

Docket No. 150004-GU					
Comprehensive Exhibit List for Entry into Hearing Record					
November 2, 2015					
EXH #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
STAFF					
1		Exhibit List	Comprehensive Exhibit List		
FLORIDA PUBLIC UTILITIES COMPANY (FPUC) FLORIDA PUBLIC UTILITIES COMPANY – INDIANTOWN DIVISION (INDIANTOWN) FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION (CUC) FLORIDA PUBLIC UTILITIES COMPANY – FORT MEADE (FORT MEADE) – DIRECT					
2	Curtis Young	CDY-1 ¹ (FPUC)	Schedules CT1-CT6	1	stipulated
3	Curtis Young	CDY-2 (Indiantown)	Schedules CT1-CT6	1	stipulated
4	Curtis Young	CDY-3 (CUC)	Schedules CT1-CT6	1	stipulated
5	Curtis Young	CDY-4 (Consolidated Companies)	Schedules C-1 through C-5	2-5	stipulated
FLORIDA CITY GAS (FCG) – DIRECT					
6	Miguel Bustos	MB-1	Schedules CT-1, CT-2, CT-3, and CT-6	1	stipulated
7	Miguel Bustos	MB-2	Schedules C-1, C-2, C-3, and C-5	2-5	stipulated
PEOPLES GAS SYSTEM (PGS) – DIRECT					
8	Kandi M. Floyd	KMF-1	Conservation cost recovery true-up data (January 2014 - December 2014) consisting of Schedules CT-1 through CT-6	1	stipulated

¹ Revised August 28, 2015.

9	Kandi M. Floyd	KMF-2	Data for development of conservation cost recovery factors (January 1 - December 31, 2016), consisting of Schedules C-1 through C-5	2-5	stipulated
ST. JOE NATURAL GAS COMPANY (SJNG) – DIRECT					
10	Debbie Stitt	DKS-1 (Revised)	Schedules CT-1, CT-2, CT-3, CT-4, and CT-5	1	stipulated
11	Debbie Stitt	DKS-2	Schedules C1, C2, C3, and C4	2-5	stipulated
SEBRING GAS SYSTEM, INC. (SGS) – DIRECT					
12	Jerry H. Melendy, Jr.	JHM-1	Schedules CT-1, CT-2, CT-3, CT-4, CT-5, CT-6, filed May 5, 2015; Schedules C-1, C-2, C-3, and C-4, filed August 25, 2015	1-5	stipulated

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-1

CONSERVATION ADJUSTMENT TRUE-UP

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FOR MONTHS January-14 THROUGH December-14

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS	January-14	THROUGH December-14
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>648,329</u>	
5.	INTEREST	<u>70</u>	<u>648,399</u>
6.	LESS PROJECTED TRUE-UP		
7.	October-14 (DATE) HEARINGS		
8.	PRINCIPAL	<u>(51,667)</u>	
9.	INTEREST	<u>(85)</u>	<u>(51,752)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>700,151</u></u>

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FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 150004-GU EXHIBIT: 2
PARTY: FLORIDA PUBLIC UTILITIES
COMPANY (FPUC) FLORIDA PUBLIC
UTILITIES COMPANY – INDIANTOWN

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

FOR MONTHS		January-14	THROUGH	December-14	
		<u>ACTUAL</u>		<u>PROJECTED</u>	<u>DIFFERENCE</u>
1.	Labor/Payroll	673,674		685,261	(11,587)
2.	Advertisement	898,118		1,018,456	(120,338)
3.	Legal	6,421			6,421
4.	Outside Services	30,378		39,642	(9,264)
5.	Vehicle	24,917		114,442	(89,525)
6.	Materials & Supplies	12,719		16,362	(3,643)
7.	Travel	79,949			79,949
8.	General & Administrative				
9.	Incentives	2,006,183		1,317,142	689,041
10.	Other	112,027		89,089	22,938
11.	SUB-TOTAL	3,844,386		3,280,394	563,992
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	3,844,386		3,280,394	563,992
14.	LESS: PRIOR PERIOD TRUE-UP	(7,883)		(7,883)	
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	(3,188,174)		(3,324,178)	136,004
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	648,329		(51,667)	699,996
19.	ADD INTEREST PROVISION	70		(85)	155
20.	END OF PERIOD TRUE-UP	648,399		(51,752)	700,151

() REFLECTS OVERRECOVERY

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-2
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ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-14 THROUGH December-14

PROGRAM NAME	50 LABOR/PAY	51 ADVERTISE.	52 LEGAL	53 OUT.SERV.	54 VEHICLE	55 MAT.&SUPP.	56 TRAVEL	57 G & A	58 INCENTIVES	59 OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1 Full House Residential New Construction	7,258	50,248			464	149	848		411,220	150	470,337		470,337
2 Residential Appliance Replacement	3,054	372,219			188	38	348		324,621	393	700,862		700,862
3 Conservation Education	2,161	57,895			126	136	208			6,301	66,826		66,826
4 Space Conditioning													
5 Residential Conservation Survey	9,401	9,998			597	4,362	1,092			31,785	57,234		57,234
6 Residential Appliance Retention	5,456	332,226		3,778	346	71	626		358,103	433	701,038		701,038
7													
10 Commercial Conservation Survey	5,371	1,598	-	-	586	606	748	-	-	78	8,987		8,987
12													
13 Residential Service Reactivation Program	191	-	-	-	11	2	18	-	9,099	4	9,325		9,325
14 Common	638,140	16,891	6,421	12,366	22,444	7,320	75,786	-	297	72,830	852,497		852,497
15 Conservation Demonstration and Development	-	-	-	12,284	-	-	-	-	-	-	12,284		12,284
16 Commercial Small Food Service Program	1,870	11,409	-	390	111	24	194	-	675,291	38	689,325		689,325
17 Commercial Large Non-Food Service Program	-	11,409	-	390	-	-	-	-	18,390	-	30,189		30,189
18 Commercial Large Food Service Program	233	11,409	-	390	12	3	22	-	148,289	6	160,363		160,363
19 Commercial Large Hospitality Program	191	11,409	-	390	11	2	18	-	45,790	4	57,814		57,814
20 Commercial Large Cleaning Service Program	349	11,409	-	390	22	5	40	-	15,083	7	27,305		27,305
TOTAL ALL PROGRAMS	673,674	898,118	6,421	30,378	24,917	12,719	79,949		2,006,183	112,027	3,844,386		3,844,386

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SCHEDULE CT-2
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CONSERVATION COSTS PER PROGRAM--VARIANCE ACTUAL VS PROJECTED
VARIANCE ACTUAL VS PROJECTED

FOR MONTHS January-14 THROUGH December-14

PROGRAM NAME	LABOR/PAY	ADVERTISE.	LEGAL	OUT.SERV.	VEHICLE	MAT.&SUPP.	TRAVEL	G & A	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1 Full House Residential New Construction	(1,039)	(26,833)			(1,970)	(107)	848		43,421	5	14,325		14,325
2 Residential Appliance Replacement	(12,345)	(28,523)			(4,403)	(465)	348		(21,595)	(29)	(67,011)		(67,011)
3 Conservation Education	(5,899)	(54,832)			(2,164)	(231)	208			(4,253)	(67,172)		(67,172)
4 Space Conditioning		(2,500)							(2,500)		(5,000)		(5,000)
5 Residential Conservation Survey	(3,256)	(16,067)			(2,565)	3,319	1,092			10,062	(7,415)		(7,415)
6 Residential Appliance Retention	(7,699)	(34,979)		3,778	(3,555)	(434)	626		(2,043)	5	(44,302)		(44,302)
7													
10 Commercial Conservation Survey	(700)	(1,500)		(500)	(1,351)	(457)	748			(3,485)	(7,245)		(7,245)
12													
13 Residential Service Reactivation Program	(4,809)	(12,500)			(1,489)	(248)	18		249	(121)	(18,900)		(18,900)
14 Common	21,630	14,693	6,421	5,174	(72,158)	(5,054)	75,786		(229)	20,704	66,969		66,969
15 Conservation Demonstration and Development				(17,716)							(17,716)		(17,716)
16 Commercial Small Food Service Program	1,785	8,541			92	23	194		463,191	36	473,860		473,860
17 Commercial Large Non-Food Service Program		8,541							15,000		23,541		23,541
18 Commercial Large Food Service Program	233	8,541			12	3	22		148,289	6	157,105		157,105
19 Commercial Large Hospitality Program	191	8,541			11	2	18		38,710	4	47,476		47,476
20 Commercial Large Cleaning Service Program	321	8,541			16	5	40		6,548	6	15,477		15,477
TOTAL ALL PROGRAMS	(11,587)	(120,338)	6,421	(9,264)	(89,525)	(3,643)	79,949		689,041	22,938	563,992		563,992

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SCHEDULE CT-3
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ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH

FOR MONTHS	January-14	THROUGH	December-14										
A. CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1 Full House Residential New Construction	49,213	35,161	33,484	19,709	43,827	19,494	76,035	39,748	54,047	59,786	8,823	31,012	470,337
2 Residential Appliance Replacement	50,794	69,255	56,108	79,500	53,978	72,990	61,238	50,721	67,686	46,467	37,567	54,560	700,862
3 Conservation Education	4,670	7,006	10,076	6,545	5,537	2,664	12,116	(1,815)	7,000	3,337	2,706	6,985	66,826
4 Space Conditioning													
5 Residential Conservation Survey	2,207	7,902	3,685	3,120	3,595	3,390	2,506	17,035	3,541	3,725	3,293	3,237	57,234
6 Residential Appliance Retention	49,709	82,503	49,966	62,132	52,795	66,235	70,262	50,020	59,535	59,221	46,718	51,942	701,038
7													
10 Commercial Conservation Survey	774	2,538	723		257	1,190	933	1,572				1,000	8,987
12													
13 Residential Service Reactivation Program	350	700		1,400	350	1,050	1,400	2,100	409	785	757	25	9,325
14 Common	64,764	63,617	81,438	70,994	68,103	68,363	98,200	59,380	76,760	78,020	65,741	57,117	852,497
15 Conservation Demonstration and Development							2,500	59,380	2,500	2,500	2,284	2,500	12,284
16 Commercial Small Food Service Program	261	262	239	16,650	62,426	135,627	152,615	33,322	31,064	76,135	55,436	125,287	689,325
17 Commercial Large Non-Food Service Program	261	262	239	480	466	4,939	7,747	2,772	1,906	6,374	1,058	3,685	30,189
18 Commercial Large Food Service Program	261	262	239	480	466	1,549	41,326	11,385	24,438	10,691	20,956	48,310	160,363
19 Commercial Large Hospitality Program	261	262	239	480	7,557	1,538	35,688	2,772	3,486	2,526	1,115	1,890	57,814
20 Commercial Large Cleaning Service Program	261	262	239	1,830	7,651	1,585	6,172	3,376	1,900	1,024	1,115	1,890	27,305
21. TOTAL ALL PROGRAMS	223,785	269,993	236,675	263,319	307,006	380,614	568,738	272,385	334,271	350,592	247,569	389,439	3,844,386
22. LESS AMOUNT INCLUDED IN RATE BASE													
23. RECOVERABLE CONSERVATION EXPENSES	223,785	269,993	236,675	263,319	307,006	380,614	568,738	272,385	334,271	350,592	247,569	389,439	3,844,386

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 CALCULATION OF TRUE-UP AND INTEREST PROVISION
 FOR MONTHS January-14 THROUGH December-14

SCHEDULE CT-3
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B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													
2. CONSERVATION ADJ. REVENUES	(368,941)	(353,148)	(318,642)	(288,701)	(238,675)	(216,186)	(217,271)	(192,089)	(180,280)	(214,127)	(261,942)	(338,174)	(3,188,174)
3. TOTAL REVENUES	(368,941)	(353,148)	(318,642)	(288,701)	(238,675)	(216,186)	(217,271)	(192,089)	(180,280)	(214,127)	(261,942)	(338,174)	(3,188,174)
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	(656)	(657)	(657)	(657)	(657)	(657)	(657)	(657)	(657)	(657)	(657)	(657)	(7,883)
5. CONSERVATION REVENUE APPLICABLE	(369,597)	(353,805)	(319,299)	(289,358)	(239,332)	(216,843)	(217,928)	(192,746)	(180,937)	(214,784)	(262,599)	(338,831)	(3,196,057)
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	223,785	269,993	236,675	263,319	307,006	380,614	568,738	272,385	334,271	350,592	247,569	389,439	3,844,386
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	(145,812)	(83,811)	(82,624)	(26,038)	67,675	163,771	350,810	79,639	153,334	135,808	(15,030)	50,608	648,329
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	(3)	(8)	(13)	(15)	(13)	(9)	4	15	17	23	33	39	70
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(7,883)	(153,042)	(236,205)	(318,185)	(343,581)	(275,262)	(110,843)	240,628	320,939	474,947	611,435	597,095	(7,883)
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	656	657	657	657	657	657	657	657	657	657	657	657	7,883
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	(153,042)	(236,205)	(318,185)	(343,581)	(275,262)	(110,843)	240,628	320,939	474,947	611,435	597,095	648,399	648,399

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 CALCULATION OF TRUE-UP AND INTEREST PROVISION

SCHEDULE CT-3
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FOR MONTHS January-14 THROUGH December-14

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	(7,883)	(153,042)	(236,205)	(318,185)	(343,581)	(275,262)	(110,843)	240,628	320,939	474,947	611,435	597,095	(7,883)
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	(153,039)	(236,197)	(318,172)	(343,566)	(275,249)	(110,834)	240,624	320,924	474,930	611,412	597,062	648,360	648,329
3. TOTAL BEG. AND ENDING TRUE-UP	(160,922)	(389,239)	(554,376)	(661,750)	(618,830)	(386,097)	129,780	561,551	795,869	1,086,359	1,208,497	1,245,455	640,446
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	(80,461)	(194,619)	(277,188)	(330,875)	(309,415)	(193,048)	64,890	280,776	397,934	543,179	604,248	622,727	320,223
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	0.03%	0.05%	0.05%	0.06%	0.05%	0.05%	0.06%	0.07%	0.06%	0.04%	0.06%	0.07%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	0.05%	0.05%	0.06%	0.05%	0.05%	0.06%	0.07%	0.06%	0.04%	0.06%	0.07%	0.08%	
7. TOTAL (LINE C-5 + C-6)	0.08%	0.10%	0.11%	0.11%	0.10%	0.11%	0.13%	0.13%	0.10%	0.10%	0.13%	0.15%	
8. AVG. INTEREST RATE (C-7 X 50%)	0.04%	0.05%	0.06%	0.06%	0.05%	0.06%	0.07%	0.07%	0.05%	0.05%	0.07%	0.08%	
9. MONTHLY AVERAGE INTEREST RATE	0.003%	0.004%	0.005%	0.005%	0.004%	0.005%	0.005%	0.005%	0.004%	0.004%	0.005%	0.006%	
10. INTEREST PROVISION (LINE C-4 X C-9)	(3)	(8)	(13)	(15)	(13)	(9)	4	15	17	23	33	39	70

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SCHEDULE CT-4
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SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS January-14 THROUGH December-14

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

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SCHEDULE CT-5
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RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

FOR MONTHS January-14 THROUGH December-14

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

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1. Residential New Construction Program
2. Residential Appliance Replacement Program
3. Residential Appliance Retention Program
4. Residential Service Reactivation Program
5. Residential Conservation Survey Program
6. Commercial Conservation Survey Program
7. Conservation Education Program
8. Space Conditioning Program
9. Conservation Demonstration and Development Program
10. Commercial Small Food Service Program
11. Commercial Non-Food Service Program
12. Commercial Large Food Service Program
13. Commercial Hospitality and Lodging Program
14. Commercial Cleaning Service and Laundromat Program

PROGRAM TITLE: Residential New Construction Program

PROGRAM DESCRIPTION: The Residential New Construction Program (formerly, Full House Residential New Construction Program) promotes the use of natural gas in single and multi-family residential new construction projects to developers, builders, and homebuyers. The program is designed to increase the overall energy efficiency in the new construction home market through the installation of efficient gas appliances. The programs incentives are used to overcome market barriers created by the split incentive between the builders who are purchasing the appliances and the homeowners who are benefiting from reduced utility costs.

CURRENT APPROVED ALLOWANCES:

\$350 Tank Water Heater
\$400 High Efficiency Tank Water Heater
\$550 Tankless Water Heater
\$500 Furnace
\$150 Range
\$100 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 1537 incentives were paid. There were 414 Tank Water Heaters, 0 High Efficiency Tank Water Heaters, 106 Tankless Water Heaters, 87 Furnaces, 481 Ranges and 449 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$470,337**.

PROGRAM TITLE: Residential Appliance Replacement Program

PROGRAM DESCRIPTION: This program is designed to encourage the replacement of inefficient non-natural gas appliances with energy efficient natural gas appliances. The program offers financial incentives to residential customers to defray the additional costs associated with installing natural gas appliances.

CURRENT APPROVED ALLOWANCES:

\$500 Tank Water Heater
\$550 High Efficiency Tank Water Heater
\$675 Tankless Water Heater
\$725 Furnace
\$200 Range
\$150 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 530 incentives were paid. There were 14 Tank Water Heaters, 2 High Efficiency Tank Water Heaters, 309 Tankless Water Heaters, 19 Furnaces, 121 Ranges and 65 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$700,862**.

PROGRAM PROGRESS SUMMARY: The FPSC approved this program on August 29, 2000. From the inception through the reporting period of this program, FPUC has converted 8,672 natural gas hot water heaters.

PROGRAM TITLE: Residential Appliance Retention Program

PROGRAM DESCRIPTION: The purpose of the Residential Appliance Retention Program is to encourage homeowners with existing natural gas appliances to retain natural gas appliances at time of replacement. The program includes appliances such as furnaces, hot water heaters, ranges, and dryers. The programs incentives defray the cost of purchasing more expensive energy-efficient natural gas appliances.

CURRENT APPROVED ALLOWANCES:

\$350 Tank Water Heater
\$400 High Efficiency Tank Water Heater
\$550 Tankless Water Heater
\$500 Furnace
\$100 Range
\$100 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 1163 incentives were paid. There were 559 Tank Water Heaters, 10 High Efficiency Tank Water Heaters, 269 Tankless Water Heaters, 112 Furnaces, 134 Ranges and 79 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$701,038**.

PROGRAM PROGRESS SUMMARY: The FPSC approved this program on August 29, 2000. From the inception through the reporting period, FPUC has retained 9,485 natural gas hot water heaters.

PROGRAM TITLE: Residential Service Reactivation Program

PROGRAM DESCRIPTION: This program is designed to encourage the reactivation of existing residential service lines that are scheduled to be cut-off and capped. The program offers incentives of \$350 in the form of cash incentives to residential customers to assist in defraying the additional cost associated with the purchase and installation energy-efficient natural gas appliances.

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 24 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$9,325**.

PROGRAM PROGRESS SUMMARY: FPSC approval of this program occurred on August 29, 2000. We continue to promote this program and believe that our customers will find value in this program.

PROGRAM TITLE: Residential Conservation Survey Program

PROGRAM DESCRIPTION: The objective of the Residential Conservation Service Program is to provide Florida Public Utilities Company's residential customers with energy conservation advice based on a review of their homes actual performance that encourages the implementation of efficiency measures and/or practices resulting in energy savings for the customer. 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 33 residential surveys were performed.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$57,234**.

PROGRAM PROGRESS SUMMARY: This program was implemented on September 1, 2000. Since inception through the reporting period, 232 residential customers have participated.

PROGRAM TITLE: Commercial Conservation Survey Program

PROGRAM DESCRIPTION: The Commercial Conservation Service Program is an interactive program that assists commercial customers in identifying energy conservation opportunities. The survey 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 Representative. The representative identifies all areas of potential energy usage reduction 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, 13 commercial surveys were completed during the reporting period.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$8,987**.

PROGRAM PROGRESS SUMMARY: This program was implemented on September 1, 2000. From the inception of this program through the reporting period 199 commercial customers have participated.

PROGRAM TITLE: Conservation Education Program

PROGRAM DESCRIPTION: The purpose of the Conservation Education Program is to educate consumers, businesses, and contractors to make wise energy choices. For consumers to make educated choices they must know the benefits of conserving energy and have a basic understanding of energy as well as the measures and behavioral practices needed to make these choices.

PROGRAM ACCOMPLISHMENTS: This year FPU conducted 18 seminars and events to educate customers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$66,826**.

PROGRAM PROGRESS SUMMARY: This program has been successful and we are optimistic that we will continue to be involved in community education and future events.

PROGRAM TITLE: Space Conditioning Program

PROGRAM DESCRIPTION: The program is designed to convert on-main customers from electric space conditioning equipment to energy-efficient natural gas space conditioning equipment. The program provides a financial incentive to qualified participants to compensate for the higher initial cost of natural gas space conditioning equipment. The program reduces summer as well as winter peak demand and contributes to consumption reduction.

PROGRAM ACCOMPLISHMENTS: There were no participants in this program in 2014.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$0**.

PROGRAM PROGRESS SUMMARY: From FPSC approval of the program on August 29, 2000 through December 31, 2014, FPUC has connected 10 space conditioning projects to its natural gas system.

PROGRAM TITLE: Conservation Demonstration and Development

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 conservation programs offered by Florida Public Utilities Company and give the Company an opportunity to pursue individual and joint research projects as well as the development of new conservation programs. The CDD program is meant to be an umbrella program for the identification, development, demonstration, and evaluation of promising new end-use technologies.

PROGRAM ACCOMPLISHMENTS: For 2014, Florida Public Utilities conducted research on several projects including CHP technologies.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$12,284**.

PROGRAM PROGRESS SUMMARY: From FPSC approval of the program on March 23, 2010, FPUC has engaged in several research projects using this program.

PROGRAM TITLE: Commercial Small Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of small food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of less than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water	\$1,000	\$1,500	\$1,000
Tankless	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,000	\$1,500	\$1,000

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 335 incentives were paid. There were 2 Tank Water Heaters, 100 Tankless Water Heaters, 220 Fryers and 13 Ranges.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$689,325**.

PROGRAM PROGRESS SUMMARY: Since inception, 335 appliances have qualified for this program.

PROGRAM TITLE: Commercial Non-Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of commercial buildings to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial non-food service customers are defined as establishments that are not associated with the Food Service, Hospitality, or Cleaning industries. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water	\$1,500	\$2,000	\$1,500
Tankless	\$2,000	\$2,500	\$2,000

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 10 incentives were paid. There were 0 Tank Water Heaters and 10 Tankless Water Heater.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$30,189**.

PROGRAM PROGRESS SUMMARY: Since inception, 10 appliances have qualified for this program.

PROGRAM TITLE: Commercial Large Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of large food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial large food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of greater than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water	\$1,500	\$2,000	\$1,500
Tankless	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 81 incentives were paid. There was 1 Tank Water Heater, 17 Tankless Water Heaters, 49 Fryers and 14 Ranges.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$160,363**.

PROGRAM PROGRESS SUMMARY: Since inception, 81 appliances have qualified for this program.

PROGRAM TITLE: Commercial Hospitality and Lodging Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of hospitality & lodging facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial hospitality and lodging customers are defined as establishments known to the public as hotels, motor hotels, motels or tourist courts, primarily engaged in providing lodging, or lodging and meals, for the general public. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water	\$1,500	\$2,000	\$1,500
Tankless	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 20 incentives were paid. There were 0 Tank Water Heaters, 19 Tankless Water Heaters, 0 Fryers, 0 Ranges and 1 Dryer.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$57,814**.

PROGRAM PROGRESS SUMMARY: Since inception, 20 appliances have qualified for this program.

PROGRAM TITLE: Commercial Cleaning Service and Laundromat Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of cleaning service & Laundromat facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial cleaning service and laundromat customers are defined as establishments primarily engaged in operating mechanical laundries with steam or other power or in supplying laundered work clothing on a contract or fee basis. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water	\$1,500	\$2,000	\$1,500
Tankless	\$2,000	\$2,500	\$2,000
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 16 incentives were paid. There were 0 Tank Water Heaters, 16 Tankless Water Heaters and 0 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$27,305**.

PROGRAM PROGRESS SUMMARY: Since inception, 16 appliances have qualified for this program.

