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P. O. Box 549 / 301 Long Ave, Port St. Joe, FL 32457

**Tel: 850.229.8216 / fax: 850.229.8392**

[www.stjoegas.com](http://www.stjoegas.com)

August 19, 2016

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

Re: Docket No. 160004-GU

Dear Ms. Stauffer:

Enclosed for filing is St Joe Natural Gas Company's Petition for approval of its Conservation Cost Recovery Factor to be applied to customer bills during the twelve-month period ending December 31, **2017**.

1. Schedules C-1 through C-4
2. Direct Testimony of Debbie Stitt

Thank you for your assistance.

Very truly yours,

s/Debbie Stitt  
Energy Conservation Analyst

Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost )  
Recovery Clause )  
\_\_\_\_\_ )

Docket No. 160004-GU  
Submitted for filing  
August 19, 2016

PETITION OF ST JOE NATURAL GAS COMPANY, INC.  
FOR APPROVAL OF PROPOSED CONSERVATION COST  
RECOVERY CHARGES  
=====

St. Joe Natural Gas Company, Inc. ("SJNG") by and through its undersigned officer, hereby petitions the Commission for approval of its proposed conservation cost recovery factors and amounts as further identified below. In support hereof the company states:

1. The Name of the petitioner and the mailing address of its principal office is:

St. Joe Natural Gas Company, Inc.  
P.O. Box 549  
Port St. Joe, Florida 32457-0549

2. The name and mailing address of the person authorized to receive notices and communications to this petition is:

Debbie Stitt, Energy Conservation Analyst  
St. Joe Natural Gas Company, Inc.  
P.O. Box 549  
Port St. Joe, Florida 32457-0549

3. Pursuant to the requirements of this docket, SJNG has prepared testimony and the conservation true-up forms supplied by the Commission Staff in a manner consistent with the Staff's instructions.

4. The Conservation Cost Recovery Factor was calculated in accordance with the methodology which has been previously approved by the Commission in this docket. The factor is designed to recover the projected conservation program expenses of **SJNG** for the twelve-month period ending December 31, 2017 adjusted for the net true-up (which includes the estimated conservation true-up for the Twelve-month period ending December 31, 2016), as well as interest calculated in accordance with the methodology established by the Commission.

5. **SJNG** projects total conservation program expenses, net of all programs revenue of \$128,350 for the twelve-month period ending December 31, 2017. The estimated net true-up for the twelve months ending December 31, 2016 is an **under-recovery** of \$52,172. After increasing the projected conservation expenses by the amount of this **under-recovery**, a total of \$180,522 remains to be collected during the twelve months ending December 31, 2017. Dividing this total by the projected sales for the period by 1,300,205 therms, and expanding for taxes, results in the conservation adjustment factor of \$0.40001 per therm for RS-1, \$0.24504 per therm for RS-2, \$0.18566 per therm for RS-3, \$0.16949 per therm for GS-1, \$0.07674 per therm for GS-2, and \$0.03555 per therm for GS-4/FTS-4 respectively which **SJNG** seeks approval in this petition.

St. Joe Natural Gas Company, Inc.  
Docket No. 160004-GU  
August 19, 2016  
Page 3

The calculation of these factors per them is contained in the Commission prescribed worksheets filed with this petition.

WHEREFORE, **St. Joe Natural Gas Company, Inc.** requests that this Commission enter its order approving the above conservation cost recovery factors to be applied to the appropriate customer bills during the twelve-month period ending December 31, 2017 and to customer bills thereafter until other conservation cost recovery factors are approved by the Commission.

Dated this 19th day of August 2016.

s/Andy Shoaf, V-President  
St. Joe Natural Gas Company, Inc.  
P.O. Box 549  
Port St. Joe, Florida 32457-0549  
(850) 229-8216 x208

1                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2   In Re:  Conservation Cost       )                           Docket No.160004-GU  
          Recovery Clause         )                           Submitted for Filing  
3   \_\_\_\_\_ )                           August 19, 2016

4  
5                   DIRECT TESTIMONY OF DEBBIE STITT ON BEHALF OF  
6                   ST. JOE NATURAL GAS COMPANY, INC.

