

Writer's E-Mail Address: bkeating@gunster.com

August 7, 2020

VIA E-PORTAL

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

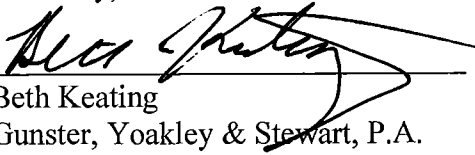
Re: Docket No. 20200004-GU – Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Attached for electronic filing, please find Florida City Gas's Petition for Approval of Natural Gas Conservation Cost Recovery Factors for 2021, along with the Testimony and Exhibit MB-2 of Miguel Bustos on behalf of the Company.

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

Sincerely,


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

MEK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation Cost Recovery

Docket No. 20200004-GU

Filed: August 7, 2020

**PETITION BY FLORIDA CITY GAS FOR APPROVAL OF
NGCCR FACTORS TO BE APPLIED DURING THE PERIOD
JANUARY 2021 THROUGH DECEMBER 2021**

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 during the projected period of January 1, 2021 through December 31, 2021.

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
Greg Munson
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1980
BKeating@gunster.com
GMunson@gunster.com

Christopher Wright
Senior Attorney
Florida Power & Light Company
700 Universe Blvd (JB/LAW)
Juno Beach, Florida 33408
(561) 691-7144
Christopher.Wright@fpl.com

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 natural 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, 2021 through December 31, 2021 (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 \$5,790,680. *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 2020 NGCCR Factor) for the period January 2019 through December 2019 is an under-recovery of \$454,477. FCG previously submitted Exhibit MB-1 in support of the final NGCCR true-up amount for the period of January 2019 through December 2019.

9. The Actual/Estimated True-Up (based on actual data for six months and projected data for six months) for the current period January 2020 through December 2020 is an under-recovery of \$291,790. *See* FCG Exhibit MB-2, Schedule C-3, page 4, line 8.

10. The total net true-up (inclusive of the final true-up for 2019, the Actual/Estimated True-Up for the current period, and interest) to be included in the 2021 NGCCR Factors is an

under-recovery of \$749,669. *See* FCG Exhibit MB-2, Schedule C-3, page 4, line 12. Applying this net true-up results in a total of \$6,540,349 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 148,009,039 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	\$0.26401
RS-100	\$0.14211
RS-600	\$0.08400
GS-1	\$0.05728
GS-6K	\$0.04197
GS-25K	\$0.04136
Gas Lights	\$0.06523
GS-120K	\$0.02629
GS-1250K	\$0.01863
GS-11M – GS-25M	\$0.01094

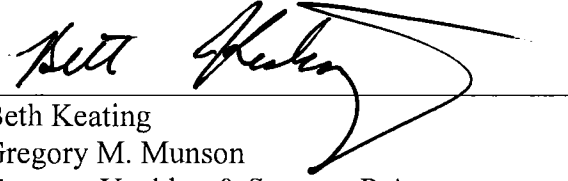
12. The Company also requests permission to apply the cost recovery factors to two additional rate classes. In the past, the NGCCR Factors have not been applied to Rate Class GS-1250K and Rate Class GS-11M GS-25M. However, as described in greater detail in the testimony of FCG Witness Miguel Bustos, the Company has over the course of the last two years increased its technical support of its industrial customers. This includes energy efficiency technology guidance and energy conservation program solutions, cost benefit analysis and on-site

visits. This activity is designed to increase the Company's knowledge of the customer's energy needs and potential natural gas solutions that improve the cost effective use of natural gas. Furthermore, all industrial customers are eligible to participate in the Commercial Rebate Programs and, recently, the Company has seen a heightened interest from its industrial customers in converting from non-natural gas energy sources to natural gas. As such, FCG proposes to implement the NGCCR Factors shown in the table above for these rate classes, which is consistent with FCG's cost allocation methodology approved by the Commission. FCG will provide notice to the applicable customers as described in the direct testimony of FCG witness Bustos.

13. The Company's proposed NGCCR Factors, final true-up amount for 2019, and Actual/Estimated True-Up amount for 2020 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.

