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August 10, 2018

BY 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

Dear Ms. Stauffer:

Attached for filing, please find Florida City Gas' Petition for Approval of Natural Gas Conservation Cost Recovery Factors in the above-referenced docket.

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 'G. Munson'.

Gregory Munson
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1713

cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation Cost
Recovery

Docket No. 20180004-GU

Filed: August 10, 2018

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

Florida City Gas (“FCG” or the “Company”), hereby submits this petition asking that the Florida Public Service Commission (“FPSC” or “Commission”) approve the Company’s Natural Gas Conservation Cost Recovery Factors including the true-up amounts. In support thereof, the Company states as follows:

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

Florida City Gas
4045 NW 97th Avenue
Doral, Florida 33178

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

Beth Keating
Greg Munson
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1980

Christopher Wright
Senior Attorney
Florida City Gas
700 Universe Blvd (JB/LAW)
Juno Beach, Florida 33408
(561) 691-7144

3. Pursuant to Sections 366.80-366.83, Florida Statutes (F.S.), and Chapter 25-17, F.A.C., FCG is permitted to seek recovery of the costs incurred for its Commission-approved gas conservation programs on an annual basis.

4. On April 27, 2018, FCG filed its Petition for Approval of Conservation Cost Recovery True-Up Amount, together with supporting testimony and exhibits. As reflected therein, the Company’s Adjusted Net True-Up for the period January 1, 2017 through December

31, 2017, was an over-recovery of \$166,166, based on an end-of period over-recovery of \$759,107¹.

5. For the period January 1, 2018 through December 31, 2018, FCG estimates an over-recovery of \$596,281, which is inclusive of the over-recovery from year-end 2017.

6. FCG projects that the total incremental costs to be incurred for its gas conservation programs during the period January 1, 2019 through December 31, 2019 will be \$5,415,379. When the prior period true-up is included, this results in a total projected cost of \$4,819,099 to be incurred over the period January 1, 2019 through December 31, 2019.

7. When the required true-up and projected expenditures for the FCG gas conservation programs are spread over the projected sales (therms) and grossed up for taxes, the required Conservation Cost Recovery Factors for the period January 1, 2019 through December 31, 2019 are:

<u>Rate Class</u>	<u>CCR Factor</u>
RS-1	\$0.19898
RS-100	\$0.11940
RS-600	\$0.07450
GS-1	\$0.04288
GS-6K	\$0.03263
GS-25K	\$0.03163
Gas Lights	\$0.05150
GS-120K	\$0.02108

8. FCG's calculation of the final 2017 Adjusted Net True-Up and calculation of the Conservation Cost Recovery Factors for the period January 1, 2019 through December 31, 2019

¹ FCG's April 27, 2018, Petition for Approval of Conservation Cost Recovery True-up Amount included an inadvertent scrivener's error on Summary Schedule CT-2, Page 1 of 4. However, the schedules filed in support of the 2017 true-up amount are correct and the total end of period over-recovery for 2017 is (\$759, 107), resulting in a net true-up amount of (\$166,166).

Docket No. 180004-GU

are provided in the Direct Testimony of Miguel Bustos and Schedules C-1 through C-5 of Exhibit MB-2 being submitted with this Petition.

9. The Company's proposed Conservation Cost Recovery Factors and 2017 Adjusted Net True-Up are consistent with Commission's methodology for calculating the net true up and recovery factors for the gas conservation programs and, therefore, should be approved.

WHEREFORE, Florida City Gas requests that the Commission enter an Order approving the Company's Conservation Cost Recovery Factors set forth in Exhibit MB-2 for the period January 1, 2019 through December 31, 2019, including all true-up amounts.

Respectfully submitted this 10th day of August, 2018.