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

9   A.  Debbie Stitt, 301 Long Avenue, Port St. Joe, Florida  
10       32456, St Joe Natural Gas Company in the capacity of  
11       Energy Conservation Analyst.

12  Q.  What is the purpose of your testimony?

13  A.  My purpose is to submit the known and projected expenses and  
14       revenues associated with SJNG's conservation programs incurred  
15       in January thru July **2016** and projection costs to be incurred  
16       from August **2016** through December **2016**.  It will also include  
17       projected conservation costs for the period January 1, **2017**  
18       through December 31, **2017** with a calculation of the conservation  
19       adjustment factors to be applied to the customers' bills during  
20       the January 1, **2017** through December 31, **2017** period.

21  Q.  Have you prepared any exhibits in conjunction with your testimony?

22  A.  Yes, I have prepared and filed to the Commission the **19th** day of  
23       **August 2016** Schedule C-1 prescribed by the Commission Staff  
24       which has collectively been titled Energy Conservation Adjustment  
25       Summary of Cost Recovery Clause Calculation for months January

1           1, 2017 through December 31, 2017 for identification.

2       Q.   What Conservation Adjustment Factor does St. Joe Natural Gas  
3           seek approval through its petition for the twelve-month period  
4           ending December 31, 2017?

5       A.   **\$.40001** per therm for RS-1, **\$.24504** per therm for RS-2, and  
6           **\$.18566** per therm for RS-3, **\$0.16949** per therm for GS-1, **\$0.07674**  
7           per therm for GS-2, and **\$0.03555** per therm for GS-4/FTS-4

8       Q.   Does this conclude your testimony?

9       A.   Yes.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost )  
Recovery )  
\_\_\_\_\_ )

Docket No. 160004-GU  
Submitted for Filing  
August 19, 2016

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing  
Testimony have been served upon all known parties of record in this docket  
dated this 19th day of August 2016.

Sebring Gas System, Inc.  
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AGL Resources Inc.  
Elizabeth Wade/Shannon Pierce  
Ten Peachtree Place  
Location 1470  
Atlanta, GA 30309

ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION  
MONTHS: JANUARY 2017 THROUGH DECEMBER 2017

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	128,350
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	52,172
3. TOTAL (LINE 1 AND LINE 2)	180,522

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	12,869	100,256	167,297	129,946	297,243	39,903	13.42444%	0.39801	1.00503	0.40001
RS-2	11,670	197,452	186,720	171,898	358,618	48,142	13.42444%	0.24382	1.00503	0.24504
RS-3	8,492	262,319	169,840	191,123	360,963	48,457	13.42444%	0.18473	1.00503	0.18566
GS-1	1,991	67,475	39,820	44,942	84,762	11,379	13.42444%	0.16864	1.00503	0.16949
GS-2	449	215,846	31,430	91,344	122,774	16,482	13.42444%	0.07636	1.00503	0.07674
FTS4/GS-4	24	456,857	48,000	72,366	120,366	16,158	13.42444%	0.03537	1.00503	0.03555
FTS-5	0	0	0	0	0	0	13.42444%	#DIV/0!	1.00503	#DIV/0!
TOTAL	35,495	1,300,205	643,107	701,618	1,344,725	180,522				





ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2017 THROUGH DECEMBER 2017

<u>PROGRAM</u>	<u>CAPITAL INVEST</u>	<u>PYROLL &amp; BENEFITS</u>	<u>MATERLS. &amp; 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	30,400	0	0	0	30,400
2 RESIDENTIAL APPL. REPLACEMENT	0	0	0	0	26,650	0	0	0	26,650
3 RESIDENTIAL APPL. RETENTION	0	0	0	0	71,300	0	0	0	71,300
4 LARGE FOOD SERVICE COMMERCIAL	0	0	0	0	0	0	0	0	0
5 COMMERCIAL HOSPITALITY AND LODGING	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>128,350</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>128,350</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2016 THROUGH DECEMBER 2016

