



(850)521-1713
gmunson@gunster.com

August 18, 2016

E-PORTAL/ELECTRONIC FILING

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

RE: Docket No. 160004-GU – Conservation Cost Recovery

Dear Ms. Stauffer:

Attached for electronic filing, please find the Direct Testimony and Exhibit MB-2 of Mr. Miguel Bustos, submitted in the referenced Docket on behalf of Florida City Gas, along with the Petition for Approval of Conservation Cost Recovery Factors.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'GMM', written over the printed name of Gregory M. Munson.

Gregory M. Munson

GMM

cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 160004-GU
Filed: August 18, 2016

**PETITION OF FLORIDA CITY GAS
FOR APPROVAL OF CONSERVATION COST RECOVERY FACTORS**

Florida City Gas, a division of Pivotal Utility Holdings, Inc. (“Florida City Gas” or “the Company”) hereby submits this petition asking that the Commission approve the Company’s conservation cost recovery factors for the period January 1, 2016 through December 31, 2016. In support thereof, the Company says:

1. For the period January 1, 2015 through December 31, 2015, the Company’s Adjusted Net True-Up is an over-recovery of \$129,132, calculated based upon an end-of-period net true up over-recovery of \$476,519. Florida City Gas also projects an over-recovery of \$446,451 for the period January 1, 2016 through December 31, 2016. The total incremental costs for 2017 are projected to be \$5,430,057. When the prior period true-up is included, this results in a total of \$4,983,607 in conservation costs to be recovered over the period January 1, 2017 through December 31, 2017.

2. When the required true-up and projected expenditures are spread over the projected therm sales and expanded for taxes, the required conservation cost recovery factors for the period January 1, 2017 through December 31, 2017, are:

RATE CLASS	RATE/\$ PER THERM
GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportation)	\$0.14874
GS-600 (Sales & Transportation)	\$0.07104

RATE CLASS	RATE/\$ PER THERM
GS-1200 (Sales & Transportation)	\$0.04377
GS-6k (Sales & Transportation)	\$0.03640
GS-25000 (Sales & Transportation)	\$0.03601
GS-60000 (Sales & Transportation)	\$0.03447
Gas Lights	\$0.07008
GS-120000 (Sales & Transportation)	\$0.02499
GS-250000 (Sales & Transportation)	\$0.02383

3. The Company's calculation of the Final 2015 Adjusted Net True-Up, as well as the Conservation Cost Recovery Factors set forth herein are calculated consistent with the Commission's methodology, and supported by the Direct Testimony of Miguel Bustos, and Schedules C-1 through C-5, which are included in Exhibit MB-2.

WHEREFORE, Florida City Gas requests that its Conservation Cost Recovery Factors for the period January 1, 2017 through December 31, 2017 be approved.



Gregory M. Munson
Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 618
Tallahassee, FL 32301
(850) 521-1713

Attorneys for Florida City Gas

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition, along with the Direct Testimony of Miguel Bustos and Exhibit MB-2, have been furnished by electronic mail to the following parties of record this 18th day of August 2016:

Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantown Mike Cassel Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach FL 32034 mcassel@fpuc.com	MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown/Ashley Kellgren P.O. Box 1531 Tampa, FL 33601-1531 aw@macfar.com AB@macfar.com
Messer Law Firm Paula M. Sparkman P.O Box 15579 Tallahassee, FL 32317 psparkman@lawfla.com	Office of Public Counsel J.R. Kelly Charles Rehwinkel Patricia Christensen c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Kelly.JR@leg.state.fl.us Christensen.Patty@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us
Peoples Gas System Paula Brown Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com	St. Joe Natural Gas Company, Inc. Mr. Charles A. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 andy@stjoegas.com
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com	AGL Resources Inc. Elizabeth Wade Shannon Pierce Blake O’Farrow Ten Peachtree Place Location 1470 Atlanta, GA 30309 ewade@aglresources.com spierce@aglresources.com bofarrow@aglresources.com

<p>Florida City Gas Carolyn Bermudez 933 East 25th Street Hialeah, FL 33013-3498 cbermude@agresources.com</p>	<p>Kelley Corbari/Leslie Ames* Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 kcorbari@psc.state.fl.us</p>
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Gregory M. Munson
Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

Attorneys for Florida City Gas

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY (PROJECTION) OF MIGUEL BUSTOS

ON BEHALF OF

FLORIDA CITY GAS

DOCKET NO. 160004-GU

1 **Q. Please state your name, business address, by whom you are employed, and in**
2 **what capacity.**

3 A. My name is Miguel Bustos and my business address is 955 East 25th Street, Hialeah,
4 Florida 33013-3498. I am employed by Florida City Gas as Energy Efficiency Program
5 Manager. I have been with the Company for approximately 13 years.