WHEREFORE, Florida City Gas respectfully requests that the Commission enter its order approving the Company's proposed NGCCR Factors for application to bills for the identified rate classes beginning the first billing cycle in January 2021 through the last billing cycle in December 2021, and continuing until modified by subsequent order of this Commission.

Respectfully submitted this 7th day of August, 2020,

A handwritten signature in black ink, appearing to read "Beth Keating", is written over a horizontal line.

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


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. 20200004-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 7th day of August 2020:

Florida Public Utilities Company Mike Cassel 208 Wildlight Ave. Yulee FL 32097 mcassel@fpuc.com	MacFarlane Ferguson Law Firm Andrew Brown/Thomas R. Farrior P.O. Box 1531 Tampa, FL 33601-1531 trf@macfar.com AB@macfar.com
Gabriella Passidomo Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 gpassido@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/Karen Bramley P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com KLBramley@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 Kurt Howard Senior Director and General Manager 700 Universe Boulevard Juno Beach, FL 33408 Kurt.Howard@FPL.com	Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 Highway 27 South Sebring FL 33870 jmelendy@floridasbestgas.com


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

Attorney for Florida City Gas

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA CITY GAS

DIRECT TESTIMONY OF MIGUEL BUSTOS

(2021 Natural Gas Conservation Cost Recovery Factors)

DOCKET NO. 20200004-GU

August 7, 2020

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 17 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 to the bills issued during the period of January 1, 2021 through December
5 31, 2021 (the "Projection Period"). My testimony will present the revised projected
6 true-up for the current period January 1, 2020 through December 31, 2020 based
7 on actual data for six months and projected data for six months (the
8 "Actual/Estimated True-Up"). I will then 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 2021 through December 2021 is
2 \$6,540,349 as shown on Schedule C-1. This represents the projected costs of
3 \$5,790,680 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 \$749,669 for
5 2020 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 2021
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 2019 through December 2019. As
12 shown therein, the actual over/under recovery amount for the period January 2019
13 through December 2019, inclusive of interest, was an under-recovery of \$234,610.
14 Included in the NGCCR Factors for the current period January 2020 through
15 December 2020 was an estimated under-recovery of \$151,570. Thus, the final
16 NGCCR true-up amount for the period January 2019 through December 2019, net
17 of interest, adjustments and the estimated under-recovery included in the 2020
18 NGCCR Factors, was an under-recovery of \$454,477.

19

20 The Actual/Estimated True-Up amount for the current period January 2020 through
21 December 2020, based on six months actual data and six months projected data,
22 is an under-recovery of \$291,790 (Schedule C-3, page 4, line 8). The interest on
23 this under-recovery is \$3,402 (Schedule C-3, page 5).

1 The total estimated net true-up to be included in the 2021 NGCCR Factors,
2 inclusive of the final true-up for 2019, the Actual/Estimated True-Up, and interest,
3 is an under-recovery of \$749,669 (Schedule C-3, page 4, line 12). This estimated
4 true-up amount is included in the total \$6,540,349 of energy conservation
5 program costs projected for the period January 2021 through December 2021 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 2021 NGCCR Factors:

11	RS-1	\$0.26401
12	RS-100	\$0.14211
13	RS-600	\$0.08400
14	GS-1	\$0.05728
15	GS-6K	\$0.04197
16	GS-25K	\$0.04136
17	Gas Lights	\$0.06523
18	GS-120K	\$0.02629
19	GS-1250K	\$0.01863
20	GS-11M – GS-25M	\$0.01094

21 Exhibit MB-2, Schedule C-1, page 1 contains the Commission prescribed form that
22 details these NGCCR Factors proposed for the period January 1, 2021 through
23 December 31, 2021.