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

Christopher T. Wright
Senior Attorney
Florida City Gas
700 Universe Boulevard (JB/LAW)
Juno Beach, Florida 33408

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Petition of Florida City Gas for Approval of Natural Gas Conservation Cost Recovery Factors in Docket No. 20180004-GU, along with the Testimony and Exhibit of Mr. Bustos, has been furnished by Electronic Mail to the following parties of record this 10th day of August, 2018:

<p>Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantow 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>Florida Public Service Commission Rachael Dziechciarz 2540 Shumard Oak Boulevard Tallahassee, FL 32399 rdziehc@psc.state.fl.us</p>

<p>Florida City Gas Carolyn Bermudez/Miguel Bustos 933 East 25th Street Hialeah, FL 33013-3498 cbermude@nexterenergy.com miguel.bustos@nexterenergy.com</p>	<p>Florida Power & Light Company Christopher T. Wright 700 Universe Boulevard Juno Beach, FL 33408 Christopher.Wright@fpl.com</p>
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215 South Monroe St., Suite 601
Tallahassee, FL 32301
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY (PROJECTION) OF MIGUEL BUSTOS

ON BEHALF OF

FLORIDA CITY GAS

DOCKET NO. 20180004-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 4045 NW 97th Ave, Doral,
4 Florida 33178. I am employed by Florida City Gas (“FCG” or “Company”) as
5 Manager Gov. & Community Affairs. I have been with the Company for
6 approximately 15 years.

7

8 **Q. Are you familiar with the natural gas conservation programs of Florida City Gas?**

9 A. Yes, I am.

10

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

14 A. Yes, I am.

15

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

17 A. To submit the conservation cost recovery (“CCR”) true-up for the final true-up period
18 January 1, 2017 through December 31, 2017, and for the actual and estimated period of

1 January 1, 2018, through December 31, 2018. I will also present the total level of costs
2 Florida City Gas seeks to recover through its conservation factors during the period
3 January 1, 2019 through December 31, 2019, as well as the conservation factors which,
4 when applied to our customers' bills during the period January 1, 2019 through
5 December 31, 2019, will permit recovery of total CCR costs.

6

7 **Q. What is the Company's estimated true-up for the period January 1, 2018 through**
8 **December 31, 2018?**

9 A. An over-recovery of \$596,281. This amount is calculated on page 4 of Schedule C-3 of
10 Exhibit MB-2. This estimated true-up amount takes into account the final true-up for
11 the year ended December 31, 2017, which was an over-recovery of \$759,107 including
12 interest.

13

14 **Q. What is the total cost Florida City Gas seeks to recover during the period January**
15 **1, 2019 through December 31, 2019?**

16 A. The total cost is \$4,819,099 as shown on page 1 of Schedule C-1 of Exhibit MB-2.
17 This represents the projected costs of \$5,415,379 to be incurred during 2019 as shown
18 on page 1 of Schedule C-2 of Exhibit MB-2, less the estimated net true-up of \$596,281
19 for calendar year 2018.

20

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

23 A. RS-1 \$0.19898

1	RS-100	\$0.11940
2	RS-600	\$0.07450
3	GS-1	\$0.04288
4	GS-6K	\$0.03263
5	GS-25K	\$0.03163
6	Gas Lights	\$0.05150
7	GS-120K	\$0.02108

8

9 **Q. Has Florida City Gas prepared schedules to support its requested Natural Gas**
10 **Conservation Cost Recovery Factor?**

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

13

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

15 A. Yes, it does.

16

17

18

19

20

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2019 THROUGH DECEMBER 2019
 ACTUAL/ESTIMATED PERIOD: JANUARY 2018 THROUGH DECEMBER 2018
 FINAL TRUE-UP PERIOD: JANUARY 2017 THROUGH DECEMBER 2017
 COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2017 THROUGH DECEMBER 2017

