



May 2, 2023

VIA: ELECTRONIC FILING

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

Re: Docket No. 20230004-GU; Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Attached for filing in the above docket is Peoples Gas System's Petition for approval of the true-up amount for the period January 1, 2022 through December 31, 2022.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'V. Ponder'.

Virginia L. Ponder

VLP/ne
Attachment

cc: All Parties of Record (w/attachment)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost)
recovery.)
_____)

Docket No. 20230004-GU
Submitted for Filing: May 2, 2023

**PETITION OF PEOPLES GAS SYSTEM, INC.
FOR APPROVAL OF TRUE-UP AMOUNT**

Peoples Gas System, Inc. (“Peoples”), through undersigned counsel and pursuant to Rule 25-17.015, Florida Administrative Code, petitions the Commission for approval of its end-of-period final energy conservation cost recovery true-up amount for the period January 1 through December 31, 2022, and in support thereof says:

1. The name and address of the Petitioner are:

Peoples Gas System, Inc.
P. O. Box 2562
Tampa, Florida 33601-2562

2. The persons to whom notices, orders, pleadings and correspondence in this docket should be addressed are:

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3. Peoples' calculation of the true-up amounts for which approval is hereby requested is consistent with the Commission's prescribed methodology. These calculations and the supporting documentation are contained in Exhibit CTM-1, consisting of the Energy Conservation Cost Recovery True-Up Reporting Forms, completed as directed by the Commission Staff. Exhibit CTM-1 is submitted for filing with this petition.

4. For the period January through December 2022, Peoples has calculated its end-of-period final true-up amount to be an over-recovery, including interest, of \$1,571,783.

WHEREFORE, Peoples Gas System, Inc. respectfully requests that the Commission grant this petition and approve the over-recovery of \$1,571,783 as the final true-up amount for the January through December 2022 period.

Respectfully submitted,



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Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing petition, together with copies of the Direct Testimony of Charles T. Morgan II and Exhibit CTM-1, have been furnished by electronic mail this 2nd day of May 2023, to the following:

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ATTORNEY



BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 20230004-GU
IN RE: NATURAL GAS CONSERVATION
COST RECOVERY CLAUSE

TESTIMONY AND EXHIBIT
OF
CHARLES T. MORGAN II

FILED: MAY 2, 2023

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED DIRECT TESTIMONY**

3 **OF**

4 **CHARLES T. MORGAN II**

5
6 **Q.** Please state your name, business address, by whom you are
7 employed, and in what capacity?

8
9 **A.** My name is Charles T. Morgan II. My business address is
10 702 North Franklin Street, Tampa, Florida 33602. I am
11 employed by Peoples Gas System, Inc. ("Peoples" or the
12 "company") as Senior Regulatory Analyst, in the
13 Regulatory Affairs Department.

14
15 **Q.** Please describe your educational and employment
16 background.

17
18 **A.** I graduated from Florida State University in 2009 with a
19 Bachelor of Science degree in Social Science. My work
20 experience includes six years of regulatory experience,
21 including three years with the Florida Public Service
22 Commission as a Public Utility Analyst and one year as a
23 Regulatory Analyst with Peoples before beginning my current
24 role in 2021. In my current position, I am responsible for
25 Peoples' Natural Gas Conservation Cost Recovery ("NGCCR")

1 Clause and other Conservation and demand-side management
2 ("DSM") activities.

3

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

5

6 **A.** The purpose of my testimony is to present and support for
7 Commission review and approval the company's actual DSM
8 program true-up costs incurred during the January through
9 December 2022 period.

10

11 **Q.** Did you prepare any exhibits in support of your testimony?

12

13 **A.** Yes. Exhibit No. CTM-1, entitled "Peoples Gas System, Inc.
14 Schedules Supporting Conservation Cost Recovery Factor,
15 Actual, January 2022-December 2022" was prepared under my
16 direction and supervision. This Exhibit includes Schedules
17 CT-1 through CT-3, and CT-6 which support the company's
18 actual and prudent DSM program-related true-up costs
19 incurred during the January through December 2022 period.

