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September 10, 2013

E-PORTAL/ELECTRONIC FILING

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

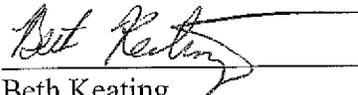
Re: Docket No. 130004-GU -- Natural Gas Conservation Cost Recovery Clause

Dear Ms. Cole:

Attached for electronic filing, please find the Direct Testimony and Exhibit CDY-5 of Mr. Curtis Young, submitted in the referenced Docket on behalf of Florida Public Utilities Company-Indiantown Division, along with the Company's Petition for Approval of Conservation Cost Recovery Factors. Consistent with the directions for this docket, copies of the Petition, Testimony, and Exhibit are being provided to Staff Counsel.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Natural Gas Conservation Cost)
Recovery)
_____)**

**Docket No. 130004-GU
Filed: September 10, 2013**

**PETITION OF FLORIDA PUBLIC UTILITIES COMPANY-INDIANTOWN
DIVISION FOR APPROVAL OF CONSERVATION COST RECOVERY
FACTORS**

The Florida Public Utilities Company – Indiantown Division (“Indiantown” or “the Company”) hereby hereby petitions the Commission for Approval of the Company’s conservation cost recovery factors for the period January 1, 2014 through December 31, 2014. In support thereof, the Company says:

1. The Company is a natural gas utility with its principal office located at:

Florida Public Utilities Company – Indiantown Division
1641 Worthington Road, Suite 220
West Palm Beach, FL 33409-6703

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

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 618
Tallahassee, FL 32301
(850) 521-1706

Cheryl Martin
Florida Public Utilities Company –
Indiantown Division
1641 Worthington Road, Suite 220
West Palm Beach, FL 33409-6703

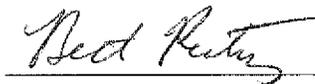
For the period January 1, 2014 through December 31, 2014, Indiantown projects its total incremental conservation costs to be \$19,000 (Schedule C-2). Indiantown’s true-up for the period January 1, 2013 through December 31, 2013, is an over-recovery of \$2,597, resulting in a total of \$16,403, of conservation costs to be recovered during the January 1, 2014 through December 31, 2014 period.

3. When the required true-up and projected expenditures are spread over the Company's rate classes, excluding customers who are on market-based rates, and then dividing this result by the projected gas throughput for the period by rate class, and expanding for taxes, the required conservation cost recovery factors for the period January 1, 2014 through December 31, 2014, are:

Rate Class	ECCR Factor
TS-1	0.2469 cents/therm
TS-2	0.0429 cents/therm
TS-3	0.1270 cents/therm
TS-4	0.0120 cents/therm

4. The Company's calculation of the Conservation Cost Recovery Factors is consistent with the Commission's methodology, and supported by the Direct Testimony of Curtis D. Young, and Schedules C-1 through C-3, which are included in Exhibit No. (CDY-5).

WHEREFORE, the Florida Public Utilities Company – Indiantown Division requests that its Conservation Cost Recovery Factors for the period January 1, 2014 through December 31, 2014 be approved.



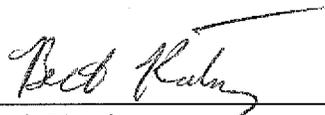
Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

*Attorneys for Florida Public Utilities
Company – Indiantown Division*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Petition of the Florida Public Utilities Company – Indiantown Division, as well as the Direct Testimony and Exhibits of Curtis Young, has been furnished by U.S. Mail and electronic mail* to the following parties of record this 10th day of September, 2013:

Florida Public Utilities Company Cheryl Martin/Aleida Socarras 1641 Worthington Road, Suite 220 West Palm Beach, FL 33409-6703	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Office of Public Counsel J.R. Kelly/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Peoples Gas System Paula Brown P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf* P.O. Box 549 Port St. Joe, FL 32457-0549
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870	AGL Resources Inc. Elizabeth Wade/Brian Sulmonetti Ten Peachtree Place Location 1470 Atlanta, GA 30309
Florida City Gas Carolyn Bermudez 933 East 25 th Street Hialeah, FL 33013-3498	Lee Eng Tan/Kelley Corbari Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 130004-GU
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Direct (Projection/Factor) Testimony of
Curtis D. Young
On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY
INDIANTOWN NATURAL GAS DIVISION

1 **Q. Please state your name and business address.**

2 A. Curtis D. Young. My business address is 1641 Worthington Drive Suite 220,
3 West Palm Beach, Florida 33409.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Florida Public Utilities Company (FPUC) as the Senior
6 Regulatory Analyst.

