



May 13, 2026

VIA: ELECTRONIC FILING

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

Re: Undocketed 20260000-OT
Peoples Gas System, Inc.'s 2025 DSM Annual Report

Dear Mr. Teitzman:

Attached for filing in the above docket is People Gas System, Inc.'s responses to Staff's First Data Request (Nos. 1-9) dated April 15, 2026.

Please note that the response to Data Request 8(B) includes an Excel file in native format which will be delivered via hand delivery contemporaneously with this filing. The file is entitled "(BS 13) 2026 DSM Annual Report – Commercial New Construction Net Benefits.xls".

Thank you for your assistance in connection with this matter.

Sincerely,

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

Virginia Ponder

VLP/dk
Attachment

cc: Michael Barrett
Robert Clark
Bill McNulty
Devan Prewett
Bria Pope

PEOPLES GAS SYSTEM, INC.
2025 DSM ANNUAL REPORT
STAFF'S FIRST DATA REQUEST
BATES PAGE(S): 1
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1. Please populate the following table to provide information on the quantity of rebates processed in 2025 within the Residential New Construction program by appliance.

ANSWER:

Program Name	Quantity of Rebates Provided (appliances by type)								
	Dryer Stub	Dryer	Range / Cooktop	Tank Water Heater	Energy Star Tank Water Heater	Tankless Water Heater	Central Heating	Gas Space Conditioner	Total
Residential New Construction	11,018	1,057	11,700	2,542	7	10,053	3	0	36,380

PEOPLES GAS SYSTEM, INC.
2025 DSM ANNUAL REPORT
STAFF'S FIRST DATA REQUEST
BATES PAGE(S): 2
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2. Please populate the following table to provide information on the quantity of residential rebates in 2025 within the following programs by appliance.

ANSWER:

Program Name	Quantity of Rebates Provided (appliances by type)							Total
	Dryer	Range / Cooktop	Tank Water Heater	Energy Star Tank Water Heater	Tankless Water Heater	Central Heating	Gas Space Conditioner	
Residential Retrofit	199	163	16	0	206	3	0	587
Residential Retention	663	293	2,863	7	1,975	1,515	0	7,316

**PEOPLES GAS SYSTEM, INC.
2025 DSM ANNUAL REPORT
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BATES PAGE(S): 3-6
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3. Please populate the following tables to provide information on the quantity of rebates processed in 2025 within the Commercial Retention program by appliance.

ANSWER:

The Commission approved Peoples' 2025-2034 DSM Program Standards in Order No. PSC-2025-0054-PAA-EG, issued on February 12, 2025, in Docket No. 20240148-EG. All appliances installed after the Commission's Consummating Order, Order No. PSC-2025-0069-CO-EG, issued on March 10, 2025, are subject to the 2025-2034 DSM Program Standards. All appliances installed prior to this date were subject to Peoples' 2019-2028 DSM Program Standards.

A. Dryer Rebates:

The table below, a modified version of the table provided by staff, covers appliances installed prior to March 10, 2025.

Program Name	Quantity of Dryer Rebates Provided (by level)			
	Level 1 (\$0 to \$1,500)	Level 2 (\$1,501 to \$3,000)	Level 3 (\$3,001 and up)	Total
Commercial Retention	0	8	66	74

The table below covers appliances installed after March 10, 2025.

Program Name	Quantity of Dryer Rebates Provided
	Total (All rebates are up to \$2,000)
Commercial Retention	159

B. Range/Cooktop Rebates:

The table below, provided by staff, covers appliances installed prior to March 10, 2025.

Program Name	Quantity of Range/Cooktop Rebates Provided (by level)			
	Level 1 (\$0 to \$1,500)	Level 2 (\$1,501 to \$3,000)	Level 3 (\$3,001 and up)	Total (All Levels)
Commercial Retention	32	27	135	194

The table below covers appliances installed after March 10, 2025.

Program Name	Quantity of Cooking Equipment Rebates Provided (by level)		
	Level 1 (\$0 to \$3,000)	Level 3 (\$3,001 and up)	Total (All Levels)
Commercial Retention	34	63	97

C. Tankless Water Heater Rebates:

The table below, provided by staff, covers appliances installed prior to March 10, 2025.

Program Name	Quantity of Tankless Water Heater Rebates Provided (by level)			
	Level 1 (\$0 to \$1,500)	Level 2 (\$1,501 to \$3,000)	Level 3 (\$3,001 and up)	Total (All Levels)
Commercial Retention	1	18	125	144

The table below covers appliances installed after March 10, 2025.