1 **Q. As part of this filing, is FCG proposing any changes to the rate classes that**
2 **will be charged the NGCCR for the projection period?**

3 A. Yes. Beginning January 1, 2021, FCG is proposing that the energy conservation
4 program costs projected for the period January 2021 through December 2021
5 also be recovered from the GS-1250k and GS11M - GS25M rate classes.
6 Previously, these rate classes have not been charged a NGCCR Factor because
7 the Company's energy conservation programs were not available to these rate
8 classes and/or these rate classes did not subscribe to any such programs in the
9 past. FCG has over the course of the last two years increased its technical
10 support of its industrial customers. This includes energy efficiency technology
11 guidance and energy conservation program solutions, cost benefit analysis and
12 on-site visits. This activity is designed to increase the Company's knowledge of
13 the customer's energy needs and potential natural gas solutions that improve the
14 cost effective use of natural gas.

15
16 Due to the increased industrial focus coupled with the fact that there are
17 numerous new industrial businesses relocating to Florida, the need to provide
18 added support is apparent. Additionally, FCG maintains very close contact with
19 its commercial and industrial customer base by rendering comprehensive
20 services. Apart from evaluating and processing Energy Conservation Appliance
21 Rebate applications, the Company focuses on providing Key Account Services.
22 These services include providing energy use and cost analysis followed by
23 recommendations to commercial and industrial customers as to how natural gas

1 may provide solutions that meet their energy efficiency and cost savings needs.
2 FCG performs regular site visits, maintains phone contact with facility and energy
3 managers, to include many third-party vendors who provide energy services to
4 large commercial and industrial customers.

5
6 FCG does not differentiate between the level of service it provides to industrial
7 customers that are currently being assessed the NGCCR factor and those who
8 are not. All industrial customers are eligible to participate in the Commercial
9 Rebate Programs and receive comprehensive energy conservation support.
10 Recently there has been more and more industrial customers expressing interest
11 in converting from non-natural gas energy sources to natural gas specifically the
12 desire to incorporate combined heat-power or large HVAC systems to offset
13 electric peak load. FCG intends to meet those market demands and requests for
14 support.

15
16 As a result, FCG proposes to implement the NGCCR Factors shown in the table
17 above for these rate classes, which is consistent with FCG's cost allocation
18 methodology approved by the Commission. This will help avoid cross
19 subsidization by other rate classes and reduce the potential for free riders that
20 benefit from but do not pay for the applicable energy conservation programs.
21 With the increased support and the opportunity for larger industrial customers to
22 participate in the Company's commercial rebate programs, it is the Company's
23 position that the NGCCR Factor should apply to all rates under the industrial
24 class.

1

2 Currently, there are a total of seven FCG customers in Rate Classes GS-1250K,
3 GS-11M, and GS-25M. Upon filing FCG's petition, key account managers for each
4 of these customers will directly contact the customers to notify them of FCG's
5 proposal to implement NGCCR factors for these rate classes beginning in 2021.

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

7 **A. Yes.**

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2021 THROUGH DECEMBER 2021
 ACTUAL/ESTIMATED PERIOD: JANUARY 2020 THROUGH DECEMBER 2020
 FINAL TRUE-UP PERIOD: JANUARY 2019 THROUGH DECEMBER 2019
 COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2019 THROUGH DECEMBER 2019

- 1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1) \$ 5,790,680
- 2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12) \$ 749,669
- 3. TOTAL (LINE 1 AND 2) \$ 6,540,349