6

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

8 A. Yes, I am.

9

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

12 A. Yes, I am.

13

14 **Q. What is the purpose of your testimony in this docket?**

15 A. To submit the conservation cost recovery true-up for the final true-up period January 1,
16 2015 through December 31, 2015, and for the actual and estimated period of January 1,
17 2016, through December 31, 2016. I will also present the total level of costs Florida
18 City Gas seeks to recover through its conservation factors during the period January 1,

1 2017 through December 31, 2017, as well as the conservation factors which, when
2 applied to our customer's bills during the period January 1, 2017 through December 31,
3 2017, will permit recovery of total ECCR costs.

4

5 **Q. What is the Company's estimated true-up for the period January 1, 2016 through**
6 **December 31, 2016?**

7 A. An over-recovery of \$446,451. This amount is calculated on page 4 of Schedule C-3 of
8 Exhibit MB-2 and takes into account the final true-up for the year ended December 31,
9 2015, which was an over-recovery of \$476,519, including interest. For the period
10 January 1, 2015 through December 31, 2015, the Company's Adjusted Net True-Up is
11 an over-recovery of \$129,132, as reflected in Exhibit MB-1.

12

13 **Q. What is the total cost Florida City Gas seeks to recover during the period January**
14 **1, 2017 through December 31, 2017?**

15 A. The total cost is \$4,983,607. This represents the projected costs of \$5,430,057 to be
16 incurred during 2017, less the estimated true-up of \$446,451 for calendar year 2016.

17

18 **Q. What conservation factors does Florida City Gas need to permit recovery of these**
19 **costs?**

20 A.	GS-1, GS-100, GS-220, RSG, CSG (Sales & Transp.)	\$0.14874
21	GS-600 (Sales & Transportation)	\$0.07104
22	GS-1200 (Sales & Transportation)	\$0.04377
23	GS-6k (Sales & Transportation)	\$0.03640

1	GS-25000 (Sales & Transportation)	\$0.03601
2	GS-60000 (Sales & Transportation)	\$0.03447
3	Gas Lights	\$0.07008
4	GS-120000 (Sales & Transportation)	\$0.02499
5	GS-250000 (Sales & Transportation)	\$0.02383

6

7 **Q. Has Florida City Gas prepared schedules to support its requested Conservation**
8 **Cost Recovery Factor?**

9 A. Yes. I have prepared and filed together with this testimony an Exhibit MB-2, which
10 includes the Schedules C-1 through C-5 as prescribed by the Commission.

11

12 **Q. Does this conclude your testimony?**

13 A. Yes, it does.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing, has been furnished by electronic mail to the following parties of record this 18th day of August, 2016:

Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantown Mike Cassel Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach FL 32034	MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown/Ashley Kellgr P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Office of Public Counsel J.R. Kelly/Charles Rehwinkel/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Peoples Gas System Paula Brown Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Charles A. Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870	AGL Resources Inc. Elizabeth Wade/Shannon Pierce Ten Peachtree Place Location 1470 Atlanta, GA 30309
Florida City Gas Carolyn Bermudez 933 East 25 th Street Hialeah, FL 33013-3498-	Kelley Corbari/Leslie Ames* Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

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Tallahassee, FL 32301

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2017 THROUGH DECEMBER 2017
ACTUAL/ESTIMATED PERIOD: JANUARY 2016 THROUGH DECEMBER 2016
FINAL TRUE-UP PERIOD: JANUARY 2015 THROUGH DECEMBER 2015
COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2015 THROUGH DECEMBER 2015