Program Name	Quantity of Tankless Water Heater Rebates Provided (by level)		
	Level 2 (\$0 to \$3,000)	Level 3 (\$3,001 and up)	Total (All Levels)
Commercial Retention	7	262	269

D. Tank Water Heater Rebates:

The table below, provided by staff, covers appliances installed prior to March 10, 2025.

Program Name	Quantity of Tank Water Heater Rebates Provided (by level)			
	Level 1 (\$0 to \$1,500)	Level 2 (\$1,501 to \$3,000)	Level 3 (\$3,001 and up)	Total (All Levels)
Commercial Retention	0	1	7	8

The table below covers appliances installed after March 10, 2025.

Program Name	Quantity of Tank Water Heater Rebates Provided
	Total (All rebates are up to \$1,500)
Commercial Retention	11

E. Fryer Rebates:

The table below, provided by staff, covers appliances installed prior to March 10, 2025.

Program Name	Quantity of Fryer Rebates Provided (by level)					
	Level 1 (\$0 to \$1,000)	Level 2 (\$1,001 to \$2,000)	Level 3 (\$2,001 to \$3,000)	Level 4 (\$3,001 to \$4,000)	Level 5 (\$4,001 and up)	Total (All Levels)
Commercial Retention	0	6	14	289	284	593

The table below covers appliances installed after March 10, 2025.

Program Name	Quantity of Fryer Rebates Provided (by level)			
	Level 1 (50-55% Efficiency)	Level 2 (56-60% Efficiency)	Level 3 (Above 60% Efficiency)	Total (All Levels)
Commercial Retention	41	71	5	117

F. Residential Dryer

Program Name	Quantity of Residential Dryer Rebates Provided (by level)					Total (All Levels)
	Level 1 (\$0 to \$1,000)	Level 2 (\$1,001 to \$2,000)	Level 3 (\$2,001 to \$3,000)	Level 4 (\$3,001 to \$4,000)	Level 5 (\$4,001 and up)	
Commercial Retention	0	0	0	0	0	0

Peoples did not issue any rebates for residential dryers under the Commercial Retention Program in 2025.

PEOPLES GAS SYSTEM, INC.
2025 DSM ANNUAL REPORT
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4. Please populate the following table to provide information on the quantity of rebates processed in 2025 within the Commercial New Construction program by appliance.

ANSWER:

Program Name	Quantity of Rebates Provided (appliances by type)							Total
	Dryer	Residential Dryer	Range / Cooktop	Energy Star Tank Water Heater	Fryer	Tankless Water Heater	Gas Space Conditioner	
Commercial New Construction	41	0	262	7	300	488	0	1,098

**PEOPLES GAS SYSTEM, INC.
2025 DSM ANNUAL REPORT
STAFF'S FIRST DATA REQUEST
BATES PAGE(S): 8
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5. Please populate the following table to provide information on the quantity of rebates processed in 2025 within the Commercial Retrofit program by appliance.

ANSWER:

Program Name	Quantity of Rebates Provided (appliances by type)							Total
	Dryer	Residential Dryer	Range / Cooktop	Tank Water Heater	Fryer	Tankless Water Heater	Gas Space Conditioner	
Commercial Retrofit	0	0	12	0	29	130	0	171

- 6.** On page 3 under “Conservation Research and Development Summary,” the text references the evaluation of potential conservation research and development projects. As of the 1st quarter of 2026 (March 31, 2026, or the latest date that information is available), please state the progress made in the evaluation process and the potential projects being evaluated.

ANSWER:

Peoples did not evaluate any potential Conservation Research & Development projects in the first quarter of 2026.

7. On page 7 of the report, the information provided for the Residential Retention program shows actual participation in 2025 was 7,316, which was 1,266 less than the quantity projected for this program (8,582). Please identify the significant factors that led to the shortfall of enrollments, compared to the prior year.

ANSWER:

The Residential Retention Program primarily fell short of projections due to fewer than projected installations of natural gas furnaces and tank water heaters. The small number of furnace installations aligns with the overall downward trend in natural gas furnace installations observed in other DSM programs. This decline may be due to a general decrease in heating demand in Florida, coupled with the higher installation costs for natural gas furnaces compared to electric heaters.