CONSERVATION ADJUSTMENT TRUE-UP

FOR MONTHS January-14 THROUGH December-14

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS	January-14	THROUGH December-14
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>8,764</u>	
5.	INTEREST	<u>1</u>	<u>8,765</u>
6.	LESS PROJECTED TRUE-UP		
7.	OCTOBER 2014 HEARINGS		
8.	PRINCIPAL	<u>(171)</u>	
9.	INTEREST	<u></u>	<u>(171)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>8,936</u></u>

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FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET: 150004-GU EXHIBIT: 3
 PARTY: FLORIDA PUBLIC UTILITIES
 COMPANY (FPUC) FLORIDA PUBLIC
 UTILITIES COMPANY – INDIANTOWN

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

	FOR MONTHS	January-14	THROUGH	December-14	
		<u>ACTUAL</u>		<u>PROJECTED</u>	<u>DIFFERENCE</u>
1.	Labor/Payroll	6,763		3,433	3,330
2.	Advertisement	7,896		5,233	2,663
3.	Legal				
4.	Outside Services	1,738		5,594	(3,856)
5.	Vehicle	193		532	(339)
6.	Materials & Supplies	74		70	4
7.	Travel	789			789
8.	General & Administrative				
9.	Incentives	1,400		1,850	(450)
10.	Other	1,498		844	654
11.	SUB-TOTAL	20,351		17,556	2,795
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	20,351		17,556	2,795
14.	LESS: PRIOR PERIOD TRUE-UP	(2,731)		(2,731)	
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	(8,856)		(14,996)	6,140
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	8,764		(171)	8,935
19.	ADD INTEREST PROVISION	1			1
20.	END OF PERIOD TRUE-UP	8,765		(171)	8,936

() REFLECTS OVERRECOVERY

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - INDIANTOWN DIVISION

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-14 THROUGH December-14

PROGRAM NAME	50 LABOR/PAY	51 ADVERTISE.	52 LEGAL	53 OUT.SERV.	54 VEHICLE	55 MAT.&SUPP.	56 TRAVEL	57 G & A	58 INCENTIVES	59 OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. Residential New Construction Program		213									213		213
2. Residential Appliance Replacement Program		4,569							500		5,069		5,069
3. Conservation Education Program		293								700	993		993
4.													
5 Residential Conservation Survey													
6 Residential Appliance Retention		2,575							900		3,475		3,475
7													
8													
9													
10 Commercial Conservation Survey													
14 Common	6,549	126		263	193	74	789			798	8,792		8,792
15 Conservation Demonstration and Develop.	214			30							244		244
16 Commercial Small Food Service		24		289							313		313
17 Commercial Large Non-Food Service		24		289							313		313
18 Commercial Large Food Service		24		289							313		313
19 Commercial Large Hospitality		24		289							313		313
20 Commercial Large Cleaning Service		24		289							313		313
21 TOTAL ALL PROGRAMS	6,763	7,896		1,738	193	74	789		1,400	1,498	20,351		20,351

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - INDIANTOWN DIVISION

SCHEDULE CT-2
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CONSERVATION COSTS PER PROGRAM--VARIANCE ACTUAL VS PROJECTED
VARIANCE ACTUAL VS PROJECTED

FOR MONTHS January-14 THROUGH December-14

PROGRAM NAME	LABOR/PAY	ADVERTISE.	LEGAL	OUT.SERV.	VEHICLE	MAT.&SUPP.	TRAVEL	G & A	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. Residential New Construction Program		(80)							(250)		(330)		(330)
2. Residential Appliance Replacement Program		2,452							250		2,702		2,702
3. Conservation Education Program		(335)								163	(172)		(172)
4.													
5 Residential Conservation Survey													
6 Residential Appliance Retention		451							(450)		1		1
7													
8													
9													
10 Commercial Conservation Survey													
14 Common	3,116	90		(331)	(339)	4	789			491	3,820		3,820
15 Conservation Demonstration and Develop.	214			(4,970)							(4,756)		(4,756)
16 Commercial Small Food Service		17		289							306		306
17 Commercial Large Non-Food Service		17		289							306		306
18 Commercial Large Food Service		17		289							306		306
19 Commercial Large Hospitality		17		289							306		306
20 Commercial Large Cleaning Service		17		289							306		306
21 TOTAL ALL PROGRAMS	3,330	2,663		(3,856)	(339)	4	789		(450)	654	2,795		2,795

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

FOR MONTHS January-14 THROUGH December-14

A. CONSERVATION EXPENSE BY PROGRAM	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. Residential New Construction Program						43	39	39	(12)	103			212
2. Residential Appliance Replacement Program	(84)	127	231	869	(8)	483	332	2,972	(451)	200	171	227	5,069
3. Conservation Education Program	437	(234)	327	35			268	268	(223)	114		1	993
4.													
5 Residential Conservation Survey													
6 Residential Appliance Retention	(78)	64	294	368	342	483	332	972	(451)	750	(378)	777	3,475
7													
8													
9													
10 Commercial Conservation Survey													
14 Common	820	340	647	606	803	935	1,180	769	623	965	654	450	8,792
15 Conservation Demonstration and Develop.		249	23	58	(190)	31	71	32	130	(253)	38	56	245
16 Commercial Small Food Service			1	4	5	(4)	1		294	5		7	313
17 Commercial Large Non-Food Service			1	4	5	(4)	1		294	5		7	313
18 Commercial Large Food Service			1	4	5	(4)	1		294	5		7	313
19 Commercial Large Hospitality			1	4	5	(4)	1		294	5		7	313
20 Commercial Large Cleaning Service			1	4	5	(4)	1		294	5		7	313
21 TOTAL ALL PROGRAMS	1,095	546	1,527	1,956	972	1,955	2,227	5,052	1,086	1,904	485	1,546	20,351
22 LESS AMOUNT INCLUDED IN RATE BASE													
23 RECOVERABLE CONSERVATION EXPENSES	1,095	546	1,527	1,956	972	1,955	2,227	5,052	1,086	1,904	485	1,546	20,351

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - INDIANTOWN DIVISION

SCHEDULE CT-3
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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-14 THROUGH December-14

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													
2. CONSERVATION ADJ. REVENUES	(2,485)	(653)	(417)	(1,808)	(943)	(488)	(298)	(333)	(371)	(296)	(443)	(321)	(8,856)
3. TOTAL REVENUES	(2,485)	(653)	(417)	(1,808)	(943)	(488)	(298)	(333)	(371)	(296)	(443)	(321)	(8,856)
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	(223)	(228)	(228)	(228)	(228)	(228)	(228)	(228)	(228)	(228)	(228)	(228)	(2,731)
5. CONSERVATION REVENUE APPLICABLE	(2,708)	(881)	(645)	(2,036)	(1,171)	(716)	(526)	(561)	(599)	(524)	(671)	(549)	(11,587)
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	1,095	546	1,527	1,956	972	1,955	2,227	5,052	1,086	1,904	485	1,546	20,351
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	(1,613)	(335)	882	(80)	(199)	1,239	1,701	4,491	487	1,380	(186)	997	8,764
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)												1	1
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(2,731)	(4,121)	(4,228)	(3,118)	(2,970)	(2,941)	(1,474)	455	5,174	5,889	7,497	7,539	(2,731)
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	.223	.228	.228	.228	.228	.228	.228	.228	.228	.228	.228	.228	2,731
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	(4,121)	(4,228)	(3,118)	(2,970)	(2,941)	(1,474)	455	5,174	5,889	7,497	7,539	8,765	8,765

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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-14 THROUGH December-14

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	(2,731)	(4,121)	(4,228)	(3,118)	(2,970)	(2,941)	(1,474)	455	5,174	5,889	7,497	7,539	(2,731)
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	(4,121)	(4,228)	(3,118)	(2,970)	(2,941)	(1,474)	455	5,174	5,889	7,497	7,539	8,764	8,764
3. TOTAL BEG. AND ENDING TRUE-UP	(6,852)	(8,349)	(7,346)	(6,088)	(5,911)	(4,415)	(1,019)	5,629	11,063	13,386	15,036	16,303	6,033
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	(3,426)	(4,175)	(3,673)	(3,044)	(2,956)	(2,208)	(510)	2,815	5,532	6,693	7,518	8,152	3,017
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	0.03%	0.05%	0.05%	0.06%	0.05%	0.05%	0.06%	0.07%	0.06%	0.04%	0.06%	0.07%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	0.05%	0.05%	0.06%	0.05%	0.05%	0.06%	0.07%	0.06%	0.04%	0.06%	0.07%	0.08%	
7. TOTAL (LINE C-5 + C-6)	0.08%	0.10%	0.11%	0.11%	0.10%	0.11%	0.13%	0.13%	0.10%	0.10%	0.13%	0.15%	
8. AVG. INTEREST RATE (C-7 X 50%)	0.04%	0.05%	0.06%	0.06%	0.05%	0.06%	0.07%	0.07%	0.05%	0.05%	0.07%	0.08%	
9. MONTHLY AVERAGE INTEREST RATE	0.003%	0.004%	0.005%	0.005%	0.004%	0.005%	0.005%	0.005%	0.004%	0.004%	0.005%	0.006%	
10. INTEREST PROVISION (LINE C-4 X C-9)													1

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - INDIANTOWN DIVISION

SCHEDULE CT-4
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SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS January-14 THROUGH December-14

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

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY - INDIANTOWN DIVISION

SCHEDULE CT-5
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RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

FOR MONTHS January-14 THROUGH December-14

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

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1. Residential New Construction Program
2. Residential Appliance Replacement Program
3. Residential Appliance Retention Program
4. Conservation Education Program
5. Conservation Demonstration and Development Program
6. Commercial Small Food Service Program
7. Commercial Non-Food Service Program
8. Commercial Large Food Service Program
9. Commercial Hospitality and Lodging Program
10. Commercial Cleaning Service and Laundromat Program

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 builder or developer who installs the below listed energy efficient appliances.

Current Approved Allowances:

\$350 Tank Water Heater
\$400 High Efficiency Tank Water Heater
\$550 Tankless Water Heater
\$500 Furnace
\$150 Range
\$100 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period, 0 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$213**.

PROGRAM TITLE: Residential Appliance Replacement Program

PROGRAM DESCRIPTION: This program is designed to encourage the replacement of inefficient non-natural gas appliances with energy efficient natural gas appliances. The program offers financial incentives to residential customers to defray the additional costs associated with installing natural gas appliances.

Current Approved Allowances:

\$500 Tank Water Heater
\$550 High Efficiency Tank Water Heater
\$675 Tankless Water Heater
\$725 Furnace
\$200 Range
\$150 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period, 1 incentive was paid. There was one Tank Water Heater.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$5,069**.

PROGRAM TITLE: Residential Appliance Retention Program

PROGRAM DESCRIPTION: The purpose of the Residential Appliance Retention Program is to encourage homeowners with existing natural gas appliances to retain natural gas appliances at time of replacement. The program was expanded during the reporting period to include additional appliances to include furnaces, tankless hot water heaters, ranges, and dryers. The programs incentives defray the cost of purchase the more expensive energy-efficient natural gas appliances.

Current Approved Allowances:

\$350 Tank Water Heater
\$400 High Efficiency Tank Water Heater
\$550 Tankless Water Heater
\$500 Furnace
\$100 Range
\$100 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period, 2 incentives were paid. There was 1 Tank Water Heater and 1 Tankless Water Heater.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$3,475**.

PROGRAM TITLE: Conservation Education Program

PROGRAM DESCRIPTION: The purpose of the Conservation Education Program is to educate consumers, businesses, and contractors to make wise energy choices. For consumers to make educated choices they must know the benefits of conserving energy and have a basic understanding of energy as well as the measures and behavioral practices needed to make these choices.

PROGRAM ACCOMPLISHMENTS: The Company continues to communicate with several homebuilders, appliance retailers and contractors in its service area to provide information on its programs. The Company also continually seeks community events through which it can promote Natural Gas energy conservation information. In 2009, the company began participation in the Get Gas Florida consumer education program supported by the Florida Natural Gas Association.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$993**.

PROGRAM TITLE: Conservation Demonstration and Development

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 conservation programs offered by Florida Public Utilities Company and give the Company an opportunity to pursue individual and joint research projects as well as the development of new conservation programs. The CDD program is meant to be an umbrella program for the identification, development, demonstration, and evaluation of promising new end-use technologies.

PROGRAM ACCOMPLISHMENTS: For 2014, Florida Public Utilities conducted research on several projects including CHP technologies.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$244**.

PROGRAM PROGRESS SUMMARY: From FPSC approval of the program on March 23, 2010, FPUC has engaged in several research projects using this program.

PROGRAM TITLE: Commercial Small Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of small food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of less than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,000	\$1,000	\$1,000
Tankless	\$1,500	\$1,500	\$1,500
Fryer	\$1,000	\$1,000	\$1,000
Range	\$1,000	\$1,000	\$1,000

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 0 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$313**.

PROGRAM PROGRESS SUMMARY: Since inception, 0 appliances have qualified for this program.

PROGRAM TITLE: Commercial Non-Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of commercial buildings to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial non-food service customers are defined as establishments that are not associated with the Food Service, Hospitality, or Cleaning industries. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$400	\$400	\$400
Tankless Water	\$450	\$450	\$450

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 0 incentive was paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$313**.

PROGRAM PROGRESS SUMMARY: Since inception, 0 appliances has qualified for this program.

PROGRAM TITLE: Commercial Large Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of large food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial large food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of greater than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,000	\$1,000	\$1,000
Tankless	\$1,500	\$1,500	\$1,500
Fryer	\$1,000	\$1,000	\$1,000
Range	\$1,000	\$1,000	\$1,000

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 0 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$313**.

PROGRAM PROGRESS SUMMARY: Since inception, 0 appliances have qualified for this program.

PROGRAM TITLE: Commercial Hospitality and Lodging Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of hospitality & lodging facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial hospitality and lodging customers are defined as establishments known to the public as hotels, motor hotels, motels or tourist courts, primarily engaged in providing lodging, or lodging and meals, for the general public. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,000	\$1,000	\$1,000
Tankless	\$1,500	\$1,500	\$1,500
Fryer	\$1,000	\$1,000	\$1,000
Range	\$1,000	\$1,000	\$1,000
Dryer	\$500	\$500	\$500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 0 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$313**.

PROGRAM PROGRESS SUMMARY: Since inception, 0 appliances have qualified for this program.

PROGRAM TITLE: Commercial Cleaning Service and Laundromat Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of cleaning service & Laundromat facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial cleaning service and laundromat customers are defined as establishments primarily engaged in operating mechanical laundries with steam or other power or in supplying laundered work clothing on a contract or fee basis. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,000	\$1,000	\$1,000
Tankless	\$1,250	\$1,250	\$1,250
Dryer	\$500	\$500	\$500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 0 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$313**.

PROGRAM PROGRESS SUMMARY: Since inception, 0 appliances have qualified for this program.

CONSERVATION ADJUSTMENT TRUE-UP

FOR MONTHS January-14 THROUGH December-14

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS January-14 THROUGH December-14		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>399,266</u>	
5.	INTEREST	<u>106</u>	<u>399,372</u>
6.	LESS PROJECTED TRUE-UP		
7.	October-14 HEARINGS		
8.	PRINCIPAL	<u>(30,939)</u>	
9.	INTEREST	<u>5</u>	<u>(30,934)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>430,306</u></u>

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FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET: 150004-GU EXHIBIT: 4
 PARTY: FLORIDA PUBLIC UTILITIES
 COMPANY (FPUC)FLORIDA PUBLIC
 UTILITIES COMPANY – INDIANTOWN

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

FOR MONTHS		January-14	THROUGH	December-14	
		<u>ACTUAL</u>		<u>PROJECTED</u>	<u>DIFFERENCE</u>
1.	Labor/Payroll	269,500		266,342	3,157
2.	Advertisement	132,396		188,464	(56,068)
3.	Legal	204		204	
4.	Outside Services	4,962		32,931	(27,970)
5.	Vehicle	12,279		29,972	(17,693)
6.	Materials & Supplies	4,582		8,154	(3,572)
7.	Travel	31,660		22,423	9,237
8.	General & Administrative				
9.	Incentives	871,421		400,224	471,197
10.	Other	33,523		18,473	15,051
11.	SUB-TOTAL	1,360,526		967,186	393,340
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	1,360,526		967,186	393,340
14.	LESS: PRIOR PERIOD TRUE-UP	96,514		96,514	
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	(1,057,774)		(1,094,639)	36,865
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	399,266		(30,939)	430,205
19.	ADD INTEREST PROVISION	106		5	101
20.	END OF PERIOD TRUE-UP	399,372		(30,934)	430,306

() REFLECTS OVERRECOVERY

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-14 THROUGH December-14

PROGRAM NAME	50 LABOR/PAY	51 ADVERTISE.	52 LEGAL	53 OUT.SERV.	54 VEHICLE	55 MAT.&SUPP.	56 TRAVEL	57 G & A	58 INCENTIVES	59 OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1 Residential Home Builder	20,296	17,762			1,483	247	2,509		218,116	400	260,813		260,813
2 Residential Appliance Replacement	17,214	51,110			1,099	177	1,871		41,684	466	113,621		113,621
3 Residential Propane Distribution													
4 Residential Water Heater Retention	10,380	47,354			716	123	1,151		81,958	375	142,057		142,057
5 NG Space Conditioning For Res Homes													
6 Gas Space Conditioning													
7 Conservation Education	38,362	8,609			2,531	1,813	4,583			11,421	67,319		67,319
8 CFG Common	181,473	4,555	204	3,759	6,349	2,201	21,373		541	20,827	241,281		241,281
9 Conservation Demonstration and Develop.				652							652		652
10 Small Food	1,412	601		110	81	18	139		430,955	28	433,345		433,345
11 Large Food	171	601		110	10	2	16		27,605	3	28,517		28,517
12 Large Non-Food		601		110					6,005		6,716		6,716
13 Large Hospitality	191	601		110	11	2	18		40,217	4	41,153		41,153
14 Large Cleaning		601		110					24,341		25,053		25,053
15 TOTAL ALL PROGRAMS	269,500	132,396	204	4,962	12,279	4,582	31,660		871,421	33,523	1,360,526		1,360,526

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

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

FOR MONTHS January-14 THROUGH December-14

PROGRAM NAME	LABOR/PAY	ADVERTISE.	LEGAL	OUT.SERV.	VEHICLE	MAT.&SUPP.	TRAVEL	G & A	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1 Residential Home Builder	(2,512)	1,009			(630)	(1,860)	1,126		8,179	(784)	4,529		4,529
2 Residential Appliance Replacement	(1,084)	(28,802)			(476)	(137)	929		(1,240)	253	(30,555)		(30,555)
3 Residential Propane Distribution													
4 Residential Water Heater Retention	1,414	(27,419)			(364)	(173)	670		(21,322)	212	(46,982)		(46,982)
5 NG Space Conditioning For Res Homes													
6 Gas Space Conditioning													
7 Conservation Education	1,410	(4,636)		(500)	(3,075)	64	1,730			2,622	(2,384)		(2,384)
8 CFG Common	2,185	1,492		1,878	(13,247)	(1,490)	4,613		(244)	12,713	7,900		7,900
9 Conservation Demonstration and Develop.				(29,348)							(29,348)		(29,348)
10 Small Food	1,383	458			78	18	135		399,805	28	401,905		401,905
11 Large Food	171	458			10	2	16		27,605	3	28,263		28,263
12 Large Non-Food		458							6,005		6,463		6,463
13 Large Hospitality	191	458			11	2	18		40,217	4	40,899		40,899
14 Large Cleaning		458							12,191		12,649		12,649
5. TOTAL ALL PROGRAMS	3,157	(56,068)		(27,970)	(17,693)	(3,572)	9,237		471,197	15,051	393,340		393,340

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

FOR MONTHS		January-14	THROUGH										December-14	
A. CONSERVATION EXPENSE BY PROGRAM		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1	Residential Home Builder	11,919	26,488	110,785	14,293	21,241	2,307	4,726	13,726	26,176	21,573	5,201	2,376	260,813
2	Residential Appliance Replacement	6,722	11,142	5,969	15,187	11,358	5,048	9,047	8,208	12,318	8,256	7,298	13,068	113,621
3	Residential Propane Distribution													
4	Residential Water Heater Retention	4,766	17,625	8,410	16,338	17,211	6,190	15,431	7,564	17,491	8,233	12,264	10,536	142,057
5	NG Space Conditioning For Res Homes													
6	Gas Space Conditioning													
7	Conservation Education	5,305	3,978	5,773	5,612	6,506	6,528	8,864	6,070	3,648	7,331	3,928	3,774	67,319
8	CFG Common	15,573	21,151	24,474	19,432	15,912	20,839	28,868	16,721	24,139	18,948	17,799	17,425	241,281
9	Conservation Demonstration and Develop.									1,200	(1,200)	652		652
10	Small Food			19	7,440	9,224	14,757	190,437	17,265	93,373	37,582	35,673	27,575	433,345
11	Large Food			19	90	83	61	22,674		196	192	94	5,109	28,517
12	Large Non-Food			19	90	94	50	19		4,752	107	1,427	159	6,716
13	Large Hospitality			19	90	94	50	13,225	15,007	6,198	192	94	6,185	41,153
14	Large Cleaning			19	90	12,244	50	2,520		137	2,543	3,290	4,159	25,053
5.	TOTAL ALL PROGRAMS	44,284	80,384	155,504	78,664	93,968	55,881	295,810	84,561	189,627	103,756	87,719	90,366	1,360,526
6.	LESS AMOUNT INCLUDED IN RATE BASE													
7.	RECOVERABLE CONSERVATION EXPENSES	44,284	80,384	155,504	78,664	93,968	55,881	295,810	84,561	189,627	103,756	87,719	90,366	1,360,526

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

SCHEDULE CT-3
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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-14 THROUGH December-14

B.	CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.	RESIDENTIAL CONSERVATION													
2.	CONSERVATION ADJ. REVENUES	(133,078)	(110,438)	(100,558)	(94,824)	(75,166)	(66,605)	(79,088)	(52,306)	(64,994)	(76,126)	(91,388)	(113,203)	(1,057,774)
3.	TOTAL REVENUES	(133,078)	(110,438)	(100,558)	(94,824)	(75,166)	(66,605)	(79,088)	(52,306)	(64,994)	(76,126)	(91,388)	(113,203)	(1,057,774)
4.	PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	8,041	8,043	8,043	8,043	8,043	8,043	8,043	8,043	8,043	8,043	8,043	8,043	96,514
5.	CONSERVATION REVENUE APPLICABLE	(125,037)	(102,395)	(92,515)	(86,781)	(67,123)	(58,562)	(71,045)	(44,263)	(56,951)	(68,083)	(83,345)	(105,160)	(961,260)
6.	CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	44,284	80,384	155,504	78,664	93,968	55,881	295,810	84,561	189,627	103,756	87,719	90,366	1,360,526
7.	TRUE-UP THIS PERIOD (LINE 5 - 6)	(80,753)	(22,011)	62,990	(8,117)	26,845	(2,681)	224,766	40,298	132,676	35,673	4,374	(14,794)	399,266
8.	INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	2			1	1	1	7	14	14	17	23	26	106
9.	TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	96,514	7,722	(22,332)	32,615	16,456	35,260	24,537	241,266	273,535	398,182	425,829	422,183	96,514
9A.	DEFERRED TRUE-UP BEGINNING OF PERIOD													
10.	PRIOR TRUE-UP COLLECTED (REFUNDED)	(8,041)	(8,043)	(8,043)	(8,043)	(8,043)	(8,043)	(8,043)	(8,043)	(8,043)	(8,043)	(8,043)	(8,043)	(96,514)
11.	TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	7,722	(22,332)	32,615	16,456	35,260	24,537	241,266	273,535	398,182	425,829	422,183	399,372	399,372

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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-14 THROUGH December-14

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	96,514	7,722	(22,332)	32,615	16,456	35,260	24,537	241,266	273,535	398,182	425,829	422,183	96,514
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	7,720	(22,332)	32,615	16,455	35,259	24,536	241,259	273,521	398,168	425,812	422,160	399,346	399,266
3. TOTAL BEG. AND ENDING TRUE-UP	104,234	(14,609)	10,283	49,070	51,715	59,795	265,796	514,788	671,704	823,995	847,990	821,530	495,780
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	52,117	(7,305)	5,142	24,535	25,857	29,898	132,898	257,394	335,852	411,997	423,995	410,765	247,890
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	0.03%	0.05%	0.05%	0.06%	0.05%	0.05%	0.06%	0.07%	0.06%	0.04%	0.06%	0.07%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	0.05%	0.05%	0.06%	0.05%	0.05%	0.06%	0.07%	0.06%	0.04%	0.06%	0.07%	0.08%	
7. TOTAL (LINE C-5 + C-6)	0.08%	0.10%	0.11%	0.11%	0.10%	0.11%	0.13%	0.13%	0.10%	0.10%	0.13%	0.15%	
8. AVG. INTEREST RATE (C-7 X 50%)	0.04%	0.05%	0.06%	0.06%	0.05%	0.06%	0.07%	0.07%	0.05%	0.05%	0.07%	0.08%	
9. MONTHLY AVERAGE INTEREST RATE	0.003%	0.004%	0.005%	0.005%	0.004%	0.005%	0.005%	0.005%	0.004%	0.004%	0.005%	0.006%	
10. INTEREST PROVISION (LINE C-4 X C-9)	2			1	1	1	7	14	14	17	23	26	106

COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

SCHEDULE CT-4
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SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS January-14 THROUGH December-14

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

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COMPANY: FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

SCHEDULE CT-5
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RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

FOR MONTHS January-14 THROUGH December-14

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

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1. Residential New Construction Program
2. Residential Appliance Replacement Program
3. Residential Appliance Retention Program
4. Natural Gas Space Conditioning for Residential Homes Program
5. Gas Space Conditioning Program
6. Conservation Education Program
7. Conservation Demonstration and Development Program
8. Commercial Small Food Service Program
9. Commercial Non-Food Service Program
10. Commercial Large Food Service Program
11. Commercial Hospitality and Lodging Program
12. Commercial Cleaning Service and Laundromat Program

PROGRAM TITLE: Residential New Construction Program

PROGRAM DESCRIPTION: The Residential New Construction Program (formerly, Full House Residential New Construction Program) promotes the use of natural gas in single and multi-family residential new construction projects to developers, builders, and homebuyers. The program is designed to increase the overall energy efficiency in the new construction home market through the installation of efficient gas appliances. The programs incentives are used to overcome market barriers created by the split incentive between the builders who are purchasing the appliances and the homeowners who are benefiting from reduced utility costs.

CURRENT APPROVED ALLOWANCES:

\$350 Tank Water Heater
\$400 High Efficiency Tank Water Heater
\$550 Tankless Water Heater
\$500 Furnace
\$150 Range
\$100 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 1039 incentives were paid. There were 262 Tank Water Heaters, 0 High Efficiency Tank Water Heaters, 106 Tankless Water Heaters, 33 Furnaces, 320 Ranges and 318 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$260,813**.