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 5,430,057
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12)	<u>\$ (446,451)</u>
3. TOTAL (LINE 1 AND 2)	<u>\$ 4,983,607</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 & Transportation)	99,976	15,692,965	11,565,268	\$ 8,264,543	\$ -	\$ 19,829,811	\$ 2,322,544	11.7120%	\$ 0.14800	1.00503	\$ 0.14874
GS-600 (Sales & Transportation)	1,306	1,126,918	188,075	\$ 492,046	\$ -	\$ 680,121	\$ 79,658	11.7120%	\$ 0.07069	1.00503	\$ 0.07104
GS-1200 (Sales & Transportation)	2,967	9,759,324	534,102	\$ 3,095,170	\$ -	\$ 3,629,271	\$ 425,074	11.7120%	\$ 0.04356	1.00503	\$ 0.04377
GS-6k (Sales & Transportation)	2,367	24,780,636	852,175	\$ 6,811,454	\$ -	\$ 7,663,629	\$ 897,594	11.7120%	\$ 0.03622	1.00503	\$ 0.03640
GS-25000 (Sales & Transportation)	319	10,281,332	306,092	\$ 2,839,498	\$ -	\$ 3,145,591	\$ 368,424	11.7120%	\$ 0.03583	1.00503	\$ 0.03601
GS-60000 (Sales & Transportation)	73	7,238,713	130,708	\$ 1,988,981	\$ -	\$ 2,119,689	\$ 248,266	11.7120%	\$ 0.03430	1.00503	\$ 0.03447
Gas Lights	158	14,915	-	\$ 8,880	\$ -	\$ 8,880	\$ 1,040	11.7120%	\$ 0.06973	1.00503	\$ 0.07008
GS-120000 (Sales & Transportation)	40	7,681,269	120,923	\$ 1,389,081	\$ 120,999	\$ 1,631,003	\$ 191,029	11.7120%	\$ 0.02487	1.00503	\$ 0.02499
GS-250000 (Sales & Transportation)	44	19,430,053	157,292	\$ 3,340,220	\$ 344,379	\$ 3,841,891	\$ 449,977	11.7120%	\$ 0.02316	1.00503	\$ 0.02328
TOTAL	<u>107,250</u>	<u>96,006,127</u>	<u>13,210,686</u>	<u>\$ 28,229,873</u>	<u>\$ 465,378</u>	<u>\$ 42,549,886</u>	<u>\$ 4,983,607</u>				



PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
FOR THE PERIOD JANUARY 2017 THROUGH DECEMBER 2017

PROGRAM NAME	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	TOTAL
1. RESIDENTIAL BUILDER	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 38,209	\$ 458,507
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	66,710	66,710	66,710	66,710	66,710	66,710	66,710	66,710	66,710	66,710	66,710	66,710	\$ 800,522
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	3,497	3,497	3,497	3,497	3,497	3,497	3,497	3,497	3,497	3,497	3,497	3,497	\$ 41,969
7. RES WATER HEATER RETENTION	154,044	154,044	154,044	154,044	154,044	154,044	154,044	154,044	154,044	154,044	154,044	154,044	\$ 1,848,530
8. RES CUT AND CAP ALTERNATIVE	7,778	7,778	7,778	7,778	7,778	7,778	7,778	7,778	7,778	7,778	7,778	7,778	\$ 93,333
9. COMM/IND CONVERSION	37,197	37,197	37,197	37,197	37,197	37,197	37,197	37,197	37,197	37,197	37,197	37,197	\$ 446,365
10. COMM/IND ALTERNATIVE TECH.	300	300	300	300	300	300	300	300	300	300	300	300	\$ 3,600
11. COMMERCIAL APPLIANCE	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	\$ 564,000
COMMON COSTS	93,853	100,853	98,853	100,853	98,853	95,853	93,853	95,853	98,853	100,853	98,853	95,853	\$ 1,173,231
TOTAL ALL PROGRAMS	\$ 448,588	\$ 455,588	\$ 453,588	\$ 455,588	\$ 453,588	\$ 450,588	\$ 448,588	\$ 450,588	\$ 453,588	\$ 455,588	\$ 453,588	\$ 450,588	\$ 5,430,057
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	\$ 448,588	\$ 455,588	\$ 453,588	\$ 455,588	\$ 453,588	\$ 450,588	\$ 448,588	\$ 450,588	\$ 453,588	\$ 455,588	\$ 453,588	\$ 450,588	\$ 5,430,057

