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August 9, 2018

E-PORTAL/ELECTRONIC FILING

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

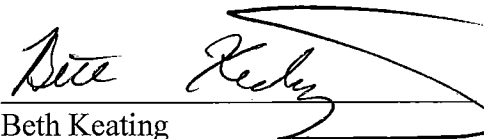
Re: Docket No. 20180004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Ms. Stauffer:

Attached for electronic filing, please find the Direct Testimony and Exhibit DNBM-1 of Ms. Danielle Mulligan on behalf of Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities Company – Fort Meade, and the Florida Division of Chesapeake Utilities Corporation, along with the companies' Joint 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,



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

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 20180004-GU
Filed: August 9, 2018

**JOINT PETITION OF THE FLORIDA PUBLIC UTILITIES COMPANY, FLORIDA
PUBLIC UTILITIES COMPANY – INDIANTOWN DIVISION, FLORIDA PUBLIC
UTILITIES COMPANY – FORT MEADE AND FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION FOR APPROVAL OF
CONSERVATION COST RECOVERY FACTORS**

Florida Public Utilities Company, Consolidated Natural Gas Division (“FPU NG”), Florida Public Utilities Company – Indiantown Division (“Indiantown”), Florida Public Utilities Company – Fort Meade (“Fort Meade”), and Florida Division of Chesapeake Utilities Corporation (“Chesapeake”)(“herein, jointly referred to as “Consolidated Companies”), pursuant to Rule 25-17.015, Florida Administrative Code, hereby submit this Joint Petition to the Commission for approval of the Conservation Cost Recovery Adjustment factors listed herein to be applied to bills rendered for meter readings taken between January 1, 2019 and December 31, 2019. In support hereof, the Consolidated Companies states:

1. The names of the Consolidated Companies and the address of their principal business office is:

Florida Public Utilities Company/Florida Division of Chesapeake Utilities Corporation
1750 S 14th Street, Suite 200
Fernandina Beach FL 32034

2. The name and address of the persons authorized to receive notices and communications in respect to this docket is:

Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Suite 601
Tallahassee, FL 32301-1839
(850) 521-1706
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Mike Cassel, Director/Regulatory and
Governmental Affairs
Florida Public Utilities Company/Florida
Division of Chesapeake Utilities
Corporation
1750 S 14th Street, Suite 200
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mcassel@fpuc.com

3. The Conservation Cost Recovery Adjustment factors were calculated in accordance with the methodology that has been previously approved by the Commission and reflect consolidated costs for the 2018 projection period. The factors are designed to recover the projected energy conservation program expenses of the Consolidated Companies for the period January 1, 2019 through December 31, 2019, adjusted for the net true-up (which includes the estimated energy conservation true-up for the period January 1, 2018 through December 31, 2018), as well as interest calculated in accordance with the methodology established by the Commission. The calculation of the factors and the supporting documentation is contained in the prepared testimony of the Consolidated Companies' witness, Ms. Danielle Mulligan and Exhibit DNBM-1.
4. The Consolidated Companies project total energy conservation program expenses of \$4,369,520 for the period January 2019 through December 2019. The projected net true-up is an over-recovery of \$620,490. After adding the projected energy conservation expenses to the amount of this over-recovery, a total of \$3,749,031 remains to be recovered during the period January 1, 2019 through December 31, 2019. Dividing this total among the Consolidated Companies' rate classes and then dividing this result by the projected gas throughput for the period by rate class, and expanding for taxes, results in the following Conservation Cost Recovery Adjustment factors for which the Consolidated Companies seek approval in this petition.

<u>Rate Class</u>		<u>Adjustment Factor</u> <u>(dollars per therm)</u>
RESIDENTIAL (FPU, Fort Meade)	\$	0.07369
COMMERCIAL SMALL (FPU, Fort Meade)(Gen Srv GS1 & GS Transportation <600)	\$	0.04462

COMMERCIAL SMALL (FPU, Fort Meade) (Gen Srv GS2 & GS Transportation >600)	\$	0.03451
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <,> 50,000 units)	\$	0.02874
Natural Gas Vehicles (FPU, Fort Meade) (NGV, NGV Transportation)	\$	0.01252
TS1 (INDIANTOWN DIVISION)	\$	0.07277
TS2 (INDIANTOWN DIVISION)	\$	0.01038
TS3 (INDIANTOWN DIVISION)	\$	0.02430
TS4 (INDIANTOWN DIVISION) ¹	\$	0.0000
<u>CHESAPEAKE</u>		
FTS-A	\$	0.18507
FTS-B	\$	0.14103
FTS-1	\$	0.12194
FTS-2	\$	0.06328
FTS-2.1	\$	0.04624
FTS-3	\$	0.04125
FTS-3.1	\$	0.03036
FTS-4	\$	0.02572
FTS-5	\$	0.02186

¹ The Consolidated Companies note that the customers in this class are no longer on the system; therefore, the rate is appropriately reflected as \$0.

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
FTS-6	\$	0.01849
FTS-7	\$	0.01290
FTS-8	\$	0.01138
FTS-9	\$	0.00965
FTS-10	\$	0.00924
FTS-11	\$	0.00758
FTS-12	\$	0.00614

The Consolidated Companies also seek approval of the following experimental per bill

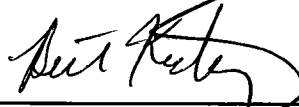
Conservation Cost Recovery Adjustment (Experimental) factors for Chesapeake:

Rate Class	ECCR Factor (\$ per bill)
FTS-A	\$1.13
FTS-B	\$1.47
FTS-1	\$1.86
FTS-2	\$3.79
FTS-2.1	\$5.44
FTS-3	\$13.21
FTS-3.1	\$18.34

WHEREFORE, Florida Public Utilities Company – Consolidated Natural Gas Division, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities – Fort Meade, and the Florida Division of Chesapeake Utilities Corporation ask that the Commission approve

the above Conservation Cost Recovery Adjustment factors to be applied to bills rendered for meter readings taken between January 1, 2019 and December 31, 2019, inclusive.