PROGRAM TITLE: Residential Appliance Replacement Program

PROGRAM DESCRIPTION: This program is designed to encourage the replacement of inefficient non-natural gas appliances with energy efficient natural gas appliances. The program offers financial incentives to residential customers to defray the additional costs associated with installing natural gas appliances

CURRENT APPROVED ALLOWANCES:

\$500 Tank Water Heater
\$550 High Efficiency Tank Water Heater
\$675 Tankless Water Heater
\$725 Furnace
\$200 Range
\$150 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 83 incentives were paid. There were 3 Tank Water Heaters, 4 High Efficiency Tank Water Heaters, 28 Tankless Water Heaters, 4 Furnaces, 33 Ranges and 11 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$113,621**.

PROGRAM PROGRESS SUMMARY: Since inception, 871 appliances have qualified for this program.

PROGRAM TITLE: Residential Appliance Retention Program

PROGRAM DESCRIPTION: The purpose of the Residential Appliance Retention Program is to encourage homeowners with existing natural gas appliances to retain natural gas appliances at time of replacement. The program was expanded during the reporting period to include additional appliances to include furnaces, tankless hot water heaters, ranges, and dryers. The programs incentives defray the cost of purchase the more expensive energy-efficient natural gas appliances.

CURRENT APPROVED ALLOWANCES:

\$350 Tank Water Heater
\$400 High Efficiency Tank Water Heater
\$550 Tankless Water Heater
\$500 Furnace
\$100 Range
\$100 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 234 incentives were paid. There were 94 Tank Water Heaters, 0 High Efficiency Tank Water Heaters, 58 Tankless Water Heaters, 22 Furnaces, 34 Ranges and 26 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$142,057**.

PROGRAM PROGRESS SUMMARY: Since inception, 2597 natural gas appliances have been retained through this program. The Company will continue to work closely with homeowners to promote the continued use of energy efficient natural gas.

PROGRAM TITLE: Natural Gas Space Conditioning for Residential Homes Program

PROGRAM DESCRIPTION: This program is intended to encourage the use of energy efficient natural gas air conditioning products in residential homes. The program is designed to offer a \$1,200 per unit allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation.

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 0 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were \$0.

PROGRAM PROGRESS SUMMARY: Five residential gas space conditioning units have been installed since the inception of this program.

PROGRAM TITLE: Gas Space Conditioning Program

PROGRAM DESCRIPTION: This program is intended to encourage the use of energy efficient natural gas air conditioning products to non-residential customers. The program provides an allowance of \$50 per ton of natural gas space conditioning up to a maximum of 500 tons per system, to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and installation.

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 0 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$0**.

PROGRAM PROGRESS SUMMARY: Eight natural gas space conditioning units have been installed since the inception of this program.

PROGRAM TITLE: Conservation Education Program

PROGRAM DESCRIPTION: The objective of this program is to teach adults and young people conservation measures designed to reduce energy consumption and consequently reduce their family's overall energy cost.

PROGRAM ACCOMPLISHMENTS: We continue to develop branded programs and expand community outreach programs designed to inform and educate the general public as well as businesses in the community about the availability of our conservation programs and the benefits and value of natural gas. Examples of these types of programs are:

Energy Plus Home Program: This program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. Often residential consumers only consider the higher installation costs, and not the operating savings associated with natural gas appliances and therefore do not convert to energy efficient natural gas appliances. The brand supports several conservation programs: Residential Appliance Replacement Program, Residential Appliance Retention Program and the Natural Gas Space Conditioning for Residential Homes Program.

Energy Plus Home Builder Program: This program promotes the Residential New Construction Program whose purpose is to promote energy efficient natural gas encouraging the selection of appliances most suitable in reducing the ultimate consumer's overall energy costs. Incentives are offered in the form of cash allowances on the installation of those chosen appliances. The program offers builders and developers incentives to assist in defraying the additional costs associated with the installation of natural gas appliances.

Energy Plus Partners Program: This program is the new name of the Preferred Partners Program that was launched in late 2001. The program works to remove market barriers, expand consumer choice and create synergy between the trades and businesses linked to natural gas. The program supports awareness of our conservation allowance programs. Examples of business entities that support the gas system and are potential partners for the gas company are: builders, developers, retailers, HVAC providers, plumbers and architects. The brand supports several conservation programs: Residential

PROGRAM TITLE: Conservation Education Program (Continued)

Appliance Replacement Program, Residential Appliance Retention Program, Natural Gas Space Conditioning for Residential Homes Program and the Residential New Construction Program.

Energy Smart Kids Program: This program educates and engages young minds in an in-school setting. The classroom-based program provides poster, classroom activities, gas education booklets, pencils and teaching plans. A “school board” approved curriculum offers teachers a balanced five day lesson plan ending with an in-classroom demonstration. Energy conservation is the main theme of this program.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$67,319**.

PROGRAM TITLE: Conservation Demonstration and Development

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 conservation programs offered by Chesapeake Utilities Corporation and give the Company an opportunity to pursue individual and joint research projects as well as the development of new conservation programs. The CDD program is meant to be an umbrella program for the identification, development, demonstration, and evaluation of promising new end-use technologies.

PROGRAM ACCOMPLISHMENTS: For 2014, Chesapeake Utilities Corporation conducted research on several projects including CHP technologies.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$652**.

PROGRAM PROGRESS SUMMARY: From FPSC approval of the program on March 23, 2010, Chesapeake Utilities Corporation has engaged in several research projects using this program.

PROGRAM TITLE: Commercial Small Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of small food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of less than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,000	\$1,500	\$1,000
Tankless	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,000	\$1,500	\$1,000

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 247 incentives were paid. There were 0 Tank Water Heaters, 72 Tankless Water Heaters, 164 Fryers and 11 Ranges.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$433,345**.

PROGRAM PROGRESS SUMMARY: Since inception, 247 appliances have qualified for this program.

PROGRAM TITLE: Commercial Non-Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of commercial buildings to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial non-food service customers are defined as establishments that are not associated with the Food Service, Hospitality, or Cleaning industries. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless	\$2,000	\$2,500	\$2,000

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 1 incentive was paid. There was 0 Tank Water Heaters and 1 Tankless Water Heater.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$6,716**.

PROGRAM PROGRESS SUMMARY: Since inception, 1 appliance has qualified for this program.

PROGRAM TITLE: Commercial Large Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of large food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial large food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of greater than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 17 incentives were paid. There were 0 Tank Water Heaters, 7 Tankless Water Heaters, 10 Fryers and 0 Ranges.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$28,517**.

PROGRAM PROGRESS SUMMARY: Since inception, 17 appliances have qualified for this program.

PROGRAM TITLE: Commercial Hospitality and Lodging Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of hospitality & lodging facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial hospitality and lodging customers are defined as establishments known to the public as hotels, motor hotels, motels or tourist courts, primarily engaged in providing lodging, or lodging and meals, for the general public. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 24 incentives were paid. There were 0 Tank Water Heaters, 14 Tankless Water Heaters, 0 Fryers, 0 Ranges and 10 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$41,153**.

PROGRAM PROGRESS SUMMARY: Since inception, 24 appliances have qualified for this program.

PROGRAM TITLE: Commercial Cleaning Service and Laundromat Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of cleaning service & Laundromat facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial cleaning service and laundromat customers are defined as establishments primarily engaged in operating mechanical laundries with steam or other power or in supplying laundered work clothing on a contract or fee basis. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless	\$2,000	\$2,500	\$2,000
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2014 through December 31, 2014, 9 incentives were paid. There were 0 Tank Water Heaters, 9 Tankless Water Heaters and 0 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2014 through December 31, 2014 were **\$25,053**.

PROGRAM PROGRESS SUMMARY: Since inception, 9 appliances have qualified for this program.

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2016 THROUGH DECEMBER 2016

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 6,032,600
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	\$ 1,290,449
3. TOTAL (LINE 1 AND LINE 2)	\$ 7,323,049

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL (FPU, Fort Meade)	634,886	13,126,144	7,016,052	6,543,177	13,559,229	1,932,373	14.25135%	\$ 0.14722	1.00503	\$ 0.14796
COMMERCIAL SMALL (FPU, Fort Meade) CVPD	14,824	1,847,896	382,852	750,943	1,133,795	161,581	14.25135%	\$ 0.08744	1.00503	\$ 0.08788
COMMERCIAL SMALL (FPU) (Gen Srv GS2 & GS Transportation >600)	34,687	10,858,789	1,064,448	4,232,805	5,297,253	754,930	14.25135%	\$ 0.06952	1.00503	\$ 0.06987
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <,> 50,000 units)	22,564	45,570,966	2,038,240	16,114,572	18,152,812	2,587,021	14.25135%	\$ 0.05677	1.00503	\$ 0.05706
TS1 (INDIANTOWN DIVISION)	8,473	129,709	76,257	49,075	125,332	17,862	14.25135%	\$ 0.13770	1.00503	\$ 0.13840
TS2 (INDIANTOWN DIVISION)	305	77,046	7,625	4,439	12,064	1,719	14.25135%	\$ 0.02232	1.00503	\$ 0.02243
TS3 (INDIANTOWN DIVISION)	12	2,279	720	109	829	118	14.25135%	\$ 0.05184	1.00503	\$ 0.05210
TS4 (INDIANTOWN DIVISION)	24	3,845,138	48,000	150,345	198,345	28,267	14.25135%	\$ 0.00735	1.00503	\$ 0.00739
CHESAPEAKE (PAGE 2)	199,344	48,745,201	6,682,850	6,222,442	12,905,292	1,839,178	SEE PAGE 2 AND 3			
TOTAL	915,119	124,203,168	17,317,044	34,067,908	51,384,952	7,323,049				

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 150004-GU EXHIBIT: 5
PARTY: FLORIDA PUBLIC UTILITIES
COMPANY (FPUC) FLORIDA PUBLIC
UTILITIES COMPANY – INDIANTOWN

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2016 THROUGH DECEMBER 2016
CHESAPEAKE NON EXPIRIMENTAL

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RATE CLASS	BILLS	THERMS	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
FTS-A	17,696	117,709	\$230,048	\$54,568	\$284,616	40,562	14.25135%	\$ 0.34459	1.00503	\$ 0.34633
FTS-B	27,532	313,362	\$426,746	\$154,444	\$581,190	82,827	14.25135%	\$ 0.26432	1.00503	\$ 0.26565
FTS-1	124,560	2,097,332	\$2,366,640	\$971,274	\$3,337,914	475,698	14.25135%	\$ 0.22681	1.00503	\$ 0.22795
FTS-2	10,363	623,044	\$352,342	\$199,125	\$551,467	78,591	14.25135%	\$ 0.12614	1.00503	\$ 0.12678
FTS-2.1	8,537	1,005,253	\$341,480	\$309,889	\$651,369	92,829	14.25135%	\$ 0.09234	1.00503	\$ 0.09281
FTS-3	3,395	1,242,155	\$366,660	\$299,384	\$666,044	94,920	14.25135%	\$ 0.07642	1.00503	\$ 0.07680
FTS-3.1	3,696	2,197,674	\$495,264	\$447,952	\$943,216	134,421	14.25135%	\$ 0.06117	1.00503	\$ 0.06147
FTS-4	2,165	2,641,251	\$454,650	\$499,196	\$953,846	135,936	14.25135%	\$ 0.05147	1.00503	\$ 0.05173
FTS-5	434	1,080,614	\$164,920	\$179,166	\$344,086	49,037	14.25135%	\$ 0.04538	1.00503	\$ 0.04561
FTS-6	258	1,508,244	\$154,800	\$228,303	\$383,103	54,597	14.25135%	\$ 0.03620	1.00503	\$ 0.03638
FTS-7	261	2,884,797	\$182,700	\$354,830	\$537,530	76,605	14.25135%	\$ 0.02655	1.00503	\$ 0.02669
FTS-8	228	5,367,508	\$273,600	\$591,714	\$865,314	123,319	14.25135%	\$ 0.02298	1.00503	\$ 0.02309
FTS-9	108	4,841,280	\$216,000	\$442,154	\$658,154	93,796	14.25135%	\$ 0.01937	1.00503	\$ 0.01947
FTS-10	36	2,352,121	\$108,000	\$195,649	\$303,649	43,274	14.25135%	\$ 0.01840	1.00503	\$ 0.01849
FTS-11	36	4,829,072	\$198,000	\$336,924	\$534,924	76,234	14.25135%	\$ 0.01579	1.00503	\$ 0.01587
FTS-12	39	15,643,785	\$351,000	\$957,869	\$1,308,869	186,531	14.25135%	\$ 0.01192	1.00503	\$ 0.01198
TOTAL	199,344	48,745,201	6,682,850	6,222,442	12,905,292	1,839,178	14.25135%			

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2016 THROUGH DECEMBER 2016
CHESAPEAKE PER BILL BASIS - Experimental

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RATE CLASS	BILLS	THERMS	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	\$ PER BILL	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
FTS-A	17,696	117,709	\$230,048	\$54,568	\$284,616	\$40,562	14.2513%	\$2.2921	1.00503	\$2.30
FTS-B	27,532	313,362	\$426,746	\$154,444	\$581,190	\$82,827	14.2513%	\$3.0084	1.00503	\$3.02
FTS-1	124,560	2,097,332	\$2,366,640	\$971,274	\$3,337,914	\$475,698	14.2513%	\$3.8190	1.00503	\$3.84
FTS-2	10,363	623,044	\$352,342	\$199,125	\$551,467	\$78,591	14.2513%	\$7.5839	1.00503	\$7.62
FTS-2.1	8,537	1,005,253	\$341,480	\$309,889	\$651,369	\$92,829	14.2513%	\$10.8737	1.00503	\$10.93
FTS-3	3,395	1,242,155	\$366,660	\$299,384	\$666,044	\$94,920	14.2513%	\$27.9588	1.00503	\$28.10
FTS-3.1	3,696	2,197,674	\$495,264	\$447,952	\$943,216	\$134,421	14.2513%	\$36.3693	1.00503	\$36.55
FTS-4	2,165	2,641,251	\$454,650	\$499,196	\$953,846	\$135,936				
FTS-5	434	1,080,614	\$164,920	\$179,166	\$344,086	\$49,037				
FTS-6	258	1,508,244	\$154,800	\$228,303	\$383,103	\$54,597				
FTS-7	261	2,884,797	\$182,700	\$354,830	\$537,530	\$76,605				
FTS-8	228	5,367,508	\$273,600	\$591,714	\$865,314	\$123,319				
FTS-9	108	4,841,280	\$216,000	\$442,154	\$658,154	\$93,796				
FTS-10	36	2,352,121	\$108,000	\$195,649	\$303,649	\$43,274				
FTS-11	36	4,829,072	\$198,000	\$336,924	\$534,924	\$76,234				
FTS-12	39	15,643,785	\$351,000	\$957,869	\$1,308,869	\$186,531				
TOTAL	199,344	48,745,201	\$6,682,850	\$6,222,442	\$12,905,292	\$1,839,178	14.25135%			

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED NATURAL GAS DIVISION (FPU, CFG, INDIANTOWN & FT. MEADE)
 ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
 JANUARY 2016 THROUGH DECEMBER 2016

PROGRAM	JAN 2016	FEB 2016	MAR 2016	APR 2016	MAY 2016	JUN 2016	JUL 2016	AUG 2016	SEP 2016	OCT 2016	NOV 2016	DEC 2016	TOTAL
1 Full House Residential New Construction	73,792	73,792	73,792	73,792	73,792	73,792	73,792	73,792	73,792	73,792	73,792	73,792	885,500
2 Resid. Appliance Replacement	68,625	68,625	68,625	68,625	68,625	68,625	68,625	68,625	68,625	68,625	68,625	68,625	823,500
3 Conservation Education	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	9,333	112,000
4 Space Conditioning	417	417	417	417	417	417	417	417	417	417	417	417	5,000
5 Residential Conservation Survey	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958	47,500
6 Residential Appliance Retention	71,375	71,375	71,375	71,375	71,375	71,375	71,375	71,375	71,375	71,375	71,375	71,375	856,500
7 Commercial Conservation Survey	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	13,500
8 Residential Service Reactivation	1,508	1,508	1,508	1,508	1,508	1,508	1,508	1,508	1,508	1,508	1,508	1,508	18,100
9 Common	79,583	79,583	79,583	79,583	79,583	79,583	79,583	79,583	79,583	79,583	79,583	79,583	955,000
10 Conserv. Demonstration and Development	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	100,000
11 Commercial Small Food Service Program	130,917	130,917	130,917	130,917	130,917	130,917	130,917	130,917	130,917	130,917	130,917	130,917	1,571,000
12 Commercial Large Non-Food Service Program	8,854	8,854	8,854	8,854	8,854	8,854	8,854	8,854	8,854	8,854	8,854	8,854	106,250
13 Commercial Large Food Service Program	24,688	24,688	24,688	24,688	24,688	24,688	24,688	24,688	24,688	24,688	24,688	24,688	296,250
14 Commercial Large Hospitality Program	11,354	11,354	11,354	11,354	11,354	11,354	11,354	11,354	11,354	11,354	11,354	11,354	136,250
15 Commercial Large Cleaning Service Program	7,188	7,188	7,188	7,188	7,188	7,188	7,188	7,188	7,188	7,188	7,188	7,188	86,250
16 Residential Propane Distribution Program	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
TOTAL ALL PROGRAMS	502,717	502,717	502,717	502,717	502,717	502,717	502,717	502,717	502,717	502,717	502,717	502,717	6,032,600

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU,CFG, INDIANTOWN, & FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2016 THROUGH DECEMBER 2016

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISE	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 Full House Residential New Construction	0	60,000	1,500	50,000	760,000	0	9,000	5,000	885,500
2 Resid. Appliance Replacement	0	35,000	1,000	400,000	380,000	0	5,000	2,500	823,500
3 Conservation Education	0	12,500	1,500	75,000	0	0	3,000	20,000	112,000
4 Space Conditioning	0	0	0	2,500	2,500	0	0	0	5,000
5 Residential Conservation Survey	0	12,500	2,000	5,000	0	0	3,000	25,000	47,500
6 Residential Appliance Retention	0	35,000	1,000	325,000	490,000	0	5,000	500	856,500
7 Commercial Conservation Survey	0	5,000	500	1,000	0	5,000	1,000	1,000	13,500
8 Residential Service Reactivation	0	5,000	100	2,500	10,000	0	500	0	18,100
9 Common	0	700,000	15,000	20,000	0	50,000	100,000	70,000	955,000
10 Conserv. Demonstration and Development	0	0	0	0	0	100,000	0	0	100,000
11 Commercial Small Food Service Program	0	40,000	1,000	20,000	1,500,000	0	5,000	5,000	1,571,000
12 Commercial Large Non-Food Service Program	0	10,000	250	20,000	70,000	0	1,000	5,000	106,250
13 Commercial Large Food Service Program	0	10,000	250	20,000	260,000	0	1,000	5,000	296,250
14 Commercial Large Hospitality Program	0	10,000	250	20,000	100,000	0	1,000	5,000	136,250
15 Commercial Large Cleaning Service Program	0	10,000	250	20,000	50,000	0	1,000	5,000	86,250
16 Residential Propane Distribution Program	0	0	0	0	20,000	0	0	0	20,000
PROGRAM COSTS	<u>0</u>	<u>945,000</u>	<u>24,600</u>	<u>981,000</u>	<u>3,642,500</u>	<u>155,000</u>	<u>135,500</u>	<u>149,000</u>	<u>6,032,600</u>

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FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
ACTUAL JANUARY 2015 THROUGH JUNE 2015; ESTIMATED JULY 2015 THROUGH DECEMBER 2015

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 Full House Residential New Construction									
A. ACTUAL (JAN-JUN)	0	1,410	35	15,243	463,200	0	266	33	480,188
B. ESTIMATED (JUL-DEC)	0	20,000	750	50,500	275,500	0	4,000	302	351,052
C. TOTAL	0	21,410	785	65,743	738,700	0	4,266	335	831,240
2 Resid. Appliance Replacement									
A. ACTUAL (JAN-JUN)	0	575	14	196,161	191,312	0	108	97	388,267
B. ESTIMATED (JUL-DEC)	0	20,000	750	249,250	192,000	0	6,000	717	468,717
C. TOTAL	0	20,575	764	445,411	383,312	0	6,108	814	856,984
3 Conservation Education									
A. ACTUAL (JAN-JUN)	0	3,419	216	42,687	0	0	649	14,241	61,212
B. ESTIMATED (JUL-DEC)	0	22,500	750	67,775	0	500	4,750	10,300	106,575
C. TOTAL	0	25,919	966	110,462	0	500	5,399	24,541	167,787
4 Space Conditioning									
A. ACTUAL (JAN-JUN)	0	0	0	0	0	0	0	0	0
B. ESTIMATED (JUL-DEC)	0	0	0	2,750	2,500	0	0	0	5,250
C. TOTAL	0	0	0	2,750	2,500	0	0	0	5,250
5 Residential Conservation Survey									
A. ACTUAL (JAN-JUN)	0	0	0	2,545	0	0	0	10,403	12,948
B. ESTIMATED (JUL-DEC)	0	7,500	250	10,100	0	0	2,000	20,250	40,100
C. TOTAL	0	7,500	250	12,645	0	0	2,000	30,653	53,048
6 Residential Appliance Retention									
A. ACTUAL (JAN-JUN)	0	657	21	168,722	254,264	0	158	103	423,924
B. ESTIMATED (JUL-DEC)	0	20,000	750	211,000	214,500	0	5,000	158	451,408
C. TOTAL	0	20,657	771	379,722	468,764	0	5,158	260	875,332
7 Commercial Conservation Survey									
A. ACTUAL (JAN-JUN)	0	0	0	(500)	0	0	0	380	(120)
B. ESTIMATED (JUL-DEC)	0	2,500	125	1,300	0	500	1,000	2,500	7,925
C. TOTAL	0	2,500	125	800	0	500	1,000	2,880	7,805
SUB-TOTAL	<u>0</u>	<u>98,560</u>	<u>3,661</u>	<u>1,017,533</u>	<u>1,593,276</u>	<u>1,000</u>	<u>23,932</u>	<u>59,483</u>	<u>2,797,446</u>

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
ACTUAL JANUARY 2015 THROUGH JUNE 2015; ESTIMATED JULY 2015 THROUGH DECEMBER 2015

PROGRAM NAME	CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	98,560	3,661	1,017,533	1,593,276	1,000	23,932	59,483	2,797,446
8 Residential Service Reactivation									
A. ACTUAL (JAN-JUN)	0	105	3	0	2,799	0	20	2	2,928
B. ESTIMATED (JUL-DEC)	0	5,000	250	5,050	5,175	0	2,000	125	17,600
C. TOTAL	0	5,105	253	5,050	7,974	0	2,020	127	20,528
9 Common									
A. ACTUAL (JAN-JUN)	0	452,978	6,867	3,001	1,931	32,622	65,381	30,669	593,449
B. ESTIMATED (JUL-DEC)	0	378,000	7,600	10,050	1,250	4,500	57,250	29,250	487,900
C. TOTAL	0	830,978	14,467	13,051	3,181	37,122	122,631	59,919	1,081,349
10 Conserv. Demonstration and Development									
A. ACTUAL (JAN-JUN)	0	0	0	395	0	31,691	0	0	32,086
B. ESTIMATED (JUL-DEC)	0	0	0	0	0	65,000	0	0	65,000
C. TOTAL	0	0	0	395	0	96,691	0	0	97,086
11 Commercial Small Food Service Program									
A. ACTUAL (JAN-JUN)	0	314	116	8,438	850,109	0	59	7	859,042
B. ESTIMATED (JUL-DEC)	0	7,500	375	6,600	377,250	0	2,375	625	394,725
C. TOTAL	0	7,814	491	15,038	1,227,359	0	2,434	632	1,253,767
12 Commercial Large Non-Food Service Program									
A. ACTUAL (JAN-JUN)	0	0	0	8,438	46,452	0	0	0	54,889
B. ESTIMATED (JUL-DEC)	0	1,750	100	6,600	25,000	0	550	625	34,625
C. TOTAL	0	1,750	100	15,038	71,452	0	550	625	89,514
13 Commercial Large Food Service Program									
A. ACTUAL (JAN-JUN)	0	0	0	8,438	122,594	0	0	0	131,032
B. ESTIMATED (JUL-DEC)	0	1,750	100	6,600	35,000	0	550	625	44,625
C. TOTAL	0	1,750	100	15,038	157,594	0	550	625	175,657
14 Commercial Large Hospitality Program									
A. ACTUAL (JAN-JUL)	0	0	0	8,438	37,550	0	0	0	45,988
B. ESTIMATED (AUG-DEC)	0	1,750	100	6,600	35,000	0	550	625	44,625
C. TOTAL	0	1,750	100	15,038	72,550	0	550	625	90,613
15 Commercial Large Cleaning Service Program									
A. ACTUAL (JAN-JUL)	0	0	0	8,438	32,528	0	0	0	40,966
B. ESTIMATED (AUG-DEC)	0	1,750	100	6,600	35,000	0	550	625	44,625
C. TOTAL	0	1,750	100	15,038	67,528	0	550	625	85,591
TOTAL	0	949,457	19,271	1,111,219	3,200,913	134,813	153,217	122,661	5,691,552

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
 CONSERVATION PROGRAM COSTS BY PROGRAM
 ACTUAL/ESTIMATED
 ACTUAL JANUARY 2015 THROUGH JUNE 2015; ESTIMATED JULY 2015 THROUGH DECEMBER 2015