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	40,708	3,027,406	5,861,910	\$ 1,386,240	\$ -	\$ 7,258,150	\$ 795,272	10.9570%	\$ 0.26269	1.00503	\$ 0.26401
RS-100	63,709	12,933,595	11,467,656	\$ 5,222,974	\$ -	\$ 16,690,629	\$ 1,828,784	10.9570%	\$ 0.14140	1.00503	\$ 0.14211
RS-600	1,166	1,186,274	279,787	\$ 625,155	\$ -	\$ 904,942	\$ 99,154	10.9570%	\$ 0.08358	1.00503	\$ 0.08400
GS-1	5,500	11,495,729	1,649,875	\$ 4,329,752	\$ -	\$ 5,979,626	\$ 655,185	10.9570%	\$ 0.05699	1.00503	\$ 0.05728
GS-6K	2,347	23,730,208	985,948	\$ 8,058,779	\$ -	\$ 9,044,727	\$ 991,026	10.9570%	\$ 0.04176	1.00503	\$ 0.04197
GS-25k	394	14,032,071	709,200	\$ 4,561,686	\$ -	\$ 5,270,886	\$ 577,528	10.9570%	\$ 0.04116	1.00503	\$ 0.04136
Gas Lights	15	21,649	-	\$ 12,824	\$ -	\$ 12,824	\$ 1,405	10.9570%	\$ 0.06491	1.00503	\$ 0.06523
GS-120K	98	39,175,445	351,145	\$ 7,591,809	\$ 1,410,836	\$ 9,353,791	\$ 1,024,890	10.9570%	\$ 0.02616	1.00503	\$ 0.02629
GS-1250K	6	13,803,930	36,000	\$ 1,292,186	\$ 1,006,637	\$ 2,334,823	\$ 255,825	10.9570%	\$ 0.01853	1.00503	\$ 0.01863
GS-11M - GS-25M*	1	28,602,732	12,000	\$ 2,288,219	\$ 540,709	\$ 2,840,928	\$ 311,279	10.9570%	\$ 0.01088	1.00503	\$ 0.01094
TOTAL	113,943	148,009,039	21,353,521	\$ 35,379,622	\$ 2,958,182	\$ 59,691,325	\$ 6,540,349				

*No current customer under GS-11M yet for forecasting

PROJECTED CONSERVATION PROGRAM COST BY COST CATEGORY
FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL NEW CONSTRUCTION	\$ -	\$ 241,024	\$ -	\$ -	\$ 882,000	\$ -	\$ 8,400	\$ -	\$ 1,131,424
2. MULTI-FAMILY RESIDENTIAL BLDG	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	-	264,835	-	-	482,400	-	8,400	-	\$ 755,635
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	-	40,009	-	-	1,200	-	-	-	\$ 41,209
7. RES WATER HEATER RETENTION	-	79,419	-	-	1,466,400	-	-	-	\$ 1,545,819
8. RES CUT AND CAP ALTERNATIVE	-	154,633	-	-	12,000	-	-	-	\$ 166,633
9. COMM/IND CONVERSION	-	333,716	-	-	7,200	-	43,200	-	\$ 384,116
10. COMM/IND ALTERNATIVE TECH.	-	-	-	-	-	-	6,000	-	\$ 6,000
11. COMMERCIAL APPLIANCE	-	-	-	-	546,000	-	-	-	\$ 546,000
12. COMMON COSTS	-	149,444	-	996,000	-	-	2,400	66,000	\$ 1,213,844
TOTAL ALL PROGRAMS	-	1,263,080	-	996,000	3,397,200	-	68,400	66,000	5,790,680
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 1,263,080	\$ -	\$ 996,000	\$ 3,397,200	\$ -	\$ 68,400	\$ 66,000	\$ 5,790,680

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2020 THROUGH DECEMBER 2020
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>
1. RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL (6 months)	\$ -	\$ 138,068	\$ -	\$ -	\$ 521,800	\$ -	\$ 4,043	\$ -	\$ 663,910
B. ESTIMATED (6 months)	-	128,000	-	-	360,000	-	4,200	-	490,200
C. TOTAL	-	264,068	-	-	881,800	-	8,243	-	1,154,110
2. MULTI-FAMILY RESIDENTIAL BLDG									
A. ACTUAL (6 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (6 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT									
A. ACTUAL (6 months)	-	119,188	-	-	247,835	-	4,032	-	371,055
B. ESTIMATED (6 months)	-	114,000	-	-	234,000	-	4,200	-	352,200
C. TOTAL	-	233,188	-	-	481,835	-	8,232	-	723,255
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)	-	20,968	-	-	525	-	-	-	21,493
B. ESTIMATED (6 months)	-	21,000	-	-	600	-	-	-	21,600
C. TOTAL	-	41,968	-	-	1,125	-	-	-	43,093
SUB-TOTAL	\$ -	\$ 539,224	\$ -	\$ -	\$ 1,364,760	\$ -	\$ 16,474	\$ -	\$ 1,920,458