20

21 **Q.** What were Peoples' actual January through December 2022
22 conservation costs?

23

24 **A.** For the period January through December 2022, Peoples Gas
25 System incurred actual net conservation costs of

1 \$22,801,408.

2

3 **Q.** What is the final end of period net true-up for the
4 conservation clause for January through December 2022?

5

6 **A.** The final conservation clause end of period net true-up for
7 January through December 2022 is an over-recovery,
8 including interest, of \$1,571,783. This calculation is
9 detailed on Schedule CT-1, page 1 of 1.

10

11 **Q.** Please summarize how Peoples's actual program costs for
12 January through December 2022 period compare to the
13 actual/estimated costs presented in Docket No. 20220004-
14 GU?

15

16 **A.** Peoples' actual program costs for 2022 exceeded the
17 actual/estimated costs presented in Docket No. 20220004-
18 GU by \$1,608,728. The total program costs were projected
19 to be \$21,192,680, compared to the actual costs of
20 \$22,801,408.

21

22 **Q.** Please summarize the reasons for the actual expenses
23 exceeding projected expenses.

24

25 **A.** The variance was a result of actual expenses exceeding

1 projections in the following programs: Residential New
2 Construction, Commercial New Construction, and Commercial
3 Retention. The actual versus projected variance for each
4 program is detailed on Schedule CT-2, Page 3 of 3.

5
6 **Q.** Should Peoples' costs incurred during the January through
7 December 2022 period for energy conservation be approved by
8 the Commission?

9
10 **A.** Yes, the costs incurred were prudent and directly related
11 to the Commission's approved DSM programs and should be
12 approved.

13
14 **Q.** Please provide an overview of Peoples' efforts to launch
15 its new Commercial Walkthrough Energy Audit Program.

16
17 **A.** Peoples first issued a Request for Proposal ("RFP") for the
18 Commercial Walkthrough Audit in 2020. The responses
19 indicated that there was a preference to delay launching
20 the audit until public health concerns related to the COVID-
21 19 Pandemic had eased.

22
23 In June 2021, Peoples restarted the competitive bidding
24 process, with a goal to launch the audit that year. Peoples
25 reviewed its original RFP and made updates, including a

1 change to limit the participating area to the Tampa Bay
2 region. Peoples distributed a revised RFP to the same list
3 of vendors as the original RFP. While the company received
4 some communications from vendors, ultimately, none
5 submitted a responsive proposal.

6
7 In December 2021, Peoples began a nationwide search to
8 increase the distribution list for an RFP to be issued in
9 2022. The RFP was issued in May 2022 to nine prospective
10 vendors, and Peoples received four proposals. Peoples
11 evaluated the proposals, chose a vendor, and signed a
12 contract in December 2022.

13
14 In early 2023, Peoples began working in parallel with the
15 selected vendor on marketing materials, audit reports,
16 safety requirements, and other items related to the
17 Commercial Walkthrough Energy Audit. The first audits under
18 this new program are planned to take place in May. An update
19 on the Commercial Walkthrough Audit will be provided in
20 Peoples' upcoming NGCCR Projection Filing.

21
22 **Q.** Does that conclude your testimony?