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 5,415,379
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12)	\$ (596,281)
3. TOTAL (LINE 1 AND 2)	<u>\$ 4,819,099</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
RS-1	35,315	2,783,278	5,085,360	\$ 1,317,103	\$ -	\$ 6,402,463	\$ 551,049	8.6070%	\$ 0.19799	1.00503	\$ 0.19898
RS-100	66,606	12,372,962	11,989,080	\$ 5,089,865	\$ -	\$ 17,078,945	\$ 1,469,956	8.6070%	\$ 0.11880	1.00503	\$ 0.11940
RS-600	1,003	729,497	240,720	\$ 387,604	\$ -	\$ 628,324	\$ 54,079	8.6070%	\$ 0.07413	1.00503	\$ 0.07450
GS-1	5,227	13,465,537	1,568,100	\$ 5,106,536	\$ -	\$ 6,674,636	\$ 574,475	8.6070%	\$ 0.04266	1.00503	\$ 0.04288
GS-6K	2,331	27,472,049	979,020	\$ 9,382,529	\$ -	\$ 10,361,549	\$ 891,801	8.6070%	\$ 0.03246	1.00503	\$ 0.03263
GS-25k	374	17,392,466	673,200	\$ 5,686,641	\$ -	\$ 6,359,841	\$ 547,381	8.6070%	\$ 0.03147	1.00503	\$ 0.03163
Gas Lights	12	15,943	-	\$ 9,492	\$ -	\$ 9,492	\$ 817	8.6070%	\$ 0.05124	1.00503	\$ 0.05150
GS-120K	93	34,778,424	334,800	\$ 6,781,445	\$ 1,360,071	\$ 8,476,316	\$ 729,542	8.6070%	\$ 0.02098	1.00503	\$ 0.02108
TOTAL	<u>110,961</u>	<u>109,010,156</u>	<u>20,870,280</u>	<u>\$ 33,761,214</u>	<u>\$ 1,360,071</u>	<u>\$ 55,991,565</u>	<u>\$ 4,819,099</u>				

PROJECTED CONSERVATION PROGRAM COST BY COST CATEGORY
FOR THE PERIOD JANUARY 2019 THROUGH DECEMBER 2019

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL NEW CONSTRUCTION	\$ -	\$ 188,848	\$ -	\$ -	\$ 456,000	\$ -	\$ 6,000	\$ -	\$ 650,848
2. MULTI-FAMILY RESIDENTIAL BLDG	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	-	227,641	-	-	492,000	-	6,000	-	\$ 725,641
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	-	37,859	-	-	2,400	-	-	-	\$ 40,259
7. RES WATER HEATER RETENTION	-	67,744	-	-	1,584,000	-	-	-	\$ 1,651,744
8. RES CUT AND CAP ALTERNATIVE	-	104,849	-	-	18,000	-	-	-	\$ 122,849
9. COMM/IND CONVERSION	-	355,264	-	-	48,000	-	30,000	-	\$ 433,264
10. COMM/IND ALTERNATIVE TECH.	-	-	-	-	-	-	4,320	-	\$ 4,320
11. COMMERCIAL APPLIANCE	-	-	-	-	564,000	-	-	-	\$ 564,000
12. COMMON COSTS	-	136,015	-	998,000	-	-	4,440	84,000	\$ 1,222,455
TOTAL ALL PROGRAMS	-	1,118,219	-	998,000	3,164,400	-	50,760	84,000	5,415,379
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 1,118,219	\$ -	\$ 998,000	\$ 3,164,400	\$ -	\$ 50,760	\$ 84,000	\$ 5,415,379

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL (6 months)	\$ -	\$ 84,429	\$ -	\$ -	\$ 261,000	\$ -	\$ 2,608	\$ -	\$ 348,037
B. ESTIMATED (6 months)	-	88,364	-	-	210,000	-	2,400	-	300,764
C. TOTAL	-	172,793	-	-	471,000	-	5,008	-	648,801
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (6 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (6 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT									
A. ACTUAL (6 months)	-	94,267	-	-	238,243	-	2,600	-	335,110
B. ESTIMATED (6 months)	-	103,631	-	-	252,000	-	3,000	-	358,631
C. TOTAL	-	197,898	-	-	490,243	-	5,600	-	693,741
4. DEALER PROGRAM									
A. ACTUAL (6 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (6 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS									
A. ACTUAL (6 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (6 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION									
A. ACTUAL (6 months)	-	19,923	-	-	25	-	-	-	19,948
B. ESTIMATED (6 months)	-	16,239	-	-	300	-	-	-	16,539
C. TOTAL	-	36,162	-	-	325	-	-	-	36,487
SUB-TOTAL	\$ -	\$ 406,853	\$ -	\$ -	\$ 961,568	\$ -	\$ 10,608	\$ -	\$ 1,379,029