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2020 THROUGH DECEMBER 2020
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 539,224	\$ -	\$ -	\$ 1,364,760	\$ -	\$ 16,474	\$ -	\$ 1,920,458
7. RES WATER HEATER RETENTION									
A. ACTUAL (6 months)	-	46,533	-	-	763,865	-	-	-	810,398
B. ESTIMATED (6 months)	-	45,000	-	-	702,000	-	-	-	747,000
C. TOTAL	-	91,533	-	-	1,465,865	-	-	-	1,557,398
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (6 months)	-	56,118	-	-	5,600	-	-	-	61,718
B. ESTIMATED (6 months)	-	54,000	-	-	5,400	-	-	-	59,400
C. TOTAL	-	110,118	-	-	11,000	-	-	-	121,118
9. COMM/IND CONVERSION									
A. ACTUAL (6 months)	-	182,325	-	-	3,224	-	21,513	-	207,062
B. ESTIMATED (6 months)	-	174,000	-	-	3,600	-	21,000	-	198,600
C. TOTAL	-	356,325	-	-	6,824	-	42,513	-	405,662
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (6 months)	-	-	-	-	-	-	2,853	-	2,853
B. ESTIMATED (6 months)	-	-	-	-	-	-	3,000	-	3,000
C. TOTAL	-	-	-	-	-	-	5,853	-	5,853
11. COMMERCIAL APPLIANCE									
A. ACTUAL (6 months)	-	-	-	-	306,009	-	-	-	306,009
B. ESTIMATED (6 months)	-	-	-	-	238,800	-	-	-	238,800
C. TOTAL	-	-	-	-	544,809	-	-	-	544,809
12. COMMON COSTS									
A. ACTUAL (6 months)	-	87,861	-	527,812	-	-	606	32,884	649,162
B. ESTIMATED (6 months)	-	84,000	-	468,000	-	-	660	33,000	585,660
C. TOTAL	-	171,861	-	995,812	-	-	1,266	65,884	1,234,822
TOTAL	\$ -	\$ 1,269,060	\$ -	\$ 995,812	\$ 3,393,258	\$ -	\$ 66,106	\$ 65,884	\$ 5,790,120

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2020 THROUGH DECEMBER 2020
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(513,338)	(497,060)	(508,433)	(450,764)	(395,830)	(414,867)	(457,491)	(450,167)	(453,679)	(466,770)	(493,225)	(548,274)	(5,649,900)
4. TOTAL REVENUES	(513,338)	(497,060)	(508,433)	(450,764)	(395,830)	(414,867)	(457,491)	(450,167)	(453,679)	(466,770)	(493,225)	(548,274)	(5,649,900)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE													
TO THIS PERIOD	12,631	12,631	12,631	12,631	12,631	12,631	12,631	12,631	12,631	12,631	12,631	12,631	151,570
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(500,707)	(484,430)	(495,803)	(438,133)	(383,199)	(402,236)	(444,860)	(437,536)	(441,049)	(454,139)	(480,594)	(535,644)	(5,498,330)
7. CONSERV. EXPS.	436,222	412,861	666,941	507,741	618,034	451,861	449,410	449,410	449,410	449,410	449,410	449,410	5,790,120
8. TRUE-UP THIS PERIOD	(64,486)	(71,569)	171,139	69,609	234,835	49,625	4,550	11,874	8,361	(4,729)	(31,184)	(86,234)	291,790
9. INTEREST PROV. THIS PERIOD	755	629	751	564	108	81	73	73	73	72	70	152	3,402
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	151,570	75,208	(8,363)	150,896	208,438	430,750	467,826	459,818	459,134	454,938	437,650	393,904	151,570
Deferred True-up	454,477	454,477	454,477	454,477	454,477	454,477	454,477	454,477	454,477	454,477	454,477	454,477	454,477
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	(12,631)	(12,631)	(12,631)	(12,631)	(12,631)	(12,631)	(12,631)	(12,631)	(12,631)	(12,631)	(12,631)	(12,631)	(151,570)
12. TOTAL NET TRUE-UP	529,685	446,114	605,373	662,915	885,227	922,303	914,295	913,611	909,415	892,127	848,381	749,669	749,669