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	0	0	0	0	32,000	0	0	0	32,000
B. ESTIMATED	0	0	0	0	10,150	0	0	0	10,150
TOTAL	0	0	0	0	42,150	0	0	0	42,150
2 RESIDENTIAL APPL. REPLACEMENT									
A. ACTUAL	0	0	0	0	15,350	0	0	0	15,350
B. ESTIMATED	0	0	0	0	8,000	0	0	0	8,000
TOTAL	0	0	0	0	23,350	0	0	0	23,350
3 RESIDENTIAL APPL. RETENTION									
A. ACTUAL	0	0	0	0	55,400	0	0	0	55,400
B. ESTIMATED	0	0	0	0	21,850	0	0	0	21,850
TOTAL	0	0	0	0	77,250	0	0	0	77,250
4 LARGE FOOD SERVICE COMMERCIAL									
A. ACTUAL	0	0	0	0	11,500	0	0	0	11,500
B. ESTIMATED	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	11,500	0	0	0	11,500
5 COMMERCIAL HOSPITALITY AND LODGING									
A. ACTUAL	0	0	0	0	2,000	0	0	0	2,000
B. ESTIMATED	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	2,000	0	0	0	2,000
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	156,250	0	0	0	156,250

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2016 THROUGH DECEMBER 2016

PROGRAM NAME	<u>CAPITAL INVEST</u>	<u>PYROLL &amp; BENEFITS</u>	<u>MATERLS. &amp; 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	156,250	0	0	0	156,250
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
<b>TOTAL</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>156,250</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>156,250</u>

CONSERVATION PROGRAM COSTS BY PROGRAM  
ACTUAL/ESTIMATED  
JANUARY 2016 THROUGH DECEMBER 2016

PROGRAM NAME	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
RESIDENTIAL NEW CONSTRUCTION	3,900	5,750	2,750	5,400	1,800	5,650	3,400	3,350	2,450	1,800	2,750	3,150	42,150
RESIDENTIAL APPL. REPLACEMENT	675	2,750	2,475	2,600	1,075	2,500	1,925	1,350	3,475	1,575	1,175	1,775	23,350
RESIDENTIAL APPL. RETENTION	3,900	6,900	8,350	8,000	6,550	8,650	7,600	5,450	2,200	6,000	6,650	7,000	77,250
LARGE FOOD SERVICE COMMERCIAL	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCIAL HOSPITALITY AND LODGIN	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	8,475	15,400	13,575	16,000	9,425	16,800	12,925	10,150	8,125	9,375	10,575	11,925	142,750

ENERGY CONSERVATION ADJUSTMENT  
JANUARY 2016 THROUGH DECEMBER 2016

	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
CONSERVATION REVS.													
RCS AUDIT FEES													
a. OTHER PROG. REV.													
b.													
c.	-22,084	-24,530	-17,840	-14,279	-9,036	-8,197	-9,276	-9,498	-6,977	-9,388	-8,655	-12,321	-152,082
CONSERV. ADJ REV. (NET OF REV. TAXES)													
TOTAL REVENUES	-22,084	-24,530	-17,840	-14,279	-9,036	-8,197	-9,276	-9,498	-6,977	-9,388	-8,655	-12,321	-152,082
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	5,112	5,112	5,112	5,112	5,112	5,112	5,112	5,112	5,112	5,112	5,112	5,112	61,344
CONSERVATION REVS. APPLIC. TO PERIOD	-16,972	-19,418	-12,728	-9,167	-3,924	-3,085	-4,164	-4,386	-1,865	-4,276	-3,543	-7,209	-90,738
CONSERVATION EXPS. (FORM C-3, PAGE 3)	8,475	15,400	13,575	16,000	9,425	16,800	12,925	10,150	8,125	9,375	10,575	11,925	142,750
TRUE-UP THIS PERIOD	-8,497	-4,018	847	6,833	5,501	13,715	8,761	5,764	6,260	5,099	7,032	4,716	52,012
INTEREST THIS PERIOD (C-3,PAGE 5)	15	12	10	10	11	13	14	14	15	15	15	15	160
TRUE-UP & INT. BEG. OF MONTH	61,344	47,750	38,632	34,378	36,109	36,509	45,125	48,787	49,454	50,616	50,617	52,552	
PRIOR TRUE-UP COLLECT./(REFUND.)	-5,112	-5,112	-5,112	-5,112	-5,112	-5,112	-5,112	-5,112	-5,112	-5,112	-5,112	-5,112	
END OF PERIOD TOTAL NET TRUE-UP	47,750	38,632	34,378	36,109	36,509	45,125	48,787	49,454	50,616	50,617	52,552	52,172	52,172