RESPECTFULLY submitted this 9th day of August, 2018.



Beth Keating, Esquire
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Tallahassee, FL 32301
(850) 521-1706

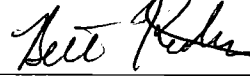
*Attorneys for Florida Public Utilities
Company, Florida Public Utilities
Company-Indiantown Division, Florida
Public Utilities Company-Fort Meade, and
the Florida Division of Chesapeake Utilities
Corporation*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Joint Petition of the Florida Public Utilities Companies and the Florida Division of Chesapeake Utilities Corporation, as well as the Direct Testimony and Exhibits of Ms. Danielle Mulligan, has been furnished by electronic mail to the following parties of record this 9th day of August, 2018:

<p>Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantown Mike Cassel 1750 S.W. 14th Street, Suite 200 Fernandina Beach, FL 32034 mcassel@fpuc.com</p>	<p>MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown P.O. Box 1531 Tampa, FL 33601-1531 aw@macfar.com; AB@macfar.com</p>
<p>Messer Law Firm Paula Sparkman P.O Box 15579 Tallahassee, FL 32317 psparkman@lawfla.com</p>	<p>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</p>
<p>Peoples Gas System Paula Brown Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com kfloyd@tecoenergy.com</p>	<p>St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 Andy@stjoegas.com</p>
<p>Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com</p>	<p>Christopher T. Wright Florida Power and Light 700 Universe Boulevard (LAW/JB) Juno Beach FL 33408 Christopher.Wright@fpl.com</p>

Florida City Gas Carolyn Bermudez/Miguel Bustos 4045 NW 97th Avenue Doral, Florida 33178 Carolyn.bermudez@nexteraenergy.com Miguel.bustos@nexteraenergy.com	Rachael Dziechciarz Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 rdziehc@psc.state.fl.us
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Beth Keating
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(850) 521-1706

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DOCKET NO. 20180004-GU: NATURAL GAS

3 CONSERVATION COST RECOVERY

4 Direct Testimony of Danielle N.B. Mulligan

5 On Behalf of

6 The Florida Public Utilities Company Natural Gas Divisions and the Florida
7 Division of Chesapeake Utilities Corporation (“Consolidated Companies”)

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

9 A. Danielle N. B. Mulligan. My business address is 450 S. Charles Richard Beall
10 Blvd, DeBary, Florida 32713.

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

12 A. I am employed by Florida Public Utilities Company (FPUC) as the Marketing
13 and Conservation Manager.

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

16 A. I graduated from the University of Phoenix in 2003 with a Bachelor of Science
17 in Business Marketing. I have been employed by FPUC since 2010, initially
18 serving as an Energy Conservation Representative for three years before being
19 promoted to the position of Marketing Manager. On June 1, 2017, I was given
20 the additional responsibility of overseeing the Energy Conservation
21 department, which entails management of the Company’s natural gas
22 conservation programs to ensure compliance with all Florida Public Service
23 Commission (FPSC) rules as it pertains to Energy Conservation programs. I
24 am also involved in the preparation of various conservation program related

1 regulatory filings.

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

3 A. To describe generally the expenditures made and projected to be made in
4 implementing, promoting, and operating the Consolidated Companies' energy
5 conservation programs. This will include recoverable costs incurred in
6 January through June 2018 and projections of program costs to be incurred
7 July through December 2018. It will also include projected conservation
8 costs, for the period January through December 2019, with a calculation of the
9 Energy Conservation Cost Recovery Adjustment and Energy Conservation
10 Cost Recovery Adjustment (Experimental) factors to be applied to the
11 customers' bills during the collection period of January 1, 2019 through
12 December 31, 2019.

13 **Q. Are there any exhibits that you wish to sponsor in this proceeding?**

14 A. Yes. I am sponsoring the required Schedules C-1, C-2, C-3, and C-5, which
15 are included in my composite Exhibit No. DNBM-1 and attached to my
16 testimony.

17 **Q. Have there been any changes in the Conservation filing compared to the
18 prior year?**

19 A. As done in the 2018 projections, the Company has consolidated the natural
20 gas conservation programs and costs for the 2019 projection period. The
21 schedules were prepared this period using consolidated costs and revenues for
22 Florida Public Utilities Gas Division (FPUC), the Florida Division of
23 Chesapeake Utilities, the FPUC Ft. Meade Division, and the FPUC
24 Indiantown Division. The Company did not project any expenses for its

1 Conservation, Demonstration and Development program because it ended on
2 December 31, 2017.

3 **Q. Has the Company included descriptions and summary information on the**
4 **Conservation Programs currently approved and available to your**
5 **customers for Florida Public Utilities Company?**

6 A. Yes, the Company has included summaries of the approved conservation
7 programs currently available to our customers in all divisions on Schedule C-5
8 of Exhibit DNBM-1.

9 **Q. What are the total projected costs for the period January 2019 through**
10 **December 2019 in the Consolidated Companies?**

11 A. The total projected Consolidated Conservation Program Costs are \$4,369,520.
12 Please see Schedule C-2, page 2, for the programmatic and functional
13 breakdown of these total costs.