PROGRAM NAME	---- ACTUAL ----					--- PROJECTION ---					TOTAL		
	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015		NOV 2015	DEC 2015
Full House Residential New Construction	19,605	72,825	146,659	107,342	32,886	100,871	58,508	58,508	58,508	58,508	58,508	58,512	831,240
Resid. Appliance Replacement	42,824	69,666	78,232	88,900	38,351	70,294	78,062	78,062	78,062	78,062	78,062	78,062	856,639
Conservation Education	11,991	6,604	10,237	6,471	13,026	12,883	17,763	17,763	17,763	17,763	17,763	17,763	167,790
Space Conditioning	0	0	0	0	0	0	875	875	875	875	875	875	5,250
Residential Conservation Survey	3,465	1,734	1,965	1,734	1,965	2,084	6,683	6,683	6,683	6,683	6,683	6,683	53,046
Residential Appliance Retention	47,140	52,319	82,808	107,807	50,609	83,242	75,292	75,292	75,292	75,292	75,292	75,292	875,676
Commercial Conservation Survey	(500)	0	0	0	380	0	1,321	1,321	1,321	1,321	1,321	1,321	7,806
Residential Service Reactivation	1,879	(0)	350	350	0	350	2,933	2,933	2,933	2,933	2,933	2,933	20,526
Common	103,642	104,345	102,104	102,058	95,257	86,721	81,317	81,317	81,317	81,317	81,317	81,317	1,082,029
Conserv. Demonstration and Development	2,404	3,000	1,593	16,412	5,500	2,500	10,833	10,833	10,833	10,833	10,833	10,833	96,406
Commercial Small Food Service Program	113,927	104,778	320,331	121,668	91,553	106,785	65,787	65,787	65,787	65,787	65,787	65,787	1,253,764
Commercial Large Non-Food Service Program	2,337	874	10,780	2,615	16,950	21,334	5,770	5,770	5,770	5,770	5,770	5,770	89,509
Commercial Large Food Service Program	6,402	7,656	40,214	23,244	18,940	34,576	7,438	7,438	7,438	7,438	7,438	7,438	175,660
Commercial Large Hospitality Program	17,070	874	4,557	5,115	9,955	8,417	7,438	7,438	7,438	7,438	7,438	7,438	90,616
CVPD	23,301	(5,807)	4,220	14,115	723	4,414	7,438	7,438	7,438	7,438	7,438	7,438	85,594
TOTAL ALL PROGRAMS	395,487	418,867	804,050	597,830	376,096	534,470	427,458	427,458	427,458	427,458	427,458	427,462	5,691,552

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
ACTUAL JANUARY 2015 THROUGH JUNE 2015, ESTIMATED JULY 2015 THROUGH DECEMBER 2015

	----- ACTUAL -----		----- ACTUAL -----		----- ACTUAL -----		-PROJECTION -		-PROJECTION -		-PROJECTION -		-PROJECTION -		TOTAL
	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	DEC 2015			
CONSERVATION REVS.															
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	(589,606)	(639,877)	(535,131)	(452,835)	(378,642)	(339,182)	(420,554)	(420,554)	(420,554)	(420,554)	(420,554)	(420,554)	(420,554)	(420,554)	(5,458,595)
TOTAL REVENUES	(589,606)	(639,877)	(535,131)	(452,835)	(378,642)	(339,182)	(420,554)	(420,554)	(420,554)	(420,554)	(420,554)	(420,554)	(420,554)	(420,554)	(5,458,595)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	88,045	88,045	88,045	88,045	88,045	88,045	88,045	88,045	88,045	88,045	88,045	88,045	88,045	88,045	1,056,536
CONSERVATION REVS. APPLIC. TO PERIOD	(501,561)	(551,832)	(447,087)	(364,790)	(290,597)	(251,137)	(332,509)	(332,509)	(332,509)	(332,509)	(332,509)	(332,509)	(332,509)	(332,509)	(4,402,059)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	395,487	418,867	804,050	597,830	376,096	534,470	427,458	427,458	427,458	427,458	427,458	427,458	427,462	427,462	5,691,552
TRUE-UP THIS PERIOD	(106,074)	(132,965)	356,963	233,039	85,499	283,333	94,949	94,949	94,949	94,949	94,949	94,949	94,953	94,953	1,289,494
INTEREST THIS PERIOD (C-3, PAGE 5)	68	53	45	57	75	86	94	94	95	95	96	97	97	97	955
TRUE-UP & INT. BEG. OF MONTH	1,056,536	862,485	641,529	910,492	1,055,544	1,053,073	1,248,447	1,255,446	1,262,444	1,269,443	1,276,443	1,283,443	1,283,443	1,283,443	1,056,536
PRIOR TRUE-UP COLLECT./(REFUND.)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(88,045)	(1,056,536)
Audit Adj. - Prior period															0
END OF PERIOD TOTAL NET TRUE-UP	862,485	641,529	910,492	1,055,544	1,053,073	1,248,447	1,255,446	1,262,444	1,269,443	1,276,443	1,283,443	1,290,449	1,290,449	1,290,449	1,290,449

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
CALCULATION OF TRUE-UP AND INTEREST PROVISION
ACTUAL JANUARY 2015 THROUGH JUNE 2015; ESTIMATED JULY 2015 THROUGH DECEMBER 2015

	----- ACTUAL -----		----- ACTUAL -----		----- ACTUAL -----		--- PROJECTION ---		--- PROJECTION ---		--- PROJECTION ---		TOTAL
	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	DEC 2015	
INTEREST PROVISION													
BEGINNING TRUE-UP	1,056,536	862,485	641,529	910,492	1,055,544	1,053,073	1,248,447	1,255,446	1,262,444	1,269,443	1,276,443	1,283,443	
END. T-UP BEFORE INT.	862,417	641,476	910,447	1,055,487	1,052,998	1,248,361	1,255,352	1,262,350	1,269,348	1,276,348	1,283,347	1,290,352	
TOT. BEG. & END. T-UP	1,918,953	1,503,961	1,551,976	1,965,979	2,108,542	2,301,434	2,503,799	2,517,795	2,531,792	2,545,791	2,559,790	2,573,795	
AVERAGE TRUE-UP	959,477	751,980	775,988	982,989	1,054,271	1,150,717	1,251,899	1,258,898	1,265,896	1,272,896	1,279,895	1,286,897	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.08%	0.09%	0.08%	0.06%	0.08%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.09%	0.08%	0.06%	0.08%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	
TOTAL	0.17%	0.17%	0.14%	0.14%	0.17%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	
AVG INTEREST RATE	0.09%	0.09%	0.07%	0.07%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	
MONTHLY AVG. RATE	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	
INTEREST PROVISION	\$68	\$53	\$45	\$57	\$75	\$86	\$94	\$94	\$95	\$95	\$96	\$97	\$955

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 1 OF 16**

PROGRAM:

1. Full House Residential New Construction Program
2. Residential Appliance Replacement Program
3. Residential Appliance Retention Program
4. Residential Service Reactivation Program
5. Residential Conservation Service Program
6. Commercial Conservation Service Program
7. Conservation Education Program
8. Space Conditioning Program
9. Conservation Demonstration & Development
10. Commercial Small Food Service Program
11. Commercial Non-Food Service Program
12. Commercial Large Food Service Program
13. Commercial Hospitality and Lodging Program
14. Commercial Cleaning Service and Laundromat Program
15. Residential Propane Distribution Program

**EXHIBIT NO. _____
DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
(CDY-4)
PAGE 11 OF 26**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 2 OF 16**

PROGRAM TITLE:

Full House Residential New Construction Program

PROGRAM DESCRIPTION:

This program is designed to increase the overall energy efficiency in the residential single- and multi-family new construction market by promoting energy-efficient natural gas appliances. The program offers builders and developers incentives in the form of cash allowances to defray the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$500
Tank Water Heater	\$350
High Eff. Tank Water Heater	\$400
Range	\$150
Dryer	\$100
Tankless	\$550

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 3250 new single- and multi-family home appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$885,500.

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DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 3 OF 16**

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. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$725
Tank Water Heater	\$500
High Eff. Tank Water Heater	\$550
Range	\$200
Dryer	\$150
Tankless	\$675

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 750 natural gas appliances will be connected (limited to furnaces or hydro heaters, water heaters, ranges and dryers) to its natural gas system.

PROGRAM EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$823,500.

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FLORIDA PUBLIC UTILITIES CO.
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 4 OF 16**

PROGRAM TITLE:

Residential Appliance Retention Program

PROGRAM DESCRIPTION:

This program is designed to promote the retention of energy-efficient appliances for current natural gas customers. The program offers allowances to customers to assist in defraying the cost of purchasing and installing more expensive energy-efficient appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$500
Tank Water Heater	\$350
High Eff. Tank Water Heater	\$400
Range	\$100
Dryer	\$100
Tankless	\$550

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 1750 appliances will be connected to its system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$856,500.

**EXHIBIT NO. _____
DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
(CDY-4)
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PROGRAM TITLE:

Residential Service Reactivation Program

PROGRAM DESCRIPTION:

This program is designed to encourage the reactivation 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 the installation of energy-efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service Reactivation (the installation of a water heater is required) \$350

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 30 services will be reactivated with water heaters on its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$18,100.

PROGRAM TITLE:

Residential Conservation Survey Program

PROGRAM DESCRIPTION:

This program is designed to assist residential customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 50 residential customers will participate in this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$47,500.

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 7 OF 16**

PROGRAM TITLE:

Commercial Conservation Survey Program

PROGRAM DESCRIPTION:

This program is designed to assist commercial customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 20 commercial customers will participate in this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$13,500.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 8 OF 16**

PROGRAM TITLE:

Conservation Education Program

PROGRAM DESCRIPTION:

The purpose of this program is to teach adult and young people about conservation measures designed to reduce energy consumption and consequently reduce their utility bills.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTONS:

For the twelve-month period of January to December 2016, the Company estimates that 30 adult and youth presentations with 3000 participants will result from this program.

PROGRAM FISCAL EXPENDITURES:

During this twelve-month period of January to December 2016, the Company estimates expenses of \$112,000.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 9 OF 16**

PROGRAM TITLE:

Space Conditioning Program

PROGRAM DESCRIPTION:

This program is designed to convert on-main customers from electric space conditioning equipment to energy-efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for higher initial costs of natural gas space conditioning equipment and the associated installation costs. This program also reduces summer as well as winter peak demand and contributes to the conservation of kwh/kwd consumption.

PROGRAM ALLOWANCES:

Residential	\$1200 (For Robur model or equivalent unit)
Non-Residential	\$ 50 per ton

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 1 customer projects will utilize this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$5,000.

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(CDY-4)
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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 ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that it will complete 2 projects under this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$100,000.

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 11 OF 16**

PROGRAM TITLE:

Commercial Small Food Service Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of small food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of less than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,000	\$1,500	\$1,000
Tankless Water Heater	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,000	\$1,500	\$1,000

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 800 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$1,571,000.

**EXHIBIT NO. _____
DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
(CDY-4)
PAGE 21 OF 26**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 12 OF 16**

PROGRAM TITLE:

Commercial Non-Food Service Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of commercial buildings to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial non-food service customers are defined as establishments that are not associated with the Food Service, Hospitality, or Cleaning industries and whose annual consumption is greater than 4,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water Heater	\$2,000	\$2,500	\$2,000

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 50 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$106,250.

**EXHIBIT NO. _____
DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
(CDY-4)
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 13 OF 16**

PROGRAM TITLE:

Commercial Large Food Service Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of large food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial large food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of greater than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water Heater	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 100 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$296,250.

**EXHIBIT NO. _____
DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
(CDY-4)
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 14 OF 16**

PROGRAM TITLE:

Commercial Hospitality and Lodging Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of hospitality & lodging facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial hospitality and lodging customers are defined as establishments known to the public as hotels, motor hotels, motels or tourist courts, primarily engaged in providing lodging, or lodging and meals, for the general public. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water Heater	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 50 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$136,250.

**EXHIBIT NO. _____
DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
(CDY-4)
PAGE 24 OF 26**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATES NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 15 OF 16**

PROGRAM TITLE:

Commercial Cleaning Service and Laundromat Program

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of cleaning service & Laundromat facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial cleaning service and laundromat customers are defined as establishments primarily engaged in operating mechanical laundries with steam or other power or in supplying laundered work clothing on a contract or fee basis. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

PROGRAM ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water Heater	\$2,000	\$2,500	\$2,000
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 25 appliance will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$86,250.

**EXHIBIT NO. _____
DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
(CDY-4)
PAGE 25 OF 26**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATES NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 16 OF 16**

PROGRAM TITLE:

Residential Propane Distribution Program

PROGRAM DESCRIPTION:

The program is designed to promote the use of "gas" within developments that are built beyond the economic extension of the Company's existing natural gas infrastructure. The concept of installing an underground propane system, which includes distribution mains, service laterals and meter sets that are capable of supplying either propane or natural gas, is a viable method of encouraging installation of "gas" appliances in the residential subdivision at the time of construction. This program is designed to provide incentives when natural gas becomes available to the development and the propane appliances are replaced with natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$275
Water Heater	\$275
Range	\$75
Dryer	\$75

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2016, the Company estimates that 50 appliance will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2016, the Company estimates expenses of \$20,000.

**EXHIBIT NO. _____
DOCKET NO. 150004-GU
FLORIDA PUBLIC UTILITIES CO.
(CDY-4)
PAGE 26 OF 26**

ADJUSTED NET TRUE UP
JANUARY 2014 THROUGH DECEMBER 2014

END OF PERIOD NET TRUE-UP

PRINCIPLE	(745,472)	
INTEREST	(759)	(746,231)

LESS PROJECTED TRUE-UP

PRINCIPLE	(715,155)	
INTEREST	(734)	(715,888)

ADJUSTED NET TRUE-UP (30,343)

() REFLECTS OVER-RECOVERY

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 150004-GU EXHIBIT: 6
PARTY: FLORIDA CITY GAS (FCG) –
DIRECT
DESCRIPTION: Miguel Bustos MB-1

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
JANUARY 2014 THROUGH DECEMBER 2014

	<u>ACTUAL</u>	<u>PROJECTED ***</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	-	-	-
PAYROLL & BENEFITS	867,000	856,241	10,759
MATERIALS & SUPPLIES	-	-	-
ADVERTISING	835,928	900,413	(64,484)
INCENTIVES	3,291,235	3,283,053	8,183
OUTSIDE SERVICES	-	-	-
VEHICLES	65,452	69,355	(3,903)
OTHER	<u>283,577</u>	<u>257,904</u>	<u>25,673</u>
SUB-TOTAL	5,343,191	5,366,964	(23,773)
PROGRAM REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PROGRAM COSTS	5,343,191	5,366,964	(23,773)
LESS:			
PAYROLL ADJUSTMENTS	-	-	-
AMOUNTS INCLUDED IN RATE BASE	-	-	-
CONSERVATION ADJUSTMENT REVENUES	(6,088,664)	(6,082,119)	(6,545)
ROUNDING ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>
TRUE-UP BEFORE INTEREST	(745,472)	(715,155)	(30,318)
INTEREST PROVISION	(759)	(734)	(25)
END OF PERIOD TRUE-UP	<u>(746,231)</u>	<u>(715,888)</u>	<u>(30,343)</u>

() REFLECTS OVER-RECOVERY

*** Seven months actual and four months projected (Jan-Dec'2014)

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM NAME	CAPITAL	PAYROLL & MATERIALS	OUTSIDE				TOTAL		
	INVESTMENT	BENEFITS & SUPPLIES	ADVERTISING	INCENTIVES	SERVICES	VEHICLE		OTHER	
PROGRAM 1: RESIDENTIAL NEW CONSTRUCTION	-	98,864	-	-	236,700	-	6,290	-	341,854
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	-	-	-	-	-	-	-	-
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	-	161,465	-	-	638,380	-	6,273	-	806,117
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 6: PROPANE CONVERSION	-	10,249	-	-	11,000	-	-	-	21,249
PROGRAM 7: RESIDENTIAL APPLIANCE RETENTION	-	-	-	-	1,682,223	-	-	-	1,682,223
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	38,971	-	-	29,975	-	-	-	68,946
PROGRAM 9: COMM/IND CONVERSION	-	266,644	-	-	94,316	-	33,392	-	394,352
PROGRAM 10: ALTERNATIVE TECHNOLOGY	-	-	-	-	-	-	4,416	-	4,416
PROGRAM 11: COMMERCIAL APPLIANCE	-	-	-	-	580,088	-	-	-	580,088
COMMON COSTS	-	290,807	-	835,928	18,554	-	15,080	283,577	1,443,946
TOTAL TOTAL OF ALL PROGRAMS	-	867,000	-	835,928	3,291,235	-	65,452	283,577	5,343,191

CITY GAS COMPANY OF FLORIDA
PROJECTED CONSERVATION COSTS PER PROGRAM
JANUARY 2014 THROUGH DECEMBER 2014
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL NEW CONSTRUCTION	-	98,988	-	-	190,350	-	6,710	-	296,048
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	-	-	-	-	-	-	-	-
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	-	156,278	-	-	503,164	-	6,338	-	665,779
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 6: PROPANE CONVERSION	-	9,969	-	-	4,700	-	-	-	14,669
PROGRAM 7: RESIDENTIAL APPLIANCE RETENTION	-	-	-	-	1,768,682	-	-	-	1,768,682
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	37,846	-	-	40,975	-	-	-	78,821
PROGRAM 9: COMM/IND CONVERSION	-	257,963	-	-	121,479	-	32,704	-	412,146
PROGRAM 10: ALTERNATIVE TECHNOLOGY	-	-	-	-	-	-	4,443	-	4,443
PROGRAM 11: COMMERCIAL APPLIANCE	-	-	-	-	653,703	-	-	-	653,703
COMMON COSTS	-	295,196	-	900,413	-	-	19,159	257,904	1,472,672
TOTAL TOTAL OF ALL PROGRAMS	-	856,241	-	900,413	3,283,053	-	69,355	257,904	5,366,964

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CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL NEW CONSTRUCTION	-	(125)	-	-	46,350	-	(420)	-	45,806
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	-	-	-	-	-	-	-	-
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	-	5,187	-	-	135,216	-	(65)	-	140,338
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 6: PROPANE CONVERSION	-	281	-	-	6,300	-	-	-	6,581
PROGRAM 7: RESIDENTIAL APPLIANCE RETENTION	-	-	-	-	(86,459)	-	-	-	(86,459)
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	1,125	-	-	(11,000)	-	-	-	(9,875)
PROGRAM 9: COMM/IND CONVERSION	-	8,680	-	-	(27,163)	-	689	-	(17,795)
PROGRAM 10: ALTERNATIVE TECHNOLOGY	-	-	-	-	-	-	(28)	-	(28)
PROGRAM 11: COMMERCIAL APPLIANCE	-	-	-	-	(73,615)	-	-	-	(73,615)
COMMON COSTS	-	(4,390)	-	(64,484)	18,554	-	(4,079)	25,673	(28,726)
TOTAL TOTAL OF ALL PROGRAMS	-	10,759	-	(64,484)	8,183	-	(3,903)	25,673	(23,773)

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY MONTH
JANUARY 2014 THROUGH DECEMBER 2014

EXPENSES:	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
PROGRAM 1:	19,579	18,076	23,565	13,929	25,562	27,728	43,609	53,247	40,731	8,374	39,026	28,427	341,854
PROGRAM 2:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 3:	48,215	28,284	47,048	51,011	77,977	47,914	80,691	21,378	207,300	86,178	71,277	38,844	806,117
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	718	899	975	778	1,120	949	480	854	11,796	996	1,001	683	21,249
PROGRAM 7:	130,970	127,341	171,339	136,656	167,946	108,231	216,199	30,050	205,125	137,615	181,851	68,900	1,682,223
PROGRAM 8:	5,108	5,597	5,511	6,370	8,968	3,562	5,705	5,362	5,966	5,090	6,810	4,896	68,946
PROGRAM 9:	36,030	48,964	42,803	33,450	30,282	25,332	24,784	30,203	29,514	36,238	33,583	23,168	394,352
PROGRAM 10:	313	332	370	429	367	407	375	389	405	408	350	271	4,416
PROGRAM 11:	-	-	-	10,602	125,809	70,078	152,214	71,990	38,534	45,532	48,880	16,448	580,088
COMMON COSTS	55,877	128,988	153,434	118,760	221,061	121,213	72,340	69,548	113,151	93,223	135,514	160,837	1,443,946
TOTAL	296,811	358,481	445,046	371,985	659,091	405,414	596,397	283,022	652,523	413,654	518,292	342,474	5,343,191
LESS: Audit Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	296,811	358,481	445,046	371,985	659,091	405,414	596,397	283,022	652,523	413,654	518,292	342,474	5,343,191

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SCHEDULE CT-2
PROJECTED CONSERVATION COSTS PER MONTH
JANUARY 2014 THROUGH DECEMBER 2014
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

EXPENSES:	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
PROGRAM 1:	19,579	18,076	23,565	13,929	25,561	27,729	43,609	24,800	24,800	24,800	24,800	24,800	296,048
PROGRAM 2:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 3:	48,215	28,284	47,048	51,011	77,977	47,914	80,690	54,528	58,528	58,528	54,528	58,528	665,779
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	718	899	975	778	1,120	949	480	4,830	980	980	980	980	14,669
PROGRAM 7:	130,970	127,341	171,339	136,656	167,946	108,231	216,199	142,000	142,000	142,000	142,000	142,000	1,768,682
PROGRAM 8:	5,108	5,597	5,511	6,370	8,968	3,562	5,705	6,200	13,200	6,200	6,200	6,200	78,821
PROGRAM 9:	36,030	48,964	42,803	33,450	30,282	25,332	24,785	34,100	34,100	34,100	34,100	34,100	412,146
PROGRAM 10:	313	332	370	429	367	407	375	370	370	370	370	370	4,443
PROGRAM 11:	-	-	-	10,602	125,809	70,078	152,214	59,000	59,000	59,000	59,000	59,000	653,703
COMMON COSTS	55,877	128,988	153,434	118,759	221,060	121,214	72,340	116,200	116,200	116,200	126,200	126,200	1,472,672
TOTAL	296,811	358,481	445,045	371,984	659,090	405,416	596,397	442,028	449,178	442,178	448,178	452,178	5,366,964
LESS AMOUNT INCLUDED IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE													
CONSERVATION EXPENSES	296,811	358,481	445,045	371,984	659,090	405,416	596,397	442,028	449,178	442,178	448,178	452,178	5,366,964

SCHEDULE CT-2
SUMMARY OF EXPENSES BY PROGRAM
VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2014 THROUGH DECEMBER 2014

EXPENSES:	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
PROGRAM 1:	-	(0)	0	0	1	(1)	(0)	28,447	15,931	(16,426)	14,226	3,627	45,806
PROGRAM 2:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 3:	-	0	0	0	(0)	(0)	1	(33,150)	148,772	27,650	16,749	(19,684)	140,338
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	-	0	0	(0)	(0)	(0)	0	(3,976)	10,816	16	21	(297)	6,581
PROGRAM 7:	-	0	0	(0)	0	(0)	(0)	(111,950)	63,125	(4,385)	39,851	(73,100)	(86,459)
PROGRAM 8:	-	0	(0)	(0)	0	0	0	(838)	(7,234)	(1,110)	610	(1,304)	(9,875)
PROGRAM 9:	-	(0)	0	0	(0)	0	(1)	(3,897)	(4,586)	2,138	(517)	(10,932)	(17,795)
PROGRAM 10:	-	(0)	(0)	(0)	0	(0)	0	19	35	38	(20)	(99)	(28)
PROGRAM 11:	-	-	-	-	0	-	0	12,990	(20,466)	(13,468)	(10,120)	(42,552)	(73,615)
COMMON COSTS:	-	(0)	0	1	1	(1)	0	(46,652)	(3,049)	(22,977)	9,314	34,637	(28,726)
TOTAL	-	(0)	1	1	1	(2)	0	(159,006)	203,345	(28,524)	70,114	(109,704)	(23,773)
LESS: 2008 Audit Adjustments:	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	-	(0)	1	1	1	(2)	0	(159,006)	203,345	(28,524)	70,114	(109,704)	(23,773)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2014 THROUGH DECEMBER 2014

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
1. INTEREST PROVISION													
1. BEGINNING TRUE-UP	(1,697,819)	(1,834,092)	(1,943,979)	(1,906,323)	(1,910,194)	(1,599,128)	(1,521,419)	(1,244,786)	(1,274,401)	(935,459)	(824,994)	(654,971)	
2. ENDING TRUE-UP BEFORE INTEREST	(1,834,039)	(1,943,903)	(1,906,227)	(1,910,099)	(1,599,058)	(1,521,341)	(1,244,717)	(1,274,338)	(935,415)	(824,959)	(654,934)	(746,188)	
3. TOTAL BEGINNING & ENDING TRUE-UP	(3,531,858)	(3,777,996)	(3,850,206)	(3,816,422)	(3,509,252)	(3,120,470)	(2,766,136)	(2,519,124)	(2,209,816)	(1,760,418)	(1,479,928)	(1,401,159)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	(1,765,929)	(1,888,998)	(1,925,103)	(1,908,211)	(1,754,626)	(1,560,235)	(1,383,068)	(1,259,562)	(1,104,908)	(880,209)	(739,964)	(700,580)	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	0.030%	0.050%	0.050%	0.060%	0.050%	0.050%	0.060%	0.070%	0.060%	0.040%	0.060%	0.070%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	0.050%	0.050%	0.060%	0.050%	0.050%	0.060%	0.070%	0.060%	0.040%	0.060%	0.070%	0.080%	
7. TOTAL (SUM LINES 5 & 6)	0.080%	0.100%	0.110%	0.110%	0.100%	0.110%	0.130%	0.130%	0.100%	0.100%	0.130%	0.150%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	0.040%	0.050%	0.055%	0.055%	0.050%	0.055%	0.065%	0.065%	0.050%	0.050%	0.065%	0.075%	
9. MONTHLY AVG INTEREST RATE	0.003%	0.004%	0.005%	0.005%	0.004%	0.005%	0.005%	0.005%	0.004%	0.004%	0.005%	0.006%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	(53)	(76)	(96)	(95)	(70)	(78)	(69)	(63)	(44)	(35)	(37)	(42)	(759)
10. a. INT. ADJ													