PROJECTED CONSERVATION PROGRAM COST BY COST CATEGORY
FOR THE PERIOD JANUARY 2017 THROUGH DECEMBER 2017

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL NEW CONSTRUCTION	\$ -	\$ 141,707	\$ -	\$ -	\$ 312,000	\$ -	\$ 4,800	\$ -	\$ 458,507
2. MULTI-FAMILY RESIDENTIAL BLDG	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	-	134,522	-	-	660,000	-	6,000	-	\$ 800,522
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	-	39,569	-	-	2,400	-	-	-	\$ 41,969
7. RES WATER HEATER RETENTION	-	48,530	-	-	1,800,000	-	-	-	\$ 1,848,530
8. RES CUT AND CAP ALTERNATIVE	-	63,333	-	-	30,000	-	-	-	\$ 93,333
9. COMM/IND CONVERSION	-	302,365	-	-	120,000	-	24,000	-	\$ 446,365
10. COMM/IND ALTERNATIVE TECH.	-	-	-	-	-	-	3,600	-	\$ 3,600
11. COMMERCIAL APPLIANCE	-	-	-	-	564,000	-	-	-	\$ 564,000
COMMON COSTS	-	178,831	-	875,000	-	-	5,400	114,000	\$ 1,173,231
TOTAL ALL PROGRAMS	-	908,857	-	875,000	3,488,400	-	43,800	114,000	5,430,057
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 908,857	\$ -	\$ 875,000	\$ 3,488,400	\$ -	\$ 43,800	\$ 114,000	\$ 5,430,057

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL (7 months)	\$ -	\$ 64,001	\$ -	\$ -	\$ 189,491	\$ -	\$ 2,488	\$ -	\$ 255,980
B. ESTIMATED (5 months)	-	48,000	-	-	130,000	-	2,000	-	180,000
C. TOTAL	-	112,001	-	-	319,491	-	4,488	-	435,980
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT									
A. ACTUAL (7 months)	-	108,537	-	-	365,595	-	2,482	-	476,614
B. ESTIMATED (5 months)	-	81,000	-	-	270,000	-	2,000	-	353,000
C. TOTAL	-	189,537	-	-	635,595	-	4,482	-	829,614
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)	-	13,752	-	-	850	-	-	-	14,602
B. ESTIMATED (5 months)	-	10,000	-	-	1,000	-	-	-	11,000
C. TOTAL	-	23,752	-	-	1,850	-	-	-	25,602
SUB-TOTAL	\$ -	\$ 325,290	\$ -	\$ -	\$ 956,935	\$ -	\$ 8,970	\$ -	\$ 1,291,196

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	<u>CAPITAL</u> <u>INVESTMENT</u>	<u>PAYROLL &</u> <u>BENEFITS</u>	<u>MATERIALS &</u> <u>SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE</u> <u>SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>						
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 325,290	\$ -	\$ -	\$ 956,935	\$ -	\$ 8,970	\$ -	\$ 1,291,196						
7. RES WATER HEATER RETENTION															
A. ACTUAL (7 months)	-	-	-	-	998,996	-	-	-	998,996						
B. ESTIMATED (5 months)	-	8,383	-	-	765,000	-	-	-	773,383						
C. TOTAL	-	8,383	-	-	1,763,996	-	-	-	1,772,379						
8. RES CUT AND CAP ALTERNATIVE															
A. ACTUAL (7 months)	-	31,084	-	-	17,000	-	-	-	48,084						
B. ESTIMATED (5 months)	-	24,000	-	-	12,500	-	-	-	36,500						
C. TOTAL	-	55,084	-	-	29,500	-	-	-	84,584						
9. COMM/IND CONVERSION															
A. ACTUAL (7 months)	-	125,371	-	-	21,359	-	13,241	-	159,970						
B. ESTIMATED (5 months)	-	121,540	-	-	25,000	-	10,000	-	156,540						
C. TOTAL	-	246,911	-	-	46,359	-	23,241	-	316,510						
10. COMM/IND ALTERNATIVE TECH.															
A. ACTUAL (7 months)	-	-	-	-	-	-	1,756	-	1,756						
B. ESTIMATED (5 months)	-	-	-	-	-	-	1,500	-	1,500						
C. TOTAL	-	-	-	-	-	-	3,256	-	3,256						
11. COMMERCIAL APPLIANCE															
A. ACTUAL (7 months)	-	-	-	-	295,872	-	-	-	295,872						
B. ESTIMATED (5 months)	-	-	-	-	240,000	-	-	-	240,000						
C. TOTAL	-	-	-	-	535,872	-	-	-	535,872						
COMMON COSTS															
A. ACTUAL (7 months)	-	164,748	-	408,907	-	-	2,739	39,428	615,821						
B. ESTIMATED (5 months)	-	89,345	-	400,000	-	-	2,000	65,883	557,228						
C. TOTAL	-	254,093	-	808,907	-	-	4,739	105,311	1,173,049						
TOTAL															
	\$	889,762	\$	-	808,907	\$	3,332,662	\$	-	\$	40,206	\$	105,311	\$	5,176,847