14 **Q. What is the true-up for the period January 2018 through December**
15 **2018?**

16 A. As reflected in the Schedule C-3, Page 4 of 5, the True-up amount for the
17 Consolidated Natural Gas Divisions is an over-recovery of \$620,490.

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

20 A. The total costs to be recovered are \$3,749,031.

21 **Q. Have the Consolidated Companies prepared schedules that show the**
22 **calculation of its proposed Energy Conservation Cost Recovery**
23 **Adjustment factors to be applied during billing periods from January 1,**
24 **2019 through December 31, 2019?**

1 A. Yes. Schedule C-1 of Exhibit DNBM-1 shows these calculations. Net
2 program cost estimates for the period January 1, 2019 through December 31,
3 2019 are used. The estimated true-up amount from Schedule C-3, page 4 of 5,
4 of Exhibit DNBM-1, being an over-recovery, was added to the total of the
5 projected costs for the 12-month period. The total amount was then divided
6 among the Company's rate classes, excluding customers who are on market-
7 based rates that fall under Special Contract Services (Original Sheet No. 19
8 for the Florida Division of Chesapeake Utilities) and tariff rate class FTS-13
9 for the same division, based on total projected contribution. In addition, the
10 customer classes for Outdoor Lights, Outdoor Lights Transportation,
11 Interruptible and Interruptible Transportation have always been exempt from
12 the Conservation Adjustment Factor due to the distinctive service provided by
13 the Company.

14 The results were then divided by the projected gas throughput for each rate
15 class for the 12-month period ending December 31, 2019. The resulting
16 Energy Conservation Cost Recovery Adjustment factors are shown on
17 Schedule C-1 of Exhibit DNBM-1.

18 **Q. Why have the Consolidated Companies excluded market-based rate**
19 **customers from the Energy Conservation Cost Recovery Adjustment**
20 **factors?**

21 A. These customers are served either under the Special Contract Service or
22 Flexible Gas Service, because they have alternative fuel or physical bypass
23 options and are considered by Chesapeake to be "market-based rate"
24 customers. Each of these customers has viable alternatives for service;

1 therefore the negotiated and Commission-approved (in the case of Special
2 Contract Service) rates reflect the fact that only a certain level of revenues can
3 be charged to these customers. In fact, the Company has always excluded the
4 Special Contract Service and tariff rate class FTS-13 customers from the
5 ECCR recovery factors, consistent with its general rate proceedings and
6 consistent with the Applicability section of the tariff sheet for the ECCR
7 factors (Seventh Revised Sheet No. 98). The Commission has not taken issue
8 with the Company's expressed application of the factors either in the ECCR
9 Clause proceedings or in the context of any Special Contract approval.

10 **Q. Have the Consolidated Companies prepared schedules that show the**
11 **calculation of the Florida Division of Chesapeake Utilities Corporation's**
12 **proposed Energy Conservation Cost Recovery Adjustment**
13 **(Experimental) factors for certain rate classes on an experimental basis to**
14 **be applied during billing periods from January 1, 2018 through**
15 **December 31, 2018?**

16 A. Yes, experimental per bill rates were approved for rate classes FTS-A, FTS-B,
17 FTS-1, FTS-2, FTS-2.1, FTS-3 and FTS-3.1. A similar calculation was made
18 as described above for the experimental rates; however, the projected number
19 of bills for each rate class for the 12-month period ending December 31, 2018
20 was utilized. The resulting Energy Conservation Cost Recovery Adjustment
21 (Experimental) factors are shown on Schedule C-1, page 3 of 3 of Exhibit
22 DNBM-1.

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

24 A. Yes.

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2019 THROUGH DECEMBER 2019

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 4,369,520
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	\$ (620,490)
3. TOTAL (LINE 1 AND LINE 2)	\$ 3,749,031

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)	666,227	13,780,059	7,365,946	6,870,500	14,236,446	1,010,380	7.09714%	\$ 0.07332	1.00503	\$ 0.07369
COMMERCIAL SMALL (FPU, Fort Meade) (Gen Srv GS1 & GS Transportation <600)	15,851	1,865,057	407,726	759,076	1,166,802	82,810	7.09714%	\$ 0.04440	1.00503	\$ 0.04462
COMMERCIAL SMALL (FPU & Fort Meade) (Gen Srv GS2 & GS Transportation >600)	36,253	11,798,859	1,112,199	4,596,190	5,708,389	405,132	7.09714%	\$ 0.03434	1.00503	\$ 0.03451
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <-> 50,000 units)	24,385	44,628,579	2,202,555	15,780,088	17,982,643	1,276,253	7.09714%	\$ 0.02860	1.00503	\$ 0.02874
NATURAL GAS VEHICLES (FPU, Fort Meade) (NGV, NGV Transportation)	24	540,000	2,400	92,399	94,799	6,728	7.09714%	\$ 0.01246	1.00503	\$ 0.01252
TS1 (INDIANTOWN DIVISION)	8,061	113,022	72,549	42,762	115,311	8,184	7.09714%	\$ 0.07241	1.00503	\$ 0.07277
TS2 (INDIANTOWN DIVISION)	287	81,650	7,175	4,705	11,880	843	7.09714%	\$ 0.01033	1.00503	\$ 0.01038
TS3 (INDIANTOWN DIVISION)	12	2,459	720	118	838	59	7.09714%	\$ 0.02418	1.00503	\$ 0.02430
TS4 (INDIANTOWN DIVISION)	0	0	0	0	0	0	7.09714%	\$ 0.00000	1.00503	\$ 0.00000
CHESAPEAKE (PAGE 2)	215,841	49,609,937	7,130,799	6,376,628	13,507,427	958,641	SEE PAGE 2 AND 3			
TOTAL	966,941	122,419,622	18,302,069	34,522,466	52,824,535	3,749,031				