23
24 **A.** Yes, it does.
25

ENERGY CONSERVATION COST RECOVERY

INDEX

SCHEDULE	TITLE	PAGE
CT-1	Adjusted Net True-up	7
CT-2	Analysis Of Energy Conservation Program Costs	8
CT-3	Adjustment Calculation Of True-Up And Interest Provision	11
CT-6	Program Progress Report	14

SCHEDULE CT-1

PEOPLES GAS SYSTEM
Energy Conservation
Adjusted Net True-up
For Months January 2022 through December 2022

End of Period Net True-up

Principle	1,531,906	
Interest	39,877	
Total		1,571,783

Less Projected True-up

Principle	3,507,334	
Interest	35,254	
Total		3,542,588

Adjusted Net True-up (1,970,805)

() Reflects Under-Recovery

SCHEDULE CT-2
 Page 1 of 3

PEOPLES GAS SYSTEM
 Analysis of Energy Conservation Program Costs
 Actual vs. Projected
 For Months January 2022 through December 2022

Description	Actual	Projected	Difference
1 Capital Investment	\$0	\$0	\$0
2 Payroll	\$589,895	\$595,122	(\$5,227)
3 Materials and Supplies	\$0	\$0	\$0
4 Advertising	\$1,182,772	\$1,247,175	(\$64,403)
5 Incentives	\$20,762,486	\$19,035,783	\$1,726,704
6 Outside Services	\$198,607	\$249,228	(\$50,621)
7 Vehicles	\$317	\$0	\$317
8 Other	\$67,331	\$65,372	\$1,959
9 Total Program Cost	\$22,801,408	\$21,192,680	\$1,608,729
10 Beginning of Period True-up	\$601,758	\$601,758	\$0
11 Amounts included in Base Rates	\$0	\$0	\$0
12 Conservation Adjustment Revenues	(\$24,935,073)	(\$25,301,773)	\$366,700
13 Regulatory Adjustments	\$0	\$0	\$0
14 True-up Before Interest	\$1,531,906	\$3,507,334	(\$1,975,428)
15 Interest Provision	\$39,877	\$35,254	\$4,623
16 End of Period True-up	\$1,571,783	\$3,542,588	(\$1,970,805)

PEOPLES GAS SYSTEM
Actual Conservation Program Costs Per Program
For Months January 2022 through December 2022

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL CUSTOMER ASSISTED AUDIT	-	-	-	-	-	125,000	-	-	125,000
PROGRAM 2: RESIDENTIAL NEW CONSTRUCTION	-	-	-	-	13,756,700	-	-	-	13,756,700
PROGRAM 3: RESIDENTIAL RETROFIT	-	-	-	-	552,432	-	-	-	552,432
PROGRAM 4: RESIDENTIAL RETENTION	-	-	-	-	3,209,747	-	-	-	3,209,747
PROGRAM 5: COMMERCIAL WALKTHROUGH AUDIT	-	-	-	-	-	-	-	-	-
PROGRAM 6: COMMERCIAL NEW CONSTRUCTION	-	(0)	-	-	929,121	-	-	-	929,121
PROGRAM 7: COMMERCIAL RETROFIT	-	-	-	-	1,045,837	-	-	-	1,045,837
PROGRAM 8: COMMERCIAL RETROFIT CHP	-	-	-	-	-	-	-	-	-
PROGRAM 9: COMMERCIAL RETROFIT ELECTRIC REPLACEMENT	-	-	-	-	-	-	-	-	-
PROGRAM 10: COMMERCIAL RETENTION	-	-	-	-	1,268,650	-	-	-	1,268,650
PROGRAM 11: CONSERVATION R&D	-	-	-	-	-	-	-	-	-
PROGRAM 12: COMMON COSTS	-	589,895	-	1,182,772	-	73,607	317	67,331	1,913,922
PROGRAM 13: OIL HEAT REPLACEMENT	-	-	-	-	-	-	-	-	-
TOTAL	-	589,895	-	1,182,772	20,762,486	198,607	317	67,331	22,801,408

6

PEOPLES GAS SYSTEM
Conservation Program Costs Per Program
Variance - Actual vs. Projected
For Months January 2022 through December 2022

