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August 9, 2019

E-PORTAL FILING

Mr. Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re:

DOCKET NO. 20190004-GU In re: Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Attached, for electronic filing in the above referenced docket, please find the **Petition by Florida City Gas for Approval of NGCCR Factors to be Applied for Service Rendered During the Period January 2020 Through December 2020, along with Direct Testimony of Miguel Bustos and Exhibit MB-2.** Should you have any questions whatsoever, please do not hesitate to contact me. Thank you for your assistance in this matter.

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Attorneys for Florida City Gas

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation Cost Recovery

Docket No. 20190004-GU

Filed: August 9, 2019

**PETITION BY FLORIDA CITY GAS FOR APPROVAL OF
NGCCR FACTORS TO BE APPLIED FOR SERVICE RENDERED
DURING THE PERIOD JANUARY 2020 THROUGH DECEMBER 2020**

Florida City Gas (“FCG” or “the Company”) hereby submits this petition to the Commission requesting approval of the Natural Gas Conservation Cost Recovery (“NGCCR”) Factors to be applied for service to be rendered during the projected period of January 1, 2020 through December 31, 2020. In support thereof, FCG 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. Any pleading, motion, notice, order or other document required to be served upon the FCG or filed by any party to this proceeding should be served upon the following individuals:

Beth Keating
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3. The Commission has jurisdiction pursuant to Sections 366.80-366.83, Florida Statutes (“F.S.”).

4. Pursuant to Sections 366.80-366.83, F.S., and Chapter 25-17, Florida Administrative Code (“F.A.C.”), natural gas utilities are permitted to seek recovery of costs

incurred for their Commission-approved gas conservation programs on an annual basis through a reconcilable NGCCR Factor.

5. FCG herein seeks Commission approval of the NGCCR Factors to be applied for service to be rendered during the projected period of January 1, 2020 through December 31, 2020 (the “Projection Period”). Submitted herewith and in support of FCG’s proposed NGCCR Factors is the Direct Testimony of Miguel Bustos and Exhibit MB-2, which consists of Schedules C-1 through C-5.

6. To calculate its proposed NGCCR Factor, FCG applied the methodology and prescribed schedules adopted by the Commission. The Schedules in FCG Exhibit MB-2 are used to compute the NGCCR Factors to be applied to bills for gas sold by FCG during the twelve-month Projection Period.

7. The total projected energy conservation programs cost for the Projection period is \$5,378,863. *See* FCG Exhibit MB-2, Schedule C-2, page 1.

8. The final net true-up amount (including interest, adjustments, and the estimated under-recovery included in the 2019 NGCCR Factor) for the period January 2018 through December 2018 is an under-recovery of \$371,437. FCG previously submitted Exhibit MB-1 in support of the final NGCCR true-up amount for the period of January 2018 through December 2018.

9. The Actual/Estimated True-Up (based on actual data for six months and projected data for six months) for the current period January 2019 through December 2019 is an over-recovery of \$217,026. *See* FCG Exhibit MB-2, Schedule C-3, page 4, line 8. The interest on this over-recovery is \$2,841. *See* FCG Exhibit MB-2, Schedule C-3, page 5, line 10.

10. The total net true-up (inclusive of the final true-up for 2018, the Actual/Estimated True-Up for 2019, and interest) to be included in the 2020 NGCCR Factors is an under-recovery of \$151,570. *See* FCG Exhibit MB-2, Schedule C-3, page 4, line 12. Applying this net true-up results in a total of \$5,530,433 of energy conservation program costs to be recovered during the Projection Period. *See* FCG Exhibit MB-2, Schedule C-1.

11. The Company estimates the total projected sales during the Projection Period will be 110,505,861 therms. *See* FCG Exhibit MB-2, Schedule C-1. When the total projected energy conservation energy costs, net of the true-up, are spread over the projected sales and grossed up for taxes, the NGCCR Factors required to recover these costs during the Projection Period are:

RS-1	\$0.25062
RS-100	\$0.13092
RS-600	\$0.08309
GS-1	\$0.05075
GS-6K	\$0.03725
GS-25K	\$0.03646
Gas Lights	\$0.05891
GS-120K	\$0.02379

12. The Company's proposed NGCCR Factors, final true-up amount for 2018, and Actual/Estimated True-Up amount for 2019 are consistent with the Commission's methodology for calculating the net true-up and recovery factors for the gas conservation programs and, therefore, should be approved.