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2019 THROUGH DECEMBER 2019
CHESAPEAKE NON EXPERIMENTAL

EXHIBIT NO. _____
DOCKET NO. 20180004-GU
FLORIDA PUBLIC UTILITIES COMPANY
DNBM-1
PAGE 2 OF 26

RATE CLASS	BILLS	THERMS	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
FTS-A	14,977	91,363	\$194,701	\$42,354	\$237,055	16,824	7.09714%	\$ 0.18415	1.00503	\$ 0.18507
FTS-B	28,020	292,605	\$434,310	\$144,213	\$578,523	41,059	7.09714%	\$ 0.14032	1.00503	\$ 0.14103
FTS-1	142,320	2,169,422	\$2,704,080	\$1,004,659	\$3,708,739	263,214	7.09714%	\$ 0.12133	1.00503	\$ 0.12194
FTS-2	10,022	600,391	\$340,748	\$191,885	\$532,633	37,802	7.09714%	\$ 0.06296	1.00503	\$ 0.06328
FTS-2.1	8,987	1,057,515	\$359,480	\$326,000	\$685,480	48,649	7.09714%	\$ 0.04600	1.00503	\$ 0.04624
FTS-3	3,472	1,111,597	\$374,976	\$267,917	\$642,893	45,627	7.09714%	\$ 0.04105	1.00503	\$ 0.04125
FTS-3.1	4,126	2,492,665	\$552,884	\$508,080	\$1,060,964	75,298	7.09714%	\$ 0.03021	1.00503	\$ 0.03036
FTS-4	2,470	3,023,423	\$518,700	\$571,427	\$1,090,127	77,368	7.09714%	\$ 0.02559	1.00503	\$ 0.02572
FTS-5	454	1,226,027	\$172,520	\$203,275	\$375,795	26,671	7.09714%	\$ 0.02175	1.00503	\$ 0.02186
FTS-6	303	1,686,730	\$181,800	\$255,320	\$437,120	31,023	7.09714%	\$ 0.01839	1.00503	\$ 0.01849
FTS-7	282	3,416,035	\$197,400	\$420,172	\$617,572	43,830	7.09714%	\$ 0.01283	1.00503	\$ 0.01290
FTS-8	216	5,256,802	\$259,200	\$579,510	\$838,710	59,524	7.09714%	\$ 0.01132	1.00503	\$ 0.01138
FTS-9	84	3,828,242	\$168,000	\$349,633	\$517,633	36,737	7.09714%	\$ 0.00960	1.00503	\$ 0.00965
FTS-10	36	2,329,993	\$108,000	\$193,809	\$301,809	21,420	7.09714%	\$ 0.00919	1.00503	\$ 0.00924
FTS-11	24	3,616,123	\$132,000	\$252,297	\$384,297	27,274	7.09714%	\$ 0.00754	1.00503	\$ 0.00758
FTS-12	48	17,411,004	\$432,000	\$1,066,076	\$1,498,076	106,321	7.09714%	\$ 0.00611	1.00503	\$ 0.00614
TOTAL	215,841	49,609,937	7,130,799	6,376,628	13,507,427	958,641	7.09714%			

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS
(FPU, CFG, INDIANTOWN, AND FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2019 THROUGH DECEMBER 2019
CHESAPEAKE PER BILL BASIS - Experimental

EXHIBIT NO. _____
DOCKET NO. 20180004-GU
FLORIDA PUBLIC UTILITIES COMPANY
DNBM-1
PAGE 3 OF 26

RATE CLASS	BILLS	THERMS	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	\$ PER BILL	EXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
FTS-A	14,977	91,363	\$194,701	\$42,354	\$237,055	\$16,824	7.0971%	\$1.1233	1.00503	\$1.13
FTS-B	28,020	292,605	\$434,310	\$144,213	\$578,523	\$41,059	7.0971%	\$1.4653	1.00503	\$1.47
FTS-1	142,320	2,169,422	\$2,704,080	\$1,004,659	\$3,708,739	\$263,214	7.0971%	\$1.8495	1.00503	\$1.86
FTS-2	10,022	600,391	\$340,748	\$191,885	\$532,633	\$37,802	7.0971%	\$3.7719	1.00503	\$3.79
FTS-2.1	8,987	1,057,515	\$359,480	\$326,000	\$685,480	\$48,649	7.0971%	\$5.4133	1.00503	\$5.44
FTS-3	3,472	1,111,597	\$374,976	\$267,917	\$642,893	\$45,627	7.0971%	\$13.1414	1.00503	\$13.21
FTS-3.1	4,126	2,492,665	\$552,884	\$508,080	\$1,060,964	\$75,298	7.0971%	\$18.2497	1.00503	\$18.34
FTS-4	2,470	3,023,423	\$518,700	\$571,427	\$1,090,127	\$77,368				
FTS-5	454	1,226,027	\$172,520	\$203,275	\$375,795	\$26,671				
FTS-6	303	1,686,730	\$181,800	\$255,320	\$437,120	\$31,023				
FTS-7	282	3,416,035	\$197,400	\$420,172	\$617,572	\$43,830				
FTS-8	216	5,256,802	\$259,200	\$579,510	\$838,710	\$59,524				
FTS-9	84	3,828,242	\$168,000	\$349,633	\$517,633	\$36,737				
FTS-10	36	2,329,993	\$108,000	\$193,809	\$301,809	\$21,420				
FTS-11	24	3,616,123	\$132,000	\$252,297	\$384,297	\$27,274				
FTS-12	48	17,411,004	\$432,000	\$1,066,076	\$1,498,076	\$106,321				
TOTAL	215,841	49,609,937	\$7,130,799	\$6,376,628	\$13,507,427	\$958,641	7.09714%			