The downward trend in rebates for tank water heaters is likely due to more customers choosing tankless water heaters. Tankless models have a significantly longer lifespan than a tank water heater and provide additional energy savings over their useful life. Since 2020, over 70 percent of water heaters installed through the Residential New Construction Program are tankless, and over 90 percent of those installed in the Residential Retrofit Program are also tankless. Additionally, the company pays rebates on nearly 2,000 tankless water heaters each year under the Residential Retention Program, where customers are largely upgrading from a tank water heater. Thus, the share of Peoples' customers with tank water heaters continues to get smaller.

Overall, this program primarily relies on the need for customers to replace their natural gas appliances. Fewer customers may have needed to replace appliances in 2025 or more customers may have opted to repair existing appliances.

8. Please answer the following questions in reference to the PGS Commercial New Construction Program.
- A. Please explain why the actual number of participants (1,098) exceeded the projected number of participants (387) while also exceeding the number of eligible customers (904) in 2025.
 - B. Please provide an Excel spreadsheet showing the Net Benefit calculation for the Commercial New Construction Program in the 2025 Report.

ANSWER:

- A. The actual number of participants for 2025 exceeded the projected number of participants due to the timing of the projections developed for Peoples' 2025-2034 DSM Plan. When Peoples developed its DSM Plan projections in early 2024, the company predominantly relied on the historical actuals for this program for the years 2019-2023. Please see the table below showing actual participants for 2019-2025.

Commercial New Construction		
Year	New Customers (Eligible Participants)	Participants (Appliances)
2019	1,521	130
2020	1,356	85
2021	1,217	87
2022	1,167	322
2023	1,453	776
2025 (Projection)	665	387
2025 (Actual)	904	1,098

As shown in the table, participation in this program more than doubled from 2021 to 2022, and then more than doubled again from 2022 to 2023. At the time of its DSM Plan projection, Peoples projected participation closer to 2022 levels, since it was not known at the time how much of this growth was anomalous, and because the company projected fewer commercial customer additions than it had seen over the 2019-2023 period going forward. As Peoples stated in its 2025 DSM Annual Report, filed on March 2, 2026, an increase in third parties that complete rebate applications as a service to businesses is increasing the total number of rebate applications in this program.

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2025 DSM ANNUAL REPORT
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The actual number of participants exceeded the number of eligible customers because many new customers installed more than one appliance. The number of participants (1,098) represents the total number of appliances installed, while the number of eligible customers (904) represents the number of new commercial customers on Peoples' system in 2025.

- B.** The Excel spreadsheet showing the Net Benefit calculation for the Commercial New Construction Program is being filed in native format on USB via hand delivery and is entitled "(BS 13) 2026 DSM Annual Report - Commercial New Construction Net Benefits.xls". The Net Benefits for measures installed in 2025 are calculated in Cell K45 of the tab labeled "C New Cons". The Net Benefits for each appliance for the life of the program in Cell V33, which is an input to the calculation, is taken from Column 12 of the Gas Rate Impact Measure Test Form for the Commercial New Construction Program, found in Exhibit A, Bates Page 34, of Peoples' Petition for Approval of Demand Side Management Plan, filed October 28, 2024.

9. Describe the marketing strategy and methods used by the utility in 2025 to promote its DSM plan offerings.
- A. Describe what efforts the utility made regarding market research for promoting its DSM plan offerings. For example, has the utility conducted or contracted with an outside entity to study customer behaviors, or differentiate customers to gain insights into targeting its marketing strategy for certain or all programs? Provide a detailed response.
 - B. Describe the use of social media platforms (e.g., Facebook, Instagram, X, etc.) as a part of marketing and outreach efforts.
 - C. Describe the use of other media platforms (e.g., radio and/or television ads, newspapers, billboards, etc.) as a part of marketing and outreach efforts.
 - D. Describe any changes in marketing strategy or methods that are planned for roll-out in calendar year 2026. If applicable, discuss the reason(s) for the changes, including whether the changes are intended to address participation levels that differed from program projections.

ANSWER:

In 2025, Peoples used a data-driven media strategy to promote its DSM offerings, maximizing reach, targeting precision, and cost efficiency among existing customers across its service territory. A coordinated multi-channel approach balanced awareness and engagement for residential energy conservation rebate programs. The media mix included broadcast television, streaming (Disney+/Hulu), radio, Google ads, email marketing, social media, digital advertising, sports affinity marketing, and owned customer-facing channels (bill and website).

Business customer rebate programs were promoted through regional and statewide business publications, digital and social media advertising, and owned channels. New residential construction rebates (positioned specifically for builders and developers) were marketed through owned channels, social media, and outreach via local builder associations.