7 **Q. Can you please provide a brief overview of your educational and
8 employment background?**

9 A. I graduated from Pace University in 1982 with a BBA in Accounting. I have
10 been employed by FPUC since 2001. During my employment at FPUC, I have
11 performed various accounting and analytical functions including regulatory
12 filings, revenue reporting, account analysis, recovery rate reconciliations and
13 earnings surveillance. I'm also involved in the preparation of special reports
14 and schedules used internally by division managers for decision making
15 projects. Additionally, I coordinate the gathering of data for the FPSC audits.

16 **Q. What is the purpose of your testimony at this time?**

17 A. To advise the Commission as to the Conservation Cost Recovery Clause
18 Calculation for the period January 2014 through December 2014.

1 **Q. Have you included descriptions and summary information on the**
2 **Conservation Programs currently approved and available to your**
3 **customers for the Indiantown Natural Gas Division?**

4 A. Yes, the Company has included summaries of the approved conservation
5 programs currently available to our customers in C-4 of Exhibit CDY-5.

6 **Q. Has the Company prepared summaries of the Company's Conservation**
7 **Programs and the Costs associated with these Programs?**

8 A. Yes, the Company's Energy Conservation Manager, Kira Lake, prepared the
9 summaries of the Company's Conservation Programs and costs associated
10 with these programs in C-4 of Exhibit CDY-5.

11 **Q. What are the total projected costs for the period January 2014 through**
12 **December 2014 in the Indiantown Natural Gas Division?**

13 A. The total projected Conservation Program Costs are \$19,000, which includes
14 projected costs for the new proposed Conservation Programs. Please see
15 Schedule C-2, page 2, for the programmatic and functional breakdown of
16 these total costs.

17 **Q. What is the true-up for the period January 2013 through December**
18 **2013?**

19 A. As reflected in the Schedule C-3, Page 4 of 5, the True-up amount for the
20 Indiantown Natural Gas Division is an over-recovery of \$2,597.

21 **Q. What are the resulting net total projected conservation costs to be**
22 **recovered during this projection period?**

23 A. The total costs to be recovered are \$16,403.

24 **Q. What is the Conservation Adjustment Factor necessary to recover these**

FLORIDA PUBLIC UTILITIES COMPANY
 INDIANTOWN NATURAL GAS DIVISION
 ENERGY CONSERVATION ADJUSTMENT
 SUMMARY OF COST RECOVERY CLAUSE CALCULATION
 JANUARY 2014 THROUGH DECEMBER 2014

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$	19,000
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	\$	(2,597)
3. TOTAL (LINE 1 AND LINE 2)	\$	16,403

RATE SCHEDULE	BILLS	THERMS	CUSTOMER & DEMAND CHARGE	TRANSPORTATION CHARGE	TOTAL CUSTOMER & TRANSPORTATION REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERV FACTOR
TS1	8,150	140,301	73,350	53,083	126,433	3,447	2.72654%	\$ 0.02457	1.00503	\$ 0.02469
TS2	290	73,392	7,250	4,229	11,479	313	2.72654%	\$ 0.00426	1.00503	\$ 0.00429
TS3	17	2,454	1,020	117	1,137	31	2.72654%	\$ 0.01264	1.00503	\$ 0.01270
TS4	24	10,602,579	48,000	414,561	462,561	12,612	2.72654%	\$ 0.00119	1.00503	\$ 0.00120
TOTAL	8,481	10,818,726	129,620	471,990	601,610	16,403				

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FLORIDA PUBLIC UTILITIES COMPANY
INDIAN TOWN NATURAL GAS DIVISION
ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM	JAN 2014	FEB 2014	MAR 2014	APR 2014	MAY 2014	JUN 2014	JUL 2014	AUG 2014	SEP 2014	OCT 2014	NOV 2014	DEC 2014	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	83	83	83	83	83	83	83	83	83	83	83	87	1,000
2 RESIDENTIAL APPLIANCE REPLACEMENT	208	208	208	208	208	208	208	208	208	208	208	212	2,500
3 CONSERVATION EDUCATION	100	100	100	100	100	100	100	100	100	100	100	100	1,200
4 RESIDENTIAL APPLIANCE RETENTION	250	250	250	250	250	250	250	250	250	250	250	250	3,000
5 COMMON	108	108	108	108	108	108	108	108	108	108	108	112	1,300
6 CONS DEMONSTRATION DEVELOPMENT	833	833	833	833	833	833	833	833	833	833	833	837	10,000
7	0	0	0	0	0	0	0	0	0	0	0	0	0
8	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0
11	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	1,582	1,595	19,000										