13. WHEREFORE, Florida City Gas respectfully requests that the Commission enter its order approving the Company's proposed NGCCR Factors for application to bills beginning the first billing cycle in January 2020 through the last billing cycle December 2020.

Respectfully submitted this 9th day of August, 2019.



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Christopher T. Wright
Fla. Auth. House Counsel No. 1007055
Florida Power & Light Company
700 Universe Boulevard (JB/LAW)
Juno Beach, Florida 33408

Attorneys for Florida City Gas

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Florida City Gas's Petition for Approval of the Natural Gas Conservation Cost Recovery Factors in Docket No. 20190004-GU, along with the Direct Testimony of Mr. Miguel Bustos and Exhibit MB-2, has been furnished by Electronic Mail to the following parties of record this 9th day of August 2019:

Florida Public Utilities Company Mike Cassel 1750 S.W. 14th Street, Suite 200 Fernandina Beach, FL 32034 mcassel@fpuc.com	MacFarlane Ferguson Law Firm Ansley Watson, Jr./Andrew M. Brown P.O. Box 1531 Tampa, FL 33601-1531 aw@macfar.com AB@macfar.com
Rachael Dziechciarz Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 Rdziechc@psc.state.fl.us	Office of Public Counsel J.R.Kelly/Charles Rehwinkel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 kelly.jr@leg.state.fl.us Rehwinkel.Charles@leg.state.fl.us
Peoples Gas System Paula Brown/Mark R. Roche P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com MRRoche@tecoenergy.com	St. Joe Natural Gas Company, Inc. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549 Andy@stjoegas.com
Florida City Gas Carolyn Bermudez 4045 NW 97th Avenue Doral, Florida 33178 Carolyn.Bermudez@nexteraenergy.com	Jerry H. Melendy, Jr. 3515 Highway 27 South Sebring FL 33870 jmelendy@floridasbestgas.com
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA CITY GAS

DIRECT TESTIMONY OF MIGUEL BUSTOS

(2020 Natural Gas Conservation Cost Recovery Factors)

DOCKET NO. 20190004-GU

August 9, 2019

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

2 A. My name is Miguel Bustos. My business address is 4045 NW 97 Avenue, Doral,
3 Florida 33178.

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

5 A. I am employed by Florida City Gas (“FCG” or “Company”) as Manager of
6 Governmental & Community Affairs. I have been with the Company for
7 approximately 16 years.

8 **Q. What are your responsibilities as Manager of Governmental & Community
9 Affairs?**

10 A. I am responsible for managing FCG’s Purchased Gas Adjustment clause, the
11 overall strategic design and management of the Company’s energy efficiency
12 programs, as well as development of strategies of new business channels and
13 emerging technologies. I am also responsible for providing direction and
14 oversight for the Company’s implementation of governmental and community
15 affairs. I have held these responsibilities since 2013.

16 **Q. Please describe your prior work experience and responsibilities.**

17 A. I began my career at FCG in 2003. I progressed through roles in operations,
18 budgeting, accounting and business operations. Prior to joining FCG, I was a
19 corporate lead auditor in PricewaterhouseCoopers.

20 **Q. What is your educational background?**

21 A. I have a Bachelor of Science Degree in Accounting from the National Polytechnic
22 Institute (Mexico City) and completed MBA coursework from the University of
23 Americas.

1 **Q. Please explain the purpose of your testimony.**

2 A. I am submitting this testimony in support of FCG's request for Commission
3 approval of the Natural Gas Conservation Cost Recovery ("NGCCR") Factors to be
4 applied for service to be rendered during the period of January 1, 2020 through
5 December 31, 2020 (the "Projection Period"). My testimony presents the revised
6 projected true-up for the current period January 1, 2019 through December 31,
7 2019 based on actual data for six months and projected data for six months (the
8 "Actual/Estimated True-Up"). Then I present the development of the proposed
9 NGCCR Factors to be charged during the Projection Period.