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2014 THROUGH DECEMBER 2014

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
1 RCS AUDIT FEES	-	-	-	-	-	-	-	-	-	-	-	-	-
2 OTHER PROGRAM REVS	-	-	-	-	-	-	-	-	-	-	-	-	-
3 CONSERV. ADJ REVS	(433,032)	(468,292)	(407,295)	(375,761)	(347,955)	(327,627)	(319,695)	(312,574)	(313,537)	(303,154)	(348,232)	(433,691)	(4,390,844)
4 TOTAL REVENUES	(433,032)	(468,292)	(407,295)	(375,761)	(347,955)	(327,627)	(319,695)	(312,574)	(313,537)	(303,154)	(348,232)	(433,691)	(4,390,844)
5 PRIOR PERIOD TRUE UP NOT APPLICABLE TO THIS PERIOD	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(1,697,820)
6 CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(574,517)	(609,777)	(548,780)	(517,246)	(489,440)	(469,112)	(461,180)	(454,059)	(455,022)	(444,639)	(489,717)	(575,176)	(6,088,664)
CONSERVATION EXPENSES													
7 (FROM CT-3, PAGE 1)	296,811	358,481	445,046	371,985	659,091	405,414	596,397	283,022	652,523	413,654	518,292	342,474	5,343,191
8 TRUE-UP THIS PERIOD	(277,705)	(251,296)	(103,733)	(145,261)	169,651	(63,698)	135,217	(171,037)	197,501	(30,985)	28,575	(232,702)	(745,472)
9 INTEREST PROVISION THIS PERIOD (FROM CT-3 PAGE 3)	(53)	(76)	(96)	(95)	(70)	(78)	(69)	(63)	(44)	(35)	(37)	(42)	(759)
10 TRUE-UP & INTER. PROV. BEGINNING OF MONTH	(1,697,819)	(1,834,092)	(1,943,979)	(1,906,323)	(1,910,194)	(1,599,128)	(1,521,419)	(1,244,786)	(1,274,401)	(935,459)	(824,994)	(654,971)	
11 PRIOR PERIOD TRUE UP													
COLLECTED/(REFUNDED)	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	
12 TOTAL NET TRUE UP (SUM LINES 8+9+10+11)	(1,834,092)	(1,943,979)	(1,906,323)	(1,910,194)	(1,599,128)	(1,521,419)	(1,244,786)	(1,274,401)	(935,459)	(824,994)	(654,971)	(746,230)	(746,231)

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 2014 through December 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 341,854

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 2014 through December 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 806,117

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 2014 through December 2014

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 2014 through December 2014

PROGRAM SUMMARY:

Program costs for the period were \$(\$21,249

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, clothes 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 2014 through December 2014

PROGRAM SUMMARY:

Program costs for the period were \$1,682,223

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 2014 through December 2014

PROGRAM SUMMARY:

Program costs for the period were \$68,946

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 2014 through December 2014

PROGRAM SUMMARY:

Program costs for the period were \$394,352

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 2014 through December 2014

PROGRAM SUMMARY:

Program costs for the period were \$4,416

CITY GAS COMPANY OF FLORIDA

Schedule CT-6
PROGRAM PROGRESS REPORT

NAME: COMMERCIAL NATURAL GAS CONSERVATION PROGRAM (APPLIANCE) - PROGRAM 10

DESCRIPTION: The Commercial Natural Gas Conservation Program (Appliance) is designed to educate, inform and to encourage business either to build with natural gas (New Construction), to continue using natural gas (Retention) or to convert to natural gas (Retrofit) for their energy needs. The programs offer cash incentives to assist in defraying the costs associated with the installation of natural gas supply lines, internal piping, venting and equipment.

PROGRAM ALLOWANCES:

	New Construction	Replacement	Retention
<i>-Small Food Service</i>			
Tank Water Heater	\$ 1,000	\$ 1,500	\$ 1,000
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,000	1,500	1,000
Fryer	3,000	3,000	3,000
<i>-Commercial Food Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,500	1,500	1,500
Fryer	3,000	3,000	3,000
<i>-Hospitality Lodging</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,500	1,500	1,500
Fryer	3,000	3,000	3,000
Dryer	1500	1500	1500
<i>-Cleaning Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Dryer	1500	1500	1500
<i>-Large Non-food Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000

REPORTING PERIOD: January 2014 through December 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 580,088

SCHEDULE C-1
PAGE 1 OF 1

EXHIBIT NO. (MB-2)
COMPANY: FLORIDA CITY GAS
(A DIVISION OF PIVOTAL UTILITY HOLDINGS, INC.)
DOCKET NO. 150004-GU

Page 1 of 19

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2016 THROUGH DECEMBER 2016
ACTUAL/ESTIMATED PERIOD: JANUARY 2015 THROUGH DECEMBER 2015
FINAL TRUE-UP PERIOD: JANUARY 2014 THROUGH DECEMBER 2014
COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2014 THROUGH DECEMBER 2014

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 5,294,583
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12)	\$ (249,202)
3. TOTAL (LINE 1 AND 2)	<u>\$ 5,045,381</u>

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	DEMAND CHARGE	TOTAL CUST. & ENERGY CHG REVENUES	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERVATION FACTOR
GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportator	98,947	15,784,807	11,446,198	\$ 8,312,911	\$ -	\$ 19,759,108	\$ 2,381,522	12.0530%	\$ 0.15087	1.00503	\$ 0.15163
GS-600 (Sales & Transportation)	1,399	1,088,080	201,412	\$ 475,088	\$ -	\$ 676,500	\$ 81,537	12.0530%	\$ 0.07494	1.00503	\$ 0.07531
GS-1200 (Sales & Transportation)	2,827	9,463,827	508,805	\$ 3,001,453	\$ -	\$ 3,510,257	\$ 423,084	12.0530%	\$ 0.04471	1.00503	\$ 0.04493
GS-6k (Sales & Transportation)	2,251	24,176,535	810,222	\$ 6,645,404	\$ -	\$ 7,455,626	\$ 898,610	12.0530%	\$ 0.03717	1.00503	\$ 0.03736
GS-25000 (Sales & Transportation)	305	9,994,129	293,243	\$ 2,760,179	\$ -	\$ 3,053,422	\$ 368,022	12.0530%	\$ 0.03682	1.00503	\$ 0.03701
GS-60000 (Sales & Transportation)	76	6,520,786	136,938	\$ 1,791,716	\$ -	\$ 1,928,655	\$ 232,457	12.0530%	\$ 0.03565	1.00503	\$ 0.03583
Gas Lights	158	15,190	-	\$ 9,043	\$ -	\$ 9,043	\$ 1,090	12.0530%	\$ 0.07176	1.00503	\$ 0.07212
GS-120000 (Sales & Transportation)	39	8,850,911	118,385	\$ 1,600,599	\$ 119,801	\$ 1,838,784	\$ 221,625	12.0530%	\$ 0.02504	1.00503	\$ 0.02517
GS-250000 (Sales & Transportation)	39	18,310,058	140,677	\$ 3,147,682	\$ 340,969	\$ 3,629,328	\$ 437,435	12.0530%	\$ 0.02389	1.00503	\$ 0.02401
TOTAL	<u>106,041</u>	<u>94,204,324</u>	<u>13,210,686</u>	<u>\$ 27,744,075</u>	<u>\$ 460,770</u>	<u>\$ 41,860,724</u>	<u>\$ 5,045,381</u>				

PROJECTED CONSERVATION PROGRAM COST BY COST CATEGORY
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER	\$ -	\$ 133,517	\$ -	\$ -	\$ 204,000	\$ -	\$ 7,200	\$ -	\$ 344,717
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	-	121,942	-	-	648,000	-	6,600	-	\$ 776,542
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	-	38,520	-	-	2,040	-	-	-	\$ 40,560
7. RES WATER HEATER RETENTION	-	39,252	-	-	1,836,000	-	-	-	\$ 1,875,252
8. RES CUT AND CAP ALTERNATIVE	-	62,149	-	-	30,000	-	-	-	\$ 92,149
9. COMM/IND CONVERSION	-	291,699	-	-	120,000	-	33,600	-	\$ 445,299
10. COMM/IND ALTERNATIVE TECH.	-	-	-	-	-	-	4,440	-	\$ 4,440
11. COMMERCIAL APPLIANCE COMMON COSTS	-	190,423	-	840,000	540,000	-	13,200	132,000	\$ 1,175,623
TOTAL ALL PROGRAMS	-	877,503	-	840,000	3,380,040	-	65,040	132,000	5,294,583
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 877,503	\$ -	\$ 840,000	\$ 3,380,040	\$ -	\$ 65,040	\$ 132,000	\$ 5,294,583

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2015 THROUGH DECEMBER 2015
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER									
A. ACTUAL (7 months)	\$ -	\$ 50,143	\$ -	\$ -	\$ 144,400	\$ -	\$ 2,814	\$ -	\$ 197,357
B. ESTIMATED (5 months)	-	45,000	-	-	90,000	-	2,350	-	137,350
C. TOTAL	-	95,143	-	-	234,400	-	5,164	-	334,707
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT									
A. ACTUAL (7 months)	-	95,268	-	-	510,550	-	2,807	-	608,625
B. ESTIMATED (5 months)	-	77,500	-	-	225,000	-	2,500	-	305,000
C. TOTAL	-	172,768	-	-	735,550	-	5,307	-	913,625
4. DEALER PROGRAM									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION									
A. ACTUAL (7 months)	-	5,997	-	-	2,450	-	-	-	8,447
B. ESTIMATED (5 months)	-	4,500	-	-	750	-	-	-	5,250
C. TOTAL	-	10,497	-	-	3,200	-	-	-	13,697
SUB-TOTAL	\$ -	\$ 278,408	\$ -	\$ -	\$ 973,150	\$ -	\$ 10,470	\$ -	\$ 1,262,028

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2015 THROUGH DECEMBER 2015
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 278,408	\$ -	\$ -	\$ 973,150	\$ -	\$ 10,470	\$ -	\$ 1,262,028
7. RES WATER HEATER RETENTION									
A. ACTUAL (7 months)	-	-	-	-	1,200,890	-	-	-	1,200,890
B. ESTIMATED (5 months)	-	-	-	-	750,000	-	-	-	750,000
C. TOTAL	-	-	-	-	1,950,890	-	-	-	1,950,890
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (7 months)	-	25,404	-	-	20,600	-	-	-	46,004
B. ESTIMATED (5 months)	-	18,250	-	-	7,500	-	-	-	25,750
C. TOTAL	-	43,654	-	-	28,100	-	-	-	71,754
9. COMM/IND CONVERSION									
A. ACTUAL (7 months)	-	132,757	-	-	75,160	-	14,958	-	222,876
B. ESTIMATED (5 months)	-	125,000	-	-	50,000	-	13,000	-	188,000
C. TOTAL	-	257,757	-	-	125,160	-	27,958	-	410,876
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (7 months)	-	-	-	-	-	-	1,987	-	1,987
B. ESTIMATED (5 months)	-	-	-	-	-	-	1,850	-	1,850
C. TOTAL	-	-	-	-	-	-	3,837	-	3,837
11. COMMERCIAL APPLIANCE									
A. ACTUAL (7 months)	-	-	-	-	309,174	-	-	-	309,174
B. ESTIMATED (5 months)	-	-	-	-	185,000	-	-	-	185,000
C. TOTAL	-	-	-	-	494,174	-	-	-	494,174
COMMON COSTS									
A. ACTUAL (7 months)	-	109,640	-	282,164	-	-	3,272	75,835	470,910
B. ESTIMATED (5 months)	-	95,000	-	350,000	-	-	3,500	75,000	523,500
C. TOTAL	-	204,640	-	632,164	-	-	6,772	150,835	994,410
TOTAL		\$ 784,459	\$ -	\$ 632,164	\$ 3,571,474	\$ -	\$ 49,037	\$ 150,835	\$ 5,187,969

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2015 THROUGH DECEMBER 2015
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(484,056)	(515,522)	(502,367)	(412,398)	(390,343)	(344,391)	(319,695)	(303,621)	(286,141)	(335,841)	(384,386)	(411,699)	(4,690,460)
4. TOTAL REVENUES	(484,056)	(515,522)	(502,367)	(412,398)	(390,343)	(344,391)	(319,695)	(303,621)	(286,141)	(335,841)	(384,386)	(411,699)	(4,690,460)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	(62,186)	(62,186)	(62,186)	(62,186)	(62,186)	(62,186)	(62,186)	(62,186)	(62,186)	(62,186)	(62,186)	(62,186)	(746,231)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(546,242)	(577,708)	(564,553)	(474,584)	(452,529)	(406,577)	(381,881)	(365,807)	(348,327)	(398,027)	(446,572)	(473,885)	(5,436,692)
7. CONSERV. EXPS.	618,599	335,780	559,634	415,680	367,250	323,694	445,632	424,340	424,340	424,340	424,340	424,340	5,187,969
8. TRUE-UP THIS PERIOD	72,357	(241,928)	(4,919)	(58,904)	(85,279)	(82,883)	63,751	58,533	76,013	26,313	(22,232)	(49,545)	(248,723)
9. INTEREST PROV. THIS PERIOD	(48)	(49)	(46)	(44)	(52)	(61)	(50)	(41)	(32)	(24)	(20)	(13)	(479)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(746,231)	(611,736)	(791,527)	(734,305)	(731,067)	(754,212)	(774,971)	(649,083)	(528,406)	(390,239)	(301,764)	(261,830)	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	62,186	62,186	62,186	62,186	62,186	62,186	62,186	62,186	62,186	62,186	62,186	62,186	746,231
12. TOTAL NET TRUE-UP	\$ (611,736)	\$ (791,527)	\$ (734,305)	\$ (731,067)	\$ (754,212)	\$ (774,971)	\$ (649,083)	\$ (528,406)	\$ (390,239)	\$ (301,764)	\$ (261,830)	\$ (249,202)	\$ (249,202)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2015 THROUGH DECEMBER 2015
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

INTEREST PROVISION	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	TOTAL
1. BEGINNING TRUE-UP	\$ (746,231)	\$ (611,736)	\$ (791,527)	\$ (734,305)	\$ (731,067)	\$ (754,212)	\$ (774,971)	\$ (649,083)	\$ (528,406)	\$ (390,239)	\$ (301,764)	\$ (261,830)	
2. ENDING TRUE-UP BEFORE INTEREST	(611,688)	(791,478)	(734,260)	(731,023)	(754,160)	(774,909)	(649,034)	(528,365)	(390,207)	(301,740)	(261,810)	(249,189)	
3. TOTAL BEGINNING & ENDING TRUE-UP	(1,357,919)	(1,403,213)	(1,525,786)	(1,465,329)	(1,485,228)	(1,529,122)	(1,424,004)	(1,177,448)	(918,613)	(691,979)	(563,574)	(511,019)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ (678,960)	\$ (701,607)	\$ (762,893)	\$ (732,664)	\$ (742,614)	\$ (764,561)	\$ (712,002)	\$ (588,724)	\$ (459,306)	\$ (345,990)	\$ (281,787)	\$ (255,509)	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	0.080%	0.090%	0.080%	0.060%	0.080%	0.090%	0.090%	0.080%	0.080%	0.080%	0.080%	0.080%	0
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	0.090%	0.080%	0.060%	0.080%	0.090%	0.090%	0.080%	0.080%	0.080%	0.080%	0.080%	0.050%	-
7. TOTAL (SUM LINES 5 & 6)	0.170%	0.170%	0.140%	0.140%	0.170%	0.180%	0.170%	0.160%	0.160%	0.160%	0.160%	0.130%	0
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	0.085%	0.085%	0.070%	0.070%	0.085%	0.090%	0.085%	0.080%	0.080%	0.080%	0.080%	0.065%	0
9. MONTHLY AVG INTEREST RATE	0.007%	0.007%	0.006%	0.006%	0.007%	0.008%	0.007%	0.007%	0.007%	0.007%	0.007%	0.005%	0
10. INTEREST PROVISION	\$ (48)	\$ (49)	\$ (46)	\$ (44)	\$ (52)	\$ (61)	\$ (50)	\$ (41)	\$ (32)	\$ (24)	\$ (20)	\$ (13)	\$ (480)

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL BUILDER - PROGRAM 1

DESCRIPTION: The Residential Builder Program is designed to increase the overall energy efficiency in the residential new construction market by promoting energy-efficient natural gas appliances in residences that would qualify for the RS rates. The program offers builders and developers incentives in the form of cash allowances to assist in defraying the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas 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	150
Gas Clothe Drying	100

REPORTING PERIOD: January 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$ 197,357

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: MULTI-FAMILY RESIDENTIAL BUILDER - PROGRAM 2

DESCRIPTION: The Multi-Family Residential Builder Program is designed to increase overall energy efficiency in the multi-family new construction market by promoting energy-efficient natural gas in multi-unit residences qualifying for the Company's CS rates.

PROGRAM ALLOWANCES:

See Program Summary

REPORTING PERIOD: January 2015 through July 2015

PROGRAM SUMMARY:

Program ended in February 2007 - Multi-Family developments are included in the Residential New Construction Program.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM 3

DESCRIPTION: The Residential Appliance Replacement Program is designed to promote the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. The Program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of 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
Space Conditioning	1200

REPORTING PERIOD: January 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$ 608,625

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: DEALER - PROGRAM 4

DESCRIPTION: The Dealer Program is designed to encourage the replacement of non-gas appliances with energy efficient natural gas appliances through appliance dealers and contractors. The program offers incentives to the dealers and contractors.

PROGRAM ALLOWANCES:

Furnace
Water Heater
Range
Dryer

REPORTING PERIOD: January 2015 through July 2015

PROGRAM SUMMARY:

This program was discontinued in February 1998 with Order #PSC-98-0154-GOF-GU granting the new programs.

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
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 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$0.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
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 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$ 8,447

CITY GAS COMPANY OF FLORIDA
Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL WATER HEATER RETENTION - PROGRAM 7

DESCRIPTION: The Residential Water Heater Retention Program is designed to promote the retention of energy efficient natural gas water heaters in existing residential structures. 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 installation of energy efficient natural gas 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 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$ 1,200,890

CITY GAS COMPANY OF FLORIDA

Schedule C-5
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 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$ 46,004

CITY GAS COMPANY OF FLORIDA

Schedule C-5
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 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$ 222,876

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
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 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$ 1,987

CITY GAS COMPANY OF FLORIDA

Schedule C-5
 PROGRAM PROGRESS REPORT

NAME: COMMERCIAL NATURAL GAS CONSERVATION PROGRAM (APPLIANCE) - PROGRAM 10

DESCRIPTION: The Commercial Natural Gas Conservation Program (Appliance) is designed to educate, inform and to encourage business either to build with natural gas (New Construction), to continue using natural gas (Retention) or to convert to natural gas (Retrofit) for their energy needs. The programs offer cash incentives to assist in defraying the costs associated with the installation of natural gas supply lines, internal piping, venting and equipment.

PROGRAM ALLOWANCES:

	New Construction	Replacement	Retention
<i>-Small Food Service</i>			
Tank Water Heater	\$ 1,000	\$ 1,500	\$ 1,000
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,000	1,500	1,000
Fryer	3,000	3,000	3,000
<i>-Commercial Food Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,500	1,500	1,500
Fryer	3,000	3,000	3,000
<i>-Hospitality Lodging</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,500	1,500	1,500
Fryer	3,000	3,000	3,000
Dryer	1500	1500	1500
<i>-Cleaning Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000
Dryer	1500	1500	1500
<i>-Large Non-food Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000

REPORTING PERIOD: January 2015 through July 2015

PROGRAM SUMMARY:

Program costs for the period were \$ 309,174

ENERGY CONSERVATION COST RECOVERY

INDEX

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CT-6	Program Progress Report	9

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 150004-GU EXHIBIT: 8
PARTY: PEOPLES GAS SYSTEM (PGS) –
DIRECT
DESCRIPTION: Kandi M. Floyd KMF-1

**ADJUSTED NET TRUE-UP
JANUARY 2014 THROUGH DECEMBER 2014**

END OF PERIOD NET TRUE-UP

PRINCIPAL	(309,575)	
INTEREST	<u>29</u>	(309,546)

LESS PROJECTED TRUE-UP

PRINCIPAL	179,061	
INTEREST	<u>(4)</u>	<u>179,057</u>

ADJUSTED NET TRUE-UP

(488,603)

() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
 ACTUAL VERSUS ESTIMATED
 JANUARY 2014 THROUGH DECEMBER 2014

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	363,334	270,659	92,675
MATERIALS & SUPPLIES	1,062	1,762	(700)
ADVERTISING	1,248,955	1,278,424	(29,469)
INCENTIVES	9,467,380	9,477,010	(9,630)
OUTSIDE SERVICES	65,025	47,745	17,280
VEHICLES	0	0	0
OTHER	<u>83,456</u>	<u>92,522</u>	<u>(9,066)</u>
SUB-TOTAL	11,229,211	11,168,122	61,089
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	11,229,211	11,168,122	61,089
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(11,538,786)	(10,989,060)	(549,726)
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	(309,575)	179,062	(488,636)
INTEREST PROVISION	<u>29</u>	<u>(4)</u>	<u>33</u>
END OF PERIOD TRUE-UP	<u>(309,546)</u>	<u>179,058</u>	<u>(488,604)</u>

() REFLECTS OVER-RECOVERY
 *7 MONTHS ACTUAL AND 5 MONTHS PROJECTED

**ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2014 THROUGH DECEMBER 2014**

<u>PROGRAM NAME</u>	<u>PAYROLL & BENEFITS</u>	<u>MATERIALS & SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVE</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
PROGRAM 1: NEW RESIDENTIAL CONSTRUCTION	0	0	0	3,345,515	0	0	0	3,345,515
PROGRAM 2: RESIDENTIAL APPLIANCE RETENTION	0	0	0	4,367,917	0	0	0	4,367,917
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	867,829	0	0	0	867,829
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0
PROGRAM 5: COMMERCIAL ELECTRIC REPLACEMENT	0	0	0	44,884	0	0	0	44,884
PROGRAM 6: GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0
PROGRAM 7: SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0
PROGRAM 8: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 9: CONSERVATION DEMONSTRATION DEVELOPMENT	0	0	0	8,246	20,229	0	0	28,474
PROGRAM 10: COMMERCIAL NEW CONSTRUCTION	0	0	0	92,775	0	0	0	92,775
PROGRAM 11: COMMERCIAL RETENTION	0	0	0	488,919	0	0	0	488,919
PROGRAM 12: COMMERCIAL REPLACEMENT	0	0	0	251,295	0	0	0	251,295
PROGRAM 13: COMMON COSTS	363,334	1,062	1,248,955	0	44,796	0	83,456	1,741,602
TOTAL	363,334	1,062	1,248,955	9,467,380	65,025	0	83,456	11,229,211

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**CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2014 THROUGH DECEMBER 2014**

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVE	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: NEW RESIDENTIAL CONSTRUCTION	0	0	0	(107,254)	0	0	0	(107,254)
PROGRAM 2: RESIDENTIAL APPLIANCE RETENTION	0	0	0	7,080	0	0	0	7,080
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	8,995	0	0	0	8,995
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0
PROGRAM 5: COMMERCIAL ELECTRIC REPLACEMENT	0	0	0	(32,917)	0	0	0	(32,917)
PROGRAM 6: GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0
PROGRAM 7: SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0
PROGRAM 8: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 9: CONSERVATION DEMONSTRATION DEVELOPMENT	0	0	0	(33,555)	20,229	0	0	(13,327)
PROGRAM 10: COMMERCIAL NEW CONSTRUCTION	0	0	0	(1,714)	0	0	0	(1,714)
PROGRAM 11: COMMERCIAL RETENTION	0	0	0	69,191	0	0	0	69,191
PROGRAM 12: COMMERCIAL REPLACEMENT	0	0	0	80,544	0	0	0	80,544
PROGRAM 13: COMMON COSTS	92,675	(700)	(29,469)	0	(2,949)	0	(9,066)	50,490
TOTAL TOTAL OF ALL PROGRAMS	92,675	(700)	(29,469)	(9,630)	17,280	0	(9,066)	61,089

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

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**ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH
JANUARY 2014 THROUGH DECEMBER 2014**

EXPENSES:	JAN 2014	FEB 2014	MAR 2014	APR 2014	MAY 2014	JUN 2014	JUL 2014	AUG 2014	SEPT 2014	OCT 2014	NOV 2014	DEC 2014	TOTAL
NEW RESIDENTIAL CONSTRUCTION	439,665	202,600	260,200	280,850	241,950	230,950	357,900	208,200	308,450	359,750	282,100	172,900	3,345,515
RESIDENTIAL APPLIANCE RETENTION	408,493	399,997	319,792	367,234	310,674	339,596	398,036	313,310	454,977	320,314	371,918	363,577	4,367,917
RESIDENTIAL APPLIANCE REPLACEMENT	98,926	57,430	66,024	65,925	58,882	78,575	75,225	59,394	93,975	54,247	114,475	44,751	867,829
OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCIAL ELECTRIC REPLACEMENT	2,664	2,120	15,380	1,080	3,420	20,720	0	0	(500)	0	0	0	44,884
GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	0	0	0	0
SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0	0	0	0	0	0
MONITORING & RESEARCH	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERVATION DEMONSTRATION DEVELOPMENT	0	1,923	0	20,229	0	0	2,232	0	0	0	668	3,422	28,474
COMMERCIAL NEW CONSTRUCTION	0	0	0	0	13,915	6,500	34,703	3,541	2,000	15,741	4,000	12,375	92,775
COMMERCIAL RETENTION	0	0	0	10,349	42,112	18,946	173,434	123,179	21,750	59,414	10,153	29,581	488,919
COMMERCIAL REPLACEMENT	0	0	0	0	20,837	53,818	24,950	14,994	35,896	61,850	6,495	32,455	251,295
COMMON COSTS	95,351	134,340	59,348	82,740	148,319	80,905	292,994	255,367	206,394	106,604	175,901	103,340	1,741,602
TOTAL	1,045,099	798,410	720,743	828,407	840,109	830,010	1,359,474	977,985	1,122,942	977,921	965,710	762,401	11,229,211