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL CUSTOMER ASSISTED AUDIT	-	-	-	-	-	-	-	-	-
PROGRAM 2: RESIDENTIAL NEW CONSTRUCTION	-	-	-	-	1,811,229	-	-	-	1,811,229
PROGRAM 3: RESIDENTIAL RETROFIT	-	-	-	-	(130,207)	-	-	-	(130,207)
PROGRAM 4: RESIDENTIAL RETENTION	-	-	-	-	(618,046)	-	-	-	(618,046)
PROGRAM 5: COMMERCIAL WALKTHROUGH AUDIT	-	-	-	-	-	(10,009)	-	-	(10,009)
PROGRAM 6: COMMERCIAL NEW CONSTRUCTION	-	(0)	-	-	209,961	-	-	-	209,961
PROGRAM 7: COMMERCIAL RETROFIT	-	-	-	-	1,800	-	-	-	1,800
PROGRAM 8: COMMERCIAL RETROFIT CHP	-	-	-	-	-	-	-	-	-
PROGRAM 9: COMMERCIAL RETROFIT ELECTRIC REPLACEMENT	-	-	-	-	-	-	-	-	-
PROGRAM 10: COMMERCIAL RETENTION	-	-	-	-	451,966	-	-	-	451,966
PROGRAM 11: CONSERVATION R&D	-	-	-	-	-	-	-	-	-
PROGRAM 12: COMMON COSTS	-	(5,227)	-	(64,403)	-	(40,612)	317	1,959	(107,965)
PROGRAM 13: OIL HEAT REPLACEMENT	-	-	-	-	-	-	-	-	-
TOTAL	-	(5,227)	-	(64,403)	1,726,704	(50,621)	317	1,959	1,608,729

10

PEOPLES GAS SYSTEM
Energy Conservation Adjustment
Summary of Expenses by Program by Month
For Months January 2022 through December 2022

EXPENSES:	January	February	March	April	May	June	July	August	September	October	November	December	Total
PROGRAM 1: RESIDENTIAL CUSTOMER ASSISTED AUDIT	-	-	125,000	-	-	-	-	-	-	-	-	-	125,000
PROGRAM 2: RESIDENTIAL NEW CONSTRUCTION	1,112,350	750,575	1,785,850	572,200	436,325	337,050	2,216,225	1,127,500	1,565,960	1,323,850	1,031,600	1,497,225	13,756,700
PROGRAM 3: RESIDENTIAL RETROFIT	59,300	45,492	49,425	76,575	57,075	55,150	32,200	42,575	41,539	33,100	34,350	25,650	552,432
PROGRAM 4: RESIDENTIAL RETENTION	357,515	311,250	290,600	395,845	347,500	216,050	178,950	202,350	279,412	213,400	272,075	144,800	3,209,747
PROGRAM 5: COMMERCIAL WALKTHROUGH AUDIT	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6: COMMERCIAL NEW CONSTRUCTION	-	65,488	120,069	68,448	86,788	46,447	116,704	130,369	117,480	72,655	14,973	89,700	929,121
PROGRAM 7: COMMERCIAL RETROFIT	63,077	76,503	179,512	69,685	59,903	65,898	190,338	80,430	65,185	25,974	103,962	65,370	1,045,837
PROGRAM 8: COMMERCIAL RETROFIT CHP	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 9: COMMERCIAL RETROFIT ELECTRIC REPLACEMENT	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 10: COMMERCIAL RETENTION	19,500	99,250	101,000	143,500	63,500	14,000	109,000	52,000	56,500	103,500	446,000	60,900	1,268,650
PROGRAM 11: CONSERVATION R&D	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 12: COMMON COSTS	24,079	73,554	274,513	146,794	258,183	62,454	107,584	161,522	96,514	243,586	206,589	258,549	1,913,922
PROGRAM 13: OIL HEAT REPLACEMENT	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	1,635,820	1,422,114	2,925,968	1,473,048	1,309,274	797,050	2,951,000	1,796,746	2,222,579	2,016,065	2,109,549	2,142,195	22,801,408
LESS AMOUNT INCLUDED IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	1,635,820	1,422,114	2,925,968	1,473,048	1,309,274	797,050	2,951,000	1,796,746	2,222,579	2,016,065	2,109,549	2,142,195	22,801,408