10 **Q. Has the Company prepared the schedules prescribed by this Commission**
11 **for this purpose?**

12 A. Yes. Attached to my testimony as Exhibit MB-2 are Schedules C-1 through C-5,
13 which are the forms prescribed by Commission Staff. These schedules provide
14 the information and data required by Rule 25-17.015, Florida Administrative Code
15 ("F.A.C."), and are used to calculate FCG's Actual/Estimated True-Up for the
16 current period and the proposed NGCCR Factors for the Projection Period.

17 **Q. Are you familiar with FCG's energy conservation programs?**

18 A. Yes. A description of each program is provided in Exhibit MB-2, Schedule C-5.

19 **Q. Is FCG proposing any new or modified energy conservation programs for**
20 **NGCCR cost recovery during the Projection Period?**

21 A. No.

22 **Q. What are FCG's total projected energy conservation program costs for the**
23 **Projection Period?**

1 A. The total projected cost for the period January 2020 through December 2020 is
2 \$5,530,433 as shown on Schedule C-1. This represents the projected costs of
3 \$5,378,863 to be incurred during the Projection Period as shown on page 1 of
4 Schedule C-2, plus the estimated net true-up under-recovery of \$151,570 for
5 2019 as shown on page 4 of Schedule C-3.

6 **Q Please explain how the estimated true-up was calculated.**

7 A. The calculation of the estimated net true-up amount to be included in the 2020
8 NGCCR Factors is provided in Schedule C-3, page 4.

9
10 I previously submitted direct testimony and Exhibit MB-1 in support of the final
11 NGCCR true-up amount for the period January 2018 through December 2018. As
12 shown therein, the actual over/under recovery amount for the period January 2018
13 through December 2018, inclusive of interest, was an over-recovery of \$224,843.
14 Included in the NGCCR Factors for the current period January 2019 through
15 December 2019 was an estimated over-recovery of \$596,281. Thus, the final
16 NGCCR true-up amount for the period January 2018 through December 2018, net
17 of interest, adjustments and the estimated under-recovery included in the 2019
18 NGCCR Factors, was an under-recovery of \$371,437.

19
20 The Actual/Estimated True-Up amount for the current period January 2019 through
21 December 2019, based on six months actual data and six months projected data,
22 is an over-recovery of \$217,026 (Schedule C-3, page 4, line 8). The interest on
23 this over-recovery is \$2,841 (Schedule C-3, page 5).

1 The total estimated net true-up to be included in the 2020 NGCCR Factors,
2 inclusive of the final net true-up for 2018 and associated interest, is an under-
3 recovery of \$151,570 (Schedule C-3, page 4, line 12). This estimated true-up
4 under-recovery amount is included in the total \$5,530,433 of energy conservation
5 program costs projected for the period January 2020 through December 2020 as
6 shown on Schedule C-1.

7 **Q. What are the NGCCR Factors that FCG is proposing to recover the total**
8 **projected energy conservation program costs during the Projection Period?**

9 A. Utilizing the rate design and cost allocation methodology approved by the
10 Commission, FCG proposes the following 2020 NGCCR Factors:

11	RS-1	\$0.25062
12	RS-100	\$0.13092
13	RS-600	\$0.08309
14	GS-1	\$0.05075
15	GS-6K	\$0.03725
16	GS-25K	\$0.03646
17	Gas Lights	\$0.05891
18	GS-120K	\$0.02379

19 Exhibit MB-2, Schedule C-1, page 1 contains the Commission prescribed form that
20 details these NGCCR Factors proposed for the period January 1, 2020 through
21 December 31, 2020.