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2020 THROUGH DECEMBER 2020
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

INTEREST PROVISION	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	TOTAL
1. BEGINNING TRUE-UP	\$ 606,047	\$ 529,685	\$ 446,114	\$ 605,373	\$ 662,915	\$ 885,227	\$ 922,303	\$ 914,295	\$ 913,611	\$ 909,415	\$ 892,127	\$ 848,381	
2. ENDING TRUE-UP BEFORE INTEREST	<u>528,930</u>	<u>445,485</u>	<u>604,622</u>	<u>662,351</u>	<u>885,119</u>	<u>922,221</u>	<u>914,222</u>	<u>913,538</u>	<u>909,342</u>	<u>892,055</u>	<u>848,312</u>	<u>749,517</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	1,134,977	975,170	1,050,736	1,267,724	1,548,034	1,807,449	1,836,524	1,827,834	1,822,954	1,801,470	1,740,439	1,597,898	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ <u>567,489</u>	\$ <u>487,585</u>	\$ <u>525,368</u>	\$ <u>633,862</u>	\$ <u>774,017</u>	\$ <u>903,724</u>	\$ <u>918,262</u>	\$ <u>913,917</u>	\$ <u>911,477</u>	\$ <u>900,735</u>	\$ <u>870,219</u>	\$ <u>798,949</u>	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	1.590%	1.590%	1.510%	1.910%	0.220%	0.110%	0.100%	0.100%	0.100%	0.100%	0.100%	0.100%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	<u>1.590%</u>	<u>1.510%</u>	<u>1.910%</u>	<u>0.220%</u>	<u>0.110%</u>	<u>0.100%</u>	<u>0.100%</u>	<u>0.100%</u>	<u>0.100%</u>	<u>0.100%</u>	<u>0.100%</u>	<u>0.350%</u>	
7. TOTAL (SUM LINES 5 & 6)	<u>3.180%</u>	<u>3.100%</u>	<u>3.420%</u>	<u>2.130%</u>	<u>0.330%</u>	<u>0.210%</u>	<u>0.200%</u>	<u>0.200%</u>	<u>0.200%</u>	<u>0.200%</u>	<u>0.200%</u>	<u>0.450%</u>	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	1.590%	1.550%	1.710%	1.065%	0.165%	0.105%	0.100%	0.100%	0.100%	0.100%	0.100%	0.225%	
9. MONTHLY AVG INTEREST RATE	0.133%	0.129%	0.143%	0.089%	0.014%	0.009%	0.008%	0.008%	0.008%	0.008%	0.008%	0.019%	
10. INTEREST PROVISION	\$ <u>755</u>	\$ <u>629</u>	\$ <u>751</u>	\$ <u>564</u>	\$ <u>108</u>	\$ <u>81</u>	\$ <u>73</u>	\$ <u>73</u>	\$ <u>73</u>	\$ <u>72</u>	\$ <u>70</u>	\$ <u>152</u>	\$ <u>3,402</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 2020 through June 2020

PROGRAM SUMMARY:

Program costs for the period were \$ 663,910

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 2020 through June 2020

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 2020 through June 2020

PROGRAM SUMMARY:

Program costs for the period were \$ 371,055

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
Water Heater
Range
Dryer

REPORTING PERIOD: January 2020 through June 2020

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 2020 through June 2020

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 2020 through June 2020

PROGRAM SUMMARY:

Program costs for the period were \$ 21,493

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 2020 through June 2020

PROGRAM SUMMARY:

Program costs for the period were \$ 810,398

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 2020 through June 2020

PROGRAM SUMMARY:

Program costs for the period were \$ 61,718

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 2020 through June 2020

PROGRAM SUMMARY:

Program costs for the period were \$ 207,062

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 2020 through June 2020

PROGRAM SUMMARY:

Program costs for the period were \$ 2,853

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 2020 through June 2020

PROGRAM SUMMARY:

Program costs for the period were \$ 306,009