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FLORIDA PUBLIC UTILITIES COMPANY
INDIANTOWN NATURAL GAS DIVISION
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISE	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	0	0	0	500	500	0	0	0	1,000
2 RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	2,000	500	0	0	0	2,500
3 CONSERVATION EDUCATION	0	0	0	1,000	0	0	0	200	1,200
4 RESIDENTIAL APPLIANCE RETENTION	0	0	0	2,000	1,000	0	0	0	3,000
5 COMMON	0	0	100	0	0	1,000	0	200	1,300
6 CONS DEMONSTRATION DEVELOPMENT	0	0	0	0	0	10,000	0	0	10,000
7	0	0	0	0	0	0	0	0	0
8	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0
11	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	<u>0</u>	<u>0</u>	<u>100</u>	<u>5,500</u>	<u>2,000</u>	<u>11,000</u>	<u>0</u>	<u>400</u>	<u>19,000</u>

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INDIANTOWN NATURAL GAS DIVISION
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
ACTUAL JANUARY 2013 THROUGH JULY 2013; ESTIMATED AUGUST 2013 THROUGH DECEMBER 2013

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	0	0	0	71	0	0	0	0	71
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	71	0	0	0	0	71
2 RESIDENTIAL APPLIANCE REPLACEMENT									
A. ACTUAL	0	0	0	1,471	0	0	0	0	1,471
B. ESTIMATED	0	0	0	420	420	0	0	0	840
C. TOTAL	0	0	0	1,891	420	0	0	0	2,311
3 CONSERVATION EDUCATION									
A. ACTUAL	0	0	0	152	105	0	0	0	257
B. ESTIMATED	0	0	0	1,040	0	0	0	40	1,080
C. TOTAL	0	0	0	1,192	105	0	0	40	1,337
4 RESIDENTIAL APPLIANCE RETENTION									
A. ACTUAL	0	0	0	1,471	350	0	0	0	1,821
B. ESTIMATED	0	0	0	420	830	0	0	0	1,250
C. TOTAL	0	0	0	1,891	1,180	0	0	0	3,071
5 COMMON									
A. ACTUAL	0	0	20	0	0	296	0	50	366
B. ESTIMATED	0	0	0	0	0	1,250	0	210	1,460
C. TOTAL	0	0	20	0	0	1,546	0	260	1,826
6 CONS DEMONSTRATION DEVELOPMENT									
A. ACTUAL	0	0	0	0	0	1,952	0	0	1,952
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	1,952	0	0	1,952
SUB-TOTAL	0	0	20	5,045	1,705	3,498	0	300	10,568

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FLORIDA PUBLIC UTILITIES COMPANY
 INDIANTOWN NATURAL GAS DIVISION
 ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 ACTUAL JANUARY 2013 THROUGH JULY 2013; ESTIMATED AUGUST 2013 THROUGH DECEMBER 2013

PROGRAM NAME		CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE		0	0	20	5,045	1,705	3,498	0	300	10,568
7	0.00									
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
10	0.00									
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
12	0.00									
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
13	0.00									
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
14	0.00									
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
TOTAL		<u>0</u>	<u>0</u>	<u>20</u>	<u>5,045</u>	<u>1,705</u>	<u>3,498</u>	<u>0</u>	<u>300</u>	<u>10,568</u>

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FLORIDA PUBLIC UTILITIES COMPANY
INDIANTOWN NATURAL GAS DIVISION
CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED