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018
SIX MONTHS ACTUAL AND SIX 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	\$ -	\$ 406,853	\$ -	\$ -	\$ 961,568	\$ -	\$ 10,608	\$ -	\$ 1,379,029
7. RES WATER HEATER RETENTION									
A. ACTUAL (6 months)	-	15,351	-	-	776,865	-	-	-	792,216
B. ESTIMATED (6 months)	-	21,000	-	-	810,000	-	-	-	831,000
C. TOTAL	-	36,351	-	-	1,586,865	-	-	-	1,623,216
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (6 months)	-	40,686	-	-	5,000	-	-	-	45,686
B. ESTIMATED (6 months)	-	43,767	-	-	12,000	-	-	-	55,767
C. TOTAL	-	84,453	-	-	17,000	-	-	-	101,453
9. COMM/IND CONVERSION									
A. ACTUAL (6 months)	-	174,574	-	-	13,598	-	13,877	-	202,049
B. ESTIMATED (6 months)	-	171,720	-	-	30,000	-	15,000	-	216,720
C. TOTAL	-	346,294	-	-	43,598	-	28,877	-	418,769
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (6 months)	-	-	-	-	-	-	1,840	-	1,840
B. ESTIMATED (6 months)	-	-	-	-	-	-	2,400	-	2,400
C. TOTAL	-	-	-	-	-	-	4,240	-	4,240
11. COMMERCIAL APPLIANCE									
A. ACTUAL (6 months)	-	-	-	-	234,063	-	-	-	234,063
B. ESTIMATED (6 months)	-	-	-	-	288,000	-	-	-	288,000
C. TOTAL	-	-	-	-	522,063	-	-	-	522,063
12. COMMON COSTS									
A. ACTUAL (6 months)	-	60,333	-	556,693	-	-	4,940	46,736	668,702
B. ESTIMATED (6 months)	-	57,517	-	435,000	-	-	2,220	37,862	532,598
C. TOTAL	-	117,850	-	991,693	-	-	7,160	84,598	1,201,300
TOTAL		\$ 991,800	\$ -	\$ 991,693	\$ 3,131,094	\$ -	\$ 50,885	\$ 84,598	\$ 5,250,070