Residential online and commercial in-person energy audits were marketed separately to align with customer readiness and encourage immediate action. Residential audits were primarily promoted through Google ads targeting customers and non-customers within service areas. Commercial audits utilized

similar channels as business customer rebates, supplemented by a third-party weekly newsletter distributed to large-volume commercial customers.

Peoples prioritizes online digital and social channels guided by zip code-level data, demographics, performance metrics, and cost efficiency, helping to balance the allocation of resources and DSM program awareness and participation.

A. In 2020, Peoples engaged a third-party research firm to conduct a customer segmentation study. This study classified customers into distinct groups based on shared characteristics, needs, and likelihood to participate in DSM programs, using a combination of usage data, demographics, behavioral indicators, and research insights. The resulting segments continue to be used to tailor messaging, refine value propositions, and optimize channel selection.

In 2021, Peoples' customer research team completed a Residential Customer Sentiment Study with over 4,000 customers. The study evaluated customer perceptions of natural gas, key decision drivers, and awareness of energy conservation programs. These findings continue to inform program positioning and outreach strategies.

Peoples maintains an active voluntary residential customer research panel, which is engaged monthly to test program awareness, evaluate new messaging, and validate new creative executions prior to broader campaign deployment. Those insights are used year-round. In addition, Peoples leverages internal data, customer feedback, and segmentation analysis to target high-potential customers and tailor outreach. These combined efforts help to ensure DSM marketing activities are data-driven, customer-informed, and continuously optimized.

B. Peoples uses social media platforms year-round to support customer engagement and DSM program awareness. Our social media strategy focuses on delivering value-driven content to encourage engagement with our channels.

Content is developed around customer interests (e.g., cooking and sports) to build relevance, with DSM messaging incorporated through organic posts and targeted sponsored content. Platform-specific strategies are applied to align with audience preferences and maximize engagement. Paid placement strategies help to amplify content with targeted audiences. The paid strategy has increased content engagement and traffic to Peoples' website.

Peoples' social media presence includes LinkedIn, Instagram, Facebook, X (Twitter), and Threads. These channels support both broad awareness of Peoples' conservation programs and targeted DSM outreach.

C. In 2025, the company used other media platforms in executing its media strategy, which was designed to maximize reach while driving awareness and participation, including the following:

- **Broadcast Television:** We leveraged a mix of 30-second and 15-second commercials to maximize reach and efficiency. Strategic placement of 15-second ads at the start and end of commercial breaks boosted overall message impressions.
- **Sports Affinity Marketing:** To maximize resources and audience reach, we created original co-branded content with multiple professional and college teams that ran on team-owned media channels as well as those owned by Peoples. These assets included unique cooking videos, testimonials from local restaurant owners who use natural gas in their businesses, rebate messaging at Jacksonville Jaguars games and other special events within EverBank Stadium at concession stands that utilize natural gas, and special rebate card placement in thousands of Thanksgiving meal packages provided to families in need through Feeding Tampa Bay and the Tampa Bay Buccaneers and Jacksonville Jaguars.
- To further take advantage of team-owned media, Peoples also ran campaign advertising on the team's channels to open new audiences the company might not otherwise reach.
- **Streaming Video:** Extended reach in targeted service areas (pinpointing specific zip codes) to cord-cutting households.
- **Radio:** Reinforced campaign messaging and increased frequency in key markets.
- **Google Ads:** Provided continuous, cost-efficient exposure across service areas and directed customers to DSM program information. Retargeting strategies were used to place messages in front of users who have visited Peoples web pages and served rebate program information.
- **Targeted Email Campaigns:** Delivered through partnerships with sports organizations and business publications to reach residential customers and business owners with program education, rebates, and energy-saving tools.
- **Digital Advertising:** Digital ads were placed on websites and digital apps with the highest reach and frequency; digital advertising was also used

exclusively to promote the residential energy audit, taking advantage of the ability to immediately convert a user with a link directly to the online audit tool.

D. For calendar year 2026, Peoples plans to implement targeted refinements to its marketing strategy to continue prioritizing customer outreach and better align with current economic conditions. In response, Peoples will continue identifying targeted and data-driven outreach methodologies in 2026, including:

- Expanded use of retargeting strategies to re-engage customers who have previously demonstrated interest in program participation but have not completed the process.
- Refined customer segmentation to better align marketing efforts with customers more likely to undertake home renovations and equipment replacement under current economic conditions.
- Redeveloping a retail store outreach program with local appliance store chains to provide rebate information directly at the point of sale.

These actions are intended to improve participation, increase marketing efficiency, and maintain responsiveness to evolving market conditions.