ACTUAL JANUARY 2013 THROUGH JULY 2013; ESTIMATED AUGUST 2013 THROUGH DECEMBER 2013

PROGRAM NAME	----- ACTUAL -----							--- PROJECTION ---					TOTAL
	JAN 2013	FEB 2013	MAR 2013	APR 2013	MAY 2013	JUN 2013	JUL 2013	AUG 2013	SEP 2013	OCT 2013	NOV 2013	DEC 2013	
RESIDENTIAL NEW CONSTRUCTION	0	0	26	19	26	0	0	0	0	0	0	0	71
RESIDENTIAL APPLIANCE REPLACEMENT	0	0	355	275	435	214	192	168	168	168	168	168	2,311
CONSERVATION EDUCATION	0	0	110	84	50	12	0	216	216	216	216	217	1,337
RESIDENTIAL APPLIANCE RETENTION COMMON	350	0	355	275	435	213	192	250	250	250	250	251	3,071
CONS DEMONSTRATION DEVELOPMENT	0	156	6	200	5	0	0	292	292	292	292	291	1,826
	0	1,014	0	938	0	0	0	0	0	0	0	0	1,952
	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
	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
TOTAL ALL PROGRAMS	350	1,170	852	1,791	951	439	384	926	926	926	926	927	10,568

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FLORIDA PUBLIC UTILITIES COMPANY
INDIANTOWN NATURAL GAS DIVISION
ENERGY CONSERVATION ADJUSTMENT
ACTUAL JANUARY 2013 THROUGH JULY 2013; ESTIMATED AUGUST 2013 THROUGH DECEMBER 2013

	----- ACTUAL -----							--- PROJECTION ---					TOTAL
	JAN 2013	FEB 2013	MAR 2013	APR 2013	MAY 2013	JUN 2013	JUL 2013	AUG 2013	SEP 2013	OCT 2013	NOV 2013	DEC 2013	
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(298)	(164)	(195)	(116)	(88)	(44)	(36)	(111)	(111)	(111)	(111)	(111)	(1,496)
TOTAL REVENUES	(298)	(164)	(195)	(116)	(88)	(44)	(36)	(111)	(111)	(111)	(111)	(111)	(1,496)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	(973)	(972)	(972)	(972)	(972)	(972)	(972)	(972)	(972)	(972)	(972)	(972)	(11,665)
CONSERVATION REVS. APPLIC. TO PERIOD	(1,271)	(1,136)	(1,167)	(1,088)	(1,060)	(1,016)	(1,008)	(1,083)	(1,083)	(1,083)	(1,083)	(1,083)	(13,161)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	350	1,170	852	1,791	951	439	384	926	926	926	926	927	10,568
TRUE-UP THIS PERIOD	(921)	34	(315)	703	(109)	(677)	(624)	(157)	(157)	(157)	(157)	(156)	(2,593)
INTEREST THIS PERIOD (C-3, PAGE 5)	(1)	(1)	(1)	(1)	0	0	0	0	0	0	0	0	(4)
TRUE-UP & INT. BEG. OF MONTH	(11,665)	(11,614)	(10,609)	(9,953)	(8,279)	(7,416)	(7,021)	(6,673)	(5,858)	(5,043)	(4,228)	(3,413)	(11,665)
PRIOR TRUE-UP COLLECT. (REFUND.)	973	972	972	972	972	972	972	972	972	972	972	972	11,665
Audit Adj. - Prior period													0
END OF PERIOD TOTAL NET TRUE-UP	(11,614)	(10,609)	(9,953)	(8,279)	(7,416)	(7,021)	(6,673)	(5,858)	(5,043)	(4,228)	(3,413)	(2,597)	(2,597)

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FLORIDA PUBLIC UTILITIES COMPANY
INDIANTOWN NATURAL GAS DIVISION
CALCULATION OF TRUE-UP AND INTEREST PROVISION
ACTUAL JANUARY 2013 THROUGH JULY 2013; ESTIMATED AUGUST 2013 THROUGH DECEMBER 2013