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION (FPU, CFG, INDIANTOWN & FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
JANUARY 2019 THROUGH DECEMBER 2019

PROGRAM	JAN 2019	FEB 2019	MAR 2019	APR 2019	MAY 2019	JUN 2019	JUL 2019	AUG 2019	SEP 2019	OCT 2019	NOV 2019	DEC 2019	TOTAL
1 Full House Residential New Construction	95,273	95,273	95,273	95,273	95,273	95,273	95,273	95,273	95,273	95,273	95,273	95,273	1,143,270
2 Resid. Appliance Replacement	45,825	45,825	45,825	45,825	45,825	45,825	45,825	45,825	45,825	45,825	45,825	45,825	549,900
3 Conservation Education	7,967	7,967	7,967	7,967	7,967	7,967	7,967	7,967	7,967	7,967	7,967	7,967	95,600
4 Space Conditioning	108	108	108	108	108	108	108	108	108	108	108	108	1,300
5 Residential Conservation Survey	996	996	996	996	996	996	996	996	996	996	996	996	11,950
6 Residential Appliance Retention	68,975	68,975	68,975	68,975	68,975	68,975	68,975	68,975	68,975	68,975	68,975	68,975	827,700
7 Commercial Conservation Survey	379	379	379	379	379	379	379	379	379	379	379	379	4,550
8 Residential Service Reactivation	667	667	667	667	667	667	667	667	667	667	667	667	8,000
9 Common	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	660,000
10 Conserv. Demonstration and Development	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Commercial Small Food Service Program	47,192	47,192	47,192	47,192	47,192	47,192	47,192	47,192	47,192	47,192	47,192	47,192	566,300
12 Commercial Large Non-Food Service Program	12,446	12,446	12,446	12,446	12,446	12,446	12,446	12,446	12,446	12,446	12,446	12,446	149,350
13 Commercial Large Food Service Program	9,763	9,763	9,763	9,763	9,763	9,763	9,763	9,763	9,763	9,763	9,763	9,763	117,150
14 Commercial Large Hospitality Program	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	10,608	127,300
15 Commercial Large Cleaning Service Program	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	107,150
16 Residential Propane Distribution Program	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	364,127	364,127	364,127	364,127	364,127	364,127	364,127	364,127	364,127	364,127	364,127	364,127	4,369,520

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED NATURAL GAS (FPU,CFG, INDIANTOWN, & FT. MEADE)
 ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 JANUARY 2019 THROUGH DECEMBER 2019

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISE	INCENTIVES	OUTSIDE SERVICES	LEGAL	TRAVEL	VEHICLE	OTHER	TOTAL
1 Full House Residential New Construction	0	195,000	4,500	55,000	850,000	4,500	0	25,000	5,270	4,000	1,143,270
2 Resid. Appliance Replacement	0	45,000	500	255,000	240,000	2,000	0	5,000	1,500	900	549,900
3 Conservation Education	0	30,000	500	60,000	0	0	0	3,500	1,500	100	95,600
4 Space Conditioning	0	500	100	500	0	0	0	100	100	0	1,300
5 Residential Conservation Survey	0	7,500	250	1,000	0	2,000	0	600	500	100	11,950
6 Residential Appliance Retention	0	60,000	1,000	206,000	550,000	2,000	0	6,000	1,500	1,200	827,700
7 Commercial Conservation Survey	0	3,000	100	1,000	0	0	0	200	150	100	4,550
8 Residential Service Reactivation	0	1,000	100	5,000	1,000	600	0	100	100	100	8,000
9 Common	0	475,000	10,000	35,000	0	40,000	5,000	50,000	17,000	28,000	660,000
10 Conserv. Demonstration and Development	0	0	0	0	0	0	0	0	0	0	0
11 Commercial Small Food Service Program	0	85,000	800	15,000	450,000	4,000	0	7,500	2,000	2,000	566,300
12 Commercial Large Non-Food Service Program	0	6,000	100	15,000	125,000	2,500	0	500	150	100	149,350
13 Commercial Large Food Service Program	0	17,000	150	15,000	80,000	2,500	0	1,500	500	500	117,150
14 Commercial Large Hospitality Program	0	30,000	300	15,000	75,000	2,500	0	2,800	700	1,000	127,300
15 Commercial Large Cleaning Service Program	0	17,000	150	15,000	70,000	2,500	0	1,500	500	500	107,150
16 Residential Propane Distribution Program	0	0	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	972,000	18,550	693,500	2,441,000	65,100	5,000	104,300	31,470	38,600	4,369,520

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FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
ACTUAL JANUARY 2018 THROUGH JUNE 2018; ESTIMATED JULY 2018 THROUGH DECEMBER 2018