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2014 THROUGH DECEMBER 2014

CONSERVATION REVENUES	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. RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	<u>(1,549,250)</u>	<u>(1,623,260)</u>	<u>(1,335,215)</u>	<u>(1,188,737)</u>	<u>(976,795)</u>	<u>(932,785)</u>	<u>(847,463)</u>	<u>(775,060)</u>	<u>(831,360)</u>	<u>(869,635)</u>	<u>(995,788)</u>	<u>(1,315,196)</u>	<u>(13,240,546)</u>
4. TOTAL REVENUES	(1,549,250)	(1,623,260)	(1,335,215)	(1,188,737)	(976,795)	(932,785)	(847,463)	(775,060)	(831,360)	(869,635)	(995,788)	(1,315,196)	(13,240,546)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,817</u>	<u>1,701,760</u>
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	<u>(1,407,437)</u>	<u>(1,481,447)</u>	<u>(1,193,402)</u>	<u>(1,046,924)</u>	<u>(834,982)</u>	<u>(790,972)</u>	<u>(705,650)</u>	<u>(633,247)</u>	<u>(689,547)</u>	<u>(727,822)</u>	<u>(853,975)</u>	<u>(1,173,379)</u>	<u>(11,538,786)</u>
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	1,045,099	798,410	720,743	828,407	840,109	830,010	1,359,474	977,985	1,122,942	977,921	965,710	762,401	11,229,211
8. TRUE-UP THIS PERIOD	(362,339)	(683,037)	(472,660)	(218,517)	5,127	39,037	653,824	344,738	433,395	250,098	111,735	(410,977)	(309,575)
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	91	43	4	(26)	(34)	(33)	(29)	(12)	1	12	16	(2)	29
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	1,701,760	1,197,699	372,892	(241,577)	(601,934)	(738,653)	(841,462)	(329,480)	(126,567)	165,016	273,313	243,251	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,817)</u>	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	<u>1,197,699</u>	<u>372,892</u>	<u>(241,577)</u>	<u>(601,934)</u>	<u>(738,653)</u>	<u>(841,462)</u>	<u>(329,480)</u>	<u>(126,567)</u>	<u>165,016</u>	<u>273,313</u>	<u>243,251</u>	<u>(309,546)</u>	<u>(309,546)</u>

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CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2014 THROUGH DECEMBER 2014

INTEREST PROVISION	JAN 2014	FEB 2014	MAR 2014	APR 2014	MAY 2014	JUN 2014	JUL 2014	AUG 2014	SEPT 2014	OCT 2014	NOV 2014	DEC 2014	TOTAL
1. BEGINNING TRUE-UP	1,701,763	1,197,699	372,892	(241,577)	(601,934)	(738,653)	(841,462)	(329,480)	(126,567)	165,016	273,313	243,251	
2. ENDING TRUE-UP BEFORE INTEREST	1,197,608	372,849	(241,581)	(601,908)	(738,620)	(841,429)	(329,451)	(126,555)	165,015	273,301	243,235	(309,544)	
3. TOTAL BEGINNING & ENDING TRUE-UP	2,899,371	1,570,548	131,311	(843,485)	(1,340,554)	(1,580,082)	(1,170,912)	(456,035)	38,447	438,317	516,547	(66,293)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	1,449,686	785,274	65,655	(421,743)	(670,277)	(790,041)	(585,456)	(228,017)	19,224	219,158	258,274	(33,146)	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	0.080%	0.070%	0.060%	0.070%	0.080%	0.040%	0.060%	0.060%	0.070%	0.060%	0.070%	0.080%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	0.070%	0.060%	0.070%	0.080%	0.040%	0.060%	0.060%	0.070%	0.060%	0.070%	0.080%	0.100%	
7. TOTAL (SUM LINES 5 & 6)	0.150%	0.130%	0.130%	0.150%	0.120%	0.100%	0.120%	0.130%	0.130%	0.130%	0.150%	0.180%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	0.075%	0.065%	0.065%	0.075%	0.060%	0.050%	0.060%	0.065%	0.065%	0.065%	0.075%	0.090%	
9. MONTHLY AVG INTEREST RATE	0.006%	0.005%	0.005%	0.006%	0.005%	0.004%	0.005%	0.005%	0.005%	0.005%	0.006%	0.008%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	91	43	4	(26)	(34)	(33)	(29)	(12)	1	12	16	(2)	29

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Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: NEW RESIDENTIAL CONSTRUCTION

Description: This Program is designed to increase the number of high priority natural gas customers in the new residential construction market. The Company offers incentives to builders for the installation of natural gas appliances in order to defray the initial higher cost associated with piping and venting when installing natural gas appliances.

Program Allowances:	Natural Gas Tank Water Heater	.....	\$ 350
	Natural Gas High Efficiency Water Heater	.....	\$ 400
	Natural Gas Tankless Water Heater	.....	\$ 550
	Natural Gas Furnace	.....	\$ 500
	Natural Gas Cooking (Range, Oven, Cooktop)	.....	\$ 150
	Natural Gas Dryer	.....	\$ 100

Program Summary

New Home Goal:	3,836
New Homes Connected:	<u>3,717</u>
Variance:	<u>119</u>
Percent of Goal:	96.9%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$3,452,769
Actual Cost:	<u>\$3,345,515</u>
Variance:	<u>\$107,254</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: RESIDENTIAL APPLIANCE RETENTION

Description: This program is designed to encourage current natural gas customers to replace existing natural gas appliances with energy efficient natural gas appliances. The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:	Natural Gas Tank Water Heater	.....	\$ 350
	Natural Gas High Efficiency Water Heater	.....	\$ 400
	Natural Gas Tankless Water Heater	.....	\$ 550
	Natural Gas Furnace	.....	\$ 500
	Natural Gas Cooking (Range, Oven, Cooktop)	.....	\$ 100
	Natural Gas Dryer	.....	\$ 100

Program Summary

Goals:	4,845
Actual:	<u>4,853</u>
Variance:	<u>(8)</u>
Percent of Goal:	100.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$4,360,837
Actual Cost:	<u>\$4,367,917</u>
Variance:	<u>(\$7,080)</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: RESIDENTIAL APPLIANCE REPLACEMENT

Description: This program was designed to encourage the replacement of electric resistance appliances with energy efficient natural gas appliances by offering incentives to defray the initial higher cost associated with piping and venting for natural gas appliances.

Program Allowances:	Natural Gas Tank Water Heater	\$ 500
	Natural Gas High Efficiency Water Heater	\$ 550
	Natural Gas Tankless Water Heater	\$ 675
	Natural Gas Furnace	\$ 725
	Natural Gas Cooking (Range, Oven, Cooktop)	\$ 200
	Natural Gas Dryer	\$ 150
	Natural Gas Space Heating	\$ 65

Program Summary

Goals:	636
Actual:	<u>643</u>
Variance:	<u>(7)</u>

Percent of Goal: 101.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$858,834
Actual Cost:	<u>\$867,829</u>
Variance:	<u>(\$8,995)</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: OIL HEAT REPLACEMENT

Description: This program is designed to encourage customers to convert their existing oil heating system to more energy efficient natural gas heating. Peoples' offers piping and venting allowances to defray the higher cost of installation of natural gas systems in hopes of preventing the customer from putting in less costly electric resistance strip heat.

Program Allowances:	Energy Efficient Gas Furnace	.....	\$	330
	Space Heating	.....	\$	330

Program Summary

Goals	0
Actual	<u>0</u>
Variance:	<u><u>0</u></u>

Percent of Goal: 0.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	<u>\$0</u>
Variance:	<u><u>\$0</u></u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMERCIAL ELECTRIC REPLACEMENT

Description: This program is designed to encourage the replacement of electric resistance appliances in commercial establishments by offering piping and venting allowances to defray the additional cost of installing natural gas equipment.

Program Allowances: For each kW Displaced \$ 40

Program Summary

Goals:	1,945 (Projected kW Displaced)
Actual:	<u>1,122</u>
Variance:	<u>823</u>
Percent of Goal:	57.7%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$77,801
Actual Cost:	<u>\$44,884</u>
Variance:	<u>\$32,917</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: GAS SPACE CONDITIONING

Description: This Program is designed to convert on-main customers from electric space conditioning equipment to energy efficient gas space conditioning. The program offers piping and venting allowances to reduce the generally higher cost of installing gas space conditioning equipment. This program would also reduce summer as well as winter peak demand and contribute to the conservation of KWH / KWD consumption.

Program Allowances: \$150 / ton

Program Summary

Goals:	0
Actual:	<u>0</u>
Variance:	<u>0</u>
Percent of Goal:	0.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	<u>\$0</u>
Variance:	<u>\$0</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: SMALL PACKAGE COGEN

Description: This program was designed to promote the direct use of natural gas to generate on-site power and utilize the waste heat for on-site heating, cooling and water heating requirements for commercial and industrial applications. For commercial and industrial customers that are interested, workshops and a feasibility audit will be made available upon request.

Program Allowances: \$150 / kW kW Deferred
\$5,000 Feasibility Study

Program Summary

Goals: 0
Actual: 0
Variance: 0

Percent of Goal: 0.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$0
Actual Cost: \$0
Variance: \$0

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: MONITORING & RESEARCH

Description: This program will be used to monitor and evaluate PGS existing conservation programs and demonstrate prototype technologies emerging in the marketplace.

Program Summary: Estimated annual cost: \$80,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	<u>\$0</u>
Variance:	<u>\$0</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: CONSERVATION DEMONSTRATION DEVELOPMENT

Description: The CDD program allows local distribution companies to pursue opportunities for individual and joint research including testing of technologies to develop new energy conservation programs.

Program Summary: Estimated annual cost: \$150,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$41,801

Actual Cost: \$28,474

Variance: \$13,327

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMERCIAL NEW CONSTRUCTION

Description: This Program is designed to increase the number of high priority natural gas customers in the new commercial construction market. The Company offers incentives to customers for the installation of natural gas appliances in order to defray the initial higher cost associated with piping and venting when installing natural gas appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1000	up to \$1500	up to \$1500	up to \$1500	up to \$1500
Tankless Water Heater	up to \$2000	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1000	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 63
 Actual: 62
 Variance: 1

Percent of Goal: 98.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$94,489
 Actual Cost: \$92,775
 Variance: \$1,714

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMERCIAL RETENTION

Description: This program is designed to encourage current natural gas customers to replace existing natural gas appliances with energy efficient natural gas appliances. The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1000	up to \$1500	up to \$1500	up to \$1500	up to \$1500
Tankless Water Heater	up to \$2000	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1000	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 280
 Actual: 326
 Variance: (46)

Percent of Goal: 116.5%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$419,728
 Actual Cost: \$488,919
 Variance: (\$69,191)

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMERCIAL REPLACEMENT

Description: This program was designed to encourage the replacement of electric appliances with energy efficient natural gas appliances by offering incentives to defray the initial higher cost associated with piping and venting for natural gas appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1500	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Tankless Water Heater	up to \$2500	up to \$2500	up to \$2500	up to \$2500	up to \$2500
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1500	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 68
 Actual: 101
 Variance: (32)

Percent of Goal: 147.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$170,751
 Actual Cost: \$251,295
 Variance: (\$80,544)

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMON COSTS

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$1,691,112

Actual Cost: \$1,741,602

Variance: (\$50,490)

ENERGY CONSERVATION COST RECOVERY

INDEX

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FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 150004-GU EXHIBIT: 9
PARTY: PEOPLES GAS SYSTEM (PGS) –
DIRECT
DESCRIPTION: Kandi M. Floyd KMF-2

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: January 2016 Through December 2016

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	13,487,478
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	-1,387,644
3. TOTAL (LINE 1 AND LINE 2)	12,099,834

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RS & RS-SG	3,996,949	82,571,000	62,618,868	22,114,165	84,733,033	5,275,397	6.22590%	0.06389	1.00503	0.06421
SGS	135,020	8,797,000	3,375,500	2,981,655	6,357,155	395,790	6.22590%	0.04499	1.00503	0.04522
GS-1 & CS-SG	186,981	75,126,000	6,544,335	20,133,768	26,678,103	1,660,953	6.22590%	0.02211	1.00503	0.02222
GS-2	84,814	128,685,000	4,240,700	29,270,690	33,511,390	2,086,387	6.22590%	0.01621	1.00503	0.01629
GS-3	9,892	86,094,000	1,483,800	16,934,690	18,418,490	1,146,717	6.22590%	0.01332	1.00503	0.01339
GS-4	2,197	64,874,000	549,250	9,870,579.00	10,419,829	648,729	6.22590%	0.01000	1.00503	0.01005
GS-5	1,543	120,219,000	462,900	13,609,993	14,072,893	876,165	6.22590%	0.00729	1.00503	0.00732
NGVS	180	167,000	8,100	30,715	38,815	2,417	6.22590%	0.01447	1.00503	0.01454
CSLS	516	620,000	0	116,926	116,926	7,280	6.22590%	0.01174	1.00503	0.01180
TOTAL	4,418,092	567,153,000	79,283,453	115,063,181	194,346,634	12,099,834				

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ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
January 2016 Through December 2016

PROGRAM	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
1 NEW RESIDENTIAL CONSTRUCTION	334,999	334,999	334,999	334,999	334,999	334,999	334,999	334,999	334,999	334,999	334,999	334,999	\$4,019,985
2 RESIDENTIAL APPLIANCE RETENTION	429,705	429,705	429,705	429,705	429,705	429,705	429,705	429,705	429,705	429,705	429,705	429,705	\$5,156,457
3 RESIDENTIAL APPLIANCE REPLACEMENT	84,588	84,588	84,588	84,588	84,588	84,588	84,588	84,588	84,588	84,588	84,588	84,588	\$1,015,055
4 COMMERCIAL ELECTRIC REPLACEMENT	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	2,692	\$32,303
5 GAS SPACE CONDITIONING	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	\$25,000
6 SMALL PACKAGE COGEN	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	\$25,000
7 COMMON COSTS	149,990	149,990	149,990	149,990	149,990	149,990	149,990	149,990	149,990	149,990	149,990	149,990	\$1,799,883
8 MONITORING AND RESEARCH	0	0	0	0	0	0	0	0	0	0	0	0	\$0
9 OIL HEAT REPLACEMENT	117	117	117	117	117	117	117	117	117	117	117	117	\$1,400
10 CONSERVATION DEMONSTRATION DEVELOPMENT	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	\$50,000
11 COMMERCIAL NEW CONSTRUCTION	19,332	19,332	19,332	19,332	19,332	19,332	19,332	19,332	19,332	19,332	19,332	19,332	\$231,984
12 COMMERCIAL RETENTION	42,302	42,302	42,302	42,302	42,302	42,302	42,302	42,302	42,302	42,302	42,302	42,302	\$507,621
13 COMMERCIAL REPLACEMENT	51,899	51,899	51,899	51,899	51,899	51,899	51,899	51,899	51,899	51,899	51,899	51,899	\$622,791
TOTAL ALL PROGRAMS	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$1,123,957	\$13,487,478

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2016 Through December 2016

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 NEW RESIDENTIAL CONSTRUCTION	0	0	0	0	4,019,985	0	0	0	\$4,019,985
2 RESIDENTIAL APPLIANCE RETENTION	0	0	0	0	5,156,457	0	0	0	\$5,156,457
3 RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	0	1,015,055	0	0	0	\$1,015,055
4 COMMERCIAL ELECTRIC REPLACEMENT	0	0	0	0	32,303	0	0	0	\$32,303
5 GAS SPACE CONDITIONING	0	0	0	0	25,000	0	0	0	\$25,000
6 SMALL PACKAGE COGEN	0	0	0	0	25,000	0	0	0	\$25,000
7 COMMON COSTS	0	377,711	1,365	1,320,000	0	7,808	575	92,424	\$1,799,883
8 MONITORING AND RESEARCH	0	0	0	0	0	0	0	0	\$0
9 OIL HEAT REPLACEMENT	0	0	0	0	1,400	0	0	0	\$1,400
10 CONSERVATION DEMONSTRATION DEVELOPMENT	0	0	0	0	50,000	0	0	0	\$50,000
11 COMMERCIAL NEW CONSTRUCTION	0	0	0	0	231,984	0	0	0	\$231,984
12 COMMERCIAL RETENTION	0	0	0	0	507,621	0	0	0	\$507,621
13 COMMERCIAL REPLACEMENT	0	0	0	0	622,791	0	0	0	\$622,791
PROGRAM COSTS	\$0	\$377,711	\$1,365	\$1,320,000	\$11,687,596	\$7,808	\$575	\$92,424	\$13,487,478

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2015 Through December 2015
 7 Months of Actuals

PROGRAM	CAPITAL INVEST	PAYROLL BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 NEW RESIDENTIAL CONSTRUCTION									
A. ACTUAL	0	0	0	0	2,276,691	0	0	0	2,276,691
B. ESTIMATED	0	0	0	0	1,626,208	0	0	0	1,626,208
C. TOTAL	0	0	0	0	3,902,898	0	0	0	3,902,898
2 RESIDENTIAL APPLIANCE RETENTION									
A. ACTUAL	0	0	0	0	2,920,323	0	0	0	2,920,323
B. ESTIMATED	0	0	0	0	2,085,945	0	0	0	2,085,945
C. TOTAL	0	0	0	0	5,006,269	0	0	0	5,006,269
3 RESIDENTIAL APPLIANCE REPLACEMENT									
A. ACTUAL	0	0	0	0	574,869	0	0	0	574,869
B. ESTIMATED	0	0	0	0	410,621	0	0	0	410,621
C. TOTAL	0	0	0	0	985,490	0	0	0	985,490
4 COMMERCIAL ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	15,362	0	0	0	15,362
B. ESTIMATED	0	0	0	0	16,000	0	0	0	16,000
C. TOTAL	0	0	0	0	31,362	0	0	0	31,362
5 GAS SPACE CONDITIONING									
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
6 SMALL PACKAGE COGEN									
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
SUB-TOTAL	\$0	\$0	\$0	\$0	\$9,926,019	\$0	\$0	\$0	\$9,926,019

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ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
January 2015 Through December 2015
7 Months of Actuals

PROGRAM NAME	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	9,926,019	0	0	0	9,926,019
7. COMMON COSTS									
A. ACTUAL	0	205,164	625	449,354	0	2,581	558	4,732	663,014
B. ESTIMATED	0	161,546	700	671,195	0	5,000	0	85,000	923,441
C. TOTAL	0	366,710	1,325	1,120,549	0	7,581	558	89,732	1,586,455
8. MONITORING AND RESEARCH									
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
9. OIL HEAT REPLACEMENT									
A. ACTUAL	0	0	0	0	830	0	0	0	830
B. ESTIMATED	0	0	0	0	593	0	0	0	593
C. TOTAL	0	0	0	0	1,423	0	0	0	1,423
10. CONSERVATION DEMONSTRATION DEVELOPMENT									
A. ACTUAL	0	0	0	0	23,874	0	0	0	23,874
B. ESTIMATED	0	0	0	0	18,000	0	0	0	18,000
C. TOTAL	0	0	0	0	41,874	0	0	0	41,874
11. COMMERCIAL NEW CONSTRUCTION									
A. ACTUAL	0	0	0	0	70,928	0	0	0	70,928
B. ESTIMATED	0	0	0	0	50,663	0	0	0	50,663
C. TOTAL	0	0	0	0	121,591	0	0	0	121,591
12. COMMERCIAL RETENTION									
A. ACTUAL	0	0	0	0	206,263	0	0	0	206,263
B. ESTIMATED	0	0	0	0	147,331	0	0	0	147,331
C. TOTAL	0	0	0	0	353,594	0	0	0	353,594
13. COMMERCIAL REPLACEMENT									
A. ACTUAL	0	0	0	0	372,911	0	0	0	372,911
B. ESTIMATED	0	0	0	0	266,365	0	0	0	266,365
C. TOTAL	0	0	0	0	639,275	0	0	0	639,275
TOTAL	\$0	\$366,710	\$1,325	\$1,120,549	\$11,083,777	\$7,581	\$558	\$89,732	\$12,670,231

CONSERVATION PROGRAM COSTS BY PROGRAM
 ACTUAL/ESTIMATED
 January 2015 Through December 2015
 7 Months of Actuals

PROGRAM NAME	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
NEW RESIDENTIAL CONSTRUCTION	507,991	303,750	392,800	245,450	360,650	207,950	258,100	325,242	325,242	325,242	325,242	325,242	\$3,902,898
RESIDENTIAL APPLIANCE RETENTION	514,288	324,721	454,249	339,565	456,111	473,540	357,850	417,189	417,189	417,189	417,189	417,189	\$5,006,269
RESIDENTIAL APPLIANCE REPLACEMENT	81,430	80,350	93,669	94,025	68,450	87,995	68,950	82,124	82,124	82,124	82,124	82,124	\$985,490
COMMERCIAL ELECTRIC REPLACEMENT	10,000	0	640	0	0	0	4,722	3,200	3,200	3,200	3,200	3,200	\$31,362
GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	0	0	0	\$0
SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0	0	0	0	0	\$0
COMMON COSTS	75,659	107,082	125,016	55,171	74,774	102,702	122,609	184,688	184,688	184,688	184,688	184,688	\$1,586,454
MONITORING AND RESEARCH	0	0	0	0	0	0	0	0	0	0	0	0	\$0
OIL HEAT REPLACEMENT	0	0	500	0	330	0	0	119	119	119	119	119	\$1,423
CONSERVATION DEMONSTRATION DEVELOPMENT	0	3,556	0	1,382	18,937	0	0	3,600	3,600	3,600	3,600	3,600	\$41,874
COMMERCIAL NEW CONSTRUCTION	7,428	0	0	12,000	26,000	20,500	5,000	10,133	10,133	10,133	10,133	10,133	\$121,591
COMMERCIAL RETENTION	25,890	27,440	10,783	20,875	17,500	22,000	81,775	29,466	29,466	29,466	29,466	29,466	\$353,594
COMMERCIAL REPLACEMENT	91,648	62,648	29,800	36,775	43,776	48,970	59,294	53,273	53,273	53,273	53,273	53,273	\$639,275
TOTAL ALL PROGRAMS	\$1,314,333	\$909,548	\$1,107,457	\$805,242	\$1,066,527	\$963,658	\$958,300	\$1,109,033	\$1,109,033	\$1,109,033	\$1,109,033	\$1,109,033	\$12,670,230

ENERGY CONSERVATION ADJUSTMENT
January 2015 Through December 2015

CONSERVATION REVS.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	-1,664,230	-1,725,777	-1,673,291	-1,229,117	-975,667	-1,002,206	-912,709	-912,709	-912,709	-912,709	-912,709	-912,709	-13,746,540
b. CONSERV. ADJ. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	-1,664,230	-1,725,777	-1,673,291	-1,229,117	-975,667	-1,002,206	-912,709	-912,709	-912,709	-912,709	-912,709	-912,709	-13,746,540
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	-25,796	-25,796	-25,796	-25,796	-25,796	-25,796	-25,796	-25,796	-25,796	-25,796	-25,796	-25,796	-309,546
CONSERVATION REVS. APPLIC. TO PERIOD	-1,690,025	-1,751,572	-1,699,086	-1,254,913	-1,001,462	-1,028,001	-938,504	-938,504	-938,504	-938,504	-938,504	-938,504	-14,056,086
CONSERVATION EXPS. (FORM C-3, PAGE 3)	1,314,333	909,548	1,107,457	805,242	1,066,527	963,658	958,300	1,109,033	1,109,033	1,109,033	1,109,033	1,109,033	12,670,230
TRUE-UP THIS PERIOD	-375,692	-842,024	-591,630	-449,670	65,065	-64,344	19,796	170,529	170,529	170,529	170,529	170,529	-1,385,855
INTEREST THIS PERIOD (C-3,PAGE 5)	-40	-85	-132	-141	-161	-180	-189	-208	-190	-172	-154	-136	-1,789
TRUE-UP & INT. BEG. OF MONTH	-309,546	-659,483	-1,475,797	-2,041,763	-2,465,778	-2,375,079	-2,413,807	-2,368,405	-2,172,289	-1,976,154	-1,780,002	-1,583,832	-1,387,644
PRIOR TRUE-UP COLLECT./(REFUND.)	25,796	25,796	25,796	25,796	25,796	25,796	25,796	25,796	25,796	25,796	25,796	25,796	309,546
END OF PERIOD TOTAL NET TRUE-UP	-659,483	-1,475,797	-2,041,763	-2,465,778	-2,375,079	-2,413,807	-2,368,405	-2,172,289	-1,976,154	-1,780,002	-1,583,832	-1,387,644	-1,387,644

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CALCULATION OF TRUE-UP AND INTEREST PROVISION
January 2015 Through December 2015

INTEREST PROVISION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
BEGINNING TRUE-UP	-309,546	-659,483	-1,475,797	-2,041,763	-2,465,778	-2,375,079	-2,413,807	-2,368,405	-2,172,289	-1,976,154	-1,780,002	-1,583,832	-1,387,644
END. T-UP BEFORE INT.	-659,443	-1,475,712	-2,041,631	-2,465,637	-2,374,918	-2,413,627	-2,368,216	-2,172,081	-1,975,964	-1,779,830	-1,583,678	-1,387,508	-2,463,953
TOT. BEG. & END. T-UP	-968,989	-2,135,195	-3,517,428	-4,507,400	-4,840,696	-4,788,706	-4,782,022	-4,540,485	-4,148,253	-3,755,985	-3,363,680	-2,971,340	-3,851,597
AVERAGE TRUE-UP	-484,494	-1,067,598	-1,758,714	-2,253,700	-2,420,348	-2,394,353	-2,391,011	-2,270,243	-2,074,127	-1,877,992	-1,681,840	-1,485,670	-1,925,799
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.1000%	0.1000%	0.0900%	0.0900%	0.0600%	0.1000%	0.0800%	0.1100%	0.1100%	0.1100%	0.1100%	0.1100%	0.1100%
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.1000%	0.0900%	0.0900%	0.0600%	0.1000%	0.0800%	0.1100%	0.1100%	0.1100%	0.1100%	0.1100%	0.1100%	0.1100%
TOTAL	0.2000%	0.1900%	0.1800%	0.1500%	0.1600%	0.1800%	0.1900%	0.2200%	0.2200%	0.2200%	0.2200%	0.2200%	0.2200%
AVG INTEREST RATE	0.1000%	0.0950%	0.0900%	0.0750%	0.0800%	0.0900%	0.0950%	0.1100%	0.1100%	0.1100%	0.1100%	0.1100%	0.1100%
MONTHLY AVG. RATE	0.0083%	0.0079%	0.0075%	0.0063%	0.0067%	0.0075%	0.0079%	0.0092%	0.0092%	0.0092%	0.0092%	0.0092%	0.0092%
INTEREST PROVISION	-\$40	-\$85	-\$132	-\$141	-\$161	-\$180	-\$189	-\$208	-\$190	-\$172	-\$154	-\$136	-\$1,789

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: NEW RESIDENTIAL CONSTRUCTION

Description: This Program is designed to increase the number of high priority natural gas customers in the new residential construction market. The Company offers incentives to builders for the installation of natural gas appliances in order to defray the initial higher cost associated with piping and venting when installing natural gas appliances.