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

23 A. Yes.

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2020 THROUGH DECEMBER 2020
 ACTUAL/ESTIMATED PERIOD: JANUARY 2019 THROUGH DECEMBER 2019
 FINAL TRUE-UP PERIOD: JANUARY 2018 THROUGH DECEMBER 2018
 COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2018 THROUGH DECEMBER 2018

- 1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1) \$ 5,378,863
- 2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12) \$ 151,570
- 3. TOTAL (LINE 1 AND 2) \$ 5,530,433

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	36,768	2,571,727	5,294,592	\$ 1,186,080	\$ -	\$ 6,480,672	\$ 641,308	9.8960%	\$ 0.24937	1.00503	\$ 0.25062
RS-100	65,606	12,941,413	11,809,080	\$ 5,226,131	\$ -	\$ 17,035,211	\$ 1,685,754	9.8960%	\$ 0.13026	1.00503	\$ 0.13092
RS-600	1,069	831,612	256,560	\$ 438,251	\$ -	\$ 694,811	\$ 68,756	9.8960%	\$ 0.08268	1.00503	\$ 0.08309
GS-1	5,393	12,104,145	1,617,900	\$ 4,558,905	\$ -	\$ 6,176,805	\$ 611,238	9.8960%	\$ 0.05050	1.00503	\$ 0.05075
GS-6K	2,307	27,698,729	968,940	\$ 9,406,488	\$ -	\$ 10,375,428	\$ 1,026,722	9.8960%	\$ 0.03707	1.00503	\$ 0.03725
GS-25k	383	16,605,408	689,549	\$ 5,398,252	\$ -	\$ 6,087,802	\$ 602,431	9.8960%	\$ 0.03628	1.00503	\$ 0.03646
Gas Lights	15	21,866	-	\$ 12,953	\$ -	\$ 12,953	\$ 1,282	9.8960%	\$ 0.05862	1.00503	\$ 0.05891
GS-120K	95	37,730,962	340,426	\$ 7,311,883	\$ 1,371,230	\$ 9,023,539	\$ 892,943	9.8960%	\$ 0.02367	1.00503	\$ 0.02379
TOTAL	<u>111,636</u>	<u>110,505,861</u>	<u>20,977,048</u>	<u>\$ 33,538,944</u>	<u>\$ 1,371,230</u>	<u>\$ 55,887,221</u>	<u>\$ 5,530,433</u>				

SCHEDULE C-2
 PAGE 2 OF 2

PROJECTED CONSERVATION PROGRAM COST BY COST CATEGORY
 FOR THE PERIOD JANUARY 2020 THROUGH DECEMBER 2020

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL NEW CONSTRUCTION	\$ -	\$ 290,680	\$ -	\$ -	\$ 720,000	\$ -	\$ 6,240	\$ -	\$ 1,016,920
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	-	184,913	-	-	468,000	-	6,180	-	\$ 659,093
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	-	24,412	-	-	2,400	-	-	-	\$ 26,812
7. RES WATER HEATER RETENTION	-	70,003	-	-	1,392,000	-	-	-	\$ 1,462,003
8. RES CUT AND CAP ALTERNATIVE	-	75,280	-	-	11,504	-	-	-	\$ 86,784
9. COMM/IND CONVERSION	-	285,818	-	-	30,000	-	33,600	-	\$ 349,418
10. COMM/IND ALTERNATIVE TECH.	-	-	-	-	-	-	4,440	-	\$ 4,440
11. COMMERCIAL APPLIANCE	-	-	-	-	532,668	-	-	-	\$ 532,668
12. COMMON COSTS	-	156,675	-	998,850	-	-	1,200	84,000	\$ 1,240,725
TOTAL ALL PROGRAMS	-	1,087,781	-	998,850	3,156,572	-	51,660	84,000	5,378,863
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 1,087,781	\$ -	\$ 998,850	\$ 3,156,572	\$ -	\$ 51,660	\$ 84,000	\$ 5,378,863

SCHEDULE C-3
 PAGE 1 OF 5

CONSERVATION PROGRAM COSTS BY COST CATEGORY
 FOR THE PERIOD JANUARY 2019 THROUGH DECEMBER 2019
 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)	\$ -	\$ 79,945	\$ -	\$ -	\$ 361,645	\$ -	\$ 3,091	\$ -	\$ 444,681
B. ESTIMATED (6 months)	-	81,000	-	-	366,000	-	3,090	-	450,090
C. TOTAL	-	160,945	-	-	727,645	-	6,181	-	894,771
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (6 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (6 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT									
A. ACTUAL (6 months)	-	91,393	-	-	225,513	-	3,082	-	319,988
B. ESTIMATED (6 months)	-	93,000	-	-	228,000	-	3,084	-	324,084
C. TOTAL	-	184,393	-	-	453,513	-	6,166	-	644,072
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)	-	27,866	-	-	35	-	-	-	27,901
B. ESTIMATED (6 months)	-	30,000	-	-	600	-	-	-	30,600
C. TOTAL	-	57,866	-	-	635	-	-	-	58,501
SUB-TOTAL	\$ -	\$ 403,204	\$ -	\$ -	\$ 1,181,793	\$ -	\$ 12,347	\$ -	\$ 1,597,344