CALCULATION OF TRUE-UP AND INTEREST PROVISION  
JANUARY 2016 THROUGH DECEMBER 2016

	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
INTEREST PROVISION													
BEGINNING TRUE-UP	61,344	47,750	38,632	34,378	36,109	36,509	45,125	48,787	49,454	50,616	50,617	52,552	
END. T-UP BEFORE INT.	47,735	38,620	34,368	36,099	36,498	45,112	48,773	49,439	50,601	50,603	52,537	52,157	
TOT. BEG. & END. T-UP	109,079	86,371	73,000	70,477	72,606	81,621	93,898	98,227	100,055	101,219	103,155	104,709	
AVERAGE TRUE-UP	54,540	43,185	36,500	35,239	36,303	40,810	46,949	49,113	50,028	50,609	51,577	52,354	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	0.34%	0.34%	0.35%	0.32%	0.36%	0.38%	0.36%	0.35%	0.35%	0.35%	0.35%	0.35%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	0.34%	0.35%	0.32%	0.36%	0.38%	0.36%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	
TOTAL	0.68%	0.69%	0.67%	0.68%	0.74%	0.74%	0.71%	0.70%	0.70%	0.70%	0.70%	0.70%	
AVG INTEREST RATE	0.34%	0.35%	0.34%	0.34%	0.37%	0.37%	0.36%	0.35%	0.35%	0.35%	0.35%	0.35%	
MONTHLY AVG. RATE	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	
INTEREST PROVISION	\$15	\$12	\$10	\$10	\$11	\$13	\$14	\$14	\$15	\$15	\$15	\$15	\$160

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 2016 THROUGH DECEMBER 2017

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS DRYER</u>	<u>GAS RANGE</u>	<u>GAS TANKLESS W/H</u>
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	3	6	8	23	37
JANUARY 2017 - DECEMBER 2017 (12 MTHS)	4	7	8	18	40

PROGRAM FISCAL EXPENSES FOR:

JANUARY 2016 - DECEMBER 2017

JANUARY 16 - JULY 16	ACTUAL EXPENSES	28,650.00	28,650.00
AUGUST 16 - DECEMBER 16	ESTIMATED EXPENSES	10,150.00	
JANUARY 2017 - DECEMBER 2017	ESTIMATED EXPENSES	30,400.00	

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 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 2016 THROUGH DECEMBER 2017

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS DRYER</u>	<u>GAS RANGE</u>	<u>GAS TANKLESS W/H</u>
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	3	6	8	23	37
JANUARY 2017 - DECEMBER 2017 (12 MTHS)	4	7	8	18	40

PROGRAM FISCAL EXPENSES FOR:

JANUARY 2016 - DECEMBER 2017

JANUARY 16 - JULY 16	ACTUAL EXPENSES	28,650.00
AUGUST 16 - DECEMBER 16	ESTIMATED EXPENSES	10,150.00
JANUARY 2017 - DECEMBER 2017	ESTIMATED EXPENSES	30,400.00

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.