Program Allowances:	Gas Water Heater	\$350.00
	Gas Heating	\$350.00
	Gas Tankless Water Heater	\$450.00
	Gas Cooking	\$100.00
	Gas Dryer	\$100.00

Program Goals: Projected new home connections for this period:	4,879
Actual connections to date this period:	2,846
Percent of goal:	58.3%
7 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$3,902,898
	Actual to date:	\$2,276,691

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Peoples Gas System

Reporting: January 2015 Through December 2015

Name: RESIDENTIAL APPLIANCE RETENTION

Description: This program is designed to encourage current natural gas customers to replace existing natural gas appliances with energy efficient natural gas appliances. The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:	Gas Water Heater	\$350.00
	Gas Heating	\$350.00
	Gas Tankless Water Heater	\$450.00
	Gas Cooking	\$100.00
	Gas Dryer	\$100.00

Program Goals:	Projected connections for this period:	12,516
	Actual connections to date this period:	7,301
	Percent of goal:	58.3%
	7 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$5,006,269
	Actual to date:	\$2,920,323

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: RESIDENTIAL APPLIANCE REPLACEMENT

Description: This program was designed to encourage the replacement of electric resistance appliances with energy efficient natural gas appliances by offering incentives to defray the initial higher cost associated with piping and venting for natural gas appliances.

Program Allowances:	Natural Gas Water Heater	\$525.00
	Natural Gas Heating	\$625.00
	Natural Gas Tankless Water Heater . . .	\$525.00
	Natural Gas Range	\$100.00
	Natural Gas Dryer	\$100.00
	Natural Gas Space Heater	\$65.00

Program Goals:	Projected connections for this period:	1,877
	Actual connections to date this period:	1,095
	Percent of goal:	58.3%
	7 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$985,490
	Actual to date:	\$574,869

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: COMMERCIAL ELECTRIC REPLACEMENT

Description: This program is designed to encourage the replacement of electric resistance equipment in commercial establishments by offering piping and venting allowances to defray the additional cost of installing more energy efficient equipment.

Program Allowances:	For every kW Displaced	\$40.00
Program Goals:	Projected kW Displaced this period:	784
	Actual kW Displaced this period	384
	Percent of goal:	49%
Program Fiscal Expenditures:	Estimated for period:	\$31,362
	Actual to date:	\$15,362

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: GAS SPACE CONDITIONING

Description: This Program is designed to convert on-main customers from electric space conditioning equipment to energy efficient gas space conditioning. The program offers piping and venting allowances to reduce the generally higher cost of installing gas space conditioning equipment. This program would also reduce summer as well as winter peak demand and contribute to the conservation of KWH / KWD consumption.

Program Allowance: Each customer allowed 100 tons maximum paid allowance / installation at: \$150 per ton

Program Goals:	Projected tons for this period:	0
	Actual tons for this period	0
	Percent of goal:	0%

Program Fiscal Expenditures:	Estimated for period:	\$0
	Actual to date:	\$0

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: SMALL PACKAGE COGEN

Description: This program was designed to promote the direct use of natural gas to generate on-site power and utilize the waste heat for on-site heating, cooling and water heating requirements for commercial and industrial applications. For commercial and industrial customers that are interested, workshops and a feasibility audit will be made available upon request.

Program Goals:	Projected tons for this period:	0
	Actual tons for this period:	0
	Percent of goal: 7 Months of Actuals	0%
Program Fiscal Expenditures:	Estimated for period:	\$0
	Actual to date:	\$0

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: COMMON COSTS

Program Fiscal Expenditures:

Estimated for period: **\$1,586,455**

Actual to date: **\$663,014**

Percent of goal: **41.8%**
7 Months of Actuals

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: OIL HEAT REPLACEMENT

Description: This program is designed to encourage customers to convert their existing oil heating system to more energy efficient natural gas heating. Peoples' offers piping and venting allowances to defray the higher cost of installation of natural gas systems in hopes of preventing the customer from putting in less costly electric resistance strip heat.

Program Allowance: Energy Efficient Gas Furnaces \$330.00

Program Goals: Projected new connections for this period: **4**
 Actual connections to date this period: **3**
 Percent of goal: **58.3%**
 7 Months of Actuals

Program Fiscal Expenditures: Estimated for period: **\$1,423**
 Actual to date: **\$830**

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: CONSERVATION DEMONSTRATION AND DEVELOPMENT PROGRAM

Description: The CDD program allows local distribution companies to pursue opportunities for individual and joint research including testing of technologies to develop new energy conservation programs.

Program Fiscal Expenditures:	Estimated for period:	\$18,000
	Actual to date:	\$23,874

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: COMMERCIAL NEW CONSTRUCTION

Description: This Program is designed to increase the number of high priority natural gas customers in the new commercial construction market. The Company offers incentives to customers for the installation of natural gas appliances in order to defray the initial higher cost associated with piping and venting when installing natural gas appliances.

		Small Food	Large Food	Non-Food	Hospitality	Cleaning
Program Allowances:	Water Heater	up to \$1000	up to \$1500	up to \$1500	up to \$1500	up to \$1500
	Tankless Water Heater	up to \$2000	up to \$2000	up to \$2000	up to \$2000	up to \$2000
	Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
	Range	up to \$1000	up to \$1500	N/A	up to \$1500	N/A
	Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Goals: Projected new connections for this period: **51**

Actual connections to date this period: **30**

Percent of goal: **58.3%**
7 Months of Actuals

Program Fiscal Expenditures: Estimated for period: **\$121,591**

Actual to date: **\$70,928**

Peoples Gas System

Reporting: January 2015 Through December 2015

Name: COMMERCIAL RETENTION

Description: This program is designed to encourage current natural gas customers to replace existing natural gas appliances with energy efficient natural gas appliances. The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

		Small Food	Large Food	Non-Food	Hospitality	Cleaning
Program Allowances:	Water Heater	up to \$1000	up to \$1500	up to \$1500	up to \$1500	up to \$1500
	Tankless Water Heater	up to \$2000	up to \$2000	up to \$2000	up to \$2000	up to \$2000
	Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
	Range	up to \$1000	up to \$1500	N/A	up to \$1500	N/A
	Dryer	N/A	N/A	N/A	\$1,500	\$1,500

Program Goals: Projected new connections for this period: **122**

Actual connections to date this period: **71**

Percent of goal: **58.3%**
7 Months of Actuals

Program Fiscal Expenditures: Estimated for period: **\$353,594**

Actual to date: **\$206,263**

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Peoples Gas System

Reporting: January 2015 Through December 2015

Name: COMMERCIAL REPLACEMENT

Description: This program was designed to encourage the replacement of electric appliances with energy efficient natural gas appliances by offering incentives to defray the initial higher cost associated with piping and venting for natural gas appliances.

Program Allowances:	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1500	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Tankless Water Heater	up to \$2500	up to \$2500	up to \$2500	up to \$2500	up to \$2500
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1500	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Goals: Projected new connections for this period: **205**

Actual connections to date this period: **120**

Percent of goal: **41.67%**
7 Months of Actuals

Program Fiscal Expenditures: Estimated for period: **\$639,275**

Actual to date: **\$372,911**

SCHEDULE CT-1

St Joe Natural Gas
Docket No. 150004-GU
Exhibit# DKS-1
2014 Conservation True-Up
Filed: May 4, 2015

REVISED

ADJUSTED NET TRUE-UP
FOR MONTHS: JANUARY 2014 THROUGH DECEMBER 2014

END OF PERIOD NET TRUE-UP

PRINCIPLE	48,645	
INTEREST	<u>21</u>	48,666

LESS PROJECTED TRUE-UP

PRINCIPLE	38,209	
INTEREST	<u>23</u>	<u>38,232</u>

ADJUSTED NET TRUE-UP		<u><u>10,434</u></u>
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() REFLECTS OVER-RECOVERY

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 150004-GU EXHIBIT: 10
PARTY: ST. JOE NATURAL GAS COMPANY (SJNG)
- DIRECT
DESCRIPTION: Debbie Stitt DKS-1(Revised)

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED

FOR MONTHS: JANUARY 2014 THROUGH DECEMBER 2014

	ACTUAL	PROJECTED*	DIFFERENCE
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	0	0	0
MATERIALS & SUPPLIES	0	0	0
ADVERTISING	0	0	0
INCENTIVES	128,000	111,875	16,125
OUTSIDE SERVICES	0	0	0
VEHICLES	0	0	0
OTHER	0	0	0
SUB-TOTAL	128,000	111,875	16,125
PROGRAM REVENUES	0	0	0
TOTAL PROGRAM COSTS	128,000	111,875	16,125
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION ADJUSTMENT REVENUES	-79,355	-73,666	-5,689
ROUNDING ADJUSTMENT	0	0	0
TRUE-UP BEFORE INTEREST	48,645	38,209	10,436
INTEREST PROVISION	21	23	-2
END OF PERIOD TRUE-UP	48,666	38,232	10,434

() REFLECTS OVER-RECOVERY
* 2 MONTHS ACTUAL AND 10 MONTHS PROJECTED

REVISED

REVISED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
FOR MONTHS: JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL NEW CONSTRUCTION	0	0	0	0	24,750	0	0	0	24,750
PROGRAM 2: RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	0	28,350	0	0	0	28,350
PROGRAM 3: RESIDENTIAL APPLIANCE RETENTION	0	0	0	0	74,900	0	0	0	74,900
PROGRAM 4: CONSUMER EDUCATION	0	0	0	0	0	0	0	0	0
PROGRAM 5: OUTSIDE SERVICES	0	0	0	0	0	0	0	0	0
PROGRAM 6: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	128,000	0	0	0	128,000

REVISED

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
FOR MONTHS: JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL NEW CONSTRUCTION	0	0	0	0	4,000	0	0	0	4,000
PROGRAM 2: RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	0	3,375	0	0	0	3,375
PROGRAM 3: RESIDENTIAL APPLIANCE RETENTION	0	0	0	0	8,750	0	0	0	8,750
PROGRAM 4: CONSUMER EDUCATION	0	0	0	0	0	0	0	0	0
PROGRAM 5: OUTSIDE SERVICES	0	0	0	0	0	0	0	0	0
PROGRAM 6: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 7: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 8: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	16,125	0	0	0	16,125

() REFELCTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

REVISED

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH
FOR MONTHS: JANUARY 2014 THROUGH DECEMBER 2014

EXPENSES:	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
PROGRAM 1:	150	2,200	2,550	1,500	1,750	0	7,100	1,750	400	2,250	3,200	1,900	24,750
PROGRAM 2:	3,600	2,975	2,100	1,750	1,525	0	4,175	2,775	2,725	2,325	875	3,525	28,350
PROGRAM 3:	7,400	3,100	7,000	6,700	5,900	2,200	8,850	6,850	6,700	5,400	6,800	8,000	74,900
PROGRAM 4:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 5:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 6:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 7:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 8:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 9:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 10:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	11,150	8,275	11,650	9,950	9,175	2,200	20,125	11,375	9,825	9,975	10,875	13,425	128,000
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	11,150	8,275	11,650	9,950	9,175	2,200	20,125	11,375	9,825	9,975	10,875	13,425	128,000

REVISED

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR MONTHS: JANUARY 2014 THROUGH DECEMBER 2014

CONSERVATION REVENUES	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
1. RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	-22,327	-21,525	-14,374	-10,444	-7,505	-7,158	-5,582	-6,568	-5,176	-5,357	-11,070	-15,102	-132,188
4. TOTAL REVENUES	-22,327	-21,525	-14,374	-10,444	-7,505	-7,158	-5,582	-6,568	-5,176	-5,357	-11,070	-15,102	-132,188
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403	4,403	52,833
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	-17,924	-17,123	-9,971	-6,041	-3,102	-2,756	-1,179	-2,166	-773	-954	-6,668	-10,700	-79,355
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	11,150	8,275	11,650	9,950	9,175	2,200	20,125	11,375	9,825	9,975	10,875	13,425	128,000
8. TRUE-UP THIS PERIOD	-6,774	-8,848	1,679	3,909	6,073	-556	18,946	9,209	9,052	9,021	4,207	2,725	48,645
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	2	1	1	1	1	1	2	2	2	2	3	3	21
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	52,833	41,657	28,409	25,686	25,194	26,865	21,908	36,453	41,262	45,912	50,533	50,340	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	-4,403	-4,403	-4,403	-4,403	-4,403	-4,403	-4,403	-4,403	-4,403	-4,403	-4,403	-4,403	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	41,657	28,409	25,686	25,194	26,865	21,908	36,453	41,262	45,912	50,533	50,340	48,666	48,666

REVISED

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR MONTHS: JANUARY 2014 THROUGH DECEMBER 2014

INTEREST PROVISION	MONTH NO. 1	MONTH NO. 2	MONTH NO. 3	MONTH NO. 4	MONTH NO. 5	MONTH NO. 6	MONTH NO. 7	MONTH NO. 8	MONTH NO. 9	MONTH NO. 10	MONTH NO. 11	MONTH NO. 12	TOTAL
1. BEGINNING TRUE-UP	52,833	41,657	28,409	25,686	25,194	26,865	21,908	36,453	41,262	45,912	50,533	50,340	
2. ENDING TRUE-UP BEFORE INTEREST	<u>41,656</u>	<u>28,407</u>	<u>25,685</u>	<u>25,192</u>	<u>26,864</u>	<u>21,907</u>	<u>36,451</u>	<u>41,260</u>	<u>45,911</u>	<u>50,531</u>	<u>50,337</u>	<u>48,663</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	94,489	70,065	54,093	50,878	52,057	48,772	58,359	77,712	87,172	96,443	100,870	99,003	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>47,244</u>	<u>35,032</u>	<u>27,047</u>	<u>25,439</u>	<u>26,029</u>	<u>24,386</u>	<u>29,180</u>	<u>38,856</u>	<u>43,586</u>	<u>48,221</u>	<u>50,435</u>	<u>49,501</u>	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	0.030%	0.050%	0.050%	0.060%	0.050%	0.050%	0.060%	0.070%	0.060%	0.040%	0.060%	0.070%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	<u>0.050%</u>	<u>0.050%</u>	<u>0.060%</u>	<u>0.050%</u>	<u>0.050%</u>	<u>0.060%</u>	<u>0.070%</u>	<u>0.060%</u>	<u>0.040%</u>	<u>0.060%</u>	<u>0.070%</u>	<u>0.080%</u>	
7. TOTAL (SUM LINES 5 & 6)	0.080%	0.100%	0.110%	0.110%	0.100%	0.110%	0.130%	0.130%	0.100%	0.100%	0.130%	0.150%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	0.040%	0.050%	0.055%	0.055%	0.050%	0.055%	0.065%	0.065%	0.050%	0.050%	0.065%	0.075%	
9. MONTHLY AVG INTEREST RATE	0.003%	0.004%	0.005%	0.005%	0.004%	0.005%	0.005%	0.005%	0.004%	0.004%	0.005%	0.006%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>	21

REVISED

ST JOE NATURAL GAS COMPANY, INC.
CONSERVATION PROGRAM DESCRIPTION AND PROGRESS FOR MONTHS:
JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM TITLE: RESIDENTIAL NEW CONSTRUCTION PROGRAM

PROGRAM DESCRIPTION: THIS PROGRAM IS DESIGNED TO INCREASE THE NUMBER OF HIGH PRIORITY FIRM NATURAL GAS CUSTOMERS IN THE NEW CONSTRUCTION MARKET. INCENTIVES ARE OFFERED IN THE FORM OF CASH ALLOWANCES TO ASSIST BUILDERS IN DEFRAYING THE ADDITIONAL COSTS ASSOCIATED WITH NATURAL GAS INSTALLATIONS.

<u>APPLIANCES</u>	<u>ALLOWANCE</u>
GAS WATER HEATING	\$350.00
GAS HEATING	\$500.00
GAS CLOTHES DRYER	\$100.00
GAS RANGE	\$150.00
GAS TANKLESS W/H	\$550.00
	\$1,650.00

<u>PROGRAM ACCOMPLISHMENTS:</u>	
PLANNED WATER HEATING	2
PLANNED HEATING SYSTEMS	5
PLANNED CLOTHES DRYER	5
PLANNED GAS RANGE	5
PLANNED GAS TANKLESS W/H	10

PROGRAM FISCAL EXPENDITURE: ACTUAL EXPEND. W/O INTEREST \$24,750

<u>PROGRAM PROGRESS SUMMARY:</u>	
INSTALLED WATER HEATERS:	1
INSTALLED HEATING SYSTEMS	9
INSTALLED CLOTHES DRYER	13
INSTALLED GAS RANGE	14
INSTALLED GAS TANKLESS W/H	30

REVISED

ST JOE NATURAL GAS COMPANY, INC.
CONSERVATION PROGRAM DESCRIPTION AND PROGRESS FOR MONTHS:
JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM TITLE: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM

PROGRAM DESCRIPTION: THIS PROGRAM WILL ENCOURAGE THE REPLACEMENT OF INEFFICIENT ELECTRIC RESIDENTIAL APPLIANCES WITH NEW NATURAL GAS APPLIANCES. IT WILL ALSO PROVIDE INCREASED INCENTIVES FOR THE REPLACEMENT OF NON-GAS WATER HEATING, HEATING APPLIANCES, AND NEW INCENTIVES FOR GAS COOKING, CLOTHES DRYING, AND TANKLESS WATER HEATING APPLIANCES.

<u>APPLIANCES</u>	<u>ALLOWANCE</u>
GAS WATER HEATING	\$500.00
GAS HEATING	\$725.00
GAS CLOTHES DRYER	\$150.00
GAS RANGE	\$200.00
GAS TANKLESS W/H	\$875.00
	<u>\$2,250.00</u>

<u>PROGRAM ACCOMPLISHMENTS</u>		
PLANNED WATER HEATING		5
PLANNED HEATING SYSTEMS		0
PLANNED CLOTHES DRYER		4
PLANNED GAS RANGE		5
PLANNED GAS TANKLESS W/H		10

PROGRAM FISCAL EXPENDITUR ACTUAL EXPEND. W/O INTERE: \$28,350

<u>PROGRAM PROGRESS SUMMAF</u>		
INSTALLED WATER HEATERS:		12
INSTALLED HEATING SYSTEME		6
INSTALLED CLOTHES DRYER		6
INSTALLED GAS RANGE		18
INSTALLED GAS TANKLESS W/H		20

REVISED

ST JOE NATURAL GAS COMPANY, INC.
CONSERVATION PROGRAM DESCRIPTION AND PROGRESS FOR MONTHS:
JANUARY 2014 THROUGH DECEMBER 2014

PROGRAM TITLE: RESIDENTIAL APPLIANCE RETENTION PROGRAM

PROGRAM DESCRIPTION: THIS PROGRAM WILL PROVIDE ALLOWANCES FOR CUSTOMERS WHO CHOOSE TO REPLACE THEIR EXISTING NATURAL GAS STORAGE TANKS AND TANKLESS WATER HEATERS, HEATING SYSTEMS, COOKING AND CLOTHES DRYING APPLIANCES WITH NEWER EFFICIENT NATURAL GAS MODELS.

<u>APPLIANCES</u>	<u>ALLOWANCE</u>
GAS WATER HEATING	\$350.00
GAS HEATING	\$500.00
GAS CLOTHES DRYER	\$100.00
GAS RANGE	\$100.00
GAS TANKLESS W/H	\$550.00
	<u>\$1,600.00</u>

<u>PROGRAM ACCOMPLISHMENTS:</u>	
PLANNED WATER HEATING	70
PLANNED HEATING SYSTEMS	10
PLANNED CLOTHES DRYER	8
PLANNED GAS RANGE	10
PLANNED GAS TANKLESS W/H	7

PROGRAM FISCAL EXPENDITURE ACTUAL EXPEND. W/O INTEREST \$74,900

<u>PROGRAM PROGRESS SUMMARY</u>	
INSTALLED WATER HEATERS:	145
INSTALLED HEATING SYSTEMS	19
INSTALLED CLOTHES DRYER	17
INSTALLED GAS RANGE	25
INSTALLED GAS TANKLESS W/H	19

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: JANUARY 2016 THROUGH DECEMBER 2016

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	128,000
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	55,819
3. TOTAL (LINE 1 AND LINE 2)	183,819

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
RS-1	12,707	112,378	165,191	79,160	244,351	38,557	15.77936%	0.34310	1.00503	0.34483
RS-2	11,818	237,201	189,088	134,562	323,650	51,070	15.77936%	0.21530	1.00503	0.21639
RS-3	7,462	312,493	149,240	157,437	306,677	48,392	15.77936%	0.15486	1.00503	0.15564
GS-1	2,034	80,907	40,680	35,584	76,264	12,034	15.77936%	0.14874	1.00503	0.14949
GS-2	412	223,445	28,840	71,058	99,898	15,763	15.77936%	0.07055	1.00503	0.07090
FTS4/GS-4	24	562,536	48,000	66,092	114,092	18,003	15.77936%	0.03200	1.00503	0.03216
FTS-5	0	0	0	0	0	0	15.77936%	#DIV/0!	1.00503	#DIV/0!
TOTAL	34,457	1,528,960	621,039	543,893	1,164,932	183,819				

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 150004-GU EXHIBIT: 11
PARTY: ST. JOE NATURAL GAS
COMPANY (SJNG) – DIRECT
DESCRIPTION: Debbie Stitt DKS-2

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2016 THROUGH DECEMBER 2016

<u>PROGRAM</u>	<u>CAPITAL INVEST</u>	<u>PYROLL & BENEFITS</u>	<u>MATERLS. & SUPPLIES</u>	<u>ADVERT</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION	0	0	0	0	24,750	0	0	0	24,750
2 RESIDENTIAL APPL. REPLACEMENT	0	0	0	0	28,350	0	0	0	28,350
3 RESIDENTIAL APPL. RETENTION	0	0	0	0	74,900	0	0	0	74,900
4 CONSERVATION EDUC	0	0	0	0	0	0	0	0	0
5 COMMON COSTS	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)	0	0	0	0	0	0	0	0	0
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>128,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>128,000</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

JANUARY 2015 THROUGH DECEMBER 2015

PROGRAM	<u>CAPITAL INVEST</u>	<u>PYROLL & BENEFITS</u>	<u>MATERLS. & SUPPLIES</u>	<u>ADVERT</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	0	0	0	0	13,700	0	0	0	13,700
B. ESTIMATED	0	0	0	0	7,000	0	0	0	7,000
TOTAL	0	0	0	0	20,700	0	0	0	20,700
2 RESIDENTIAL APPL. REPLACEMENT									
A. ACTUAL	0	0	0	0	19,800	0	0	0	19,800
B. ESTIMATED	0	0	0	0	10,000	0	0	0	10,000
TOTAL	0	0	0	0	29,800	0	0	0	29,800
3 RESIDENTIAL APPL. RETENTION									
A. ACTUAL	0	0	0	0	50,000	0	0	0	50,000
B. ESTIMATED	0	0	0	0	24,000	0	0	0	24,000
TOTAL	0	0	0	0	74,000	0	0	0	74,000
4 OUTSIDE SERVICES									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0
5 (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)									
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
SUB-TOTAL	0	0	0	0	124,500	0	0	0	124,500

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 JANUARY 2015 THROUGH DECEMBER 2015

PROGRAM NAME	<u>CAPITAL INVEST</u>	<u>PYROLL & BENEFITS</u>	<u>MATERLS. & SUPPLIES</u>	<u>ADVERT</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	124,500	0	0	0	124,500
7. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
8. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
9. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
10. 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
(INSERT NAME)									
11. 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>0</u>	<u>0</u>	<u>124,500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>124,500</u>