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

DESCRIPTION	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	TOTAL
1. RESIDENTIAL NEW CONSTRUCTIO	13,050	42,061	89,749	(18,082)	12,316	84,258	32,629	36,000	36,000	36,000	36,000	36,000	435,980
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT	43,408	60,288	81,744	97,109	57,089	60,249	76,727	70,600	70,600	70,600	70,600	70,600	829,614
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	3,534	1,797	1,457	2,285	1,645	2,150	1,733	2,200	2,200	2,200	2,200	2,200	25,602
7. RES WATER HEATER RETENTION	131,494	65,324	127,963	200,026	246,287	110,923	125,444	154,200	154,200	154,200	154,200	154,200	1,778,461
8. RES CUT AND CAP ALTERNATIVE	8,309	5,114	6,122	10,506	7,155	6,111	4,766	7,300	7,300	7,300	7,300	7,300	84,584
9. COMM/IND CONVERSION	22,347	14,474	28,562	23,727	27,416	22,950	20,493	31,308	31,308	31,308	31,308	31,308	316,510
10. COMM/IND ALTERNATIVE TECH.	278	258	219	265	268	252	217	300	300	300	300	300	3,256
11. COMMERCIAL APPLIANCE	22,002	23,529	33,666	82,755	32,861	32,793	68,267	48,000	48,000	48,000	48,000	48,000	535,872
COMMON COSTS	<u>40,250</u>	<u>49,723</u>	<u>80,571</u>	<u>105,848</u>	<u>145,078</u>	<u>107,900</u>	<u>86,451</u>	<u>128,152</u>	<u>106,269</u>	<u>108,269</u>	<u>106,269</u>	<u>108,269</u>	<u>1,173,049</u>
TOTAL ALL PROGRAMS	284,672	262,567	450,054	504,439	530,114	427,586	416,729	478,060	456,177	458,177	456,177	458,177	5,182,929
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	<u>\$ 284,672</u>	<u>\$ 262,567</u>	<u>\$ 450,054</u>	<u>\$ 504,439</u>	<u>\$ 530,114</u>	<u>\$ 427,586</u>	<u>\$ 416,729</u>	<u>\$ 478,060</u>	<u>\$ 456,177</u>	<u>\$ 458,177</u>	<u>\$ 456,177</u>	<u>\$ 458,177</u>	<u>\$ 5,182,929</u>

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(498,314)	(575,421)	(523,715)	(459,364)	(444,538)	(398,276)	(382,892)	(344,707)	(355,125)	(369,820)	(380,488)	(417,435)	(5,150,094)
4. TOTAL REVENUES	(498,314)	(575,421)	(523,715)	(459,364)	(444,538)	(398,276)	(382,892)	(344,707)	(355,125)	(369,820)	(380,488)	(417,435)	(5,150,094)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	(39,710)	(39,710)	(39,710)	(39,710)	(39,710)	(39,710)	(39,710)	(39,710)	(39,710)	(39,710)	(39,710)	(39,710)	(476,519)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(538,024)	(615,131)	(563,425)	(499,074)	(484,248)	(437,986)	(422,602)	(384,417)	(394,835)	(409,530)	(420,198)	(457,145)	(5,626,614)
7. CONSERV. EXPS.	284,672	262,567	450,054	504,439	530,114	427,586	416,729	478,060	456,177	458,177	456,177	458,177	5,182,929
8. TRUE-UP THIS PERIOD	(253,352)	(352,564)	(113,371)	5,365	45,866	(10,400)	(5,873)	93,643	61,342	48,647	35,979	1,032	(443,686)
9. INTEREST PROV. THIS PERIOD	(163)	(246)	(291)	(295)	(307)	(289)	(270)	(237)	(203)	(176)	(152)	(135)	(2,766)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(476,519)	(690,324)	(1,003,425)	(1,077,377)	(1,032,597)	(947,328)	(918,307)	(884,740)	(751,624)	(650,775)	(562,594)	(487,057)	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	39,710	39,710	39,710	39,710	39,710	39,710	39,710	39,710	39,710	39,710	39,710	39,710	476,519
12. TOTAL NET TRUE-UP	\$ (690,324)	\$ (1,003,425)	\$ (1,077,377)	\$ (1,032,597)	\$ (947,328)	\$ (918,307)	\$ (884,740)	\$ (751,624)	\$ (650,775)	\$ (562,594)	\$ (487,057)	\$ (446,451)	\$ (446,451)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