PEOPLES GAS SYSTEM
Energy Conservation Adjustment
Calculation of True-up and Interest Provision
For Months January 2022 through December 2022

CONSERVATION REVENUES	January	February	March	April	May	June	July	August	September	October	November	December	Total
1. OTHER PROGRAM REVS	-	-	-	-	-	-	-	-	-	-	-	-	-
2. CONSERV. ADJ REVS	2,748,933	3,060,083	2,532,865	2,248,845	2,029,056	1,735,396	1,562,281	1,508,195	1,565,728	1,770,139	1,881,459	2,292,093	24,935,073
3. TOTAL REVENUES	2,748,933	3,060,083	2,532,865	2,248,845	2,029,056	1,735,396	1,562,281	1,508,195	1,565,728	1,770,139	1,881,459	2,292,093	24,935,073
4. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	(234,232)	(234,232)	(234,232)	(234,232)	(234,232)	(234,232)	(234,232)	(234,232)	(234,232)	(234,232)	(234,232)	(234,226)	(2,810,778)
5. CONSERVATION REVS APPLICABLE TO THE PERIOD	2,514,701	2,825,851	2,298,633	2,014,613	1,794,824	1,501,164	1,328,049	1,273,963	1,331,496	1,535,907	1,647,227	2,057,867	22,124,295
6. CONSERVATION EXPS (FROM CT-3, PAGE 1)	1,635,820	1,422,114	2,925,968	1,473,048	1,309,274	797,050	2,951,000	1,796,746	2,222,579	2,016,065	2,109,549	2,142,195	22,801,408
7. TRUE-UP THIS PERIOD	878,881	1,403,739	(627,336)	541,566	485,549	704,114	(1,622,951)	(522,783)	(891,084)	(480,159)	(462,322)	(84,328)	(677,114)
8. REGULATORY ADJUSTMENTS													-
9. INT. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	(4)	213	586	1,115	2,257	4,470	6,063	5,317	5,136	4,818	4,700	5,206	39,877
10. TRUE-UP & INT. PROV. BEGINNING OF MONTH	(601,758)	511,351	2,149,535	1,757,017	2,533,930	3,255,968	4,198,784	2,816,128	2,532,894	1,881,178	1,640,069	1,416,679	(601,758)
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	234,232	234,232	234,232	234,232	234,232	234,232	234,232	234,232	234,232	234,232	234,232	234,226	2,810,778
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	511,351	2,149,535	1,757,017	2,533,930	3,255,968	4,198,784	2,816,128	2,532,894	1,881,178	1,640,069	1,416,679	1,571,783	1,571,783
Expenses	1,635,820	1,422,114	2,925,968	1,473,048	1,309,274	797,050	2,951,000	1,796,746	2,222,579	2,016,065	2,109,549	2,142,195	22,801,408
Deferred Expenses	878,881	1,403,738	-	541,566	485,549	704,114	-	-	-	-	-	-	4,013,848
Revenues	(2,748,933)	(3,060,083)	(2,532,865)	(2,248,845)	(2,029,056)	(1,735,396)	(1,562,281)	(1,508,195)	(1,565,728)	(1,770,139)	(1,881,459)	(2,292,093)	(24,935,073)
Deferred Revenues	-	-	(627,335)	-	-	-	(1,622,951)	(522,783)	(891,084)	(480,159)	(462,322)	(84,328)	(4,690,962)

12

PEOPLES GAS SYSTEM
Energy Conservation Adjustment
Calculation of True-up and Interest Provision
For Months January 2022 through December 2022

