(890)	(15,342)
8. INTEREST THIS PERIOD (C-3, PAGE 5)	(2)	(3)	(3)	(3)	(4)	(4)	(4)	(5)	(5)	(6)	(6)	(6)	(51)
9. TRUE-UP & INT BEGIN OF MONTH	(11,173)	(13,680)	(14,776)	(16,057)	(17,985)	(18,885)	(20,133)	(21,544)	(22,611)	(24,117)	(24,515)	(25,670)	(11,173)
10. PRIOR TRUE-UP COLLECT / (REFUND)	0	0	0	0	0	0	0	0	0	0	0	0	0
11. END OF PERIOD TOTAL NET TRUE-UP	(13,680)	(14,776)	(16,057)	(17,985)	(18,885)	(20,133)	(21,544)	(22,611)	(24,117)	(24,515)	(25,670)	(26,566)	(26,515)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2012 THROUGH DECEMBER 2012

INTEREST PROVISION	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUN 2012	JUL 2012	AUG 2012	SEP 2012	OCT 2012	NOV 2012	DEC 2012	TOTAL
BEGINNING TRUE-UP	(11,173)	(13,680)	(14,776)	(16,057)	(17,985)	(18,885)	(20,133)	(21,544)	(22,611)	(24,117)	(24,515)	(25,670)	
END. T-UP BEFORE INT. (C3,4)	(13,678)	(14,773)	(16,054)	(17,982)	(18,881)	(20,129)	(21,540)	(22,606)	(24,112)	(24,509)	(25,664)	(26,560)	
TOTAL BEG. & END. T-UP	(24,851)	(28,453)	(30,830)	(34,039)	(36,866)	(39,014)	(41,673)	(44,150)	(46,723)	(48,626)	(50,179)	(52,230)	
AVERAGE TRUE-UP	(12,426)	(14,227)	(15,415)	(17,020)	(18,433)	(19,507)	(20,837)	(22,075)	(23,362)	(24,313)	(25,089)	(26,115)	
INT. RATE-FIRST DAY OF REPORTING BUSINESS MTH.	0.03%	0.12%	0.11%	0.09%	0.12%	0.13%	0.10%	0.15%	0.14%	0.14%	0.14%	0.14%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUSINESS MTH	0.12%	0.11%	0.09%	0.12%	0.13%	0.10%	0.15%	0.14%	0.14%	0.14%	0.14%	0.14%	
TOTAL	0.15%	0.23%	0.20%	0.21%	0.25%	0.23%	0.25%	0.29%	0.28%	0.28%	0.28%	0.28%	
AVG INTEREST RATE	0.08%	0.12%	0.10%	0.11%	0.13%	0.12%	0.13%	0.15%	0.14%	0.14%	0.14%	0.14%	
MONTHLY AVG. INT. RATE	0.0063%	0.0096%	0.0083%	0.0088%	0.0104%	0.0096%	0.0104%	0.0121%	0.0117%	0.0117%	0.0117%	0.0117%	
INTEREST PROVISION	\$ (2)	\$ (3)	\$ (3)	\$ (3)	\$ (4)	\$ (4)	\$ (4)	\$ (5)	\$ (5)	\$ (6)	\$ (6)	\$ (6)	\$ (51)

**Sebring Gas System, Inc.
Program Description and Progress**

Program Title

Residential New Construction Program

Reporting Period

January 2012 through December 2012

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 Sebring Gas System, Inc. (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
- \$400 Gas High Efficiency Storage tank Water Heater
- \$550 Tankless Water Heating
- \$500 Gas Heating
- \$150 Gas Cooking
- \$100 Gas Clothes Drying

Program Activity and Projections

During the eight-month reporting period January 2012 through August 2012, two (2) new home allowances were paid. The Company projects no (0) new home construction will qualify for allowances during the period September through December 2012.

Program Fiscal Expenditures

During the eight months reporting period, actual expenditures for this program totaled \$3,700. The Company projects that total expenditures will equal \$5,197 for the 2012 annual period.

**Sebring Gas System, Inc.
Program Description and Progress**

Program Title

Residential Appliance Replacement Program

Reporting Period

January 2012 through December 2012

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 appliances through the purchase of energy efficient natural gas appliances.

Current Approved Allowances

\$500 Gas Storage Tank Water Heating
\$550 Gas High Efficiency Storage tank Water Heater
\$675 Tankless Water Heating
\$725 Gas Heating
\$200 Gas Cooking
\$150 Gas Clothes Drying

Program Activity and Projections

During the eight-month reporting period January 2012 through August 2012, four (4) residential appliance replacement allowances were paid. The Company projects four (4) appliance replacement allowances will be paid during the period September through December 2012.

**Sebring Gas System, Inc.
Program Description and Progress**

Residential Appliance Replacement Program, continued from page 2 of 5

Program Fiscal Expenditures

During the eight months reporting period, actual expenditures for this program totaled \$4,650. The Company projects that total expenditures will equal \$7,784 for the 2012 annual period.

**Sebring Gas System, Inc.
Program Description and Progress**

Program Title

Residential Appliance Retention Program

Reporting Period

January 2012 through December 2012

Program Description

This program is designed to encourage existing customers to continue to use natural gas in the home. As an incentive to continue to provide substantial benefits to the customer and utilize our county's resources effectively, this program offers cash allowances to the customer.

Current Approved Allowances

\$350 Gas Storage Tank Water Heating
\$400 Gas High Efficiency Storage tank Water Heater
\$550 Tankless Water Heating
\$500 Gas Heating
\$100 Gas Cooking
\$100 Gas Clothes Drying

Program Activity and Projections

During the eight-month reporting period January 2012 through August 2012, five (5) residential appliance retention allowances were paid. The Company projects four (4) residential appliance retention allowances will be paid during the period September through December 2012.

Program Fiscal Expenditures

During the eight months reporting period, actual expenditures for this program totaled \$4,300. The Company projects that total expenditures will equal \$6,700 for the 2012 annual period.

**Sebring Gas System, Inc.
Program Description and Progress**

Program Title

Conservation Education Program

Reporting Period

January 2012 through December 2012

Program Description

The object 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 costs.

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. The Company attends local builder association meetings, participating in their events. The Company continues to use a part-time outside contract sales group in an attempt to increase program participation. In 2009, the Company began participation in the Get Gas Florida consumer education program supported by the Florida Natural Gas Association. In the year 2010 the Company began a program of direct mailings to inform the public located within its service area of the benefit of using natural gas and the awareness of the programs offered by the Company.

Program Fiscal Expenditures:

During the year 2012, the Company booked the expenditures for the education program to the various incentive programs.