SCHEDULE C-3
 PAGE 2 OF 5

CONSERVATION PROGRAM COSTS BY COST CATEGORY
 FOR THE PERIOD JANUARY 2019 THROUGH DECEMBER 2019
 SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

	<u>CAPITAL INVESTMENT</u>	<u>PAYROLL & BENEFITS</u>	<u>MATERIALS & SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 403,204	\$ -	\$ -	\$ 1,181,793	\$ -	\$ 12,347	\$ -	\$ 1,597,344
7. RES WATER HEATER RETENTION									
A. ACTUAL (6 months)	-	39,823	-	-	676,768	-	-	-	716,591
B. ESTIMATED (6 months)	-	42,000	-	-	708,000	-	-	-	750,000
C. TOTAL	-	81,823	-	-	1,384,768	-	-	-	1,466,591
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (6 months)	-	44,917	-	-	6,400	-	-	-	51,317
B. ESTIMATED (6 months)	-	48,000	-	-	6,600	-	-	-	54,600
C. TOTAL	-	92,917	-	-	13,000	-	-	-	105,917
9. COMM/IND CONVERSION									
A. ACTUAL (6 months)	-	196,130	-	-	12,988	-	16,447	-	225,566
B. ESTIMATED (6 months)	-	204,000	-	-	15,000	-	16,446	-	235,446
C. TOTAL	-	400,130	-	-	27,988	-	32,893	-	461,012
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (6 months)	-	-	-	-	-	-	2,181	-	2,181
B. ESTIMATED (6 months)	-	-	-	-	-	-	2,184	-	2,184
C. TOTAL	-	-	-	-	-	-	4,365	-	4,365
11. COMMERCIAL APPLIANCE									
A. ACTUAL (6 months)	-	-	-	-	245,977	-	-	-	245,977
B. ESTIMATED (6 months)	-	-	-	-	255,000	-	-	-	255,000
C. TOTAL	-	-	-	-	500,977	-	-	-	500,977
12. COMMON COSTS									
A. ACTUAL (6 months)	-	48,696	-	608,524	-	-	463	18,541	676,224
B. ESTIMATED (6 months)	-	51,000	-	390,280	-	-	480	58,500	500,260
C. TOTAL	-	99,696	-	998,804	-	-	943	77,041	1,176,484
TOTAL	\$ -	\$ 1,077,770	\$ -	\$ 998,804	\$ 3,108,526	\$ -	\$ 50,549	\$ 77,041	\$ 5,312,689

SCHEDULE C-3
 PAGE 3 OF 5

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
 FOR THE PERIOD JANUARY 2019 THROUGH DECEMBER 2019
 SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