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

DESCRIPTION	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	TOTAL
1. RESIDENTIAL NEW CONSTRUCTIO	80,944	39,459	82,774	35,971	64,294	44,595	50,127	50,127	50,127	50,127	50,127	50,127	648,801
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT	74,474	60,033	52,717	51,229	44,646	52,011	59,772	59,772	59,772	59,772	59,772	59,772	693,741
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	1,748	2,526	4,142	3,635	4,156	3,741	2,756	2,756	2,756	2,756	2,756	2,756	36,487
7. RES WATER HEATER RETENTION	140,516	154,794	105,035	126,834	118,780	146,257	138,500	138,500	138,500	138,500	138,500	138,500	1,623,216
8. RES CUT AND CAP ALTERNATIVE	5,731	5,654	9,243	7,960	9,405	7,693	9,294	9,294	9,294	9,294	9,294	9,294	101,453
9. COMM/IND CONVERSION	28,578	28,816	40,120	37,229	38,517	28,789	36,120	36,120	36,120	36,120	36,120	36,120	418,769
10. COMM/IND ALTERNATIVE TECH.	292	288	350	286	350	274	400	400	400	400	400	400	4,240
11. COMMERCIAL APPLIANCE	19,589	28,880	34,274	26,844	32,802	91,674	48,000	48,000	48,000	48,000	48,000	48,000	522,063
12. COMMON COSTS	<u>107,253</u>	<u>96,004</u>	<u>60,371</u>	<u>122,111</u>	<u>153,669</u>	<u>129,294</u>	<u>86,266</u>	<u>86,266</u>	<u>91,266</u>	<u>91,266</u>	<u>91,266</u>	<u>86,266</u>	<u>1,201,300</u>
TOTAL ALL PROGRAMS	459,125	416,454	389,026	412,099	466,619	504,328	431,236	431,236	436,236	436,236	436,236	431,236	5,250,070
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	<u>\$ 459,125</u>	<u>\$ 416,454</u>	<u>\$ 389,026</u>	<u>\$ 412,099</u>	<u>\$ 466,619</u>	<u>\$ 504,328</u>	<u>\$ 431,236</u>	<u>\$ 431,236</u>	<u>\$ 436,236</u>	<u>\$ 436,236</u>	<u>\$ 436,236</u>	<u>\$ 431,236</u>	<u>\$ 5,250,070</u>

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(552,770)	(429,733)	(408,303)	(418,650)	(397,348)	(331,877)	(375,181)	(382,511)	(397,999)	(405,085)	(451,026)	(524,263)	(5,074,747)
4. TOTAL REVENUES	(552,770)	(429,733)	(408,303)	(418,650)	(397,348)	(331,877)	(375,181)	(382,511)	(397,999)	(405,085)	(451,026)	(524,263)	(5,074,747)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	(63,259)	(63,259)	(63,259)	(63,259)	(63,259)	(63,259)	(63,259)	(63,259)	(63,259)	(63,259)	(63,259)	(63,259)	(759,107)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(616,029)	(492,992)	(471,562)	(481,909)	(460,607)	(395,136)	(438,440)	(445,770)	(461,258)	(468,344)	(514,285)	(587,522)	(5,833,854)
7. CONSERV. EXPS.	459,125	416,454	389,026	412,099	466,619	504,328	431,236	431,236	436,236	436,236	436,236	431,236	5,250,070
8. TRUE-UP THIS PERIOD	(156,904)	(76,538)	(82,536)	(69,810)	6,012	109,192	(7,203)	(14,533)	(25,021)	(32,107)	(78,048)	(156,285)	(583,784)
9. INTEREST PROV. THIS PERIOD	(1,007)	(1,136)	(1,290)	(1,400)	(1,353)	(1,196)	(1,051)	(966)	(895)	(838)	(826)	(538)	(12,496)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(759,107)	(853,759)	(868,174)	(888,742)	(896,694)	(828,776)	(657,521)	(602,517)	(554,757)	(517,414)	(487,101)	(502,716)	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	63,259	63,259	63,259	63,259	63,259	63,259	63,259	63,259	63,259	63,259	63,259	63,259	759,107
12. TOTAL NET TRUE-UP	\$ (853,759)	\$ (868,174)	\$ (888,742)	\$ (896,694)	\$ (828,776)	\$ (657,521)	\$ (602,517)	\$ (554,757)	\$ (517,414)	\$ (487,101)	\$ (502,716)	\$ (596,281)	\$ (596,281)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