ST JOE NATURAL GAS COMPANY, INC.  
PROGRAM DESCRIPTION AND PROGRESS

DOCKET NO. 160004-GU  
ST JOE NATURAL GAS COMPANY  
(DKS)

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 2016 THROUGH DECEMBER 2017

	GAS WATER HEATING	GAS HEATING	GAS DRYER	GAS RANGE	GAS TANKLESS W/H
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	3	3	3	19	9
JANUARY 2017 - DECEMBER 2017 (12 MTHS)	10	3	6	22	21

PROGRAM FISCAL EXPENSES FOR: JANUARY 2016 THROUGH DECEMBER 2017

JANUARY 16 - JULY 16	ACTUAL EXPENSES	14,000.00
AUGUST 16 - DECEMBER 16	ESTIMATED EXPENSES	8,000.00
JANUARY 2017 - DECEMBER 2017	ESTIMATED EXPENSES	26,650.00

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 2016 - DECEMBER 2017

	GAS WATER HEATING	GAS HEATING	GAS DRYER	GAS RANGE	GAS TANKLESS W/H
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	73	18	13	20	22
JANUARY 2017 - DECEMBER 2017 (12 MTHS)	119	20	17	31	27

PROGRAM FISCAL EXPENSES FOR: JANUARY 2016 THROUGH DECEMBER 2017

JANUARY 16 - JULY 16	ACTUAL EXPENSES	49,950.00
AUGUST 16 - DECEMBER 16	ESTIMATED EXPENSES	21,850.00
JANUARY 2017 - DECEMBER 2017	ESTIMATED EXPENSES	71,300.00

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.

PROGRAM TITLE: LARGE FOOD SERVICE COMMERCIAL CONSERVATION REBATE 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 with an annual consumption of greater than 9,000 therms. The rebates offered within this program are depicted below:

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS WATER HEATING	\$1,500.00
FRYER	\$3,000.00
GAS RANGE	\$1,500.00
GAS TANKLESS W/HEATER	\$2,000.00
	<u>\$8,000.00</u>

PROGRAM PROJECTIONS FOR: JANUARY 2016 - DECEMBER 2017

	<u>WATER</u>	<u>FRYER</u>	<u>RANGE</u>	<u>TANKLESS W/H</u>
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	0	0	5	2
JANUARY 2017 - DECEMBER 2017 (12 MTHS)	0	0	0	0

PROGRAM FISCAL EXPENSES FOR: JANUARY 2016 THROUGH DECEMBER 2017

JANUARY 16 - JULY 16	ACTUAL EXPENSES	11,500.00
AUGUST 16 - DECEMBER 16	ESTIMATED EXPENSES	0.00
JANUARY 2017 - DECEMBER 2017	ESTIMATED EXPENSES	0.00

PROGRAM PROGRESS SUMMARY: Since inception, only seven (7) appliances have qualified for this program.

PROGRAM TITLE: COMMERCIAL HOSPITALITY AND LODGING

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 or motels primarily engaged in providing lodging for the general public. The rebates offered are depicted below;

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS WATER HEATING	\$1,500.00
FRYER	\$3,000.00
GAS RANGE	\$1,500.00
GAS TANKLESS W/HEATER	\$2,000.00
DRYER	\$1,500.00
	<u>\$9,500.00</u>

PROGRAM PROJECTIONS FOR: JANUARY 2016 THROUGH DECEMBER 2017

	<u>WATER</u>	<u>FRYER</u>	<u>RANGE</u>	<u>TANKLESS W/H</u>	<u>DRYER</u>
JANUARY 2016 - DECEMBER 2016 (12 MTHS)	0	0	0	1	0
JANUARY 2017 - DECEMBER 2017 (12 MTHS)	0	0	0	0	0

PROGRAM FISCAL EXPENSES FOR: JANUARY 2016 THROUGH DECEMBER 2017

JANUARY 16 - JULY 16	ACTUAL EXPENSES	2,000.00
AUGUST 16 - DECEMBER 16	ESTIMATED EXPENSES	0.00
JANUARY 2017 - DECEMBER 2017	ESTIMATED EXPENSES	0.00

PROGRAM PROGRESS SUMMARY: Since inception, only ONE (1) appliance has qualified for this program.