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	LEGAL	TRAVEL	TOTAL
1 Full House Residential New Construction											
A. ACTUAL (JAN-JUN)	0	83,221	1,883	12,878	479,002	1,082	3,060	2,666	0	10,076	593,867
B. ESTIMATED (JUL-DEC)	0	57,500	500	52,500	305,000	2,500	800	4,500	0	3,500	426,800
C. TOTAL	0	140,721	2,383	65,378	784,002	3,582	3,860	7,166	0	13,576	1,020,667
2 Resid. Appliance Replacement											
A. ACTUAL (JAN-JUN)	0	19,516	172	41,286	136,939	815	505	222	0	1,641	201,097
B. ESTIMATED (JUL-DEC)	0	40,000	300	102,500	132,500	17,500	500	300	0	2,500	296,100
C. TOTAL	0	59,516	472	143,786	269,439	18,315	1,005	522	0	4,141	497,197
3 Conservation Education											
A. ACTUAL (JAN-JUN)	0	9,716	156	40,745	0	0	413	74	0	1,124	52,228
B. ESTIMATED (JUL-DEC)	0	20,000	500	25,000	0	10,000	1,250	0	0	3,250	60,000
C. TOTAL	0	29,716	656	65,745	0	10,000	1,663	74	0	4,374	112,228
4 Space Conditioning											
A. ACTUAL (JAN-JUN)	0	0	0	0	0	0	0	0	0	0	0
B. ESTIMATED (JUL-DEC)	0	250	50	2,000	600	0	50	0	0	75	3,025
C. TOTAL	0	250	50	2,000	600	0	50	0	0	75	3,025
5 Residential Conservation Survey											
A. ACTUAL (JAN-JUN)	0	2,458	36	214	0	0	128	10	0	313	3,159
B. ESTIMATED (JUL-DEC)	0	3,750	125	500	0	2,500	250	7,500	0	800	15,425
C. TOTAL	0	6,208	161	714	0	2,500	378	7,510	0	1,113	18,584
6 Residential Appliance Retention											
A. ACTUAL (JAN-JUN)	0	26,638	203	52,913	288,810	1,046	635	323	0	2,277	372,845
B. ESTIMATED (JUL-DEC)	0	50,000	500	75,000	350,000	17,500	750	500	0	3,000	497,250
C. TOTAL	0	76,638	703	127,913	638,810	18,546	1,385	823	0	5,277	870,095
7 Commercial Conservation Survey											
A. ACTUAL (JAN-JUN)	0	991	9	84	0	0	48	5	0	150	1,286
B. ESTIMATED (JUL-DEC)	0	1,750	50	50	0	0	100	50	0	300	2,300
C. TOTAL	0	2,741	59	134	0	0	148	55	0	450	3,586
SUB-TOTAL	0	315,790	4,483	405,671	1,692,851	52,943	8,488	16,150	0	29,005	2,525,382

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
ACTUAL JANUARY 2018 THROUGH JUNE 2018; ESTIMATED JULY 2018 THROUGH DECEMBER 2018

PROGRAM NAME	CAPITAL INVEST	PAYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	LEGAL	TRAVEL	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	315,790	4,483	405,671	1,692,851	52,943	8,488	16,150	0	29,005	2,525,382
7a Residential Propane Distribution Program											
A. ACTUAL (JAN-JUN)	0	0	0	0	0	0	0	0	0	0	0
B. ESTIMATED (JUL-DEC)	0	0	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0	0	0
8 Residential Service Reactivation											
A. ACTUAL (JAN-JUN)	0	348	2	0	350	347	8	4	0	30	1,090
B. ESTIMATED (JUL-DEC)	0	500	50	25,000	750	1,250	50	50	0	50	27,700
C. TOTAL	0	848	52	25,000	1,100	1,597	58	54	0	80	28,790
9 Common											
A. ACTUAL (JAN-JUN)	0	258,498	4,262	4,157	0	10,570	6,633	20,828	639	24,575	330,163
B. ESTIMATED (JUL-DEC)	0	300,000	10,000	15,000	0	17,500	10,000	0	3,000	50,000	405,500
C. TOTAL	0	558,498	14,262	19,157	0	28,070	16,633	20,828	3,639	74,575	735,663
10 Conserv. Demonstration and Development											
A. ACTUAL (JAN-JUN)	0	0	0	0	0	0	0	0	0	0	0
B. ESTIMATED (JUL-DEC)	0	0	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0	0	0
11 Commercial Small Food Service Program											
A. ACTUAL (JAN-JUN)	0	44,219	316	6,617	260,016	1,828	1,005	553	0	3,797	318,352
B. ESTIMATED (JUL-DEC)	0	55,000	400	9,000	207,500	2,500	500	4,250	0	3,500	282,650
C. TOTAL	0	99,219	716	15,617	467,516	4,328	1,505	4,803	0	7,297	601,002
12 Commercial Large Non-Food Service Program											
A. ACTUAL (JAN-JUN)	0	2,437	17	6,617	74,456	826	55	30	0	209	84,649
B. ESTIMATED (JUL-DEC)	0	32,500	50	9,000	30,000	2,500	50	4,000	0	250	78,350
C. TOTAL	0	34,937	67	15,617	104,456	3,326	105	4,030	0	459	162,999
13 Commercial Large Food Service Program											
A. ACTUAL (JAN-JUN)	0	9,053	65	6,617	23,945	975	206	113	0	777	41,751
B. ESTIMATED (JUL-DEC)	0	11,000	75	9,000	40,000	2,500	100	4,000	0	750	67,425
C. TOTAL	0	20,053	140	15,617	63,945	3,475	306	4,113	0	1,527	109,176
14 Commercial Large Hospitality Program											
A. ACTUAL (JAN-JUL)	0	16,016	115	6,617	21,247	1,146	364	200	0	1,375	47,081
B. ESTIMATED (AUG-DEC)	0	20,000	150	9,000	137,500	2,500	175	4,000	0	1,250	174,575
C. TOTAL	0	36,016	265	15,617	158,747	3,646	539	4,200	0	2,625	221,656
15 Commercial Large Cleaning Service Program											
A. ACTUAL (JAN-JUL)	0	9,053	65	6,617	53,927	975	206	113	0	777	71,733
B. ESTIMATED (AUG-DEC)	0	11,000	75	9,000	50,000	2,500	100	4,000	0	750	77,425
C. TOTAL	0	20,053	140	15,617	103,927	3,475	306	4,113	0	1,527	149,158
TOTAL	0	1,085,415	20,126	527,914	2,592,543	100,859	27,940	58,292	3,639	117,097	4,533,825