ENERGY CONSERVATION ADJUSTMENT
JANUARY 2015 THROUGH DECEMBER 2015

	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	DEC 2015	TOTAL
CONSERVATION REVS.													
RCS AUDIT FEES													
a. OTHER PROG. REV.													
b.													
c.	-18,449	-17,848	-15,554	-7,748	-7,629	-5,559	-5,179	-6,476	-5,108	-5,289	-10,886	-14,755	-120,479
CONSERV. ADJ REV. (NET OF REV. TAXES)													
TOTAL REVENUES	-18,449	-17,848	-15,554	-7,748	-7,629	-5,559	-5,179	-6,476	-5,108	-5,289	-10,886	-14,755	-120,479
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	4,056	4,056	4,056	4,056	4,056	4,056	4,056	4,056	4,056	4,056	4,056	4,056	48,666
CONSERVATION REVS. APPLIC. TO PERIOD	-14,393	-13,792	-11,498	-3,692	-3,574	-1,503	-1,124	-2,420	-1,052	-1,234	-6,831	-10,699	-71,813
CONSERVATION EXPS. (FORM C-3, PAGE 3)	10,975	6,400	13,225	14,325	6,400	14,500	7,425	10,250	10,250	10,250	10,250	10,250	124,500
TRUE-UP THIS PERIOD	-3,418	-7,392	1,727	10,633	2,826	12,997	6,301	7,830	9,198	9,016	3,419	-449	52,687
INTEREST THIS PERIOD (C-3,PAGE 5)	3	120	167	181	240	285	310	314	346	382	399	385	3,132
TRUE-UP & INT. BEG. OF MONTH	48,666	41,195	29,867	27,706	34,464	33,474	42,700	45,256	49,345	54,833	60,176	59,939	
PRIOR TRUE-UP COLLECT./(REFUND.)	-4,056	-4,056	-4,056	-4,056	-4,056	-4,056	-4,056	-4,056	-4,056	-4,056	-4,056	-4,056	
END OF PERIOD TOTAL NET TRUE-UP	41,195	29,867	27,706	34,464	33,474	42,700	45,256	49,345	54,833	60,176	59,939	55,819	55,819

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2015 THROUGH DECEMBER 2015

	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	DEC 2015	TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	48,666	41,195	29,867	27,706	34,464	33,474	42,700	45,256	49,345	54,833	60,176	59,939	
END. T-UP BEFORE INT.	41,192	29,747	27,538	34,283	33,235	42,415	44,946	49,030	54,487	59,794	59,540	55,434	
TOT. BEG. & END. T-UP	89,858	70,943	57,405	61,989	67,698	75,890	87,646	94,287	103,832	114,628	119,716	115,373	
AVERAGE TRUE-UP	44,929	35,471	28,703	30,994	33,849	37,945	43,823	47,143	51,916	57,314	59,858	57,687	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.08%	0.09%	8.00%	6.00%	8.00%	9.00%	9.00%	8.00%	8.00%	8.00%	8.00%	8.00%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.09%	8.00%	6.00%	8.00%	9.00%	9.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	
TOTAL	0.17%	8.09%	14.00%	14.00%	17.00%	18.00%	17.00%	16.00%	16.00%	16.00%	16.00%	16.00%	
AVG INTEREST RATE	0.09%	4.05%	7.00%	7.00%	8.50%	9.00%	8.50%	8.00%	8.00%	8.00%	8.00%	8.00%	
MONTHLY AVG. RATE	0.01%	0.34%	0.58%	0.58%	0.71%	0.75%	0.71%	0.67%	0.67%	0.67%	0.67%	0.67%	
INTEREST PROVISION	\$3	\$120	\$167	\$181	\$240	\$285	\$310	\$314	\$346	\$382	\$399	\$385	\$3,132

PROGRAM TITLE:

RESIDENTIAL NEW CONSTRUCTION

PROGRAM DESCRIPTION:

This program is designed to increase the number of high priority firm natural gas customers in the new construction market. Incentives are offered in the form of cash allowances to assist builders in defraying the additional costs associated with natural gas appliance installations.

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS HEATING	\$500.00
GAS WATER HEATING	\$350.00
GAS CLOTHES DRYER	\$100.00
GAS RANGE	\$150.00
GAS TANKLESS W/HEATER	\$550.00
	<u>\$1,650.00</u>

PROGRAM PROJECTIONS FOR:

JANUARY 2015 THROUGH DECEMBER 2016

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS DRYER</u>	<u>GAS RANGE</u>	<u>GAS TANKLESS W/H</u>
JANUARY 2015 - DECEMBER 2015 (12 MTHS)	4	8	11	14	22
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	1	9	13	14	30

PROGRAM FISCAL EXPENSES FOR:

JANUARY 2015 - DECEMBER 2016

JANUARY 15 - JULY 15	ACTUAL EXPENSES	13,700.00
AUGUST 15 - DECEMBER 15	ESTIMATED EXPENSES	7,000.00
JANUARY 2016 - DECEMBER 2016	ESTIMATED EXPENSES	24,750.00

PROGRAM PROGRESS SUMMARY:

New construction is very limited in St Joe Natural Gas's service territory. By far the majority of new construction is by custom design where the owner specified to the builder the type of energy desired.

PROGRAM TITLE: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM

PROGRAM DESCRIPTION: This program is designed to promote the replacement of electric resistance appliances with energy efficient natural gas heaters, water heaters, air conditioners, dryers, ranges and tankless water heaters. Incentives are offered in the form of cash allowances to assist in defraying the additional costs in purchasing and installing natural gas appliances.

APPLIANCE LOAD	ALLOWANCE
GAS HEATING	\$725.00
GAS WATER HEATING	\$500.00
GAS CLOTHES DRYER	\$150.00
GAS RANGE	\$200.00
GAS TANKLESS W/HEATER	\$675.00
	<u>\$2,250.00</u>

PROGRAM PROJECTIONS FOR: JANUARY 2015 THROUGH DECEMBER 2016

	GAS WATER HEATING	GAS HEATING	GAS DRYER	GAS RANGE	GAS TANKLESS W/H
JANUARY 2015 - DECEMBER 2015 (12 MTHS)	12	5	7	18	23
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	12	6	6	18	20

PROGRAM FISCAL EXPENSES FOR: JANUARY 2015 THROUGH DECEMBER 2016

JANUARY 15 - JULY 15	ACTUAL EXPENSES	19,800.00
AUGUST 15 - DECEMBER 15	ESTIMATED EXPENSES	10,000.00
JANUARY 2016 - DECEMBER 2016	ESTIMATED EXPENSES	28,350.00

PROGRAM PROGRESS SUMMARY: Replacement of electric appliances with natural gas appliances continues to be well received by ratepayers in St Joe Natural Gas Company's service territory.

PROGRAM TITLE: RESIDENTIAL APPLIANCE RETENTION PROGRAM

PROGRAM DESCRIPTION: This program is designed to encourage homeowners with existing natural gas appliances to retain natural gas when the existing appliances fail, or are otherwise replaced. The proposed retention program includes allowances for natural gas water heater, heating, clothes drying, range, and tankless water heating systems.

APPLIANCE LOAD	ALLOWANCE
GAS HEATING	\$500.00
GAS WATER HEATING	\$350.00
GAS CLOTHES DRYER	\$100.00
GAS RANGE	\$100.00
GAS TANKLESS W/HEATER	\$550.00
	<u>\$1,600.00</u>

PROGRAM PROJECTIONS FOR: JANUARY 2015 - DECEMBER 2016

	GAS WATER HEATING	GAS HEATING	GAS DRYER	GAS RANGE	GAS TANKLESS W/H
JANUARY 2015 - DECEMBER 2015 (12 MTHS)	140	17	14	19	24
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	145	19	17	25	19

PROGRAM FISCAL EXPENSES FOR: JANUARY 2015 THROUGH DECEMBER 2016

JANUARY 15 - JULY 15	ACTUAL EXPENSES	50,000.00
AUGUST 15 - DECEMBER 15	ESTIMATED EXPENSES	24,000.00
JANUARY 2016 - DECEMBER 2016	ESTIMATED EXPENSES	74,900.00

PROGRAM PROGRESS SUMMARY: The Company recognizes that the cost to retain an existing customer is significantly lower than the cost to add a new customer. The proposed retention allowances will strengthen the Company's ability to retain existing gas customers and avoid the removal of services. This program has been well received by the customers as well.

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2015 THROUGH DECEMBER 2015

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE1)	\$ 23,190
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	\$ 5,585
3. TOTAL (LINE 1 AND 2)	\$ 28,775

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	5,034	38,287	\$46,712	\$23,296	\$70,008	\$3,934	5.62%	0.10275	1.00503	0.10326
TS-2	632	17,407	\$7,626	\$8,587	\$16,213	\$911	5.62%	0.05234	1.00503	0.05260
TS-3	950	363,619	\$33,238	\$156,187	\$189,425	\$10,644	5.62%	0.02927	1.00503	0.02942
TS-4	415	517,185	\$62,264	\$174,181	\$236,445	\$13,286	5.62%	0.02569	1.00503	0.02582
TOTAL	7,031	936,499	\$149,839	\$362,252	\$512,091	\$28,775				

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 150004-GU EXHIBIT: 12
PARTY: SEBRING GAS SYSTEM, INC. (SGS) – DIRECT
DESCRIPTION: Jerry H. Melendy, Jr. JHM-1

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
JANUARY 2016 THROUGH DECEMBER 2016

<u>PROGRAM</u>	<u>JAN</u> <u>2016</u>	<u>FEB</u> <u>2016</u>	<u>MAR</u> <u>2016</u>	<u>APR</u> <u>2016</u>	<u>MAY</u> <u>2016</u>	<u>JUN</u> <u>2016</u>	<u>JUL</u> <u>2016</u>	<u>AUG</u> <u>2016</u>	<u>SEP</u> <u>2016</u>	<u>OCT</u> <u>2016</u>	<u>NOV</u> <u>2016</u>	<u>DEC</u> <u>2016</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION	\$252	\$252	\$252	\$252	\$252	\$252	\$252	\$252	\$251	\$251	\$251	\$251	\$3,020
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,302	\$1,301	\$1,301	\$1,301	\$1,301	\$15,620
3 RESIDENTIAL APPLIANCE RETENTION	\$379	\$379	\$379	\$379	\$379	\$379	\$379	\$379	\$379	\$379	\$380	\$380	\$4,550
4 COMMERCIAL NEW CONSTRUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 COMMERCIAL APPLIANCE REPLACEMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 COMMERCIAL RETENTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL ALL PROGRAMS	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,933	\$1,931	\$1,931	\$1,932	\$1,932	\$23,190

**ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2016 THROUGH DECEMBER 2016**

PROGRAM	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	\$0	\$2,747	\$0	\$113	\$0	\$160	\$0	\$0	\$3,020
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$0	\$2,747	\$0	\$113	\$12,601	\$159	\$0	\$0	\$15,620
3 RESIDENTIAL APPLIANCE RETENTION	\$0	\$2,747	\$0	\$113	\$1,530	\$160	\$0	\$0	\$4,550
4 COMMERCIAL NEW CONSTRUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 COMMERCIAL APPLIANCE REPLACEMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 COMMERCIAL RETENTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROGRAM COSTS	\$0	\$8,242	\$0	\$339	\$14,131	\$479	\$0	\$0	\$23,191

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2015 THROUGH DECEMBER 2015

<u>PROGRAM</u>	<u>CAPITAL INVESTMENT</u>	<u>PAYROLL</u>	<u>MATERIAL & SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	\$0	\$1,882	\$0	\$133	\$0	\$38	\$0	\$0	\$2,053
B. ESTIMATED	<u>\$0</u>	<u>\$1,350</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$150</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,500</u>
TOTAL	\$0	\$3,232	\$0	\$133	\$0	\$188	\$0	\$0	\$3,553
2 RESIDENTIAL APPLIANCE REPLACEMENT									
A. ACTUAL	\$0	\$1,882	\$0	\$133	\$10,925	\$37	\$0	\$0	\$12,977
B. ESTIMATED	<u>\$0</u>	<u>\$1,350</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,900</u>	<u>\$150</u>	<u>\$0</u>	<u>\$0</u>	<u>\$5,400</u>
TOTAL	\$0	\$3,232	\$0	\$133	\$14,825	\$187	\$0	\$0	\$18,377
3 RESIDENTIAL APPLIANCE RETENTION									
A. ACTUAL	\$0	\$1,882	\$0	\$133	\$1,150	\$38	\$0	\$0	\$3,203
B. ESTIMATED	<u>\$0</u>	<u>\$1,350</u>	<u>\$0</u>	<u>\$0</u>	<u>\$650</u>	<u>\$150</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,150</u>
TOTAL	\$0	\$3,232	\$0	\$133	\$1,800	\$188	\$0	\$0	\$5,353
4 COMMERCIAL NEW CONSTRUCTION									
A. ACTUAL	\$0	\$0	\$0	\$0	\$0	\$568	\$0	\$0	\$568
B. ESTIMATED	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$200</u>	<u>\$0</u>	<u>\$0</u>	<u>\$200</u>
TOTAL	\$0	\$0	\$0	\$0	\$0	\$768	\$0	\$0	\$768
SUB-TOTAL	\$0	\$9,696	\$0	\$399	\$16,625	\$1,331	\$0	\$0	\$28,051

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2015 THROUGH DECEMBER 2015

<u>PROGRAM</u>	<u>CAPITAL INVESTMENT</u>	<u>PAYROLL</u>	<u>MATERIAL & SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
SUB-TOTAL - PREVIOUS PAGE	\$0	\$9,696	\$0	\$399	\$16,625	\$1,331	\$0	\$0	\$28,051
5 COMMERCIAL APPLIANCE REPLACE									
A. ACTUAL	\$0	\$0	\$0	\$0	\$0	\$568	\$0	\$0	\$568
B. ESTIMATED	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$200</u>	<u>\$0</u>	<u>\$0</u>	<u>\$200</u>
TOTAL	\$0	\$0	\$0	\$0	\$0	\$768	\$0	\$0	\$768
6 COMMERCIAL RETENTION									
A. ACTUAL	\$0	\$0	\$0	\$0	\$0	\$570	\$0	\$0	\$570
B. ESTIMATED	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$200</u>	<u>\$0</u>	<u>\$0</u>	<u>\$200</u>
TOTAL	\$0	\$0	\$0	\$0	\$0	\$770	\$0	\$0	\$770
PROGRAM COSTS	\$0	\$9,696	\$0	\$399	\$16,625	\$2,869	\$0	\$0	\$29,589

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL / ESTIMATED
JANUARY 2015 THROUGH DECEMBER 2015

<u>PROGRAM</u>	<u>JAN</u> <u>2015</u>	<u>FEB</u> <u>2015</u>	<u>MAR</u> <u>2015</u>	<u>APR</u> <u>2015</u>	<u>MAY</u> <u>2015</u>	<u>JUN</u> <u>2015</u>	<u>JUL</u> <u>2015</u>	<u>AUG</u> <u>2015</u>	<u>SEP</u> <u>2015</u>	<u>OCT</u> <u>2015</u>	<u>NOV</u> <u>2015</u>	<u>DEC</u> <u>2015</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION	\$270	\$400	\$266	\$270	\$307	\$270	\$270	\$300	\$300	\$300	\$300	\$300	\$3,553
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$2,845	\$1,750	\$5,915	\$1,620	\$307	\$270	\$270	\$270	\$945	\$945	\$1,620	\$1,620	\$18,377
3 RESIDENTIAL CUSTOMER RETENTION	\$470	\$400	\$366	\$770	\$307	\$620	\$270	\$430	\$430	\$430	\$430	\$430	\$5,353
4 COMMERCIAL NEW CONSTRUCTION	\$79	\$0	\$31	\$421	\$37	\$0	\$0	\$0	\$50	\$50	\$50	\$50	\$768
5 COMMERCIAL APPLIANCE REPLACE	\$79	\$0	\$31	\$421	\$37	\$0	\$0	\$0	\$50	\$50	\$50	\$50	\$768
6 COMMERCIAL RETENTION	\$80	\$0	\$31	\$421	\$38	\$0	\$0	\$0	\$50	\$50	\$50	\$50	\$770
TOTAL ALL PROGRAMS	\$3,823	\$2,550	\$6,640	\$3,923	\$1,033	\$1,160	\$810	\$1,000	\$1,825	\$1,825	\$2,500	\$2,500	\$29,589

ENERGY CONSERVATION ADJUSTMENT
JANUARY 2015 THROUGH DECEMBER 2015

CONSERVATION REVENUES	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	DEC 2015	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	(4,069)	(4,101)	(3,966)	(221)	(3,068)	(3,145)	(2,961)	(3,006)	(3,352)	(3,527)	(3,864)	(4,192)	(39,472)
2. CONSERV. ADJ. REV. (NET OF REV. TAXES)	0	0	0	0	0	0	0	0	0	0	0	0	0
3. TOTAL REVENUES	(4,069)	(4,101)	(3,966)	(221)	(3,068)	(3,145)	(2,961)	(3,006)	(3,352)	(3,527)	(3,864)	(4,192)	(39,472)
4. PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	1,288	1,288	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	<u>15,466</u>
5. CONSERV. REVS. APPLIC. TO PERIOD	(2,781)	(2,813)	(2,677)	1,068	(1,779)	(1,856)	(1,672)	(1,717)	(2,063)	(2,238)	(2,575)	(2,903)	(24,006)
6. CONSERVATION EXPS. (FORM C-3, PAGE 3)	3,823	2,550	6,640	3,923	1,033	1,160	810	1,000	1,825	1,825	2,500	2,500	<u>29,589</u>
7. TRUE-UP THIS PERIOD	1,042	(263)	3,963	4,991	(746)	(696)	(862)	(717)	(238)	(413)	(75)	(403)	5,583
8. INTEREST THIS PERIOD (C-3, PAGE 5)	(1)	(1)	0	0	0	1	1	1	1	0	0	0	2
9. TRUE-UP & INT BEGIN OF MONTH	15,466	16,507	16,243	20,206	25,197	24,451	23,756	22,895	22,179	21,942	21,529	21,454	
10. PRIOR TRUE-UP COLLECT / (REFUND)	(1,288)	(1,288)	(1,289)	(1,289)	(1,289)	(1,289)	(1,289)	(1,289)	(1,289)	(1,289)	(1,289)	(1,289)	
11. END OF PERIOD TOTAL NET TRUE-UP	16,507	16,243	20,206	25,197	24,451	23,756	22,895	22,179	21,942	21,529	21,454	21,051	5,585

COMPANY:

Sebring Gas System, Inc.
Docket No. 150004-GU
ECCR 2016 PROJECTIONS
Exhibit JHM-1

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2015 THROUGH DECEMBER 2015

INTEREST PROVISION	JAN 2015	FEB 2015	MAR 2015	APR 2015	MAY 2015	JUN 2015	JUL 2015	AUG 2015	SEP 2015	OCT 2015	NOV 2015	DEC 2015	TOTAL
BEGINNING TRUE-UP	15,466	16,507	16,243	20,206	25,197	24,451	23,756	22,895	22,179	21,942	21,529	21,454	
END. T-UP BEFORE INT. (C3,4)	16,508	16,244	20,206	25,197	24,451	23,755	22,894	22,178	21,941	21,529	21,454	21,051	
TOTAL BEG. & END. T-UP	31,974	32,751	36,449	45,403	49,648	48,206	46,650	45,073	44,120	43,472	42,983	42,505	
AVERAGE TRUE-UP	15,987	16,376	18,225	22,702	24,824	24,103	23,325	22,537	22,060	21,736	21,492	21,253	
INT. RATE-FIRST DAY OF REPORTING BUSINESS MTH.	0.10%	0.10%	0.09%	0.09%	0.06%	0.10%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUSINESS MTH.	0.10%	0.09%	0.09%	0.06%	0.10%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	
TOTAL	0.20%	0.19%	0.18%	0.15%	0.16%	0.18%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	
AVG INTEREST RATE	0.10%	0.10%	0.09%	0.08%	0.08%	0.09%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	
MONTHLY AVG. INT. RATE	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	
INTEREST PROVISION	(1.00)	(1.00)	0.00	0.00	0.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	2.00

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

Program Title

Residential New Construction Program

Reporting Period

January 2015 through December 2015

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 six-month reporting period January through June 2015, no new home allowances were paid. The Company projects no new home construction will qualify for allowances during the period July through December 2015.

Program Fiscal Expenditures

During the six-months reporting period, actual expenditures for this program totaled \$1,783. The Company projects that total expenditures will equal \$3,553 for the 2015 annual period.

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

Program Title

Residential Appliance Replacement Program

Reporting Period

January 2015 through December 2015

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 six-month reporting period January through June 2015, nineteen (19) residential appliance replacement allowances were paid. The Company projects six (6) appliance replacement allowances will be paid during the period July through December 2015.

Sebring Gas System, Inc.
Program Description and Progress

Residential Appliance Replacement Program, continued from page 2 of 15

Program Fiscal Expenditures

During the six-months reporting period, actual expenditures for this program totaled \$12,708. The Company projects that total expenditures will equal \$18,377 for the 2015 annual period.

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

Program Title

Residential Appliance Retention Program

Reporting Period

January 2015 through December 2015

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 six-month reporting period January through June 2015, six (6) residential appliance retention allowances were paid. The Company projects two (2) residential appliance retention allowances will be paid during the period July through December 2014.

Program Fiscal Expenditures

During the six-months reporting period, actual expenditures for this program totaled \$3,203. The Company projects that total expenditures will equal \$5,353 for the 2016 annual period.

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

Program Title

Conservation Education Program

Reporting Period

January 2015 through December 2015

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 2015, the Company booked the expenditures for the education program to the various incentive programs.

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

Program Title

Small Commercial Food Service

Reporting Period

January 2015 through December 2015

Program Description

This program is designed to encourage owners and operators of Small Commercial Food Service establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction:

Tank W/H	\$1,000
Tankless W/H	\$2,000
Range/Oven	\$1,000
Fryer	\$3,000

Retrofit:

Tank W/H	\$1,500
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000

Retention:

Tank W/H	\$1,000
Tankless W/H	\$2,000
Range/Oven	\$1,000
Fryer	\$3,000

Small Commercial Service Program, continued from page 6 of 15

Program Activity and Projections

The Small Commercial Food Service Program had no activity has occur in 2015.

Program Fiscal Expenditures

During the year 2015, the various commercial programs were combined into the following accounts, and anticipated the following expenditures for the year 2015:

Commercial New Construction	\$768
Commercial Appliance Replacement	\$768
Commercial Retention	\$768

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

Program Title

Large Commercial Non-Food Service

Reporting Period

January 2015 through December 2015

Program Description

This program is designed to encourage owners and operators of Large Commercial Non-Food Service establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction:

Tank W/H \$1,500

Tankless W/H \$2,000

Retrofit:

Tank W/H \$2,000

Tankless W/H \$2,500

Retention:

Tank W/H \$1,500

Tankless W/H \$2,000

Large Commercial Non-Food Service Program, continued from page 8 of 15

Program Activity and Projections

The Large Commercial Non-Food Service Program had no activity occur in 2015.

Program Fiscal Expenditures

During the year 2015, the various commercial programs were combined into the following accounts, and anticipated the following expenditures for the year 2015:

Commercial New Construction	\$768
Commercial Appliance Replacement	\$768
Commercial Retention	\$768

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

Program Title

Large Commercial Food Service

Reporting Period

January 2015 through December 2015

Program Description

This program is designed to encourage owners and operators of Large Commercial Food Service establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction:

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000

Retrofit:

Tank W/H	\$2,000
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000

Retention:

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000

Large Commercial Food Service Program, continued from page 10 of 15

Program Activity and Projections

The Large Commercial Food Service Program had no activity occur in 2015.

Program Fiscal Expenditures

During the year 2015, the various commercial programs were combined into the following accounts, and anticipated the following expenditures for the year 2015:

Commercial New Construction	\$768
Commercial Appliance Replacement	\$768
Commercial Retention	\$768

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

Program Title

Large Commercial Hospitality

Reporting Period

January 2015 through December 2015

Program Description

This program is designed to encourage owners and operators of Large Commercial Hospitality establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction:

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000
Dryer	\$1,500

Retrofit:

Tank W/H	\$2,000
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000
Dryer	\$1,500

Large Commercial Hospitality Program, continued from page 12 of 15

Retention:

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000
Dryer	\$1,500

Program Activity and Projections

The Large Commercial Hospitality Program had no activity occur in 2015.

Program Fiscal Expenditures

During the year 2015, the various commercial programs were combined into the following accounts, and anticipated the following expenditures for the year 2015:

Commercial New Construction	\$768
Commercial Appliance Replacement	\$768
Commercial Retention	\$768

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

Program Title

Large Commercial Cleaning Service

Reporting Period

January 2015 through December 2015

Program Description

This program is designed to encourage owners and operators of Large Commercial Hospitality establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction:

Tank W/H	\$1,500
Tankless W/H	\$2,000
Dryer	\$1,500

Retrofit:

Tank W/H	\$2,000
Tankless W/H	\$2,500
Range/Oven	\$1,500

Retention:

Tank W/H	\$1,500
Tankless W/H	\$2,000
Dryer	\$1,500

Large Commercial Cleaning Service Program, continued from page 14 of 15

Program Activity and Projections

The Large Commercial Cleaning Program had no activity occur in 2015.

Program Fiscal Expenditures

During the year 2015, the various commercial programs were combined into the following accounts, and anticipated the following expenditures for the year 2015:

Commercial New Construction	\$768
Commercial Appliance Replacement	\$768
Commercial Retention	\$768