	January	February	March	April	May	June	July	August	September	October	November	December	Total
INTEREST PROVISION													
1. BEGINNING TRUE-UP	(601,758)	511,351	2,149,535	1,757,017	2,533,930	3,255,968	4,198,784	2,816,128	2,532,894	1,881,178	1,640,069	1,416,679	
2. ENDING TRUE-UP BEFORE INTEREST	511,355	2,149,322	1,756,431	2,532,815	3,253,711	4,194,314	2,810,065	2,527,577	1,876,042	1,635,251	1,411,979	1,566,577	
3. TOTAL BEGINNING & ENDING TRUE-UP	<u>(90,403)</u>	<u>2,660,673</u>	<u>3,905,966</u>	<u>4,289,832</u>	<u>5,787,641</u>	<u>7,450,282</u>	<u>7,008,849</u>	<u>5,343,705</u>	<u>4,408,936</u>	<u>3,516,429</u>	<u>3,052,048</u>	<u>2,983,256</u>	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>(45,202)</u>	<u>1,330,337</u>	<u>1,952,983</u>	<u>2,144,916</u>	<u>2,893,821</u>	<u>3,725,141</u>	<u>3,504,425</u>	<u>2,671,853</u>	<u>2,204,468</u>	<u>1,758,215</u>	<u>1,526,024</u>	<u>1,491,628</u>	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	0.080%	0.140%	0.240%	0.490%	0.760%	1.120%	1.760%	2.400%	2.380%	3.200%	3.370%	4.010%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	0.140%	0.240%	0.490%	0.760%	1.120%	1.760%	2.400%	2.380%	3.200%	3.370%	4.010%	4.370%	
7. TOTAL (SUM LINES 5 & 6)	0.220%	0.380%	0.730%	1.250%	1.880%	2.880%	4.160%	4.780%	5.580%	6.570%	7.380%	8.380%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	0.110%	0.190%	0.365%	0.625%	0.940%	1.440%	2.080%	2.390%	2.790%	3.285%	3.690%	4.190%	
9. MONTHLY AVG INTEREST RATE	0.00900%	0.016%	0.030%	0.052%	0.078%	0.120%	0.173%	0.199%	0.233%	0.274%	0.308%	0.349%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9) (exp)/inc\	(4)	213	586	1,115	2,257	4,470	6,063	5,317	5,136	4,818	4,700	5,206	39,877

Program Description and Progress

Program Title: Residential Customer-Assisted Audit

Program Description: The Residential Customer-Assisted Energy Audit is designed to save energy by increasing residential customer awareness of natural gas energy use in personal residences. Savings are dependent on the customer implementing energy conservation measures and practice recommendations.

Program Accomplishments: January 1 to December 31, 2022

Number of customers participating: 12,834

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$125,000.

Program Progress Summary: Through this reporting period, 25,695 customers have participated.

Program Description and Progress

Program Title: Residential New Construction

Program Description: The Residential New Construction Program is designed to encourage builders and developers to construct new single family and multi-family homes with the installation of energy efficient natural gas appliances to help reduce the new customer’s energy consumption and conserve energy resources. The rebates offered to builders and developers under this program are designed to assist in defraying the added cost of gas piping and venting. The goal is to offer customer rebates for installing new energy efficient natural gas equipment.

Program Accomplishments: January 1 to December 31, 2022

Appliance	Rebate Amount	Participants
Current Rebate Amounts (Effective 8/1/2021)		
Natural Gas Cooktop/Range	\$300	10,558
Natural Gas Dryer	\$200	9,829
Natural Gas Heating	\$725	292
Natural Gas Energy Star Water Heater	\$650	67
Natural Gas Tank Water Heater	\$550	1,249
Natural Gas Tankless Water Heater	\$700	9,665
Former Rebate Amounts (Effective through July 31, 2021)		
Natural Gas Cooktop/Range	\$150	1,275
Natural Gas Dryer	\$100	1,281
Natural Gas Heating	\$500	0
Natural Gas Energy Star Water Heater	\$400	19
Natural Gas Tank Water Heater	\$350	509
Natural Gas Tankless Water Heater	\$550	742

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$13,756,700.