INTEREST PROVISION	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	TOTAL
1. BEGINNING TRUE-UP	\$ (759,107)	\$ (853,759)	\$ (868,174)	\$ (888,742)	\$ (896,694)	\$ (828,776)	\$ (657,521)	\$ (602,517)	\$ (554,757)	\$ (517,414)	\$ (487,101)	\$ (502,716)	
2. ENDING TRUE-UP BEFORE INTEREST	<u>(852,752)</u>	<u>(867,038)</u>	<u>(887,452)</u>	<u>(895,293)</u>	<u>(827,423)</u>	<u>(656,325)</u>	<u>(601,465)</u>	<u>(553,791)</u>	<u>(516,519)</u>	<u>(486,262)</u>	<u>(501,890)</u>	<u>(595,742)</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	(1,611,859)	(1,720,798)	(1,755,626)	(1,784,035)	(1,724,116)	(1,485,102)	(1,258,986)	(1,156,308)	(1,071,276)	(1,003,676)	(988,991)	(1,098,458)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ (805,929)	\$ (860,399)	\$ (877,813)	\$ (892,017)	\$ (862,058)	\$ (742,551)	\$ (629,493)	\$ (578,154)	\$ (535,638)	\$ (501,838)	\$ (494,495)	\$ (549,229)	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	1.490%	1.500%	1.660%	1.860%	1.900%	1.860%	2.000%	2.000%	2.000%	2.000%	2.000%	2.000%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	<u>1.500%</u>	<u>1.660%</u>	<u>1.860%</u>	<u>1.900%</u>	<u>1.860%</u>	<u>2.000%</u>	<u>2.000%</u>	<u>2.000%</u>	<u>2.000%</u>	<u>2.000%</u>	<u>2.000%</u>	<u>0.350%</u>	
7. TOTAL (SUM LINES 5 & 6)	<u>2.990%</u>	<u>3.160%</u>	<u>3.520%</u>	<u>3.760%</u>	<u>3.760%</u>	<u>3.860%</u>	<u>4.000%</u>	<u>4.000%</u>	<u>4.000%</u>	<u>4.000%</u>	<u>4.000%</u>	<u>2.350%</u>	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	1.495%	1.580%	1.760%	1.880%	1.880%	1.930%	2.000%	2.000%	2.000%	2.000%	2.000%	1.175%	
9. MONTHLY AVG INTEREST RATE	0.125%	0.132%	0.147%	0.157%	0.157%	0.161%	0.167%	0.167%	0.167%	0.167%	0.167%	0.098%	
10. INTEREST PROVISION	\$ (1,007)	\$ (1,136)	\$ (1,290)	\$ (1,400)	\$ (1,353)	\$ (1,196)	\$ (1,051)	\$ (966)	\$ (895)	\$ (838)	\$ (826)	\$ (538)	\$ (12,497)

FLORIDA CITY GAS
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 Clothes Drying	100

REPORTING PERIOD: January 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$ 348,037

FLORIDA CITY GAS
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 2018 through June 2018

PROGRAM SUMMARY:

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

FLORIDA CITY GAS
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 Clothes Drying	150
Space Conditioning	1200

REPORTING PERIOD: January 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$ 335,110

FLORIDA CITY GAS
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	NA
Water Heater	NA
Range	NA
Dryer	NA

REPORTING PERIOD: January 2018 through June 2018

PROGRAM SUMMARY:

This program was discontinued in February 1998 with Order No. PSC-98-0154-GOF-GU granting the new programs.

EXHIBIT NO. (MB-2)
COMPANY: FLORIDA CITY GAS
NATURAL GAS CONSERVATION COST RECOVERY
DOCKET NO. 20180004-GU
Page 13 of 19

FLORIDA CITY GAS
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 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$0

FLORIDA CITY GAS
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 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$ 19,948

FLORIDA CITY GAS

**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 Clothes Drying	100

REPORTING PERIOD: January 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$ 792,216

FLORIDA CITY GAS

**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 reactivation..... \$200

REPORTING PERIOD: January 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$ 45,686

FLORIDA CITY GAS
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 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$ 202,049

FLORIDA CITY GAS

**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 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$ 1,840

CITY GAS COMPANY OF FLORIDA

Schedule C-5
 PROGRAM PROGRESS REPORT

NAME: COMMERCIAL NATURAL GAS CONSERVATION PROGRAM (APPLIANCE) - PROGRAM 11

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 2018 through June 2018

PROGRAM SUMMARY:

Program costs for the period were \$ 234,063