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
 CONSERVATION PROGRAM COSTS BY PROGRAM
 ACTUAL/ESTIMATED
 ACTUAL JANUARY 2018 THROUGH JUNE 2018; ESTIMATED JULY 2018 THROUGH DECEMBER 2018

PROGRAM NAME	----- ACTUAL -----						--- PROJECTION ---						TOTAL
	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	
Full House Residential New Construction	73,735	84,238	74,313	54,380	174,325	132,876	71,133	71,133	71,133	71,133	71,133	71,133	1,020,665
Resid. Appliance Replacement	21,939	38,953	24,206	41,620	32,472	41,907	49,350	49,350	49,350	49,350	49,350	49,350	497,197
Conservation Education	5,860	11,194	13,098	8,186	3,715	10,176	10,000	10,000	10,000	10,000	10,000	10,000	112,228
Space Conditioning	0	0	0	0	0	0	504	504	504	504	504	504	3,024
Residential Conservation Survey	214	1,028	390	1,103	123	301	2,571	2,571	2,571	2,571	2,571	2,571	18,585
Residential Appliance Retention	52,550	59,720	38,397	69,366	51,470	101,341	82,875	82,875	82,875	82,875	82,875	82,875	870,097
Commercial Conservation Survey	84	0	0	551	123	527	383	383	383	383	383	383	3,584
Residential Service Reactivation	178	110	110	115	115	462	4,617	4,617	4,617	4,617	4,617	4,617	28,792
Common	53,510	45,139	66,112	50,761	63,989	50,653	67,583	67,583	67,583	67,583	67,583	67,583	735,663
Conserv. Demonstration and Development	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Small Food Service Program	53,058	41,153	50,457	43,820	31,328	98,536	47,108	47,108	47,108	47,108	47,108	47,108	601,000
Commercial Large Non-Food Service Program	21,437	10,711	11,890	18,192	8,748	13,671	13,058	13,058	13,058	13,058	13,058	13,058	162,997
Commercial Large Food Service Program	2,146	6,653	2,987	14,706	5,591	9,667	11,238	11,238	11,238	11,238	11,238	11,238	109,179
Commercial Large Hospitality Program	3,412	13,779	4,294	12,911	6,604	6,081	29,096	29,096	29,096	29,096	29,096	29,096	221,657
Commercial Large Cleaning Service Program	10,072	12,477	13,565	2,506	4,026	29,088	12,904	12,904	12,904	12,904	12,904	12,904	149,157
Residential Propane Distribution Program	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	298,195	325,154	299,817	318,218	382,630	495,285	402,421	402,421	402,421	402,421	402,421	402,421	4,533,825

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
ENERGY CONSERVATION ADJUSTMENT
ACTUAL JANUARY 2018 THROUGH JUNE 2018; ESTIMATED JULY 2018 THROUGH DECEMBER 2018

	----- ACTUAL -----						- PROJECTION -						TOTAL
	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	
CONSERVATION REVS.													
RCS AUDIT FEES	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
b.	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)	(482,685)	(386,201)	(369,585)	(363,914)	(299,846)	(284,977)	(323,437)	(323,437)	(323,437)	(323,437)	(323,437)	(323,437)	(4,127,830)
TOTAL REVENUES	(482,685)	(386,201)	(369,585)	(363,914)	(299,846)	(284,977)	(323,437)	(323,437)	(323,437)	(323,437)	(323,437)	(323,437)	(4,127,830)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	(83,914)	(83,914)	(83,914)	(83,914)	(83,914)	(83,914)	(83,914)	(83,914)	(83,914)	(83,914)	(83,914)	(83,914)	(1,006,967)
CONSERVATION REVS. APPLIC. TO PERIOD	(566,599)	(470,115)	(453,499)	(447,828)	(383,760)	(368,891)	(407,351)	(407,351)	(407,351)	(407,351)	(407,351)	(407,351)	(5,134,797)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	298,195	325,154	299,817	318,218	382,630	495,285	402,421	402,421	402,421	402,421	402,421	402,421	4,533,825
TRUE-UP THIS PERIOD	(268,404)	(144,960)	(153,682)	(129,609)	(1,130)	126,394	(4,930)	(4,930)	(4,930)	(4,930)	(4,930)	(4,930)	(600,973)
INTEREST THIS PERIOD (C-3, PAGE 5)	(1,369)	(1,611)	(1,893)	(2,115)	(2,089)	(1,912)	(1,744)	(1,615)	(1,486)	(1,357)	(1,228)	(1,098)	(19,517)
TRUE-UP & INT. BEG. OF MONTH	(1,006,967)	(1,192,826)	(1,255,484)	(1,327,145)	(1,374,955)	(1,294,260)	(1,085,865)	(1,008,625)	(931,256)	(853,758)	(776,131)	(698,376)	(1,006,967)
PRIOR TRUE-UP COLLECT./(REFUND.)	83,914	83,914	83,914	83,914	83,914	83,914	83,914	83,914	83,914	83,914	83,914	83,914	1,006,967
Audit Adj. - Prior period													0
END OF PERIOD TOTAL NET TRUE-UP	<u>(1,192,826)</u>	<u>(1,255,484)</u>	<u>(1,327,145)</u>	<u>(1,374,955)</u>	<u>(1,294,260)</u>	<u>(1,085,865)</u>	<u>(1,008,625)</u>	<u>(931,256)</u>	<u>(853,758)</u>	<u>(776,131)</u>	<u>(698,376)</u>	<u>(620,490)</u>	<u>(620,490)</u>