DESCRIPTION	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	TOTAL
1. RESIDENTIAL NEW CONSTRUCTIO	65,972	68,183	47,743	69,033	97,308	96,442	75,015	75,015	75,015	75,015	75,015	75,015	894,771
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT	58,853	63,267	52,281	40,632	52,864	52,092	54,014	54,014	54,014	54,014	54,014	54,014	644,072
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	4,304	5,055	7,438	4,916	4,672	1,515	5,100	5,100	5,100	5,100	5,100	5,100	58,501
7. RES WATER HEATER RETENTION	124,120	151,522	92,353	83,605	138,711	126,280	125,000	125,000	125,000	125,000	125,000	125,000	1,466,591
8. RES CUT AND CAP ALTERNATIVE	6,824	9,739	13,056	8,716	8,641	4,341	9,100	9,100	9,100	9,100	9,100	9,100	105,917
9. COMM/IND CONVERSION	43,789	23,849	46,066	42,019	45,452	24,391	39,241	39,241	39,241	39,241	39,241	39,241	461,012
10. COMM/IND ALTERNATIVE TECH.	286	221	-	1,253	-	422	364	364	364	364	364	364	4,365
11. COMMERCIAL APPLIANCE	41,037	23,641	37,775	55,004	42,184	46,336	42,500	42,500	42,500	42,500	42,500	42,500	500,977
COMMON COSTS	<u>44,535</u>	<u>85,851</u>	<u>113,963</u>	<u>138,204</u>	<u>162,728</u>	<u>130,943</u>	<u>45,080</u>	<u>48,980</u>	<u>115,850</u>	<u>115,850</u>	<u>87,520</u>	<u>86,980</u>	<u>1,176,484</u>
TOTAL ALL PROGRAMS	389,721	431,328	410,674	443,382	552,559	482,761	395,414	399,314	466,184	466,184	437,854	437,314	5,312,689
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	<u>\$ 389,721</u>	<u>\$ 431,328</u>	<u>\$ 410,674</u>	<u>\$ 443,382</u>	<u>\$ 552,559</u>	<u>\$ 482,761</u>	<u>\$ 395,414</u>	<u>\$ 399,314</u>	<u>\$ 466,184</u>	<u>\$ 466,184</u>	<u>\$ 437,854</u>	<u>\$ 437,314</u>	<u>\$ 5,312,689</u>

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
 FOR THE PERIOD JANUARY 2019 THROUGH DECEMBER 2019
 SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(474,833)	(464,112)	(414,090)	(422,799)	(412,416)	(356,693)	(382,012)	(376,317)	(376,805)	(387,897)	(413,896)	(451,565)	(4,933,434)
4. TOTAL REVENUES	(474,833)	(464,112)	(414,090)	(422,799)	(412,416)	(356,693)	(382,012)	(376,317)	(376,805)	(387,897)	(413,896)	(451,565)	(4,933,434)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE													
TO THIS PERIOD	(49,690)	(49,690)	(49,690)	(49,690)	(49,690)	(49,690)	(49,690)	(49,690)	(49,690)	(49,690)	(49,690)	(49,690)	(596,281)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(524,523)	(513,802)	(463,780)	(472,489)	(462,106)	(406,383)	(431,702)	(426,007)	(426,495)	(437,587)	(463,586)	(501,255)	(5,529,715)
7. CONSERV. EXPS.	389,721	431,328	410,674	443,382	552,559	482,761	395,414	399,314	466,184	466,184	437,854	437,314	5,312,689
8. TRUE-UP THIS PERIOD	(134,802)	(82,474)	(53,106)	(29,107)	90,453	76,378	(36,288)	(26,693)	39,689	28,597	(25,732)	(63,941)	(217,026)
9. INTEREST PROV. THIS PERIOD	(548)	(660)	(698)	(682)	(521)	(246)	(106)	(72)	35	194	291	174	(2,841)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(596,281)	(681,941)	(715,386)	(719,500)	(699,600)	(559,978)	(434,155)	(420,859)	(397,934)	(308,521)	(230,039)	(205,790)	(596,281)
Deferred True-up	371,437	371,437	371,437	371,437	371,437	371,437	371,437	371,437	371,437	371,437	371,437	371,437	371,437
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	49,690	49,690	49,690	49,690	49,690	49,690	49,690	49,690	49,690	49,690	49,690	49,690	596,281
12. TOTAL NET TRUE-UP	(310,504)	(343,949)	(348,063)	(328,163)	(188,541)	(62,718)	(49,422)	(26,497)	62,916	141,398	165,647	151,570	151,570

SCHEDULE C-3
 PAGE 5 OF 5

CALCULATION OF TRUE-UP AND INTEREST PROVISION
 FOR THE PERIOD JANUARY 2019 THROUGH DECEMBER 2019
 SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