Program Progress Summary: Through this period, 205,337 customers have participated.

Program Description and Progress

Program Title: Residential Retrofit

Program Description: The Residential Retrofit Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing residences with the installation of energy efficient natural gas appliances to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy efficient natural gas equipment.

Program Accomplishments: January 1 to December 31, 2022

Appliance	Rebate Amount	Participants
Current Rebate Amounts (Effective 8/1/2021)		
Natural Gas Cooktop/Range	\$300	324
Natural Gas Dryer	\$200	206
Natural Gas Heating	\$725	3
Natural Gas Energy Star Water Heater	\$650	1
Natural Gas Tank Water Heater	\$550	35
Natural Gas Tankless Water Heater	\$700	520
Natural Gas Heat Pump	\$500/ton	14 tons
Former Rebate Amounts (Effective through July 31, 2021)		
Natural Gas Cooktop/Range	\$200	19
Natural Gas Dryer	\$150	4
Natural Gas High Efficiency Water Heater	\$550	0
Natural Gas Tank Water Heater	\$500	0
Natural Gas Tankless Water Heater	\$675	25

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$552,432.

Program Progress Summary: Through this period, 32,263 customers have participated.

Program Description and Progress

Program Title: Residential Retention

Program Description: The Residential Retention Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing residences with the installation of energy-efficient natural gas appliances to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas equipment.

Program Accomplishments: January 1 to December 31, 2022

Appliance	Rebate Amount	Participants
Current Rebate Amounts (Effective 8/1/2021)		
Natural Gas Cooktop/Range	\$100	409
Natural Gas Dryer	\$150	649
Natural Gas Heating	\$500	2,109
Natural Gas Energy Star Water Heater	\$400	50
Natural Gas Tank Water Heater	\$350	3,345
Natural Gas Tankless Water Heater	\$550	1,501
Former Rebate Amounts (Effective through July 31, 2021)		
Natural Gas Dryer	\$100	20

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$3,209,747.

Program Progress Summary: Through this reporting period, 225,665 customers have participated.

Program Description and Progress

Program Title: Oil Heat Replacement

Program Description: The Oil Heat Replacement Program is designed to encourage customers to make cost-effective improvements in existing residences by converting/replacing their existing oil heating system to more energy efficient natural gas heating. The goal is to offer customer rebates for installing energy efficient natural gas heating systems to assist in the defraying the initial higher cost associated with piping and venting for natural gas appliances.

Program Accomplishments: January 1 to December 31, 2022

Natural Gas Furnace (\$330): 0

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$0.

Program Progress Summary: Through this period, 377 customers have participated. This program was closed to new customers on December 31, 2021.

Program Description and Progress

Program Title: Commercial New Construction

Program Description: The Commercial New Construction Program is designed to encourage builders and developers to construct commercial and industrial facilities with the installation of energy efficient natural gas equipment to help reduce the new customer’s energy consumption and conserve energy resources. The rebates offered to builders and developers under this program are designed to assist in defraying the added cost of gas piping and venting. The goal is to offer customer rebates for installing new energy-efficient natural gas equipment.

Program Accomplishments: January 1 to December 31, 2022

Appliance	Rebate Amount	Participants
Current Rebate Amounts (Effective 8/1/2021)		
Natural Gas Cooktop/Range	\$2,000	39
Natural Gas Dryer	\$2,500	7
Natural Gas Fryer	\$3,500	20
Natural Gas Tank Water Heater	\$2,500	2
Natural Gas Tankless Water Heater	\$3,500	228
Former Rebate Amounts (Effective through July 31, 2021)		
Natural Gas Cooktop/Range	\$1,500	9
Natural Gas Dryer	\$1,500	0
Natural Gas Fryer	\$3,000	10
Natural Gas Tank Water Heater	\$1,500	2
Natural Gas Tankless Water Heater	\$2,000	5

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$929,121.

Program Progress Summary: Through this period, 1,066 customers have participated.