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS (FPU, CFG, INDIANTOWN, FT. MEADE)
CALCULATION OF TRUE-UP AND INTEREST PROVISION
ACTUAL JANUARY 2018 THROUGH JUNE 2018, ESTIMATED JULY 2018 THROUGH DECEMBER 2018

	----- ACTUAL -----						--- PROJECTION ---						TOTAL
	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	
INTEREST PROVISION													
BEGINNING TRUE-UP	(1,006,967)	(1,192,826)	(1,255,484)	(1,327,145)	(1,374,955)	(1,294,260)	(1,085,865)	(1,008,625)	(931,256)	(853,758)	(776,131)	(698,376)	
END. T-UP BEFORE INT.	(1,191,457)	(1,253,873)	(1,325,252)	(1,372,840)	(1,292,171)	(1,083,953)	(1,006,881)	(929,641)	(852,272)	(774,774)	(697,148)	(619,392)	
TOT. BEG. & END. T-UP	(2,198,424)	(2,446,699)	(2,580,736)	(2,699,986)	(2,667,127)	(2,378,213)	(2,092,745)	(1,938,266)	(1,783,528)	(1,628,532)	(1,473,279)	(1,317,767)	
AVERAGE TRUE-UP	(1,099,212)	(1,223,350)	(1,290,368)	(1,349,993)	(1,333,563)	(1,189,106)	(1,046,373)	(969,133)	(891,764)	(814,266)	(736,639)	(658,884)	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	1.49%	1.50%	1.66%	1.86%	1.90%	1.86%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	1.50%	1.66%	1.86%	1.90%	1.86%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
TOTAL	2.99%	3.16%	3.52%	3.76%	3.76%	3.86%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
AVG INTEREST RATE	1.50%	1.58%	1.76%	1.88%	1.88%	1.93%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
MONTHLY AVG. RATE	0.12%	0.13%	0.15%	0.16%	0.16%	0.16%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	
INTEREST PROVISION	(\$1,369)	(\$1,611)	(\$1,893)	(\$2,115)	(\$2,089)	(\$1,912)	(\$1,744)	(\$1,615)	(\$1,486)	(\$1,357)	(\$1,228)	(\$1,098)	(\$19,517)

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISIONS
(FPU, CFG, INDIANTOWN, FT. MEADE)
PROGRAM DESCRIPTION AND SUMMARY**

SCHEDULE C-5

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. 20180004-GU
FLORIDA PUBLIC UTILITIES CO.
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISIONS
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
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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 2019, the Company estimates that 3400 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 2019, the Company estimates expenses of \$1,143,270.

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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 2019, the Company estimates that 800 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 2019, the Company estimates expenses of \$549,900.

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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 2019, the Company estimates that 2500 appliances will be connected to its system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$827,700.

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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 2019, the Company estimates that 5 services will be reactivated with water heaters on its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$8,000.

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 2019, the Company estimates that 40 residential customers will participate in this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$11,950.

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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 2019, the Company estimates that 5 commercial customers will participate in this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$4,550.

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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 2019, the Company estimates that it will participate in 40 community sponsorships and industry events. Conservation education materials such as signage, ad placement and promotional giveaways will be displayed or distributed to event attendees. At certain events, an energy conservation representative will provide live presentations and energy conservation training.

PROGRAM FISCAL EXPENDITURES:

During this twelve-month period of January to December 2019, the Company estimates expenses of \$95,600.

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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 2019, the Company estimates that 1 customer projects will utilize this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$1,300.

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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. This program is slated to end on December 31st, 2017.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

This program ended on December 31st, 2017 thus there are no program projections for 2019.

PROGRAM FISCAL EXPENDITURES:

This program ended on December 31st, 2017 thus there are no program projections for 2019.

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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:

	50% of the purchase and installation cost up to the amounts below.	100% of the purchase and installation cost up to the amounts below.	50% of the purchase and installation cost up to the amounts below.
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 2019 the Company estimates that 175 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$566,300.

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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:

	50% of the purchase and installation cost up to the amounts below.	100% of the purchase and installation cost up to the amounts below.	50% of the purchase and installation cost up to the amounts below.
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 2019, the Company estimates that 65 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$149,350.

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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:

	50% of the purchase and installation cost up to the amounts below.	100% of the purchase and installation cost up to the amounts below.	50% of the purchase and installation cost up to the amounts below.
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 2019, the Company estimates that 40 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$117,150.

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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:

	50% of the purchase and installation cost up to the amounts below.	100% of the purchase and installation cost up to the amounts below.	50% of the purchase and installation cost up to the amounts below.
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 2019, the Company estimates that 40 appliances will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$127,300.

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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:

	50% of the purchase and installation cost up to the amounts below.	100% of the purchase and installation cost up to the amounts below.	50% of the purchase and installation cost up to the amounts below.
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 2019, the Company estimates that 70 appliance will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$107,150.

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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	\$525
Water Heater	\$275
Range	\$75
Dryer	\$75

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2019, the Company estimates that no appliances will be connected to its natural gas system using this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2019, the Company estimates expenses of \$0.

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