INTEREST PROVISION	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	TOTAL
1. BEGINNING TRUE-UP	\$ (224,844)	\$ (310,504)	\$ (343,949)	\$ (348,063)	\$ (328,163)	\$ (188,541)	\$ (62,718)	\$ (49,422)	\$ (26,497)	\$ 62,916	\$ 141,398	\$ 165,647	
2. ENDING TRUE-UP BEFORE INTEREST	<u>(309,956)</u>	<u>(343,289)</u>	<u>(347,365)</u>	<u>(327,480)</u>	<u>(188,019)</u>	<u>(62,472)</u>	<u>(49,316)</u>	<u>(26,425)</u>	<u>62,882</u>	<u>141,204</u>	<u>165,356</u>	<u>151,396</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	(534,800)	(653,793)	(691,314)	(675,543)	(516,182)	(251,013)	(112,034)	(75,847)	36,385	204,120	306,754	317,043	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>\$ (267,400)</u>	<u>\$ (326,896)</u>	<u>\$ (345,657)</u>	<u>\$ (337,772)</u>	<u>\$ (258,091)</u>	<u>\$ (125,506)</u>	<u>\$ (56,017)</u>	<u>\$ (37,924)</u>	<u>\$ 18,192</u>	<u>\$ 102,060</u>	<u>\$ 153,377</u>	<u>\$ 158,522</u>	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	2.500%	2.420%	2.420%	2.430%	2.420%	2.420%	2.280%	2.280%	2.280%	2.280%	2.280%	2.280%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	<u>2.420%</u>	<u>2.420%</u>	<u>2.430%</u>	<u>2.420%</u>	<u>2.420%</u>	<u>2.280%</u>	<u>2.280%</u>	<u>2.280%</u>	<u>2.280%</u>	<u>2.280%</u>	<u>2.280%</u>	<u>0.350%</u>	
7. TOTAL (SUM LINES 5 & 6)	<u>4.920%</u>	<u>4.840%</u>	<u>4.850%</u>	<u>4.850%</u>	<u>4.840%</u>	<u>4.700%</u>	<u>4.560%</u>	<u>4.560%</u>	<u>4.560%</u>	<u>4.560%</u>	<u>4.560%</u>	<u>2.630%</u>	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	2.460%	2.420%	2.425%	2.425%	2.420%	2.350%	2.280%	2.280%	2.280%	2.280%	2.280%	1.315%	
9. MONTHLY AVG INTEREST RATE	0.205%	0.202%	0.202%	0.202%	0.202%	0.196%	0.190%	0.190%	0.190%	0.190%	0.190%	0.110%	
10. INTEREST PROVISION	<u>\$ (548)</u>	<u>\$ (660)</u>	<u>\$ (698)</u>	<u>\$ (682)</u>	<u>\$ (521)</u>	<u>\$ (246)</u>	<u>\$ (106)</u>	<u>\$ (72)</u>	<u>\$ 35</u>	<u>\$ 194</u>	<u>\$ 291</u>	<u>\$ 174</u>	<u>\$ (2,841)</u>

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 Clothe Drying	100

REPORTING PERIOD: January 2019 through June 2019

PROGRAM SUMMARY:

Program costs for the period were \$ 444,681

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 2019 through June 2019

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 Clothe Drying	150
Space Conditioning	1200

REPORTING PERIOD: January 2019 through June 2019

PROGRAM SUMMARY:

Program costs for the period were \$ 319,988

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	N/A
Water Heater	N/A
Range	N/A
Dryer	N/A

REPORTING PERIOD: January 2019 through June 2019

PROGRAM SUMMARY:

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

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 2019 through June 2019

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 2019 through June 2019

PROGRAM SUMMARY:

Program costs for the period were \$ 27,901

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 Clothe Dryer	100

REPORTING PERIOD: January 2019 through June 2019

PROGRAM SUMMARY:

Program costs for the period were \$ 716,591

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 2019 through June 2019

PROGRAM SUMMARY:

Program costs for the period were \$ 51,317

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 2019 through June 2019

PROGRAM SUMMARY:

Program costs for the period were \$ 225,566

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 2019 through June 2019

PROGRAM SUMMARY:

Program costs for the period were \$ 2,181

FLORIDA CITY GAS

**Schedule C-5
 PROGRAM PROGRESS REPORT**

NAME: COMMERCIAL NATURAL GAS CONSERVATION PROGARM (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 2019 through June 2019

PROGRAM SUMMARY:

Program costs for the period were \$ 245,977