Program Description and Progress

Program Title: Commercial Retrofit

Program Description: The Commercial Retrofit Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial/industrial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas equipment.

Program Accomplishments: January 1 to December 31, 2022

Appliance	Rebate Amount	Participants
Current Rebate Amounts (Effective 8/1/2021)		
Natural Gas Cooktop/Range	\$2,000	5
Natural Gas Dryer	\$2,500	0
Natural Gas Fryer	\$3,500	12
Natural Gas Tank Water Heater	\$2,500	0
Natural Gas Tankless Water Heater	\$3,500	266
Natural Gas Heat Pump	\$500/ton	90 tons
Former Rebate Amounts (Effective through July 31, 2021)		
Natural Gas Cooktop/Range	\$1,500	0
Natural Gas Dryer	\$1,500	0
Natural Gas Fryer	\$3,000	2
Natural Gas Tank Water Heater	\$2,000	0
Natural Gas Tankless Water Heater	\$2,500	22

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$1,045,837.

Program Progress Summary: Through this period, 2,522 customers have participated.

Program Description and Progress

Program Title: Commercial Retrofit Combined Heat and Power

Program Description: The Commercial Retrofit Combined Heat and Power Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial/industrial facilities with the installation of energy efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas combined heat and power equipment to utilize waste heat to displace portions of natural gas usage for on-site heating, cooling, and water heating.

Program Accomplishments: January 1 to December 31, 2022

Number of customers participating: 0

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$0.

Program Progress Summary: Through this period, 7 customers have participated.

Program Description and Progress

Program Title: Commercial Electric Replacement

Program Description: This Commercial Retrofit Electric Replacement Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial/industrial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy efficient natural gas equipment.

Program Accomplishments: January 1 to December 31, 2022

Number of customers participating: 0

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$0.

Program Progress Summary: Through this period, 60,481 customers have participated.

Program Description and Progress

Program Title: Commercial Retention

Program Description: The Commercial Retention Program is designed to encourage current natural gas customers to make cost-effective improvements to existing commercial/industrial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas equipment.

Program Accomplishments: January 1 to December 31, 2022

Appliance	Rebate Amount	Participants
Current Rebate Amounts (Effective 8/1/2021)		
Natural Gas Cooktop/Range	\$1,500	28
Natural Gas Dryer	\$2,000	36
Natural Gas Fryer	\$3,000	250
Natural Gas Tank Water Heater	\$1,500	21
Natural Gas Tankless Water Heater	\$2,000	222
Former Rebate Amounts (Effective through July 31, 2021)		
Natural Gas Dryer	\$1,500	0

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$1,268,650.

Program Progress Summary: Through this reporting period, 2,723 customers have participated.

Program Description and Progress

Program Title: Conservation Research & Development

Program Description: This program is in response to Rule 25-17.001 (5) (f), F.A.C., that requires the aggressive pursuit of research, development and demonstration (“R&D”) projects “include both technological research, research on load behavior and related problems and market-related research.” Rule 25-17.001(5), F.A.C., requires aggressive R&D be “...an ongoing part of the practice of every well managed utility’s programs.” This program is also in support of FPSC Order No. 22176 dated November 14, 1989, requiring utilities to “...pursue research, development, and demonstration projects designed to promote energy efficiency and conservation.” R&D activity will be conducted on proposed measures to determine the impact to the company and its ratepayers and may occur at customer premises, Peoples Gas System, Inc.’s facilities or at independent test sites.

Program Accomplishments: January 1 to December 31, 2022

Number of customers participating: 0

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$0.

Program Progress Summary: Peoples continues to review possible programs to research.

Program Description and Progress

Program Title: Common Expenses

Program Description: These are expenses common to all programs.

Program Accomplishments: January 1 to December 31, 2022

N/A

Program Fiscal Expenditures: January 1 to December 31, 2022

Actual expenses were \$1,913,922.

Program Progress Summary: N/A