	----- ACTUAL -----		----- ACTUAL -----		----- ACTUAL -----		----- ACTUAL -----		--- PROJECTION ---		--- PROJECTION ---		--- PROJECTION ---		TOTAL
	JAN 2013	FEB 2013	MAR 2013	APR 2013	MAY 2013	JUN 2013	JUL 2013	AUG 2013	SEP 2013	OCT 2013	NOV 2013	DEC 2013			
INTEREST PROVISION															
BEGINNING TRUE-UP	(11,665)	(11,614)	(10,609)	(9,853)	(8,279)	(7,416)	(7,021)	(6,673)	(5,858)	(5,043)	(4,228)	(3,413)			
END, T-UP BEFORE INT.	(11,613)	(10,608)	(9,952)	(8,278)	(7,416)	(7,021)	(6,673)	(5,858)	(5,043)	(4,228)	(3,413)	(2,597)			
TOT. BEG. & END, T-UP	(23,278)	(22,222)	(20,561)	(18,231)	(15,695)	(14,437)	(13,694)	(12,531)	(10,901)	(9,271)	(7,641)	(6,010)			
AVERAGE TRUE-UP	(11,639)	(11,111)	(10,281)	(9,116)	(7,848)	(7,219)	(6,847)	(6,265)	(5,450)	(4,635)	(3,820)	(3,005)			
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.10%	0.15%	0.14%	0.09%	0.09%	0.05%	0.08%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%		
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.15%	0.14%	0.09%	0.09%	0.05%	0.08%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%		
TOTAL	0.25%	0.29%	0.23%	0.18%	0.14%	0.13%	0.13%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%		
AVG INTEREST RATE	0.13%	0.15%	0.12%	0.09%	0.07%	0.07%	0.07%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%		
MONTHLY AVG. RATE	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
INTEREST PROVISION	(\$1)	(\$1)	(\$1)	(\$1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		(\$4)

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Schedule C-4

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**Florida Public Utilities Company - Indiantown Division
Program Description and Progress**

Program Title:

Residential New Construction Program

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
\$400	High Efficiency Gas Storage Tank Water Heating
\$550	Gas Tankless Water Heating
\$500	Gas Heating
\$150	Gas Cooking
\$100	Gas Clothes Drying

Program Projections:

For the twelve-month period of January to December 2014, the Company estimates that 1 new single and multi family home will be connected to its natural gas system. Fiscal expenditures for 2014 are projected to be \$1,000.

Program Activity and Expenditures:

During the seven-month reporting period of January through July 2013, 0 new home allowances were paid and actual expenditures for this program totaled \$70. For August through December 2013, the Company projects that 0 new homes will qualify for allowances. Annual expenditures for 2013 are estimated at \$120.

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**Florida Public Utilities Company - Indiantown Division
Program Description and Progress**

Program Title:

Residential Appliance Replacement Program

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:

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

Program Projections:

For the twelve-month period of January to December 2014, the Company estimates that 2 natural gas appliances (limited to water heaters, furnaces or hydro heaters, ranges and dryers) will be connected to its natural gas system. Fiscal expenditures for 2014 are projected to be \$2,500.

Program Activity and Expenditures:

During the seven-month reporting period of January through July 2013, 1 appliance replacement allowance was paid and actual expenditures for this program totaled \$1,471. For the period August through December 2013, the Company projects that 1 appliance will qualify for allowances. Annual expenditures for 2013 are estimated at \$2,500.

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**Florida Public Utilities Company - Indiantown Division
Program Description and Progress**

Program Title:

Residential Appliance Retention Program

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

Program Projections:

For the twelve-month period of January to December 2014, the Company estimates that 4 natural gas appliances (limited to water heaters, furnaces or hydro heaters, ranges and dryers) will be connected to its natural gas system. Fiscal expenditures for 2014 are projected to be \$3,000.

Program Fiscal Expenditures:

During the seven-month reporting period of January through July 2013, 0 appliance retention allowances were paid and actual expenditures for this program totaled \$1,821. For August through December 2013, the Company projects that 2 appliances will qualify for allowances. Annual expenses for 2013 are estimated at \$3,000.

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**Florida Public Utilities Company - Indiantown Division
Program Description and Progress**

Program Title:

Conservation Education Program

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 Projections:

For the twelve-month period of January to December 2014, the Company estimates expenses of \$1,200 for this program.

Program Activity and Expenditures:

During the seven-month reporting period, January through July 2013, actual expenditures for this program were \$242. The Company projects that total expenditures will equal \$400 for the 2013 annual period.

The Company continues to communicate with several homebuilders, appliance retailers and contractors in its service area to provide information on its programs. In 2009, the Company began participation in the Get Gas Florida consumer education program supported by the Florida Natural Gas Association.

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**Florida Public Utilities Company - Indiantown Division
Program Description and Progress**

Program Title:

Conservation Demonstration and Development 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. 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 Projections:

For the twelve-month period of January to December 2014, the Company estimates expenses of \$10,000 for this program.

Program Activity and Expenditures:

During the seven-month reporting period, January through July 2013, actual expenditures for this program were \$1,952. The Company projects that total expenditures will equal \$2,000 for the 2013 annual period.

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