INTEREST PROVISION	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	TOTAL
1. BEGINNING TRUE-UP	\$ (476,519)	\$ (690,324)	\$ (1,003,425)	\$ (1,077,377)	\$ (1,032,597)	\$ (947,328)	\$ (918,307)	\$ (884,740)	\$ (751,624)	\$ (650,775)	\$ (562,594)	\$ (487,057)	
2. ENDING TRUE-UP BEFORE INTEREST	<u>(690,161)</u>	<u>(1,003,179)</u>	<u>(1,077,085)</u>	<u>(1,032,302)</u>	<u>(947,021)</u>	<u>(918,018)</u>	<u>(884,470)</u>	<u>(751,387)</u>	<u>(650,572)</u>	<u>(562,418)</u>	<u>(486,905)</u>	<u>(446,315)</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	(1,166,680)	(1,693,503)	(2,080,510)	(2,109,678)	(1,979,618)	(1,865,346)	(1,802,777)	(1,636,127)	(1,402,197)	(1,213,194)	(1,049,500)	(933,373)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ <u>(583,340)</u>	\$ <u>(846,752)</u>	\$ <u>(1,040,255)</u>	\$ <u>(1,054,839)</u>	\$ <u>(989,809)</u>	\$ <u>(932,673)</u>	\$ <u>(901,388)</u>	\$ <u>(818,064)</u>	\$ <u>(701,098)</u>	\$ <u>(606,597)</u>	\$ <u>(524,750)</u>	\$ <u>(466,686)</u>	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	0.340%	0.340%	0.350%	0.320%	0.360%	0.380%	0.360%	0.350%	0.350%	0.350%	0.350%	0.350%	0
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	<u>0.340%</u>	<u>0.350%</u>	<u>0.320%</u>	<u>0.360%</u>	<u>0.380%</u>	<u>0.360%</u>	<u>0.350%</u>	<u>0.350%</u>	<u>0.350%</u>	<u>0.350%</u>	<u>0.350%</u>	<u>0.350%</u>	-
7. TOTAL (SUM LINES 5 & 6)	<u>0.680%</u>	<u>0.690%</u>	<u>0.670%</u>	<u>0.680%</u>	<u>0.740%</u>	<u>0.740%</u>	<u>0.710%</u>	<u>0.700%</u>	<u>0.700%</u>	<u>0.700%</u>	<u>0.700%</u>	<u>0.700%</u>	0
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	0.340%	0.345%	0.335%	0.340%	0.370%	0.370%	0.355%	0.350%	0.350%	0.350%	0.350%	0.350%	0
9. MONTHLY AVG INTEREST RATE	0.028%	0.029%	0.028%	0.028%	0.031%	0.031%	0.030%	0.029%	0.029%	0.029%	0.029%	0.029%	0
10. INTEREST PROVISION	\$ <u>(163)</u>	\$ <u>(246)</u>	\$ <u>(291)</u>	\$ <u>(295)</u>	\$ <u>(307)</u>	\$ <u>(289)</u>	\$ <u>(270)</u>	\$ <u>(237)</u>	\$ <u>(203)</u>	\$ <u>(176)</u>	\$ <u>(152)</u>	\$ <u>(135)</u>	\$ <u>(2,767)</u>

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL NEW CONSTRUCTION - 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 2016 through July 2016

PROGRAM SUMMARY:

Program costs for the period were \$ 255,980

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 2016 through July 2016

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	\$500
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 2016 through July 2016

PROGRAM SUMMARY:

Program costs for the period were \$ 476,614

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 2016 through July 2016

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 2016 through July 2016

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 2016 through July 2016

PROGRAM SUMMARY:

Program costs for the period were \$ 14,602

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 2016 through July 2016

PROGRAM SUMMARY:

Program costs for the period were \$ 1,007,461

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 2016 through July 2016

PROGRAM SUMMARY:

Program costs for the period were \$ 48,084

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 2016 through July 2016

PROGRAM SUMMARY:

Program costs for the period were \$ 159,970

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 2016 through July 2016

PROGRAM SUMMARY:

Program costs for the period were \$ 1,756

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 2016 through July 2016

PROGRAM SUMMARY:

Program costs for the period were \$ 295,872